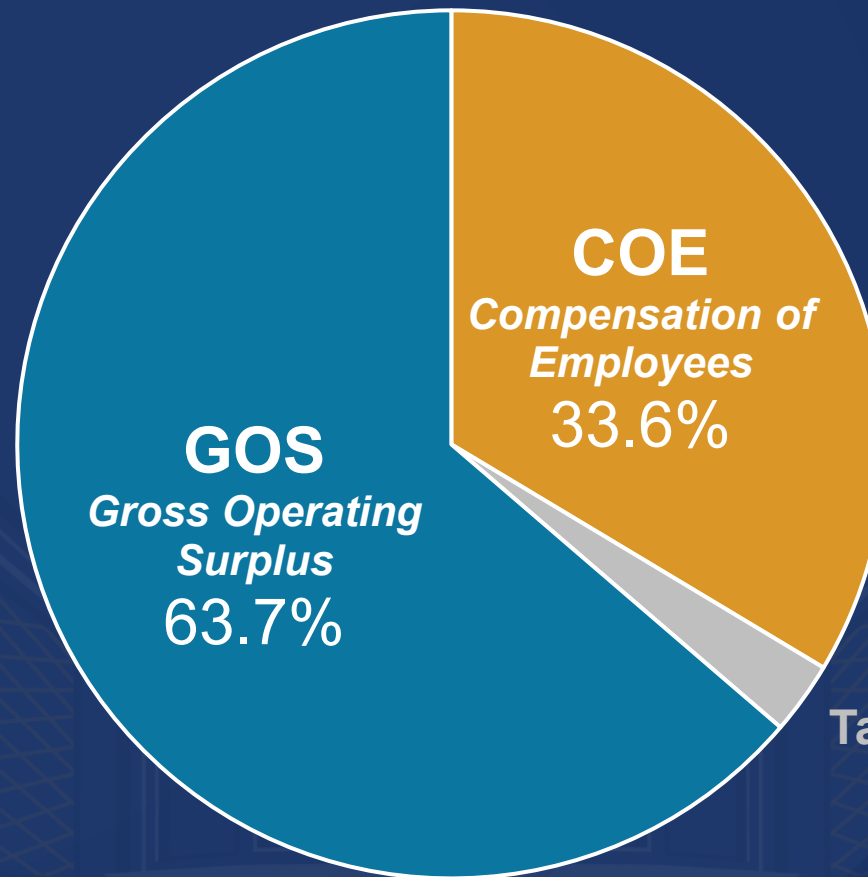


Labour income is **one-third** of GDP

GDP by Income Approach
% of nominal GDP as at 2024

Firms

- Business profits
- Income of self-employed individuals
- Depreciation of buildings, machinery, equipment



Workers

- Salaries & wages
- Bonuses & allowances
- Benefits (e.g. food, accommodation)
- Employer's social contributions

