

# AsiaConstruct19

## Country Report - Hong Kong

---

prepared by  
AsiaConstruct Team  
Research Centre for Construction and Real Estate Economics  
The Hong Kong Polytechnic University  
([www.bre.polyu.edu.hk](http://www.bre.polyu.edu.hk))  
for  
The 19<sup>th</sup> AsiaConstruct Conference  
14<sup>th</sup> – 15<sup>st</sup> November 2013  
Jakarta, Indonesia

---

*AsiaConstruct19 Team:*

**Michael Anson<sup>1</sup>, YH Chiang<sup>2</sup>, Patrick TI Lam<sup>2</sup>, Lisa L Tao<sup>2</sup> and Francis KW Wong<sup>2</sup>**

*<sup>1</sup> Professor Emeritus, Faculty of Construction and Land Use, The Hong Kong Polytechnic University.*

*<sup>2</sup> Department of Building and Real Estate, The Hong Kong Polytechnic University.*

---

*About the Research Centre for Construction and Real Estate Economics (RCCREE):*

The RCCREE is the Hong Kong Polytechnic University Centre for solution oriented research and consultancy in construction and real estate economics. It undertakes internationally relevant multi-disciplinary research that supports the advancement of the construction and real estate industries in the following areas: Economic Policy and Institutional Analysis, Real Estate Economics, Construction Economics, Housing, Human Behaviour in Economic Decision making, and Value Management and Facilities Performance. For further information, please contact Professor Francis K.W. Wong, Director of RCCREE ([bskwwong@polyu.edu.hk](mailto:bskwwong@polyu.edu.hk)) or Professor Eddie C.M. Hui, Deputy Director ([bscmhui@polyu.edu.hk](mailto:bscmhui@polyu.edu.hk)).

---

## **Contents**

1. Executive Summary
2. Macroeconomic Review & Outlook
  - 2.1 Overview of the Economy
  - 2.2 Main economic indicator (Table 1)
3. Overview of Construction Industry
  - 3.1 Gross Value of Construction Contracts/ Expenditure (Table 2)
  - 3.2 Construction Demand Forecast for 2013-2014 (Table 3)
  - 3.3 Construction Companies
    - Total number of construction companies by their classification (Table 4)
  - 3.4 Construction Manpower
    - Number of construction worker by job type (Table 5)
    - Number of persons directly engaged in building and civil engineering establishments (Table 6)
  - 3.5 Productivity
    - Value added per employee (Table 7)
    - Physical measurement of construction productivity (Table 8)
  - 3.6 Construction Cost
    - Tender Price Index (Table 9)
    - Major construction material average prices (Table 10)
    - Construction industry salaries & wages (Table 11-13)
  - 3.7 Import & Export of Construction Work and Consultancy Services (Tables 14 and 15)

## **1. EXECUTIVE SUMMARY**

In the second quarter of 2013, Hong Kong economy expanded moderately by 3.3% in real terms over a year earlier, while the growth rate of the first quarter was 2.9%. The GDP by construction activity increased rather slowly by only 1.7% during the quarter, as private sector construction activity declined and public sector construction expanded moderately. Meanwhile, overall building and construction expenditure edged down by 2.1% in real terms in the second quarter.

The conditions of the labour market remained tight, reflecting the firm labour demand. The unemployment rate fell to 3.3% in the second quarter, from 3.5% in the first quarter. There was an increase of 24,900 in total employment from the first to the second quarter of 2013. There was a notable growth in wages and earnings arising from a tight labour market and the upward adjustment of the Statutory Minimum Wage (SMW) rate since 1 May 2013 (*Half Yearly Economic Report 2013*).

## **2. MACROECONOMIC REVIEW & OUTLOOK**

### **2.1 Overview of the Economy**

The economy growth of Hong Kong is still moderate in the second quarter of 2013. Net output of the services sector continued to pick up. The growth reached 3.7% in real terms, from 2.8% in the first quarter of 2013. Among the major services sectors, many of them had substantial growth in the second quarter, notably transportation, storage, postal and courier services, financing and insurance, professional and business services, and public administration. The sector of real estate services continued to fall back. The output decreased by 6.1% amid a quieter property market, partly due to the further demand management measures introduced in late February. On the other hand, manufacturing output continued to undergo a slight growth by 0.3%. In addition, construction output increased moderately by 1.7% as private sector construction activity fell back and public sector construction works grew moderately (*Census and Statistics Department, HKSAR*).

