Buildings Department refuses application for registration renewal for contractor

The Secretary for Development, Ms Bernadette Linn, said today (May 22) that the Buildings Department (BD) has refused the application for registration renewal of Aggressive Construction Company Limited (ACCL).

As a registered general building contractor (RGBC), the registration of ACCL expired in April 2023. It was involved in three serious incidents, including a fatal incident in 2022 involving the collapse of a tower crane at a construction site at Anderson Road, a fatal incident in July 2020 involving the electrocution of a worker at a construction site at Wang Chin Street, and a fatal incident in October 2023 involving a worker falling from height at a construction site at To Wah Road. These incidents resulted in a total of five deaths. The BD referred the renewal application to the Contractors Registration Committee (CRC) for interview and assessment in accordance with the Buildings Ordinance (BO). The CRC is established under the BO and its key members are nominated by the relevant building professional registration boards and the industry. After several rounds of interviews, the CRC was not satisfied that the authorised signatories of ACCL were competent and capable in site supervision and safety management to act on behalf of ACCL for the purpose of the BO, and was not satisfied that the contractor had proper site safety management. After careful consideration of CRC's recommendation, the BD has decided to refuse ACCL's application for registration renewal. The BD issued today a letter to ACCL, notifying that it will be removed from the register of general building contractors on June 20, and that it will not be allowed to carry out any building works under the BO from that date onwards.

The BD has also requested ACCL to inform the authorised persons (APs) of the building sites of the relevant private development projects under its charge in accordance with the law, including submitting to the APs a notice of cessation of appointment, certifying that the building works carried out are in accordance with the provisions of the BO and its regulations, and giving a clear account of the scope of the completed building works. At the same time, the BD also issued a letter to inform the APs responsible for the relevant building sites that the application for renewal of registration of ACCL has been refused, reminding the APs that they should make arrangements for the remaining works as soon as possible, including proposing to the owner of the project the appointment of another registered contractor to follow up the outstanding building works and ensuring that the building works of the project have been carried out in compliance with the provisions of the BO and its regulations. A copy of the letter has been copied to the relevant project owners. It is believed that the relevant owners will expeditiously and properly handle and hand over the outstanding works with the original contractor and appoint another suitable registered contractor to continue with the relevant works as soon as possible.

ACCL is currently the main contractor for six development projects, three of which are public housing projects (including the public housing development at Tuen Mun Area 29 West, the public housing development at Tung Chung Area 100, and the underground link of Pak Tin Estate redevelopment Phase 10), one is a public works project for the construction of a new Chai Wan Government Complex, one is a subsidised sale housing project on Anderson Road by the Hong Kong Housing Society, and the remaining one is a student and staff dormitory project of the University of Hong Kong on Pok Fu Lam Road. With ACCL being removed from the register of general building contractors, it will no longer be allowed to carry out five of the residential and hostel projects mentioned above according to the law or contract terms. As for the public works project of Chai Wan Government Complex, although it is neither bound by the BO or relevant contract terms to employ a contractor from the register of general building contractors for this project, in view of the slow progress over the past months and the fact that the performance of the contractor is far below contract requirements, the relevant works department will terminate the contract as soon as possible in accordance with the contractual mechanism. The Housing Authority and the relevant works department will follow up with ACCL as soon as possible to arrange for a new contractor to take over the project sites within two months of ACCL leaving the site, so as to complete the remaining works and to minimise the impact on the projects.

In order to minimise the impact to current workers and subcontractors, the Government encourages new contractors for the projects concerned to take priority in engaging current workers and subcontractors. In addition, special consultation counters have been set up at ten Regional Offices of the Labour Relations Division of the Labour Department (LD) to provide appropriate assistance to affected workers. If affected workers need assistance or have enquiries in respect of matters of employment or employees' rights, they may call the Construction Industry Recruitment Centre (Tel: 3428 3303) or the Labour Relations Division (Tel: 2927 6080) of the LD during office hours.

During the processing of the registration renewal application, relevant departments and parties have strengthened efforts to ensure site safety at ACCL's construction sites. Apart from proactively doubling surprise inspections to private construction sites, the BD has also required project owners and ACCL to implement additional measures to enhance site supervision. As for public construction sites, the responsible parties have also strengthened site supervision. From now until ACCL's removal from the register, these enhanced measures will continue to be in place if construction activities are still taking place at the construction sites.

Ms Linn emphasised, "We understand that the decision to refuse the registration renewal may have an impact on the works in progress, but the BD, as the regulatory authority, is required to process registration renewal applications rigorously and professionally in accordance with the BO, which clearly stipulates the factors to be taken into account by the BD. These factors are mainly for assessing whether the registered contractor continues to have the competence, experience, qualifications and suitable appointed persons to act on its behalf in discharging statutory obligations in respect

of building works under construction, including building safety. We need to ensure that the system for renewing the registration of registered contractors can play an effective gatekeeping role in maintaining the professional standard of the industry, separating the wheat from the chaff and sending a clear message to the industry and the community, so that the construction industry can continue to develop healthily."

She supplemented, "Refusing the application for renewal of registration of ACCL is only one of the series of follow-up actions taken by the Government following construction site fatal incidents. In 2023, the BD and the LD instigated prosecutions against ACCL and related individuals under their respective ordinances regarding the collapse of a tower crane on Anderson Road. The case will be heard in January 2026. The involved authorised signatory of ACCL was also charged with manslaughter in 2024, which will be heard in July 2025. As for the other two serious incidents, ACCL and related individuals were convicted and fined under labour ordinances for the 2020 incident, while the 2023 incident will be heard in July 2025."