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**Construction Industry Council's Response to
the 2014-2015 Budget Speech**

Hong Kong · 28 February 2014 – The Financial Secretary of the Hong Kong SAR Government presented *The 2014-2015 Budget* (“the Budget”) on Wednesday, 26 February 2014. The Construction Industry Council (CIC) welcomes the various initiatives stated in the Budget especially in the areas of increasing land supply, the investment in infrastructure, as well as the support for the healthy development of the society for Hong Kong to continue to thrive as a highly livable city and an international hub.

While manpower is a pressing issue affecting many industries in the time of an aging population in Hong Kong, the Budget has suggested solutions including the setting up of manpower task forces, provision of vocational education, training and retraining and admitting talent and workers not available locally from abroad. As an industry wide coordinating body of the construction industry the CIC has the following responses to this matter:

1. According to telephone surveys, shortage is about 10,000 workers. Our forecast model reflects that there will be continuing shortage in coming two to three years;
2. The construction industry currently takes up less than 4% of Hong Kong's GDP which is relatively low compared with that of other developed countries. On this basis, the CIC prefers not to slow down the progress of construction projects in Hong Kong. Hong Kong should invest more in the construction-related hardware to support the development of our economy as well as meeting societal needs going forward;
3. CIC agrees to increase the supply of workforce through the Supplementary Labour

- Scheme (SLS) subject to two conditions:
- a. limit only to trades with shortage of labour;
 - b. the respective wages should be reasonable and not less than the current median; and
4. Continuous training should be provided to produce more workers to meet the needs of the industry and the society at large in the long term for the betterment of Hong Kong.

About the Construction Industry Council

The Construction Industry Council (CIC) was formed on 1 February 2007 under the Construction Industry Council Ordinance (Cap. 587). The CIC consists of a chairman and 24 members representing various sectors of the industry including employers, professionals, academics, contractors, workers, independent persons and Government officials.

The main functions of the CIC are to forge consensus on long-term strategic issues, convey the industry's needs and aspirations to Government, provide training and registration for the construction workforce and serve as a communication channel for Government to solicit advice on all construction-related matters.

Please visit www.hkcic.org for further details.

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