





GUIDELINES ON MEASURES FOR PROTECTION OF WORKERS' WAGES

March 2013

Version 2

www.hkcic.org

Disclaimer

Whilst reasonable efforts have been made to ensure the accuracy of the information contained in this publication, the CIC nevertheless would encourage readers to seek appropriate independent advice from their professional advisers where possible and readers should not treat or rely on this publication as a substitute for such professional advice for taking any relevant actions.

Enquiries

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Revision

Version	Date	Amendment
1	August 2010	-
2	March 2013	Appendix B.1 – "Specimen Employment Contract" amended
		Provide employer / employee to choose among three options of wage payment, i.e.
		i) Basic wages per day/month;
		ii) Piece-works/Others; or
		iii) Basic wages per day/month and Piece-works/Others.

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Preface

The Construction Industry Council (CIC) is committed to seeking continuous improvement in all aspects of the construction industry in Hong Kong. To achieve this aim, the CIC forms Committees, Task Forces and other forums to review specific areas of work with the intention of producing Guidelines, Codes of Practice and Codes of Conduct to assist participants in the industry to strive for excellence.

The CIC appreciates that some improvements and practices can be implemented immediately whilst others may take more time to complete the adjustment. It is for this reason that three separate categories of communication have been adopted, the purpose of which is as follows:

Guidelines
 These are intended to guide industry participants to adopt new standards, methodologies or practices. The CIC strongly recommends the adoption of these Guidelines by industry stakeholders where appropriate.
 Codes of Practice
 The CIC expects all industry participants to adopt the recommendations set out in such Codes as soon as practicable and to adhere to such standards or procedures therein at all times.
 Codes of Conduct
 The CIC encourages the upholding of professionalism and integrity within the industry through self discipline. The Codes of Conduct set out the relevant principles that all industry participants are expected to follow.

If you have attempted to follow this publication, we do urge you to share your feedback with us in order that we can further enhance them for the benefit of all concerned. On this basis the CIC Secretariat is in the process of developing a "feed-back" mechanism, whereby your views can be consolidated for such purposes. With our joint efforts, we believe our construction industry will develop further and will continue to prosper for years to come.

Purpose

This publication provides a quick reference to employers, architects, engineers and contractors on recommended measures to prevent non-payment of wages to construction workers.

The Guidelines on Measures for Protection of Workers' Wage (the Guidelines) provide a summary of the measures to facilitate stakeholders especially those from the private sector.

The Guidelines are prepared with reference to the practices having been adopted in the public construction projects of the Development Bureau of the Government of Hong Kong Special Administrative Region (the Government) since 2006, which can be found in the Appendix 5.14 of Chapter 5 of the Project Administration Handbook¹ for Civil Engineering Works issued by the Government.

With the successful experience of the measures in the public works, it is recommended and encouraged to adopt the same in private sector construction works.

The Guidelines provide information on the recommended measures to be adopted in construction projects. Users of the Guidelines should however make proper adjustments to the information provided in the Guidelines to suit their project needs and seek professional advice where necessary.

Terminology

In this document, unless the context otherwise requires:

- 1. "Consultant" means Architect or Engineer as specified in the General Conditions of Contract and the "Consultant's Representative" is construed accordingly;
- 2. "Labour Relations Officer" means any person or persons appointed from time to time by the Consultant and notified in writing to the Contractor to perform the duties specified in the Contract."

¹ Project Administration Handbook is available from the Civil Engineering and Development Department website. (www.cedd.gov.hk)

1. Introduction

To prevent non-payment of wages to construction workers, the Government has adopted a series of measures to safeguard construction workers from non-payment of their wages.

The preventive measures are implemented through contractual means from the following perspective of which the Guidelines focus those measures in the first three areas:

- 1. Duty of the main contractor to settle arrears of wages
- 2. Keeping comprehensive workers records
- 3. Providing administrative support
- 4. Enhancing subcontractor management.

The control measures facilitate early identification of problems and motivate speedy resolution of wage disputes. The system is working well in public works contracts. It is recommended that these measures are taken to a wider application in the construction industry including private construction contracts.

a. Main contractors to settle arrears of wages

Through contract provisions, main contractors are responsible for arrears of wages in their construction sites for a maximum amount of the first two months wages. On condition that a worker reports to the Consultant arrears of wages within seven days of the agreed day of payment, and upon confirmation of such arrears, e.g. by an award of the Labour Tribunal, the Employer can use the contract fees to pay the workers direct.

b. Keeping workers records

Comprehensive workers records are maintained via the following:

- 1. Installing a computerised smart card system at construction sites to keep records of workers' attendance;
- 2. Requiring all on-site workers to enter into written employment contracts with their employers;
- 3. Arranging for payment of wages through banks and requiring main contractors to submit copies of wage payment records;
- 4. In case the payment of wages are made by cheque such as payments made to casual works, requiring main contractors to submit copies of the cheques and receipts by the workers; and
- 5. Employment records, attendance records and payment transaction records submitted to the Consultant.

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c. Providing administrative support

A Labour Relations Officer (LRO) is employed on each site to undertake the following duties:

- 1. To act as a one-point contact on any enquiries in relation to employment matters;
- To conduct briefing sessions to inform and to educate the workers of the benefits of the wage payment control measures being implemented under the Contract, in particular the worker's obligations to report wage arrears;
- 3. To conduct regular site visits to promote the monitoring system;
- 4. To monitor payment of wages to assess whether they are made timely by the Contractors and all subcontractors;
- 5. To oversee the setting up and maintenance of a record system on employment contracts, workers attendance, re-deployment, and wage payments;
- 6. To undertake regular physical checks to verify the accuracy and reliability of the records and to identify irregularities, if any, for early intervention;
- 7. To establish a simple and user-friendly complaint system, including the operation of a telephone hotline to receive enquiries from workers on employment matters and to receive reports on wage defaults;
- 8. To alert the Consultant's Representative of anomalies and to refer the same to the Contractor for investigation and appropriate follow-up actions: and
- 9. To refer to the Labour Department complaints on wage arrears as soon as they are received and to provide necessary assistance to Labour Department to facilitate investigation and/or dispute resolution where appropriate.

The LRO is appointed by and under the supervision of the Consultant. The employer should be aware that additional resources will therefore be incurred by the Consultant in providing and supervising the LRO as well as managing the associated tasks of the LRO. Hence, the employer should make provision for such additional service to be provided by the Consultant and state clearly in the consultancy/service agreement with the Consultant.

The main contractor is required to employ a Contractor Labour Officer to handle records of workers payment.

d. Subcontractor management

The main contractor is required to submit a subcontractor management plan (SMP) with its tender and to update it regularly during the contract. The SMP provides details of their subcontracting arrangements and measures to manage subcontractors including payment of wages down the subcontracting chain.

On the subcontracting arrangement, the main contractor must employ its core management team, i.e., not seconded from the contractors. Members of the core management team are prohibited from taking part in subcontracting any part of the works under the contract.

Introduction

To further discourage non-value adding subcontracting, some contracts may restrict the number of layers of subcontracting of specific parts of works or trades.

Contractors are required to employ all their subcontractors from the registered list of the Voluntary Subcontractors Registration Scheme (VSRS) managed by the CIC. Convictions for failure to pay wages on time to works are reported to the CIC for regulatory actions on the registered subcontractors.

