



LAWS OF MALAYSIA

REPRINT

Act 520

LEMBAGA PEMBANGUNAN INDUSTRI PEMBINAAN MALAYSIA ACT 1994

Incorporating all amendments up to 1 January 2006

PUBLISHED BY
THE COMMISSIONER OF LAW REVISION, MALAYSIA
UNDER THE AUTHORITY OF THE REVISION OF LAWS ACT 1968
IN COLLABORATION WITH
PERCETAKAN NASIONAL MALAYSIA BHD
2006

**LEMBAGA PEMBANGUNAN INDUSTRI PEMBINAAN
MALAYSIA ACT 1994**

Date of Royal Assent 24 June 1994

Date of publication in the *Gazette* 7 July 1994

PREVIOUS REPRINT

First Reprint 2002

LAWS OF MALAYSIA

Act 520

LEMBAGA PEMBANGUNAN INDUSTRI PEMBINAAN MALAYSIA ACT 1994

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

Section

1. Short title, commencement and application
2. Interpretation

PART II

THE LEMBAGA

3. The Lembaga
4. Functions of the Lembaga
5. Membership of the Lembaga
6. Public servants
7. Power of the Minister to give directions
8. Returns, reports, accounts and information
9. Power of the Lembaga to establish committees

PART III

CHAIRMAN, OFFICER, SERVANTS

10. The Chairman
11. Chief Executive Officer
12. Appointment of officers and servants of the Lembaga
13. Regulations with respect to conditions of service
14. Regulations with respect to discipline

PART IV**FINANCE**

Section

15. The Fund
16. Conservation of the Fund
17. Expenditure to be charged on the Fund
18. Expenditure and preparation of estimates
19. Statutory Bodies (Accounts and Annual Reports) Act 1980 to apply

PART V**OTHER POWERS OF THE LEMBAGA**

20. Power to borrow
21. Power to grant loans
22. Investment
23. Power to employ
24. Power to establish corporations

PART VI**REGISTRATION OF CONTRACTORS**

25. Registration of contractors
26. Register
27. Notice to require particulars
28. Penalty for failure to comply with notice
29. Penalty for carrying out construction works without being registered
30. Notice to unregistered contractor to stop construction works
31. Registered contractor subject to this Act

PART VII**ACCREDITATION AND CERTIFICATION OF SKILLED
CONSTRUCTION WORKERS AND CONSTRUCTION
SITE SUPERVISORS**

32. Accreditation and certification
33. Register

PART VIII

LEVY

Section

34. Imposition of levy

PART IX

ENFORCEMENT AND INVESTIGATION

35. Appointment of Investigating Officers

PART X

GENERAL

36. Obligation of secrecy
37. Power to make regulations
38. Conduct of prosecution
39. General penalty
40. Power to exempt
41. Transitional and saving provision

FIRST SCHEDULE

SECOND SCHEDULE

THIRD SCHEDULE

LAWS OF MALAYSIA**Act 520****LEMBAGA PEMBANGUNAN INDUSTRI PEMBINAAN
MALAYSIA ACT 1994**

An Act to establish the Lembaga Pembangunan Industri Pembinaan Malaysia and to provide for its function relating to the construction industry and for matters connected therewith.

*[Part I, II, III, IV, V, IX & s. 37, 38, 39 and 40 of Part X—
1 December 1994, P.U. (B) 534/1994;
Part VI & ss. 41(1) of Part X—
20 July 1995, P.U. (B) 339/1995;
Part VIII & ss. 41(2) of Part X—
1 October 1995, P.U. (B) 457/1995;
Part VII— 1 July 1999, P.U. (B) 227/1999]*

BE IT ENACTED by the Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

PART I**PRELIMINARY****Short title, commencement and application**

1. (1) This Act may be cited as the Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994 and shall come into force on such date as the Minister may, by notification in the *Gazette*, appoint.

(2) This Act shall apply throughout Malaysia; however the Minister may by order suspend the operation of the whole or any of the provisions of this Act in any part of Malaysia.

