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GEORGE TOWN: The value of construction jobs to be given out in the country this year is expected to hit about RM150bil compared with RM124bil in 2015.

Penang Master Builders and Building Materials Dealers' Association (PMBBMDA) immediate past president Datuk Lim Kai Seng (*pic*) said that more than 7,000 jobs were expected to be created this year compared with 6,885 jobs in 2015.

The figures were revised from the RM96bil and 5,664 recorded in an interim Construction Industry Development Board report early this year, after taking into consideration the number of jobs tendered in late 2015.

"The projected increase in value and the number of jobs takes into consideration new mega infrastructure schemes like the light rail transit, mass rapid transit, West Coast Expressway, Central Spine Road, and Pan Borneo Highway in Sabah," Lim told *StarBiz*.

Of the 6,885 jobs, some 1,745 were from the government sector, while remaining 5,140 from the private sector.

The projection by PMBBMDA was in line with the forecast of Works Minister Datuk Seri Fadillah Yusof, who expected the growth of the construction industry to be between 8% and 10% in 2016.

"We expect the industry to achieve the growth target this year, as all these projects have been planned within the public sector," Fadillah added.

For Penang, Lim said the value of construction jobs to be given this year would be about RM6bil, compared with RM7.5bil in 2015.

"The number of jobs to be given out this year is estimated to be more than 600, compared with 501 in 2015.

"Although the volume of projects would increase, the value of contracts given out would not because most of the housing construction jobs to be tendered out this year are

Value of construction jobs higher at RM150bil

More than 7,000 jobs expected to be created this year

in the affordable category with a lower gross development value (GDV).

"A lower GDV project means the value of job to be contracted would also not be high, as the value of construction is 40% of the GDV," Lim added.

On the housing schemes to be undertaken over the next three to four years in Penang, Lim said four developers would undertake RM7.58bil GDV of projects that would generate about RM3bil worth of contracts to the local construction industry.



Ideal Property (RM4.38bil GDV), Ivory Properties Group Bhd (RM1.8bil GDV), Eastern & Oriental Bhd (RM1bil GDV), and IJM Land Bhd (RM400mil GDV) are the developers undertaking these projects.

The figures did not take into account pro-

jects undertaken by Eco World Development Group Bhd and Mah Sing Group Bhd and affordable projects by others developers for first-time house buyers.

Meanwhile, PMBBMDA president Alvin Yeow said the price of steel had stabilised at around RM2,000 per tonne, compared with about RM2,800 per tonne last month when there was a shortage.

"There is no longer a shortage of steel bars as there is ample supply coming from China," Yeow added.

Yeow said if the Federal Government decided to impose duties on imported steel products to safeguard the local steel industry, then the cost of construction would go up and passed on to customers.

"The Federal Government has initiated investigation to determine the necessary safeguard measures for several category of imported steel products," Yeow said.

Yeow added that the prices of steel bars in Malaysia were already the highest among Asean countries.

"Steel mills in Malaysia are also enjoying subsidy on electricity tariff. They should not sell higher than other countries in the region, he said.

PMBBMDA, which has about 150 members, is affiliated with the Master Builders Association Malaysia.