



MALAYSIA COUNTRY REPORT

Presented by:

MASTER BUILDERS ASSOCIATION MALAYSIA

(Mr Ong Ka Thiam, Deputy Sec-Gen 1)

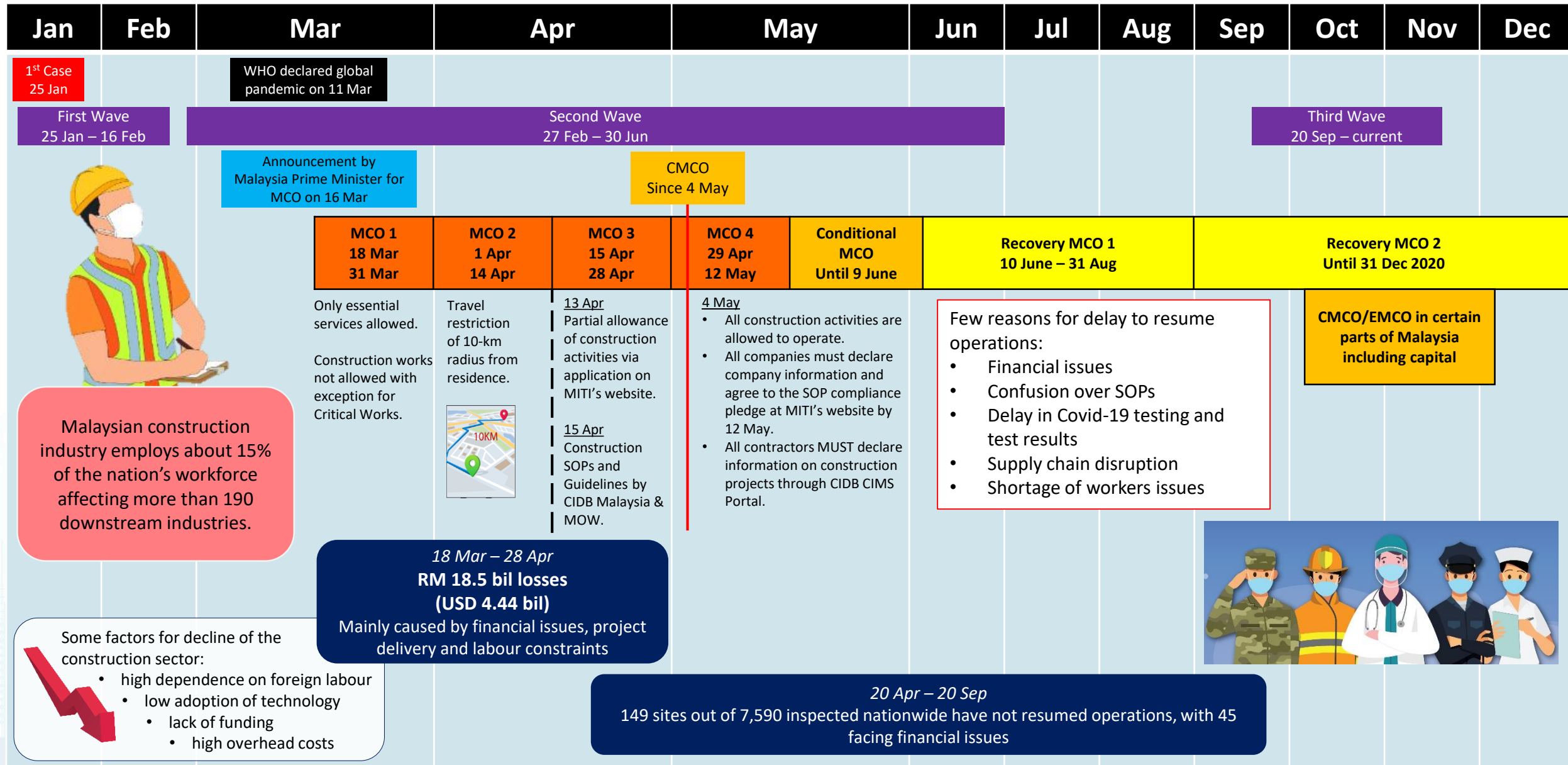
50th ACF Council Meeting

11 December 2020



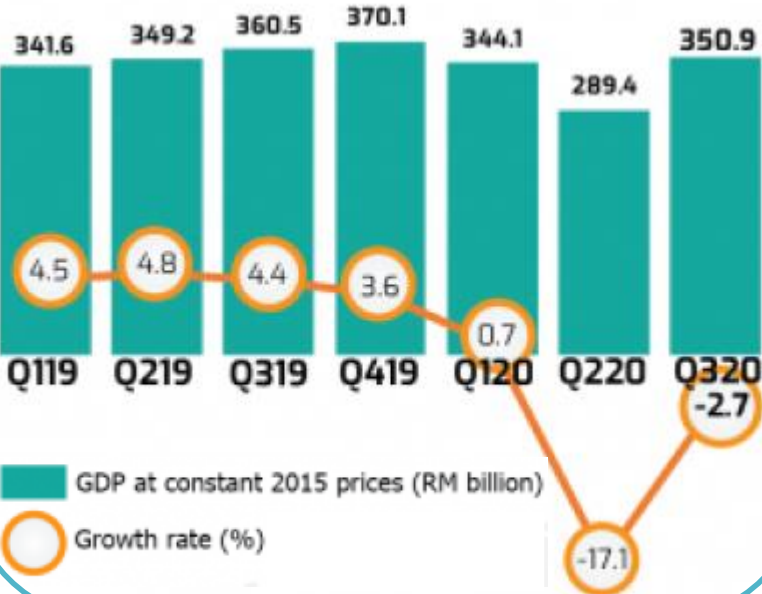
Covid-19 situation in Malaysia and its impact

