

Construction Industry Council

Construction Industry Training Board

Meeting No. 002/14 of the Construction Industry Training Board (CITB) was held on Wednesday, 19 March 2014 at 9 a.m. at Construction Industry Resource Centre, G/F, CIC Kowloon Bay Training Centre, 44 Tai Yip Street, Kowloon Bay, Kowloon, Hong Kong

Present :	Ir PANG Yat-bond, Derrick	Chairman
	Ir HO Ngai-leung, Albert	Member
	Ms HUNG Yee-man	Member
	Sr LAI Yuk-fai, Stephen	Member
	Mr LOK Kwei-sang, Tandy	Member
	Mr NG Kwok-kwan	Member
	Ir SYNN Raymond-cheung	Member
	Mr SZE Kyran	Member
	Prof TAM Chi-ming	Member
	Mr TSE Chun-yuen	Member
	Mr LAM Kai-chung, Albert	Member
	Mr LI Chi-leung	Member
In Attendance:	Ir LAU Chun-kit, Ricky	Ch AS (Works) 6, DEVB
	Mr LAM Shing-tim	AS (Works Policies) 9, DEVB
	Mr WONG Doon-ye, Charles	Director - Training & Development, CIC
	Ir LEUNG Wai-hung, Alex	Deputy Director - Training & Development, CIC
	Ms Katherine TAM	Senior Manager - Finance, CIC
	Mr WONG Chi-lap	Senior Manager - Construction Trade Testing, CIC
	Mr CHU Yin-lin	Senior Manager - Construction Training, CIC
	Mr CHEUNG Yuk-lung	Senior Manager - Development & Support Services, CIC
	Dr Thomas TONG	Chief Research Consultant, CIC
	Mr Robert LAU	Manager - Construction Trade Testing, CIC
	Ms Joyce AU	Manager - Board Services, CIC
	Ms Formula CHEN	Assistant Manager - Board Services, CIC
Apologies :	Mr LAM Ping-hong, Robert	Member
	Mr MAK Tak-ching	Member

Progress Report

Action

2.1 Confirmation of progress report of 1st meeting of Construction Industry Training Board (CITB) in 2014

Members took note of Paper CIC/CTB/R/001/14 and confirmed the Progress Report of the 1st meeting held on 18 February 2014.

2.2 Matters arising from the 1st meeting

2.2.1 Agenda item 1.3.3 –Additional requirements for confirming trainees of joining specified E&M (construction) employer companies

Members noted that Vocational Training Council (VTC) and Hong Kong Federation of Electrical and Mechanical Contractors Limited (HKFEMC) were informed in a meeting on 24 February 2014 of the proposal of three additional requirements and related exemptions for E&M (construction) employer companies under Diploma in Vocational Education Programme (E&M trades) of VTC, and that CIC would inspect and check if the trades trainees practicing in were the specified E&M trades in construction industry.

2.2.2 Agenda item 1.3.9 – Estimates for establishing two outdoor training grounds

This item would be discussed under agenda item 2.5.

2.2.3 Agenda item 1.3.10 – Information on course schedule and waiting time for admission for Enhanced Construction Supervisor / Technician Training Scheme

Information on the above scheme was tabled.

2.2.4 Agenda item 1.3.11 – Progress of Investing in Construction Manpower project and its estimated balance

This item would be discussed under agenda item 2.4.

Action

- 2.2.5 Agenda item 1.4 – Proposal for Co-opted Members in 2014

As there was no arrangement for appointing co-opted member for CITB, it was proposed to invite the three persons to attend CITB meeting as needed, or join the task forces to be set up in due course.

- 2.2.6 Agenda item 1.5.3 – 2014 Hong Kong Youth Skills Competition cum Construction Industry Mega Fun Day

Members noted that the captioned event proposal would be submitted to the coming meeting of Committee on Administration and Finance for endorsement.

- 2.2.7 Agenda item 1.6.2 – E&M training in construction industry

The management would invite comments from representatives of unions regarding the E&M training matters.

- 2.2.8 Agenda item 1.8 – Proposal to enhance training measures for Sub-contractor Cooperative Training Scheme

Members noted that seminars or tea gatherings would be arranged for instructors of participating sub-contractors after the scheme had run for a certain period of time. Statistics and analysis on the drop-out rate of trainees under the Scheme would be discussed under agenda item 2.10.

