

LEGISLATIVE COUNCIL BRIEF

Construction Workers
Registration Ordinance (Cap. 583)

Construction Workers Registration (Fees) (Amendment) Regulation 2015

INTRODUCTION

A Under section 63(1)(e) of the Construction Workers Registration Ordinance (Chapter 583) (“CWRO”), the Construction Industry Council (“CIC”), with the approval of the Secretary of Development, has made the Construction Workers Registration (Fees) (Amendment) Regulation 2015 (“the Amendment Regulation”) (**Annex A**) to modify the fee charging scheme prescribed under the Construction Workers Registration (Fees) Regulation (Cap. 583 sub. leg. B) (“CWR(F)R”) for applications under the CWRO.

2. Subject to negative vetting by the Legislative Council (“LegCo”), the new fee charging scheme will take effect on 1 April 2015.

BACKGROUND AND JUSTIFICATIONS

Amendments to CWRO to facilitate the implementation of remaining phase of Prohibition

3. The Construction Workers Registration (Amendment) Ordinance 2014 (“CWR(A)O”) passed by LegCo on 18 December 2014 was to amend the CWRO to facilitate the implementation of the remaining phase of Prohibition (i.e. “designated workers for designated skills” requirement), in order to fully launch the construction workers registration scheme.

4. Upon consultation with the industry stakeholders, we target to commence the CWR(A)O on 1 April 2015, and allowing 24 months for the construction workers to register under CWRO, the remaining phase of Prohibition is to take effect on 1 April 2017¹ tentatively. We already

¹ According to section 1(3) of CWR(A)O, the remaining phase of Prohibition is pre-set

informed LegCo Members of the above timetable during the resumption of 2nd reading debate of CWR(A)O on 18 December 2014.

Amendments to CWR(F)R related to CWR(A)O and for streamlining the registration and renewal processes

5. Following the above legislative amendments to the CWRO, the CWR(F)R is to be amended correspondingly, as briefly set out below -

- (a) setting the assessment fee for the one-off grandfathering arrangement for senior workers² to be \$50. The fee is set after thorough discussions and consultations with the industry stakeholders. To encourage senior workers to apply early so as to allow sufficient time for CIC to process all the applications before the implementation of the remaining phase of Prohibition(i.e. on 1 April 2017 tentatively, paragraph 4 above refers), if a senior worker makes an application for registration within 12 months from the commencement of the grandfathering arrangement (i.e. on or before 31 March 2016) and then passes the assessment, the fee for that assessment will be refunded (section 10 of the Amendment Regulation refers);
- (b) streamlining the workers registration process for the convenience of workers –
 - (i) the maximum validity period of registration and renewal of registration is extended from 4 years to 6 years (while the normal validity period of worker registration is extended from 3 years to 5 years³) to alleviate workers' burden for card renewal, while the application fee for registration and renewal of registration be maintained at \$100 (sections 4 and 8 of the Amendment Regulation refer);
 - (ii) introducing fee payment schemes (refer to new Schedules 1 and 2 of the Amendment Regulation) for applications of

to take effect 24 months after commencement of CWR(A)O. Nevertheless, pursuant to section 1(4) of CWR(A)O, the Secretary for Development may extend such period by notice published in the Gazette.

² The grandfathering arrangement is introduced for senior workers with not less than ten years' relevant working experience in a trade division to register as registered skilled workers of the trade division. The arrangement is not applicable to trade divisions with special registration requirements such as those requiring possession of relevant qualifications under other ordinances.

