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**ENHANCEMENT THE INVOLVEMENT OF LOCAL LABOUR IN
MALAYSIAN CONSTRUCTION INDUSTRY**

Final Project submitted in partial fulfillment of the requirement for
the award of Bachelor of Quantity Surveying (Honours)

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ABSTRACT

Although Malaysia's construction industry has grown tremendously over the years, this industry fails to attract many local labour to involve on the ground. This research focus on how to enhance the involvement of local labour in Malaysian construction industry. Therefore, this study looks for factors that led to poor involvement of local labour and determine the strategies to increase involvement of local labour in Malaysian construction industry. The questionnaire was tested for validity and reliability with 20 samples, resulting a Cronbach's Alpha score of 0.840. This indicates that the questionnaire has "good" internal consistency. Descriptive analysis and nonparametric correlation test were used to analyses the data obtained. Questionnaires were distributed to 120 employees of G5-G7 contractors in Johor. The distribution through face to face and email. With 60% return, the data were analyzed using SPSS version 25. Descriptive analysis and nonparametric correlation test were used to analyses the data obtained. It also used term coding for open ended questionnaire. It resulted that, local labour being selective in works, low minimum wage and work status were the main factors to poor involvement of local labour in Malaysian construction industry. However, it can be tackled by raising the minimum wage, training incentive programs, providing accommodation and improve the organization structure. Hopefully this study has contributed in enhancing the involvement of local labour in Malaysian construction industry.

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CHAPTER 1

INTRODUCTION

1.1 BACKGROUND STUDY

The construction industry which is one of the Malaysia's fastest growing industries has recorded double digits' growth over the last few years. This sector plays a significant role in the socio-economic growth of a country. Apart from being a major contributor to the overall GDP of a country, it is also an important driver for the economy and key generator of skilled jobs for Malaysia as we progress towards a high-income nation (Mohd-Rahim, Mohd-Yusof, Chen, Zainon, Yusoff & Deraman, 2016).

The rapid growth of economies in Malaysia is causing a high demand in the manpower sector which caused the nations unable to fulfill. Thus, Malaysia has started taking the foreign labour to construction industry since 19th century. According to Rahim, Hamid, Singh, Jagar & Mazlan, (2013), the number of local workers is not sufficient especially in the construction industry. This caused the developer or employer to choose an easy way to solve their problem by importing the foreign workers as their employees.

First of all, one of the main reasons for this problem is when the local use's mindset of not wanting to participate in the construction industry. The negative perceptions towards it is high especially when become to young generation. The common reasons are the poor image of industry, high mobility of construction works, the uses of new technologies, the growth in self-employment and the poor of site safety and quality of works (Lill, 2008).