2. Use of Guidelines

a. General

The Guidelines are prepared based on the current practices adopted by the Development Bureau. General conditions of contract referred to in the Guidelines are the General Conditions of Contracts of the Government. Users of the Guidelines have to make appropriate adjustments if they have their own sets of conditions.

b. Tender

Relevant clauses to be incorporated into the notes to tenderers for implementing the measures of preventing non-payment of workers' wages are listed at Annex A.

c. Supplement to special conditions of contract

Relevant clauses to be incorporated into the Special Conditions of Contract for implementing the measures of preventing non-payment of workers' wages are listed at Annex B.

d. Supplement to particular specifications

Relevant clauses to be incorporated into the Particular Specification for implementing the measures of preventing non-payment of workers' wages are listed at Annex C.

e. Preamble to standard method of measurement

Relevant clauses to be incorporated into the Preamble to Standard Method of Measurement for amending the Standard Method of Measurement and the Bills of Quantities for introducing the "Pay for Monitoring Payment of Wages" are listed at Annex D.

Supplement to Notes to Tenderers

The following clause is to be included in the Notes to Tenderers:

a. Employing site personnel for the contract and payment of site personnel's wages

Tenderers' attention is drawn to Special Conditions of Contract Clause in Annex B section b, requiring all Site Personnel engaged in the Contract to be employed under written employment contracts with either the Contractor or his sub-contractors (irrespective of the tiers), including includes Specialist Sub-contractors and Nominated Sub-contractors. Self-employed persons shall be subject to other requirements of the contract. Tenderers' attention is also drawn to the new requirement and arrangement on Payment of Site Personnel's Wages set out in Particular Specification "Section X". In the event the Contractor or his sub-contractors including Specialist Sub-contractors and Nominated Sub-contractors fail to pay wages to their Site Personnel, the Employer may pay any wages in arrears to the Site Personnel and recover the same amount from any monies due to the Contractor under the Contract.

Supplement to Special Conditions of Contract

The General Conditions of Contract mentioned in the Guidelines are the General Conditions of Contracts of the Government of Hong Kong Special Administrative Region. Users of the Guidelines have to make appropriate adjustments if they have their own sets of conditions.

The following clauses are to be incorporated in the Special Conditions of Contract for implementing the measures of preventing non-payment of workers' wages.

a. Definition and interpretation

General Conditions of Contract Clause 1(1) is amended by adding the definition of:

- 1. "Consultant" means Architect or Engineer as specified in the general Conditions of Contract and the "Consultant's Representative" is construed accordingly.
- 2. "Self-employed workers" mean workers who are self-employed persons.
- "Site Personnel" means all workers and staff employed by the Contractor or his sub-contractor of all tiers including Specialist Sub-contractors and Nominated Sub-contractors, except self-employed workers, engaged for the execution of the Works on Site.
- 4. "Labour Relations Officer" means any person, or persons appointed from time to time by the Consultant and notified in writing to the Contractor to perform the duties specified in the Contract.

b. Payment of wages of site personnel

- 1. Subject to those Casual Workers referred to in Clause Z.1 (1) of Particular Specification "Section Z" on "Causal Workers", all Site Personnel shall be engaged in accordance with Clauses X.2 to X.5 of Particular Specification "Section X" on "Payment of Wages of Site Personnel" (refer to Annex C). Such Site Personnel shall be engaged with a written employment contract with their respective employers who shall either be the Contractor or any of his sub-contractors of all tiers including Specialist Sub-contractors and Nominated Sub-contractors, as submitted in the Sub-contractors' Management Plan required under SCC Clause [to be filled in as appropriate] of these Special Conditions of Contract. The terms of the employment contract shall be not less favourable to the terms provided in the Specimen Employment Contract at Appendix B.1 to these Special Conditions of Contract as far as the Site Personnel are concerned. Payment of wages shall be made at least once per month. Employment contracts which stipulate a payment cycle in less frequent than once per month will not be permitted under this Contract.
- 2. The Contractor shall ensure that all workers who are self-employed persons (i.e. self-employed workers) engaged to work on the Site shall each be covered by a personal accident insurance plan with a minimum coverage of HK\$1,000,000 by either extending the Contractor's Employees' Compensation Insurance policy or his third party liability and all risks insurance policy. Alternatively the Contractor shall arrange a separate personal accident insurance plan for all self-employed worker for a minimum cover of HK\$1,000,000 in the form specified in Appendix B.2 to these Special Conditions of Contract and shall maintain such policy for the duration

of the self-employed workers being engaged in the Contract. The Contractor shall produce evidence of such insurance before the self-employed workers are issued a smart-card as described in Particular Specification "Section X" on "Payment of Wages of Site Personnel". The Contractor shall inform the Consultant immediately when the insurance policy of a self-employed worker has expired together with evidence showing its renewal as appropriate.

- 3. Lorry drivers engaged for the Works (excluding those lorry drivers engaged by suppliers to deliver material to the Site) may elect to be a Site Personnel or a self-employed person.
- 4. The Contractor shall provide and maintain an attendance recording system comprising smart-card to record and verify the information of all Site Personnel entering and leaving the Site in accordance with Particular Specification "Section X" on "Payment of Wages of Site Personnel".
- 5. Within 14 days of the commencement of the Contract, the Contractor shall make necessary arrangements with a bank to implement the arrangement on payment of wages to Site Personnel in accordance with Particular Specification "Section X" on "Payment of Wages of Site Personnel". The Contractor shall submit a written declaration that all Site Personnel's wages payable have been paid when the Contractor submits the transaction records to the Consultant. Site Personnel who are not able to open a personal bank account in Hong Kong shall be paid by personal cheques in accordance with Particular Specification "Section X".
- 6. Without prejudice to any of the provision under General Conditions of Contract Clause 40 and in the event of default being made in the payment of any wages of any Site Personnel employed by any of the sub-contractors in and for carrying out this Contract and if a claim therefore is filed in the office of the Labour Department and proof thereof (including, where the claim is disputed by the Contractor or by any of the responsible sub-contractors, as the case may be, or it is found necessary by the Commissioner for Labour, proof of final determination of the claim by an award or order of the Labour Tribunal or as the case may be the Minor Employment Claims Adjudication Board of the Labour Department or a judgment of the District Court or, where the matter is subsequently further disputed by way of appeal, by a judgment of the Court of First Instance or the Court of Appeal) is furnished to the satisfaction of the Commissioner for Labour; provided that the subject incident of default in payment of wages is reported to the Labour Relations Officer within 7 working days (Sundays and public holidays excluded) of the final due date for payment as prescribed under section 23 of the Employment Ordinance (Cap 57), the Employer may, after the Contractor or the sub-contractor, as the case may be, who is in default of paying any wages to the Site Personnel, make payment of such wages or claim for wages on behalf of the Contractor or the subcontractor to the Site Personnel of a maximum amount of wages for the first two months of the period in respect of which the wages are due to the employee and any sums so paid shall be recoverable by the Employer as a debt from the Contractor.

For the avoidance of doubt, Site Personnel directly employed by the Contractor are not subject to the reporting requirement to the Labour Relations Officer under sub-clause 7(a) of this Clause.

7. For the purpose of this Clause, "sub-contractors" means sub-contractors, irrespective of tiers, including Specialist Sub-contractors and Nominated Sub-contractors.

c. Contractor's Management Team

 Without prejudice to the generality of General Conditions of Contract Clause 17, the Contractor shall provide a team of suitably qualified and experienced staff to manage and supervise the Contract throughout the execution of the Works. All members of staff on the management/site supervision team (refer to as the Team in this Clause) must be under the direct employment of the Contractor. The Team shall comprise sufficient number of suitably qualified and experienced staff in the following disciplines²:

(State minimum qualification requirements in the Particular Specification for each discipline if considered necessary.)

