

OPENING ADDRESS

BY THE HONOURABLE MINISTER OF WORKS MALAYSIA

Y.B. DATUK HAJI FADILLAH BIN HAJI YUSOF

FOR

BOARD OF ENGINEERS MALAYSIA ROAD SHOW 2014/2015

DATE : 29 SEPTEMBER 2014 (MONDAY)

TIME : 9.00 AM

**VENUE : BALLROOM 1, 1st FLOOR,
SIME DARBY CONVENTION CENTRE (SDCC)
1A JALAN BUKIT KIARA 1
60000 KUALA LUMPUR**

YBhg. Dato' Zainudin Zakaria
Deputy Secretary General, Ministry of Works

YBhg. Dato' Ir. Haji Annies bin Md Ariff
President of the Board of Engineers Malaysia

YBhg. Dato' Sri Ir. Dr. Judin bin Abdul Karim
Chief Executive, Construction Industry Development Board Malaysia

YBhg. Datuk Ir. Haji Ismail bin Md Salleh
Director General, Malaysia Highway Authority

YBrs. Ir. Wong See Foong
President, Association of Engineers Malaysia

YBhg. Datuk Ir. Lim Chow Hock
President, Institution of Engineers Malaysia

YBrs. Mr. Mohd Ridhuan bin Ismail
Chief Executive Officer (Acting), National Water Services Commission

Distinguished Speakers,
Guests, Ladies and Gentlemen

Assalamualaikum Waramatullahi Wabarakatuh and Good morning,

1. It is indeed a great pleasure to be here this morning to officiate the Board of Engineers Malaysia Road Show 2014/2015. Allow me to congratulate the Board of Engineers Malaysia (BEM) for their efforts in organizing this roadshow and to thank the President of the BEM Malaysia and the organizing committee of BEM Road Show 2014/2015 for inviting me to this event. I was made to understand that this event is held to share and update the members on wide range of topics relating to the practice of the engineers in particular and the engineering fraternity in general. This

effort is highly commendable and it goes to show that the role of BEM in ensuring that engineering services provided in the country are of high quality, delivered with due diligence, conforming to professional ethics and benchmarked to the best practices.

2. I find the theme chosen for this roadshow, 'Staying Relevant' very apt indeed and relevant in the present context. I hope my thoughts on this matter will complement the deliberations during the paper presentation. I note with great interest that the topics presented in this roadshow are pertinent issues that need further deliberation amongst the participants in order to enhance professionalism and be prepared for the daunting and unprecedented changes that lie ahead.

Ladies and Gentlemen,

3. Engineers play instrumental roles in all sector of the economy, including the build-environment, manufacturing, transportation, information communication and other industries. Engineers are important because you generate wealth for our economy and create innovations that enhance the quality of life of our people. As the Minister in charge of construction works, I earnestly hope that the image of the whole construction industry improves and it is for the engineers to take the necessary steps to uphold their professional standing, integrity and to always work within their level of competency.

4. I am happy too to see a paper for this road show entitled "Responsibility and Accountability of Stakeholders in the Construction Industry". I was informed that this paper also contains a long list of recommendation to mitigate construction mishaps. It is therefore important that every stakeholder in the construction industry understand their roles well.

5. Immediately after the collapse of part of the ramp at Sultan Abdul Halim Mu'adzam Shah Bridge or Penang Second Bridge, I have directed the Ministry to form an Expert Panel to review the case as well past cases. The Panel comprising of the main stakeholders; the Board of Engineers Malaysia, Construction Industry Development Board, Department of Safety and Health, Ministry of Urban Wellbeing, Housing and Local Government, Public Works Department, Master Builders Malaysia and Malaysia Highway Authority has completed their report with recommendations made as means to mitigate future construction mishaps. The findings and recommendations of the Expert Panel were presented in February this year, during a dialogue session with players in the construction industry.

Ladies and Gentlemen,

6. The construction industry must learn from experience because each incident has valuable lessons such as the standard of safety, professionalism, competency and accountability from all stakeholders. In 1968, a four-storey building at Jalan Raja Laut Kuala Lumpur collapsed; in 1988, the gangway at Penang Ferry Terminal collapse; in 1993, the Highland Towers at Ulu Klang collapsed and; in 2009, the roof of the Gong Badak stadium at Kuala Terengganu collapsed and Jaya Supermarket at Petaling Jaya collapsed during demolition. After each of these incidents, various legislations were amended and improved or new ones enacted to protect the safety and interest of the public.

