Construction Industry Council

Construction Industry Training Board

Meeting No. 006/15 of the Construction Industry Training Board (CITB) was held on Tuesday, 23 June 2015 at 9:30 a.m. at Conference Room, CIC Headquarters, 15/F, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong.

| Chairman |
|----------|
| Member |
| |

Member of Task Force on Trade In Attendance: Mr FU Chin-shing, Ivan

Testing

Dr HO Wai-wah Member of Task Force on

> **Sub-contractor Cooperative** Training, On-the-job Training, **E&M** Training and Subsidy

Chairman of Task Force on Mr LOK Kwei-sang, Tandy

Training

Ch AS (Works) 6 Mr WU Kwok Yuen, Jacky Mr CHENG Kam Pong, Patrick AS (Works Policies) 9 Director - Training & Ir Alex LEUNG

Development, CIC

Senior Manager - Finance, CIC Ms Katherine TAM Senior Manager - Training & Ir CHU Yin-lin

Development, CIC

Senior Manager - Training & Mr Ivan KO

Development, CIC

Ir Victor WONG Senior Manager - Training &

Development, CIC

Manager - Training & Mr Jimmy LEUNG

Development (Acting)

Assistant Manager - Board Ms Formula CHEN

Services, CIC

Ir Venice HUNG Assistant Manager -

Management Support, CIC

Ms Shirley LAM Senior Officer - Board Services,

CIC

Apologies: Mr CHAN Pat-kan Member

Progress Report

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6.1 Confirmation of Progress Report of the last meeting

Members took note of Paper CIC/CTB/R/005/15 and confirmed the Progress Report of the 5th meeting held on 19 May 2015.

6.2 Matters arising from the last meeting

6.2.1 Agenda Item 5.2.1—Consultancy services on Training & Development

Director reported that the Secretariat had already sent invitations on 12 June 2015 to members via email on joining the steering group for the above consultancy services. Interested members had already replied before deadline. After seeking the views of the Chairman, members of the steering group would include Mr Albert LAM, Ir Albert HO and Mr TSE Chun-yuen and the group would be led by the Chairman. Apart from giving guidance to the work of the consultancy, the Steering Group would also help scrutinize the report. Secretariat would contact members of the steering group in due course to embark on the relevant work.

6.2.2 Agenda Item 5.3.3—Management course on minor works

Director reported that the management had already met with the Taskforce Member who raised the issue of the demand for the above training course. Progress of preparing for the said course would be

reported later.

6.2.3 Agenda Item 5.8.3—Advanced Construction Manpower Training Scheme (ACMTS) – Pilot Scheme

Members noted that the estimated training places of the trades covered by the above scheme would be handled flexibly according to actual situation so as to be in line with the needs of the industry. Therefore, the estimated places for Ground Investigation Operator could be adjusted accordingly. Moreover, the proposed training period for holders of Intermediate Trade Test Certificate of the said trade to become skilled craftsmen would be amended from 2 years to 1.5 years upon consulting the industry.

6.3 Proposed work plan and financial estimates of CITB for 2016 (for discussion)

6.3.1 Members took note of Paper CIC/CTB/P/065/15 and the work plan of CITB for 2016 as well as the related training places and financial estimates. Director briefed members on the original estimates of CITB for 2015, the revised estimates of CITB for 2015, the disparity in the amount of major items between the revised estimates of 2015 and the estimates of 2016, and the total amount of deficit of respective year.

(Ms CHENG Sau-kuen, Prof CHIANG Yat-hung and Dr HO Wai-wah joined the meeting at this juncture.)

6.3.2 A Member said that at the meeting held last year a suggestion had been made on establishing an ad hoc group to peruse the budget beforehand. Chairman stated that an explanatory session was held last year for the said issue, but only a small number of members turned up. If deemed necessary, another session could be arranged this year. Director also said that the financial estimates had been scrutinized by the Chairman and representatives of DEVB before the meeting.

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Members were welcome to give their views.

(Mr LAI Sai-hong and Mr FU Chin-shing, Ivan joined the meeting at this juncture.)