- 2.2.9 Agenda item 1.10 – Subsidizing E&M trainees under Diploma in Vocational Education Programme in 2013/2014 to take Basic Safety Training Course

Members noted that in compliance with the existing legislation, trainees under 18 years old must meet one of the four requirements as stipulated in the Ordinance if they would undertake site practice on construction sites. Thus, some trainees of the above

Action

course could not practise on construction sites as they were underage and VTC could only apply to CIC for subsidizing trainees who were 18 years old or above to study Basic Safety Training Course. The management suggested VTC seriously consider an apprenticeship contract for its trainees in order to meet the requirements.

- 2.2.10 Agenda item 1.11.2 –Proposal of running three part-time courses

Members noted that CIC was making preparations for introducing the three part-time courses.

- 2.2.11 Agenda item 1.15.5 – Drafting the terms of reference for task forces and inviting Members to join

This item would be discussed under agenda item 2.3.

- 2.2.12 Agenda item 1.16.1 – To explore another vetting method for processing applications of cooperative training schemes

Members noted that the management would explore ways of simplifying the application documents for cooperative training schemes.

- 2.2.13 Agenda item 1.16.3 – Letter from Hong Kong Construction Association (HKCA)

It was noted that the management would first consult the industry on the issue of training more skilled workers and submit to relevant task forces for discussion. After compiling the suggestions, it would be submitted to CITB for consideration.

- 2.2.14 Agenda item 1.16.4 – Revisions of Construction Workers Registration Ordinance

Members noted that the table on the waiting time for trade tests had been tabled and would be submitted to relevant task forces for discussion and recommendations.

- 2.2.15 Agenda item 1.16.5 – Revised public version of

Manpower Research Report (Workers) of Hong Kong Construction Industry

This item would be discussed under agenda item 2.9.

2.3 Structural revamp of working groups under CITB and the terms of reference and membership for four task forces (for discussion)

2.3.1 Members took note of Paper CIC/CTB/P/077/14 and noted the proposed structural revamp of working groups under CITB. Apart from integrating existing working groups / sub-committees, it would also standardize the names of groups under CITB by different levels so that the first level would be generally called “Task Force” while the second level would be “Working Group / Course Advisory Panel”. It was also noted the terms of reference, membership and main duties of the four new task forces that were devised to achieve the future work directions of CITB. The Chairmen of the four task forces would be:

- (i) Task Force on Training – Ir HO Ngai-leung, Albert
- (ii) Task Force on Trade Testing – Mr NG Kwok-kwan
- (iii) Task Force on Contractor Cooperative Training, Apprenticeship Scheme and On-the-job Training – Ir SYNN Raymond-cheung
- (iv) Task Force on Sub-contractor Cooperative Training, E&M Training and Subsidy Scheme – Ir PANG Yat-bond, Derrick

Lists of members of the four Task Forces were appended in Annex Three of the Paper as tabled.

2.3.2 Chairman stated that the establishment of the four task forces was in the hope that the task force members could make specific recommendations in relation to relevant issues after getting a better understanding of the tasks within their terms of reference so that CITB could make swift responses. Chairman continued that there would be four to five members in each task force. Members who still had interest to join the task forces were requested to make

Action

their wish known. Chairman specifically raised that the Chairman of Task Force on Training would also serve as member in Task Force on Trade Testing and vice versa as the functions of the two task forces were related.

- 2.3.3 Regarding a Member's enquiry on whether Task Force on Training could also explore issues on allocation of manpower resources, quality of teaching staff and costs apart from the quality of courses, Chairman replied that the answer was in the affirmative as those issues were closely related to the future work directions of CITB.

