

**STRATEGIES IN MINIMIZING DEPENDENCY  
ON FOREIGN WORKERS IN MALAYSIAN  
CONSTRUCTION INDUSTRY**

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**BACHELOR OF SCIENCE (HONS) IN QUANTITY SURVEYING**

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**BY**

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This report is submitted as a partial requirement for the degree  
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**(JAN, 2021)**

## **DECLARATION BY THE CANDIDATE**

I Lim Cai Xuan, I18016223 confirm that the work in this report is my own work and the appropriate credit has been given where reference have been made to the work of other researchers.

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## ABSTRACT

The Malaysian construction industry contributes significantly to the country's economic growth as well as the development of social and economic buildings. Majority of the construction companies prefer to hire foreign labour due to the easy employment and low wages rate as well as the unpleasant working environment (3D - Dirty, Dangerous, and Difficult) that local workers find undesirable. As a result, the number of migrant workers has gradually increased. Indeed, the influx of migrant workers has undeniably caused negative impacts to human health, such as malaria and COVID-19, as well as political and social problems. These shortcomings have influenced our country's economic development. As a result, this paper intends to determine the strategies in minimizing the dependency on foreign labours in the Malaysian construction industry by identifying the factors as well as the negative impact induced by foreign labours. This study focuses only on the general opinions of the registered construction firms in Kuala Lumpur. The opinions of respondents were gathered from questionnaire surveys and phone interviews to provide a more comprehensive analysis of the current situation of reliance level on foreign labours. It was found that one of the negative impacts that agreed by most of the respondents is affecting the level of productivity due to insufficient expertise of foreign labours. According to the results, all the strategies listed are viable, but stronger agreements are seen on the allocation of incentive to import work-saving technologies with the aid of the Government. Also, the results obtained had certain validity which makes strategies workable, as the responses were received from the registered contractors who act as employers to foreign workers. This research enhances the direction for relevant parties such as the Government, CIDB, and IBS-related firms to adopt potential strategies to reduce the dependence on foreign labour. The professional boards have to restructure awareness campaigns into the form of comprehensive awareness programmes and exhibits of best practice for IBS to be recognized and widely used.

**Keywords:** foreign labours; dependency factors; negative impacts; strategies; Malaysian construction industry

## TABLE OF CONTENTS

<b>DECLARATION BY THE CANDIDATE</b> .....	<b>i</b>
<b>ACKNOWLEDGEMENT</b> .....	<b>ii</b>
<b>ABSTRACT</b> .....	<b>iii</b>
<b>LIST OF FIGURES</b> .....	<b>viii</b>
<b>LIST OF TABLES</b> .....	<b>x</b>
<b>LIST OF ABBREVIATION</b> .....	<b>xi</b>
<b>LIST OF APPENDICES</b> .....	<b>xi</b>
<b>CHAPTER 1</b> .....	<b>1</b>
<b>INTRODUCTION</b> .....	<b>1</b>
1.1 Introduction to the Topic .....	1
1.2 Problem Statement.....	2
1.3 Aim .....	4
1.4 Objectives & Research Questions .....	4
1.4.1 Objectives.....	4
1.4.2 Research Questions .....	5
1.5 Significant of Study .....	5
1.6 Scope and Limitation of Study .....	6
1.7 Chapters Outline .....	6
<b>CHAPTER 2</b> .....	<b>8</b>
<b>LITERATURE REVIEW</b> .....	<b>8</b>
2.1 Introduction .....	8
2.2 Defining Foreign Labour .....	8
2.3 Types of Construction Labours .....	9