In the second quarter of 2013, the labour market still stayed in full employment status as of the first quarter. The total employment increased to a new high. The unemployment rate decreased to 3.3%, compared with 3.5% in the first quarter. The underemployment rate also stayed at a low

level at 1.6%. Wages and earnings experienced further increases (*Half Yearly Economic Report 2013*).

## 2.2 Main economic indicators

Table 1: Main economic indicators

<b>ECONOMIC INDICATOR</b>	2009	2010	2011	2012	2013 Q2
<b>GDP &amp; Components</b>					
GDP in chained (2011) dollars (HK\$ million)	1,729,046	1,846,505	1,936,083	1,965,153	969,244
GDP at Current Market Price (HK\$ million)	1,622,516	1,741,564	1,896,695	2,040,104	999,540
GDP Growth (%)	-3.2	7.3	8.7	5.4	4.0
GDP Growth (%) for agriculture, fishing, mining and quarrying sector	-4.6	3.9	0.8	0.3	4.5
GDP Growth (%) for Manufacturing Sector	-8.2	3.3	0.7	-0.8	0.3
GDP Growth (%) for electricity, gas and water supply, and waste management sector	1.5	-0.2	0.6	1.6	-2.5
GDP Growth (%) for Services Sector	-1.6	7.0	5.2	1.8	3.7
GDP Growth (%) for Construction Sector	-7.5	15.6	18.1	11.3	1.7
<b>Demographic and Inflation Indicators</b>					
Population Number	7,026,400	7,097,600	7,103,700	7,177,900	7,184,000
Population Growth Rate (%)	0.5	0.9	0.7	0.9	0.4
Labor Force(number)	3,669,900	3,650,400	3,734,900	3,794,900	3,877,200
Labor Force Growth rate (%)	0.05	-0.5	2.3	1.7	2.5
Unemployment Rate	5.3	4.3	3.4	3.3	3.3
Inflation Rate	1.3	2.9	5.7	3.7	3.9
<b>Financial Indicator</b>					
Interbank interest rate per annum at year end	0.43	0.80	0.75	0.95	0.87
Short term interest rate* (%)	0.03	0.62	0.06	0.08	0.15
Long term interest rate** (%)	2.64	2.29	2.27	0.96	2.00
Average Exchange Rate against USDS\$	7.75	7.77	7.78	7.76	7.76

NA : data not available

\* yield of 91-day Exchange Fund Bills (mid-year)

\*\*yield of 10-year Exchange Fund Notes (mid-year)

Sources:

GDP, Demographic and Financial Indicators:

Government of the HKSAR web-page at [http://www.censtatd.gov.hk/hong\\_kong\\_statistics](http://www.censtatd.gov.hk/hong_kong_statistics)

Short and long term interest rates: *Monthly Statistical Bulletin*, Hong Kong Monetary Authority, various issues.

### 3. OVERVIEW OF THE CONSTRUCTION INDUSTRY

#### 3.1 Gross Value of Construction Contracts/ Expenditure

Table 2: Gross Value of Construction Contracts/ Expenditure

Type of Contract / Expenditure (HK\$ million)	2009	2010	2011	2012	2013 Q2
<b>Buildings</b>	39,742	40,839	47,097	60,954	28,608
Residential	22,804	22,588	26,083	37,501	17,824
Commercial	7,368	7,979	7,648	7,564	3,961
Industrial and Storage	359	993	1,552	2,054	776
Services	9,211	9,279	11,815	13,835	6,047
<b>Structures &amp; facilities</b>	12,516	20,683	30,254	43,067	26,058
Transport	3,595	10,852	19,551	30,465	20,390
Other utilities & plant	2,606	2,658	2,511	4,181	1,700
Environment	4,461	5,758	7,198	7,892	3,792
Sports & recreation	1,794	1,415	994	528	177
<b>Overall total</b>	52,258	61,522	77,351	104,021	54,667

Source: *Report on the Quarterly Survey of Construction Output*, The Census and Statistics Department, Hong Kong Special Administrative Region, various issues

As shown in the table above, construction works can generally be divided into two categories, buildings and structures & facilities. The overall contract value of construction activities carried out by main contractors in Hong Kong has been rising since 2009. In particular, driven by a strong growth of the public construction sector, the overall construction sector produced HK\$104 billion value of work in 2012, with a significant increase of about 34% over the previous year.

