

香港特別行政區政府

The Government of the Hong Kong Special Administrative Region

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11 May 2012

Ms Joanne MAK
Clerk to Bills Committee
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
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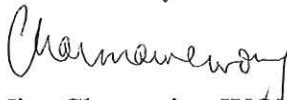
Dear Ms MAK

**Bills Committee on Construction Industry Legislation
(Miscellaneous Amendments) Bill 2012**

Administration's Response to Follow-up Items

In response to Members' discussions at the meeting of the Bills Committee on Construction Industry Legislation (Miscellaneous Amendments) Bill 2012 held on 5 May 2012, we provide the Administration's response in the attached Appendix.

Yours sincerely,


(Miss Charmaine WONG)
for Secretary for Development

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**Bills Committee on Construction Industry Legislation
(Miscellaneous Amendments) Bill 2012**

**Administration's Response to
follow-up items arising from meeting on 5 May 2012**

I Transitional arrangements for staff

During the meeting, representative from the Construction Industry Council Staff General Union (the Union) mainly expressed concerns on the following issues –

- (1) Transitional arrangements for staff do not cover staff¹ of the Construction Industry Council (CIC) who are performing registration functions for the Construction Workers Registration Authority (CWRA);
- (2) Staff was worried that the CIC management might change their terms and conditions of service. The Union representative held the view that the pay, terms and conditions of service and fringe benefits of these staff should remain unchanged; and
- (3) Manpower issues of CIC including promotion prospects and manpower resources.

Administration's Response

2. Apart from staff serving the CWRA Secretariat at present, a number of CIC staff is currently performing registration functions on behalf of CWRA. They are concerned about their employment prospect

¹ In February 2005, CWRA appointed the former Construction Industry Training Authority (CITA) as the Registrar of Construction Workers. Registration functions of CWRA were performed by staff of CITA. In January 2008, CIC amalgamated with the former CITA and took over the role as Registrar of Construction Workers. On amalgamation, staff of the former CITA become staff of CIC and continued to perform the registration functions for CWRA until now.

upon amalgamation of CIC and CWRA.

3. We understand from the CIC management that the terms and conditions of the 14 contract staff filling established posts under CIC who are performing registration functions will not be affected upon amalgamation of CIC and CWRA. To cope with the changing demand for registration services, in particular during peak periods for renewal of workers registration, CIC also employs temporary staff on short-term contracts. As the staff concerned are only temporarily employed to meet the fluctuation in demand for registration service, it is considered appropriate to maintain the present employment arrangement. Regarding the other concerns raised by the Union representative, CIC management is actively liaising with the Union with a view to meeting Union representatives as soon as possible to follow up on staff members' concerns.

II Consolidation of construction-related cards

4. Members and deputations at the meeting in general supported the Administration on the consolidation of the construction worker registration card and other construction-related cards. However, they considered that the Administration should –

- (1) protect the data privacy of the workers and monitor the card issuing process by CIC; and
- (2) regulate the card-reading system to ensure that the personal data of the workers would not be leaked to any unauthorized third party.

Administration's Response

5. When a worker applies for registration as a registered construction worker, he has to complete an application form for submission to CWRA for processing. During the registration process, CWRA only collects essential personal information (such as Hong Kong Identity Card number, address and contact phone number) and documents on registration qualifications. The data so collected has been handled by CWRA in accordance with the provisions under the Personal Data (Privacy) Ordinance, Cap.486. On amalgamation, CIC will also strictly comply with the relevant provisions.

6. On registration, a construction worker will be issued with a

worker registration card. Only the worker's name, photo, registered designated trades, skill level and expiry date of the registration will be imprinted on the card. Since 1 September 2007, construction workers have to show their worker registration cards for data verification via card-reading device upon entering the construction sites for carrying out construction work. Under section 58 of the Construction Workers Registration Ordinance, Cap.583 (CWRO), the principal contractor of the construction site has to install card-reading device on site to facilitate retrieval of the data stored electronically in the card. For this reason, the Personal Information Collection Statement on the Application Form for Construction Workers Registration states "The Authority may give some of the information to contractors, government departments and other organizations authorized to receive the same".

7. To protect privacy of workers while at the same time ensuring that the contractors have sufficient information to complete the verification process mentioned in the preceding paragraph, contractors using card-reading device can have access only to part of the workers' data viz name, English prefix and the first three digits of the Hong Kong Identity Card, information on Green Card², registration number, designated trades registered, skill levels and expiry date of registration. Card-reading device installed at construction sites are only accessible to the principal contractors and other designated persons who need to handle these data.

