

Construction Industry Council

Construction Industry Training Board

The 3rd Meeting of the Construction Industry Training Board was held on Monday, 20 September 2010 at 9:30 am in Conference Room, CICTA Management Training and Trade Testing Centre, Level 7, No. 95 Yue Kwong Road, Aberdeen, Hong Kong.

Present :

Ir Billy W H Wong	Chairman
Mr Chow Luen-kiu	
Dr Lo Kin-ki	
Ms Wong Hoi Wan, Charmaine	(representing Mr Enoch Lam)
Mr Lok Kwei-sang, Tandy	
Mr Jimmy Tse	
Ir Helen Kwan	

In Attendance :

Ir Jimmy Chan	Chief Assistant Secretary (Works) 6, DEVB
Mr Kenneth Chan	(Representing Ir Poon Lok-to, Otto)
Mr Charles Wong	Director (Training), CIC
Mr Wong Chi-lap	Senior Manager (ST), CIC
Mr Chu Yin-lin	Senior Manager (CT), CIC
Mrs Sophie Leung	Secretary, CITB
Mrs Shirley Lam	Assistant Secretary, CITB

Apologies :

Ir Thomas Ho	
Mr Cheung Tak-hing	
Mr S H Tso	
Ir Poon Lok-to, Otto	
Mr Donald Choi	
Mr Lai Yuk-fai, Stephen	

Progress Report

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3.1 Confirmation of the Progress Report of the 2nd meeting held in 2010

Members took note of Paper CIC/CTB/R/002/10 and confirmed the progress report of the 2nd meeting held on 28 June 2010.

3.2 Representative of Member

The Chairman, Mr Wong, expressed that Ir Poon Lok-to, Otto was unable to attend the meeting due to other engagements. However, since electrical and mechanical issues were involved in some papers for discussion, Mr Kenneth Chan was recommended to sit in on his behalf to provide professional advice. Members agreed.

3.3 Matters arising from the last meeting

3.3.1 Agenda item 2.2.8 – Sub-committee on Employers Subsidy Scheme

The item would be discussed under a separate item below.

3.3.2 Agenda item 2.4 – Future development strategies of CICTA

Members noted the CICTA's proposal submitted to the Committee on Administration and Finance for recruitment of a senior manager and a manager, both would be responsible for implementing the four policy directions previously set by the Committee on Manpower Training and Development as well as the development strategies on civil-engineering related, building works and E&M-related training as confirmed by the CITB at the last meeting.

Action

As regards the likelihood of CICTA's contravening the competition bill being drafted by providing course allowances to trainees or subsidies to run courses, Director (Training) reported that he was following up on the CICTA's subsidy policy with the Development Bureau and would report to the CITB later.

D(T)

3.3.3 Agenda item 2.5 – Drop-out rates of basic craft course trainees and wastage rate of graduates

Members noted that the CICTA was consolidating the data in relation to the above. It was expected that the data would be submitted for CITB's discussion at the next meeting.

D(T)

3.3.4 Agenda item 2.8 – Course on Conservation of Built Heritage (Advancement course in wet trades)

Members noted that the CICTA had set up the required facilities in Kwai Chung Training Centre for running the above course. The CICTA would invite experts from the mainland later to offer advice on course contents and venue set-up. It would also follow up on the arrangement for inviting experts from the mainland to teach in Hong Kong. It was expected that trainee enrolment for the course would commence at the end of the year while the first class would commence in early 2011.

A Member proposed that the skill level for the certificate to be issued upon completion of the course should be linked with the existing qualification framework. In the long term, an accredited qualification that

Action

would be awarded after completion of the course should be considered.

A Member expressed that the Construction Workers Registration Authority (CWRA) had held a brainstorming session to discuss the grading of 'master craftsmen'. Both industry representatives and CWRA members were against the addition of a 'master craftsman' grade in the registration system at the present stage. However, they did not object to the recognition of the title of 'master craftsman' to workers who demonstrated superb craftsmanship and the setting of relevant assessment criteria by industry practitioners.

(Ir Helen Kwan joined the meeting at this juncture.)

