



## FOR IMMEDIATE RELEASE

### **Reallocation of Construction Industry Levy under Construction Industry Council Ordinance (Cap 587)**

Hong Kong • 30 July 2012 – The Construction Industry Council (CIC) announced today that the Legislative Council (LegCo) has passed a resolution on 17 July 2012 to raise the levy rate under the CIC Ordinance (Cap 587) from 0.4% of the value of the construction operations concerned to 0.5%.

LegCo also passed a resolution to lower the levy rate under the Pneumoconiosis & Mesothelioma (Compensation) Ordinance imposed on construction operations and quarry products by 0.1% from 0.25% to 0.15%.

The two amendments result in no change to the overall combined construction industry levy rate of the above two ordinances.

The additional resources received following the increase under the CIC Ordinance portion will be used in the following ways:

- Improving construction safety and workers' health and welfare
- Expanding the existing scope of the Contractor Cooperative Training Scheme (CCTS)
- Supporting research and development studies to develop innovative construction methods and good practices to improve safety and efficiency
- Promotion of sustainable and green buildings in Hong Kong
- Funding the strategic development and operations of the CIC and its training academy/trade testing centres

The two resolutions were gazetted on 20 July 2012 and will come into effect on 20 August 2012. Construction operations that have already commenced or for which a tender has been submitted before 20 August 2012 will not be affected.

## **Background**

Before the amalgamation of the CIC and the former Construction Industry Training Authority (CITA) on 1 January 2008, a levy, known as Construction Industry Levy (CIL), was collected by the CITA under the provisions of the Industrial Training (Construction Industry) Ordinance (Cap 317) (ITCIO) on construction operations carried out in Hong Kong. Upon the amalgamation, the CIL is now collected by the CIC under the provisions of the CIC Ordinance. Under the CIC Ordinance, a contractor is liable to pay a levy to the CIC for any construction operations carried out in Hong Kong territory and with a total value exceeding HK\$1 million.

For enquiries, please contact the Levy Section of the CIC's Finance Department on telephone 2100 9200 or email at [levy@hkcic.org](mailto:levy@hkcic.org) for assistance.

## **About the Construction Industry Council**

The Construction Industry Council (CIC) was formed on 1 February 2007 under the Construction Industry Council Ordinance Cap. 587. The CIC consists of a chairman and 24 members representing various sectors of the industry including employers, professionals, academics, contractors, workers, independent persons and Government officials.

The main functions of the CIC are to forge consensus on long-term strategic issues, convey the industry's needs and aspirations to Government, as well as provide a communication channel for Government to solicit advice on all construction-related matters.

To learn more about the CIC, please visit website <[www.hkcic.org](http://www.hkcic.org)> for further details.

## **Media Enquiries**

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