MASTER BUILDERS ASSOCIATION MALAYSIA (MBAM)
Persatuan Kontraktor Binaan Malaysia
Lot 92404, Persiaran Harmoni, Putra Heights,
47650 Subang Jaya, Selangor.
Website: www.mbam.org.my
Tel: 603-80118756

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Press Release

Dear Editor,

BRIDGING PERSPECTIVES ON CONSTRUCTION INPUT COSTS TO SUPPORT INDUSTRY RESILIENCE AND GROWTH

Please find enclosed the press release for your kind consideration and publication.

Should you require further information or clarification, please do not hesitate to contact:

1. **Mr. Lenny Lim, General Manager – 012 620 5377**
2. **Ms. Nurkhalilah, Public Relations and Communications Executive – 017 550 5377**
3. **Ms. Ainur Fazira, Public Relations and Communications Executive – 012 377 6976**

We sincerely thank you in advance for your support and look forward to the publication of the article.

Yours faithfully,
MASTER BUILDERS ASSOCIATION MALAYSIA

LOH MEI LING AMN
Executive Director

MASTER BUILDERS ASSOCIATION MALAYSIA (MBAM) AND PERSATUAN KONTRAKTOR BUMIPUTERA MALAYSIA (PKBM) JOINT MEDIA STATEMENT

For Immediate Release

Bridging Perspectives on Construction Input Costs to Support Industry Resilience and Growth

Kuala Lumpur, 14 August 2026 – The Master Builders Association Malaysia (MBAM) and Persatuan Kontraktor Bumiputera Malaysia (PKBM) take note of recent media reports regarding comments by the Minister of Works, YB Dato' Seri Alexander Nanta Linggi, on the overall cost impact on the construction sector.

While macro-level metrics and macro-economic data play a valuable role in policy planning, MBAM and PKBM wish to highlight that broad statistical averages do not fully capture the operational cost realities faced by contractors on the ground. The construction sector continues to experience concentrated and sustained cost escalations in key essential building inputs.

Operational Reality on the Ground

Specific core materials—such as diesel, bitumen, quarry products, ready-mixed concrete, and cement—have registered noticeable price increases over recent months:

- **Industrial Diesel (per litre):** Increased from RM2.95 to RM4.26 (+44%) between February and July 2026.
- **Bitumen (per tonne):** Rose from RM2,125 to RM3,025 (+42%) between February and July 2026.
- **Ready-Mixed Concrete, Grade 30N (per m^3):** Increased from RM350 to RM402 (+15%) between February and July 2026.
- **Cement, OPC (50kg bag):** Adjusted from RM22.50 to RM24.00 (+6.7%) from June 2025 to July 2026.
- **Logistics & Haulage:** Haulage costs have risen between 15% and 40% due to stricter enforcement on transport capacities since October 2025.

- **Labour & Operational Inputs:** Adjustments in minimum wage (RM1,700), EPF structure changes for non-Malaysian workers, and record highs in copper pricing add cumulative pressure to active sites.

Because most contractors operate under fixed-price contracts awarded prior to these price adjustments, these localized material cost increases directly impact project delivery margins, particularly for small- and mid-tier contractors.

A Collaborative Path Forward

MBAM and PKBM fully reaffirm our commitment as dedicated partners to the Government in advancing Malaysia's infrastructure goals, including key national projects and the 13th Malaysia Plan (RMK-13).

To ensure policy decisions and public understanding reflect actual site realities, MBAM and PKBM welcome the opportunity to work closely with the **Ministry of Works**, the **Construction Industry Development Board (CIDB)**, and the **Department of Statistics Malaysia (DOSM)**. By sharing micro-level industry data and ground observations alongside national statistical data, we hope to establish a balanced and comprehensive framework to support industry sustainability.

We look forward to ongoing constructive engagement with the Ministry and relevant government agencies.

Released jointly by:

Kenneth Liew Kiam Woon	**Dato' Sri Dr. Azman bin Yusoff**
President, MBAM	*President, PKBM*

– **END** –