

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

**Administration's Responses to Outstanding Follow-up Actions
Arising from Discussions at Previous Meetings
(as at 21 July 2005)**

| | Follow-up actions | Administration's responses |
|-----|---|---|
| (1) | <ul style="list-style-type: none"> - To provide the details as to how the list of nominating organizations tailored for the hybrid model would be promulgated. - To advise whether the number of members representing workers would be increased. | <ul style="list-style-type: none"> - After examining possible options and taking into account industry feedback, we concluded that a schedule to the Bill should be introduced for this purpose. Such an arrangement will not only help to enhance transparency of the list, but also facilitate its future modification. - In keeping with the overriding principle of maintaining a balanced composition, we agree to allocate one extra seat in the Construction Industry Council (CIC) to construction workers unions. - A mark-up version related to clause 9 is extracted at Annex A. |

| | Follow-up actions | Administration's responses |
|-----|--|---|
| (2) | <ul style="list-style-type: none"> - To provide information on the practices of other public bodies which conduct open meetings. The Town Planning Board and the Housing Authority have been quoted as examples. - To consider providing in law that meetings of CIC be open to the public except under certain specified circumstances. One suggestion is to add a clause in Schedule 2 to the Bill. - To obtain a written undertaking from the PCICB that it supports meetings of the future CIC be open to the public. - To make an undertaking during the second reading debate on the Bill that it is the Government's committed policy to open up meetings of CIC. | <ul style="list-style-type: none"> - A summary of practices adopted by similar statutory bodies is at Annex B. - After reviewing these practices, we submit a proposal at Annex C for incorporation into Schedule 2. - While the Administration has made it clear that CIC should open its meetings to the public, discretion is available for CIC to decide otherwise based on the circumstances of each individual case. We will spell out this policy intention during the Second Reading Debate. |
| (3) | <ul style="list-style-type: none"> - To provide an annual breakdown of value of construction works by the public and private sectors from 2002 to 2004 which are subject to levy. - To provide an annual breakdown of the levy income from public and private construction works from 2002 to 2004. | <ul style="list-style-type: none"> - The breakdowns are at Annex D. |

| | Follow-up actions | Administration's responses |
|-----|---|--|
| (4) | To provide supplementary information on the salary structure of CITA including the remuneration package for senior staff. | An analysis on the salary structure of CITA is at Annex E . |
| (5) | To provide information on the measures taken by CITA to enhance enrolment of students. | A synopsis of promotional activities carried out by CITA for the 2004/05 enrolment exercise is at Annex F . |

9. Composition of Council

- (1) The Council is to consist of –
 - (a) a chairman appointed by the Secretary;
 - (c) not more than 3 public officers appointed by the Secretary;
and
 - (d) not more than 21 other members appointed by the Secretary.
- (2) The Secretary may not appoint a public officer under subsection (1)(a) or (d).
- (3) Of the members referred to in subsection (1)(d) –
 - (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.
- (4) The Secretary shall give notice in the Gazette of an appointment under subsection (1)(a), (c) or (d).
- (5) When appointing a member referred to in subsection (3)(a), (b), (c)

or (e), the Secretary shall have regard to any nomination made for the purposes of such appointment by any one or more of the specified bodies.

(6) In subsection (5), “specified bodies” () means –

- (a) in relation to subsection (3)(a), the bodies set out in Part 1 of Schedule 1A;
- (b) in relation to subsection (3)(b), the bodies set out in Part 2 of Schedule 1A;
- (c) in relation to subsection (3)(c), the bodies set out in Part 3 of Schedule 1A; and
- (d) in relation to subsection (3)(e), the bodies set out in Part 4 of Schedule 1A.