#### 3.2 Construction Demand forecast for 2013-2014

Table 3: Forecast of Construction Works

Responsible Departments	Title of Contract	Scheduled Project Start	Scheduled Project Completion	Estimate of Cost (HKD)
Architectural Services Department (ASD)	Expansion of Tseung Kwan O Hospital	2008-09	2013-14	>=\$500M
	Cruise Terminal Building and ancillary facilities for the Kai Tak Cruise Terminal Development	2010-11	2013-14	\$4899M
	Construction of a secondary boundary fence and new sections of primary boundary fence and boundary patrol road - phase 2	2011-12	2015-16	\$128.3M
	Conversion of aqua privies into flushing toilets - phase 7	2010-11	2013-14	\$300M - \$400M
	Reprovisioning of Cape Collinson Crematorium	2010-11	2014-15	\$659M
	West Kowloon Law Courts Building	2012-13	2015-16	\$2168M
	Construction of an ambulance depot at Choi Shun Street, Sheung Shui	2012-13	2014-15	\$100M - \$200M
	Public Library and Indoor Recreation Centre in Area 3, Yuen Long	2010-11	2013-14	\$95M
	District Open Space, Sports Centre and Library in Area 74, Tseung Kwan O	2011-12	2014-15	\$591M
	Redevelopment of Kwun Tong Swimming Pool Complex and Kwun Tong Recreation Ground	2009-10	2014-15	\$988M
	Town Park, Indoor Velodrome-cum-Sports Centre in Area 45, Tseung Kwan O	2009-10	2013-14	\$1003M
	Sports centre, community hall and public library in Area 14B, Sha Tin	2012-13	2015-16	>=\$500M
	Construction of an Annex Building for Ko Shan Theatre	2010-11	2013-14	\$547M
	Redevelopment of disciplined services quarters in Fu Tei, Tuen Mun	2012-13	2014-15	\$300M - \$400M
	Reprovisioning of Yaumatei Specialist Clinic at Queen Elizabeth Hospital	2013-14	2016-17	>=\$500M
	Tin Shui Wai Hospital	2012-13	2016-17	>=\$500M
	Redevelopment of Tai Lam Centre for Women	2012-13	2016-17	\$823M
	Establishment of Centre of Excellence in Paediatrics	2013-14	2017-18	>=\$500M
	Construction of Trade and Industry Tower in Kai Tak Development Area	2011-12	2014-15	\$2039M
	Relocation of the Court of Final Appeal to No. 8 Jackson Road	2013-14	2014-15	\$400M - \$500M
Relocation of Part of the Offices of the Department of Justice to the Main and East Wings of the Former Central Government Offices	2013-14	2014-15	>=\$500M	

Responsible Departments	Title of Contract	Scheduled Project Start	Scheduled Project Completion	Estimate of Cost (HKD)
	Redevelopment of Fire Services Training School	2012-13	2015-16	>=\$500M
	Construction of a station for the New Terminal Doppler Weather Radar	2012-13	2014-15	\$113M
	Joint-user Complex in Area 44, Fanling	2011-12	2013-14	\$146M
	Community Hall at the housing site in Area 18, Tuen Mun	2010-11	2013-14	\$50M - \$100M
	Redevelopment of Victoria Park Swimming Pool Complex	2009-10	2014-15	\$929M
	Transformation of the Former Police Married Quarters on Hollywood Road into a Creative Industries Landmark	2011-12	2013-14	\$354M
	Fitting-out works for government facilities associated with midfield expansion project at Hong Kong International Airport	2012-13	2015-16	\$200M - \$300M
	Local open space at Chung Yee Street, Kowloon City	2012-13	2013-14	\$50M - \$100M
	Open space in Area 117, Tin Shui Wai	2012-13	2014-15	\$200M - \$300M
	District open space adjoining Lower Ngau Tau Kok public housing redevelopment	2012-13	2015-16	\$100M - \$200M
	Kwun Tong promenade (stage 2)	2012-13	2014-15	\$200M - \$300M
	Runway Park at Kai Tak, Kowloon City District - Phase 1	2012-13	2013-14	\$100M - \$200M
	Relocation of the printing workshop of Government Logistics Department	2013-14	2015-16	\$300M - \$400M
	New Broadcasting House of Radio Television Hong Kong	2013-14	2017-18	>=\$500M
	A Special School for Social Development for Girls at Choi Wan Road and Jordan Valley, Kwun Tong	2014-15	2016-17	\$200M - \$300M
	Reprovisioning of Food and Environmental Hygiene Department Sai Yee Street environmental hygiene offices-cum-vehicle depot at Yen Ming Road, West Kowloon Reclamation Area	2014-15	2018-19	>=\$500M
	Community Hall at Sau Ming Road, Kwun Tong	2014-15	2018-19	\$100M - \$200M
	Kowloon East Regional Headquarters and Operational Base cum Ngau Tau Kok Divisional Police Station at 105 Concorde Road, Kai Tak, Kowloon	2014-15	2017-18	>=\$500M