Information as of Nov 2020

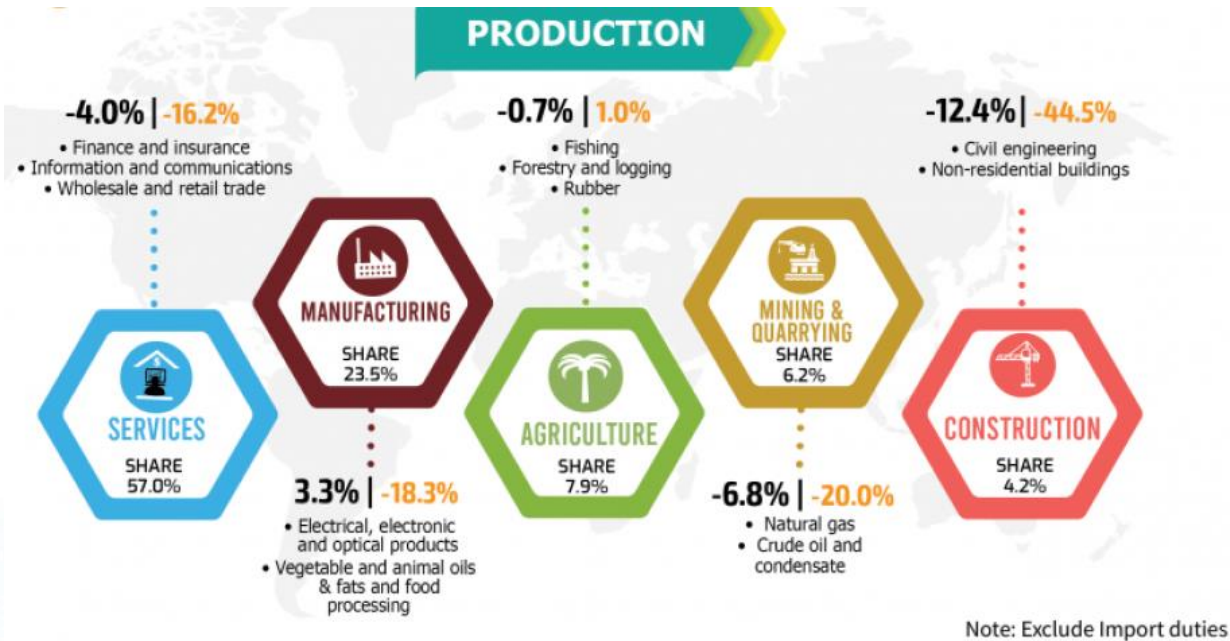


Malaysia's GDP Performance in Quarter 3

Malaysia's GDP recorded at -2.7% in Q3'2020

