SUMMARY

The Singapore construction industry has long been plagued with a heavy reliance on foreign workers and low productivity. In its bid to curb the number of foreign workers employed, the authorities used the foreign workers levy and dependency ceiling ratio as control tools. The Man-Year Entitlement (MYE) scheme was introduced in April 1998 to streamline and improve the work permit system and required contractors to justify their work permit requirements by the value of work on hand and the duration of these works. It is the aim of this study to ascertain how the MYE has affected the contractors’ operations and gather feedback at the same time on problems faced or suggestions to improve the scheme.

Since its inception, the MYE has affected the way contractors managed their labour and made them look towards methods of construction that are less labour-intensive as shown in the survey of contractors. Similarly, to enable the construction industry to remain relevant in the knowledge based economy, the Construction 21 (C21) report proposed 6 strategic thrusts with 39 recommendations to steer the industry towards a “World Class Builder in the Knowledge Age”. It would be seen that construction labour was one of its major concerns and was intertwined within its recommendations. To fulfil the C21 vision, the construction labour must be upgraded to consist of a core pool of skilled workers with emphasis on recruiting local workers as the mainstay in the workforce.
As revealed in the survey, contractors were generally reluctant to send their foreign workers for training due mainly to the short 2-years work permit which they felt was insufficient time for them to reap the rewards of the training. However, they conceded that prefabrication does improve productivity though few took the call to mechanise their work due to the heavy capital outlay and uncertainty of work.

The recommendations in this study to alleviate the reliance on foreign workers include extending the existing 2-year work permit to 3 years for skilled foreign worker, developing substitutes for the foreign workers, promoting the buidability concept, the creation of the Trade Productivity Index (TPI) to measure productivity norms of various trades, revision of dependency ratio to distinguish the skilled and unskilled workers and finally to increase the foreign worker levy only as a last resort when all else seem ineffective.

Most of these recommendations were not new but few had been heeded. It is suggested therefore that the Building and Construction Authority (BCA) with its expanded role as promoter and regulator of the industry also takes on the role of the championing agency to steer the industry to be an innovative and progressive sector that not only is productive but also an important contributor of wealth towards Singapore's economy.

With these in place, it is hoped that the over reliance on foreign workers would be gradually eroded and the image of the construction industry can be changed from one that is Demanding, Dirty and Dangerous (3Ds) to one that is Professional, Productive and Progressive (3Ps).