Responsible Departments	Title of Contract	Scheduled Project Start	Scheduled Project Completion	Estimate of Cost (HKD)
	Development of a bathing beach at Lung Mei, Tai Po	2013-14	2015-16	\$200M - \$300M
	Sports centre in Area 4, Tsing Yi	2013-14	2016-17	>=\$500M
	A 30-classroom primary school at Site 1A-3, Kai Tak Development, Kowloon	2013-14	2015-16	\$300M - \$400M
	A 30-classroom primary school at Site 1A-4, Kai Tak Development, Kowloon	2013-14	2015-16	\$300M - \$400M
	Lei Yue Mun Waterfront Enhancement Project - development of a waterfront promenade and related improvement works	2014-15	2017-18	\$50M - \$100M
Civil Engineering and Development Department (CEDD)	Development at Anderson Road	31 January 2008	Mid 2015	\$2.9 B
	Formation, roads and drains in Area 54, Tuen Mun – phase 2 stage 1 works	16 September 2011	Early 2015	\$325 M
	Development of a Bathing Beach at Lung Mei, Tai Po	June 2013	June 2015	\$ 74 M
	Dredging, Management and Capping of Contaminated Sediment Disposal Facility to the South of The Brothers	20 September 2012	4 March 2017	\$617.7M
	Kai Tak development – stage 2 infrastructure at north apron area of Kai Tak Airport	14 July 2011	Q4 2015	\$355.8M
	Kai Tak development – Kai Tak approach channel and Kwun Tong typhoon shelter improvement works (Phase 1)	14 July 2011	Q3 2014	\$717.7M
	Hung Shui Kiu Development, Stage 2 – widening of Tin Ha Road and Tan Kwai Tsuen Road	23 August 2012	Q3 2014	Approx. \$106.0M
	Landslip Prevention and Mitigation Programme, 2008, Packages I and M, Landslip Prevention and Mitigation Works in Wan Chai	11 November 2011	11 May 2014	\$227.67M
	Landslip Prevention and Mitigation Programme, 2008, Package A, Landslip Prevention and Mitigation Works in Hong Kong Island West and South	11 January 2012	29 July 2014	\$169.5M
	Landslip Prevention and Mitigation Programme, 2008, Package M, Landslip Prevention and Mitigation Works in Wong Tai Sin	02 February 2012	01 February 2014	\$168.83M
	Landslip Prevention and Mitigation Programme, 2008, Packages I, Landslip Prevention and Mitigation Works in Central and Western District	13 December 2011	12 June 2014	\$238.88M
	Wan Chai development phase II, engineering works	28 January 2010	Q3 2016	\$3,359M

Responsible Departments	Title of Contract	Scheduled Project Start	Scheduled Project Completion	Estimate of Cost (HKD)
Drainage Services Department (DSD)	Tolo Harbour Sewerage of Unsewered Areas, Stage 2 Phase 1	31 July 2013	September 2017	About \$364.7 M
	Demolition of Wan Chai West Preliminary Treatment Works	31 May 2013	Mid 2014	About \$12 million
	Sewerage at Clear Water Bay Road, Pik Shui Sun Tsuen and West of Sai Kung Town	Jan 2013	Jan 2017	\$359M
	Sewers at Kam Tin, Tan Kwai Tsuen and Tong Yan San Tsuen, Storm Drains at Fanling and Covers to Tanks at Siu Ho Wan Sewage Treatment Works	28 December 2012	December 2015	About \$66M
	Lam Tsuen Valley sewerage, stage 2	31 October 2012	End 2016	About \$590M
	Yuen Long and Kam Tin Sewerage Stage 3 Package 2	6 September 2012	2016	About \$213M
	Upgrading of Mui Wo sewage treatment works and sewerage at Mui Wo town centre and Wang Tong	31 July 2012	Sep 2017	About \$767M
	North District sewerage, stage 2 part 2A - Pak Hok Lam trunk sewer and Sha Tau Kok village sewerage	28 June 2012	Mid 2017	Approx. \$272M
	Village sewerage in Kau Lung Hang San Wai, Kau Lung Hang Lo Wai and Tai Hang, and southern trunk sewer between Wai Tau Tsuen and Nam Wa Po	26 June 2012	Mid 2016	About \$317M
	Sewerage Upgrading Works in Tai Lam Centre for Women and Other DSD Facilities and Village Sewerage in Sha Tau Kok	7 May 2012	2014	About \$28M
	Liantang/Heung Yuen Wai Boundary Control Point and associated works – reprovisioning of boundary patrol road and primary boundary fence	24 February 2012	September 2014	\$393.5M
	Upgrading of Central and East Kowloon sewerage - phase 2	30 June 2011	End 2015	About \$503M
	Tuen Mun sewerage, stage 1 - village sewerage in Tsing Chuen Wai and Tuen Tsz Wai	15 September 2011	Mid 2014	About \$22M
	The scope of the project mainly comprises construction of about 2 kilometres of trunk sewers and a sewage pumping station in Lau Fau Shan	14 October 2011	End 2015	About \$196M

