

The Impact of Illegal Employment of Foreign Workers in Construction Project: Contractor's Perspective

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Abstract

In today's globalised world, construction projects frequently depend on workforce diversity, including foreign workers, to satisfy the demands of a business sector. While there are many advantages to hiring foreigners legally, like greater productivity and cross-cultural interaction, the problem of illegal employment has grown to be a major worry. Therefore, the objective of this study is to identify factors that lead contractors to hire foreign workers illegally and to identify negative impacts of illegal recruitment of foreign workers on contractors and construction projects. The scope of research is to concentrate on the factors and negative impacts issues that are faced by contractors and construction projects due to employment of illegal workers. The research method of this study is quantitative method where a questionnaire survey was distributed to respondent which is G7 main contractor registered with Construction Industry Development Board (CIDB) in Johor Bahru. The data was collected from 241 respondents which represents 100% response rate. The data analysis method used was descriptive analysis by using Statistical Package for Social Science (SPSS) software. The study findings might be a wide range of expected outcomes for a study on the problem of illegal foreign worker employment that poses a risk to the contractors and construction projects in the construction industry which is this study can provide further understanding of the key factors that contribute to the illegal hiring of foreign workers in the construction sector. Also, it has the ability to assess how illegal employment affects construction projects as possible negative effects on contractors and the study could determine how well the problem is being addressed by the current legal and regulatory structures. In conclusion, although the employment of illegal foreign workers in construction industry has several negative impacts and factors, there are a range of actions that can be taken to expand the opportunities and space for improvement in order to

prevent this from happening in the future.

1. Introduction

The construction sector is crucial to Malaysia's economy and employs a wide range of people and businesses, including providers of management, engineering, architectural, and material services as well as contractors, employees, and developers who work with clients from both the public and private sectors. The sector is heavily influenced by organisations including the Ministry of Works, Public Works Department, Contractor Service Centre, Construction Industry Development Board, Board of Engineers, Board of Architects, and Board of Surveyors, which also play a vital role in the industry's growth and development. By encouraging the expansion of other industries including manufacturing, professional services, financial services, education, and more, Malaysia's construction industry has made significant contributions to the nation's economy. (Kamal, 2012). Despite accounting for less than 5% of GDP, due to its wide links to other sectors, it serves as a critical growth enabler (Marhani,2012). However, as local workers look for greater economic opportunities elsewhere, the construction industry, like other industries, has experienced a labour shortage. As a result, employers are increasingly turning to immigrants to fill job openings. The 4D factor—the perception that construction work is filthy, dangerous, challenging, and demeaning makes it difficult for the sector to recruit local workers. Malaysia is a country that largely depends on foreign labour, notably from nations that are close by like Bangladesh, Nepal, Indonesia, and Vietnam. These countries produce the vast bulk of the foreign labourers employed in the construction sector. (Wai,2018). Through labour recalibration programmes, the Malaysian government has received a sizable number of applications from illegal immigrants, with the construction industry accounting for a substantial share of those applications. The number of registrations for foreign workers has been largest in the manufacturing and agricultural industries. In conclusion, the construction sector is a significant contributor to Malaysia's economy, but it has difficulties such labour shortages, local workers' reluctance to work in the sector due to misconceptions about the 4D factor, and a disproportionate reliance on foreign labour to meet manpower demands.

1.1 Research Background

Illegal employment of foreign workers nowadays was a common issue that happened in the construction industry. Due to cost effectiveness and the availability of specialised talents, many nations, including Malaysia, rely extensively on foreign workers in the construction industry. But there are significant issues with unapproved recruiting practises in this sector. Illegal hiring practises, which involve violating laws and regulations, result in illegal business procedures, exploitation, and a disrespect for labour norms. (Malaysian Employers Federation,2014). The surge of undocumented or irregular foreign workers in the construction industry who lack the appropriate work authorizations, visas, and employment contracts creates a risk. (Abdullah Azam,2016). As a result, there will be a several negative impacts on contractors and construction projects itself.

1.2 Problem Statement

Recently, there is a hot issue regarding the inflow of foreign workers in Malaysia. The government has decided to stop the recruitment of foreign workers on February, 2016 (The Straits Times,2016). The reasons of the restriction in recruitment of illegal foreign workers were to reduce dependency of foreign workers, address the concerns on social problems created by a large inflow of foreign workers, overcome the negative impacts that affect construction industry and enforce against illegal foreign workers in Malaysian construction industry. (The Jakarta Post, 2016).

