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CIC/CMT /P/020/10 (For information)

Construction Industry Council

Construction Industry Training Board

The Special Meeting of the Construction Industry Training Board was held on Friday, 26 March 2010 at 10:00 am at 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

Ir Thomas Ho Ir Helen Kwan

Mr Lai Yuk-fai, Stephen

Mr Enoch Lam Dr Lo Kin-ki

Mr Lok Kwei-sang, Tandy

Mr Jimmy Tse

In Attendance: Ms WONG Hoi Wan, Principal Assistant Secretary (Works) 1,

Charmaine DEVB

Ir Jimmy Chan Chief Assistant Secretary (Works) 6,

DEVB

Mr Charles Wong Director (Training), CIC

Mr Wong Chi-lap Senior Manager (ST), CICTA
Mr Chu Yin-lin Senior Manager (CT), CICTA

Mrs Sophie Leung Secretary, CITB

Mrs Shirley Lam Assistant Secretary, CITB

Apologies: Mr Cheung Tak-hing

Mr Donald Choi Ir Poon Lok-to, Otto

Mr S H Tso

Summary Report

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1. Objectives of the Special Meeting

The Chairman briefed Members on the background of the special meeting. In the 2010/2011 Budget announced lately on 24 February 2010, one hundred million dollars was proposed to be earmarked by the HKSAR government for enhancing local construction manpower in conjunction with the Construction Industry Council. The proposal was already endorsed at the CIC meeting held on the same day. The objectives of this special meeting were to deliberate on the way to put the Budget proposals into actions by the CIC and the relevant implementation measures.

2. Proposals to enhance the local construction resources and the implementation measures

- 2.1 Members noted the newly revised proposals tabled (Paper CIC/CTB/P/009/10 Revised) and took note of the CICTA's corresponding strategies concerning the Budget proposal, which include consulting the industry to ascertain the trades that faced labour shortage, aging problem and recruitment difficulties after having consolidated data from the Construction Research Report being prepared by the CityU Professional Services Limited, and projecting the labour demand for However, these strategies would take those trades. time to develop and therefore it was suggested that an initial target was to be set for the first half of 2010/11 training year. Afterwards, data analysis would be conducted and discussions with the industry would alongside with the implementation continue incrementally measures till all measure successfully launched.
- 2.2 Members then discussed the proposal one by one:

2.2.1 A1-Training proposal of "5-8-1" for the first six months

D(T) suggested to include four trades, i.e. Timber Formwork, Metal Formwork, Bar Bender and Fixer, and Drainlayer with 300 places in total, in the "5-8-1" training scheme for the period from September 2010 to February 2011. A Member enquired about the source of the data collected concerning manpower demand of specific trades and their accuracy since any mismatch between training capacity and actual demand would boost the unemployment rate of a specific trade. Benders was quoted as an example. Member noticed that the employment situation of the trade was currently not so optimistic. Experienced workers might be displaced if more workers were to be trained. However, another Member pointed out that there was aging problem in the trade and these experienced workers would leave the trade gradually, which called for prompt replenishment. In addition, a Member opined that analysis of data in hand had to be done carefully to identify trades that faced serious problem or trainee recruitment aging difficulties for inclusion in the Scheme and there was a need to determine appropriate training capacities for each trade.

Meanwhile, a Member agreed that the training scheme could be put on trial first and subsequently be revised as appropriate since the proposed training capacities was small, i.e. around one third of the anticipated manpower demand for the relevant trades, and the figure

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was just a target figure.

The Chairman pointed out that much manpower would be required for the upcoming infrastructure projects. The essence of the issue was the synchronization of the launch of the training scheme with the manpower demand at different stages of the projects to ensure that the trained personnel could be absorbed by the market. If so, impacts on current workers' livelihoods due to the earlier-than-expected provision of trained personnel could then be avoided. The Chairman opined that flexibility should be given to the CICTA in determining the implementation date of the training scheme. At the current stage, close communication with the industry should be maintained and the launch date be adjusted as required after having considered the above opinions of Members.