Sources: web-sites of Development Bureau available at <http://www.devb.gov.hk/en/home/index.html>

### 3.3 Construction Companies

Table 4: Number of contractors and the breakdown by size

	No. of registered contractors (2013)			
Buildings Department (Registered General Building Contractors)	652			
Development Bureau (List of Approved Contractors for Public Works)	Group A	Group B	Group C	Total
	99	131	109	262
Housing Authority (Counterparty Lists)	NW1		NW2	Total
	19		21	40

Notes

'A' denotes Group A for contracts of value up to \$30 million

'B' denotes Group B for contracts of value up to \$75 million

'C' denotes Group C for contracts of any values exceeding \$75 million

Group NW1 - Contractors are eligible to tender for new works contracts with a value of up to \$270M.

Group NW2 - Contractors are eligible to tender for new works contracts of unlimited value.

Sources:

List of Registered General Building Contractors of Buildings Department available at

[http://www.bd.gov.hk/english/inform/e\\_gbc\\_1.html](http://www.bd.gov.hk/english/inform/e_gbc_1.html)

List of Approved Contractors for Public Works available at

<http://www.devb.gov.hk/Contractor.aspx?section=80&lang=1>

Housing Authority Counterparty List available at

[http://comis.housingauthority.gov.hk/ha/eng/ctp\\_list.jsp?LIST\\_CD=BLG](http://comis.housingauthority.gov.hk/ha/eng/ctp_list.jsp?LIST_CD=BLG)

### 3.4 Construction Manpower

Table 5: Number of workers employed in principal jobs of construction, building and civil engineering and related disciplines

Job Levels	March / May 2011
Professional/Technologist	20361
Technician	32990
Skilled & Semi-Skilled worker	49559
General Worker	22754
Total	125664

Source: *Manpower Survey Reports on the Building and Civil Engineering Industry*, Building and Civil Engineering Industry Training Board, Vocational Training Council, bi-annual issue of 2011.

Table 6: Number of persons directly engaged in the building and civil engineering establishments

Main industry group	2009	2010	2011
Construction of buildings	13309	18529	20307
Civil engineering	24117	24420	27293
Demolition and site preparation	5259	6233	6887
Building services installation and maintenance activities	47839	52664	72434
Building finishing and other specialized construction activities	44731	45112	43423
All construction activities	135254	146958	170345

Source: *Report on Annual Survey of Building, Construction and Real Estate Sectors*, The Census and Statistics Department, Hong Kong Special Administrative Region, various issues.

### 3.5 Productivity

Table 7: Value added per employee

Year	Value added per employee (HK\$million)
2008	0.180
2009	0.187
2010	0.207
2011	0.236

Source:

Value added by Construction activity:

*2011 Gross Domestic Product*, The Census and Statistics Department, Hong Kong Special Administrative Region  
Employed Persons by Industry (Construction).

*Hong Kong Annual Digest of Statistics 2012*, The Census and Statistics Department, Hong Kong Special  
Administrative Region.