SCHEDULE 1A

[ss. 9 & 71]

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
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

Meeting Practices Adopted by Selected Statutory Bodies

| No. | Organisation | Meeting Arrangements | |
|-----|--|---|--|
| | | Statutory Obligation | Administrative Practice |
| 1. | Country and Marine Parks Board <i>Country Parks Ordinance (Cap. 208)</i> | No express provisions on conduct of open meeting in its enabling legislation. | All meetings of the Board are publicized and open to the public, but the Chairman may conduct closed sessions to discuss matters involving personal, commercial or other issues of confidential nature. |
| 2. | Estate Agents Authority <i>Estate Agents Ordinance (Cap. 511)</i> | Inquiry conducted by the Authority or the disciplinary committee set up by the Authority on complaints against licensed estate agents should be open to the public, unless the Authority or the disciplinary committee satisfies that it is desirable to have a closed session after consulting the complainant and the licensee concerned. | All other meetings of the Authority and standing committees under its auspices are conducted in private. |
| 3. | Hong Kong Arts Development Council <i>Hong Kong Arts Development Council Ordinance (Cap.472)</i> | No express provisions on conduct of open meeting in its enabling legislation. | All meetings of the Council are open to the public, except agenda items touching on employment issues, sponsorship decisions or personal/commercial/confidential information. Closed sessions may also be held subject to resolution by a majority of members present to discuss specific issues. |
| 4. | Hong Kong Housing Authority <i>Housing Ordinance (Cap. 283)</i> | No express provisions on conduct of open meeting in its enabling legislation. | All meetings of the Authority are open to the public unless the Chairman considers otherwise owing to the nature of business involved. But such arrangements are not applicable to the six standing committees taking charge of internal corporate affairs or sensitive matters like finance and strategic planning. |

| No. | Organisation | Meeting Arrangements | |
|-----|---|---|---|
| | | Statutory Obligation | Administrative Practice |
| 5. | Hospital Authority <i>Hospital Authority Ordinance (Cap.113)</i> | No express provisions on conduct of open meeting in its enabling legislation. | All board meetings of the Authority are open to the public, but various committee meetings handling administrative or operational matters are held in private. |
| 6. | Legal Aid Services Council <i>Legal Aid Services Council Ordinance (Cap.489)</i> | No express provisions on conduct of open meeting in its enabling legislation. | Open sessions are conducted on a quarterly basis to examine regular management reports of the Council and to review major progress in a scheme providing counsel certificate to applicants being refused legal aid in respect of appeal to the Court of Final Appeal. |
| 7. | Personal Data (Privacy) Advisory Committee <i>Personal Data (Privacy) Ordinance (Cap. 486)</i> | The hearing sessions of an investigation by the Privacy Commissioner for Personal Data shall be open to the public unless – (a) the Commissioner is of the opinion that, in all circumstances of the case, it should be carried out in private; or (b) if the investigation was initiated by a complaint, the complainant requests in writing that the investigation be carried out in private. | Apart from hearing sessions, the Committee normally conducts its business in private. |
| 8. | Security and Guarding Services Industry Authority <i>Security and Guarding Services Ordinance (Cap.460)</i> | The hearing of any applications governing the issue of permits to individual practitioners and licensing of security companies shall be open to the public, unless the Authority satisfies that this would not be in the public interest. | Apart from the hearing sessions and meetings with trade associations/unions, the Authority normally conducts its business in private. |

| No. | Organisation | Meeting Arrangements | |
|-----|--|---|-------------------------|
| | | Statutory Obligation | Administrative Practice |
| 9. | Town Planning Board <i>Town Planning Ordinance (Cap.131)</i> | <p>All meetings^{Note 1} of the Board and its committees shall be open to the public unless the Board/committee is of the opinion that , it is likely that, –</p> <ul style="list-style-type: none"> (a) it will not be in the public interest to do so; (b) premature release of information will arise and hence prejudice the position of the Board/committee, the Government, the Chief Executive or the Chief Executive in Council in carrying out functions under the Ordinance; (c) it will result in disclosure of information in breach of any duty of confidentiality owed to any person by the Board/committee or the Government; (d) it will result in disclosure of information in respect of which a claim to legal professional privileges can be maintained in law; or (e) any matter transacted at the meeting will be relevant to the institution or conduct of any legal proceedings. | |

Note 1 The deliberation part in considering representations to draft plans and planning applications are conducted in private.

7A. Meetings of Council to be held in public

(1) Subject to subsection (2), a meeting of the Council shall be open to the public.