The issue of illegal recruiting and employment persists in the construction industry despite the implementation of legislation and procedures to control the employment of foreign workers, posing several difficulties and potential risks. The issue is caused by the hiring of foreign workers through illegal means, avoiding required documentation, work permits, and observance of labour laws and regulations. These illegal actions result in a workforce made up primarily of unauthorised or irregular foreign employees who frequently lack the training, orientation, and knowledge of safety procedures and practises required in the construction sector. (Addressing the Illegal Employment of Foreign Workers,2018).

In order to mitigate the negative impacts of illegal recruitment of foreign workers on construction projects, contractors play a vital role in overcoming the problem. According to Brock (2012), the strategy to reduce dependence on labour can be done by structural changes and increasing workers's productivity.

1.3 Research Questions

- (a) What are the factors that lead contractors to hire foreign workers illegally?
- (b) What are the negative impacts of illegal recruitment of foreign workers on contractors and construction projects?

1.4 Research Objectives

- (a) To identify factors that lead contractors to hire foreign workers illegally.
- (b) To identify negative impacts of illegal recruitment of foreign workers on contractors and construction projects

1.5 Scopes of the Study

In terms of recruitment of illegal foreign workers, this research will concentrate on the factors that lead contractors to hire foreign workers illegally and the negative impacts on contractors and construction projects due to the issue. It will look into how illegal employment affects the construction industry. The respondents involved were from Grade 7 contractors registered with Construction Industry Development Board (CIDB) in Johor Bahru. There are many projects going on in Johor Bahru. According to CIDB, in terms of growth in construction GDP, Johor Bahru was registered as the growth in construction industry since 2016. According to Butcher (2022), other than government recently allocate 79 new projects at Johor Bahru. There are more main contractors involved. Engaging with contractors who have hired foreign employees illegally might reveal information about the factors that led them to make this choice, the difficulties they have complying with legislation and their views on workers' safety and health. The data is collected by using a questionnaire and in order to accomplish the first and second objective, the survey of questionnaire will be given to the chosen sampling.

1.6 Significance of the Study

- (a) Significance to Academic Purpose
Graduates and undergraduates are just two instances of significant academic professionals who might refer to the topic and issues highlighted by the research. In the future, it is hoped that it will be used to fund relevant academic studies.
- (b) Significance to Employers and Contractors
The results of the study can assist employers and contractors in comprehending the negative impacts of illegal employment to contractors, construction projects and the construction industry. By addressing these problems, they can improve their adherence to labour regulations, adopt moral labour hiring procedures, thereby enhancing their reputation and lowering potential legal and financial obligations.

3.0 Literature Review

3.1 Introduction

The key components of this research were all defined in this chapter. For the purpose of rating this research, a literature review has been done. In addition, this chapter is separated into sections based on each term that is discussed with reference to. The factors that lead contractors to hire foreign workers illegally are also covered in one of the sections. In the following paragraphs, the final section of this chapter discusses the negative impacts that happened cause of illegal recruitment and the impacts on contractors and construction projects. Every component is supported by journal entries, previous research and previous data analysis.

3.2 Factors that lead contractors to hire foreign workers illegally

(a) *The shortage of local skilled labor*

Foreign workers have been employed to address the nation's ongoing workforce shortages since the 1970s, when the government attempted industry to grow the economy (Anderson, 2020). Beginning in the early 1990s, Malaysia was facing a serious labour shortage, particularly in the manufacturing and construction sectors. Later, in the early 2000s, the lack of local labourers spread to the domestic services and construction industries. Currently, several factors are contributing to the crucial phenomenon of a worker shortage across numerous industries, and this problem has been becoming worse. One of the main reasons for the labour shortage in Malaysia is the country's economic development and transformation during the past ten years. A few factors, including the mindset of local employees, changes to government education policy, increase in living standards, and aspirations for progress, contributed to the subsequent exacerbation of this shortage (Realsopha,2012).