2.4 Progress of Investing in Construction Manpower project and the proposed follow-up actions (for discussion)

- 2.4.1 Members took note of Paper CIC/CTB/P/078/14 and noted the progress of the captioned project as of 31 January 2014 and the proposed follow-up actions, which included that CIC would at least maintain the present 8,000 training places per year in the coming three to four years and on the basis of these training places the projection of expenditure for trainees per year using different amount of trainee allowances to make a preliminary financial estimation of the scheme. Members also noted the proposals made by the management for Senior Construction Workers Trade Management Course, Specified Training Course and Skills Enhancement Course.
- 2.4.2 Chairman briefed Members about the funding, training target and estimated date of achieving the target for the six enhancement measures in respect of training and trade testing of CIC given under the item of Investing in Construction Manpower project in Annex One of the Paper. It also mentioned the expenditure on allowance and remaining funds as of the end of 2013. It was particularly highlighted that the funding of \$210 million for the Enhanced Construction Manpower Training Scheme (ECMTS) was expected to be used up around the third quarter to year end of 2014. Thus, CITB had to explore as soon as possible whether such scheme would be continued after all the allowance was used up and in what ways

Action

could the allowance be paid.

- 2.4.3 A Member stated that whether the training scheme was to be continued should be determined by the cost-effectiveness of the scheme, i.e. the number of trainees that would stay in the industry after training. Deputy Director stated that there were various on-going surveys to collect and analyze the situation about graduates dropping out from or staying in the industry. There would be a submission about an employment survey on graduates of Sub-contractor Cooperative Training Scheme in latter agenda item. Chairman supplemented that the purpose of setting up four task forces under CITB was to enhance the training offered by CIC. The most imminent issue was to consider if the present training scheme should be continued. Chairman opined that the industry still needed to attract new entrants through the ECMTS in the short term and it would be the objective of CITB to continue to refine the scheme should its continuation be accepted.

- 2.4.4 After discussion, CITB agreed to allocate the remaining subsidy of around \$2.70 million under Senior Construction Workers Trade Management Course to subsidize the fees of trade tests. However, the amount of subsidy allocated for Specified Training Course and Skills Enhancement Course would remain unchanged.

**Senior
Manager-
Construction
Trade Testing**

2.5 Proposed estimates for establishing two new outdoor training grounds (for discussion)

- 2.5.1 Members took note of Paper CIC/CTB/P/079/14 and noted the estimates for establishing the two plots of land as replacements for the Tin Shui Wai Training Centre to be returned to the Government. The estimates were \$2.65 million for Tin Yuet Road in Tin Shui Wai and \$2.12 million for Kai Fuk Road in Kowloon Bay respectively, making up to \$4.47 million in total. The said estimate was for using environmental-friendly toilets. However, if flushing toilets were used, the total construction estimates could be lowered to \$4.33 million. Members also noted the tenancy period for both of the above plots

Action

of land was three years.

- 2.5.2 CITB accepted the estimates and proposed to request the tenderers to submit two quotations when tendering for construction works at the two lots. One quotation should be for using environmental-friendly toilets while the other should be for using flushing toilets. The quotations should then be submitted to CITB for consideration.

**Senior
Manager-
Construction
Training**

2.6 Revision to the proposed ratio of instructors to trainees for timber formwork under the Contractor Cooperative Training Scheme (CCTS) by Gammon Construction Limited (for discussion)

- 2.6.1 Members took note of Paper CIC/CTB/P/080/14 and noted that Gammon Construction Limited applied for revising the ratio of instructors to trainees previously approved for timber formwork under CCTS, from 1 : 4 to 1 : 15 so as to focus on manpower training. However, the Secretariat recommended the ratio of instructors to trainees be maintained as 1:4 in construction sites. When one of the instructors led 4 trainees to practise on construction site, another instructor should stay in the training ground to supervise the remaining 11 trainees with ratio as 1:11, so the overall ratio of instructors to trainees would be 2:15. If CIC accepted the revision, the training cost per trainee would be reduced by \$12,136.97.

- 2.6.2 Chairman expressed that whether the revised ratio proposed by Gammon would be approved depended crucially on its effect on training outcome. Another Member concerned that other contractors would follow suit if the request was accepted. Director stated that if the contractor could provide a training environment similar to that of CIC, such application could be considered.

- 2.6.3 After discussion, CITB agreed to revise the ratio of instructors to trainees for timber formwork under CCTS proposed by Gammon Construction Ltd.

