



HONG KONG HOUSING DEPARTMENT GEOTECHNICAL ENGINEERS ASSOCIATION

Housing Authority Headquarters, 33, Fat Kwong Street, Kowloon, Hong Kong.

To: Clerk to the Panel on Public Service

10 July 2006

Legislative Council Secretariat

3/F., Citibank Tower

3 Garden Road

Central

Hong Kong

(By Fax Only: 2869 6794)

LC Paper No. CB(1)1960/05-06(10)
(English version only)

Attention: Ms May LEUNG

Dear Sir/Madam,

Private Certification of Building Submissions

It has come to our attention that the Provisional Construction Industry Co-ordination Board (PCICB) had commissioned a consultancy study, funded by Government, on private certification (PC) of building submissions despite reservations expressed by the industry at large and strong objections from LegCo members. After examining the issue and its background in detail, we share their concerns and strongly object to PCICB's proposed consultancy study for the following reasons:

- (a) At present, the Building Authority with the executive arms provided by Buildings Department and Geotechnical Engineering Office of Civil Engineering and Development Department is charged with the statutory duty to ensure safety of private building developments by scrutinizing building submissions before granting approval and consent for commencement of works. PCICB's proposal of checking of building submissions by private professionals amounts to outsourcing the government's control for building safety, including structural safety, slope safety and fire safety, and built quality to the private sector. Should approval be based on private professionals' recommendations, the Building Authority will then become a rubber stamp and thus effectively renounce its statutory duty of safeguarding public safety. This is contrary to the Administration's pledge that the Government's statutory and regulatory functions would not be outsourced to the private sector, under the fundamental principle that the Government's public duty cannot be relinquished.

- (b) The proposed implementation of the PC and outsourcing of government's statutory building control authority would have far reaching implications. It would also give a serious blow to the morale of serving civil servants and seriously affect their job opportunities. The Administration is duty bound to consult its staff before consenting to PCICB's commissioning of the consultancy study.
- (c) A number of fundamental issues such as independency of certifiers, consistency of standards, built quality as well as the public receptiveness and confidence should first be thoroughly examined and resolved before embarking on the study. In the absence of proper address to these fundamental issues, PCICB has however included in the scope of study for the consultants to formulate the implementation details and propose trial schemes for PC. Obviously, they have already considered PC a fait accompli and intend to work out the details as soon as possible.
- (d) With support from the building industry, the Buildings Department has taken the lead to continuously streamline/eliminate outdated, excessive and unnecessary government regulations. As of today, the extant building control system has had excellent track records in ensuring safety and built quality of private buildings. It is totally unconvincing that PC is the only viable way to speed up construction cycle and reduce development cost. We regret to learn that other options have never been considered by PCICB. The actual intention of the study is questionable.
- (e) We understand from our colleagues in the Buildings Department that their Department has already conducted a comprehensive study on the feasibility of adopting PC in Hong Kong. The study findings indicate that PC is not suitable due to various inherent deficiencies of the system. The findings of the study had been made known to the PCICB. As most of the PCICB's board members are construction professionals in the private sector and property developers who could have such vested interests and benefits from the proposed PC, their impartiality in forcing through the issue and leading the consultancy study has caused grave concerns. We have also learnt that the Consultancy was commissioned to an engineering consulting firm and the

project team consists of practicing engineers. There comes the question of conflicts of interests. It is strange to note that whilst the consultancy study commissioned by PCICB appears to be for the interests of private developers without considering the general public at large, the Government still commits \$1.3 millions to finance the study. As pointed out rightly by LegCo members, it is a waste of public money to launch the consultancy study before gauging the public's receptiveness of the proposal as public interests are at stake.

- (f) The proposed PC has far-reaching implications on safety and built quality of private buildings. Apparently, the implementation of PC is totally acting against the public's will and expectation for safety and quality of buildings. Moreover, in a small market like Hong Kong, the private independent certifiers could easily be influenced by developers, and their independence and impartiality is certainly questionable. The recent fallout in Japan of an engineer who, under the pressure of developer, fabricated documents on building design resulting in more than 80 substandard buildings in Tokyo is a vivid failure example of the PC. Moreover, Subsequent to the fatal collapse of the temporary soil retaining system of the Nicoll Highway in Singapore which occurred in April 2004, a delegate of the Building and Construction Authority (BCA) of Singapore visited Hong Kong in November 2004 to get more information and understanding of our building control system. We note that BCA considers its private certification system is insufficient and has great deficiencies.
- (g) The proposed drastic change to the building control has also stimulated reverberations from the industry. The Structural Division and the AP/RSE Committee of HKIE had met the PCICB on 21 March 2005 to express their grave concerns and on the inapplicability of the PC system to Hong Kong.

We are disappointed to know that despite efforts of the professional staff associations of Buildings Department and Civil Engineering and Development Department to bring the issue to the personal attention of the Secretary for Housing, Planning and Land in January 2006, the Administration still financed and commissioned the Consultancy Study in February 2006.

As PC has such unfathomable impacts to the community and the building industry, we share the view that full consultation with the public and affected staff associations should be conducted before pursuing the matter further.

Yours faithfully,



(W KAU-YEUNG)

Chairman

Hong Kong Housing Department
Geotechnical Engineers Association