(a) Lack of awareness about unemployment local worker rates

The problem of migrant laborers has drawn more national and media attention. However, little study has been done up to this point on the nature of and effects of hiring foreign labor in Malaysia. Introduction of notable modifications to the phenomena of recruiting has resulted in a gruesome and traumatizing environment that the Malaysian labor force finds almost unbearable. The Ministry of Human Resource Malaysia (2010) states that, in contrast to local workers, who typically provide excuses to avoid work, foreigners are more committed to their jobs when given more work because of their desire for the work and the pay. Putting in extra time at work and making last-minute decisions. As a result, the desire of employers to avoid using low-wage labour drives away local workers. As a result, the rate of unemployment among local employees rises. Local candidates are passed over for jobs because employers find it more enjoyable to have foreign people work for them. Growing numbers of immigrant workers mean fiercer competition for employment, endangering local workers (Realsopha,2012). Because of that, it makes the unemployment of local worker rate increase. As of August, the Department of Statistics reports that the unemployment rate in Malaysia was 4.6%. This indicates that 748,800 individuals nationwide are jobless. By contrast, the pandemic's jobless rate peaked in May of last year at 5.3%, or 826,100 individuals (Lim,2021).

(b) Cost savings

The fact that their incentives system discriminates against and deprives locals is another problem. Foreign workers pose a danger to local labourers due to their lower pay requirements, better job quality, and additional advantages. Local firms are more interested in hiring foreign workers who are willing to accept lesser pay and unfavorable terms and circumstances since the primary goal of foreign workers is to quickly accumulate adequate revenue. From this vantage point, local workers in Malaysia are not shielded from low-cost overseas labour. Theoretically speaking, it is in our best interests to buy an item from foreign nations if they can produce it cheaper than we can. Workers respond, however, by claiming that immigrant workers are being exploited because of their poor pay. Malaysian local workers would have to submit to similar exploitation in order to compete with immigrant labour. Nevertheless, the argument ignores the fact that variations in pay rates typically correspond to variations in employees' output. If the manufacturing sector is deemed competitive, worker marginal revenue product determines worker salaries in both nations. Given their greater pay, Malaysian workers ought to be more productive and have a higher marginal output (Realsopha,2012).

3.3 Negative impacts of illegal recruitment of foreign workers on contractors and construction projects

(a) Increase local unemployment rates.

According to a statement from Malaysia's Ministry of Human Resources, locals and foreign workers are perceived as having different work ethics; locals prefer to invent reasons to avoid work, while foreigners are seen as more devoted since they are driven by a need for employment and compensation. If this belief becomes widespread, firms may choose to hire foreign labour over natives, which might raise local unemployment rates. Nevertheless, these claims can reinforce preconceptions and oversimplify complicated subjects. Fair hiring procedures, policy changes that strike a balance between the use of foreign labour and local employment opportunities, local training and development initiatives, and promoting cooperation among different workers are all essential steps in addressing this and building a more equitable labour market that benefits everyone, regardless of nationality.

(b) High risk in safety and health

According to (Bashah,2021), A major rise in crime rates might result from the issue of immigration in our nation, particularly during periods of economic hardship. When foreign nationals find themselves jobless and unable to make ends meet, this is what will eventually come to pass. According to Ministry of Home Affairs (KDN), 42,451 incidences of crime involving immigrants were reported between 2016 and August 2019 in media reports. Additionally, the Ministry had documented that there were 12,647 theft cases overall, 11,862 burglary cases, and 4,822 motorbike theft cases.

(c) Devaluation of the national currency

I also firmly believe that the flood of foreign labour will pose a danger to the prosperity of our nation. This is due to the fact that a monthly high rate of loss of national currency will negatively impact the nation's ability to convert currencies, which could be done swiftly, readily, and affordably. According to media sources, foreign workers in the construction industry export about RM5 billion which constitutes the nation's wealth annually. There are presently 420,000 foreign workers enrolled with the Malaysian

Immigration Department (JIM) in the construction industry, according to Datuk Ir Ahmad 'Asri Abdul Hamid, Chief Executive of the Malaysian Construction Industry Development Board (CIDB). A monthly transfer of RM1,000 from them is said to be sending roughly RM5 billions of our earnings overseas. In addition, the government would have to spend a substantial RM1.169 million in order to hold illegal immigrants for a single day. This will significantly strain national budgets and risk the nation's economic expansion (Bashah, 2021).

3.0 Research Methodology

Referring to Indeed Editorial Team (2022), a research methodology is an instrument to describe how a researcher plans to conduct their investigation. It is a rational, methodical approach to a study issue. A methodology outlines a researcher's approach to the study in order to guarantee trustworthy, genuine findings that meet their goals and objectives.

Referring to Kumar, R. (2019), an approach for methodically resolving the research challenge is called research methodology. It can be thought of as a science that studies how scientific research is conducted. In it, we examine the many approaches typically used by a researcher to analyse his research challenge, as well as the reasoning behind them.