Interpretation

2. In this Act, unless the context otherwise requires—

“Chairman” means the Chairman of the Lembaga appointed under section 5;

“Chief Executive Officer” means the Chief Executive Officer appointed under section 11;

“company” has the same meaning as that assigned to “corporation” under subsection 4(1) Companies Act 1965 [*Act 125*];

“contractor” means a person who undertakes to carry out and complete any construction works;

“construction industry” means the industry concerning construction works;

“construction site supervisor” means a person assigned to the construction site by the contractor to supervise the construction works;

“construction works” means the construction, extension, installation, repair, maintenance, renewal, removal, renovation, alteration, dismantling, or demolition of—

- (a) any building, erection, edifice, structure, wall, fence or chimney, whether constructed wholly or partly above or below ground level;
- (b) any road, harbour works, railway, cableway, canal or aerodrome;
- (c) any drainage, irrigation or river control works;
- (d) any electrical, mechanical, water, gas, petrochemical or telecommunication works; or
- (e) any bridge, viaduct, dam, reservoir, earthworks, pipeline, sewer, aqueduct, culvert, drive, shaft, tunnel or reclamation works,

and includes any works which form an integral part of, or are preparatory to or temporary for the works described in paragraphs (a) to (e), including site clearance, soil investigation and improvement, earth-moving, excavation, laying of foundation, site restoration and landscaping;

“Fund” means the fund established under section 15;

“Lembaga” means the Lembaga Pembangunan Industri Pembinaan Malaysia established under section 3;

“member” means a member of the Lembaga including the Chairman;

“Minister” means the Minister for the time being charged with the responsibility for matters relating to works;

“skilled construction worker” means a person possessing the accepted level of skill as determined by the Lembaga of one or more of the trades as listed in the Third Schedule.

PART II

THE LEMBAGA

The Lembaga

3. There is hereby established a body corporate by the name of “Lembaga Pembangunan Industri Pembinaan Malaysia” which shall have perpetual succession and a common seal, which may sue and be sued in its corporate name and, subject to and for the purposes of this Act, may enter into contracts and may acquire, purchase, take, hold and enjoy movable and immovable property of every description and may convey, assign, surrender, yield up, charge, mortgage, demise, reassign, transfer or otherwise dispose of, or deal with any movable or immovable property or any interest therein vested in the Lembaga upon such terms as it deems fit.

Functions of the Lembaga

4. (1) The functions of the Lembaga shall be—

- (a) to promote and stimulate the development, improvement and expansion of the construction industry;
- (b) to advise and make recommendations to the Federal Government and the State Government on matters affecting or connected with the construction industry;
- (c) to promote, stimulate and undertake research into any matter relating to the construction industry;

- (d) to promote, stimulate and assist in the export of service relating to the construction industry;
- (e) to provide consultancy and advisory services with respect to the construction industry;
- (f) to promote quality assurance in the construction industry;
- (g) to encourage the standardization and improvement of construction techniques and materials;
- (h) to initiate and maintain a construction industry information system;
- (i) to provide, promote, review and coordinate training programs organized by public and private construction training centres for skilled construction workers and construction site supervisors;
- (j) to accredit and register contractors and to cancel, suspend or reinstate the registration of any registered contractor; and
- (k) to accredit and certify skilled construction workers and construction site supervisors.

(2) The Lembaga shall have power to do all things expedient or reasonably necessary for, or incidental to, the performance of its functions and, in particular, but without prejudice to the generality of the foregoing—

- (a) to carry on all activities, particularly activities in respect of the construction industry, the carrying on whereof appears to it to be requisite, advantageous or convenient for or in connection with the performance of its functions;
- (b) to award certificates of proficiency;
- (c) with the approval of the Minister, to establish or expand, or promote the establishment or expansion of, companies, corporations or other bodies to carry on any such activities either under the control or partial control of the Lembaga or independently;
- (d) to provide financial assistance in the form of loans or otherwise to persons engaged in the construction industry for the purpose of promoting the said industry and provide any guarantees on their behalf;
- (e) to impose fees or any other charges as it deems fit for giving effect to any of its functions or powers;

- (f) to receive, in consideration of any services that may be rendered by it, such commission or payments as may be agreed upon with any person; and
- (g) to do such other things as it deems fit to enable it to carry out its functions and powers effectively.

(3) Subject to section 7, it shall be the responsibility of the Lembaga in performing its functions under this Act to ensure that the functions are performed in such manner as shall be in furtherance of the policy of the Government for the time being in force and in particular relating to the construction industry.

Membership of the Lembaga

5. (1) The Lembaga shall consist of the following members:

- (a) a Chairman;
- (b) six representatives from the private sector; and
- (c) four representatives who shall hold office in the public services,

who shall be appointed by the Minister.

(2) The provisions of the First Schedule shall apply to the Lembaga.

Public servants

6. All members, officers and servants of the Lembaga, while discharging their duties as such members, officers and servants, shall be deemed to be public servants within the meaning of the Penal Code [*Act 574*].

Power of the Minister to give directions

7. The Lembaga shall be responsible to the Minister, and the Minister may, from time to time, give directions not inconsistent with this Act and the Lembaga shall, as soon as possible, give effect to all such directions.

