

Construction Industry Council

Committee on Manpower Training and Development

The 4th Meeting of the Committee on Manpower Training and Development was held on Monday, 21 December 2009 at 2:30 pm at Conference Room, Level 7, CICTA Management Training and Trade Testing Centre, 95 Yue Kwong Road, Aberdeen, Hong Kong.

Present: Ir Billy WONG Chairman
Ir Peter K K LEE
Mr. CHOI Chun-wa
Mr. TSE Chun-yuen
Mr. WAN Koon-sun
Ms. Charmaine Wong

In Attendance: Ir Jimmy Chan CAS(Works)6, Development Bureau
Mr. S T LAM Deputy Director of Buildings,
Buildings Dept
Ir James Chan Assistant Director, Highways Dept
Mr. Charles WONG Director (Training), CIC
Mrs. Sophie LEUNG Secretary, CICTA, CIC
Mrs. Shirley LAM Assistant Secretary, CICTA, CIC
Ms. Kaman LEE Assistant Secretary, CICTA, CIC

Attend part of the meeting :
Prof. C M TAM CityU Professional Services (CPS) Ltd
Dr. Thomas TONG CityU Professional Services (CPS) Ltd
Mr. C P SING CityU Professional Services (CPS) Ltd

Apologies: Ir Francis BONG

PROGRESS REPORT

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4.1 Confirmation of the Progress Report of the 3rd Meeting held in 2009

Members took note of Paper CIC/MTD/R/003/09 and confirmed the progress report of the 3rd meeting held on 8 October 2009 at the

CICTA Management Training and Trade Testing Centre in Aberdeen.

4.2 **Matters Arising from the 3rd meeting of 2009**

4.2.1 Agenda items 1.6(a) Revised Draft Final Report of Manpower Research and the Reports of the 3 Variation tasks

Members noted that the revised draft final report of Manpower Research would be discussed under agenda item 1.3 of this meeting, and that the reports of the 3 variation tasks would be submitted later.

4.2.2 Agenda item 1.6(b) Work Plan for the Year 2010

Members noted that the work plan for the year 2010 had been revised according to Members' comments, and the revised work plan had also been forwarded to the Construction Industry Council (CIC) for information.

4.2.3 Agenda item 1.6(c) Code of Conduct for Personnel in the Construction Industry

To be discussed under agenda item 1.5 of this meeting.

4.2.4 Agenda item 1.6(d) Tender for consultancy study of definition and scope of duties of site supervisors

Members noted that the tender proposals were being reviewed by the Assessment Panel. It was expected that the tender analysis report would be completed by end-2009.

[Prof. C.M. Tam and his team were invited to join the meeting at this juncture.]

4.3 Revised Draft Executive Summary and Draft Final Report on Manpower Research

- 4.3.1 Prof. Tam summarized in a presentation the gist of the Revised Draft Executive Summary and Draft Final Report on Manpower Research as set out in Paper CIC/MTD/P/012/09.
- 4.3.2 Prof. Tam explained that the main objectives were to develop a sustainable manpower planning system and by making use of “labour multipliers”, econometric models, time series modeling, to assess the demand and supply of manpower for the construction industry for the years 2009 to 2013. It was also assumed that a worker in private, building works would work 141.7 to 177.9 days per year whereas a worker in public, civil engineering and tunnel works would work 214 days per year.
- 4.3.3 It was explained that CPS had developed 6 economic scenarios based on the historical economic data of Hong Kong and also the L-shaped rebound conditions experienced by Japan recently. However, a user of the CIC Manpower Forecast (hereafter CICMF) Demand Model could create an appropriate economic scenario, input the yearly capital works reserve funds and the splits in percentage of various types of public works and also the planned expenditure of quasi-government works (e.g. MTRC), then the demand of the workers for a particular set of conditions could be forecast.
- 4.3.4 For the purpose of the final report, Prof. Tam had worked out the manpower demand from 2009 to 2013 under 3 scenarios, i.e. the optimistic, pessimistic and a selected scenario which likely represented the current economic situation of Hong Kong. Members noted that under the selected scenario, demand of workers was 108,900 in 2009, which would rise to 121,800 in 2012 and drop to 121,100 in

2013. The demand for supervisors would be 15,100 in 2009, which would also rise to 16,200 in both 2011 and 2012, and then drop slightly to 16,100 in 2013.

