

**Speaking Points of the Secretary for Development
at the Special Finance Committee Meeting (Works)
on 10 April 2025 (Thursday)**

Chairman,

In 2025-26, the total estimated expenditure of Works Branch and its departments is about \$24,578.4 million, which is about \$1,294.5 million higher than the revised estimate for last year, mainly due to an increase in capital expenditure and the related cash flow. There is a decrease of 135 civil service posts. While the Government will strictly control its expenditure, it will continue to provide resources to increase capital works expenditure and press ahead with public works projects relating to the economy and people's livelihood, so as to support sustained economic development. In this session of the special meetings of Finance Committee, I will highlight the work of Development Bureau (DEVB) in the works portfolio.

Controlling costs of public works projects and enhancing cost-effectiveness

2. Land and infrastructure development are important investments for the long-term development of Hong Kong. At the same time, we will endeavor to control the costs of public works projects and take strategic measures in four major directions.

3. First, we will enhance our project procurement models, one of the measures is the adoption of centralised procurement. We will take the lead in formulating specific procurement options for two types of construction products, namely Modular Integrated Construction modules and steel reinforcement within this year.

4. Second, we have commissioned the Building Technology Research Institute to review and enhance Hong Kong's building standards, and compare and complement the differences in testing and certification requirements between standards in different regions, with a view to promoting local application of high-quality and cost-effective construction materials from the Mainland and overseas.

5. Third, we will continue to take the lead in expediting the promotion of construction digitalisation and applied research and development, and advocate advanced technologies such as high productivity construction, etc. to enhance cost-effectiveness. We will also step up promotion of advanced construction technologies through the Construction Innovation and Technology Fund, with a view to further reducing manpower need and uplifting productivity and site safety.

6. Fourth, the DEVB will, in collaboration with various policy bureaux/departments, continue to take forward measures of streamlining development control, including promoting self-certification, introducing more arrangements for phased submission of information, reviewing the requirements for submitting technical assessment, and streamlining land administration process and approval process, etc.

Promoting professional development of construction industry

7. We need talents at different levels to sustain the development of our construction industry. We have set aside \$15 million for the work of the Centre of Excellence for Major Project Leaders (CoE) over the next two years to enhance the professionalism, innovation capabilities and cost-effectiveness management of the construction industry. At the same time, the CoE will facilitate exchanges transcending geographical and sectoral boundaries, promoting international and Greater Bay Area (GBA) co-operation on infrastructure.

8. We will also extend the On-the-job Training Subsidy Pilot Scheme. In the past two academic years, about 1 000 higher diploma graduates were subsidised to enrol in part-time construction-related degree programmes under the scheme. To assist more young people in grasping opportunities, we and the Construction Industry Council (CIC) will jointly allocate funding totalling about \$95 million to continue the provision of on-the-job training subsidies over the next two academic years. The subsidy amount is the same as that before. It is anticipated to benefit an additional 1 000 trainees.

9. Noting that there has been a reduction in private construction output recently, we have launched another measure to subsidise employers to employ and retain young construction talents for the sustained development of the talent pool of the industry. The CIC will allocate around \$150 million to provide on-the-job training for about 2 500 graduates of degree in engineering, architecture, surveying, planning and

landscape architecture, and assist them in attaining professional qualifications. This subsidy scheme has been open for application from mid-March.

Promoting co-operation with the Mainland/GBA in construction industry

10. To tie in with the strategy of high-quality development of Guangdong-Hong Kong-Macau GBA, we have always strived to promote multi-dimensional collaboration between the construction sectors in Hong Kong and the Mainland.

11. We have co-operated with Mainland authorities and local professional bodies, and successfully sought recognition of qualifications in the Mainland for professionals of Hong Kong's construction industry, i.e. "Professional Title". Last year, pilot evaluation was successfully implemented in five engineering disciplines, with 207 Hong Kong engineers obtaining Mainland "Professional Title" qualifications through the mechanism. The evaluation mechanism will be regularised in the middle of this year, and its coverage will be expanded to other construction-related disciplines, creating favourable conditions for their development in the Mainland.

12. Guangdong, Hong Kong and Macao are also actively pressing ahead with the formulation of GBA Standards and taking forward the "One Examination, Multiple Certification" arrangement. We will mainly follow the higher standards among the three places and cover the key elements in the individual syllabuses of the three places, so as to uplift the training quality of the construction industry in the GBA.

13. We piloted the GBA standards and took forward the "One Examination, Multiple Certification" for painters and bricklayers last month, and plan to establish the GBA standards for the first technician position on a trial basis in the middle of this year. Guangdong, Hong Kong and Macao will take forward the above arrangement for other major trades/positions of the construction industry, in an orderly manner taking into account the implementation experience and situations.

14. In addition, we are collaborating with the Department of Housing and Urban-Rural Development of Guangdong Province to actively leverage complementary advantages of Modular Integrated Construction (MiC) methods and develop MiC as an industry in the GBA. Efforts will

be dedicated to research and development, quality accreditation and international marketing of MiC.

Conclusion

15. There are other tasks of the works portfolio, including water supply, heritage conservation, major infrastructure projects, etc. Relevant details have been provided in the Controlling Officer's Reports. I will not elaborate further. Chairman, my team and I shall be happy to respond to further questions from Members.