Returns, reports, accounts and information

8. (1) The Lembaga shall furnish to the Minister, and such public authority as may be directed by the Minister, such returns, accounts and information with respect to its property and activities as the Minister may, from time to time, require or direct.

(2) Without prejudice to the generality of subsection (1), the Lembaga shall, as soon as practicable after the end of each financial year, cause to be made and transmitted to the Minister and, if so directed by the Minister, to any other public authority a report dealing with the activities of the Lembaga during the preceding financial year and the report shall be in such form and shall contain such information relating to the proceedings and policy of the Lembaga as the Minister may, from time to time, specify.

Power of the Lembaga to establish committees

9. (1) The Lembaga may establish such committees as it considers necessary or expedient to assist it in the performance of its functions under this Act.

(2) The Lembaga may appoint any suitable person to be a member of any committee established under subsection (1).

(3) A committee established under this section may elect any of its members to be chairman and may regulate its own procedure and, in the exercise of its powers under this subsection, such committee shall be subject to and act in accordance with any direction given to it by the Lembaga.

(4) Any meeting of a committee established under this section shall be held at such time and place as the chairman of the committee may, subject to subsection (3), determine.

(5) A committee may invite any person to attend any of its meetings for the purpose of advising it on any matter under discussion provided that the person so invited shall not be entitled to vote at any such meeting.

(6) The members of a committee established under this section and any person invited under subsection (5) to attend any meeting of a committee may be paid such allowances as the Lembaga may determine.

PART III

CHAIRMAN, OFFICER, SERVANTS

The Chairman

10. (1) Without prejudice to the other provisions of this Act, the Chairman shall perform such duties as the Minister may, from time to time, determine.

(2) If the Chairman is temporarily absent from Malaysia or incapacitated through illness or for any other good reason is unable to perform his duties, the Minister shall appoint any member of the Lembaga to carry out the duties of the Chairman.

Chief Executive Officer

11. (1) The Lembaga may, with the approval of the Minister, appoint a person, designated as “Chief Executive Officer” to be the principal executive officer and vest him with such powers and impose upon him such duties as may be determined by the Lembaga.

(2) The Chief Executive Officer shall be responsible for the proper administration and management of the functions and affairs of the Lembaga.

(3) The Chief Executive Officer shall have general control of the other officers and servants of the Lembaga.

(4) The Chief Executive Officer shall perform such further duties as the Lembaga may from time to time direct.

(5) If the Chief Executive Officer is temporarily absent from Malaysia or is incapacitated through illness or for any other good reason is unable to perform his duties, the Lembaga may direct any other officer to carry out his duties.

Appointment of officers and servants of the Lembaga

12. (1) Subject to any regulations made under section 13, the Lembaga may appoint on such terms and conditions as it may think desirable such officers and servants as may be necessary for carrying out the purposes of this Act.

(2) No person shall be eligible for employment as an officer or servant of the Lembaga if he has, directly or indirectly, by himself or his partner, any share or interest in any contract or proposed contract with, for or on behalf of the Lembaga.

Regulations with respect to conditions of service

13. The Lembaga may, from time to time, with the approval of the Minister, make regulations with respect to the conditions of service of its officers and servants.

Regulations with respect to discipline

14. (1) The Lembaga may, from time to time, with the approval of the Minister, make regulations with respect to the discipline of its officers and servants.

(2) The regulations made under this section may include provisions for—

(a) the interdiction with reduction in salary or in other remuneration; or

(b) the suspension without salary or other remuneration,

of an officer or servant of the Lembaga during the pendency of disciplinary proceedings against him.

(3) The regulations made under this section shall create such disciplinary offences and provide for such disciplinary punishments as the Lembaga may deem appropriate, and the punishments so provided may extend to dismissal or reduction in rank.

(4) The regulations made under this section may, in prescribing the procedure for disciplinary proceedings, provide for an opportunity for representations to be made by the person against whom the disciplinary proceedings are taken before a decision is arrived at by the Lembaga on the disciplinary charge laid against such person.

PART IV

FINANCE

The Fund

15. (1) There is hereby established, for the purposes of this Act, a fund to be administered and controlled by the Lembaga.

(2) The Fund shall consist of—

- (a) such sums as may be provided from time to time for the purposes of this Act by Parliament;
- (b) moneys earned from the consultancy and advisory services provided by the Lembaga;
- (c) moneys earned by the operation of the construction industry information system;
- (d) moneys earned or arising from any property, investments, mortgages, charges or debentures acquired by or vested in the Lembaga;
- (e) any property, investments, mortgages, charges or debentures acquired by or vested in the Lembaga;
- (f) sums borrowed by the Lembaga for the purpose of meeting any of its obligations or discharging any of its duties;
- (g) moneys earned from the registration of contractors and the accreditation, certification and registration of skilled construction workers and construction site supervisors;
- (h) moneys collected by way of levy under section 34 of this Act; and
- (i) all other sums or property which may in any manner become payable to or vested in the Lembaga in respect of any matter incidental to its functions, powers and duties.