- Project Manager
- Site agent in accordance with General Conditions of Contract Clause 17
- Site Engineers
- Topographic Surveyors
- Quantity Surveyors
- Site Superintendent and
- Site Foremen.
- Members of staff on the Team are prohibited to be given a sub-contract to any part of the Works or to have a vested interest in any of the sub-contractors irrespective of tiers including Specialist Sub-contractors and Nominated Sub-contractors under this Contract.
- 3. Within 14 days of the commencement of the Contract, the Contractor shall submit to the Consultant a list of staff with all necessary details which comprised the Team referred to in sub-clause (1) of this Clause. The Contractor shall provide documentary proof on the employment status of the staff on the Team, such as employment contracts, tax returns, payment of salaries and the like upon request by the Consultant. The employment terms for the staff on the Team shall include a "consent to disclosure" clause in accordance with the data protection principles set out under the Personal Data (Privacy) Ordinance (Cap. 486).
- 4. If any member of staff on the team refuses to give consent to the disclosure of the required information pursuant to this Clause or pursuant to Particular Specification "Section X" and if such a disclosure without consent from the subject staff is in breach of the Personal Data (Privacy) Ordinance (Cap. 486), the Contractor shall make a formal declaration to the effect that such a staff is indeed under the direct employment of the Contractor. The declaration shall be signed by a person authorised to sign tenders on behalf of the Contractor.
- 5. With the exception of the Project Manager, all members of staff in the Team shall be full time³ on Site during site working hours.
- 6. The Contractor shall inform the Consultant forthwith of any changes made to any of the staff on the Team.

² Add/delete disciplines as appropriate

³ Consider whether some of the staff may only be needed part time, such as surveyors

d. Sub-contract condition

- Without prejudice to the generality of General Conditions of Contract Clause 4, the Contractor shall ensure that the following provisions of this Contract shall be similarly and appropriately included into each and every sub-contract of all tiers. This includes Specialist Sub-contracts and Nominated Sub-contracts for the carrying out of the Works under this Contract. The Contractor shall be responsible for the observance of these provisions by all sub-contractors (irrespective of any tier), including Specialist Sub-contractors and Nominated Sub-contractors employed in the carrying out of the Works:
 - General Conditions of Contract Clause 40
 - (List out all relevant clauses of Special Conditions of Contract and Particular Specifications, etc.)
- 2. The Contractor shall comply with and shall ensure that all sub-contractors (irrespective of any tier) shall comply with the provisions of this Clause; and shall, if necessary, within reasonable time enter into a supplemental agreement with his sub-contractor to ensure that the sub-contract complies with the requirements in sub-clause (1) of this Clause and to ensure that his sub-contractor will do the same in the lower tier sub-contracts.

Specimen Employment Contract

Please complete the contract properly before providing photocopies for execution by the Employer and the Employee.

Both Employer and the Employee shall each retain a copy of this contract for future reference.

Please put a \checkmark in the appropriate box.

- * (Please delete as appropriate.)
- ** (If the Employee is required to work at the construction site of the Main Contractor who hires his Employer, details about the Main Contractor must be provided in the supplementary notes.)

Simplified Employment Contract (No:)

This contract of employment is entered into between	
(herein after referred to as 'Employer')	(address
and telephone number of the Employer) and * Mr / Mrs / Ms	
(herein after referred to as 'Employee') on	(Please enter
the date) [on] [with] the terms and conditions of employment set out bel	ow :
1. Commencement of employment Effective from date)	(Please enter the
2. Probation period 🗌 No / 🗌 Yes	_* day(s) / month(s)
3. Position employed 4. Place of Work**	
5. Working hours From hours to hours (_days per week)
6. Wages	
Basic wages [#] \$ per * day / mo	onth
(# can make reference to the standard wage rates of the respective construction	trade where available)
Piece-works/Others: (Specify payment calculation method)	
Basic wages:\$ per * day / more	nth; and
Piece-works/Others: (Specify payment calculation metho	<u>)</u>
(Choose one of the above three options)	/

Other allow	vance(s)	
(details of criteria and calcula	tion of payment, if any)
Overtime pay	At the rate of \$	* per hour / day / job
	At the rate according to *	1 / 1.5 / 2 times of normal wages
Payment of	Payment of wages	<u>Wage Period(s)</u>
wages & Wage period(s)	every day	each day
	 every month on the day of the month 	From the day of *the preceding month / the month to the day of *the preceding month / the month (both dates inclusive)
	Twice monthly on	
	(i) the <u></u> day and	 (i) From the <u>day of</u> the preceding month / the month to the <u>day of</u> the preceding month / the month (both dates inclusive)
	(ii) the day of the month	(ii) From the day of *the preceding month / the month to the day of the month (both dates inclusive)

In accordance with the Employment Ordinance, wages shall become due on the expiry of the last day of the wage period and shall be paid as soon as practicable but in any case not later than 7 days thereafter.

7. Termination of Employment	A notice period of * day(s) / month(s) or an equivalent amount of wages in lieu of the notice period.
Contract	During the probation period of * day(s) / month(s), no notice or wages in lieu of notice are required whereas a notice period of* day(s) / month(s) or an equivalent amount of wages for the notice period is to be given after the first month.
8. Annuity	 No Yes: (i) An amount equal to month(s)'s basic wages / others (please specify) upon completion of each * calendar / lunar year. (ii) Payment is to be made on

9. Mandatory Provident Fund Scheme According to the Mandatory Provident Fund Schemes Ordinance (the Ordinance), other than exempt persons, the employers must make arrangement for employees aged between 18 or above and below 65 to join a registered Mandatory Provident Fund Scheme (the Scheme). When the employee has been enrolled in the Scheme, as required under the Ordinance, the employer must deduct from the employee's income as the employee's mandatory contribution and pay the employer's contribution from the employer's own funds to the Scheme. As required under the Ordinance, an Employer shall make employer's contributions timely to the Scheme for his employee's benefit. 9. Mandatory Provident Fund Scheme (continued)
 For the purposes of the Ordinance, 'casual employees' refers to relevant employees who are employed in the catering and construction industries on a day-to-day basis or for a fixed period of less than 60 days.

The employee *is / is not a casual employee for the purposes of the Ordinance.

- **10. Mode of Payment** Payment of wages, annuity, if any, and mandatory contributions to the Scheme are to be made via autopay through the Employer's designated bank, by crediting to the Employee's bank account, or personal cash cheques immediately due on presentation. The Employee may open an account with the Employer's designated bank or any other bank for the purpose of this Clause.
- **11. Holidays** and Leave Under the Employment Ordinance and the Employees' Compensation Ordinance, the Employee, if eligible, is entitled to statutory holidays, paid annual leave, sickness allowance, maternity leave, rest days etc and other rights or protection.

12. Work Arrangements during Typhoon and Rainstorm

The Employee *is / is not required to work when typhoon signal no.8 or above is issued. The wage rate is calculated as: ______.

The Employee is required to resume duty if the typhoon signal no.8 is cancelled not less than _____ hours before end of working hours.

The Employee *is / is not required to work when black rainstorm warning is issued. The wage rate is calculated as: ______.

The Employee is required to resume duty if the black rainstorm warning is cancelled not less than _____ hours before end of working hours.

For guidance concerning other arrangements, please refer to the 'Code of Practice in Times of Typhoons and Rainstorms' issued by the Labour Department.

13. Others

In the event of wage arrears, the Employee is required to notify and report to the Labour Relations Officer on site within 7 working days (excluding Sundays and public holidays) upon the incidence to safeguard his interests.

This contract in duplicate <u>consists of [] pages</u>. The Employee and the Employee hereby declare that they understand thoroughly the above provisions and further agree to sign to abide by such provisions.

Both Employer and the Employee shall each retain a copy of this contract for future reference.