Source: Department of Statistics Malaysia

Malaysia's labour income share remains **low**



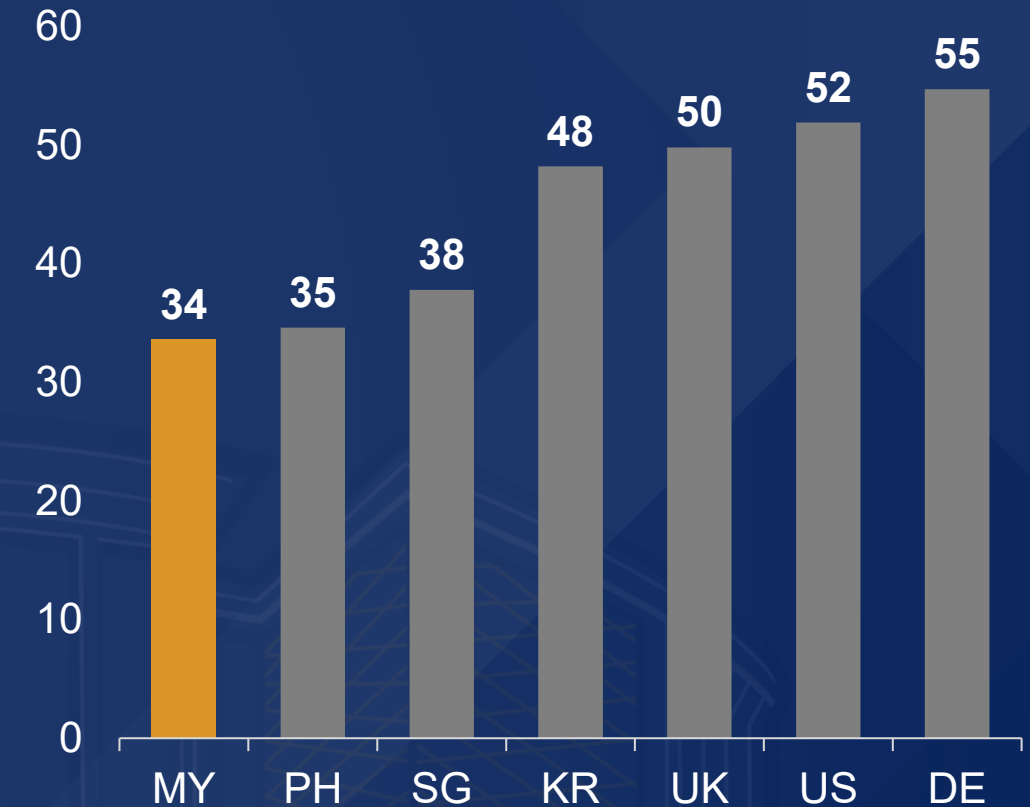
Malaysia

% share of COE to nominal GDP



Cross-Country Comparison (2024)