Conservation of the Fund

16. It shall be the duty of the Lembaga to conserve the Fund by so performing, exercising and discharging its functions, powers and duties under this Act as to secure that the total revenues of the Lembaga are, subject to any directions given by the Minister, sufficient to meet all sums properly chargeable to its revenue account, including depreciation and interest on capital, taking one year with another.

Expenditure to be charged on the Fund

17. The Fund shall be expended for the purposes of—

- (a) paying any expenditure lawfully incurred by the Lembaga, including legal fees and costs and other fees and costs and the remuneration of officers and servants appointed and employed by the Lembaga, including superannuation allowances;
- (b) paying any other expenses, costs or expenditure properly incurred or accepted by the Lembaga in the performance of its functions and powers under section 4;
- (c) repaying any moneys borrowed under this Act and the interest due thereon; and
- (d) generally, paying any expenses for carrying into effect this Act.

Expenditure and preparation of estimates

18. (1) The expenditure of the Lembaga up to such amount as may be authorized by the Minister for any one year shall be defrayed out of the Fund.

(2) Before the beginning of each year, the Lembaga shall submit to the Minister an estimate of the expenditure for the following year in such form and containing such particulars as the Minister may direct, and the Minister shall, before the beginning of the following year, notify the Lembaga of the amount authorized for expenditure generally or of the amounts authorized for each description of expenditure.

(3) The Lembaga may at any time submit to the Minister a supplementary estimate for any one year and the Minister may allow the whole or any part of the additional expenditure included therein.

(4) The Minister may direct the Lembaga to submit a copy of the estimate or supplementary estimate, as the case may be, to such other public authority as may be specified in the direction.

Statutory Bodies (Accounts and Annual Reports) Act 1980 to apply

19. The Statutory Bodies (Accounts and Annual Reports) Act 1980 [*Act 240*] shall apply to the Lembaga and any corporation established under this Act.

PART V

OTHER POWERS OF THE LEMBAGA

Power to borrow

20. (1) The Lembaga may, from time to time, with the approval of the Minister, borrow, at such rate of interest and for such period and upon such terms as to the time and method of repayment and otherwise as the Minister may approve, any sums required by the Lembaga for meeting any of its obligations or discharging any of its duties.

(2) The Lembaga may, from time to time, with the approval of the Minister, borrow money by the issue of bonds, debentures or stocks of such class and value and upon such terms as it may, with the approval of the Minister, deem expedient, for all or any of the following purposes:

- (a) the provision of working capital;
- (b) the performance of the functions, the exercise of the powers and the discharge of the duties of the Lembaga under this Act;
- (c) the performance of such additional functions as may be undertaken by the Lembaga under this Act;
- (d) the redemption of any shares or stocks which it is required or entitled to redeem; and
- (e) any other expenditure properly chargeable to capital account.

Power to grant loans

21. In the performance of its functions, the exercise of its power or the discharge of its duties, the Lembaga may, with the approval of the Minister, grant loans, and such loans may be granted subject to such terms and conditions as the Lembaga may, with the approval of the Minister, deem fit to impose in any particular case.

Investment

22. The assets of the Lembaga shall, in so far as they are not required to be expended by the Lembaga under this Act, be invested in such manner as the Minister may approve.

Power to employ

23. The Lembaga may employ and pay agents and technical advisers, including advocates and solicitors, bankers, fund managers, stockbrokers, surveyors, valuers and other persons, to transact any business or to do any act required to be transacted or done in the performance of its functions, the exercise of its powers or the discharge of its duties or for the better carrying into effect the purposes of this Act.

Power to establish corporations

24. (1) The Lembaga may from time to time, with the approval of the Minister, by order published in the *Gazette*, establish a corporation, by such name as the Lembaga may think fit, to carry out and have the charge, conduct and management of any project, scheme or enterprise which has been planned or undertaken by the Lembaga in the performance of its functions, the exercise of its powers or the discharge of its duties.

(2) The Second Schedule shall apply to every corporation established by the Lembaga under subsection (1).

PART VI**REGISTRATION OF CONTRACTORS****Registration of contractors**

25. (1) No person shall undertake to carry out and complete any construction works unless he is registered with the Lembaga and holds a valid certificate of registration issued by the Lembaga.

(2) Every certificate of registration shall be in the prescribed manner and form.

Register

26. The Lembaga shall keep and maintain a Register which shall contain the names, business addresses and other particulars of contractors who are registered as registered contractors.