(2) Subsection (1) does not apply to a meeting of the Council or a part of a meeting of the Council in the following circumstances –

- (a) if, in the opinion of the Council, it is likely that the application of subsection (1) would result –
 - (i) in premature release of information concerning any financial matter or investment of the Council; or
 - (ii) in a disclosure of information in breach of any law, order or direction of a court or tribunal, duty of confidentiality, or other legal obligation or duty;
- (b) if, in the opinion of the Council, it is likely that any matter to be discussed or considered at the meeting or part of the meeting -
 - (i) concerns personnel matters; or
 - (ii) is relevant to the carrying out of any provision of this Ordinance that relates to the levy, surcharge, penalty or further penalty; or
- (c) if the Council, having regard to all the circumstances of a particular case, reasonably considers that subsection (1) should not apply to the meeting or part of the meeting.

**Annual Breakdown on Value of Construction Works
and Levy Income of the Construction Industry Training Authority
(2002 – 2004)**

| Year | Value of Construction Works Subject to Levy Assessment ^{Note 1} (\$ billion) | | | | Estimated Value of Construction Works Commenced (\$ billion) ^{Note 2} | | | | Levy Income (\$ million) | | | |
|------|---|---|-------------------------------------|-------------------------------|--|----------------------------------|-------------------------------------|-------------------------------|---|----------------------------------|-------------------------------------|-------------------------------|
| | Public Infra- structure Projects <small>Note 3</small> | Railway Extension Projects <small>Note 4</small> | Disneyland & Penny's Bay Line | Private Sector Projects | Public Infra- structure Projects | Railway Extension Projects | Disneyland & Penny's Bay Line | Private Sector Projects | Public Infra- structure Projects | Railway Extension Projects | Disneyland & Penny's Bay Line | Private Sector Projects |
| 2002 | 30.1 (33%) | 11.3 (13%) | 0.02 (-) | 48.9 (54%) | 33.2 (45%) | 5.3 (7%) | 1.3 (2%) | 34.8 (47%) | 92.1 (35%) | 30.8 (12%) | 0.07 (-) | 140.9 (53%) |
| 2003 | 29.5 (38%) | 8.7 (11%) | 0.9 (1%) | 38.6 (50%) | 29.9 (47%) | 0.5 (1%) | 3.3 (5%) | 29.9 (47%) | 99.1 (40%) | 25.8 (10%) | 3.3 (1%) | 121.6 (49%) |
| 2004 | 28.4 (42%) | 3.9 (6%) | 2.3 (3%) | 33.1 (49%) | 18 (44%) | 0.1 (-) | 0 (-) | 22.7 (56%) | 95.7 (42%) | 13.4 (6%) | 6.9 (3%) | 109.6 (49%) |

^{Note 1} Total value of construction works carried out each year based on reports filed by contractors and authorized persons to CITA. Minor projects with a contract sum of less than \$1 million and those falling outside the scope of leviable construction activities are excluded.

^{Note 2} Minor projects with a contract sum of less than \$1 million and those falling outside the scope of leviable construction activities are excluded.

^{Note 3} These figures cover public housing projects, port and airport development as well as capital works undertaken by the Government.

^{Note 4} Railway extension programmes managed by KCRC and MTRC (except Penny's Bay Line under the Disneyland project) are covered in this category.

Salary Structure of the Construction Industry Training Authority
(as at 31 August 2005)

(A) Basic Salary Structure

| Staff Category | Working Strength (persons) | Range of Monthly Salaries (\$) | Total Emoluments^{Note 1} (\$ million) |
|---------------------------|-----------------------------------|---------------------------------------|---|
| Centre Managers and above | 16 | 37,160 – 110,145 | 1.28 (10.5%) |
| Supervisory Executives | 33 | 19,760 – 49,040 | 1.17 (9.6%) |
| Instructing Staff | 276 | 7,705 – 49,040 | 7 (57.4%) |
| Supporting Staff | 173 | 7,320 – 29,980 | 2.75 (22.5%) |

(B) Cash Allowances^{Note 2}

| Types | Eligible Staff | Rate/Level |
|------------------------|--|-----------------------------------|
| Senior Staff Allowance | - Managers and above - Supervisors and instructors whose basic monthly salaries are at \$41,925 (new scale) and \$46,245 (old scale) or above | One-third of basic monthly salary |

^{Note 1} Actual amount of personal emoluments including cash allowances/reimbursements incurred for August 2005. The relative shares attributable to each staff category are shown in brackets.

