# **Construction Industry Council**

Meeting No. 001/11 of the Construction Industry Council for 2011 was held on Friday, 25 February 2011 at 2:30 pm at Room 1201, Murray Building, Central, Hong Kong.

Present :	Shing-see LEE Andrew CHAN Siu-hung CHAN Hau-wai CHEUNG Stanley HUI Jan-ming KO James KWAN Peter LAM Wo-hei LAM Joseph LEE Tak-ching MAK Koon-sun WAN Billy WONG Conrad WONG Mike WONG Mike WONG Kam-hung YU Wai-wai YU Chi-sing WAI Choi-kai AU Ada FUNG	(SSL) (AC) (SHC) (HWC) (SH) (JMK) (JK) (OKL) (WHL) (HWL) (HWL) (TCM) (KSW) (BW) (CW) (BW) (CW) (MW) (KHY) (WWY) (CSW) (CSW)	Chairman Permanent Secretary for Development (Works) Director of Buildings for Permanent Secretary for Transport and Housing (Housing)
In Attendance :	Charmaine WONG Charles WONG Guiyi LI Theresa CHAN Cheryl IP Ivan WONG Phoebe LEUNG Shirley LEE	(HWW) (CWG) (GYL) (TCN) (CI) (IW) (PLG) (SyL)	Development Bureau Director (Training) Senior Manager (Research) Senior Manager (Finance) Senior Manager (Human Resources & Administration) Senior Manager (Council Services) 2 Manager (Council Services) 2 Manager (Council Services) 5
Apologies :	Teresa CHENG Tai-chong CHEW Luen-kiu CHOW Thomas HO Wai-wah HO Christopher TO	(TC) (TCC) (LKC) (TH) (WWH) (CT)	Executive Director

#### MINUTES

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# 1.1 Confirmation of Minutes of the Previous Meeting (Open-door Session)

Members took note of Paper CIC/CMT/M/007/10 and approved the minutes of the open-door session of the 7<sup>th</sup> meeting for 2010 held on 17 December 2010 at Murray Building, Central, Hong Kong.

### 1.2 Matters Arising from the Previous Meeting (Open-door Session)

1.2.1 Preface and disclaimer in CIC guidelines

The CIC Secretariat was working with the legal adviser to define industry practitioners' obligations to adopt the CIC guidelines and the preface and disclaimer would be further refined to bring a clear message.

1.2.2 Other matters arising from the previous meeting were covered at the later part of the meeting.

### 1.3 **1<sup>st</sup> Meeting of Committee on Environment and Technology for 2011**

Members took note of Paper CIC/CMT/P/001/11.

The Committee on Environment and Technology (Com-ENT) approaches reduce the deliberated on to number of construction-related cards/ certificates to be carried by construction workers while working on sites. It was noted that consolidating all information into one physical card was complicated as the cards/ certificates were issued by various issuing bodies under different legislation and with different renewal arrangements. The Com-ENT also considered the feasibility of creating a web-based database for construction-related vocational qualifications to facilitate inspection by concerned authorities or agents. However, it was found that some concerned ordinances required workers to "carry" the cards with them while on sites and the web-based database might not be an optimal solution.

It was further noted from the Hong Kong Construction Association (HKCA) that there were technical constraints on consolidating different cards into one due to:

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- (a) storing all relevant data on a single smart card was not viable as the information volume would exceed the storage capacity; and
- (b) different smart card systems adopted different data standards and there would be difficult to have a single data standard compatible with all smart card systems.

In that regard, alternative approaches such as legislative amendments or administrative measures would have to be explored. The Development Bureau recognised the aforesaid constraints and would explore measures to reduce the burden of carrying multiple construction-related cards alongside the amalgamation of the CIC and the Construction Workers Registration Authority.

The Com-ENT would hold a seminar on wider use of prefabrication and modularisation in construction industry of Hong Kong in April 2011 together with the Hong Kong Institution of Engineers. The Hong Kong Institute of Building Information Modelling would be invited to coorganise a seminar in the second half of 2011.

As to the research proposal on "Commitment towards Sustainable Urbanisation in Hong Kong – Construction Industry Perspective", a Member commented that urbanisation studies seemed not to be the main priority of CIC research efforts and advised the Com-ENT to consider this point.

Com-ENT

#### 1.4 1<sup>st</sup> Meeting of Committee on Subcontracting for 2011

Members took note of Paper CIC/CMT/P/002/11.