Table 8: Physical Measurement of Construction Production

End use of building (Unit: 000sq.m.*)	2008	2009	2010	2011
Private residential premises+	5265 (-10.2%)	3894 (-26.0%)	3665 (-5.9%)	5839 (59.3%)
Office buildings	77.4 (-24.9%)	262 (-66.1%)	389 (48.5%)	172 (-55.7%)
Hotels and boarding houses	292 (6.6%)	301 (3.1%)	162 (-46.2%)	401 (147%)
Multi-purpose commercial premises	16.33 (41.3%)	1442 (-11.7%)	987 (-31.6%)	455 (53.9%)
Flatted factory blocks and warehouses	246 (17.1%)	131 (-46.7%)	125 (-4.6%)	362 (189.3%)
Total	8210 (-3.7%)	6030 (-26.6%)	5328 (-11.6%)	7229 (35.7%)

\* Area (sq. m) refers to gross floor area of buildings when completed.

+ Includes buildings purely for residential purpose and combined residential and non-residential buildings.

Source: *Report on Annual Survey of Building, Construction and Real Estate Sectors*, The Census and Statistics Department, Hong Kong Special Administrative Region, various issues.

### 3.6 Construction Cost

Table 9: Building Works Tender Price Index (BWTPI)

Year	Building Works Tender Price Index (BWTPI)			
	Qtr 1	Qtr 2	Qtr 3	Qtr 4
2013	1516	1532	NA	NA
2012	1414	1438	1467	1496
2011	1273	1320	1369	1408
2010	1134	1161	1249	1266
2009	1074	983	1111	1107
2008	1118	1305	1401	1262

Source: Building Works Tender Price Index (BWTPI) compiled by the Architectural Services Department available at [http://archsd.gov.hk/archsd\\_home01.asp?Path\\_Lev1=5&Status=bwtpi](http://archsd.gov.hk/archsd_home01.asp?Path_Lev1=5&Status=bwtpi)

Table 10: Major construction material average prices

		2009	2010	2011	2012	2013
Aggregates (HK\$ per tonne)		47	50	63	59	60
Bitumen (HK\$ per tonne)		7,240	7,570	8,483	9,230	8,803
Concrete blocks, 100mm thick (\$ per square metre)		59	62	68	70	72
Diesel fuel	For industrial use (light) (\$ per 200-litre drum)	2,082	2,440	1,971	1,970	2,075
	For road use (HK\$ per 100 litre)	916	1,029	988	957	1,030
Glass - Clear sheet glass, 5mm thick (HK\$ per square metre)		115	136	144	149	151
Glazed ceramic wall tiles	White tiles, 108mm*108mm (\$ per 100 pieces)	110	155	202	204	233
	Colour tiles, 200mm*200mm (\$ per 100 pieces)	270	270	334	374	398
Hardwood	Sawn hardwood, 50*75 mm column (\$ per cubic metre)	3,731	3,992	5,470	5,511	5,502
Homogeneous floor tiles	Non-slip tile, 200mm*200mm (\$ per square metre)	145	146	150	154	158
Galvanised mild steel	Steel plates (HK\$ per tonne)	7,580	8,303	9,180	9,033	8,773

	Steel angles (HK\$ per tonne)	11,118	12,099	12,234	11,980	11,823
	Steel flats (HK\$ per tonne)	8,947	9,714	10,023	10,214	10,076
Metal formwork	Steel plate, 4mm thick (HK\$ per tonne)	5,280	5,857	6,542	6,322	5,848
Mosaic tiles	Unglazed tiles, 18mm*18mm (\$ per square metre)	53	70	81	91	104
	Glass tiles, 25mm*25mm (\$ per square metre)	31	31	35	42	50
	Glazed tiles, 45mm*45mm (\$ per square metre)	85	89	109	114	122
Paint	Emulsion paint (HK\$ per litre)	37	39	45	48	52
	Acrylic paint (HK\$ per litre)	38	41	48	48	49
Portland cement (ordinary) (HK\$ per tonne)		592	621	677	684	700
Sand (HK\$ per tonne)		75	72	101	117	122
Steel reinforcement	Mild steel round bars, 6mm to 20mm (\$ per tonne)	5,687	6,408	6,747	6,443	5,870
	High tensile steel bars, 10mm to 40mm (\$ per tonne)	4,581	6,003	6,288	5,865	5,099
Timber formwork	Plywood, formwork, 19mm thick (\$ per square metre)	63	66	71	71	74
	Sawn hardwood, 25mm thick plank (\$ per cubic metre)	3,068	3,072	3,355	3,572	3,814
uPVC pipes	32mm diameter pipes, 4m long (HK\$ per number)	45	47	51	56	57

Note: Prices are based on June data from 2009 to 2013 and in Hong Kong dollars.

