

MEDIA RELEASE

PUBLIC SECTOR PROJECTS BOOST CONSTRUCTION DEMAND OUTLOOK IN 2010

1. Singapore's construction demand¹ for 2010 is projected to reach between \$21 billion and \$27 billion this year. This is a continuation of a sustained workload from last year's \$21 billion worth of contracts awarded.

2. The bulk of this year's demand will come from the public sector, which is projected to form 65% of total demand. It is expected to range between \$14.0 billion and \$17.9 billion and will largely be fuelled by higher growths in most categories of building construction demand and strong civil engineering projects led by Land Transport Authority (LTA)'s MRT projects for Downtown Line Stage 3 and major road projects. Other upcoming projects in the pipeline include the LNG Terminal, Fusionopolis 2A, industrial facilities at Seletar Aerospace Park, campus expansion of Institutes of Higher Learning (IHLs) and new healthcare facilities.

3. Private sector construction demand is expected to be slightly more upbeat than the preceding year amounting to between \$7.0 billion and \$9.1 billion. Private residential projects are also projected to increase gradually, in tandem with the improved market sentiment. Similarly, the anticipated higher construction demand for commercial and institutional developments compared to a year ago will provide further support to the overall private sector construction demand.

4. To facilitate the industry in project and resource planning for the medium term, BCA had started to provide a 3-year construction demand projection on a rolling basis since last year. The average annual construction demand for the next two years, 2011 and 2012, is projected to be between \$18 billion and \$25 billion.

¹ All construction demand figures stated here exclude reclamation projects.

The public sector construction demand is likely to reach between \$10 billion and \$14 billion a year in 2011 to 2012, with 45% of it coming from building projects while the remaining 55% is driven by civil engineering projects.

5. In 2009, the total construction output (payment made for work done) is estimated to have reached a record high of about \$30 billion supported by the exceptionally high level of construction demand (value of contracts awarded) in 2008. In view of the moderation in construction demand since 2009, the level of on-site construction activity or output is anticipated to gradually reduce to between \$27 billion and \$29 billion in 2010 and moderate further in 2011-12. Nevertheless, the strong civil engineering construction demand as well as the demand for more green professionals will continue to provide new job opportunities in the construction industry over the next few years.

6. To heighten awareness of the available career opportunities in the built environment, BCA is organising a Built Environment Scholarship, Training and Career Fair on 16 January, Saturday, at the BCA Academy. The fair will provide visitors with a comprehensive insight to the industry through the booths set up by built environment government agencies and industry firms, Institutions of Higher Learning as well as industry associations. There will also be scheduled visits to the BCA Gallery and the Zero Energy Building, as well as information on the diploma programmes* conducted by the Academy. In addition, the Academy will be holding an Open House for secondary school students on 15 & 16 January (Friday & Saturday) where course counselling for 'O' level students and ITE graduates will be available. About 1,000 people are expected to visit the Fair and Academy Open House.

*Academy Diploma programmes - Diploma in Construction Engineering, Diploma in Design (Interior and Landscape), Diploma in Mechanical Engineering (Green Building Technology), Diploma in Strategic Facilities Management, Diploma in Electrical Engineering and Clean Energy, Diploma in Building Information Engineering.

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About the Building and Construction Authority (BCA)

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". Together with our education and research hub, the BCA Academy of the Built Environment, BCA works closely with its industry partners to develop skills and expertise that help shape the best built environment for Singapore. Please visit www.bca.gov.sg for more information.