Referring to Creswell, J. W., & Creswell, J. D. (2017), the term "research methodology" describes the broad tactics or strategies that researchers use to study on a particular issue or topic. The processes used to assure the reliability and calibre of the research are included in methodology, along with the general research design, data collection techniques, and data analysis methods.

3.1 Research Design

This study uses a quantitative method to gather data from the intended sample group that use questionnaires. This method is used to look at factors that lead contractors to hire foreign workers illegally and its negative impact on contractors and construction projects. As a result, the research presents numerical data from questionnaires, and the information gathered was statistically analysed before being transformed into graphical, chart, and table form.

3.2 Data Collection

In order to collect data with more accuracy of details, data collection must be done properly. In this study, primary data and secondary data are the two categories of data that are collected:

a) Primary Data

Regarding Primary Research Methods Explained - SmartSurvey, primary data is information that has been gathered directly from sources. This indicates that the researcher either carries out the research themselves or hires data collection services to do it for them. Instead of depending on pre-existing data samples, primary data research entails going right to the source. For example, researchers can conduct a survey, case study, focus group, interviews and questionnaire for primary data research. Besides, this study will use primary data since it is original and related to the research topic. A questionnaire was used to gather the primary data, and it was given to the respondents. Additionally, primary data can give the researcher a more accurate perspective on this topic.

b) Secondary Data

In research methods, secondary data refers to any facts or figures that the researchers have already gathered using their primary sources. Other people can easily consult secondary data when they carry out their own primary research to acquire insights into the various procedures that go into a research process. (Indeed Editorial Team, 2022). Besides, from (Bhat, 2023) perspective, published data as well as information gathered from earlier studies or other sources are also examples of secondary data. Secondary data were collected to serve as recommendations and resources for the researcher. Secondary information related to the study is gathered from publications, books, journals, reports, and other sources. Reading written materials from journals, books, and libraries has served as the primary method of collecting secondary data for this study.

3.3 Data Analysis

The term "data analysis" in research methodology refers to the procedure of looking over and analysing the gathered data in order to derive significant insights and make inferences. The data must be arranged, cleaned, transformed, and summarised in order to find patterns, trends, correlations, and associations. Referring to (Velázquez, 2023), data analysis, as used in research method, is the act of organising, transforming, and

interpreting the gathered data in order to identify patterns and reach conclusions. Thus, the data collected was compiled and analysed to achieve the objective of this study. It will arrange systematic for clear to see by using SPSS software. According to Berg (2018) SPSS helps to organize and analyze non numerical or unstructured data. Microsoft excel and Microsoft word are used to analyse and present the data obtained from questionnaire survey.

4.0 Research Findings and discussion

This section presents the study's findings, which were attained using the chosen methodology data collection. Two main research goals have been established for this study. The first and second objectives are accomplished through the data collection method of distributing questionnaires.

4.1 Quantitative Data Analysis

The data analysis was divided into several sections based on the questionnaire form. The first part (A) discussed the descriptive analysis of respondent's background. The second part (B) discussed the factor that led contractors to hire foreign workers illegally. While for the third part (C) was discussed about negative impacts of illegal recruitment of foreign workers on contractors and construction projects.

4.1.1 Respondent's Background

In order to help achieve both the first and second objectives, a total of 241 respondents were successfully obtained to answer the questions presented which involve a 100% response rate. G7 contractors that operate in the state of Johor Bahru contribute to the following category of respondents. The respondent must provide answers to multiple sections of the given question. Table 1 provides an overview of the respondents' backgrounds who took part in this research.

Table 1 Respondent's Background

No	Description	Frequency	Percentage (%)
1	Gender		
	Male	162	67.2
	Female	79	32.8
2	Highest academic qualifications and certificate		
	Bachelor's degree	135	56.0
	Certificate	1	0.4
	Diploma	50	20.7
	Master's degree	55	22.8
3	Current Position		
	Building Inspector	50	20.7
	Project Engineer	80	33.2
	Project Manager	57	23.7
	Quantity Surveyor	29	12.0
	Site Agent	1	0.4
	Site Supervisor	24	10.0
4	Working Experience		
	1-5 years	84	34.9
	6-10 years	127	52.7
	11 years and above	30	12.4