- 6.3.3 A Member enquired for the reasons on a big difference between the original estimated revenue and the revised estimated revenue in 2015 for the item on "Investing in Construction Manpower". Senior Manager-Finance said that the aforesaid item included revenues from CIC courses and cooperative training schemes. The recruitment of cooperative training schemes was satisfactory in the first half of 2015. Therefore, it was necessary to adjust the estimated revenue of the said item. Director supplemented that the Contractor Cooperative Training Scheme was relatively not well received in recent months and the revised estimate was intended to reflect on the actual situation. Estimates for staff expenditure were not reduced accordingly because an amount had to be set aside for the new headcounts to be assigned to handle the rise in demand for trade testing. Senior Manager-Finance supplemented that instructors of cooperative training schemes were mostly employed by contractors sub-contractors and thus it would not cause much impact on CIC's manpower resources. The revised estimates for staff expenditure in 2015 were slightly reduced mainly because some of the vacancies of instructors had not been filled yet.
- 6.3.4 In replying to a Member's enquiry on the budget for trainee subsidies given in Annex 1 (revised) tabled at the meeting, Senior Manager-Finance said that some of the expenditure items of Training Expenses Subsidies in 2016 were needed to be further broken down to show the expenditure estimates carried forward from the balance of the previous year. It was hoped that such arrangement would help members understand better the components of the said expenditure item.
- 6.3.5 Chairman supplemented that previous annual

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financial estimates would normally show the estimates of the year only, but expenditures of many training programmes would have prolonged effect on the expenditure estimates of the following one or two financial years. Therefore, two more columns on training expenditure in 2017 and in 2018 were added to show the influence of the expenditure in 2016 on the subsequent two years. Chairman also stated that Members could give their views on the financial estimates of 2016 within the week. Secretariat would arrange for an explanatory session if necessary.

All Members

- 6.4 Supplementary document of Advanced Construction Manpower Training Scheme (ACMTS) Pilot Scheme (for discussion)
 - 6.4.1 Members took note of Paper CIC/CTB/P/066/15 and the newly added key items in the supplementary document.
 - 6.4.2 A Member representing a labour union disagreed with the arrangement that if the working days of a trainee was less than 20 days a month because of construction needs and the rain, the employer could pay the wage proportionally in accordance with the trainee's actual working days but not less than a specified amount. That Member found this arrangement unreasonable, and pointed out that it might not be the trainee's wish to have worked less than 20 days in a month. If CIC allowed employers not to arrange jobs for the trainees and only pay for their minimum wages, trainees would not be able to support their families and their learning progress would also be affected.
 - 6.4.3 Another Member enquired about the way for CIC to find out the reasons for employers being unable to arrange jobs for the trainees, and whether or not CIC would follow up on the reasonableness of the underemployment cases. The Member also considered that CIC had the obligation to ensure the trainees' income and there should be a regulatory mechanism to prevent exploitation on

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trainees. Director replied that by requiring employers to pay the minimum wage for trainees who worked less than 20 days in a month was to a certain extent help guarantee the trainees' income.

- 6.4.4 Regarding the formulation of the respective amount of full monthly salary and the basic monthly salary, Chairman stated that the said amounts were only the basic requirement. Employers could pay more than the specified minimum wage but were not allowed to pay less than the said amount.
- 6.4.5 A Member raised that using 20 days as the line of demarcation between full monthly salary and basic monthly salary was questionable. It was because the disparity in the amount earned between 20 days and 19 days could be huge for some trades. CIC had to make adjustments to address the disparity.
- 6.4.6 Member representing Α the Hong Kong Construction Sub-Contractors Association said that as the manpower demand of the industry would still be keen in the coming few years, he was not worried that there would be sub-contractors deliberately caused underemployment under normal circumstances.
- 6.4.7 A Taskforce Member in attendance of the meeting pointed out that it was necessary to consider whether the trades covered in the scheme were conducted outdoors or indoors as outdoor work would usually be affected by the rain. Therefore, CIC should focus on discussing those trades mostly conducted outdoors, such as Concretor and Carpenter (Formwork Building Construction) as the difference between their full monthly salary and basic monthly salary was huge.
- 6.4.8 Chairman agreed that it was necessary to review trades with a relatively large difference between their full monthly salary and basic monthly salary, and to raise basic monthly salary where appropriate to narrow down the difference.

Mr Jimmy LEUNG Manager (Acting)

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- 6.4.9 Another Taskforce Member in attendance pointed out that the existing mechanism of taking 25 working days per month for each worker was the upper limit. In fact, workers usually worked for around 4 days per week.
- Another Member pointed out that different trades 6.4.10 would have different working days per month. For those trades conducted mostly outdoors, it was not common to have 25 working days per month, but for trades conducted indoors such proposition might be possible to achieve. That Member quoted concretor as an example to indicate that the number of working days of the trade would be easily affected by the weather of the month. In addition, outdoor work was relatively more demanding and thus the average daily wage of these trades would be relatively higher. CIC now made use of the data on the average daily wages of various trades prepared by the Census and Statistics Department (C&SD) to work out the minimum wage of the first year for all subsidized trades on the same ground, which to some extent was unfair to every subsidized trade.
- 6.4.11 A Taskforce Member in attendance of the meeting stated that the industry did have data on the monthly working days of each trade. To use these data to calculate the minimum wage of the first year for all subsidized trades would however further complicate the administrative work. Chairman asked the Taskforce Member to provide the related data of the 22 proposed subsidized the trades. However. Taskforce Member considered not appropriate to make detailed classifications of the 22 trades and opined that two to three classes would be sufficient.

