

Bills Committee on Construction Industry Council (No.2) Bill

**Administration's Responses to Follow-up Actions
Arising from Discussions at the 12th Meeting on 14 July 2005**

	Follow-up actions	Administration's responses
(1)	To provide a breakdown of the value of construction works by the public and private sectors from 2002 to 2004 and the estimated value from 2005 to 2010. Please specify the value of construction works undertaken by the Hong Kong Housing Authority (HKHA) during the relevant period.	<p>The estimated total value of construction works commenced from 2002 to 2004 in the public and private sector projects are \$78 billion and \$99 billion respectively. These figures have been collated based on reports filed by contractors and authorized persons direct to the Construction Industry Training Authority (CITA) but do not capture minor works with a contract sum of less than \$1 million that fall outside the scope of leviable construction activities. A further breakdown in respect of public housing projects is unavailable.</p> <p>After a careful analysis of historical trends in the past few years, CITA has made a prudent projection that the total value of construction works subject to industry levy commencing from 2005 to 2010 will remain at around \$40 billion per annum.</p>
(2)	To provide a breakdown of the levy income from public and private construction works from 2002 to 2004 and the estimated value from 2005 to 2010.	From 2002 to 2004, CITA has received a levy income of some \$279 million and \$461 million from public and private sector projects respectively. In line with its projection of total construction works at \$40 billion per annum, \$1,011 million of levy income is projected up to 2010.

(3)	To provide the salary structure of CITA.	CITA has in place a salary structure for its 16 executives and 493 teaching/supporting staff, taking up 10% and 90% of the total personal emoluments for June 2005 respectively. Upon implementation of various measures to reduce operating expenditure including a lower pay scale for new recruits joining after mid-1999, the staff costs has been trimmed by 14% in the past three years.
(4)	To provide a written reply to the letter from Hon Cheung Man-kwong dated 11 July 2005.	We have provided a written reply under separate cover.