

PRESS RELEASE

FOR IMMEDIATE RELEASE

The CIC Calls for LegCo's Speedy Approval of Funding Proposals for Public Works Projects

Hong Kong • 9 October 2019 – The Construction Industry Council (CIC) held a press conference today, stating that the current construction industry is now in a stringent situation. In the 2018/2019 financial year, the overall construction output has dropped 8.4% compared with last year.

In the 2018/19 financial year, only less than half of the planned public works projects were approved by the Legislative Council (LegCo). Of the HK\$140.2 billion public works funding proposals endorsed by the Public Works Subcommittee, only HK\$69 billion were approved by the Finance Committee. Mr. CHAN Ka-kui, Chairman of the CIC, emphasised that the overall construction expenditure of Hong Kong should maintain at HK\$200 to HK\$250 billion every year in order to sustain a stable and healthy development of the construction industry as well as the living of the current 144,000 active construction workers.

Quite a number of the projects awaiting approval are pertinent to the people's livelihood, including the followings:

- Redevelopment and expansion works of public hospitals
- Public housing development
- District Library and Residential Care Home for the Elderly in the Joint User Complex at Lei King Road
- Infrastructure projects such as the Trunk Road T2 and Cha Kwo Ling Tunnel -Construction Works and Shek Wu Hui Sewage Treatment Works

Ir Albert CHENG, Executive Director of the CIC, said that a number of workers in the construction industry are currently facing under-employment. The volume of construction works has become unstable due to the delayed project funding, and the continual decrease in construction output is known to have affected the livelihood of construction workers. Mr. CHOW Luen-kiu (CIC Member / Union Affairs Consultant of the Hong Kong Construction Industry Employees General Union) said that the salary of bricklayers and

Construction Industry Council 38/F, COS Centre, 56 Tsun Yip Street, Kwun Tong, Kowloon, Hong Kong
Tel: (852) 2100 9000 | Fax: (852) 2100 9090 | Email: enquiry@cic.hk | Website: www.cic.hk



metal formwork erectors fall by 14% and 7.5% respectively compared with the same period in 2018.

Mr. CHAN Kim-kwong (CIC Member / Chairman of the Hong Kong Construction Subcontractor Association) said that the subcontractors also reflected that the construction market had been quiet and they were worried about the prospect of the industry. Sr Eddie LAM (CIC Member / First Vice President of the Hong Kong Construction Association) added, the continual decrease in construction output might cause a suspension of work of a number of workers. This seriously affects their livelihoods and their families, and even the infrastructure development related to people's livelihood, which as a result, remaining an area of concern for the construction industry and the outlook for infrastructure development of Hong Kong. Mr. Ivan FU (CIC Member / Architectural Sector) pointed out that the volume of construction works has dropped due to the indefinite delay of funding approval and this causes far-reaching impact on the prospects of the professional sectors including the architects.

The CIC stressed that a healthy supply of public works projects is vital for the economic growth of Hong Kong and sustainable development of the construction industry. It is hoped that the LegCo can approve the funding proposals for capital works projects in the short term to avoid an increase of unemployment rate, to maintain the productivity of public works projects and meet livelihood needs.





From left: Sr Eddie LAM, CIC Member; Mr. CHOW Luen-kiu, CIC Member; Mr. CHAN Ka-kui, Chairman of the CIC; Ir Albert CHENG, Executive Director of the CIC; Mr. CHAN Kim-kwong, CIC Member; and Mr. Ivan FU, CIC Member, call for LegCo's speedy approval of funding proposals for public works projects

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Media and Enquiries

Patricia CHIU / Gladys CHUK
Corporate Communications Department

Tel: 2100 9044 / 2100 9080

Fax: 2100 9090

Email: corpcomm@cic.hk

About the Construction Industry Council

The Construction Industry Council (CIC) was formed in 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 the Government, provide professional training and registration services, and serve as a communication channel between the Government and the construction industry.

Please visit www.cic.hk for further details.

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