Mr FU Chin-shing, Ivan Taskforce Member

6.4.12 Director said that basic monthly salary of the subsidized trades would be adjusted as suggested by the Chairman and Members. As for the proposal on the Skills Enhancement Courses – Pilot Scheme, members had no other comments and the

Management would proceed with the details of the proposal, which was expected to be launched in September 2015.

6.5 Report on the benchmarks for effectiveness of full-time courses (application rate and enrolment rate)(for discussion)

Members took note of Paper CIC/CTB/P/067/15 (revised) that was tabled at the meeting. They also noted that the above report covered two benchmark indicators for effectiveness, i.e. application rate and enrolment rate, of Basic Craft Courses and Construction Supervisor/Technician Programme offered in September 2014 and the short courses offered during the period from January to March 2015. The said report was already accepted by Task Force on Training on 29 May 2015. After deliberation, members agreed to accept the report and the suggestions made by the Task Force.

6.6 Proposal on introducing trade test questions for Cable Jointer (without power)(for discussion)

Members took note of Paper CIC/CTB/P/068/15 and noted that Task Force on Trade Testing had accepted the above proposal. Members agreed to accept the proposal and outsource the test.

6.7 Construction Manpower Seminar 2015 – Post-event Report (for information)

- 6.7.1 Members took note of Paper CIC/CTB/P/069/15 and noted the post-event report of Construction Manpower Seminar 2015 co-organized by CIC and DEVB on 30 March 2015. Opinions collected from the Seminar were forwarded to the consultancy that was working on the "Development Strategy for Construction Industry in Hong Kong" for reference.
- 6.7.2 Chairman suggested selecting suitable topics from the Report and having thorough discussions on them in future CITB meetings. Members could inform Secretariat of any particular topic or

All Members

suggestion they would like to follow up on.

6.8 Summary Notes of Meeting 003/15 of Task Force on Training (for information)

- 6.8.1 Members took note of Paper CIC/CTB/P/070/15 and noted the Summary Notes of Meeting 003/15 of the above Task Force, as well as the "Table on estimated waiting time for full-time adult short courses up to 31 May 2015" tabled at the meeting.
- 6.8.2 Regarding the passing mark for the trade test of crane operators mentioned in the summary notes, a Member representing the Labour Department said that the private firms authorized by the Department to conduct the crane operator test already raised the pass mark to 80. It was because crane operation was a high-risk process and very often the cranes would be stretched out of the construction sites. Workers and the public would be endangered if the cranes were not operated properly. Therefore, it was necessary to raise the pass mark to ensure the capability of the operators. Labour Department understood the concern of CITB that raising the pass mark without revising the marking standard would affect the number of persons that passed. However, safety was of paramount importance. Although there was no data showing correlation between crane accidents and the pass mark of those who completed the crane operator courses offered by CIC, it was hoped that CIC would consider the issue seriously.
- 6.8.3 Chairman agreed that there were a number of crane accidents in recent years. CIC would pay more attention to the quality of the test, and would ask the Task Force on Trade Testing to review the pass mark of the crane operator test in due course and make adjustment according to actual needs.

Mr CHU Yin-lin Senior Manager Task Force on Trade Testing

6.8.4 A Member pointed out that not only the ability and techniques of an operator should be concerned, attention should also be paid to the proper attitude of the operators. Another Member suggested

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extending the spectrum of training to allow other related parties to learn about crane operations.

(Mr LAM Kai-chung, Albert left the meeting at this juncture.)

- 6.8.5 Chairman agreed that if site supervisory staff could acquire knowledge of crane operations, it would encourage a betterment of the site management system.
- 6.8.6 Member representing the Labour Department thanked members for their valuable opinions and expressed that crane operation did not just involve the operators, but also affected the whole operation team in the construction sites including riggers and banksmen. The Department was now working for the addition of a new headcount of "lifting supervisor" in construction sites. A lifting supervisor would not be required to operate cranes but would have to carry out on-site risk assessment for high-risk crane operations. As numerous infrastructure works were ongoing and the volume of crane operation work to be involved would be high, accidents could only be greatly reduced or prevented if CIC could help provide training in this aspect to equip supervisory staff with the professional knowledge and the ability to conduct risk assessment.
- 6.8.7 Chairman instructed the management to follow up on the conduct of a half-day or one-day course for frontline supervisory staff to enhance their knowledge on the supervision and operation of Senior Manager cranes.