Notice to require particulars

27. (1) For the purpose of carrying out its functions under section 4, the Lembaga may by notice in the prescribed form require any person to furnish any particulars which are within the person's knowledge, or which he is able to obtain, relating to any contractor or construction works in such manner and form as the Lembaga may specify.

(2) The notice under subsection (1) may be served by delivering it to the person at the construction site, his working place or at his residence.

(3) A notice may require the information to be furnished at specific times or within specific intervals.

(4) The Lembaga shall not require any person to supply information which will disclose any trade secret.

Penalty for failure to comply with notice

28. A person who—

- (a) fails to comply with the requirements of a notice issued under section 27; or
- (b) knowingly or recklessly furnishes or causes to be furnished any false particulars on any matter specified in the notice issued under section 27,

shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding five hundred ringgit and, in the case of a continuing offence, to a fine not exceeding five hundred ringgit for every day or part of a day during which the offence continues after conviction.

Penalty for carrying out construction works without being registered

29. A person who undertakes to carry out or carries out and completes any construction works without being registered as a registered contractor with the Lembaga shall be guilty of an offence under this Act and shall, on conviction, be liable to a fine not exceeding fifty thousand ringgit.

Notice to unregistered contractor to stop construction works

30. (1) Where the Lembaga finds that construction works are being undertaken or carried out by a contractor who is not registered with the Lembaga, the Lembaga may by notice in the prescribed form served on the contractor require him to abstain from commencing or proceeding with the construction works.

(2) A person who fails to comply with the requirements of the notice under subsection (1) shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding five hundred ringgit, and in the case of a continuing offence, to a fine not exceeding five hundred ringgit for every day or part of a day during which the offence continues after conviction.

Registered contractor subject to this Act

31. Every registered contractor shall be subject to this Act.

PART VII**ACCREDITATION AND CERTIFICATION OF SKILLED
CONSTRUCTION WORKERS AND CONSTRUCTION
SITE SUPERVISORS****Accreditation and certification**

32. (1) The Lembaga shall accredit and certify skilled construction workers and construction site supervisors in the prescribed manner and form.

(2) The skilled construction workers referred to in subsection (1) are as specified in the Third Schedule.

(3) The Minister may, from time to time, by an order published in the *Gazette*, add to, delete from, vary or amend the Third Schedule.

Register

33. The Lembaga shall keep and maintain a Register which shall contain the names, addresses, trades, skills and other particulars of the accredited skilled construction workers and construction site supervisors.

PART VIII

LEVY

Imposition of levy

34. (1) Every registered contractor shall notify and submit to the Lembaga any contract which he has executed on any construction works having a contract sum of above five hundred thousand ringgit.

(2) There shall be imposed by the Lembaga on every registered contractor, before the commencement of any construction works having a contract sum of above five hundred thousand ringgit, a levy which shall be a quarter per centum of the contract sum.

(3) The Lembaga shall then notify the registered contractor of the amount of levy to be paid within such period as it may prescribe.

(4) The levy may be paid to the Lembaga or its authorized agents at such office or place as may be determined by the Lembaga.

(5) Where a registered contractor fails to pay any levy due within such period as may be prescribed, the registered contractor shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding fifty thousand ringgit.

(6) The Minister may, from time to time, by order published in the *Gazette* reduce or increase the rate of levy specified in subsection (2).

(7) The amount of any levy payable under this section shall be recoverable as a civil debt due to the Lembaga.

(8) In this section, “contract sum” means the consideration for a contract in respect of any construction works.

PART IX

ENFORCEMENT AND INVESTIGATION

Appointment of Investigating Officers

35. (1) The Lembaga may appoint such number of investigating officers to be known as Investigating Officers of the Lembaga as it considers necessary for the purposes of carrying out investigation of any offence or inspection under this Act.

(2) An Investigating Officer shall, for the purposes of ascertaining whether the provisions of this Act or any regulations made thereunder are being complied with, have power at all reasonable times to enter into any construction site where construction works are being carried out and there to make such enquiry or inspection as may be necessary for such purposes.

(3) In the course of an investigation or inspection under this section the Investigating Officer may—

- (a) put questions concerning the registration of any contractor, the accreditation and certification of the skilled construction workers and construction site supervisors or the payment of levy, and all such persons shall be legally bound to answer such questions truthfully to the best of their ability; and
- (b) require any such person to produce to him any records required to be kept under this Act and may seize them or take copies of them.

(4) Every Investigating Officer when exercising any powers under this Act shall declare his office and shall produce his authority in writing to any person affected by the exercise of such powers.