Chop of the Company (if applicable)

	Signature of Employee		Signature of Employer or Employer's Representative
Name : HKID No : Date : Correspondence Address :		*Name/position held : HKID No : Date : Correspondence Address :	
Telephone No :		_ Telephone No :	

Supplementary Notes Information of Main Contractor

Name and address of Main Contractor (Please fill in information of the Main Contractor if the Employee is required to work at the construction site of the Main Contractor who hires his Employer):

(i) _____

Project name and site:

Project Commencement Date and Project number (if any):

(ii) _____

Project name and site:

Project Commencement Date and Project number (if any):

(iii) _____

Project name and site:

Project Commencement Date and Project number (if any):

Personal Data Collection Statement

I, (______), the above-named Employee hereby declare that I consent to the collection and disclosure of my personal data as per this Employment Contract (<u>No.</u>___):

I understand that my personal data, including the information shown in this Employment Contract, my site attendance records, my wage payment records and records showing Mandatory Provident Fund contribution relating to this Employment Contract, will be used for the following purposes:

- 1. Regulating fair terms of employment;
- 2. Monitoring and controlling payment of wages;
- 3. Recording and verifying Employee's attendance records;
- 4. Providing proper record for compensation for employment-related injury;
- 5. Ensuring regular Mandatory Provident Fund contribution;
- 6. Providing proper record for compensation for termination of this Employment Contract;
- 7. Maintaining proper Employee's employment records; and
- 8. Compiling wages statistics and labour costs indices.

For the above purposes, I consent that my personal data (including any subsequently corrected data on this Employment Contract) may be disclosed to the following parties:

- 1. Labour Relations Officer(s) on the construction site;
- Personnel in relevant Government Bureaux/Departments handling matters in relation to the above purposes but not limiting to Labour Department, Immigration Department, Census and Statistics Department;
- 3. Mandatory Provident Fund Schemes Authority;
- 4. The smart-card supplier and the officers in operation of the smart-card system for maintaining an attendance recording system on site;
- 5. The Employer of the Project;
- 6. The Engineer/Architect appointed by the Employer of the Project and the Engineer/Architect's Representatives and
- 7. The Main Contractor and the major sub-contractors of the Project.

I also understand that my failure to provide the aforementioned personal data to be used for the stated purposes may result in my employee's rights under this Employment Contract or any future employment disputes with the Employer not being protected and my access to the construction site may be denied.

Signature of Employee	:
Name of Employee	:
Hong Kong Identity Card Number	:
Date	:

Enquiries

Under the Personal Data (Privacy) Ordinance, Employees can demand, access or correct the personal information provided to the Employer. Employees can contact _____

(Name and Address)

Standard Insurance Policy for the Self-employed

Policy Number	:		
Class of Insurance	:	PERSONAL A	CCIDENT
The Insured	:		
Period of Insurance	:	From	То
Insured Person/Life Insured	:		
Profession/Occupation	:		
Class	:		
Designated Beneficiary	:		
Premium	:		

(This Policy is subject to a minimum premium of HKD400)

Geographical Limits : Hong Kong Special Administrative Region

Table of Benefits (Part 1)

BODILY INJURY caused by violent accidental external and visible means which injury shall within 12 calendar months of its happening solely and independently of any other cause result in:

- 1. Death of Insured Person HK\$1,000,000.00
- 2. Permanent Disablement not followed within 12 calendar months of bodily injury by death of the insured Person. (The percentages as stated in Table of Benefits part 2) of HK\$1,000,000.00
- 3. Temporary Total Disablement preventing the Insured Person from attending to or following his usual profession or occupation. Compensation for such disablement at the rate of not covered per week
- 4. Medical Expenses reasonably and necessarily incurred by the Insured Person subject to a limit in respect of Any One Accident of not covered

This Policy is subject to Clause(s) attached hereto: PA14(a), PA14(b), PA15

Remark:

Signed in Hong Kong on:

For and on behalf of:

Policy Number

Class of Insurance : PERSONAL ACCIDENT

:

Clauses

Clauses attached to and forming part of Policy.

(Unless Expressly Mentioned in the Policy Schedule Hereto the Clauses Enumerated Below Form No Part of the Terms and Conditions of this Policy)

PA14(a) - Terrorism Exclusion Clause for Contamination and Explosives

It is agreed that, regardless of any contributory causes, this insurance does not cover any loss, damage, cost or expense directly or indirectly arising out of

- 1. biological or chemical contamination
- 2. missiles, bombs, grenades, explosives

due to any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

For the purpose of a) "contamination" means the contamination, poisoning, or prevention and/or limitation of the use of objects due to the effects of chemical and/or biological substances.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

PA14(B) - War and Terrorism Exclusion

Notwithstanding any provision to the contrary, within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever name directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

1. War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

2. Any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to inf1uence any government and/or to put the public, or any section of the public, in fear.

This endorsement also exclude loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary, shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

PA15 – Memorandum

It is hereby noted and agreed that this policy does not pay compensation for the Insured person or life insured works in a non XYZ Company or non XYZ Company construction site(s).

(Other Clause(s) please refer to Policy for details.)

Table of Benefits (Part 2)Permanent Disablement

Desc	ription of Disablement	Percentage of the Sum Specified in Benefit B of Table of Benefits (Part I)
Loss of two limbs		100%
	of all fingers and both thumbs	100%
Total loss of sight of bo		100%
Total paralysis	,	100%
	ng permanently bedridden	100%
	g permanent total disablement	100%
Loss of arm at shoulde	r	100%
Loss of arm between s	houlder and elbow	100%
Loss of arm at elbow		100%
Loss of arm between e	lbow and wrist	100%
Loss of hand at wrist		100%
Loss of leg - at hip)	100%
betwe	een knee and hip	100%
	v knee	100%
Eye: Loss of - whole	•	100%
sight		100%
S.	of, except perception of light	50%
lens		50%
Loss of four fingers and	d thumb of one hand	50%
Loss of four fingers		40%
Loss of thumb -	both phalanges	25%
	one pha1anx	10%
Loss of index finger -	three phalanges	10%
	two phalanges	8%
	one pha1anx	4%
Loss of middle finger -	three phalanges	6%
	two phalanges	4%
	one phalanx	2%
Loss of ring finger-	three phalanges	5%
	two phalanges	4%
	one phalanx	2%
Loss of little finger -	three phalanges	4%
	two phalanges	3%
	one phalanx	2%
Loss of metacarpals -	first or second (additional)	3%
	third, fourth or fifth (additional)	2%
Loss of toes -	all	15%
	great, both phalanges	5%
	great, one phalanx	2%
	other than great, if more than one toe	
	lost, each	1%
Loss of hearing -	both ears	75%
	one ear	15%

Person Accident Policy

WHEREAS the Insured described in the Schedule hereto following the profession or occupation stated in the Schedule being desirous of insuring in the manner hereinafter mentioned with XYZ COMPANY. (hereinafter called "the Company") has made a proposal and signed a declaration dated as stated in the Schedule which proposal and declaration it is agreed shall be the basis of the contract for the Insurance hereby intended to be made and incorporated herein and has paid to the Company the Premium stated in the Schedule as a consideration for the Insurance for the period stated therein.

NOW THIS POLICY OF INSURANCE WITNESSETH that if during the Period of Insurance the Insured Person shall sustain bodily injury caused by violent accidental external and visible means which injury shall be solely and independently of any other cause result in the Insured Person's death or disablement as hereinafter defined or necessitate medical expenses as hereinafter defined the Company will subject to the terms provisos exclusions and conditions of and endorsed on this Policy (which terms provisos exclusions and conditions shall so far as the nature of them respectively will permit be deemed conditions precedent to the right to recover under this Policy) pay to the Insured or in the event of death to the Insured's legal personal representatives the sum or sums of money specified in the Tables of Benefits.