3.4 Proposal on additional training resources required for Enhanced Construction Manpower Training Scheme Phase II

Members noted Paper CIC/CTB/P/023/10 and took note of the consensus reached subsequent to discussions between the CICTA and industry practitioners on the trades to be included in the Scheme. Training on some trades might be covered by the short courses currently run by the CICTA or put under the Contractors Collaborative Training Scheme. However, training on some trades might only be provided through the latter Training Scheme. Meanwhile, the CICTA planned to introduce the Enhanced Construction Manpower Training Scheme Phase II from April to September 2011 providing a total of 450 training places. On top of the continued provision of training in the four trades specified in phase I, three more trades would be added, i.e. concreter, site surveyor and leveller. The additional resources required in

Action

phase II amounted to \$5.84 million, which covered staff costs, costs on consumable materials and tools, training expenses and capital expenditure. Further, it was suggested that one additional Trainees Recruitment & Placement Officer should be recruited on temporary contract terms and a short course on metal works should be developed for inclusion in the scheme according to industry needs. The CICTA planned to achieve the target of training 3,000 trainees in 6 or 7 phases of 6-month duration with 450-500 places each. The CICTA would consider resorting to the Contractors Collaborative Training Scheme for the provision of training in conjunction with contractors if the current practice was unable to provide the manpower as required by the industry.

A Member opined that the training periods of some training courses were relatively long and it was suggested that the training periods should be reviewed so as to better cope with the practical conditions of the industry. The Chairman requested the management and the Course Advisory Panels to follow up on the issue and then report the review findings at the next meeting.

D(T)

As for the suggestion of recruitment of one additional Trainees Recruitment & Placement Officer, Members opined that the establishment of the recruitment & placement team and the relevant manpower needs would be considered according to the actual situation after the scheme had been carried out for a certain period of time.

In addition, Members suggested that a holistic review of the recruitment and placement strategies and its cost-effectiveness should be conducted. Whereas, data on trainees like age, academic attainment, gender ratio and distribution of places of residence should be analysed systematically. These analyses would facilitate refinement of the

Action

strategies for recruiting target trainees. A Member representing the VTC expressed that his organization was currently undertaking a comprehensive review of the role and duties of its apprentice training team in response to the changes in social values and trainees' needs and the like so as to ensure the effectiveness of allocation of resources. The Chairman agreed and requested the management to provide a statistical analysis of trainees for the new training year for Members' information.

D(T)

Subsequent to further discussion, the CITB accepted the trades proposed in the Enhanced Construction Manpower Training Scheme Phase II and a training capacity of 450 together with an additional allocation of \$5.84 million. It was also agreed to roll out a total of 3,000 training places by way of 6 to 7 phases of 6-month duration with 450-500 places each and to develop a short course on metal works under the scheme.

D(T)

3.5 Proposal on running 'Skills Enhancement Course for Plumbers'

Members noted Paper CIC/CTB/P/024/10 and took note that the reasons for selecting plumbing as the first specific trade under the initiative of the Skills Enhancement Course included a shortage of manpower in the trade and the relatively low passing rate of the related trade tests. The proposed course comprised of three independent modules of 7-day duration (49 hours). Fees would be \$1,400, \$1,000 and \$1,450 respectively. The whole course would cost \$3,850 and a trainee could enrol for any module or the whole course as appropriate. Upon completion of an individual module or the whole course, he/she would receive a one-off subsidy of \$1,000.

A Member indicated that the arrangement of

Action

allowing trainees to enrol for any module would touch on the principle of utilization of resources. It was opined that plumbers who had sat for trade tests or enrolled for specified courses but then failed the tests or the assessments should be granted priority in course enrolment. As for the modules they could enrol for, the CICTA should make the recommendations according to the results of their tests or specified courses. Meanwhile, a Member proposed that the CICTA should increase the number of class if demand rose in the future.

Summing up Members' views, the Chairman suggested that three classes would be run consecutively upon the introduction of the course since the demand was expected to be rather high. More classes would be run depending on the response. Workers who did not pass the trade tests or specified training courses would be given priority in course enrolment and the results of the tests / courses would determine the module(s) workers could enroll for.

A Member, who represented the Development Bureau, expressed that the CICTA was expected to formulate a holistic skills enhancement scheme for other trades in demand following the introduction of the Skills Enhancement Course for plumbers. In addition, in view of the fact that the course fee was not a small amount to the workers, the Development Bureau would, on top of its provision of allowances for workers who would enrol for the courses, welcome the CIC to consider to provide allowances for workers as well. Moreover, apart from providing the courses in full-time mode, the CICTA was expected to offer the part-time mode for workers' convenience. Finally, since the courses were to enhance workers' skill levels, they should cater for the needs of workers who had attained the skills as required by the trade tests or intermediate traec

Action

tests.