^{Note 2} The staff may also seek reimbursement for educational/dental/travelling expenses as well as mileage reimbursement with prior approval from the Executive Director of CITA.

| Types | Eligible Staff | Rate/Level |
|--|--|---|
| First Aid Allowance | - Qualified instructors required to perform first aid services | \$360 per month |
| Nurse Duty Allowance | - Qualified Instructors required to perform nursing duties | \$30 per day |
| Van Washing Allowance | - Drivers | \$200 per month |
| Mobile Phone Allowance | - Staff with demonstrated operational needs | \$50-\$100 per month |
| Night Shift Allowance | - Care-takers and cleaning staff | \$70-\$80 per shift |
| Acting Allowance | - Staff required to take up temporary acting appointments | 90% of difference between minimum salary of the acting office and substantial salary of the staff concerned, or an increment point based on substantial salary of the staff concerned, whichever is higher. |
| Overtime/Trainee Recreation Activity/ Course Duty Allowances | - Staff with demonstrated operational needs | Time-off in lieu |

**Promotional Activities Carried Out by the Construction
Industry Training Authority for the 2004/05 Enrolment Exercise**

| Category | Promotional Measures | Frequency / Targets Reached ^{Note 1} | |
|-------------------------|---|---|------------------|
| | | 2004 | 2005 |
| Electronic Media | - Television advertisement | 59 (times) | 90 (times) |
| | - Radio advertisement | 212 (times) | 233 (times) |
| | - Television/radio interview | 4 (times) | 6 (times) |
| | - Advertisement in buses through Roadshow | 1,200 (buses) | 1,200 (buses) |
| | - E-advertisement on internet | 60 (days) | 96 (days) |
| | - E-advertisement to readers of on-line Job Market | N/A | 30,000 (readers) |
| | - E-advertisement to schools, training institutions, social workers and youth centres | 9 (times) | 10 (times) |
| | - E-advertisement to industry organizations/practitioners | N/A | 289 (recipients) |
| | - Hyperlink with other training-related websites | N/A | 4 (months) |
| | - Feature article on the webpage of Hong Kong Federation of Youth Groups | N/A | 1 (month) |
| Printed Media | - Newspaper/magazine advertisement | 51 (times) | 61 (times) |
| | - Newspaper/magazine interview | N/A | 4 (times) |
| | - Press release | 6 (issues) | 7 (issues) |
| | - Feature article on selected training programmes | 5 (issues) | 5 (issues) |
| | - Feature article on printed version of Job Market | N/A | 11 (issues) |

^{Note 1} These figures cover only promotional activities for basic craft courses and supervisor/technician programmes conducted mainly in July and August. Additional initiatives take place throughout the whole year for adult short courses.

| Category | Promotional Measures | Frequency / Targets Reached ^{Note 1} | |
|---|--|---|---------------------|
| | | 2004 | 2005 |
| Recruitment Activities ^{Note 2} | - Recruitment counter | N/A | 42 (schools) |
| | - Mobile recruitment counter | N/A | 141 (schools) |
| | - Visit to CITA | 29 (times) | 46 (times) |
| | - Briefing for students/parents | 19 (times) | 22 (times) |
| | - Briefing for social workers | N/A | 8 (times) |
| | - Briefing for teachers | 1 (time) | 1 (time) |
| | - Exhibition | 29 (times) | 35 (times) |
| | - Distribution of pamphlet through schools and social service agencies | 70,000 (pieces) | 75,000 (pieces) |
| | - Distribution of pamphlet through district boards and residents' associations | N/A | 135 (organizations) |
| | - Direct mailing to public housing tenants | N/A | 43 (estates) |
| - Special recruitment day | 1 (time) | 9 (times) | |

^{Note 2} Apart from these activities, CITA also participates in events hosted by other organizations for Secondary Three/ Secondary Five school leavers such as exhibitions and briefing sessions offered by Job Market, Hok Yau Club as well as the Labour Department.