(5) Upon completion of his investigation, the Investigating Officer shall immediately give all information relating to the commission of any offence to an officer in charge of a police station and a police officer may, by warrant, arrest any person who may have committed an offence under this Act or any regulation made thereunder.

PART X

GENERAL

Obligation of secrecy

36. (1) Except for any of the purposes of this Act or for the purpose of any civil or criminal proceedings under any written law, no member, officer or servant of the Lembaga shall disclose any information which has been obtained by him in the course of his duties and which is not published in pursuance of this Act.

(2) Any person contravening subsection (1) shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding one thousand ringgit or to imprisonment for a term not exceeding six months or to both.

Power to make regulations

37. (1) The Lembaga may, with the approval of the Minister, make such regulations as may be expedient or necessary for the better carrying out of the provisions of this Act.

(2) Without prejudice to the generality of subsection (1), regulations may be made for—

- (a) prescribing the manner and form for the registration of contractors and the conditions for the cancellation, suspension or reinstatement of the registration of any registered contractors;
- (b) prescribing the manner and form for the collection of levy;
- (c) prescribing the form and manner of service of any notice required under this Act;
- (d) prescribing the fees and charges to be paid in respect of any matter required for the purposes of this Act;
- (e) prescribing the manner and forms for the accreditation and certification of skilled construction workers and construction site supervisors;
- (f) prescribing the responsibilities and control of officers and servants of the Lembaga;

- (g) prescribing the manner in which and the terms and conditions on which loans may be granted by the Lembaga under section 21;
- (h) providing generally for the performance of the functions, the exercise of the powers and discharge of duties of the Lembaga under the provisions of this Act; and
- (i) any other matter generally to give effect to the provisions of this Act.

Conduct of prosecution

38. (1) No prosecution for any offence under this Act shall be instituted except with the consent in writing of the Public Prosecutor.

(2) Any officer of the Lembaga authorized in writing by the Chairman of the Lembaga may conduct the prosecution of any offence under this Act.

General penalty

39. Any person who by any act or omission contravenes any provision under this Act or any regulations made thereunder shall be guilty of an offence and where no penalty is expressly provided shall, on conviction, be liable to a fine not exceeding five thousand ringgit.

Power to exempt

40. (1) The Minister may by order published in the *Gazette* exempt, subject to such conditions as he may deem fit to impose, any person or class of persons from all or any of the provisions of this Act or the regulations made thereunder—

- (a) on the ground that the contractor is carrying out construction works for the purpose of building a residence for his own use;
- (b) on the ground that the contractor is employing less than three workers for carrying out the construction works; or
- (c) for any good reason which is consistent with the purposes of this Act.

(2) The Minister may at any time by order published in the *Gazette* revoke any order made under subsection (1) if he is satisfied that the exemption should no longer be granted.

Transitional and saving provision

41. (1) Any person who immediately before the date of commencement of this Act was carrying out any construction works may continue to do so during the period of twelve months from the commencement of this Act:

Provided that during that period such person shall as soon as practicable make an application for registration as a contractor or for accreditation, certification and registration as a skilled construction worker or construction site supervisor.

(2) Any contractor who is carrying out any construction works pursuant to a contract executed before the date of commencement of this Act shall be exempted from the payment of any levy under section 34.

FIRST SCHEDULE

[Subsection 5(2)]

PROVISIONS APPLICABLE TO THE LEMBAGA

Appointment, revocation and resignation

1. (1) Subject to such conditions as may be specified in his instrument of appointment, a member of the Lembaga shall hold office for a term not exceeding two years and is eligible for reappointment.

(2) The appointment of any member may at any time be revoked by the Minister without assigning any reason therefor.

(3) A member may at any time resign his office by letter addressed to the Minister.

(4) Every member shall devote such time to the business of the Lembaga as is necessary to discharge his duties effectively.

Vacation of office

2. (1) The office of a member of the Lembaga shall be vacated—

- (a) if he dies;
- (b) if there has been proved against him, or he has been convicted on, a charge in respect of—
 - (i) an offence involving fraud, dishonesty or moral turpitude;
 - (ii) an offence under any law relating to corruption or under section 36; or
 - (iii) any other offence punishable with imprisonment (in itself only or in addition to or in lieu of a fine) for more than two years;
- (c) if he becomes bankrupt;
- (d) if he is of unsound mind or is otherwise incapable of discharging his duties;
- (e) if he absents himself from three consecutive meetings of the Lembaga without leave of the Lembaga;
- (f) if his resignation is accepted by the Minister; or
- (g) if his appointment is revoked by the Minister.

(2) Where any person ceases to be a member by reason of any of the provisions of this Act, another person shall be appointed in his place in accordance with the provisions applying.