As regards the above views, the CITB requested the management to formulate a holistic skills enhancement programme for other trades to be designated according to the criteria and to consider the way to cater for the needs of workers who had attained the skill levels as required by the trade tests and intermediate trade tests as well. Meanwhile, the CITB approved the introduction of the three proposed classes in both part-time mode and full-time mode. In the future, a class mode with greater popularity would be provided subject to feedback. As regards the proposal of CIC to provide allowances to skills enhancement course trainees on top of the allowances from the Development Bureau, the CITB agreed to launch the course first and then to review this later.

SM(ST)

3.6 Receive Report of Sub-committee on Employers Subsidy Scheme

Members noted Paper CIC/CTB/ESS/R/001/10 and that the Sub-committee had approved the maximum quota of 200 subsidies and the related estimated budget of around \$6.65 million for the Apprentice Subsidy Scheme (Trial) in the year 2010.

A Member expressed that the processing time was considered too long, which took more than five months from the date of submitting an application by an apprentice to the date of approval of application for subsidy. Director (Training) said that the application processing time would be reviewed. Meanwhile, a Member, who represented the VTC, expressed that he would help in following up on the time taken by the Office of the Director of Apprenticeship in processing applications for registration of apprenticeship contracts.

SM(ST)

**Dr Lo
(Member)**

Action

After discussion, the CITB accepted the report and recommendations of the Sub-committee, which included the setting of the ceiling of 200 subsidized places and an estimated budget of \$6.65 million. The report and recommendations would be submitted to the Committee on Administration and Finance for consideration. Meanwhile, the CITB agreed that the Sub-committee might also consider making a proposal to the CITB to raise the ceiling as appropriate if the number of applicants ultimately exceeded the upper limit.

SM(ST)

(Dr Lo Kin-ki left the meeting at this juncture.)

3.7 Implementation Details of Providing Fee Subsidy to Workers to take Trade Tests / Specified Training Courses under the ‘Investing in Construction Manpower’ Project

Member noted Paper CIC/CTB/P/025/10. It was noted that the said subsidy would be applicable to trades that had been covered or would be covered by the ‘5-8-1’ scheme whereas every worker would only be granted subsidy for up to a maximum of three attempts under the categories of trade tests, intermediate trade tests and specified training courses respectively. However, the trades for which subsidies were granted under the three categories should be different and the maximum subsidy every worker could receive was \$3,450.

SM(ST)

As regards the grumbling of workers as related by a Member over the different test fees charged for different trades, Director (Training) said that a holistic review on trade test fees would be conducted.

The CITB approved the provision of subsidies to applicants of the seven trades that had been covered by the “5-8-1” scheme, i.e. Timber & Aluminium Formworks, Rigger/ Metal Formwork,

SM(ST)

Action

Bar-bending & Fixing, Drainlaying, Concretor, Site Surveyor and Leveller, as well as candidates of trade tests, intermediate trade tests and specified courses of the trades to be put under the Scheme later. The upper limit on the aggregate amount of subsidy to be received by every worker would be \$3,450.

3.8 Work Plan and Budget Estimates of the Construction Industry Training Board in 2011

Members noted Paper CIC/CTB/P/026/10 and took note that the CITB's aggregate estimated operating expenditure in 2011 would amount to about \$258 million. The total expenditure of CIC will amount to around \$374 million when CIC Secretariat's estimated operating expenditure was added. Meanwhile, the estimated levy income in the next year would be around \$303 million. If other income was added, the aggregate income would be around \$367 million. The estimated deficit in 2011 would then be \$17 million. Members also noted that the estimated amount of \$5.8 million required under phase II of the Enhanced Construction Manpower Training Scheme endorsed earlier would have to be added to the estimates too.

As for the expenditure, Member noted that training expenses would increase by about 20.7% in 2011, which was mainly due to an estimated increase of \$7.4 million in trainee allowances as compared with that in 2010. In addition, publicity and public relation expenses would increase by more than 18.4% in 2011, which would be used in expanding the media expenses for trainee recruitment purposes at an amount of \$4.6 million. Member agreed that there was a need to enhance the recruitment efforts while appropriate utilization of funds and achievement of expected outcomes had to be ensured.