2.3.1	General Construction Labours .....	9
2.3.2	Semi-skilled Construction Labours .....	9
2.3.3	Skilled Construction Labours.....	10
2.4	Factors of the Malaysian Construction Industry Dependency on Foreign Labours .....	10
2.4.1	Availability of Foreign Workforce in Construction Sector.....	11
2.4.2	Low Wages Rate .....	14
2.4.3	Education Level.....	15
2.4.4	3D's Working Environment .....	16
2.5	The Negative Impact of Employing Foreign Workers .....	16
2.5.1	Social Impact.....	16
2.5.2	Quality of Works .....	17
2.5.3	Productivity .....	18
2.5.4	Communication .....	18
2.5.5	Increases the Unemployment Rate of Local Workers.....	18
2.6	Strategies in Minimizing the Dependency on Foreign Labours .....	19
2.6.1	Industrialized Building System (IBS) .....	19
2.6.2	Enhancing Working Environment and Condition.....	20
2.6.3	Salary Increment .....	21
2.6.4	Improving Governance Structures .....	21
2.6.5	Strengthen the Regulations for the Recruitment of Foreign Labours .....	22
2.7	Summary.....	22
<b>CHAPTER 3 .....</b>		<b>24</b>
<b>RESEARCH METHODOLOGY.....</b>		<b>24</b>
3.1	Introduction .....	24



3.2	Types of Data Sources .....	24
3.2.1	Primary Data Sources .....	25
3.2.2	Secondary Data Sources .....	25
3.3	The 8 Steps of Research Process .....	26
3.4	Techniques for Data Collection .....	28
3.4.1	Secondary Data Collection Method .....	28
3.4.2	Primary Data Collection Method .....	29
3.5	Develop an Instrumentation Plan .....	30
3.5.1	Questionnaire Survey .....	31
3.5.2	Phone Interview .....	34
3.6	Pre-Test .....	35
3.7	Population and Sampling .....	35
3.8	Data Analysis Techniques .....	38
3.8.1	Descriptive Analysis .....	39
3.8.2	Content Analysis .....	40
3.9	Conclusion .....	40
<b>CHAPTER 4</b>	<b>.....</b>	<b>42</b>
<b>DATA ANALYSIS &amp; FINDINGS</b>	<b>.....</b>	<b>42</b>
4.1	Introduction .....	42
4.2	Actual Fieldwork .....	42
4.3	Preparation and Screening Data .....	43
4.4	Demographic Data .....	44
4.4.1	Respondent's Background .....	44
4.4.2	Company's Background .....	46

4.5	Data Analysis.....	49
4.5.1	Descriptive Data Analysis.....	50
4.5.1.1	Descriptive analysis for Objective 1.....	50
4.5.1.2	Descriptive Analysis for Objective 2.....	57
4.5.1.3	Descriptive Analysis for Objective 3.....	60
4.5.2	Qualitative Data Analysis.....	65
4.5.2.1	Interviewees Profiles with Company’s Background.....	66
4.5.2.2	Responses from Interviewees.....	67
4.6	Summary.....	70
<b>CHAPTER 5 .....</b>		<b>72</b>
<b>CONCLUSION &amp; RECOMMENDATION.....</b>		<b>72</b>
5.1	Introduction .....	72
5.2	Summarise of the Findings.....	72
5.2.1	The Overall Opinion of the Construction Players on the Factors of Dependency on Foreign Labours in Malaysian Construction Industry.....	72
5.2.1	The Overall Opinion of the Construction Players on the Negative Impact of Employing Foreign Labours.....	73
5.2.3	The Overall Opinion of the Construction Players on the Strategies in Minimizing Dependency on Foreign Labours .....	74
5.3	Research Limitations .....	74
5.4	Recommendation for Further Research.....	75
5.5	Summary.....	76
<b>LIST OF REFERENCES .....</b>		<b>77</b>