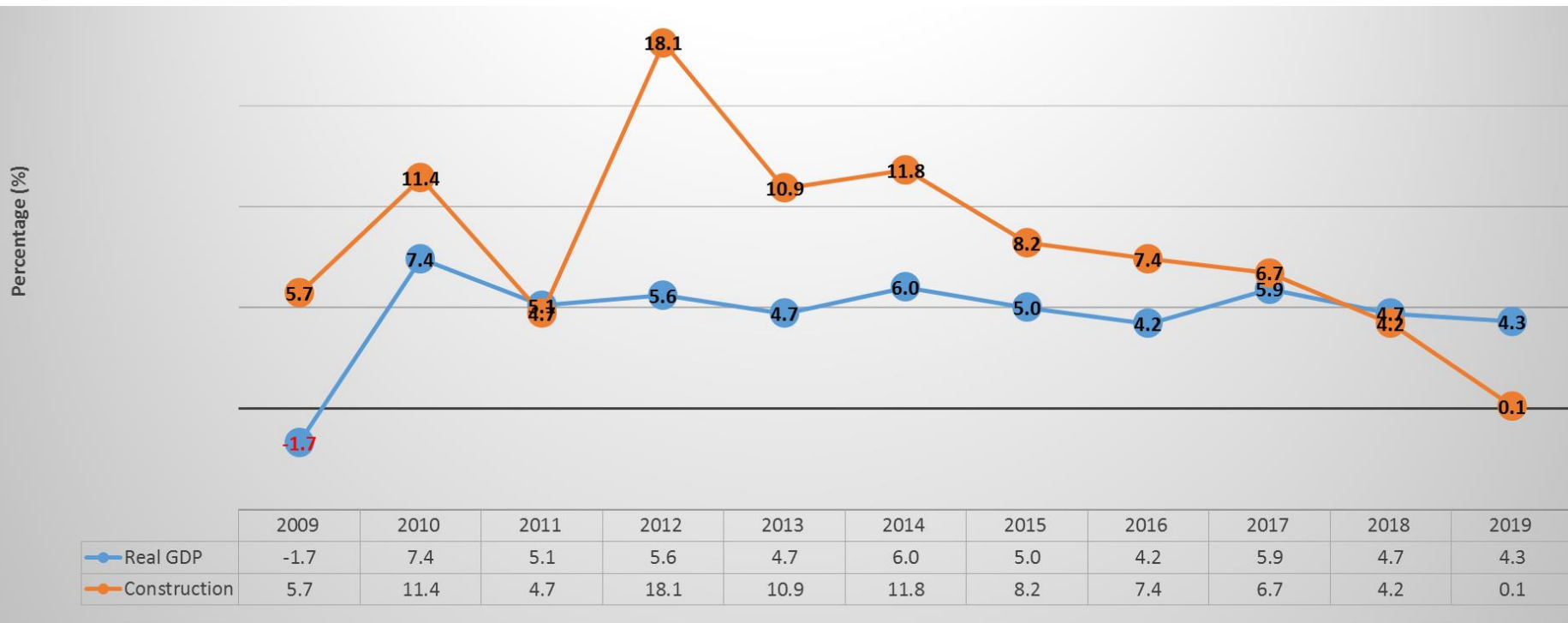


GDP for construction sector fell 12.4% (compared to -44.5% in previous quarter)