This section was classified into 4 questions which gender, highest academic qualifications and certificate, current position and working experience. According to the result, the majority of responded questionnaires were answered by male which 162 respondents (67.2%) whereas female 79 respondents (32.8%). From Table 1 above, the majority of academic qualifications are from bachelor's degree which has 135 respondents (56.0%), followed by master's degree, 55 respondents (22.8%), diploma, 50 respondents (20.7%) and certificate, 1 respondents (0.4%). Next is the current position of each respondent, which the majority is project engineer position with 80 respondents (33.2%), second highest is project manager which is 57 respondents with 23.7%, building inspector with 50 respondents (20.7%), Quantity Surveyor with 29 respondents (12%), Site Supervisor with 24 respondents and the least one was site agent with 1 respondent

only. Among the 241 respondents that answered questionnaires, 34.9aa% have between 1-5 years of working experience which is 84 respondents. Respondent's 6-10 years of working experience is the top the list with the percentage of 52.7% which is 127 respondents. Respondent's 11 years and above of working experience carry the percentage of 12.4% which involved 30 respondents.

4.1.2 Factors that lead contractors to hire foreign workers illegally

Part B questions pay more attention to the understanding of the factors that lead contractors to hire foreign workers illegally. After collecting data, the summary of the factors of hiring foreign workers illegally was shown in Table 3.

Table 2 Level of measurement (Wiersma, 1995)

Mean Range	Central Tendency Level
High	3.68-5.00
Moderate	2.34-3.67
Low	1.00-2.33

Table 3 Factors that lead contractors to hire foreign workers illegally

No	Factors that lead contractors to hired foreign workers illegally	Mean	Interpretation
1	The shortage of local skilled labor	4.42	High
2	Lack of awareness about unemployment local worker rates	4.20	High
3	Cost savings from hiring foreign workers	4.54	High
4	Pressure to complete projects within tight deadlines	4.04	High
5	Lack to ethical concerns regarding labor practices	4.65	High
6	Lack of stringent immigration policies and regulations encourages illegal recruitment	3.97	High

According to Table 3, Lack to ethical concerns regarding labor practices ranked as the highest at the 1st rank place with the high mean 4.65, followed by cost savings from hiring foreign workers ranked at the 2nd place which the means is which the means is 4.54 and 3rd place of highest mean is 4.42 from factors shortage of local skilled labor. Next is lack of awareness about unemployment local worker rates with means 4.20. Lastly, pressure in completing projects within tight deadlines with mean 4.04 and the least one is factors lack stringent immigration policies and regulations encourages illegal recruitment with mean 3.97.

4.1.3 Negative impacts of illegal recruitment of foreign workers on contractors and construction projects

Part C questions pay more attention to the understanding of the negative impacts of illegal recruitment of foreign workers on contractors and construction projects. After collecting data, the summary of the negative impact of illegal recruitment was shown in Table 4.

Table 4 Negative Impacts of Illegal Recruitment of foreign workers on contractors

No	Negative impacts of illegal recruitment of foreign workers on contractors and construction project	Mean	Interpretation
1	Over-dependence on foreign workers	4.36	High
2	Increase of criminal activity	4.44	High
3	Increase local unemployment rates	4.20	High
4	High risk in safety and health	3.87	High
5	Less quality works due to semi-skilled and	4.32	High

	unskilled foreign workers		
6	Led to financial risks	4.24	High
7	Bring negative reputation to construction company	4.16	High

According to Table 4, increase of criminal activity ranked as the highest at the 1st rank place with the high mean 4.44, followed by over-dependence on foreign workers ranked at the 2nd place with mean 4.36 and 3rd place of highest mean is 4.32 from impacts of less quality works. Next is led to financial risks with mean 4.24. Furthermore, mean with 4.20 are by impacts – increase local unemployment rates. Lastly, the lowest mean is by negative impact – give a bad reputation to construction company and high risk in safety and health which the mean is 4.16 and 3.87 respectively.

4.2 Discussion

For objective 1, a few important conclusions about the variables affecting the recruitment of foreign workers in the building industry can be drawn from the data in Table 3. The most significant of these factors is a conspicuous absence of ethical concerns about labour practices, which suggests that industry requirements and regulatory oversight may be lacking. The lure of hiring foreign labour at lower costs is closely behind this, highlighting financial considerations that might put short-term profits ahead of long-term sustainability. Furthermore, worries about the lack of skilled labour in the area and a noticeable ignorance of the local unemployment rate point to structural issues with the dynamics of the labour market and the communication of information. The industry's operational difficulties are further accentuated by the urgency to complete tasks within strict deadlines, which may compromise standards of quality and safety. Interestingly, even though it ranks lower, the perceived contribution of loose immigration laws to the facilitation of illegal recruitment merits consideration. In conclusion, an intricate interaction of ethical, economic, regulatory, and operational factors influences the hiring of foreign workers in the construction industry. As such, comprehensive strategies are required to foster a balanced and sustainable labour ecosystem. The Ministry of Human Resource Malaysia (2010) states that, in contrast to local workers, who typically provide excuses to avoid work, foreigners are more committed to their jobs when given more work because of their desire for the work and the pay. Putting in extra time at work and making last-minute decisions. As a result, the desire of employers to avoid using low-wage labour drives away local workers. As a result, the rate of unemployment among local employees rises. Lastly, pressure in completing projects within tight deadlines with mean 4.04 and the least one is factors lack stringent immigration policies and regulations encourages illegal recruitment with mean 3.97. Past research also has state that A few factors, including the mindset of local employees, changes to government education policy, increase in living standards, and aspirations for progress, contributed to the subsequent exacerbation of this shortage (Realsophat,2012).