III Enhancement of operational efficiency

8. The Administration has on different occasions stressed that amalgamation of CIC and CWRA will help achieve synergy and improve operational efficiency and effectiveness. Members and deputations pointed out that amalgamation might inflate the organizational structure resulting in rigidity, and asked how operational efficiency could be enhanced.

Administration's Response

9. Given that CIC and CWRA both share the common objectives of nurturing a high-quality construction workforce and ensuring the quality of construction works, they have very close collaboration over the years. The Construction Industry Review

² If the worker already chooses to amalgamate the information of the Green Card with the worker registration card.

Committee (CIRC) completed in January 2001 a comprehensive review of the state of the local construction industry and recommended the setting up of a statutory industry co-ordinating body to spearhead reforms and sustain momentum to achieve continuous improvements across the construction industry. When the CIC Bill was introduced into the Legislative Council in 2004, the Administration already made clear its legislative intent for the construction co-ordinating body to take up training of construction personnel, workers registration and other self-regulatory regimes.

10. The Administration considers it appropriate to amalgamate CIC and CWRA at this stage to realize the strategic recommendation to enable CIC to take up the role as the construction co-ordinating body. The composition of CIC includes employers, professionals, academics, contractors, workers, independent persons and government officials. As such, views of all sectors are fully reflected when CIC formulates long term strategies for the construction industry which help promote development of manpower resources and the healthy and sustainable development of the industry. As regards concerns on the structure of the amalgamated CIC, both staff of CIC and CWRA fulfill different functions and responsibilities. On amalgamation, staff will continue to perform their present functions which will facilitate the smooth transition of the amalgamation. In the circumstances, there should not be any overlapping in organizational structure.

11. Amalgamation of CIC and CWRA will enhance the operation efficiency of the amalgamated CIC and the worker registration system and benefit industry stakeholder in the following aspects –

- (1) consistent policy and priority setting for the industry – prior to amalgamation, CIC and CWRA, each with its own functions and powers, formulate and set their own respective policies and priorities. On amalgamation, procedures will be streamlined and only the amalgamated CIC will formulate policies and set priorities for the construction industry as a whole. This will ensure consistent policy and priority setting to meet the needs of the industry more efficiently.
- (2) enhancement of administrative and operational efficiency – construction manpower development, training, trade testing and worker registration are closely linked. While CWRA is responsible for workers registration, others are handled by CIC. On amalgamation, only one single body will be

responsible for formulating, promoting, implementing and reviewing all the relevant functions. This will help enhance operational efficiency, achieve synergy and facilitate the nurturing of a high quality professional workforce to meet the demands of the construction industry; and

- (3) more effective deployment of resources and sharing of information – upon amalgamation, resources and information will be better deployed and shared. For example, resources of CIC may be used to upgrade the electronic facilities and computer system of CWRA; whereas the data on workers' skill levels maintained by CWRA will be useful for formulating longer-term and enhanced training and trade-testing programme for workers to meet the needs of the industry.

12. The Administration also introduce the following measures in the Construction Industry Legislation (Miscellaneous Amendments) Bill 2012 to better cater to the interests of workers and further improve the operational efficiency of CIC –

- (1) Under section 44 of the existing CWRO, a worker may apply for renewal of the worker's registration not earlier than three months before and not later than seven business days before the date of expiry of the registration. To facilitate workers in the registration process, an amendment is proposed to extend the three-month period to six months;
- (2) Section 45 of the existing CWRO provides for the registration of an experienced worker as a skilled worker (provisional) or semi-skilled worker (provisional) if, as at December 2005, the worker has six years' and two years' experience respectively in the relevant trade. Such a provisional registration will expire after three years and therefore, the worker still has to pass a test/an assessment for registration as skilled worker or semi-skilled worker for the specific trade during this period. There is no provision for extension of the period upon expiry even when illness or injury has prevented the workers from attending the test/assessment for registration during this period. To allow for such circumstances, we propose to include a new provision to allow extension of this period;
- (3) A new provision has been included in CWRO to enable the

worker registration card to store and display information of other construction-related cards;

- (4) Under the existing Construction Industry Council Ordinance (CICO), CIC is not allowed to delegate its power to its members and employees in respect of entering into contracts regardless of their values. As such, even contracts of a minor and routine nature require approval of CIC at a board meeting. We therefore propose to amend CICO to allow CIC to delegate its power to facilitate its operation; and
- (5) Under CICO, CIC requires the approval of the Financial Secretary (FS) to deposit its funds as fixed deposits in a bank. To improve operational efficiency, we propose to amend CICO to facilitate CIC to have its funds deposited on fixed term or call deposit or in a savings account in any bank nominated by FS either generally or in any particular case for that purpose.

Development Bureau
10 May 2012