7. The Ministry of Works intends to arrest such incidents in the future by instilling a pervasive “safety culture” within the construction industry. The Ministry recognizes to instil a “safety culture” through legislation is difficult because “culture” can only evolve with time. Nevertheless with persistency,

the apathetic culture towards public safety will be replaced with a new culture that looks after their interest.

8. The Ministry is optimistic that by being a developed nation in 2020 is not merely by an increase of personal income; but also importantly the “human values” affecting us. One of these “human values” is to reduce the fatalities in the construction industry. Fatality as a result of poor safety culture amongst the stakeholders at the expense of human lives is just not acceptable.

9. Despite the mishaps in the construction industry, I have noted the progressive attitude of the Board towards liberalization of the service sector industry. My perception of the Board of Engineers is that it is run by professionals of impeccable characters. The Board has adopted a policy of optimism by providing pragmatic, intelligent and meaningful solutions to the Government. This is despite the many proponents out there of “doom and gloom” with pessimism in their minds; still not in tune with the ever changing economic environment.

Ladies and Gentlemen,

11. Talking about globalization, I am glad to inform the forum that the amendments to the 3 Professional Acts, including Engineering Act, with a view to embrace liberalization of the Professional services, is in final stage and will be tabled in Parliament. Once passed, citizenship is no more a barrier for engineers from any part of the world to practice and to set up consultation services here. And similarly, our engineers would also be accorded the same opportunity to take on the world. This is in tandem with the Government agenda for full liberalization of the services industry. It will

attract foreign direct investments into the country, contributing to GDP growth and thus generate foreign exchange. To remain competitive, I encourage you to embark on capacity building and confidence building measures than to rely entirely on safeguard measures.

12. The Engineers Act has been amended to allow any engineers from any part of the world to register with the Board. At the same time the amendments of the Act has the primary Government's objectives:

First: **to protect the public against the hazards of sub-standard services from foreign services providers.**

Second: **to safeguard local and national policies so that they are negatively affected; and**

Third: **to ensure that liberalization promotes growth as originally intended.**

13. According to the Federation International of Consulting Engineers based in Geneva, the demand for consulting engineering services is increasing every year. The professional engineering services worldwide demand in fees is USD \$270 billion in 2010 and have risen to USD \$330 billion in 2013 mainly in the areas of transport, buildings and facilities, land development, drainage, water and waste engineering. Fees earned in international markets are mainly in the Middle East, China, the Indian sub-continent, South East Asia and Africa.

14. However, the local consultants need to gauge themselves on their competitive edge in terms of good track record, competency and readiness to accept big scale projects. I have confidence in our local renowned consultants since many of them have already ventured beyond our shores in places such as Middle East and ASEAN countries. I hope others who

have yet to work with foreign partners can learn from them and equip themselves to face the challenges of liberalization and globalization.

15. I understand that the debate on liberalization of professional services to open-up equity has been raging over the last few years. The Board's rationale for opening-up equity has been fully accepted by the Government when it was presented. The old model and business as usual has not improved our lot. What is needed is a change; a change to transform the service sector industry.

Ladies and gentlemen,

16. As much as we are eager to transform the construction industry for the development of the nation, environmental and sustainability concerns should never be neglected. As we are aware, initiatives under the Green Agenda, can range from efforts in reducing our carbon footprint, optimizing usage of our natural resources, such as utilising solar energy, harvesting rain water, using of timber from replanted sources, recycling of waste products, using of renewable energy, and adopting energy efficiency technologies. Engineers have a leading role in planning, designing, building and ensuring a sustainable future. Engineers provide the bridge between science and society. In this role, engineers must actively promote and participate in multi-disciplinary teams with other professionals, such as ecologist, economist and sociologist to effectively adhere the issues and challenges of sustainable development in Malaysia.

17. Towards this end, efforts will have to be directed at establishing credible life cycle cost databases, and this can be carried out via smart partnership arrangements between the public and private sector, with the

close collaboration of academic researchers and members of the engineering fraternity. These efforts are crucial so that meaningful cost advice can be provided to clients and in estimating the real total cost of ownership of future developments, and by providing such costing, hopefully you can influence the making of sustainable choices.

Ladies and gentlemen,

18. Once again, I would like to thank the organizers for inviting me to share my thoughts and I really must applaud them for their wisdom in crafting a programme that is imbued with “wholesome goodness” of knowledge, and innovation. On that note, I hope all of you will have a beneficial and fruitful discussion. Let this meeting of the minds help you find your mark that will successfully lead to the developing and strengthening of the Engineering profession

Thank you very much and I wish BEM every success.