Remuneration or allowance

3. There may be paid to members of the Lembaga or any person (not being an officer or servant of the Lembaga who is within the ambit of the provisions of this Act relating to the terms and conditions of service applicable to his case) such remuneration or allowance as the Minister may determine.

Meetings

4. (1) The Lembaga shall meet at least once in every two months.

(2) The quorum of the Lembaga shall be seven.

(3) Subject to the provisions of this Act, the Lembaga shall determine its own procedure.

Lembaga may invite others to meetings

5. The Lembaga may invite or request any person (not being a member of the Lembaga) to attend any meeting or deliberation of the Lembaga for the purpose of advising it on any matter under discussion but any person so attending shall have no right to vote at the said meeting or deliberation.

Common seal

6. (1) The Lembaga shall have a common seal which shall bear such device as the Lembaga shall approve and such seal may from time to time be broken, changed, altered or made anew as the Lembaga may think fit.

(2) Until a seal is provided by the Lembaga, a stamp bearing the words “Lembaga Pembangunan Industri Pembinaan Malaysia” may be used and shall be deemed to be the common seal of the Lembaga.

(3) The common seal shall be kept in the custody of the Chairman or such other person as may be authorized by the Lembaga, and shall be authenticated by the Chairman or such authorized person or by any officer authorized by either of them in writing; and all deeds, documents and other instruments purporting to be sealed with the said seal, authenticated as aforesaid shall, until the contrary is proved be deemed to have been validly executed:

Provided that any document or instrument which if executed by a person not being a body corporate would not be required to be under seal may in like manner be executed by the Lembaga; and any such document or instrument may be executed on behalf of the Lembaga by any officer or servant of the Lembaga generally or specially authorized by the Lembaga in that behalf.

(4) The common seal of the Lembaga shall be officially and judicially noticed.

Disclosure of interest

7. A member of the Lembaga having, directly or indirectly, by himself or his partner, an interest in any company or undertaking with which the Lembaga proposes to make a contract or having an interest in any such contract or in any matter under discussion by the Lembaga shall disclose to the Lembaga the fact of his interest and the nature thereof, and such disclosure shall be recorded in the minutes of the Lembaga and, unless specifically authorized thereto by the Chairman, such member shall take no part in the deliberation or decision of the Lembaga relating to the contract or matter.

Minutes

8. (1) The Lembaga shall cause minutes of all its meetings to be maintained and kept in a proper form.

(2) Any minutes made of meetings of the Lembaga shall, if duly signed, be admissible in evidence in all legal proceedings without further proof and every meeting of the Lembaga in respect of the proceedings of which minutes have been so made shall be deemed to have been duly convened and held and all members thereat to have been duly qualified to act.

Validity of acts and proceedings

9. No act done or proceeding taken under this Act shall be questioned on the ground of—

- (a) any vacancy in the membership of, or any defect in the constitution of, the Lembaga;
 - (b) the contravention by any member of the Lembaga of the provisions of paragraph 7; or
 - (c) any omission, defect or irregularity not affecting the merits of the case.
-

SECOND SCHEDULE

[Subsection 24(2)]

PROVISIONS APPLICABLE TO A CORPORATION ESTABLISHED
BY THE LEMBAGA

Power of the Lembaga to make regulations in respect of corporation

1. The Lembaga shall, with the approval of the Minister, on or before the date on which any corporation is established under section 24, make regulations in respect of such corporation defining—

- (a) the purposes and objects for which the corporation is established;
- (b) the rights, powers, duties and functions of the corporation;
- (c) the system of management thereof; and
- (d) the relations between the corporation and the Lembaga and the Lembaga's rights of control over such corporation.

Limitation on power to establish corporation

2. Nothing in paragraph 1 shall be deemed to authorize the Lembaga to make regulations to establish any corporation for any purpose or object more extensive in scope than the purposes or objects for which the Lembaga has been constituted or to confer on any corporation any right, duty, power or function which is not within the rights, duties, powers or functions of the Lembaga under this Act.

Effect of regulations

3. Subject to the provisions of this Act and of any regulations made under section 38, any regulations made under paragraph 1 shall be binding on the corporation in respect of which they were made and shall have effect for all purposes as if they had been enacted in this Act.

Amendment of regulations

4. The Lembaga may at any time, with the approval of the Minister, amend, revoke or add to any regulations made under paragraph 1 in respect of any corporation.

Register of corporations

5. The Lembaga shall keep a register in the prescribed form of all corporations established by it under section 24 and such register, together with copies of all regulations made under paragraphs 1 and 4, shall be open to public inspection at such place or places and at such time as it may prescribe.