In addition, the Chairman also pointed out that the provision of a monthly training allowance of \$5,000 by the government to trainees undertaking relevant training under the "5-8-1" Scheme in the CICTA should not be difficult to implement. However, the arrangement of the employment of trainees completing training by employer participants at a monthly salary of not less than \$8,000 and then at an increased monthly salary of not less than \$10,000 six months thereafter would need to be further discussed amongst the Development Bureau, trade associations and contractors before implementation. The assurance of getting monthly-paid employment and of receiving a specified amount of salary would

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be the keys for the success of the Scheme. The Chairman specifically pointed out that a number of issues had to be sorted out by relevant parties before the introduction of the Scheme since workers in the said four trades were currently paid daily in most cases.

A Member representing the government indicated that the Development Bureau had commenced discussions with the CIC and the industry about the implementation arrangements of the "5-8-1" training scheme so as to ensure that trainees who had completed relevant training were able to get employed at "8-1" monthly salaries as stated in the scheme. The Member concerned also briefly explained the prerequisites for a trade to be selected for inclusion in the Scheme and was in favour of training a smaller number of trainees to ensure that the employment opportunities of existing workers would be unaffected since the optimal timing to launch the Scheme would be hard to predict at the In addition, the training current stage. scheme was only one of the constituent parts of the proposal to strengthen manpower and foster better culture in the construction The HKSAR government had other industry. measures to enhance the quality of site management as a whole, including improvement of site safety, environment and operating environment as well as the supply of uniforms to site personnel.

The Chairman concluded that the CITB accepted the training proposal of the "5-8-1" Scheme for the first six months in principle. However, the CICTA was required to set the

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capacity of the Scheme and the launch date with care as well as to follow up on the implementation arrangements of the post-training "8-1" stages with various relevant parties.

2.3 <u>A2 – Advanced course for experienced construction</u> workers

Concerning the provision of advanced course for experienced workers, a Member opined that specified management skills in a trade, e.g. skills in deciding on the quantity of materials required for bar fixing and timber formwork erection, should be included in addition to general training in deployment of staff and management of materials. In addition, a Member pointed out that verbal communication and emotional quotient training should also be strengthened on top of the training for the advancement of technical skills. Moreover, a Member suggested that the CICTA should consider the ways to attract its target trainees for course enrolment and the modes of study for this course.

The CITB agreed to the proposal of providing this advanced course, which aim to equip skilled craftsmen possessing trade tested qualification for possible promotion to junior supervisors (loosely equivalent to the so-called 'administrators' in the industry), and instructed the CICTA to revise course contents according to the views of Members. The CITB also agreed to follow up on and implement the proposal of creating a promotion path leading to the job of a Technically Competent Person (TCP) Grade T1 as recognized by the Buildings Department through enrolment onto the TCP T1 training courses subsequent to the completion of the advanced course and accumulation of industry experience as stated in Annex 2 of the Paper.

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2.4 <u>A3 — Allowances for construction supervisor/</u> technician courses

Concerning the supervisor courses, new suggested that trainees would receive full-time basic training in the CICTA in the first nine months, during which a daily allowance of \$150 would be given. Afterwards, the employers would provide on-the-job training and would commit themselves to release trainees to take part-time day-release courses during A Member opined that it was the same period. necessary to consider carefully the impact of the new courses on the existing two-year supervisor courses. As for the proposed direction of having the training periods in the CICTA curtailed and on-the-job training periods for trainees on construction sites extended while the actual training periods of the new courses would remain at two years, a Member expressed that it was worth further deliberation. Meanwhile, a Member opined that it was necessary to secure commitment from employers before the launch of the courses to provide the required on-the-job training to enrolled trainees and to employ them after course completion.

