

Speech by Acting Chief Executive at Quality Building Award 2018 Presentation Ceremony (English only)

Following is the speech by the Acting Chief Executive, Mr Matthew Cheung Kin-chung, at the Quality Building Award 2018 Presentation Ceremony today (June 15):

Sr Stephen Lai (Chairman of the Organising Committee of the Quality Building Award 2018), distinguished guests, government colleagues, ladies and gentlemen,

Good evening! It is my honour to join you all tonight to witness the crowning achievement of the winners of the Quality Building Award 2018.

Before the announcement of this year's result, let me extend my warmest congratulations to the 22 shortlisted finalists that each has exhibited every element required to meet the Award's highest building standards. Please join me to greet them with a round of applause!

I can fully appreciate that only with impressive design, meticulous construction technique, rigorous project management and robust teamwork can we turn a bare site into a signature building. Despite the constraints and challenges, the shortlisted project teams have not only overcome them but have gone far beyond that. That explains why the Quality Building Award was founded in 2001 when nine professional institutions decided to launch a biennial Award to promote the collective commitment of the building industry to achieve the highest standards of teamwork, professionalism and competitiveness.

This year is the ninth edition of the Award ceremony. The theme of the 2018 Award is "Driven by Profession • United for Success" which echoes well with the governance philosophy of the current-term Government. We are committed to working with the community to reinforce Hong Kong's strength and propel the economy forward. To this end, we have adopted a new style of governance including adding the new roles of the Government as a "facilitator" and "promoter" in addition to the traditional functions of "regulator" and "service provider". Also, we are striving to attract talents and professionals to join various statutory and advisory bodies and welcome young elites to recommend themselves to participate in relevant advisory bodies. We are committed to making this government more open, accessible, responsive and innovative.

Quality buildings are essential ingredients for a growing and dynamic metropolis like Hong Kong. The annual overall construction expenditure in Hong Kong in the coming five years will reach \$250 – \$305 billion, reflecting continuous strong demand for construction services. However, we are facing a number of challenges that might undermine our capability to cater for such

demand, notably shortage of labour and an aging workforce.

According to the latest manpower forecast released by the Construction Industry Council in January 2018, the industry will face a shortfall of 5 000 to 10 000 skilled workers in labour-intensive trades. Moreover, the average age of our construction workforce is 46, with about 40 per cent of the skilled workers already aged 55 or above. The overall labour force in Hong Kong will start to dwindle after 2022, making it even more difficult to recruit construction workers.

Innovative technology has been transforming the building sector worldwide. Hong Kong should keep up with this global trend to sustain our competitiveness and address the manpower pressure on the sector. In fact, automating and mechanising repetitive construction processes can enhance productivity and safety. Besides, the use of advanced technologies would also uplift the professional image of the construction practitioners and help attract new blood.

In her inaugural Policy Address, the Chief Executive has highlighted key measures to help the building sector improve productivity, built quality, environmental performance and site safety. For major government capital works projects scheduled to start this year, we have mandated the adoption of Building Information Modelling, or BIM, which allows visualisation of designs to enhance planning and co-ordination in the construction process, contributing to significant reduction in material wastage as well as pre-empting safety pitfalls and unworkable designs. To encourage building designers to make use of BIM when preparing building plan submissions, the Buildings Department has already issued a practice note for the industry while actively considering the possible next step to admit BIM e-submission in the future.

We are also working closely with the building industry to enhance the innovation capability of existing practitioners and prospective building professionals for the continuous improvement of the sector. The Construction Industry Council has established the Construction Innovation and Technology Application Centre leading the industry to embrace innovation through collecting, exhibiting and experiencing the latest construction technologies, as well as to support their application by small and medium enterprises. The Council will also formulate BIM technical standards, help equip the industry and encourage the use of such technology in private work projects.

Off-site prefabrication for on-site assembly such as Modular Integration Construction, or MiC in short, can reduce manpower and time requirements and minimise the environmental nuisance arising from construction. MiC has been widely used in countries like the UK, Australia and Singapore. To take the lead, the Hong Kong Special Administrative Region Government is piloting the use of MiC in the development of Innocell located at the Hong Kong Science and Technology Park as well as a student hostel at the University of Hong Kong. To facilitate wider use of MiC for private building developments in Hong Kong, the Buildings Department has set up a pre-acceptance mechanism for granting in-principle acceptance to MiC systems or components, and issued a

practice note to facilitate submission preparation.

To boost the technological capacities of enterprises and practitioners in the building industry, this year's Budget proposed to establish a \$1 billion Construction Innovation and Technology Fund to provide financial support for the industry to acquire both software and hardware and to nurture the expertise required for using local and overseas innovative construction technologies such as BIM, steel reinforcing bar products produced in local prefabrication yards and MiC when carrying out development projects. The Fund will also support students and practitioners of the building industry to receive training on innovative technologies such as courses offered by Massachusetts Institute of Technology, ETH Zurich, the Technical University of Munich and Tsinghua University.

While we celebrate distinguished buildings tonight, we must not lose sight of the quality of our existing building stock. There are over 5 000 private buildings aged 50 or above. Many of them lack proper management given the absence of owners' committee or property management agency. These buildings, if left unattended, will pose serious threat to the safety of our citizens.

To encourage proper and timely maintenance and repairs to enhance building safety, extend the useful life of buildings, slow down urban decay and improve the living conditions of the community, we will soon launch a \$3-billion "Operation Building Bright 2.0" to provide financial and technical assistance to owners or occupiers of buildings aged more than 50 years. In addition, a \$2-billion Fire Safety Improvement Works Subsidy Scheme will also be introduced to subsidise owners of old composite buildings to undertake fire safety enhancement measures. A Do-it-yourself (DIY) tool-kit offering practical guidance to owners in undertaking building repair and maintenance works will be provided to participating buildings. The Urban Renewal Authority will also deploy designated staff to follow up on tendering matters and closely liaise with the owners' corporations to help owners to take forward the repair works.

Ladies and gentlemen, Hong Kong is renowned for its beautiful skyscraper landscape created by the joint effort and admirable craftsmanship of our building sector over the years. The Quality Building Award further raises the benchmark and widens the quality spectrum for excellent construction projects in Hong Kong and beyond. The 22 finalists presented to us this evening demonstrate the highest quality building standards, combining innovation, sustainability and dedication to team work. I am particularly delighted to learn that many of these outstanding projects are public projects developed by government departments. They are indeed shining examples of this year's theme: "Driven by Profession • United for Success"!

On this happy note, I would like to extend my warmest congratulations to this year's award winners whom we will meet soon. No less important, I would like to extend my sincerest gratitude to the jury panel and the organising committee for their hard work over the past months. I also wish every one of

you an enjoyable evening. Thank you.