



CENTRE OF STUDIES FOR BUILDING SURVEYING
FACULTY OF ARCHITECTURE, PLANNING AND
SURVEYING, UNIVERSITI TEKNOLOGI MARA
SERI ISKANDAR PERAK BRANCH

A STUDY ON THE LABOUR SHORTAGE IN THE MALAYSIAN
CONSTRUCTION INDUSTRY

NUR SUFIYAH BINTI ISMAIL

BACHELOR OF BUILDING SURVEYING (HONS) FACULTY
OF ARCHITECTURE, PLANNING, AND SURVEYING

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ABSTRACT

This study investigates the factors that contribute to the labour shortage and the relationship between the labour shortage and the impacts of it in Malaysian construction industry. It presents a contribution factor that contributed to the labour shortage problem that occur frequently in the Malaysian construction industry. A mixed method approach was used to identify the factor by obtaining the information from the literature mapping, conceptual framing and collect some data by distributing a survey questionnaire (quantitative). In the literature reviews phases, five (5) factor were identified as an initial contribution for the labour shortage problem in Malaysia, such as Skilled Worker, Unskilled Workers, Surplus of Foreign Workers, Poor Workplace Environment and Low Salary. These factors first identified as the frequent factors that contribute to labour shortage problem that occur in construction industry. Furthermore, by identifying these five (5) factors, some variables from each of the factors are classified according to their relevant factors. Each factor consists of two hypothesis, to strengthen the factors point. An overall, the finding is expected to help Malaysian contractor to reduce the labour shortage cases that usually happened in Malaysian construction industry.

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CHAPTER 1: INRODUCTION

1.0 Introduction

The aim of this chapter is to summarize the content of this study about the factors that contribute to the labour shortage that happen in Malaysia and the impact of it to the Malaysian construction industry. The discussion begins with the introduction to the research idea. In this chapter, it consists of an overview of following content:

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|------|---------------------|------|--------------------------------------|
| i. | Research Background | v. | Research Aim |
| ii. | Problem Statement | vi. | Research Methodology |
| iii. | Research Questions | vii. | Scope and Limitations |
| iv. | Research Aim | ix. | Significance / Benefits of the Study |
| | | x. | Thesis Outline |

1.1 Research Background

A significant part of the Malaysian economy is the Malaysian construction industry. This industry generates wealth and improves the quality of life of the people through the provision of social and economic infrastructure like schools, hospitals, houses, roads, airports, ports, bridges, dams, etc. This research is going to focus on the factors of labour shortage problem that happened in our country, especially in the construction industry. The labour shortage will cause problems to the contractor like the project was delayed or conflicts between the workers, as stated by (Odeh & Battaineh, 2002). For the construction industry, which have been recognised worldwide for its production of jobs at various skill and technical levels, construction work is crucial.

The next focus for this research is the relationship between the factors and the impact of labour shortage in construction industry in Malaysia. The impact that this shortage may be having on the industry ability to meet the growing residential and commercial demand for construction, according to (Oseghale, 2015). The demands from the citizens and other users keep the development to increase despite of having low manpower, especially the skilled one. Labour shortage will