

## **LEGISLATIVE COUNCIL BRIEF**

### **Construction Industry Council Ordinance (Amendment of Schedule 2) Order 2011**

#### **INTRODUCTION**

This brief explains the main provisions in the Construction Industry Council Ordinance (Amendment of Schedule 2) Order 2011 (the Order). The Order serves to make amendments to Schedule 2 to the Construction Industry Council Ordinance (Cap. 587) (CICO), in order to update the list of specified bodies that may make nominations in relation to the appointment of members of the Construction Industry Council (CIC) by the Secretary for Development under section 9 of the CICO. A copy of the Order is attached at Annex A for Members' information.

A

#### **BACKGROUND**

2. The CICO was enacted on 24 May 2006. Pursuant to section 9, of the 21 non-official members appointed by the Secretary for Development (the Secretary) –

- (a) not more than 4 are to be persons who represent employers;
- (b) not more than 4 are to be persons who represent professionals or consultants connected with the construction industry;
- (c) not more than 5 are to be persons who represent contractors, subcontractors, materials suppliers or equipment suppliers in the construction industry;
- (d) not more than 2 are to be persons who represent training institutes or academic or research institutions connected with the

construction industry;

- (e) not more than 3 are to be persons who are from trade unions representing workers employed in the construction industry that are registered under the Trade Unions Ordinance (Cap. 332); and
- (f) not more than 3 are to be such other persons as the Secretary thinks fit to be members of the Council.

When appointing a member referred to in (a), (b), (c) or (e) above, the Secretary shall have regard to any nominations made for the purposes of such appointment by any one or more of the specified bodies as set out in Schedule 2 to the CICO (at Annex B).

B

3. The following developments since the enactment of the CICO have taken place in respect of the specified bodies listed in Schedule 2 –

- (a) On 2 December 2007, the Rail Merger Ordinance came into effect. It expressly empowered Kowloon-Canton Railway Corporation (KCRC) to grant a service concession to MTR Corporation Limited (MTRCL) and expanded the scope of MTRCL's franchise to enable it to take up the operation of KCRC's transport services. After the rail merger, KCRC has become primarily an asset holding corporation with minimal number of employees. In this connection, KCRC is considered not appropriate to remain as one of the specified bodies in Part 1 (Employers) under Schedule 2 to the CICO.
- (b) Currently, included in the list of specified bodies in Part 3 (Contractors, Subcontractors, Materials Suppliers and Equipment Suppliers) under Schedule 2 to the CICO are The Association of Plastering Sub-contractors Limited (APSC), the Hong Kong Bar-bending Contractors Association, Limited (HKBCA), the Hong Kong & Kowloon Scaffolders General Merchants Association Limited (HKKSGMA) and The Hong Kong Marble & Granite Merchants Association, Limited (HKMGMA), but not their trade federation, that is the Hong Kong Construction Sub-contractors Association Limited (HKCSA). According to the selection criteria of nominating organisations, trade

federations rather than their member associations should be selected, where appropriate. By way of background, the HKCSA was not included in the list because by the time the list of specified bodies under Schedule 2 to CICO was finalised in early 2005, HKCSA, established only in 2003, could not meet the selection criteria that nominating organisations had to be legal entities incorporated in Hong Kong or labour unions registered under the Trade Unions Ordinance (Cap.332) for a minimum period of four years. By now, the HKCSA has been established for over seven years and it should be able to replace its member associations as one of the specified bodies in Part 3 (Contractors, Subcontractors, Materials Suppliers and Equipment Suppliers) under Schedule 2 to the CICO.

- (c) Similarly, the Hong Kong and Kowloon Electrical Engineering and Appliances Trade Workers Union (HKKEEATWU) and the Union of Hong Kong Electrical Engineering Assistants<sup>1</sup> (UHKEEA) are included in the list of specified bodies in Part 4 (Trade Unions) under Schedule 2 to the CICO. However, both HKKEEATWU and UHKEEA are member associations of The Federation of Hong Kong Electrical and Mechanical Industries Trade Unions (FHKEMITU). Again, since FHKEMITU was established in July 2001 and when the list of specified bodies under Schedule 2 to CICO was finalised in early 2005, FHKEMITU could not meet the selection criteria that nominating organisations had to be registered under the Trade Unions Ordinance (Cap.332) for a minimum period of four years. By now, the FHKEMITU has been established for over nine years and it should be able to replace its member associations as one of the specified bodies in Part 4 (Trade Unions) under Schedule 2 to the CICO.
- (d) The Consultant Engineering Firm Resident Site Staff Association (CEFRSSA) is one of the specified bodies in Part 4 (Trade Unions) under Schedule 2 to the CICO. On 14 March 2007, the Registrar of Trade Unions gazetted the change in the name of

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<sup>1</sup> Registrar of Trade Unions gazetted the change in name of Union of Hong Kong Electrical Engineering Assistant to Union of Hong Kong Electrical and Mechanical Engineering Assistant on 17 June 2008.

CEFRSSA to 'Resident Site Staff Association' with effect from 12 March 2007.

