

香 港 建 造 商 會
Hong Kong Construction Association

Panel on Transport Subcommittee on Matters Relating to Railways
Meeting on 31 March 2009

The Hong Kong Construction Association Ltd's Views
In respect of
The West Island Line Project

The Hong Kong Construction Association Ltd (HKCA) is grateful to have the opportunity to present its views on this project.

The construction industry is suffocating from the heat of the current financial turmoil with the industrial unemployment rate rocketed to 9.8% in Feb. 2009 jumping from 6.1% in December 2008, as compared to the unemployment rate for all industry 4.7% in Feb. 2009 and 3.8% in Dec. 2009. This is partly due to the returned construction workers from Macau and other Asian Countries. Many construction contracts in those areas were abruptly halted at the end of last year because of the global credit crunch that restricted the source of finance for many developers and casino investments. The current very low volume of construction activities in Hong Kong has been putting off many returnees causing the unemployment rate to soar. A recent survey with our members, especially small and medium enterprises, indicated that many are working under capacity and are eager for a share of the infrastructure contracts that were promised by the Government since last year.

Hong Kong has long been waiting for the West Island Line not only because the Line is an essential extension to our public transportation infrastructure but the funding associated in the construction works will bring much needed life blood to the already weakened Hong Kong economy. Since the 2007-08 Policy Address in late 2007 the industry has been patiently waiting for the promises of the Government to revitalize the Hong Kong economy by funding the infrastructure projects and the patience is wearing thin over the long wait. We strongly believed that the immediate roll out of the West Island Line – MTRC Contracts are positive stimulants to the economy and in the short term provide a survival means for many construction companies and workers.

As far as the publics are concerned, MTRC has already conducted numerous public consultations over the past few years and the West Island Line proposal is well received and anticipated by the Hong Kong public and in particularly those living in the Western District. We sincerely hope that the Panel of Transport would opt for the win-win scenario by allowing the engagement of the West Island Line – MTRC Contracts as soon as possible.