Definitions

- 1. "Benefits" means the items of payments and their respective amounts/limits specified in the Schedule as applicable to each Insured Person for Insurance under this Policy.
- 2. "Insured" means the person so specified in the Schedule in whose name and for whose benefit the Policy is issued.
- 3. "Insured Person" means the person so specified in the Schedule against whose accidental bodily injury the Company subject to the terms and conditions of this Policy pays the specified Benefits to the Insured.
- 4. "Medical Expenses" means the cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a qualified registered medical practitioner and all hospital nursing home and ambulance charges.

Provisos

- a. Compensation under Benefit A shall not be payable in addition to Benefit B if caused by the same accident of bodily injury except that if a payment has been made under any plan of Benefit B and death subsequently occurs solely caused by and within 12 calendar months of said bodily injury and where the compensation payable for Benefit A is greater than has been paid under Benefit B, the Company shall pay the difference.
- b. Permanent total loss of use of member shall be treated as loss of member.
- c.i No amount shall be payable for any specific part of Benefit B where a greater amount is payable for another part of Benefit B which includes the specific part.
- c.ii Where any permanent disablement is not as specified in Benefit B Scale, the Company shall adopt a percentage of Permanent Disablement, which in the sole opinion of its medical advisers is not inconsistent with the provisions of Benefit B Scale and without regard to the Insured Person's profession or occupation.
- c.iii The aggregate of all Permanent Disablement percentages payable in respect of any one accident of bodily injury shall not exceed 100%.
- c.iv No payment shall be made under Benefit B unless satisfactory proof is provided to the Company that the disablement of the Insured Person has continued for a period of I2 consecutive calendar months after the date of bodily injury and will in all probability continue for the remainder of the Insured Person's life.
- d.i Compensation under Benefit C shall not be payable for any period of time subsequent to the death of the Insured Person or subsequent to the Company's written notification to the Insured that compensation becomes payable under my part of Benefit B. Where the Insured and the Company cannot immediately agree the amount of compensation payable under Benefit B, payment of Benefit C shall nevertheless cease from the date of such notification.
- d.ii Compensation under Benefit C shall not be payable for a longer period than 104 weeks in respect of any one injury calculated from the date the Insured was first examined by a duly qualified Medical Practitioner.
- e. Compensation under Benefit D shall not be payable if the Insured Person is entitled to indemnity under any other insurance policy or from any other source provided that the Company shall not be relieved of its liability, under Benefit D so far as concerns any excess beyond the amount payable under such other insurance or indemnity.
- f. If the Insured Person is missing for not less than 12 consecutive months and sufficient evidence is provided to the Company that the Insured Person can reasonably be presumed to have sustained accidental bodily injury resulting in death, Benefit A shall become payable, provided that if the Insured Person is subsequently found to be living, such Benefit A payment shall be forthwith refunded to the Company.

Condition

- a. This Policy and the Schedule shall be read together and any word or expression to which a specific meaning has been attached in any pant of the Policy or of the Schedule shall bear such meaning wherever it may appear.
- b. No alteration of this Policy will be held valid unless the same is signed or initialled by an authorised Official or Agent of the Company.
- c. Written notice shall be given to the Company, without unnecessary delay but in any event within three weeks of the occurrence of the injury, in respect of which a claim is to be made.
- d. All certificates information and evidence required by the Company shall be furnished at the expense of the Insured or the Insured's legal personal representatives and shall be in such form and of such nature as the Company may prescribe. The Insured as often as required shall submit to medical examination on behalf of the Company as its own expense in respect of any alleged bodily injury. The Company shall in the event of the death of the Insured be entitled to have a post mortem examination at its own expense. The Insured shall as soon as possible after the occurrence of any injury obtain and follow the advice of a duly qualified medical practitioner and the Company shall not be liable for any consequences arising by reason of the Insured's failure to obtain or follow such advice and use such app1ianccs or remedies as may be prescribed.
- e. The Insured shall give notice in writing to the Company of any change in the Insured's address or profession or occupation or of the effecting of other insurances except Coupon against accident disease or sickness and on tendering any premium for the renewal of this Policy shall give notice in writing to the Company of any sickness disease physical defect or infirmity with which the Insured has become affected or of which the Insured has become aware since the payment of the preceding premium.
- f. Any fraud, misstatement, or concealment either in the proposal on which this insurance is based or in relation to any other matter affecting this insurance or in connection with the making of any claim hereunder shall render this Policy null and void and all claims hereunder shall be forfeited.
- g. The Company shall not be bound to accept any renewal of this Policy or to send any notice of the renewal premium becoming due. The Policy shall not be renewable after the period of Insurance during which the Insured attains the age of sixty-five years. The Company may at any time give notice to the Insured to terminate this Policy forthwith without prejudice to the rights of the Insured in respect of prior injury provided that the Company return to the Insured the then last premium paid by the Insured less a pro rata part thereof for the period of the year for which the Policy has been in force. Notice to be given by the Company may be given personally to the Insured in writing or sent by registered post addressed to the Insured at the Insured's last address known to the Company and any such notice shall be deemed to have been received by the Insured at the time when the same would be delivered in the ordinary course of post. By like notice to the Company the Insured may at any time cancel this policy in which case the Company will retain the customary short period rate for the time the Policy has been in force.

Standard Insurance Policy for the Self-employed

- h. All difference arising out of this Policy shall be referred to the decision of an Arbitrator to appointed in writing by the parties in difference of if they cannot agree upon a single Arbitrator to the decision of two Arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the Arbitrators do not agree of an Umpire appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the Company. The Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder
- i. This Policy is subject to the jurisdiction of Hong Kong Special Administrative Region and is to be construed according to the laws of Hong Kong Special Administrative Region.

IMPORTANT NOTE: According to Insurance Policy conditions, the Insured must immediately notify the Company of any change in the Insured person's employment, occupation, duties or other pursuits which may result in an increased likelihood of being involved in an accident.

Exclusion

This Policy does not pay compensation for:

INJURY or consequences thereof occasioned by or happening through:

- 1. War, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, military or usurped power, riots, strikes, military or popular rising;
- Nuclear weapons material, ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fue1, and for the purpose of this Exclusion (a)(ii) combustion shall include any self-sustaining process of nuclear fission;
- Suicide or attempted suicide, the Insured Person's own criminal act, intended self-injury, wilful exposure to needless peril except in an attempt to save human life, pregnancy or childbirth, venereal disease, insanity or Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC);
- 4. The Insured Person is under the influence of intoxicating alcohol or drugs (unless taken according to proper medical prescription and direction and not for treatment of drug addiction);
- 5. Acts of terrorism committed by a person or persons acting on behalf of or in connection with any organization. For the purpose of this Exclusion, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

INJURY caused by the Insured Person engaging in or practicing for:

1. Parachuting

- 2. Hang gliding
- 3. Hunting,
- 4. Ice hockey,
- 5. Polo playing,
- 6. Winter sports,
- 7. Any kind of race (other than on foot or swimming) or trial of speed or reliability,
- 8. Potholing, mountaineering or rock climbing necessitating the use of guides or ropes,
- 9. Underwater activities necessitating the use of compressed air or gas,
- 10. Motor cycling (as driver or passenger),
- 11. Sports in a professional capacity.

INJURY caused by the Insured Person engaging in service or duty with the Police or any armed force or Fire Service of any country.

INJURY occurring whilst the Insured Person is travelling in an aircraft.

Supplement to Particular Specification

The following are relevant clauses to be incorporated into the Particular Specification for implementing the measures of preventing non-payment of workers' wages.