**Senior
Manager-
Development
& Support**

2.7 Proposal to revise the application mechanism of Plumbing-Contractor Cooperative Training Scheme (for

discussion)

2.7.1 Members took note of Paper CIC/CTB/P/081/14 and noted the proposed revision of eligibility under the application mechanism. Members also accepted second-tier sub-contractors, who were non-members of Hong Kong Plumbing & Sanitary Ware Trade Association Ltd (the Plumbing Association), to submit application for training to CITB through first-tier sub-contractors (members of the Plumbing Association). Members also noted that under the newly proposed mechanism, the Plumbing Association had to supervise the first-tier sub-contractors who then were required to oversee the training provided by the second-tier sub-contractors.

2.7.2 A Member pointed out that the application mechanism involved sub-contracting system. As CIC had issued guidelines on sub-contracting, it should ensure that the proposed revision of application mechanism under Plumbing-Contractor Cooperative Training Scheme was in line with the said guidelines of CIC. Deputy Director stated that it would consider including the related guidelines of CIC when issuing guidance notes to sub-contractors on the matter.

2.7.3 CITB approved revising the application mechanism for Plumbing-Contractor Cooperative Training Scheme.

**Senior
Manager-
Development
& Support**

2.8 Briefing on Construction Industry Council Manpower Forecasting (CICMF) Model Updating and Enhancement Study (for information)

Members took note of Paper CIC/CTB/P/082/14 and noted the background of CICMF Model Updating and Enhancement Study and research methodology for construction workers as well as research methodology for construction professional personnel, non-resident technical personnel and site supervisory personnel.

2.9 First Report on CIC Manpower Forecast (Workers) in 2013 (Special Update in February 2014) (for discussion)

2.9.1 Members took note of Paper CIC/CTB/P/083/14 and

Action

noted that CIC, after discussion with the industry, opined that it was necessary to make use of the latest and more core data to make a simple estimation for the overall manpower situation of construction workers before the completion of second update report. Meanwhile, CIC Manpower Research Team based on the recommendations made in the meeting of Steering Committee on Construction Industry Council Manpower Forecasting Model Updating and Enhancement Study in March 2014 to update and revise items in both Chinese and English versions of the first update report, including (i) the estimated supply of workers and the estimated manpower required to be added for the whole construction industry in the future; and (ii) projected number of workers with trade skills required to be added in coming years. The further updated and revised parts were included in the First Report on CIC Manpower Forecast (Workers) in 2013 (Special Update in February 2014) and its public version was also updated accordingly.

- 2.9.2 CITB accepted the First Report on CIC Manpower Forecast (Workers) in 2013 (Special Update in February 2014) and its public version.

2.10 Progress report on Sub-contractor Cooperative Training Scheme in 2013 and the survey report on employment of graduates (for information)

- 2.10.1 Members took note of Paper CIC/CTB/P/084/14 and noted the statistics on the drop-out and reasons for withdrawal of trainees during the initial training stage and practical site training under Sub-contractor Cooperative Training Scheme as of 25 February 2014. Members also noted the survey on employment of graduates and the reasons of trainees of not continuing to work for their employers who did provide training for them.
- 2.10.2 A Member raised that the main reason for withdrawal was “dissatisfaction with the salary”. Senior Manager – Development & Support stated that arrangements had been made to let trainees in the initial training stage have a better idea of the working

Action

environment after graduation and to have a reasonable expectation of the salary as fresh joiners. Chairman considered that the statistics table in the report could serve as a reference for task forces in reviewing training schemes.

2.11 Progress report of the first meeting of Working Group on Independent Review in 2014 (for information)

Members took note of Paper CIC/CTB/P/085/14 and noted the progress report on the first meeting of the captioned Working Group held in 2014. As regards the proposal of appointing a suitable person to act as a convenor for the Working Group, Chairman suggested inviting the Chairman of Task Force on Training to oversee the work of the Working Group.

[Post-meeting note : Ir HO Ngai-leung, Albert, Chairman of Task Force on Training, accepted serving as the Chairman of Working Group on Independent Review.]