Source: *Average Wholesale Prices of Selected Building Materials*, Census and Statistics Department, Hong Kong Special Administrative Region, various issues.

Table 11: Construction Industry Salaries and Wages – Technicians and Unskilled Workers

	Unskilled Workers Daily Wage (HK\$)
2009 Dec	576
2010 Dec	599
2011 Dec	616
2012 Dec	679
2013 Aug	713

Sources: *Average Daily Wages of Workers Engaged in Public Sector Construction Projects*, Census and Statistics Department, Hong Kong Special Administrative Region, various issues.

Table 12: Construction Industry Salaries and Wages – Construction Professionals

Professionals in building and construction and related trades (Unit: Median monthly salary in HK\$)	2009 June	2010 June	2011 June	2012 June	2013 June
Accountant	32,800	34,400	32,900	35,000	34,900
Administrative Officer / Executive Officer	16,900	18,400	NA	NA	NA
Architect	52,700	50,900	55,800	58,700	NA
Building Services Engineer	31,700	29,400	31,200	32,500	35,600
Mechanical Engineer	28,700	31,500	28,100	28,100	29,900
Personnel Manager/ Human Resources Manager/ Staff Relations Manager	35,200	32,000	37,800	41,200	45,200
Project Manager	41,800	55,100	55,200	60,400	64,100
Safety Officer	29,300	30,700	33,200	34,300	38,200
Structural Engineer	27,700	33,400	34,100	35,000	39,600

NA: data not available

Source: *Report of Salaries and Employee Benefits Statistics, Managerial and Professional Employees (Excluding Top Management)*, Wages and Labour Costs Statistics Section, Census and Statistics Department, Hong Kong Special Administrative Region.

Professionals in most of the disciplines had a substantial increase in their wages, such as building services engineer, human resources managers, project managers and safety officers. However, the wages of accountants decreased slightly.

Table 13: Construction Industry Salaries and Wages –Skilled Workers (in HK\$ per day)

	2009 Dec	2010 Dec	2011 Dec	2012 Dec	2013 Aug
Concretor	952	926	1,073	1,252	1,414
Bricklayer	896	861	853	936	943
Drainlayer	874	876	970	1,125	1,164
Mason	811	818	853	1,113	1,223
Bar bender and fixer	1,124	1,167	1,249	1,401	1,553
Metal worker	803	829	835	900	955
General welder	807	843	894	1,013	1,144
Structural steel erector	922	1,017	1,181	1,062	1,585
Structural steel welder	747	952	1,005	1,116	1,539
Rigger/metal formwork erector	813	831	949	1,032	1,352
Carpenter (formwork)	1,014	997	1,091	1,345	1,491
Joiner	851	916	899	942	914
Plumber	846	886	894	953	934
Construction plant mechanic	761	797	899	978	1,046
Plant & equipment operator (load shifting)	739	746	802	860	923
Truck driver	595	611	654	708	741
Rock-breaking driller	780	784	840	1,065	1,077
Asphalter (road construction)	683	705	747	772	750
Bamboo scaffolder	1,060	1,072	1,129	1,243	1,276
Diver	1,721	1,766	1,761	1,959	2,030
Plasterer	860	891	940	1,029	1,058
Glazier	849	908	897	929	1,099
Painter and decorator	785	813	781	846	879
Leveller	715	762	839	991	1,095
Marble worker	932	779	898	1,042	903
Electrical fitter (incl. electrician)	711	697	723	781	810
Mechanical fitter	636	623	622	705	734
Refrigeration/AC/ventilation mechanic	621	660	610	686	657
Fire services mechanic	714	755	667	757	850
Lift and escalator mechanic	682	696	645	606	650
Building services maintenance mechanic	685	628	655	718	765
Power cable jointer	404	751	853	1,230	1,267

Source: *Average Daily Wages of Workers Engaged in Public Sector Construction Projects*, Census and Statistics Department, Hong Kong Special Administrative Region, various issues.

The table above summarizes the wages of 32 categories of skilled workers. In general, the average daily salaries and wages of skilled workers continued to increase from 2009 to 2013. It is expected that the demand for workers and their wages will further increase following the commencement of more construction projects.