Particular Specification

Section X

Payment of Wages of the Site Personnel

General

General	X.1	1.	The Contractor shall ensure prompt payment of full wages to all the Site Personnel employed by him and shall use all reasonable endeavours to have his sub-contractors of all tiers to effect prompt payment of wages to all the Site Personnel employed by them for the execution of the Works in accordance with the Employment Ordinance.
		2.	The Contractor shall include provisions in the contracts with his sub-contractors requiring the implementation of the system of payment of wages to the Site Personnel under the provisions of Section X of this Particular Specification.
		3.	For the purposes of Section X of this Particular

 For the purposes of Section X of this Particular Specification, "bank" shall be an authorized institution within the meaning of Section 2 of the Banking Ordinance (Cap 155).

Employment of the Site Personnel

- X.2 Written 1. Unless written employment contracts are already in place, the Contractor and his sub-contractors of all tiers shall employment agreements [have] enter into written employment contracts with all the Site Personnel under their respective employments. The terms of the employment contract shall not be less favourable to the terms provided in the specimen employment contract given in Appendix B.1 to the Special Conditions of Contract (SCC). The Contractor shall provide copies of the executed employment contracts to the Consultant for records. The Contractor shall not allow any Site Personnel without a properly executed written employment contract to work on the Site.
 - 2. A certified true copy of the written employment contract of each Site Personnel shall be kept on the Site and shall be made available to the Consultant or the Consultant's Representative for inspection if so requested by the Consultant or the Consultant's Representative.

		3.	Any Site Personnel without a proper written employment contract with either the Contractor or his sub-contractor shall not be permitted or caused to be permitted to enter to or remain in the Site.
Personal Accident Insurance of self-employed workers	X.3	1.	In accordance with the Special Conditions of Contract B.2 (in Annex B), the Contractor shall ensure that self-employed workers working on the Site shall each be covered by a personal accident insurance at a minimum coverage of HK\$1,000,000. The Contractor shall not allow any self-employed worker without a valid personal accident insurance to work on the Site.
		2.	The Contractor shall keep a certified true copy of the personal accident insurance of each self-employed worker on Site and shall be made available to the Consultant or the Consultant's Representative for inspection if so requested by the Consultant or the Consultant's Representative.
		3.	Any self-employed workers without a proper personal accident insurance shall not be permitted or caused to be permitted to enter to or remain in the Site.
Lorry Drivers	X.4	1.	Lorry drivers shall either be an employee with a written employment contract with the Contractor or his sub-contractors, or a self-employed person with a personal accident insurance cover of not less than HK\$1,000,000 for the execution of the Works.
Payment of wages by designated bank accounts or personal	X.5	1.	Subject to sub-clause (3) of this Clause, the Contractor shall within 14 days from the commencement of the Contract submit to the Consultant the name of the designated bank and all related arrangement details for payment of wages to all the Site Personnel.
cheques		2.	The Contractor shall require all the Site Personnel to open a wage payment account in the designated bank or in any other bank of their choice.
		3.	Subject to evidence produced to the satisfaction of the Consultant, Site Personnel not able to open a personal
			bank account with any bank in Hong Kong shall have their wages paid by personal cash cheques with the subject Site Personnel specified as payee and the cheques shall be immediately due on presentation. Copies of the following documents shall be submitted to the Consultant for records:
			wages paid by personal cash cheques with the subject Site Personnel specified as payee and the cheques shall be immediately due on presentation. Copies of the following
			wages paid by personal cash cheques with the subject SitePersonnel specified as payee and the cheques shall beimmediately due on presentation. Copies of the followingdocuments shall be submitted to the Consultant for records:i. signed acknowledgement receipt of payment from
			 wages paid by personal cash cheques with the subject Site Personnel specified as payee and the cheques shall be immediately due on presentation. Copies of the following documents shall be submitted to the Consultant for records: i. signed acknowledgement receipt of payment from the subject Site Personnel;

The above copies of the documents shall be submitted as

soon as they are available and in any event no later than 14 days from the date when payment is due for the subject Site Personnel.

Smart-card Records

- Smart-card X.6 1. The Contractor shall provide and operate an attendance system recording system comprising smart-card (hereinafter refer to as "the system") to record and verify the information of all the Site Personnel entering and leaving the Site. The system shall be in operation within 1 month from the commencement of the Contract. Prior to the operation of the system, the Contractor shall use log books to record the time of entry and departure of all Site Personnel and self-employed workers in and out of the Site. Temporary cards for identification shall be used by all Site Personnel prior to the availability of the system. All temporary cards shall contain the information set out in sub-clause (4) of this Clause. Once the system is in operation, no persons are allowed to work on the Site without a smart-card. All visitors shall be issued a visitor card for identification.
 - 2. The Contractor shall engage a specialist provider to design, provide and train his personnel to operate the system. The Contractor shall within 7 days of commencement of the Contract, submit to the Consultant the details of the system and the name and details of the specialist provider for the Consultant's approval.
 - 3. The system shall adopt a non-contact type card (the "smart-card") complying with ISO 14443 with sufficient memory to store data as required in this PS Clause. The chip inside the smart-card shall comply with ISO 14443A. The smart-card shall be compatible with the registration cards issued by the Registrar of Construction Workers appointed under the Construction Workers Registration Ordinance (Cap. 583) to registered construction workers. The system's card readers shall be compatible with the smart-card and shall be complete with a security access module (SAM) for cryptographic security slot. The SAM will be provided by the Construction Workers Registration Authority.
 - 4. The smart-card shall have the following information of the Site Personnel printed in durable print on its face:
 - a. Name of worker in Chinese and English;
 - b. Name of employer in Chinese and English;
 - c. Trade;
 - d. Photograph of worker;
 - e. Contract No. and Contract Title;
 - f. Expiry date; and
 - g. Other information agreed by the Consultant.

- 5. The smart-card shall contain sufficient encrypted information for identification of the card holder and access to the master data bank of the system.
- 6. The Contractor is responsible for the issue of the smart-cards to each Site Personnel and self-employed worker and for registering their details to the system.
- 7. If a Site Personnel or self-employed worker is issued a registration card by the Registrar of the Construction Workers pursuant to the Construction Workers Registration Ordinance (Cap. 583) the card so issued is permitted to be used in lieu of the smart-card required under this Section.
- 8. The Contractor shall install sufficient number of the system's card readers at convenient locations with shelters within the Site to facilitate day-to-day recording. The exact locations shall be submitted for agreement by the Consultant. The readers shall be connected to a secured computer so that the Site Personnel can record their signing in and out of the Site. Separate smart-card readers with clear labels indicating "IN" and "OUT' shall be provided for the purpose. Alternatively the system may assign the time of recording as "IN" and "OUT" automatically. The secured computer shall be loaded with appropriate software for recording the data retrieved from the system and the time of signing in and out of each worker. The Contractor shall provide X¹ number of portable pocket personal computers, which can be synchronized with the master system data bank and is capable of recording, verifying and updating the information of the Site Personnel and self-employed workers for the use of the Consultant. The Contractor's portable pocket personal computers shall be approved by the Consultant and the equipment shall be securely kept by a designated staff. The Contractor shall provide a full time staff to man the operation of the system's readers at each of the locations.
- 9. The system's card readers, once commissioned, shall be in operation at all times and shall be replaced in the first instance in the event of breakdowns, repairs or regular maintenance. The Contractor may, subject to the approval of the Consultant, dismantle and remove all system card readers installed on Site two months following the issue of the last certificate of completion under GCC Clause 53. The system card readers once dismantled under this sub-clause shall be removed off Site and shall become the Contractor's property.

