

System to halve foreign labour

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facts&figures

IBS benefits

KUALA LUMPUR: The government expects to halve the construction sector's dependence on foreign labour when the Industrialised Building System (IBS) is fully adopted by 2010.

Works Minister Datuk Seri Mohd Zin Mohamed said the new system would reduce manual labour needs by up to 80 per cent and at the same time boost demand for skilled workers.

"There are 320,000 foreign workers with green cards but once we fully migrate to the IBS we are confident we can bring it down to at least 160,000," he said after the launch of the national IBS conference here yesterday.

Zin said 70 per cent of government projects had adopted the IBS. The system entails the assembly of ready-made components.

"It's like Lego. All you need to do is build whatever components you need at a plant, transport the components to

320

government projects have adopted the system

the site and put them together.

"This way, you can bring down your manual labour needs by up to 80 per cent, and it also creates demand for skilled labour."

Zin urged the private sector to migrate from traditional labour-intensive practices to the IBS, which, he said, was the way forward for the country's construction industry.

"In the past you could argue that it was not sustainable to migrate to IBS because there was no market.

RM9.4b

is the value of these government projects

"But now that it is government policy, there are ample opportunities.

"The industry's growth will not be limited to the country, as the system will also provide leverage to enter the international market, especially in the Middle East and countries that need mass production of houses."

Earlier, Zin read Prime Minister Datuk Seri Abdullah Ahmad Badawi's speech.

Abdullah said the success of the IBS hinged on discipline

80%

reduction in manual labour needs

among industry players to reduce dependence on unskilled foreign labour.

"It is this negative factor that has contributed to the slow response in changing the industry's mindset and discouraging contractors from shifting to more technology-intensive construction methods."

Abdullah said opportunities presented by the system were there for the taking, with 320 government projects worth RM9.43 billion already incorporating the IBS.