% share of COE to nominal GDP

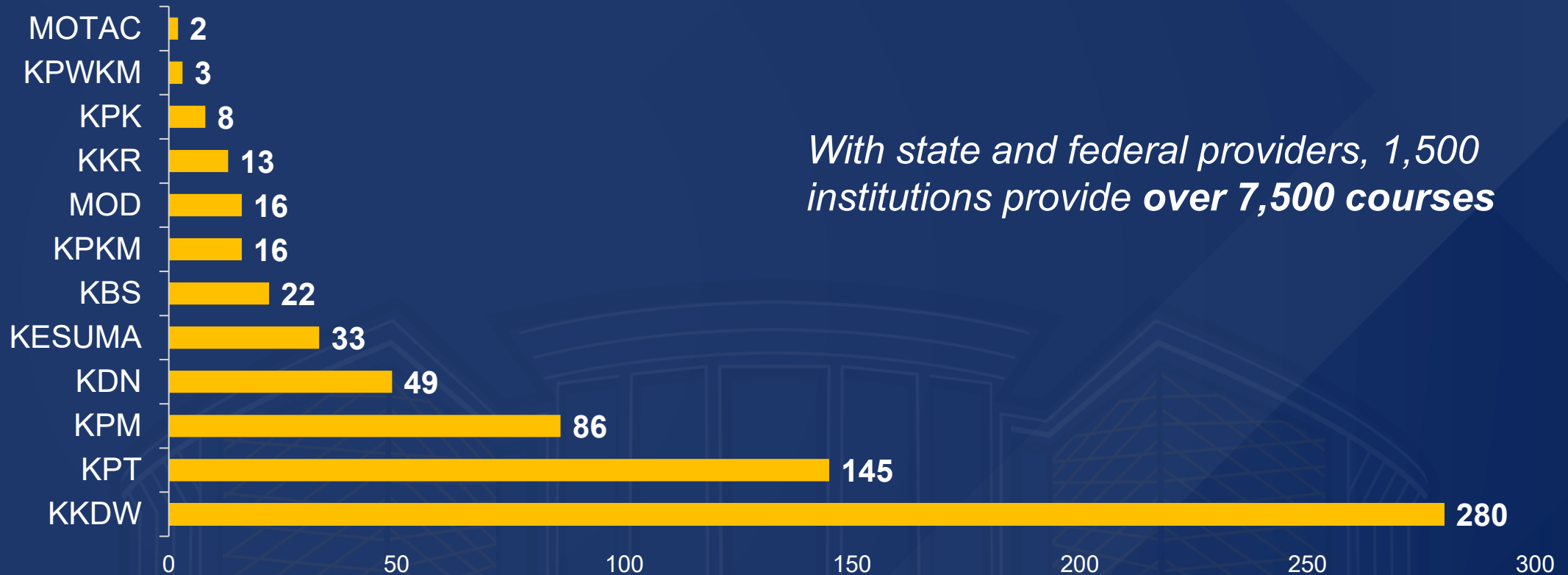


Source: Department of Statistics Malaysia, Asian Productivity Outlook (APO) Databook 2025

TVET: Broad reach, but across multiple ministries



Distribution of TVET Institutions by Federal Ministries
Number of institutions

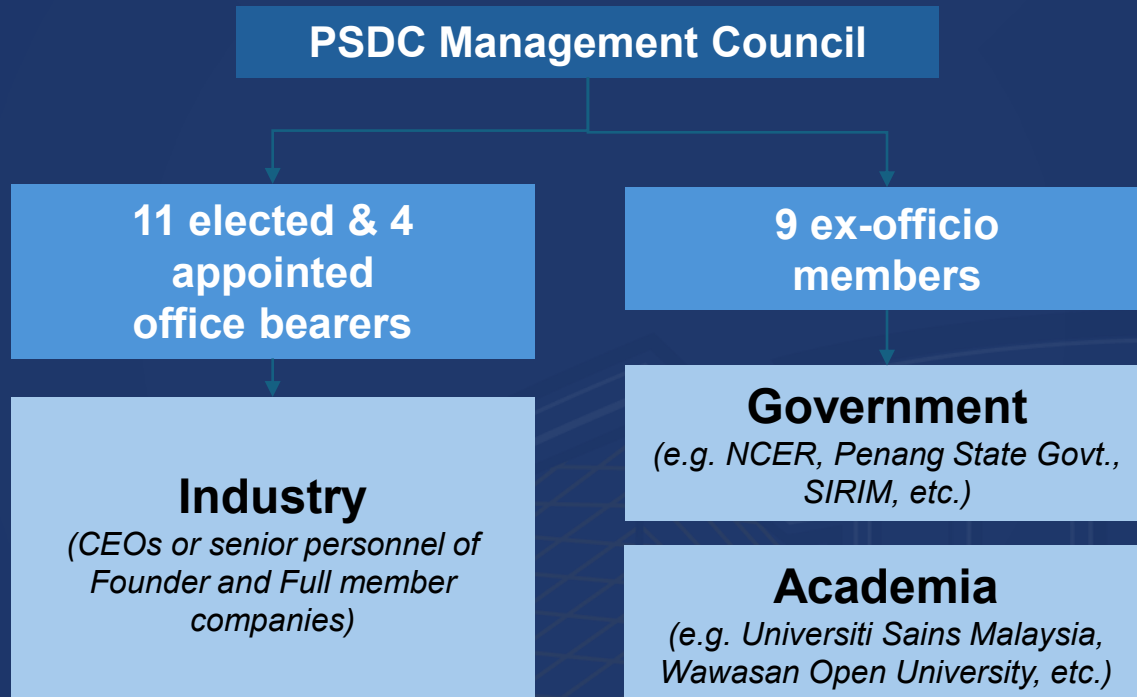


Source: Sekretariat Majlis TVET Negara (Prime Minister's Office)

Successful model: Penang Skills Development Centre



PSDC: An industry-led talent development institution that **leverages a tripartite partnership**, equipping the workforce with industry-relevant technical, digital, and leadership skills.



Government: Provide accreditation to training programmes, and funding for selected PSDC initiatives



Industry: Identify skills and learning outcomes to guide content of training modules and workshops. Contributes to PSDC funding through membership fees



Academia: Collaborate with industry to reskill and train prospective workers for subsequent hiring