2.12 Any Other Business

2.12.1 Proposal of revised enhancement measures for the framework document for Sub-contractor Cooperative Training Scheme

Members noted that the captioned Paper CIC/CTB/P/070/14 had been accepted by nine Members by circulation. Yet, two Members asked about the relationship between Subcontractor Cooperative Training Scheme (SCTS) and On-the-job Training Scheme (OJTS) as well as the calculation for subsidizing administrative fees of SCTS respectively. Director briefly stated the pledges made by contractors to graduates on employment period and salary under ECMTS. Members of Hong Kong Construction Subcontractors Association participating in SCTS offered the same employment period and salary to trainees based on the mode of ECMTS. To encourage contractors including members of Sub-contractors Association to join the cooperative schemes and provide the necessary on-the-job training for trainees, OJTS was launched under the mode of 6 months (50% of subsidy per month) plus 12 months (a lump-sum of the remaining 50%

Action

subsidy). Thus, there was no direct link between SCTS and OJTS. Yet, sub-contractors participating in SCTS had to make a pledge on employment period and salary regardless of whether they joined OJTS or not. In addition, Sub-contractors Association expressed great support to OJTS and encouraged its members to apply OJTS together with SCTS.

A Member pointed out that his union supported SCTS because OJTS could ensure trainees to continue to receive 6 months' on-the-job training and a subsequent 12-month employment contract after graduation. If the two schemes were not linked now, the drop-out rate of trainees under SCTS would be very serious. Chairman proposed Task Force on Sub-contractor Cooperative Training, E&M Training and Subsidy Scheme to follow up the drop-out of trainees under SCTS and review in the future whether SCTS and OJTS needed to be directly linked or not.

**“Task Force
on
Sub-contractor
Cooperative
Training,
E&M Training
and Subsidy
Scheme”**

For calculation of subsidizing administrative fees under SCTS, Director recapped the paper tabled at the meeting. Members noted that CIC used the present practice in working out the subsidy for administration and supervision for Contractor Cooperative Training Scheme as the basis, in which an average monthly salary of one supervisor (\$21,500 per month) would be subsidized for every group of 40 trainees. Therefore, the total administrative and supervising subsidy for 500 trainees under SCTS for 6 months would be \$1,612,500(\$21,500 per month x 500/40 x 6 months = \$1,612,500). Since the Sub-contractors Association could only take up the administrative duties, the management needed to use the lowest staff costs to estimate the total administrative fee for 500 trainees for 8 months from May to December 2013, which was \$480,000, i.e. \$60,000 per month. A Member representing DEVB pointed out that CITB had to take into account the current training schemes involved different cost of training and faced different levels of trainee drop-out and the like. CIC thus needed to review the training schemes and the contents of enhancement plans from a macro and long-term perspective so as to enhance the cost-effectiveness of training.

Action

- 2.12.2 Proposal of extending Diploma in Vocational Education (DVE) Programme to cover “Higher Diploma Programme” for construction technicians and construction E&M technicians

Members noted that VTC proposed the day before that subsidizing Diploma in Vocational Education Programme had achieved remarkable result. The ratio of trainees staying in the industry by joining apprenticeship training scheme after completion of training in the first year jumped from 40% to 84%. Thus, VTC hoped that CIC could consider extending the subsidy scheme to cover technicians under DVE programme. It was estimated to subsidize around 400 trainees for the said programme initially, and together with the approved subsidized places for E&M programme, the total number of subsidized places would be boosted to around 1,000. The management would project the financial implication to CIC regarding the above proposal and would submit to CITB for consideration in due course.

- 2.12.3 Application for discount for courses by members of Hong Kong Bar-bending Contractors Association Limited

Members noted that the management would like to revise item 1.11.3 in the Progress Report of the last meeting. That item depicted that the Bar-bending Contractors Association requested that trainees referred by it could get a 20% discount for taking courses, which not only referred to Preparation of Bar Bending Schedule Course but also referred to other trade supervision courses. However, CIC would not offer discount for its part-time courses unless there was a special reason from the industry. The said revision was accepted by Members.

- 2.12.4 Table on the estimated waiting time for Full-time Adult Short Courses

Concerning the captioned table presented in the meeting, a Member opined that waiting time for some courses was too long. Thus, it was hoped that CIC

Action

could propose improvement measures and follow-up actions. Director stated that the table had listed the reasons for long waiting time for some courses and also the corresponding coping measures at present. Detailed arrangement would be submitted to relevant task forces for discussion.

2.13 There being no other business, the meeting was adjourned at 10:45 a.m.

**CIC Secretariat
March 2014**