¹ Normally one for the Consultant's Representative and one for the LRO, a total of two

Payment of Wages

- Schedule of X.7 1. The Contractor shall compile daily records of the Site Personnel working on the Site based on the data collected by the smart-card system. The Contractor shall verify the data of all the Site Personnel employed or engaged by him. The Contractor shall prepare separate daily records for each sub-contractor and distribute to these sub-contractors the records of the Site Personnel employed or engaged by them for verification. A copy of all the verified data and records shall be submitted to the Consultant on a daily basis.
 - 2. The Contractor shall prepare a schedule of wages of all the Site Personnel employed or engaged by him based on the verified data from the smart-card system. A copy of such schedule shall be submitted to the Consultant for each payment cycle.
 - 3. The Contractor shall require his sub-contractors, of all tiers, to prepare the respective schedules of wages of the Site Personnel employed or engaged by them based on the verified data from the smart-card system. A copy of these schedules shall be made available to the Consultant for each payment cycle.
- Payment of
WagesX.81.In accordance with the scheduled payment date stated in
the employment contract, the Contractor shall ensure that
sufficient funds have been reserved in the designated bank
account for the payment of all wages as given on the
verified schedules for the subject payment cycle and shall
promptly instruct the designated bank to effect the payment
to the respective wage payment accounts of all his Site
Personnel. The Contractor shall forward a certified true
copy of the records of transactions to the Consultant.
 - 2. The Contractor shall ensure that his sub-contractors, of all tiers, has sufficient funds available in the designated bank account for the payment of the wages to their respective Site Personnel as given on the verified schedule on the scheduled payment date stated in the employment contracts for the subject payment cycle and to ensure that his sub-contractors shall promptly instruct the designated bank to effect the payment to the wage payment accounts of their respective Site Personnel. The Contractor shall ensure that certified true copies of the records of transactions are made available to the Consultant.
 - 3. A flow chart illustrating the payment arrangements is appended to this Particular Specification.

Monitoring of Payment of Wages

- Contractor's Y.1 Within 7 days of the commencement of the Contract, the 1. Labour Officer Contractor shall nominate a staff responsible full time on-site for monitoring the payment of wages to all the Site Personnel for the approval of the Consultant. The nominated staff when approved shall provide all necessary assistance to the Labour Relations Officer in the monitoring process and in the handling of complaints on arrears of wages raised by any Site Personnel. The staff nominated by the Contractor shall be referred as the Contractor's Labour Officer.
 - 2. The Contractor's Labour Officer shall be a suitably qualified person with the following minimum qualifications:
 - attaining five subjects at grade 'E' or above in the a. Hong Kong Certificate of Education Examination (HKCEE) (including Chinese, English (Syllabus B) and Mathematics) or equivalent; and
 - full-time working experience b. on personnel management or human resources related duties and good job records; and
 - good command of both oral and written English and c. Chinese: and
 - good computer knowledge preferably with past d. experience on the operation of a computerized smart-card system; and
 - preferably have completed a post secondary e. certificate programme on human resources or personnel management.
 - 3. The Consultant shall have the power to withdraw his approval of the Contractor's Labour Officer at any time. If such approval shall be withdrawn the Contractor shall, after receiving notice in writing of such withdrawal, remove the Contractor's Labour Officer from the Site forthwith and shall replace him by another Contractor's Labour Officer approved by the Consultant.
- 1. Labour Y.2 The Contractor shall afford all necessary assistance to the Labour Relations Officer in connection with the discharge of his duties which shall include but not necessarily limited to the following:
 - i. to act as a one-point contact for the Site Personnel on Site on any enquiries in relation to employment matters;
 - to conduct briefing sessions to inform and to ii. educate the Site Personnel the benefits of the payment control measures wade beina implemented under the Contract, in particular,

Relations Officer

the workers' obligations to report wage arrears;

- iii. to conduct regular site visits to promote the monitoring system and to establish contacts with Site Personnel to obtain feedback;
- iv. to monitor payment of wages to assess whether they are made timely by the Contractors and all sub-contractors;
- v. to oversee the setting up and maintenance of a record system on employment contracts, workers attendance, re-deployment, and wage payments;
- vi. to undertake regular physical checks to verify the accuracy and reliability of the records and to identify irregularities, if any, for early intervention;
- vii. to establish a simple and user-friendly complaint system, including the operation of a telephone hotline to receive enquiries from Site Personnel on employment matters and to receive reports on wage defaults;
- viii. to alert the Consultant's Representative of anomalies and to refer the same to the Contractor for investigation and appropriate follow-up actions; and
- ix. to report to the Consultant's Representative and the Labour Department complaints on wage arrears as soon as they are received and to provide necessary assistance to Labour Department to facilitate investigation and/or dispute resolution where appropriate.
- x. to carry out random attendance checks, and to record and report the findings to the Consultant's Representative.
- 2. The Labour Relations Officer shall have the authority to check and verify the proper operation of the smart-card system; the records of the system and the records of transactions of payment of the wages. The Contractor shall provide copies of daily records and transaction records to and assist the Labour Relations Officer in the preparation of the monthly report on payment of the wages and the smart-card records to the Consultant based on the daily records and transaction.
- 3. The Contractor shall display necessary information on the contact details of the Labour Relations Officer by erecting notices on the Site at prominent locations.
- 4. The Contractor shall establish and maintain a separate telephone line in the Consultant's site office to be used as a hotline for Site Personnel to report matters of wage disputes to the Labour Relations Officer.

Providina Access and Assistance to Visitors from established labour unions etc

- Y.3 1. Notwithstanding any other provisions under the contract, from time to time representatives from established local labour unions and contractors associations may visit the Site to make propaganda for the wage payment arrangement and monitoring process for wage payment under this Contract to the Site Personnel. These representatives may interview the Contractor's Labour Officer and the Labour Relations Officer to ascertain whether there are any difficulties with the monitoring process and offer their assistance where necessary.
 - 2. Upon notification from the Consultant, the Contractor shall provide access and all necessary assistance to these representatives visiting the Site for the said purposes.
 - The Contractor shall ensure that his Contractor's All Risk 3. and Third Party Liability insurance policies are extended to cover these visitors.

Casual Workers

- "Casual Workers" are those Site Personnel who are 1. expected to work on Site no more than an aggregated total of 7 working days throughout the duration of the Contract period. The provisions under PS X.2, PS X.5, PS X.7 and PS X.8 shall not apply to Casual Workers. Casual Workers are required to be issued a temporary smart-card and follow the attendance recording system in accordance with PS X.6. Casual Workers will be subject to the full provisions of Section X of this Particular Specification if they are required to work on site in excess of an aggregated total of 7 working days throughout the duration of the Contract period.
 - 2. Wages for the Casual Workers are to be paid daily by personal cash cheques with the subject Casual Worker specified as payee and the cheques shall be immediately due on presentation. The subject Casual Worker shall be required to sign a receipt of acknowledgement of each payment.
 - Copies of the following documents shall be submitted to the 3. Consultant for records:
 - i. signed acknowledgement receipt of payment from the subject Casual Worker;
 - ii. the cheque; and
 - iii. the receipt of withdrawal to the Casual Worker issued by the bank.

Copies of (i) and (ii) above shall be submitted the day immediately following the subject payday referred to in sub-clause (2) of this Clause. Copies of (iii) above shall be

Casual workers Z.1

submitted as soon as they are available and in any event no later than 7 days from the subject payday referred to in sub-clause (2) of this Clause.

4. The 7-day restriction under sub-clause (1) of this Clause may be extended subject to prior approval in writing from the Consultant if the Consultant is satisfied that there are reasonable grounds for not complying with the full requirements under Section X of this Particular Specification for the subject Casual Worker.

