

OPENING ADDRESS BY

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“CONSTRUCTION DIGITALISATION WITH BIG DATA”

**STATISTICS, INDICES IN CONSTRUCTION AND AUTOMATION (SICA)
CONFERENCE 2019**

**20 AUGUST 2019
W HOTEL, KUALA LUMPUR**

Distinguished guests,
Members of the media,
Ladies and gentlemen,

Salam Sejahtera and *Selamat Datang*

A warm welcome to all of you here today.

1. It is an honour for me to be here with you today to deliver the Opening Address for the “**Statistics, Indices in Construction and Automation Conference 2019**”, or **SICA Conference 2019**. This is the fifth instalment of SICA Forum by the Construction Industry Development Board, Malaysia (CIDB).
2. Incidentally, this is the second SICA Conference I am attending, having witnessed the success of last year’s edition, “Building A Big Data Community For Construction In Malaysia”. I am pleased to see the return of SICA Conference today, as it continues to be a platform where stakeholders in the construction industry have

the opportunity to discuss issues, challenges and solutions in improving the construction industry.

3. Ladies and gentlemen,

The Malaysian Construction Landscape

4. The theme for the SICA Conference this year is “**Construction Digitalisation With Big Data**”.
5. While the local construction industry has experienced notable growth in the past years, it also has its fair share of challenges. For instance, major changes need to be made in order to improve productivity levels of the Malaysian construction industry.
6. According to the latest **Productivity Report**¹ produced by the Malaysian Productivity Corporation (MPC) in 2018, the **construction industry experienced the lowest productivity level of RM43,882** per worker, compared to the **manufacturing sector at RM121,841**, the **services sector at RM86,921**, and the **agriculture sector at RM53,943**.
7. The report also highlights that “the construction sector needs to be more aggressive in adopting **modern technologies and practices** to reduce its over-dependence on low-skilled labour”. In the same vein, the industry as a whole must **embrace digitalisation** in the Industry 4.0 in order for us to step up their productivity and performance in all areas. Failing to move with the current changes, will only cause them be left behind. I believe more can be done for the construction sector to close this gap.
8. Therefore, raising the productivity level of the construction industry is a high priority in the **Construction Industry Transformation Programme (CITP) 2016-2020** which comprises of four strategic thrusts: Quality, Safety and Professionalism;

¹ Malaysian Productivity Corporation (MPC), Productivity Report 2018/2019: <http://www.mpc.gov.my/wp-content/uploads/2019/06/MPC-PRODUCTIVITY-REPORT-FULL-REPORT-2018-2019.pdf>

Environmental Sustainability; Productivity; and Internationalisation and Competitiveness.

9. Digitisation, integration and automation of construction methods and practices are key areas of focus under the Productivity strategic thrust of the CITP, which seeks to double the productivity levels of the construction sector, with matching higher wages. To this end, it is crucial to have access to reliable data in order to develop effective data maximization plans and policies specific to the construction industry.

Ladies and gentlemen,

SICA Conference 2019: Construction Digitalisation With Big Data

10. SICA Conference 2019's focus on Digitalisation and Big Data is indeed relevant and timely, as we live in a reality where technology is everywhere and integral to all areas of our daily lives. Big Data analytics has revolutionised industries across the board, by allowing us to extract useful insights from large volumes of data and use them beneficially to improve business processes and results. For instance, in the age of online social networks, Big Data analytics have enabled micro-targeting of messages to very specific sets of audiences, hence ensuring that key messages are delivered towards the exact segment of audience desired.
11. The construction industry can greatly benefit from leveraging Big Data as well. Big Data refers to the large quantities of information that have been generated in the past and continues to be collected today by construction players. Each stakeholder - whether government agencies, regulators, contractors, or consultants - deals with large volumes of data on a daily basis, whether on a project basis, company basis or industry basis.
12. However, Big Data by itself isn't useful. There needs to be a process to extract, filter, and analyse them into useful forms. Processing the data from the mountains of information contained within the disparate sources of industry data require sorting and analysis in order to extract insights from them. This is where the industry needs to be heading towards.

13. If we want to survive and thrive in the Industry 4.0, it is crucial that we embrace digitalisation and technological disruptions to transition from being a labour-driven industry to a knowledge-driven one. As such, the construction sector needs to re-think and re-look at traditional business intelligence solutions, and adopt advanced methodologies in order to enhance business processes and results.

Ladies and gentlemen,

Boosting the Construction Industry Moving Forward

14. Just earlier this month, the Minister of Works, Yang Berhormat Tuan Baru Bian, had highlighted at the CITP Progress Update, that collaboration has been key in CITP's success in construction industry transformation. As a result, landmark changes have been achieved towards our overall goal to raise the local construction industry to world-class standards.

15. Likewise, I would like to call upon all construction players and stakeholders in working together with the Ministry of Works in our commitment to increasing and advancing the use of Digitalisation and Big Data analytics in the industry. With data-backed strategies and decisions, I am confident the industry will be able to move forward and become on par with global standards.

16. On this score, I am glad we started the day on the right footing, hearing from Mr. Kiranjit Singh, Country Head IPSOS Business Consulting, of the IPSOS Sdn Bhd on the topic "**Construction in Malaysia: Fit for the future**".

17. Following this, I am made to understand that Yang Berbahagia Dato' Dr. Syed Omar Sharifuddin bin Syed Ikhsan, Secretary-General of the Ministry of Works will be sharing on the "**National Construction Industry Information Centre or NCIIC: Leading the Way in Digital Construction**" in his keynote. We will also be exploring two sub-themes of "**Big Data: Technology & Application**" and "**Big Data Development: Prospects & Challenges**" in our afternoon sessions, where we will have the chance to learn from local and international industry leaders alike.

18. These are pertinent topics that have ramifications for the future direction of the Malaysian construction sector. I am confident that, from these discussions, all of you here will be able to take away many insights and learnings on how Digitalisation and Big Data can benefit your business in the long run.

19. Before I conclude, let me once again express my appreciation to all of you for your presence and support here today. I am confident that the rich programme ahead will prove to be enlightening to all, and I encourage you to interact and engage with each other so we can maximise our learnings as a whole.

20. I wish all of you a fruitful day ahead.

Thank you.

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