

FOR IMMEDIATE RELEASE

The CIC Welcomes the Additional Funding Proposed by The Budget To Enhance Construction Quality Through Training and Innovation

Hong Kong • 23 February 2022 - The Construction Industry Council (CIC) welcomes the Budget 2022-2023's proposal to provide \$1 billion funding to further enhance manpower supply of the construction industry and inject an additional \$1.2 billion into the Construction Innovation and Technology Fund (CITF). "The Budget showed the Government's support to and understanding of the construction industry. The CIC believes that Modular Integrated Construction (MiC) method will prevail in the industry in the future. Together with other targeted and forward-looking funding's support, we are expecting to see more young people and innovative construction technology adoption in the construction industry," said Ir Thomas HO, Chairman of CIC.

With the Northern Metropolis Development Strategy and Lantau Tomorrow Vision, together with other infrastructures and projects, the annual total construction output will reach around \$300 billion. On the contrary, the construction industry is currently facing shortage in labour, which can only be resolved by attracting new blood and adopting technology. Hence, the Hong Kong Institute of Construction will extend its Collaboration Scheme with contractors. Under the scheme's "First-hire-then-train" approach, we aim to uplift general workers' skill level. We hope that an increase in allowance would also help to attract workers in other industries to receive training and join the construction industry.

The CIC and the Development Bureau strive to promote Construction 2.0 initiatives to enhance productivity, sustainability and site safety through the adoption of innovation technology and MiC method. CITF Enhancement Measure has been released since 1 January 2022, including increasing 87% funding ceiling to HK1.5million per technology and doubling the ceiling for BIM and Advanced Construction Technology Combined Funding to HK\$6M per company etc.

The CIC is also pleased to learn the new measure that increases the concession of floor area from the current 6% to 10% and provides corresponding site coverage concession for MiC buildings. Such measure will encourage the adoption of MiC among



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developers and speed up housing supply with this time-saving construction method and relieve the manpower shortage problem. The Budget also earmarked \$30 million to promote applied research and development as well as the adoption of new materials and innovative construction technologies in public works and the industry in the coming three years, the CIC believes that additional funding can encourage trial of innovative technology to boost project quality and improve environmental performance.

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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.