

Hong Kong Construction Association
Submission to Legislative Council
Panel of Planning, Lands & Works and Panel on Home Affairs
The Development of the West Kowloon Cultural District

The Hong Kong Construction Association (HKCA) thanks the Panels for their invitation to give its view on the captioned development project.

The HKCA welcomes Government to launch this major project at this point in time when the construction industry is in low ebb. In the persistently economic depression many construction contractors have “down-sized” their companies in a strategy to preserve their financial resources. As a result of the strategy, many construction talents have been forced to leave the industry. This unwilling strategy will slow down the reform progress of our industry, which is being led by the Provisional Construction Industry Co-ordination Board. If the local construction industry market does not improve in the near future, the core strength of the local construction industry may even be damaged.

The local construction industry, therefore, expects its contractors could have the biggest opportunity to participate in constructing this project and that the ways and means in delivering this project could give due regard to the recommendations of the Construct for Excellence Report of the Construction Industry Review Committee led by the Honourable Henry Tang.

Priority opportunity should be given to the local construction industry to build this project for the developer(s) so that they could put to practice together the proposed improvement measures in the Report, such as nurturing a professional workforce and better safety/environment/quality standards. The developer should also implement other recommendations of the Report such as realistic project programme, more equitable allocation of risks, and other value-adding construction procurement measures.

In addition to the above general recommendations, we would recommend the following special conditions be included in the development contract(s) entered into by the developer(s):

1. That the principal contractors of this project should be registered contractors in Hong Kong.
2. That the subcontractors of the project should register with the Voluntary Subcontractor Registration Scheme due to be launched later this month (November 2003).

3. That the workers in this project should possess the trade testing certificate or other relevant certificates issued by the Construction Industry Training Authority (CITA).
4. That the developer(s) should include a “pay-for-safety” scheme in the construction contracts, which should demand the principal contractors and their subcontractors to implement a safety management system.

The HKCA is willing to give further advices on these recommendations to the developer(s).

HKCA/7 November 2003 (revised 12 November 2003)