CIC/CMT/P/106/08 (for information)

Construction Industry Council

7th Progress Report of Committee on Manpower Training and Development

Purpose

This paper sets out the main points discussed at the 7th Meeting of the Committee on Manpower Training and Development held on 16 October 2008. The record of attendance is given at Annex A.

Progress on Matters Arising from 6th Meeting on 19 August 2008

- 2. Members noted the following
 - (a) the progress of the Manpower Research for the Construction Industry of Hong Kong and the progress of the Study on Development Strategy for Professional Resources of Hong Kong's Construction and Related Engineering Services Sector would be reported under subsequent separate agenda items; and
 - (b) the first draft Code of Conduct for Construction Personnel would be ready in the month of November. It was noted that in drafting the code of conduct, reference had been made to a number of publications by the former Construction Industry Training Authority, the HKSAR Government and two overseas construction organizations. Views on the draft code had been sought by way of a questionnaire to the instructing staff of the Construction Industry Council Training Academy (CICTA) and the draft was well received. Informal discussion with major trade associations, industry leaders and construction industry unions would be made to fine tune the code. Thereafter, the Independent Commission Against Corruption (ICAC) views would be sought before submission to the Committee for consideration. Industry-wide consultation would follow to finalize the code in January 2009.

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Issues Discussed

3. Members discussed the following items –

4th Summary Report of the Steering Group on Manpower Research (Paper MTD/016)

[Professor Tam, Dr. Tong and Mr. Wang of CityU Professional Services Ltd. (CPS) were invited to join the meeting.]

4. The Committee noted that the Steering Group had held its second meeting on 8 October 2008 and a number of further actions were agreed, including (a) the collection of daily reports from the list of private companies; (b) the revision of the Stakeholder List and the questionnaire for stakeholders' interviews; (c) the re-phrasing of two clauses in the Outline Brief in respect of 2 tasks; and (d) the inclusion of a manageable scope of off-site technicians such as draftsmen in the research.

5. The Committee also noted that in relation to the difficulties encountered in collecting daily reports from private companies, efforts were being made to retrieve a number of projects with contract value over 100 million from the construction levy system maintained by the Construction Industry Council (CIC) to match with the records of workers employed during the corresponding period from the database of the Construction Workers Registration Authority (CWRA) for the analysis of CPS. CPS was reminded to adhere to the principle of confidentiality and not to reveal the contract sum of any individual projects. CPS also expressed that over 50% of registered construction workers had registered as Registered General Workers (RGWs) and thus data from CWRA might not tell the trade/true status of the workers and would affect the accuracy of the labour multipliers to be derived. Therefore, Members' assistance in providing the daily reports, deployment records and so on of private projects was still in need to validate the data from CWRA.

6. As regards the trade classification list, the Committee suggested to consider classifying the tradesmen into a number of broad disciplines like

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building works, civil works and decoration/renovation works and to study the mobility of workers from one discipline to another. It was generally felt that workers involved in buildings or renovation works would seldom take up jobs of civil works; and there was greater mobility of workers from buildings works to renovation works and vice versa. The research should attach greater importance to the need to get hold of the current situation or trend of the construction industry.

[The Committee thanked the Project Team from CityU for the presentation.]

Progress Report of the Study on Development Strategy for Professional Resources of Hong Kong's Construction and Related Engineering Services Sector (Paper MTD/017)

7. The Committee noted that the consultant had submitted a revised Interim Report in July 2008 and the initial results indicated that there might be mismatch in both quantity and skill set requirements for some of the construction professionals. The revised Interim Report was endorsed by the Advisory Group of the study at its meeting held on 27 August 2008. The Advisory Group also made a number of comments on the working paper prepared by the consultant on proposed strategies and implementation plans to attract, maintain and nurture professional resources.

8. However, given the current financial turmoil, it was considered prudent to conduct a review of the consultant's findings especially on the anticipated demand on construction manpower. The Committee would be updated of the progress of the review and the proposed strategies and implementation plans later.

9. The Committee also noted that in recent years there was an increased supply of professionals who graduated from overseas and returned to the mainland China. They took up jobs in the construction industry overseas and seemed to be competing with the Hong Kong counterparts. This factor should be considered in assessing the demand of local professionals and the related training needs. It was highlighted that the means to enhance the competitiveness of Hong Kong trained professionals and the technical requirement of overseas markets would be studied too.

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Updated Report by MTRC on the estimated labour resources requirements entailed by coming railway projects (Paper MTD/015)

[Ir Joseph Choi of Mass Transit Railway Corporation Limited (MTRC) was invited to join the meeting.]

10. Ir Choi gave a presentation on the new railway projects resources requirements and put forward a number of recommendations to address the potential shortage of manpower resources entailed by the projects.

11. The Committee noted that the total length of the new rail would be 56 km which would include 25.3 km of Drill & Blast (D&B) tunnel, 16.6 km of Tunnel Boring Machine (TBM) tunnel, 6.4 km of Cut & Cover (C&C) tunnel, 1.9 km Immersed Tube Tunnel (IMT) and 3.2 km viaduct. Besides, the projects would include 17 new stations and 3 new depots. It was forecasted that the total demand for labour would peak in July 2013 with 19,104 construction workers in demand.

