

Speech by FS at Hong Kong Construction Materials Association Annual Dinner (English only)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the Hong Kong Construction Materials Association Annual Dinner today (November 13):

Joseph (Chairman of the Hong Kong Construction Materials Association (HKCMA), Mr Joseph Chee), Ambrose (Chief Executive of the HKCMA, Mr Ambrose Linn), distinguished guests, ladies and gentlemen,

Good evening.

I am delighted to be here with you tonight for the inaugural annual dinner of the Hong Kong Construction Materials Association.

In fact, I am no stranger to the Association. Two years ago, as the then Secretary for Development, I joined you for your anniversary cocktail reception.

I keep coming back for good reason. We all know what "materials" mean to you and your industry. And there's another dictionary definition of "material", which is, "having real importance or great consequences". Your association, comprising industry players who provide the materials for the construction industry, is indeed critically important to the future of Hong Kong.

The numbers certainly underline that. The construction industry contributes more than 5 per cent to Hong Kong's GDP, while employing about 9 per cent of our workforce.

The results are visible, and visibly impressive. The Hong Kong-Zhuhai-Macao Bridge, now the world's longest sea crossing, was commissioned only last month. The previous month, the Express Rail Link, connecting Hong Kong to the national high speed railway network, opened for business – and pleasure as well. Next year, the Liangtang/ Heung Yuen Wai Boundary Crossing Facility will be up and running.

From a regional perspective, these links enhance our overall connectivity with the Mainland. In particular, they deepen our integration with the Greater Bay Area, while strengthening our singular position as Asia's world city.

During the construction stage, these infrastructure projects expand employment opportunities. And, upon completion, they boost economic prospects and improve our overall living environment.

It's not surprising, then, that the Government's annual infrastructural investment has soared from about HK\$20 billion to more than HK\$80 billion over the past decade. In the coming five years, the contract value of public and private construction works in Hong Kong altogether is estimated to reach HK\$250 billion to HK\$300 billion per year.

One of the upcoming major infrastructure projects we have in our plan is of course the Lantau Tomorrow Vision.

The plan will see artificial islands developed in stages. These could provide about 260 000 to 400 000 housing units, with about 70 per cent as public housing, accommodating a population ranging from about 700 000 to as much as 1.1 million.

We will also build Hong Kong's third core business district on the artificial islands, creating some 340 000 employment opportunities.

We therefore need your help, to be sure. A stable supply of quality construction materials is essential for the upcoming reclamation projects – and for the many other infrastructure projects in the planning stage or on the horizon that will give shape and substance to Hong Kong in this 21st century.

The future must be built on productivity, on quality, safety and environmental performance. This demands innovation – from you, and from the construction industry as a whole.

That's why the Government now advocates "Construction 2.0", smart movement towards automation, industrialisation and digitalisation.

I'm pleased to hear that your industry has been developing, and promoting, the use of environmental and sustainable construction materials.

The adoption of manufactured sand to replace natural sand in cement plastering and reclamation work is a good case in point. M-sand, a by-product of aggregate production, is an environmentally friendly material in comparison with natural sand.

Since last month, the Development Bureau mandated the use of M-sand for plastering, rendering and screeding in new public works contracts. Working with the materials industry, the Government is exploring a wider application of M-sand and other green materials, including recycled glass and bitumen, in Hong Kong construction.

I understand that your Association, working with a Rebar Processing Solution Committee, is promoting the use of off-site steel prefabrication. That's a step in the right direction. And the recently launched HK\$1 billion Construction Innovation and Technology Fund will support the wider application of innovative construction methods and technology. Indeed, the use of prefabricated steel products is a designated item under the Fund.

Ladies and gentlemen, I value very much our partnership with the Hong Kong Construction Materials Association and with you all. I look forward to a stable supply of quality materials for the benefit of the Hong Kong construction industry, and the continuing prosperity of Hong Kong. Together, we will excel.

I know you will enjoy this very special evening. And I wish you the best of business in the coming year.

Thank you.