## LIST OF FIGURES

Figure 1.1: Numbers of Foreign Labours employed in Malaysia by Sector (2000-2015).....	2
Figure 2.1: Factors that why employers interested in hiring foreign workers .....	11
Figure 2.2: The number of foreign labours being employed in construction industry.....	12
Figure 2.3: Composition of Migrant Workers Based on Nationality in Private Construction Project .....	13
Figure 2.4: Job Creation according to Skill Level .....	17
Figure 3.1: The 8 Steps of Research Process .....	26
Figure 3.2: Various Types of Questionnaires.....	30
Figure 3.3: Example of Lookup Table Question.....	32
Figure 3.4: The example of Likert Scale Question .....	33
Figure 3.5: The Types of Sampling Techniques .....	36
Figure 3.6: The total number of registered contractor firms from CIMS websites.....	37
Figure 3.7: The Different Type of Data Analysis .....	38
Figure 4.1: Data of the Respondent's Profession.....	44
Figure 4.2: Data on the Highest Education Level .....	44
Figure 4.3: Data of the Years of Working Experiences had in the Construction Industry .....	45
Figure 4.4: Data of the Company's Age .....	46
Figure 4.5: Data on the Company's main business.....	46
Figure 4.6: Data of Company had registered with CIDB.....	47
Figure 4.7: Data of the Company's Grade of registration under CIDB .....	47
Figure 4.8: Data regards the Types of Project that the Company had involved .....	48
Figure 4.9: Data on the Number of Employees had currently Employed.....	49
Figure 4.10: General Opinion of Respondents in Section C Question 1.....	50

Figure 4.11: General Opinion of Respondents in Section C Question 2.....	51
Figure 4.12: General Opinion of Respondents in Section C Question 3.....	51
Figure 4.13: General Opinion of Respondents in Section C Question 4.....	52
Figure 4.14: General Opinion of Respondents in Section C Question 5.....	52
Figure 4.15: General Opinion of Respondents in Section C Question 6.....	53
Figure 4.16: General Opinion of Respondents in Section C Question 7.....	53
Figure 4.17: General Opinion of Respondents in Section C Question 8.....	54
Figure 4.18: General Opinion of Respondents in Section D Question 1 .....	57
Figure 4.19: General Opinion of Respondents in Section D Question 2 .....	57
Figure 4.20: General Opinion of Respondents in Section D Question 3 .....	58
Figure 4.21: General Opinion of Respondents in Section D Question 4 .....	58
Figure 4.22: General Opinion of Respondents in Section E Question 1 .....	60
Figure 4.23: General Opinion of Respondents in Section E Question 2.....	61
Figure 4.24: General Opinion of Respondents in Section E Question 3.....	61
Figure 4.25: General Opinion of Respondents in Section E Question 4.....	62
Figure 4.26: General Opinion of Respondents in Section E Question 5.....	62
Figure 4.27: General Opinion of Respondents in Section E Question 6.....	63

## LIST OF TABLES

Table 4.1: Descriptive Analysis Statistics on each Factor that Affect the Malaysian Construction Industry Dependency on Foreign Workers.....	55
Table 4.2: Descriptive Analysis Statistics on Each Negative Impact of Employing Foreign Workers.....	59
Table 4.3: Descriptive Analysis Statistics on Each strategy in Minimizing the Dependency on Foreign Labours in the Malaysian Construction Industry.....	64
Table 4.4 Summary of the Interviewees Profiles with Company's Background.....	66
Table 4.5: Summary of Qualitative Data.....	70

## **LIST OF ABBREVIATION**

IBS	Industrialised Building System
CIDB	Construction Industry Development Board
CITP	Construction Industry Transformation Programme
CIMS	Centralised Information Management System
CLAB	Construction Labour Exchange Centre Berhad
CAM	Construction Academy of Malaysia
GDP	Gross Domestic Product
ILO	International Labour Organization
MTUC	Malaysian Trades Union Congress
SKM	Sijil Kemahiran Malaysia
SPM	Sijil Pelajaran Malaysia
AIDS	Acquired immunodeficiency syndrome
OECD	The Organisation for Economic Co-operation and Development
KL	Kuala Lumpur

## **LIST OF APPENDICES**

Appendix A: Questionnaire.....	83
Appendix B: Phone Interview Outline Questions.....	95