The Committee on Subcontracting (Com-SBC) agreed to conduct the Survey on Payment Practice of Construction Industry ("Further Survey") with a view to identifying the magnitude of outstanding payment problems in construction supply chain and collecting views from industry practitioners on measures to improve the security of payment including introduction of relevant legislation. The "Further Survey" would be undertaken by the Census and Statistics Department at no charge to the CIC.

To address subcontractors' concerns, the Com-SBC proposed improving the operations of the Voluntary Subcontractor Registration Scheme (VSRS) to shorten the processing time for applications from 13 weeks to 8 weeks. This new performance pledge would allow 2 weeks for initial vetting and 6 weeks for <u>Action</u>

approval in batch. A Member advised that many works contracts specified the requirement of employing subcontractors registered under the relevant trades in the VSRS Register and long processing time for VSRS applications would impede tender submission. While subcontractors could apply for registration anytime well before they received invitation to tender, the Com-SBC took note of the situation and would consider further streamlining the operations after automating the existing manual system at a later stage. After deliberation, Members approved the new performance pledge of the VSRS as set out in Annex A of the Paper.

The Com-SBC deliberated on the proposal from the Housing Department to set up a Voluntary Supplier Registration System which could be integrated with the VSRS. The Com-SBC viewed that the proposed system might overlap with the work of Hong Kong Accreditation Services while leading to substantial administrative and financial implications for the CIC. In addition, some of the materials suppliers were traders rather than manufacturers and their capacities of registering the materials required prudent consideration. After deliberation, Members agreed that the Core Group, consisting of CIC Chairman, committee chairmen, Permanent Secretary for Development (Works) and Executive Director, should have an initial discussion with Ms Ada FUNG at its coming meeting to obtain more Group/AF information on the proposed system.

Core

The Com-SBC would meet with representatives of the Mandatory Provident Fund Schemes Authority at its coming meeting to discuss issues relating to default mandatory provident fund (MPF) by subcontractors and calculation contributions of MPF contributions for non-daily paid temporary employees.

#### 1.5 4<sup>th</sup> Meeting of Construction Industry Training Board for 2010

Members took note of Paper CIC/CMT/P/003/11.

The Construction Industry Training Board (CITB) received the survey report from the Public Opinion Programme of the University of Hong Kong on the views of full-time courses' recruitment targets towards the CICTA and its courses. The findings indicated respondents' general impression of the construction industry, factors attracting them to join the construction industry and their understanding of the CICTA. The CITB would continue to discuss the recommendations of the report and consider engaging a

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consultant to design a recruitment campaign. The proposal would be submitted to the next CITB Meeting for consideration.

Details of the advanced training courses for senior construction workers were approved by the CITB. The courses were aimed to train senior workers to become frontline managers. Entry requirements of the courses would be as follows:

- (a) workers with minimum 6 years experience in construction industry;
- (b) semi-skilled workers with 3 years experience; or
- (c) skilled workers.

This year's target of the courses was 180 places. Initially, part-time evening classes would be offered for the courses. However, classes on Saturday and Sunday would be considered subject to their demand.

A Member reported that a formwork subcontractors trade organisation would soon be established by the end of March 2011. Some founding members of the trade organisation advised that they could arrange 180 trainees to join the Enhanced Construction Manpower Training Scheme.

CWG reported that C/CITB had discussed with some major contractors and the Hong Kong Bar-bending Contractors Association (HKBBCA) on the proposed Contractor Collaboration Scheme on bar-bending. The training scheme details were almost finalised. The HKBBCA confirmed that they could offer 500 places for the scheme. C/CIC and C/CITB would inform the media on the contractor collaboration scheme on bar-bending at the job fair on 26 and 27 February 2011 if asked.

Members noted that the CIC in collaboration with the HKCA and the MTR Corporation would hold a two-day Job Fair for Construction Industry on 26 and 27 February 2011 at the CICTA Kowloon Bay Training Centre. Twenty three leading contractors would take part in the event and offer over 2,000 jobs in more than 30 categories of work. Subject to the success of the job fair, C/CIC suggested that CIC should collaborate with other major stakeholders to organise similar job fairs in future.

Members reiterated that the CIC supported and encouraged construction workers to develop multi-skills. For the translation

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of "multi-skills", it could be "多專多能" or "一專多能" as industry practitioners had different definitions of the Chinese term "專". The Committee accepted the term "多專多能" used in the Paper.

# 1.6 Any Other Business

Nil.

There being no further business, the open-door session of the meeting was adjourned at 3:15 pm.

\*\*\*\*\*\*\*\*\*End of the Open-door Session\*\*\*\*\*\*\*\*\*