As regards the idea of keeping the current supervisors courses, which would be replaced by the new supervisor courses gradually, in the initial period of the launch of the new one, a government representative pointed out that the proposal to provide a daily training allowance of \$150 to trainees of supervisor/technician courses by the government in order to attract more trainees was made on the premise that the capacity of the existing supervisor courses would not be affected. In this regard, a Member indicated that the proposal just presented revisions to the course outlines and no reduction of training capacity was involved. A

Member pointed out that trainees who completed the new supervisor courses should be able to display reasonable level of competence in discharging the duties of relevant positions.

The CITB agreed that the CICTA could continue to develop the new courses taking into consideration the opinions given by Members.

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2.5 <u>A4 — Trade test subsidies — Trade tests for specified trades</u>

After discussion, the CITB agreed to provide a trade test subsidy of not more than \$500 per entry for candidates taking the trade tests in one of the four trades covered by the "5-8-1" Scheme in the first six months of the 2010/11 training year. It was expected that the number of candidates would be around 300 and the subsidy would be provided on first-come-first-served basis. A Member opined that the trade test subsidies should not only be made available to trades that faced serious aging problem or recruitment difficulties. Instead, they should be extended to cover the civil trades under the prevailing Contractors Cooperative Scheme run by the CICTA and contractors since the trades concerned also faced manpower shortage problem. A Member representing the government indicated that other individual trades might be considered later.

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2.6 <u>A4 — Trade test subsidies — Skills enhancement</u> courses

The CITB agreed that after consultation with industry practitioners, the two principles, i.e. trades with manpower shortage and trades with relatively low trade test passing rates, would be used in determining the trades that needed skills enhancement courses.

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2.7 A4 — Allowances for specified training course

The CITB agreed to provide, as the first step, a course fee allowance of not more than \$500 per entry for trainees of specified training courses of the four trades under the "5-8-1" Scheme in the first six months. Meanwhile, the trades and the training capacities would be set carefully after consultation with industry practitioners. It was expected that the capacity would be around 200 in the first six months and the allowances would be allocated on a first-come-first-served basis.

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In addition, a Member pointed out that some government contracts nowadays specified that 80% of workers who worked on a government construction site should possess Trade Test certificates while the remaining 20% should hold Intermediate Trade Test certificates. As such, apprentices who did not obtain Intermediate Trade Test certificates were not allowed to enter the sites for work. Meanwhile, some workers expressed that the wage of a worker who obtained his craftsmanship qualification through the attendance of a specified training course was lower than that of a worker who obtained his craftsmanship qualification by passing a trade test. Further, some government departments reportedly did not accept the inclusion of workers who obtained their craftsmanship qualifications by completion of specified training courses in 80% requirement concerning craftsmanship qualification holders. As such, Development Bureau was requested to reflect this to the relevant departments and to follow up. Representatives from the Development clarified that anyone who possessed craftsmanship qualification would be accepted as in compliance with the terms of the contracts and employers might,

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nevertheless, choose to hire workers who obtained the qualification by passing a trade test. The Chairman indicated that it was more appropriate to allow the Construction Workers Registration Authority to discuss the recognition of craftsmanship qualification obtained by completion of specified training courses. In addition, attention should also be drawn to the regulations on workers' entry to construction sites for work when the "5-8-1" training scheme was implemented.

2.8 <u>Training Resources in the First Six Months of the "5-8-1" Training Scheme</u>

Members opined that it was necessary to evaluate again the budget of \$4.25 million as training resources for the first six months of the "5-8-1" Scheme because it seemed to be on the high side. Meanwhile, the CICTA was requested to give more details of the actual expenditure since the current figures given was only a rough estimate. The revised budget could be submitted to the CITB for consideration by circulation of papers.

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3. Any Other Business

D(T) informed Members of the visit of the Secretary for Development to Tin Shui Wai Training Centre scheduled for **All to note** 29 March 2010, and invited all to attend the event.

There being no further business, the meeting was closed at 11:35 am.

CITB Secretariat April 2010