## **THE ORDER**

4. The Order amends Schedule 2 to the CICO with the main provisions summarised below -

- (a) to delete KCRC from the list of specified bodies in Part 1 – Employers;
- (b) to replace APSC, HKBCA, HKKSGMA and HKMGMA by their trade federation HKCSA in the list of specified bodies in Part 3 – Contractors, Subcontractors, Materials Supplies and Equipment Supplies;
- (c) to replace HKKEEATWU and UHKEEA by their trade federation FHKEMITU in the list of specified bodies in Part 4 - Trade Unions; and
- (d) to rename CEFRSSA to 'Resident Site Staff Association' in the list of specified bodies in Part 4 - Trade Unions.

## **LEGISLATIVE TIMETABLE**

5. The Order has been published in the Gazette on 20 May 2011 and will be tabled in the Legislative Council on 25 May 2011. The commencement date of the Order is 1 August 2011.

## **IMPLICATIONS OF THE PROPOSAL**

6. The proposal has no financial and civil service implications on the Government. The proposal is in conformity with the Basic Law, including the provisions concerning human rights and will not affect the

binding effect of the CICO.

## **PUBLIC CONSULTATION**

7. We have consulted the relevant trade organisations and trade unions and the Construction Industry Council in formulating the above proposed amendments.

## **PUBLICITY**

8. We shall arrange to issue letters to the trade organisations and unions concerned when the Order comes into operation.

## **ENQUIRY**

9. Any enquiry on this brief may be addressed to Miss Charmaine WONG, Principal Assistant Secretary for Development (Works) on 2848 2713.

**Development Bureau**  
**16 May 2011**

## Construction Industry Council Ordinance (Amendment of Schedule 2) Order 2011

(Made by the Secretary for Development under section 69 of the Construction Industry Council Ordinance (Cap. 587))

### 1. Commencement

This Order comes into operation on 1 August 2011.

### 2. Construction Industry Council Ordinance amended

The Construction Industry Council Ordinance (Cap. 587) is amended as set out in section 3.

### 3. Schedule 2 amended

(1) Schedule 2, Part 1—

**Repeal item 2.**

(2) Schedule 2, Part 3—

**Repeal item 1**

**Substitute**

“1. Hong Kong Construction Sub-contractors Association Limited”.

(3) Schedule 2, Part 3—

**Repeal items 2, 8 and 10.**

(4) Schedule 2, Part 4—

**Repeal item 2**

**Substitute**

“2. Resident Site Staff Association”.

(5) Schedule 2, Part 4—

**Repeal item 3**

### Substitute

“3. The Federation of Hong Kong Electrical and Mechanical Industries Trade Unions”.

(6) Schedule 2, Part 4—

**Repeal item 7.**



Secretary for Development

16 May 2011

Construction Industry Council Ordinance (Amendment of Schedule 2) Order 2011

Explanatory Note  
Paragraph 1

3

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**Explanatory Note**

The purpose of this Order is to amend Schedule 2 to the Construction Industry Council Ordinance (Cap. 587), in order to update the list of specified bodies that may make nominations in relation to the appointment of members of the Construction Industry Council by the Secretary for Development under section 9 of the Ordinance.

**Schedule 2 to CICO  
Specified Bodies**

**PART 1 - EMPLOYERS**

1. Airport Authority
2. Kowloon-Canton Railway Corporation
3. MTR Corporation Limited
4. The Real Estate Developers Association of Hong Kong Limited

**PART 2 - PROFESSIONALS AND CONSULTANTS**

1. The Hong Kong Institute of Architects
2. The Hong Kong Institute of Landscape Architects
3. The Hong Kong Institute of Planners
4. The Hong Kong Institute of Surveyors
5. The Hong Kong Institution of Engineers

**PART 3 - CONTRACTORS, SUBCONTRACTORS, MATERIALS SUPPLIERS  
AND EQUIPMENT SUPPLIERS**

1. The Association of Plastering Sub-contractors Limited
2. Hong Kong Bar-bending Contractors Association, Limited
3. The Hong Kong Construction Association, Limited
4. Hong Kong Construction Materials Association Limited
5. The Hong Kong Federation of Electrical and Mechanical Contractors Limited
6. Hong Kong General Building Contractors Association Limited
7. Hong Kong Hydraulic Truck Cranes Association Limited
8. Hong Kong & Kowloon Scaffolders General Merchants Association Limited
9. Hong Kong Licensed Plumbers Association Limited
10. The Hong Kong Marble & Granite Merchants Association, Limited
11. The Registered Elevator and Escalator Contractors Association Limited

**PART 4 - TRADE UNIONS**

1. Construction Site Workers General Union
2. Consultant Engineering Firm Resident Site Staff Association
3. Hong Kong and Kowloon Electrical Engineering and Appliances Trade Workers Union



## **Annex B**

4. Hong Kong Construction Industry Employees General Union
5. Hong Kong Electrical Engineering Professional Employees Association
6. Hong Kong General Union of Lift and Escalator Employees
7. Union of Hong Kong Electrical Engineering Assistants