Supplement to Particular Preamble

The following are relevant clauses to be incorporated into the Particular Preamble to amend the Standard Method of Measurement for introducing the "Pay for Monitoring Payment of Wages."

a. Section (XX) – Monitoring Payment of Wages

Implementation of Monitoring Payment of Wages

Monitoring Payment of Wages

Units xx.01 The units of measurement shall be :

- i. establishing monitoring system for payment of wages item.
 ii. operating monitoring system for payment of
- wages month.
- iii. providing Contractor's Labour Officer.....month.
- iv. providing Labour Relations Officer.....month.
- Measurement xx.02 The items for "operating monitoring system for payment of wages" shall be measured commencing from the date of approval by the Consultant/Supervising Officer/ Maintenance Surveyor¹ of completion of establishment of monitoring system for payment of wages and the item for "providing Contractor's Labour Officer" shall commence from the date the Contractor's Labour Officer provided by the Contractor is approved by the Consultant and reports duty on Site. These items shall not be measured:
 - i. where the Works are not divided into Sections, between
 - a. the end of the prescribed time or extended time for completion of the Works/Works except Establishment Works and Aftercare to Old and Valuable Trees due to extension of time which has been granted by the Consultant to the Contractor under sub-clauses (1)(b)(iii), (iv), (vi), (vii) and (viii) of GCC Clause 50; and
 - b. the date of completion of the Works/Works except Establishment Works and Aftercare to Old and Valuable Trees certified by the Consultant in accordance with GCC Clause 53.

¹ Delete as appropriate

For the purpose of calculating the extended time for completion of the Works due to extension of time granted by the Consultant under sub-clauses (1)(b)(iii), (iv), (vi), (vii) and (viii) of GCC Clause 50, the periods of extended time for completion granted under sub-clauses (1)(b)(iii), (iv), (vi), (vii) and (viii) of GCC Clause 50 shall be summed and added to the end of the prescribed time for completion of the Works;

- ii. where the Works are divided into Sections, between
 - a. the end of the prescribed time or extended time for completion of the Section of the Works (excluding the Sections for Establishment Works and Aftercare for Old and Valuable Trees) due to extension of time which has been granted by the Consultant to the Contractor under sub-clauses (1)(b)(iii), (iv), (vi), (vii) and (viii) of GCC Clause 50, which happens to be the latest in time (for the purpose of calculating the extended time for completion of each Section of the Works due to extension of time granted by the Consultant under sub-clauses (1)(b)(iii), (iv), (vi), (vii) and (viii) of GCC Clause 50, the periods of extended time for completion granted under sub-clauses (1)(b)(iii), (iv), (vi), (vii) and (viii) of GCC Clause 50 for that Section of the Works shall be summed and added to the end of the prescribed time for completion of that Section of the Works); and
 - b. the date of completion of whichever Section of the Works (excluding the Sections for Establishment Works and Aftercare for Old and Valuable Trees) certified by the Consultant in accordance with GCC Clause 53 which happens to be the latest in time;
- iii. after the expiry of the Maintenance Period (or where there is more than one such Maintenance Period, after the expiry of the last Maintenance Period other than the Maintenance Periods for Establishment Works and Aftercare for Old and Valuable Trees) where services are required as a consequence of the default of the Contractor.
- xx.03 No measurement and no payment shall be made for the item "operating monitoring system for payment of wages" for the period during which there is any incident of breakdowns, repairs or maintenance without proper replacement in place at the first instance or for the period where there is any incident of non -compliance with respect to the submission of documents and records in accordance with Particular Specification Section X and payment for the item shall therefore be measured on a pro rata basis.

Supplement to Particular Preamble

Itemisation xx.04 Separate items shall be provided for the monitoring system for payment of wages in accordance with General Principles paragraphs 3 and 4 and the following :

	Group			Feature		
		I	2.	establishing monitoring system for payment of wages operating monitoring system for payment of wages providing Contractor's Labour Officer		
Establishing Monitoring System for Payment of Wages	xx.05	wage		establishing monitoring system for payment of accordance with General Preambles paragraph		
		a.	preparation of the monitoring system for payment of wages to the satisfaction of the Consultant / Supervising Officer / Maintenance Surveyor ¹ ;			
		b.		o the monitoring system for payment of wages nodifications thereof;		
		C.		for collection and maintenance records of of of of wages to Site Personnel;		
		d.	•	of accounts in designated bank for relevant s required in Particular Specification clauses X.5		
		e.		on of a Contractor's Labour Officer as required in Specification clauseY.1;		
		f.	attendanc	up the attendance recording system for accurate ce records of Site Personnel and any ons thereof;		
		g.	•	mart-cards to Site Personnel and self-employed and temporary cards to visitors;		
		h.	insurance	e for the self-employed workers;		
		i.	receive	shing a hotline in the Consultant's site office to enquiries from workers/Site Personnel on ent matters; and		
		j.		g Site Personnel of the monitoring system and dures for reporting wages arrears.		

¹ Delete as appropriate

Operating Monitoring System for Payment of Wages	xx.06	wag insut prov mea shall else	The item for the "operating monitoring system for payment of wages" is given a pre-priced rate. In the event that the rate is insufficient or where there are any aspects where the methods provided hereunder do not measure any item or exclude the measurement of any item or part thereof, the difference in value shall be deemed to have been included in the rates inserted elsewhere in the Bills of Quantities. In addition, the item shall, in accordance with General Preambles paragraph 2, also be deemed to include :			
ltem Coverage		a.	operating and maintaining the attendance recording system to obtain accurate attendance records of Site Personnel;			
		b.	controlling the issue of smart cards to Site Personnel;			
		C.	reviewing, updating and revising the monitoring system for payment of wages taking into account the comments made by the Consultant / Supervising Officer / Maintenance Surveyor ² or any other parties;			
		d.	implementing measures to ensure that payments of wages to Site Personnel are made against the attendance records of the attendance recording system;			
		e.	compiling, submitting and maintaining records of payment of wages and other monetary benefits to Site Personnel;			
		f.	observing all statutory and contractual obligations in ensuring proper payment of wages and other monetary benefits to Site Personnel, and any other related obligations, liabilities, risks and profit;			
		g.	providing all necessary assistance to the Labour Relations Officer in the discharge of his duties, functions and responsibilities;			
		h.	maintaining a hotline in the Consultant's site office to receive enquires from Site Personnel on employment matters;			
		i.	maintaining insurance for the self-employed workers; and			
		j.	providing access and assistance to visitors as required under Particular Specification Y.3 including the necessary insurance coverage.			

² Delete as appropriate

Providing
Contractor'sxx.07The item for the "Providing Contractor's Labour Officer" shall, in
accordance with General Preambles paragraph 2, include the
costs and expenses of providing a Contractor's Labour Officer
and supporting staff inclusive and without limitation to the
following:Item
Coveragea. basic salary;
b. gratuity;
c. overtime payment;

- d. sundry allowance;
- e. housing allowance;
- f. travel allowance;
- g. leave allowance;
- h. education allowance;
- i. medical allowance;
- j. dental allowance;
- k. bonus;
- I. contribution to a registered mandatory provident fund scheme;
- m. all necessary levies, e.g. Construction Industry Council;
- n. insurances; and
- o. fringe benefits.

Sample Bills of Quantities for Capital Works Contracts for Implementing the monitoring Payment of Wages

Item No.	Description	Quantity	Unit	Rate (\$)	Amount (\$)
1	Establishing monitoring system for payment of wages	1	Item		
2 ¹	Operating monitoring system for payment of wages	??	Month	Insert rate appropriate for the contract and work out the extension	Extension ²
3	Providing Contractor's Labour Officer	??	Month		

 $^{^1\,}$ The rate for item 2 is fixed and should not be adjusted upwards or downwards irrespective of the Final Contract Sum. $^2\,$ To be added to the tender sum