MEDIA RELEASE (EMBARGOED UNTIL DELIVERY OF SMS (ND)'S SPEECH ON CONSTRUCTION PRODUCTIVITY AT MND COS)

CONSTRUCTION PRODUCTIVITY ROADMAP TO CHART TRANSFORMATION OF THE CONSTRUCTION SECTOR

- Enhancements to $250 million incentive package to encourage more firms to tap on Government funding for productivity improvement

1. In line with the Government’s push towards productivity-driven economic growth, the Building and Construction Authority (BCA) launched the $250 million Construction Productivity and Capability Fund (CPCF) in June 2010, to incentivise mechanisation, upgrade the skill level of the workforce, and build up the capability of construction firms. **To date, more than 500 firms in the construction industry have benefitted from various schemes in the Fund, of which 65% are small firms.** Close to $7 million has been committed.

2. BCA has further consulted with the industry as well as an International Panel of Experts in **formulating a holistic framework - the Construction Productivity Roadmap, to tackle the challenges of lifting the construction sector’s productivity in the long-term.** The Construction Productivity Roadmap has been endorsed by the National Productivity and Continuing Education Council (NPCEC). It aims to realise the **vision of a highly integrated and technologically advanced construction sector led by progressive firms and supported by a skilled and competent workforce in 2020,** through the following 4-pronged approach:

    a) Regulating the demand and supply of low cost, lower skilled foreign workforce through foreign worker levy and MYE system;
    b) Enhancing the quality of the construction workforce;
    c) Imposing regulatory requirements and minimum standards to drive widespread adoption of labour-saving technology; and
d) Offering financial incentives to encourage manpower development, technology adoption and capability building.

(More details on the Roadmap are in Annex A).

Regulate Demand and Supply of Foreign Workforce

3. To address the challenge of easy availability of low cost foreign workers and steer the construction firms towards greater adoption of technology, the Ministry of Manpower has further raised the foreign worker levy and cut the Man-Year Entitlement quota for foreign construction workers.

Raise Quality of Construction Workforce

4. MOM/BCA is introducing the new tiered levy framework from July 2011, to distinguish the skills and experience of foreign construction workers, and encourage firms to upgrade and retain the more experienced and higher skilled workers. In addition, BCA will be enhancing its existing Construction Registration of Tradesmen (CoreTrade) scheme by increasing the number of high value construction trades recognised under the CoreTrade scheme from 7 to 17. This will take effect in the second quarter of 2011. BCA will also appoint additional training and testing centres from the private sector to provide training and testing facilities for CoreTrade registration.

Impose Regulatory Requirements to Increase Technology Adoption and Integration

Enhancing Buildability Framework

5. One of the key strategies under the Construction Productivity Roadmap is to strengthen the existing Buildability Framework to require designers to deliver more buildable designs upstream, and builders to adopt more labour-efficient construction methods / technologies downstream. In this regard, BCA will be tightening the existing Buildable Design Score and introducing a new component called Constructability Score, which require the builders’ contributions to buildability through the adoption of more labour-saving construction methods / technologies. These changes will take effect in the second half of 2011.
Promoting Building Information Modelling

6. BCA has formulated a five-year plan to move the construction industry towards adoption of the Building Information Modelling (BIM), which brings about greater integration and collaboration between developers, designers, builders and fabricators across the construction value chain. **BCA will mandate electronic submissions in BIM format for architectural, structural and M&E plans for building works for regulatory approval by 2015, starting with architectural e-submissions in 2013.** The public sector will also take the lead in driving BIM adoption and work towards specifying this as a requirement in new building projects from next year.

Increase Funding Support of CPCF Incentive Schemes

7. With the recent round of foreign worker levy increases, the Government recognises the need to reach out to more firms to incentivise them in switching to labour-saving technology. BCA will be **raising the level of funding support and extending the funding coverage for schemes** such as the Mechanisation Credit scheme, the Building Information Modelling Fund and the Productivity Improvement Project scheme under the CPCF. In addition, the Workforce Training and Upgrading scheme will be enhanced to co-fund the relevant training and skills assessments for the new trades under CoreTrade, as well as more productivity-related courses, including those at the PMET level. More details on the Enhancement to CPCF are in Annex B and Profiles of Construction-related firms implementing productivity improvements are in Annex C.

8. BCA will continue to work closely with all the stakeholders in the construction value chain to implement the Construction Productivity Roadmap to build up the construction industry’s productivity, capacity and capabilities in the long term.

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Annex A Construction Productivity Roadmap
Annex B  Enhancements to the Construction Productivity and Capability Fund (CPCF)

Annex C  Profiles of Construction-related firms implementing productivity improvements

**About Building and Construction Authority**

The Building and Construction Authority (BCA) of Singapore champions the development of an excellent built environment for Singapore. At BCA, our mission is to shape a safe, high quality, sustainable and friendly built environment, as these are four key elements where BCA has a significant influence. In doing so, we aim to differentiate Singapore’s built environment from those of other cities and contribute to a better quality of life for everyone in Singapore. Hence, our vision is to have "the best built environment for Singapore, our distinctive global city". BCA works closely with its education hub, the BCA Academy of the Built Environment, and industry partners to develop skills and expertise that help shape the best built environment for Singapore. For more information, visit [www.bca.gov.sg](http://www.bca.gov.sg).

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