### 3.7 Import & Export of Construction Work and Consultancy Services

Table 14: Import and Export of Construction and Consultancy Services (in HK\$million)

Year	2007	2008	2009	2010	2011
<b>Imports</b>					
Value of Construction services by foreign contractor	2303	1,283	923	413	NA
Value of consultancy services by foreign consultant	474	800	400	417	NA
<b>Exports</b>					
Value of construction services by local contractor in foreign country	2699	1,580	1079	1,123	NA
Value of consultancy services by local consultants in foreign country	1933	3,193	2,134	2,233	NA

Sources: *Report on Hong Kong Trade in Services Statistics* The Census and Statistics Department, Hong Kong Special Administrative Region.

Notes:

"Construction services" include:

General construction work (including new work, additions and alterations, repair and maintenance) and installation work at sites, buildings and structures that usually lasts for less than one year.

"Consultancy services - Architectural, engineering and other technical services" include:

Advisory architectural services; architectural design services; contract administration services; advisory and consultative engineering services; engineering design services for construction projects or industrial processes; and urban planning and landscape architectural services.

There is a decreasing trend of both import and export of construction services. The value of import decreased from HK\$2,303 million to HK\$609 million in 2011, while that of export decreased from HK\$2,699 million to HK\$1,111 million. The net export value of construction services increased from HK\$396 million in 2007 to HK\$502 million in 2011 (Refer to Table 14 & Table 15). However, the export of architectural, engineering and other technical services have increased since 2007. There is more overseas demand for local professionals than construction services. Major demands have come from China Mainland, Dubai, India and other South East Asian countries.

Table 15: Annual Import/Export of Construction and Consultancy Services

Major service group/Region	Year	Export of services	Import of services	Net export of services
		HK\$million	HK\$million	HK\$million
<i>Construction services</i>	<b>2008</b>	<b>1,580</b>	<b>1,283</b>	<b>297</b>
	<b>2009</b>	<b>1,079</b>	<b>923</b>	<b>156</b>
	<b>2010</b>	<b>1,123</b>	<b>413</b>	<b>710</b>
	<b>2011</b>	<b>1,111</b>	<b>609</b>	<b>502</b>
Asia	2008	1,496	1,212	284
	2009	1,040	751	289
	2010	1,120	357	763
	2011	1,066	609	457
Australasia and Oceania	2008	<0.5	**	**
	2009	**	142	**
	2010	<0.5	49	-49
	2011	<0.5	<0.5	<0.5
Central and South America	2008	<0.5	<0.5	<0.5
	2009	<0.5	<0.5	<0.5
	2010	<0.5	<0.5	<0.5
	2011	<0.5	<0.5	<0.5
North America	2008	**	<0.5	**
	2009	<0.5	<0.5	<0.5
	2010	<0.5	<0.5	<0.5
	2011	45	<0.5	45
Western Europe	2008	**	**	**
	2009	<0.5	30	-30
	2010	<0.5	7	-7
	2011	<0.5	<0.5	<0.5
<i>Architectural, engineering and other technical services</i>	<b>2008</b>	<b>3,193</b>	<b>800</b>	<b>2,393</b>
	<b>2009</b>	<b>2,134</b>	<b>440</b>	<b>1,694</b>
	<b>2010</b>	<b>2,233</b>	<b>517</b>	<b>1,716</b>
	<b>2011#</b>	<b>3,731</b>	<b>2,483</b>	<b>1,248</b>
Asia	2008	2,364	548	1,816
	2009	1,619	302	1,317
	2010	1,772	425	1,347
	2011	NA	NA	NA
Australasia and Oceania	2008	45	28	17
	2009	21	13	8
	2010	38	20	18
	2011	NA	NA	NA
Central and South America	2008	**	<0.5	**
	2009	<0.5	<0.5	<0.5
	2010	**	**	**
	2011	NA	NA	NA
North America	2008	205	15	190
	2009	198	69	129
	2010	166	16	150
	2011	NA	NA	NA
Western Europe	2008	297	189	108
	2009	181	44	137
	2010	187	**	**
	2011	NA	NA	NA

\*\* Data suppressed for confidentiality reason

# Architectural, engineering, scientific and other technical services

Sources: *Report on Hong Kong Trade in Services Statistics for 2011 and 2010*, The Census and Statistics Department, Hong Kong Special Administrative Region.

The majority of the export and import of both construction and consultancy services are carried out within the Asian region. The Chinese Mainland market has taken the highest proportion. The export of major consultancy services includes engineering consulting, contracting and project management. In 2010, consultants have also generated HK\$391million from countries outside Asia, including Australasia and Oceania, North America and Western Europe. On the contrary, the export of construction services to regions outside Asia has been negligible in the last few years.