Mr CHU Yin-lin

6.9 Summary Notes of Meeting 003/15 of Task Force on **Trade Testing (for information)**

6.9.1 Members took note of Paper CIC/CTB/P/071/15 and noted the Summary Notes of Meeting 003/15 of the said Task Force as well as the "Summary table on waiting time for trade tests up to 31 May 2015" tabled at the meeting. Chairman of the Task

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Force highlighted that they had already requested the management to revise the timetable for recruiting additional staff for conducting the trade tests, and considered that relevant manpower, facilities and venues should be ready prior to the peak season of applications. In addition, the Taskforce Chairman remarked that in the past the number of applications for the tests was 1,500 per month, and in the last month the number was 1,800. All members of the Taskforce opined that there was a need to step up the publicity.

- 6.9.2 A Taskforce Member in attendance also pointed out that since 1 April 2015, which was the day the amendments of Construction Workers Registration Ordinance came into effect, the number of applications received for taking trade tests had been far less than expected. To better cope with workers who would file in their applications earlier, members hoped that CIC could recruit additional staff the soonest possible.
- 6.9.3 Director said that the management had been monitoring closely the number of applications for the trade tests. The current number was only up to 70% to 80% of what was expected, but there was an upward trend. Mr. Ivan KO, Senior Manager, supplemented that both groups of applications "Senior Workers Registration Arrangement" and for taking trade tests to get registered as a skilled worker were counted. The respective number of these two groups of applications was expected to be submitted for members' information in the next meeting upon reviewing with DEVB. Mr. Ivan KO also briefed members on the publicity activities that were implemented and those to be strengthened. As for recruiting additional staff, CIC had already responded to the request of the Task Force to recruit the 18 staff members already approved and the 9 members for contingency purpose. As there was a need to enhance the publicity efforts, the financial estimates for the expenditure promotions of trade tests by the Trade Testing

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Centre had to be adjusted upwards by around \$5 million. In responding to Task Force's request on a prior setup of venues and facilities, an estimated expenditure of around \$39 million would be added. The related revised estimated expenditures had already been given in the financial estimates of agenda item 3.

(Dr HO Wai-wah left the meeting at this juncture.)

6.9.4 Chairman asked Task Force on Trade Testing to brief members on the current situations of applications of the tests, actual number of applications received and the expected number. The Task Force was also asked to have more frequent communications and collaborations with Construction Workers Registration Board (CWRB) to monitor the applications of each trade.

Mr. Ivan KO Senior Manager Task Force on Trade Testing

- 6.9.5 Director reported that CWRB would form a team of around 10 persons to carry out promotion work in construction sites, and help workers to get registered through "Senior Workers Registration Arrangement" or trade tests. CWRB would apply for funding from Committee on Administration and Finance to carry out the said tasks.
- 6.9.6 A Taskforce Member in attendance said that currently CWRB was making use of the phone or those staff patrolling in construction sites to get through the promotion messages, and deploying staff members to sites to help workers get registered. The results were satisfactory. The Member also opined that CITB should formulate an all-round promotion plan with CWRB to provide workers with clear messages.
- 6.9.7 A Member opined that apart from promoting the messages among workers, seeking the help of organizations and employers, such as contractors and sub-contractors, and urging them to encourage their workers to submit their applications as soon as possible could also be considered.

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- 6.9.8 Director said that DEVB had already enlisted the support of the public works contractors. Trade Testing Centre had also discussed with the Secretariat of CWRB on liaising with other contractors of the industry to seek their assistance.
- 6.9.9 Α Member representing the Hong Kong Construction Sub-Contractors Association said that sub-contractors of the association had been helping to promote the messages. Currently, workers were more keen on registering as a skilled worker "Senior Workers through the Registration Arrangement", but rather indifferent towards applying for trade tests. Chairman suggested having CIC staff members and representatives of the association to jointly visit the construction sites Senior Manager of the sub-contractor members, to promote and arrange registration for the workers on sites. The Member welcomed the suggestion and promised the association would offer help as far as possible.

