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**THE CRITERIA EMPLOYMENT FOR LOCAL
LABOUR IN THE MALAYSIAN
CONSTRUCTION INDUSTRY**

Dissertation submitted in partial fulfilment
of the requirement for the award of
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ABSTRACT

Employment criteria are the requirements that an applicant must meet to be selected and perform the job in an organisation. Selection criteria are based on the knowledge, skills, and abilities. In Malaysia, a lack of local labour has become a major constraint, potentially impeding the industry's sustainability and growth. Hence, this paper is to identify the criteria for hiring local labour in the construction industry to ensure successful management in an organization. The objectives for this research are (i) to identify the factors contributing to the local labour shortage, (ii) to identify the strategies to overcome the shortage of local labour, and (iii) to determine the criteria for hiring local labour in construction industry. For this research, quantitative method was used, with 190 questionnaires distributed to G7 contractors in Kedah. The analysis revealed that construction industry appears to be lacking in clearly defined career paths. As a result, improving construction safety practices and procedures, as well as education and training, is critical. In addition, research suggests that human capital considerations may motivate employers to hire younger workers as they provide more stable future income. This research can help both skill institutions and contractors identify the areas of weakness to attract local labour to the industry.

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CHAPTER 1

INTRODUCTION

CHAPTER OVERVIEW

The first chapter provides an overview of the research, including problem statements, the study's purpose and objectives, the study's scope and justification, and the research methodology.

1.1 BACKGROUND OF STUDY

The construction sector is critical to the company's goal of becoming a developed nation by 2020. On the other hand, the Malaysian construction industry is under pressure from the pitfalls of low wages and low productivity, as it is heavily reliant on low-skilled foreign workers. Additionally, the number of local workers is low and steadily declining due to outward migration in search of better job opportunities in other sectors. As a result, as part of the Productivity Thrust in the Construction Industry Transformation Program (CITP), the Construction Industry Development Board (CIDB) has committed to investing in human capital development in the construction industry.

The employment of young people is a significant issue in Malaysia's construction industry. However, due to a lack of experience and skills among young people, young people have difficulty finding decent jobs in this industry. As a result, certain