

The transformation in economic and workforce development in Sabah: an analysis

Abstract

The implementation of New Economic Development in 1970 gave implications to Sabah's socioeconomic development. Agro-based economic development supported by infrastructural development could be observed especially in the 2000's. At the same time, educational improvement has brought about social mobility among local people which eventually changed the workforce structure. This internal changes have caused imbalanced in the need and demand of workforce especially in 3D (Dirty, Dangerous & Difficult) work sector known as low-skilled. The agricultural, construction and manufacturing sectors which are labour intensive were facing a labour shortage crisis. This brought about employment of foreign worker policy, which was initially intended for short term; until the nation's economy becomes labour efficient with the use of machinery. However, dependency on foreign labour can still be observed to date to ensure low production cost so as to remain competitive in the global market. This paper intends to see economic transformation as well as changes in workforce demand which initiated the needs for foreign labour. In discussing this issue, the writer analysed population, education, workforce, agricultural sector and foreign workers data to explain the transformation and internal changes. Based on the data projection of a few decades, this paper could explain in detail the phenomena we are facing today. The understanding of this issue is pertinent in solving problems related to the handling of foreign workforce.