Value of construction work done advanced **58.6%** amounting to **USD 7.54 billion**

GDP Trend Year to Year



2021
Total GDP 6.5% - 7.5%
Construction 13.9%

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Real GDP	(1.7)	7.4	5.1	5.6	4.7	6.0	5.0	4.2	5.9	4.7	4.3
Manufacturing	(0.3)	11.9	4.7	4.8	3.5	6.2	4.9	4.4	6.0	5.0	3.8
Services	2.6	7.4	7.0	6.4	5.9	6.5	5.1	5.6	6.2	6.8	6.1
Agriculture	0.4	2.4	5.8	1.0	2.1	2.1	1.2	(5.1)	7.2	0.1	1.8
Mining	(3.8)	(0.3)	(5.5)	1.4	0.7	3.3	4.7	2.2	1.0	(2.6)	(1.5)
Construction	5.7	11.4	4.7	18.1	10.9	11.8	8.2	7.4	6.7	4.2	0.1

Current construction issues in Malaysia

- Announced on 25th November 2020, all foreign workers to undergo mandatory Covid-19 screening.
- Social Security Organisation (SOSCO) to subsidise for the rapid antigen test.
- Effective 26th November, authorities to impose fine if employers provide accommodation for foreign workers in crowded spaces.

ADDITIONAL CASH FLOW ISSUES

Human Resources related issues in Malaysian construction industry

Transfer of Employer Programme

- Government has allowed employer who cannot afford to sustain the workers or financially affected by the pandemic to transfer employees to another employer.

MyFutureJobs for Recruitment of Foreign Workers and Employment of Expatriate

- Effective 1st January 2021 – employers are **required** to advertise job vacancies on national job portal <https://www.myfuturejobs.gov.my/>

Levy Discount 25% for Foreign Workers

- Reduced by 25% for all companies where their work permits expire between 1st April to 31st December 2020.

Human Resources related issues in Malaysian construction industry

Undocumented Migrant Recalibration Plan

- Consists of 2 main components
 - Return Recalibration Programme
 - Allow undocumented migrants to return to their home country voluntarily, subject to the stipulated conditions.
 - Labour Recalibration Programme
 - Regularises illegal immigrants in the country as foreign workers who could be legally employed by eligible employers subject to strict conditions.
- It will be implemented from **16 November 2020 until 30 June 2021.**

Building Material Prices

Building Material - Steel - T10/T12/T40 (October 2019 ~ October 2020)



Building Material Prices

Building Material - Cement - Bag (October 2019 ~ October 2020)



