

Speech by FS at Hong Kong Institution of Engineers 44th Annual Dinner (English only)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the Hong Kong Institution of Engineers 44th Annual Dinner this evening (March 15):

Ringo (President of the Hong Kong Institution of Engineers, Mr Ringo Yu), Rocky (Vice-Chancellor and President of Chinese University of Hong Kong, Professor Rocky Tuan), Professor Tan (Deputy Director of the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region Professor Tan Tieniu), Mr Yang (Deputy Commissioner of the Office of the Commissioner of the Ministry of Foreign Affairs of the People's Republic of China in the Hong Kong Special Administrative Region Mr Yang Yirui), distinguished guests, ladies and gentlemen,

Good evening.

It is a pleasure to join you tonight on this special occasion – the 44th annual dinner of the Hong Kong Institution of Engineers.

This is a most welcome opportunity for me to thank you all, the engineering profession, for everything you've done over the years and the decades in building Hong Kong into one of the world's great global cities. And of course, to remind you of all you'll have to do, over the coming years and decades, if Hong Kong is to remain a great global city.

Last year was certainly a banner year for Hong Kong's infrastructure development, and you – our engineering sector. Two superlative transport links – the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Hong Kong-Zhuhai-Macao Bridge – began operation.

Together, they greatly enhance Hong Kong's connectivity with the Mainland, in particular the Greater Bay Area.

And, let me add, just last month the Central – Wan Chai Bypass was fully commissioned. That significantly eases the traffic problems that had long plagued parts of the Hong Kong Island.

The planning and implementation of these formidable infrastructure developments required world-class project management capabilities.

The Hong Kong-Zhuhai-Macao Bridge is the world's longest bridge-and-tunnel sea crossing. The Hong Kong Link Road leading to it encompasses a viaduct, tunnel and at-grade road following the east coast of the Hong Kong International Airport. Moreover, an artificial island was built to

accommodate the boundary-crossing facilities.

The engineers involved had to overcome daunting construction challenges, including frequent typhoons, criss-crossing navigation and environmental issues. Particular attention was paid to the seabed, using non-dredging reclamation, and to the protection of the area's Chinese white dolphins.

The West Kowloon Terminus of the Express Rail Link, similar in size to the airport passenger terminal at Chek Lap Kok, is one of the world's largest underground stations. A modern architectural marvel boasting 15 platform tracks, it was constructed some 25 metres underground in a site surrounded by high-rise buildings and live railway tracks.

The construction of the Central – Wan Chai Bypass was another wonder brought to brilliant life by our engineers. The construction work was carried out in the busiest area of Hong Kong. Excavation was done underneath the 47-year old Cross Harbour Tunnel without affecting traffic and within the Causeway Bay Typhoon Shelter using temporary reclamation. All of it was accomplished with professionalism, meticulous project planning and precise execution.

Home is where the heart is, and I am grateful that Institution members are deeply involved in tackling, and realising, some of Hong Kong's most complex projects.

And we're just getting going, ladies and gentlemen. In the coming few years, we expect that annual public works expenditure will exceed \$100 billion. Construction volume, including both the private and public sectors, is expected to increase to over \$300 billion a year.

The Lantau Tomorrow Vision will be central to that future. Aside from providing an ample supply of land, Lantau Tomorrow will demand the construction of strategic roads and railways, and the efficiency of the traffic network in the northwest New Territories and Hong Kong will be boosted as a whole.

And then there's the Guangdong-Hong Kong-Macao Greater Bay Area, the Outline Development Plan for which was announced just last month. The plan identifies Hong Kong, together with Guangzhou, Shenzhen and Macao as the four core cities and the Greater Bay Area's development engines.

The Bay Area plan reaffirms Hong Kong's status as an international financial, transportation and trade centre. It supports, as well, our status as an international aviation hub and our determination to rise as an international centre for innovation and technology, as well as high-end and high-value-added professional services. In short, it creates boundless opportunities for Hong Kong.

Challenges will be there too. The Government will continue to work with our counterparts to seek policy breakthroughs to overcome those challenges, including liberalisation measures for Hong Kong professional services.

At home, there are other concerns, including soaring construction costs, declining productivity and a dwindling labour force. Recently, some mega project incidents have aroused public concern about the quality of works and tarnished the reputation of the construction industry. The industry must endeavour to enhance the public's confidence in them.

In this regard, the Government will lead the construction industry to implement Construction 2.0 for improving the productivity, quality, safety and environmental performance of the industry by advocating innovation, professionalisation and revitalisation.

Firstly, on innovation. The Government believes innovation and technology is the way forward in improving productivity, safety and construction quality.

We are committed to helping this essential transformation of our construction industry. Last October, we launched a \$1 billion Construction Innovation and Technology Fund. It supports the industry in using building information modelling technology, modular integrated construction and other innovative applications.

The Fund also provides financial support for tertiary students and industry practitioners looking to receive training on the latest construction technologies. I urge you to make good use of the Fund and the opportunities it provides you, your business and your industry.

Secondly, on professionalisation. In this year's Budget, I have announced a number of measures to enhance the monitoring of public works projects.

We will promote digitisation of the supervision system to enhance the standard and efficiency of works supervision. Pilot projects will be launched to motivate site supervisors and contractors to use innovative technology to collect real-time data on site environment and works progress for record, monitoring and analysis purposes.

We will upgrade the Project Cost Management Office and rename it as the Project Strategy and Governance Office for implementing strategic initiatives and enhancing capabilities in cost surveillance and project governance.

We are also gearing up for the establishment of a Centre of Excellence for Major Project Leaders to equip public officers with more innovative minds and enhanced leadership skills for delivering public works projects.

Thirdly, on revitalising the industry. I have set aside \$200 million to expand the apprenticeship scheme for the construction industry to cover more trades with manpower shortage, and increase the allowances for new trainees pursuing one-year full-time programmes and for in-service workers to pursue continuing education.

Ladies and gentlemen, Government efforts aside, the industry must also take proactive actions to enhance its project management as well as commitment to professionalism, which have long been regarded as distinct competitive advantages of Hong Kong.

I look forward to the continuing support of the Hong Kong Institution of Engineers in realising the long-term promise of Hong Kong, and to strengthen and maintain Hong Kong's established regional leadership position in construction. Together, we will excel: today, tomorrow and long into the future.

I wish you all a memorable evening. And the best of business in this promising Year of the Pig.

Ladies and gentlemen, allow me now to propose a toast: to the Hong Kong Institution of Engineers and to each and every one of you. Long may you prosper.

Cheers!