

TODAY

MEDIACORP

FRIDAY, 30 MAY 2014

MICA (P) 053/06/2013



SLIPSHOD WORK 'A COMMON COMPLAINT'

Construction crunch taking toll on housing developments

Developers find it a challenge to meet deadlines with limited manpower

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SINGAPORE – The construction industry crunch has affected housing projects across the island, with construction companies saying it is a challenge to meet deadlines with the limited manpower.

Projects have been delayed, despite employees working overtime and into the night in some instances. While the structural safety of housing projects has not been compromised, given the stringent standards enforced by the Building and Construction Authority, industry players TODAY spoke to conceded that workmanship — particularly in private residential projects that may not be subject to rigorous checks — could be affected in the rush.

The construction boom in recent years has coincided with the Government's tightening of foreign manpower. The authorities have been encouraging the construction industry, which is heavily reliant on imported labour, to improve its productivity by using automation or the prefabrication method, for example.

On Wednesday, Prime Minister Lee Hsien Loong announced that the Government is deferring S\$2 billion worth of projects to ease the crunch.

Mr Jwee Quek, general manager at Parafoil Design & Engineering, said

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Relocation projects of ministries deferred

• The relocation of two ministries — the Ministry of Social and Family Development and the Ministry of the Environment and Water Resources — are among the government projects that have been deferred to manage construction demand, said the Ministry of Finance and Ministry of National Development in a joint reply yesterday. The affected projects are generally developments 'with less urgent need to proceed in the next three years', and their deferments do not have a significant impact on Singaporeans, they said, adding that adjustments to the deferment period would be made, if necessary.



PHOTO: REUTERS

OIL TANKER EXPLODES NEAR WESTERN JAPAN Firefighting ships dousing a Japanese oil tanker that exploded off the country's south-west coast near Himeji port yesterday. The cause of the explosion of the 998-tonne Shoku Maru, which had already unloaded its oil cargo, was unclear. Seven crew members were rescued, four of whom suffered severe burns. A search is underway for the vessel's captain, who remains missing.

Housing an important part of CPF system: Chuan-Jin

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SINGAPORE – Ensuring that the Central Provident Fund (CPF) system caters to Singaporeans' housing needs is an "important component" of the scheme, said Minister for Manpower Tan Chuan-Jin yesterday, in response to parliamentarians' suggestions to tweak the system such that less CPF monies are spent on housing, leaving more for healthcare and retirement needs.

Speaking in Parliament during the debate on the President's Address, Mr Tan also noted that higher CPF interest rates — which Members of Parliament (MPs) also called for — could mean greater risk, and explained why the use of the CPF monies should not be made more flexible.

The concerns of the MPs about the adequacy of CPF to meet Singapore-

ans' needs followed the annual announcement by the Government about the raising of the Minimum Sum earlier this month. President Tony Tan, in his address at the reopening of the 12th Parliament two weeks ago, had said the Government would improve CPF savings and annuity schemes, and develop more options for seniors to monetise their homes.

Yesterday, Mr Tan said the Government has to cater for people's housing needs. "There are those who asked whether the CPF should also, apart from providing for retirement adequacy, be looking at housing adequacy," he said. "We believe it is an important component and this forms part of that pillar."

The Government will make sure housing remains an option for people, not just in terms of access but also in terms of options for monetising their homes at the later stage of their lives,

such that it also enhances their retirement adequacy, he said.

Last week, Ang Mo Kio GRC MP Inderjit Singh told TODAY that in tandem with more affordable housing, the CPF Board could further limit how much Singaporeans could use from their Ordinary Account to buy property, leaving more for retirement instead. Whampoa MP Heng Chee How also suggested that the allocation to the CPF sub-accounts could be tweaked.

Yesterday, Hougang MP Png Eng Huat also urged the Government to provide more flexibility in the system by offering an earlier draw-down age. Along with other MPs — including Mr Zaqy Mohamad (Chua Chu Kang GRC) and Ms Tin Pei Ling (Marine Parade GRC) — he also called for ways to provide higher returns on CPF monies to better withstand inflation.

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