The CITB approved the work plan and budget

Action

estimates of the CITB in 2011. Yet, the estimates would be revised to include the additional expenditure required under phase II of the Enhanced Construction Manpower Training Scheme. The revised estimates would be submitted to the Committee on Administration and Finance for approval.

SM
(Finance)

3.9 Tender Analysis and Recommendation on Procurement of a Brand New Hydraulic Crawler Crane

Members noted Paper CIC/CTB/P/027/10 and that the CICTA had received two tenders in total. However, the Assessment Panel noted in part 1, i.e. technical assessment that one of the tenderers had not submitted most of the required information in its tender document. As such, the tender was assessed as being unsatisfactory and thus its price envelope had not been opened. As for another tenderer, the Assessment Panel approved the acceptance of a tender price of \$4,908,000 for the supply of a Japanese made IHI CCH700EX hydraulic crawler crane after the tenderer had passed the technical assessment. In view of the circumstances, Members had a discussion on whether the assessment procedures had led to the single tender scenario.

A Development Bureau representative who attended the meeting expressed that the case was controversial because only one price envelope was opened. The same representative further indicated that government's tender invitations would normally specify the mandatorily-provided information. In the case where a tenderer was unable to provide such information, its tender would not be considered. However, for non-essential information, it could be provided at a later time subsequent to enquiries. The management expressed that the Assessment Panel

Action

had had a detailed discussion about this. They opined that the tender document had already specified clearly the information which had to be provided mandatorily whereas such tenderer had actually failed to do so.

The CITB agreed to endorse the procurement of a Japanese made IHI CCH700EX hydraulic crawler crane, a commonly used brand in the industry, from Houston Machinery (China) Co. Ltd. at a cost of \$4,908,000. Meanwhile, the CITB proposed to form a working group and invite the Development Bureau to participate to conduct a review of the tender procedure, especially the handling of special circumstances subsequent to tender invitation. The review findings should later be submitted to the CITB for consideration for the management to follow accordingly.

D(T)

3.10 Surrender of a portion of area in Sheung Yuet Road Training Ground to the government for construction of Kowloon Bay Elevated Walkway System

Members noted Paper CIC/CTB/P/028/10 and reiterated that it was not appropriate for the CIC to surrender any training area in response to requests from individual developers that were commercial in nature, unless those requests were made by the government. Members had earlier requested the management to seek clarification over the role of the Lands Department in the surrender and to make it clear that the CIC would only enter into negotiation with relevant government departments concerning surrender of a portion of training ground.

After discussion, the CITB agreed that the CICTA would withdraw its objection to the gazetted construction of the Kowloon Bay Elevated Walkway System as filed after seeking

D(T) &

Action

clarification over the role of government departments in the surrender. After reaching agreement on re-provisioning of facilities and at the request of the Lands Department, the CICTA would then agree to amend the related terms of the short-term tenancy agreement of Sheung Yuet Road Training Ground.

SM(CT)

3.11 Proposal on using surplus advertising budget for 2010 as funding for promotional activities of ‘Enhanced Construction Manpower Training Scheme’

Members noted that the management formally withdrew the paper in view of the uncertainty about the effectiveness of promotion since CICTA’s promotion activities should match the CIC’s overall corporate communications initiatives; and that the consultancy study on target trainees’ opinions on courses carried out earlier was not yet finished.

A Member suggested to get in touch with the MTR Corporation to solicit free posting of promotional advertisements at the busiest MTR stations. However, a Member, who represented the Development Bureau, expressed that the pursuit of this matter by the CICTA with the MTR Corporation should not affect the recruitment efforts of the Enhanced Construction Manpower Training Scheme.

The Director (Training) indicated that the planned promotional activities would continue while the proposal would be followed up with the MTR Corporation as soon as possible.

In addition, a Member suggested that it would be more effective to send delegates to construction sites to promote the training scheme and encourage in-service general labourers to become

Action

skilled workers by undergoing training. Members also discussed the reasons why some workers would prefer working as labourers to becoming semi-skilled or skilled workers through acquisition of trade skills.

3.12 Date of next meeting

To be advised.

**All to
note**

There being no further business, the meeting was closed at 11:25 am.

**CITB Secretariat
October 2010**