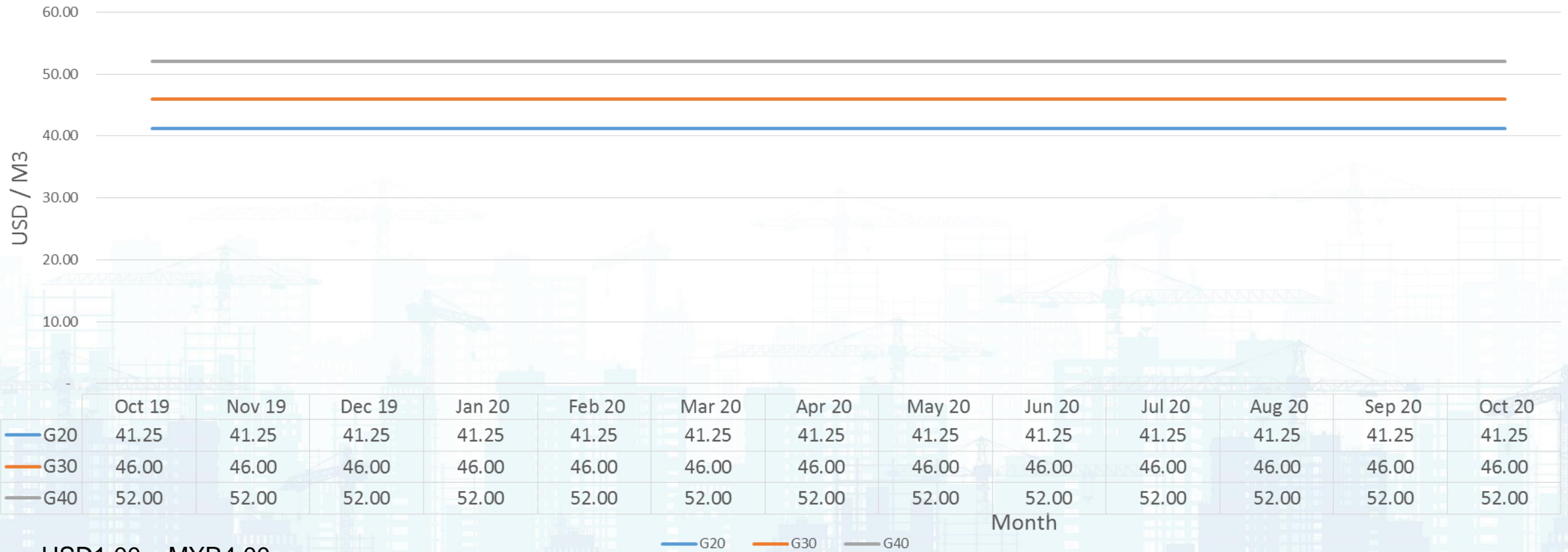
Building Material Prices

Building Material - Cement - Bulk (October 2019 ~ October 2020)



Building Material Prices

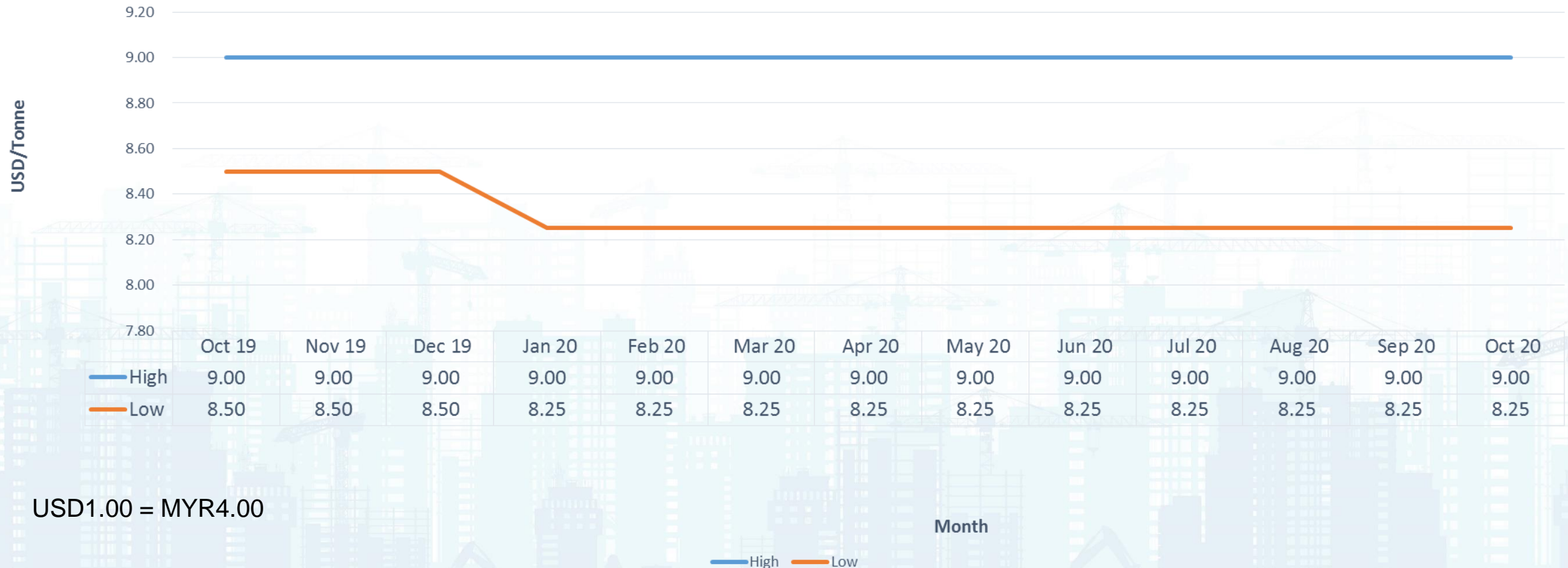
Building Material - Ready Mix Concrete - Normal Mix (October 2019 ~ October 2020)



