臨時建造業統籌委員會

Provisional Construction Industry Co-ordination Board

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8th December 2004

Clerk to Bills Committee
Legislative Council Secretariat
3/F Citibank Tower
3 Garden Road
Hong Kong
(Fax: 2869-6794)

Attn.: Ms. Sarah Yuen

Dear Ms. Yuen,

Construction Industry Council (No.2) Bill

Following my letter of 30th November and appearance before the Bills Committee on Thursday, 2nd December, I would like to put forward this supplementary submission on behalf of the PCICB.

At the Panel Meeting I tried to bring out a number of points:

- 1. Firstly, in formulating the briefing paper for the legal draftsman, the PCICB had wished to reflect the following philosophy:
 - It was necessary to have a flexible structure for the CIC and not one which was formulaic and specific to individual interests at a certain point in time. The purpose of the CIC is to generate self-improvement and change in the construction industry and it is necessary that the structure of the Council itself should also be able to adapt to change. Hong Kong is now a maturing city with excess capacity in its construction sector and limited opportunities; it must therefore develop excellence in the field in order to create an export market for its services.
 - The statutory form has been broadly modelled on similar statutory bodies in Hong Kong and similar construction industry forums in jurisdictions such as U.K., Australia and Singapore. In essence, the functions of the Council will be advisory in many areas, specifically the field of legislation, but have executive functions in other areas such as training, registration processes, setting standards, research and development, etc.

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- In order to provide both continuity and fresh blood, the appointment of members is essentially limited to two terms with a phased cycle to allow new members to join and assimilate without disrupting ongoing processes.
- 2. In considering the composition of the Board, the following points were considered relevant:
 - It should be large enough to achieve broad representation but not so large as to be unwicldy.
 - The principal sectors viz. employers, consultants, contractors and labour to be properly represented but with no one party dominant.
 - The relatively smooth functioning of the PCICB itself offered a good model on which to broadly base the composition.
 - Membership should be via appointment by Government on an ad personam basis
 after appropriate consultation with the institutes, trade associations and unions
 relevant to each sector.
- 3. The concept of specific representation for certain institues or associations was discussed at length especially following submissions made during the consultation period, but this idea was considered inappropriate for the following reasons:
 - The industry is based on an outsourcing model requiring specialist skills in many different areas; this model does not naturally build team spirit, to the contrary, it often creates adversial relationships, inter-party disputes and a culture of blame. There is an overriding need to overcome this challenge and foster the spirit of partnership in the interest of all parties from employers to onsite labour. This spirit will not be achieved by adopting rigid, formulaic appointments when members need to look beyond the interests of their own specific profession or sector towards the greater good of the industry as a whole.
 - If a rigid, sector specific approach were taken, it is not clear who should be included and who would, of necessity, be excluded. With my previous submission, I attached a non-exhaustive list of some 59 organisations associated with the construction industry. Selection of a limited number of these organizations to appoint members who would ostensibly represent the industry, invites politicisation of the Council which PCICB believes would not be in the best interests of the CIC; its energy should be focused on engendering change and improvement to the industry as a whole. It would mark the beginning of a slippery slope from which there may be no return.

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• Thirdly, I made the point that, whilst appointment by Government on an ad personam basis may not be perfect, it did provide a reasonable means to achieve a proper balance on the Council, a degree of flexibility essential to the functioning of the Council and an adaptable procedure that would allow replacement of Council members who were considered to have contributed little to the debate.

Finally, I wish to assure Bills Committee members that the principles underlying the CIC bill have been thoroughly debated and endorsed by the Working Group formed to lay the groundwork for the legislation and by the full PCICB itself. It is acknowledged that not every submission that has been made during the consultation period has been incorporated, especially on the issue of representation for specific institutes or trade associations but this point was not ignored by the PCICB, rather it was considered not to be the best means of proceeding in the interest of achieving overall balance in the structure and operation of the CIC.

I hope these supplementary comments assist members in their deliberation of this Bill which is of great importance to and supported by the construction industry.

Keith Kerr

Chairman
Provisional Construction Industry Co-ordination Board

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