For objective 2, The Ministry of Human Resources in Malaysia has brought attention to the perception that locals are perceived as less dedicated than foreign workers because of alleged differences in work ethics. This raises serious questions about the country's labour dynamics. Employers may become more likely to favour foreign workers, which could increase local unemployment rates if this view gains traction. A situation like this emphasizes the necessity of taking proactive steps to correct underlying misconceptions and advance fair chances for employment. Fostering a peaceful and inclusive labour market requires striking a balance between the acceptance of foreign workers and the maintenance of local employment. According to media sources, foreign workers in the construction industry export about RM5 billion which constitutes the nation's wealth annually. There are presently 420,000 foreign workers enrolled with the Malaysian Immigration Department (JIM) in the construction industry, according to Datuk Ir Ahmad 'Asri Abdul Hamid, Chief Executive of the Malaysian Construction Industry Development Board (CIDB). A monthly transfer of RM1,000 from them is said to be sending roughly RM5 billion of our earnings overseas. In addition, the government would have to spend a substantial RM1.169 million to hold illegal immigrants for a single day. This will significantly strain national budgets and risk the nation's economic expansion (Bashah,2021). According to a statement from Malaysia's Ministry of Human Resources, locals and foreign workers are perceived as having different work ethics; locals prefer to invent reasons to avoid work, while foreigners are seen as more devoted since they are driven by a need for employment and compensation. If this belief becomes widespread, firms may choose to hire foreign labour over natives, which might raise local unemployment rates.

5.0 Conclusion

The study explores the intricacies related to the illicit hiring of foreign labourers in Malaysia's construction sector, a crucial industry that makes a substantial economic contribution to the country. Notwithstanding its critical role, the industry faces numerous obstacles, such as a lack of available labour, mistrust among local workers, and an excessive dependence on foreign labour. The study looks at the major variables influencing contractors' unauthorized hiring of foreign labour and analyses the detrimental effects on the sectors that follow. The research highlights a number of important factors that contribute towards the illegal employment of foreign workers through a thorough review of the literature, such as a lack of skilled labour in the area, ignorance of local rates of unemployment, and cost-saving motives. These variables show ethical and regulating failings in addition to reflecting structural labour market difficulties. The study also sheds light on the numerous detrimental effects of these unlawful hiring practices, which can include anything from higher local jobless rates and weakened safety regulations to monetary hazards and damaged reputations for the participating construction companies. The consequences of these actions not only compromise the integrity of the industry but also present serious threats to both economic stability and national security. The research highlights the crucial role that contractors play in reducing the negative consequences of illegal recruitment by adhering to regulatory frameworks, promoting ethical labour practices, and creating a labour ecosystem that is in balance. The results of this study bear noteworthy consequences for policymakers, industry participants, and academic institutions. They underscore the necessity of implementing coordinated initiatives aimed at transforming labour practices, improving regulatory supervision, and advancing fair opportunities in the construction sector.

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Conflict of Interest

Authors declare that there is no conflict of interest regarding the publication of the paper.

Author Contribution

The authors confirm contribution to the paper as follows: **study conception and design:** Shazleen Nabila binti Shaiful Mazlan, Norliana binti Sarpin, Norddin Ismayatim **data collection:** Shazleen Nabila binti Shaiful Mazlan; **analysis and interpretation of results:** Shazleen Nabila binti Shaiful Mazlan; **draft manuscript preparation:** Shazleen Nabila binti Shaiful Mazlan, Norliana binti Sarpin, Roshartini binti Omar, Zailawati binti Khalid and Norddin bin Ismayatim. All authors reviewed the results and approved the final version of the manuscript.

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