12. By comparing the peak requirement for civil labour and E&M labour with figures on registered construction workers from CWRA as at July 2008 and figures on E&M Manpower Survey record from Vocational Training Council respectively, shortages of labour in the civil works were identified in the trades of Shot-firer, Tunnel Worker (miner), Jumbo Drilling Operator, TBM Operator, Locomotive Operator, and Segment Erection Operator; while shortage of labour in E&M trades was found in Piping/Drainage (P/D) works.

13. It was forecasted that the demand for professional/technical resources would peak in July 2013 with 6,834 professional/technical staff in demand. The number of technical staff to be required at peak would be about 2,700 but the availability was unknown. Potential shortages were identified in the fields of Project Director/ Project Manager/ Geotechnical Engineer/ Environmental Engineer/ Blasting Engineer/ Planning Engineer.

14. The Committee expressed that some overseas contractors if awarded the contract would bring in their professional staff from their countries. Therefore, it was necessary to sort out the likely number of imported

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professional staff from the overall demand for professional/technical staff to indicate the demand for local staff. Also, it was desirable to break down those professional staff to be required for the design stage and for the construction stage as some of the design works would be carried out by overseas units of the contractors. Thus, the demand for local professional/technical staff in the said field would have to be adjusted accordingly.

15. The Committee also expressed that based on the preliminary programme of the major railway extension projects, the demand for labour resources would be jacked up from 2011 to 2014 and then would fall significantly afterwards. The peak period was relatively short and might not justify the increase in training provisions to cater for short-term needs. The Committee was of the view that from the angle of manpower training, it would be better to even out the demand for labour resources over a longer period of time.

16. Apart from the railway projects, a number of public works projects were already in the pipeline, and the labour resources would be stretched to the limit. DEVB undertook to coordinate with the related bureau to ensure a more sustainable demand for labour resources in the coming years.

[The Committee thanked Ir Joseph Choi for his presentation.]

Date of next meeting

17. The next meeting would be held on 8 December 2008, subject to confirmation.

Further actions

- 18. The following further actions were agreed
 - (a) the management of Construction Industry Council Training Academy was to submit the draft Code of Conduct for Construction Personnel after seeking the views of Independent Commission Against Corruption for the consideration of the Committee;

- (b) CityU Professional Services Ltd was to follow up the outstanding works and to take note of the views given by the Committee in proceeding with the research;
- (c) Development Bureau would update the Committee of the progress of the consultancy study on Development Strategy for Professional Resources of Hong Kong's Construction and Related Engineering Services Sector in due course; and
- (d) Mass Transit Railway Corporation Ltd was to sort out the likely number of imported professional staff from the overall demand for professional/technical staff to indicate the demand for local staff.

There being no further business, the meeting concluded at 11:25 a.m.

CMTD Secretariat October 2008

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Committee on Manpower Training and Development 7th Meeting held on 16 October 2008 at 9:30 a.m. <u>in Room 1201, Murray Building</u>

Record of Attendance

Present

Ir Billy W.H. Wong	Chairman
Ir Francis S.Y. Bong	
Mr. CHOI Chun-wa	
Ir Peter K.K. Lee	
Mr. TSE Chun-yuen	
Mr. WAN Koon-sun	
Ir C.K. Mak	Permanent Secretary for Development (Works)
Ir Paul K.L. Chong	The Hong Kong Federation of Electrical and Mechanical Contractors
Mr. Donald W.H. Choi	The Hong Kong Institute of Architects
Ir Stephen W.K. Lee	Hong Kong Construction Association
Ir Jimmy L.L. Tse	Hong Kong Construction Association
Mr. Joseph C.K. Tsieh	Hong Kong Marble & Granite Merchants Association

Government Representatives

Ir Jimmy P.M. Chan	Chief	Assistant	Secretary	(Works)6,	Development
	Bureau	1			

Apologies

Mr. NG Koon-kwan

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Mr. CHOW Luen-kiu	Hong	Kong	Construction	Industry	Employees'
	Genera	al Union			
Mr. FAN Yiu-cheung	Union	of Hong	Kong Electrica	l Engineeri	ng Assistants

In Attendance

For agenda item 2

Professor C.M. Tam	CityU Professional Services Ltd.
Dr. Thomas K.L. Tong	CityU Professional Services Ltd.
Mr. Wang Kang	CityU Professional Services Ltd.

For agenda item 4

Ir Joseph K.H. Choi	MTR Corporation Limited
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CIC Secretariat

Ir Christopher To	Executive Director
	Construction Industry Council
Mr. Charles D.Y. Wong	Director (Training) Construction Industry Council
Mrs. Sophie S.Y. Leung	Secretary Committee on Manpower Training and Development
Mrs. Shirley Y.Y. Lam	Assistant Secretary Committee on Manpower Training and Development