Mr. Ivan KO

- 6.9.10 Regarding the workers' indifference towards applying for trade tests, a Member suggested refining the wordings in publicity materials to soft sell to the workers the means of applying for trade tests to get registered as a skilled worker. There was a view that some organizations and workers might find the legal provisions mentioned in the publicity materials rather complicated and difficult to comprehend. A Member suggested simplifying the wordings in publicity pamphlets/leaflets. Another Member hoped that misunderstandings on being not able to carry out other duties upon registration could also be clarified.
- 6.9.11 Chairman summed up on what needed to be done as follows:
 - i) Trade Testing Centre was to provide a brief report every month on the number of Senior Manager applications received for trade tests and the number expected;

Mr. Ivan KO

ii) To invite the Secretariat of Construction Workers Registration Board and Trade

Secretariat of Construction

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Testing Centre to brief members on an all-round promotion plan in the next CITB meeting, and to request the related management staff to give a presentation on the trade test related promotion activities being carried out by the Construction Workers Registration Board; and

Workers Registration **Board** and Mr. Ivan KO Senior Manager

iii) To follow up on the suggestion on promoting trade testing by collaborating Senior Manager organizations with other and the arrangement for workers of these organizations to take the trade tests.

Mr. Ivan KO

(Mr FU Chin-shing, Ivan left the meeting at this juncture.)

- 6.10 Summary Notes of Joint Meeting 003/15 of Task Force Contractor Cooperative Training and **Apprenticeship** Scheme and Task **Force** on **Sub-contractor Cooperative** Training. On-the-job Training, E&M Training and Subsidy Scheme (for information)
 - 6.10.1 Members took note of Paper CIC/CTB/P/072/15 and noted the Summary Notes of Joint Meeting 003/15 of the above Task Forces, in particular the part on CIC discussing with Vocational Training Council (VTC) on the overall arrangements for subsidizing E&M courses in the future, which included:
 - i) Extending DVE Programme Subsidy Scheme to cover more courses
 - Regarding VTC's request on extending the 400 subsidized places for technician courses to 8 disciplines, CIC suggested VTC to submit a proposal for consideration, and subsidies would only be made available for graduates who would work as technicians. CIC also stated that the actual financial estimates would be calculated as $400 \times 90\% = 360$ places.
 - ii) Asking CIC to subsidize VTC in developing construction related courses in the following 5 years

VTC must provide data on course effectiveness and trainee placement over the past 2 years for CIC's reference. CIC would consider the feasibility and the appropriate number of subsidized places for VTC according to the annual financial estimates and the yearly training policies.

iii) Diploma in Construction to be offered by VTC

VTC would offer As a Diploma Construction course in September this year, CIC could help in the promotions by informing trainees that they could consider applying for the course upon graduation.

VTC also stated that they would not submit individual request for subsidizing their courses or transferring the remaining subsidies to other courses.

6.10.2 Chairman stated that although CIC had not yet submitted the report on the two benchmark indicators for effectiveness, i.e. the application rate and the enrolment rate, of various cooperative training schemes, data available at present had indicated that the effectiveness of these training schemes was not satisfactory. Contractors had not made full use of the training places upon getting the approval, resulting in a surplus on CIC's expenditure reserved for the said training schemes. Chairman opined that for the proposed CISTS there was a need to reconsider how to encourage sub-contractors contractors and to actively participate in the forthcoming subsidized training Senior Manager scheme.

Mr CHU Yin-lin

6.11 **Summary Notes of Meeting 003/15 of Steering Group on Implementation** of **CWRO Amendments** (for information)

Members took note of Paper CIC/CTB/P/073/15 (revised) tabled at the meeting, and noted the summary notes of Meeting 003/15 of the above Steering Group.

6.12 Any other business

6.12.1 Papers to be submitted to Committee on Administration and Finance

Director reported that the following three papers would be submitted to Committee on Administration and Finance for consideration and approval:

- i) the revised financial estimates of Trade Testing Centre in 2015;
- ii) the revised financial estimates of Management and Safety Training Centre in 2015; and
- iii) the proposal on optimizing the model workshops in Trade Testing Centre.
- 6.12.2 Anti-corruption presentation by Independent Commission Against Corruption (ICAC)

Director reported that the representative of ICAC would brief members on the Prevention of Bribery Ordinance in the next CITB meeting to be held on 17 July 2015, and hoped that members would be present for the briefing.

6.13 Tentative date of the next Meeting 007/15

The next meeting was scheduled for 17 July 2015 (Friday) at 2:30 p.m. at Meeting Room 1, Construction Industry Council Headquarters, 15/F Allied Kajima Building, 138 Gloucester Road, Wan Chai, Hong Kong.

There being no other business, the meeting was adjourned at 11:32 a.m.

CIC Secretariat June 2015