- 4.3.5 It was highlighted that the demand model's forecast was reliable, except for RMAA works due to the lack of database of workers engaged in this field. Also there were limitations due to the existence of invalid trades which had too few workers in the category and the accuracy of data from other institutions.
- 4.3.6 The concept of inactive workers under the CICMF Supply Model was elaborated. After screening out the inactive workers who worked less than 30 days in the past 12 months, there are about 170,000 workers working in the industry and amongst them, about 60,000 should be general workers who are highly mobile.
- 4.3.7 As regards the CICMF Supply Model, the forecast supply of workers would be about 197,000 in 2009, which would drop to about 186,700 in 2013. The supply of supervisors/ technicians was forecast to be 15,600 in 2009 which would increase to 16,400 in 2013. Prof. Tam explained that they made efforts to study the age profile and the genuine skill levels of the workers who registered themselves as the general workers. It was found that over 50% of the workers were above the age of 45 and in 10 years time, a significant percentage of workers would retire.
- 4.3.8 Prof. Tam suggested that the skilled workers should receive a comparatively higher pay whereas the general workers may earn a lower salary and this might explain the higher mobility of the latter. It was suggested that more information could be retrieved from the database of Construction Workers Registration Authority (CWRA) and to analyse if the inactive workers only worked a few days in

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each month or one or 2 months in a year.

4.3.9 Members noted that there would be surplus of workers in some trades whereas in other trades, there would be a shortage of labour and also the skills mismatch problem. CPS thus proposed the following training strategies:

- A. Collaborative on-the-job training;
- B. Provision of more attractive training allowance;
- C. Special designated course for ethnic minorities and new immigrants and
- D. Flexible training arrangement.

4.3.10 In view of an increasing demand in highway maintenance work, Members recommended that the CICTA could consider collaborating with the Highways Department to provide training specifically for highway maintenance. Similar arrangements should also be pursued for other Works Departments so that specific maintenance teams would be built up in time. Furthermore, the Chairman also suggested that CICTA should liaise with MTRC to find out the construction manpower demand in maintenance of the railway and whether there was any scope for collaboration.

CICTA

4.3.11 The CPS suggested that the demand and supply of supervisors should be more or less balance from 2009 to 2013. However, the government representative reflected that the industry stakeholders were of the view that there were inadequate supervisors and technicians. The CICTA was advised to consult the relevant associations.

4.3.12 Members raised the following comments for further deliberations:

- A. Solutions should be worked out to solve the aging problem of certain trades;
- B. Training should be conceived to train up the non-skilled

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general workers to become skilled workers;

- C. If there were surplus of workers according to findings of CPS in the years, services or training might have to be considered to enhance their employability.

- 4.3.13 After further deliberations, Members agreed to accept the Revised Draft Executive Summary and Draft Final Report on Manpower Research. The reports would be submitted to CIC for endorsement. **D(T)**

[Mr. CHOI Chun-wa, Prof. C.M. Tam and his team left at this juncture.]

4.4 Revised Terms of Reference of the Committee on Manpower Training and Development

Members took note of Paper CIC/MTD/P/010/09 and recommended that the revised Terms of Reference of the Committee on Manpower Training and Development should be forwarded to CIC for endorsement. **D(T)**

4.5 Code of Conduct for Personnel in the Construction Industry and its Communication Plan

4.5.1 Members took note of Paper CIC/MTD/P/013/09 and accepted the finalized content of the Code of Conduct for Personnel in the Construction Industry. The finalized Code, the linguistics of which had been refined by a Professor in Translation, would be submitted to CIC in early 2010 for endorsement. **D(T)**

4.5.2 Members also noted the proposed budget for the promotion of the Code, and agreed to forward the funding proposal of \$116,000 for the year 2010 to the Committee on Administration and Finance for approval. **D(T)**

4.6 Any Other Business

Whilst it was the last meeting of the Committee for the current term, the Chairman took the opportunity to thank all Members for their participation and support to the Committee in the past two years. In concluding the work of the Committee in these two years, the Chairman highlighted that the successful completion of the Manpower Research was the milestone for the local construction industry because it was the first of its kind, and that it would serve as a foundation for further deliberation and formulation of the manpower development and training strategies.

4.7 Further actions to be taken by CMTD are as follows:

- (a) To submit the reports of the 3 variation tasks on Manpower Research.
- (b) To submit the revised terms of reference of the Committee on Manpower Training and Development to CIC for endorsement.
- (c) To forward the finalized content of the Code of Conduct for Personnel in the Construction Industry to CIC for endorsement, and to solicit funding of \$116,000 for promoting the Code in 2010 from the Committee on Administration and Finance.
- (d) To report the progress of the tender regarding the consultancy study on site supervisors.

4.8 There being no further business, the meeting was adjourned at 4:00 pm.

CMTD Secretariat
December 2009