USD1.00 = MYR4.00

Building Material Prices

Building Material - Sand (October 2019 ~ October 2020)



Building Material Prices

Building Material - Common Clay Brick (October 2019 ~ October 2020)



USD1.00 = MYR4.00

Building Material Prices

Building Material - Timber Plywood - 12mm X 4' X 8' (October 2019 ~ October 2020)



Prospects on development in Malaysia

About **RM 69 billion (approximately USD 16.56 billion)** was allocated for **development of various projects** across the country in the recent Budget 2021 tabulation on 6 November 2020.



USD 0.91 bil FOR NEW PROJECTS

Selangor



- For the 2nd phase of the Klang 3rd Bridge
- To continue building & upgrading Phase 3 of the Pulau Indah, Klang Ringroad

Pahang



To construct the Cameron Highlands Bypass road, with emphasis on preserving the environment

Perak /
Kedah



To upgrade the Federal Road connecting Gerik - Kulim

Terengganu



To upgrade the bridge across Sungai Marang

Kelantan /
Pahang



To continue the Central Spine Project with new alignment connecting both states

Sabah



To build the Pan Borneo Highway from Serusop - Pituru

USD 3.6 bil FOR EXISTING PROJECTS

- To fund the Pan Borneo Highway, Gemas-Johor Bahru Electrified Double-Tracking Project & Klang Valley Double Tracking Project (Phase 1)
- To continue key projects such as Rapid Transit System Link from Johor Bahru to Woodlands, Singapore & MRT3 in Klang Valley



Source: Finance Minister, Tengku Datuk Seri Zafrul Tengku Abdul Aziz

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Bernama Infographics

USD 187.2 mil FOR EXISTING PROJECTS

IRDA	Rapid Transit Bus Transport System at 3 High Capacity Routes & busway construction
ECER	To build Kelantan's Palekbang Bridge to Kota Bahru
NCER	To build infrastructure / related components of Kedah's Special Development Zone project in Yan & Baling
SCORE	Infrastructure project in the Samalaju Industrial Area, Sarawak
SDC	To continue Sabah's Sapangar Bay Container Port expansion

- Existing tax incentives for ECERDC, Iskandar Malaysia & SDC extended until 2022



- Raw water piping project from Sungai Kesang & Tasik Biru to Melaka's Jus Reservoir

USD 36 mil



- EPF to continue developing Kwasa Damansara including commercial/residential areas, social infrastructures, innovation/medical hubs

USD 12 bil



- Building & upgrading of water/ electricity/road infrastructures, health/education facilities in:

**Sabah - USD 1.22 bil
Sarawak - USD 1.08 bil**



IRDA – Iskandar Regional Development Authority
ECER – East Coast Economic Region
NCER – Northern Corridor Economic Region
SCORE – Sarawak Corridor of Renewable Energy

SDC – Sabah Development Corridor
ECERDC – East Coast Economic Region Development Council
EPF – Employees Provident Fund

Source: Finance Minister, Tengku Datuk Seri Zafrul Tengku Abdul Aziz

Published: Nov 12, 2020
Bernama Infographics

*Thank You
and continue to
Stay Safe.*