Winding up

6. (1) The Lembaga may, with the approval of the Minister, by order published in the *Gazette*, direct that any corporation established by it be wound up and dissolved.

(2) Upon the dissolution of any corporation under this paragraph the assets of the corporation after discharging all its liabilities shall be transferred to and shall vest in the Lembaga.

(3) The winding up of a corporation under this paragraph shall be conducted in such manner as the Lembaga may prescribe.

Corporation to be bodies corporate

7. Every corporation established under section 24 shall be a body corporate by such name as the Lembaga shall give to it and shall have perpetual succession, and a common seal and may sue and be sued in such name and, for the purpose of carrying into effect the project, scheme or enterprise for which it has been established, may enter into contracts and may hold and deal in or with any immovable or movable property and may do all other matters and things incidental or appertaining to a body corporate not inconsistent with the provisions of this Act and subject to such restrictions or limitations as may be prescribed by the Lembaga in each case.

Common seal of corporations

8. (1) Every corporation shall have a common seal which shall bear such device as the corporation, with the approval of the Lembaga, may approve and such seal may from time to time be broken, changed, altered or made anew as the corporation, with the approval of the Lembaga, may think fit.

(2) Until a seal is provided by the corporation, a stamp bearing the name of the corporation encircling the letters “LIPM” may be used and shall be deemed to be the common seal of the corporation.

(3) The common seal shall be kept in the custody of such person as may be authorized by the corporation, and shall be authenticated by such person; and all deeds, documents and other instruments purporting to be sealed with the said seal, authenticated as aforesaid, shall, until the contrary is proved, be deemed to have been validly executed:

Provided that any document or instrument which if executed by a person not being a body corporate would not be required to be under seal may in like manner be on behalf of the corporation by any officer or servant of the corporation generally or specially authorized by the corporation in that behalf.

(4) The common seal of every corporation shall be officially and judicially noticed.

THIRD SCHEDULE

[Section 2 and subsection 32(2)]

SKILLED CONSTRUCTION WORKERS

1. Building Air-condition Installer
2. Industrial Air-condition Installer
3. Bar-bender
4. Block-layer
5. Bricklayer
6. Carpenter
7. Ceiling Fixer
8. Chargeman (Registered with Jabatan Bekalan Elektrik)
9. Concrete Pumping Equipment Operator
10. Concretor
11. Crawler Crane Operator
12. Drain-layer
13. Draughtsman—Civil and Structural Works
14. Draughtsman—Mechanical and Engineering Works
15. Draughtsman—Architectural Works
16. Drywall Installer
17. Excavator Operator
18. Fire Fighting Installer
19. Formworker
20. Gas Pipe Fitter—Industrial
21. Gas Pipe Fitter—Building
22. Glazier
23. Ironmonger
24. Joiner
25. Landscaper—Soft
26. Landscaper—Hard
27. Metalworker
28. Mobile Elevating Work Platform Operator
29. Painter

30. Paviour
 31. Piling Rigger
 32. Plasterer
 33. Plumber—Building
 34. Plumber—Water Reticulation
 35. Roofer
 36. Retro-fitting
 37. Sanitary Fitter
 38. Scaffolder
 39. Sign Maker
 40. Soil Investigation Plant Operator
 41. Specialized Equipment Installer
 42. Steel Structure Fabricator
 43. Stone (Rubble) Mason
 44. Slinging and Rigging Operator
 45. Tiler
 46. Timber Structures Erector
 47. Tower Crane Operator
 48. Waterproof Works Worker
 49. Welder
 50. Wireman (Registered with Suruhanjaya Tenaga)
 51. Site Supervisor—Architectural and Building Works
 52. Site Supervisor—Building Services
 53. Site Supervisor—Civil and Infrastructure Works
 54. Site Supervisor—Electrical Works
 55. Site Supervisor—General
 56. Site Supervisor—Maintenance Works
 57. Site Supervisor—Mechanical Works
 58. Site Supervisor—Structural Works
 59. Site Supervisor—Safety
-

LAWS OF MALAYSIA**Act 520****LEMBAGA PEMBANGUNAN INDUSTRI PEMBINAAN
MALAYSIA ACT 1994****LIST OF AMENDMENTS**

Amending law	Short title	In force from
P.U. (A) 274/1999	Lembaga Pembangunan Industri Pembinaan Malaysia (Amendment of Third Schedule) Order 1999	01-07-1999

LAWS OF MALAYSIA**Act 520****LEMBAGA PEMBANGUNAN INDUSTRI PEMBINAAN
MALAYSIA ACT 1994****LIST OF SECTIONS AMENDED**

Section	Amending authority	In force from
Third Schedule	P.U. (A) 274/1999	01-07-1999

