

Press Releases

LCQ6: Implementation of infrastructure projects

Following is a question by the Ir Hon Dr Raymond Ho and a reply by the Secretary for Development, Mrs Carrie Lam, in the Legislative Council today (January 6):

Question:

Since the delivery of the Policy Address in October 2007 which put forward the implementation of 10 major infrastructure projects, professionals and construction workers have repeatedly relayed to me that the tens of thousands of jobs which they have been expecting to be created by such projects have yet to appear. At present, many of such projects are still at the planning and technical study stages. Regarding the implementation of infrastructure projects, will the Government inform this Council:

(a) of the latest progress of the aforesaid 10 infrastructure projects, as well as the expected commencement dates for the works;

(b) whether it has any plan to coordinate the commencement dates for the works of the aforesaid 10 infrastructure projects, so as to ensure that the industries concerned will have sufficient and stable employment opportunities on a long-term basis, and avoid the situation of labour shortage; and

(c) what infrastructure projects will be launched after the completion of the aforesaid 10 projects?

Reply:

President:

In the Chief Executive's first policy address for the current term, the ten major infrastructure projects (10 major projects) was put forward to form the development blueprint to facilitate the long-term development and maintain the competitive edge of Hong Kong. Since the announcement of the blueprint, all policy bureaux and works departments have pressed ahead with the planning of these projects. As Honourable Raymond Ho and other Honourable Members will understand, when the Administration implements infrastructure projects, especially large scale projects, we have to go through the necessary statutory procedures and undertake public consultation. The majority of statutory procedures and public consultation will have to be completed before works commencement. The fact that some of the 10 major projects have not entered into the construction phase does not, therefore, mean that the progress falls behind their original schedule. Over the last 2 years, we have, in fact, made every effort to fast track the pre-construction preparatory work. In order to implement various projects as planned, we have streamlined the workflow and have strengthened strategic co-ordination to resolve timely the cross-bureau/department strategic issues that may affect the progress of these projects. In addition, we have conducted public engagement exercises at an early stage.

My reply to Hon Raymond Ho's question is as follows:

(a) Please refer to the appendix for the latest progress of the 10 major projects, of which Kai Tak Development and Hong Kong-Zhuhai-Macao Bridge have entered into the construction stage. On Kai Tak Development, two works contracts at a total cost of \$1.1 billion commenced in mid-2009. Site formation works for the new cruise terminal also commenced in November 2009, with the first berth

scheduled to come on stream in 2013. Construction works for the Hong Kong-Zhuhai-Macao Main Bridge have commenced in phases since end-2009 with completion scheduled for 2015-16.

(b) As regards the second part of the question, I have to point out that the Administration appreciates the importance to implement public works projects in an evenly and orderly manner. In undertaking planning of the 10 major projects, we have been implementing many important infrastructure projects for green and sustainable development of Hong Kong. Since the planning works for major projects may take time, we are pressing ahead with the implementation of medium and small sized projects in parallel, in order to provide job opportunities in the construction sector.

In addition, we monitor closely the construction industry's delivery capacity to avoid bunching of projects that may result in a short supply of construction workers and cost fluctuations. We have adopted a multi-pronged approach to achieve this purpose which includes the following measures :

(1) Ensuring the capital works expenditure is maintained at a reasonable and affordable level in the medium term from a macro public finance management perspective;

(2) Implementing major projects by stages - for example, given the scale and complexity of the Kai Tak Development, as well as to help create sustainable employment for the construction industry, we have grouped the projects, in order of priority, into three packages for completion in 2013, 2016 and 2021 respectively; and

(3) Requiring the Controlling Officers (i.e. Works Directors) to manage effectively the approved projects and to continue with pre-construction planning of proposed projects. This will enable the timely implementation of the proposed projects, with due consideration given to the delivery capacity of the construction industry and the sustainable development of the industry.

To meet the needs of future infrastructure developments, it is necessary to ensure a sufficient supply of local construction workers. The Administration and the Construction Industry Council (CIC) have taken a series of measures to strengthen manpower training for the industry. To attract young people to join the industry, CIC and the Labour Department (LD) jointly launched the Construction Industry Youth Training Scheme. With the vision of employment before training, the Scheme offers wages to trainees, which gradually increase as the trainees attain higher skill level. The longer-term job security for the trainees should help attract more young people to the construction industry. In addition, the Construction Industry Council Training Academy (the Academy) set up a training centre in Tin Shui Wai in 2009 which was commissioned in September 2009 to accept trainees, in order to draw in fresh recruits for the industry, in particular new arrivals and ethnic minorities. Moreover, to train up relevant technicians, CIC in collaboration with building contractors provides on-site training at work sites. We will continue to liaise closely with CIC and the industry to ensure sufficient manpower supply in the construction sector to meet the demand of upcoming projects.

(c) While the 10 major projects are strategic major infrastructural development projects, there are other capital works projects in Government's Capital Works Programme. Moreover, while some 10 major projects have entered into the construction stage, some are indeed scheduled for implementation in a longer horizon to cope with the housing needs and other requirements brought about by the population growth in the next decade. Therefore, the 10 major projects will continue to provide employment opportunities for the construction industry in the foreseeable future. In parallel with the implementation of 10 major projects, we will continue to press ahead with infrastructure projects for green and sustainable

development. For instance, we will tackle from 2010 onwards systematically the problem of landslide hazards from natural hillsides to provide a sustainable slope safety environment for the community. We are also carrying out territory-wide replacement and rehabilitation works of water mains to reduce the risk of pipe bursts. We will continue to take forward the capital projects to provide the necessary government facilities, including cultural, recreational, medical and education facilities. In addition, we will expand and enhance existing government buildings to meet the environmental and energy efficiency standards in the new age.

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