

Speech by FS at “Construction R&D Forum – Bringing Applied R&D to New Heights” (English only)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the "Construction R&D Forum – Bringing Applied R&D to New Heights" today (November 4):

Professor Teng Jin-guang (President of the Hong Kong Polytechnic University), Andrew (Chairman of the Steering Committee of the University-Government-Industry Consortium for Sustainable Urban Development (UGI Consortium), Dr Andrew Chan), Bernadette (Secretary for Development, Ms Bernadette Linn), Ricky (Permanent Secretary for Development (Works), Mr Ricky Lau), distinguished guests, ladies and gentlemen, constructors of Hong Kong,

Good morning. I'm pleased to join you for today's Construction R&D Forum.

Infrastructure and the construction industry have long been indispensable to the economic development of Hong Kong. There's no doubt that infrastructure investment will be one of the vital factors underpinning Hong Kong's economic revival.

Opportunities don't get much bigger for our economy, and the future of Hong Kong, than the Northern Metropolis and the Lantau Tomorrow Vision. This morning, you'll hear more about both mega-projects – and the promise in advancing their infrastructure development through applied R&D.

When it comes to the community, public housing and hospital development are among our most important issues. You'll be hearing more about the role, and the value, of applied R&D in speeding their critical expansion plans along.

They're not alone, let me add. In the next few years, our capital works expenditure will exceed HK\$100 billion a year. And Hong Kong's overall construction volume will soar, to some HK\$300 billion a year.

That's a clear and compelling statement about this Government's commitment to infrastructure, to the construction industry and the people of Hong Kong.

That commitment becomes all the more important given the challenges our construction industry faces. These include an ageing workforce, high construction costs and public expectations that results be realised faster and more efficiently. No less critical are site safety issues and the need for young talent.

Innovation is the key to tackling those concerns and building the future we all want.

That, of course, is easier said than done, as we all well know. Beyond the innovative ideas, beyond the academic theories and experiments, applied research and development – finding real-life applications in industry – is essential.

Government has a crucial role in making it work – for you, for our economy, for the waiting world. The Government spearheads applied R&D, piloting new materials, construction methods and technologies in public works projects. In doing so, we test a concept, improve it and, most importantly, take it as a reference for industry adoption.

With such new materials as high-strength steel and vibration-resistant concrete lining, we can reduce structure size and construction effort, building more efficiently and with less risk.

By applying sensors, robotics and other advanced technology, we can reduce human error, lessen the exposure of our workers to danger during construction or operation. In particular, the Development Bureau is also implementing the Smart Site for Safety initiatives utilising IoT sensors, AI cameras, etc to enhance construction site safety.

When innovation and technology are applied and widely adopted, everyone wins – thanks to enhanced productivity, safety, sustainability and more.

In the Budget this year, I provided funding to promote applied R&D in public works and adopt innovative materials and construction methods.

I also increased the Construction Innovation and Technology Fund. And I can tell you that's not a one-off initiative.

We are looking into boosting our support for construction. In particular, we're considering the establishment of a testing and research institute for the industry and exploring how to best retain and attract construction R&D talent.

The construction industry has long created wide-ranging value for Hong Kong. And I am confident that, in embracing innovation supported by applied R&D, it will continue to do so – long down that winding road.

It is, to be sure, a collaborative undertaking, a tripartite effort involving not only Government but also our post-secondary institutions and industry.

Lastly, in passing, may I bring up a point which is also of high relevance to the construction sector. We know that occupational safety of the sector has once again become an issue of concern. Indeed, the accident rate in the construction industry almost doubled the average. Around 100 lives had been lost in accidents of the industry in the past five years.

We know more should be done. I would assure you that the Government seeks to address the systematic issues and implement a series of measures through a multi-pronged approach covering inspection and enforcement, education and training, as well as publicity. It also covers, among other

things, improving our legislative regime on occupational safety and health, strengthening the deterrent effect. And of course, to better utilise applied R&D and innovative approaches to mitigate risks of hazard and improving safety. But all in all, we appeal to the collaboration of our partners in the construction industry if we want it to succeed.

My thanks to the Development Bureau and the UGI Consortium for organising today's timely Forum.

I'm grateful, too, to you – to our universities, consultants, contractors and everyone else involved in promoting applied R&D and helping us build a better Hong Kong.

I know you will enjoy today's Forum.

And I wish you the best of health, and built business, in the coming year. Thank you.