
Rays of recovery - Malaysian construction industry sees growth in 2009

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The Star quoted Mr Datuk Seri Ahmad Husni Hanadzlah second finance minister of Malaysia as saying that the construction industry is expected to register 3.5% growth in 2009, despite the current global economic crisis.

He said that when many sectors were facing a growth contraction, the local construction sector was still resilient and a pillar of strength to the Malaysian economy. He added that "The construction sector registered a growth of 1.1% in the first quarter and improved further to 2.8% in the second."

Mr Husni said that the present economic crisis provided the construction industry with an opportunity to reinvent itself. He added that "We see consolidation within the local construction industry with smaller players merging, to compete more effectively. The industry as a whole will need to take stock of its position in the market and reassess its financial strength, technical expertise, branding and reputation."

He said that construction players should restructure themselves and invest in new technology and systems to build capacity to be competitive locally or abroad. The industry also needed to reposition itself to survive in a competitive market dictated by demand supply forces, citing green designs and technological advancement as the way forward. He added that "Buildings and infrastructure works of the future will have to be sustainable in terms of energy usage, material use and technology adoption."

At the government level, he said that "We will continue to promote public-private partnership initiatives in line with the aspiration to increase the role of the private sector in the economy."

Mr Ng Kee Leen president of Master Builders Association Malaysia said that the outlook for the construction sector in the next two years should be better than this year, buoyed by global economic recovery and the stimulus packages' funding coming onstream for larger projects.

He added that "Work on the extension of the light rail transit system, revival of mega projects in the Iskandar region as well as hydro electric dams and rural development in east Malaysia have been speeded up."

(Sourced from www.thestar.com.my)

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