

**Speaking Points of the Secretary for Development
for the Special Finance Committee Meeting (Works)
on 19 April 2018 (Thursday)**

Chairman,

- Infrastructure construction is not only the driving force for social development and the prerequisite for increasing the supply of usable land, it is also the main task of the Works Branch of the Development Bureau.
- The Government invests over \$80 billion each year to launch a wide range of works projects for major infrastructure and public facilities, covering areas of land supply, transportation, medical care, education, water supply and drainage, so as to meet the development needs of Hong Kong, provide employment opportunities and promote economic growth at the same time.
- In the new financial year, besides the ongoing delivery of capital works projects, we will also focus on four priority tasks.
- Our first priority task is to encourage innovation and creativity. To help Hong Kong's construction industry accelerate its reform to address the challenges of a shortage of skilled workers and an ageing workforce, the Financial Secretary proposes in the 2018-19 Budget to set up a \$1 billion Construction Innovation and Technology Fund (CITF) to support the industry to harness innovative technology, such as the Building Information Modelling technology, prefabricated steel bar products from local prefabrication yards, Modular Integrated Construction and other advanced construction technologies. The CITF will also support tertiary students and industry practitioners to receive training on innovative construction technologies, and professionals to receive continuing education in innovation and technology.
- Our second priority task is to continue to develop Kowloon East into the second core business district of Hong Kong, which includes

enhancing connectivity, improving the environment, and unleashing development potential. The Chief Executive announced in the Policy Agenda in October last year that the Energizing Kowloon East initiatives would be extended to San Po Kong. We have consulted the district council on our initial ideas concerning the development of San Po Kong and received support. We will take forward the related initiatives progressively including the phased development of the Sze Mei Street District Open Space project so as to use part of the underground space to accommodate a public vehicle park. Moreover, we have just commenced the Feasibility Study on Pedestrian Environment and Traffic Improvement of San Po Kong Business Area.

- Our third priority task is cost control for public works. We established the Project Cost Management Office (PCMO) in June 2016 to closely scrutinise the cost estimates of works projects in the planning and design stages, optimise project design based on the principles of “fitness for purpose” and “no frills”, and reduce unnecessary contractual requirements as far as possible, so as to make the projects more cost-effective. Since its establishment, the PCMO has saved some \$27 billion in costs out of the 130-plus projects scrutinised totalling some \$260 billion.
- Our fourth priority task is to foster the culture of “safety first”. For the construction industry, we will continue to adopt a multi-pronged approach to enhance site safety and improve site cleanliness and tidiness as well as the welfare of workers, so as to safeguard the health and safety of workers. Also, we will continue to improve our work on water supply, flood prevention and slope safety, and make the safeguard of public safety our top priority.
- I would also like to brief Members on our work on two issues of public concern. The first is drinking water safety – we launched the Action Plan for Enhancing Drinking Water Safety in Hong Kong in September 2017 to restore public confidence. The Water Supplies Department has enhanced its water quality monitoring programme since December 2017 to collect random water samples from consumers’ taps directly for testing the six metals that could be

present in the internal plumbing system, and to collect local water quality data for reviewing the drinking water standards of Hong Kong in compliance with the World Health Organization Guidelines. In addition, we set up the Drinking Water Safety Advisory Committee in January 2018, comprising academics, medical experts and other stakeholders from related fields, to give us advice on various drinking water safety issues.

- The other issue is the recent lift incident at Waterside Plaza in Tsuen Wan that has drawn a lot of public attention. The Electrical and Mechanical Services Department (EMSD) has requested all registered lift contractors currently responsible for the maintenance of about 380 lifts of the same brand to complete a special investigation within two weeks of the incident, so as to ensure the safe operation of the lifts and ease public concerns. The EMSD is also investigating the cause of the incident and expects to complete the investigation in two to three months.
- Chairman, the above is a brief account of the works portfolio. My colleagues and I will be happy to answer any questions that Members may wish to raise. Thank you.