³ A worker may choose to align the expiry date of his registration with that of another construction-related card he possesses to provide convenience for renewal. For some of the construction-related cards, a worker may be allowed to apply for renewal about 6 months before the expiry dates. In this respect, the validity period of the worker's registration could be up to 5.5 years (i.e. 5 years normal validity period plus up to 6 months due to early renewal). As such, the maximum validity period of registration is set as 6 years.

registration and renewal of registration with validity periods less than the maximum validity period, thus doing away with the refunding arrangement. The new arrangement replaces the current mechanism under which if the validity period of registration is less than 3 years (to be extended to 5 years, see paragraph 5(b)(i) above), a worker is to pay the full registration or renewal fee at the time of application first, and then be refunded, normally a few days after the full payment according to the formulae and arrangements under the existing Part 5 (to be repealed under the Amendment Regulation) of the CWR(F)R (sections 3A and 6A of the Amendment Regulation refer); and

- (iii) considering a successful application by a registered skilled worker (provisional)⁴ (RSW(P)) for registration as a registered skilled worker (RSW) for the same trade division as a change in registration status (with no change to the validity period of the applicant's registration). This new practice replaces the current arrangement under which such an application is considered as a new application for registration (i.e. an application fee is required and there is a new validity period, and a proportionate amount of the application fee is refunded for the remaining validity period of the registration as a RSW(P)) (section 6 of the Amendment Regulation refers).

THE AMENDMENT REGULATION

6. The main provisions of the Amendment Regulation are as follows –

- (a) section 4 amends section 3 of the CWR(F)R and section 5 adds a new section 3A to the CWR(F)R to provide for the application fees for registration (paragraphs 5(b)(i) and (ii) above refer) with different validity periods;
- (b) section 6 amends section 4 of the CWR(F)R so that an application by a RSW(P) for registration as a RSW for the same trade division is to be treated in the same way as any other application for registration of a trade division by an applicant

⁴ Section 40(4) of CWRO refers. A worker with not less than six years' relevant working experience in a trade before 29 December 2005 may register as RSW(P) of that trade, who may register as a registered skilled worker of the trade by completing the relevant specified training course and passing the course assessment. Based on CIC's record, there are about 800 no. RSW(P) as at 31 December 2014.

who is already a registered construction worker, for which no fee is payable(paragraph 5(b)(iii) refers);

- (c) section 8 amends section 6 of the CWR(F)R and section 9 adds a new section 6A to the CWR(F)R to provide for the application fees for renewal of registration (paragraphs 5(b)(i) and (ii) above refer) with different validity periods; and
- (d) section 10 adds a new section 8A to the CWR(F)R to prescribe a fee of \$50 for taking an assessment under the senior workers registration arrangement and the associated refunding arrangement (paragraph 5(a) above refers).

LEGISLATIVE TIMETABLE

7. The legislative timetable will be –

Publication in the Gazette	23 January 2015
Tabling in LegCo	28 January 2015
Commencement Date	1 April 2015

IMPLICATIONS OF THE PROPOSAL

8. The Amendment Regulation is in conformity with the Basic Law, including the provisions concerning human rights. On economic implications, as the prescribed fees are relatively low, it will not impose any significant financial burden on the construction workers. It has no financial and civil service, productivity, environmental, sustainability or family implications. The proposal does not affect the current binding effect of CWRO or its subsidiary legislation.

PUBLIC CONSULTATION

9. CIC, comprising members of the key stakeholders of the construction industry, has considered and agreed to the Amendment Regulation. Relevant Government bureaux and departments have been consulted about the Amendment Regulation.

PUBLICITY

10. A spokesman will be available to handle the media and public enquires. CIC will make appropriate announcements and notices for the new fee charging scheme to inform the relevant stakeholders, including construction workers.

ENQUIRIES

11. For enquiries, please contact Mr. Dominic CHOW, Principal Assistant Secretary for Development (Works)1 at 3509 8275.

Development Bureau
January 2015

**Construction Workers Registration (Fees)
(Amendment) Regulation 2015**

Contents

	Page
1. Commencement.....	1
2. Construction Workers Registration (Fees) Regulation amended.....	1
3. Section 2 amended (interpretation).....	1
4. Section 3 substituted.....	2
3. Application fees for registration: general	3
5. Section 3A added.....	3
3A. Application fees for registration: registration periods of not more than 48 months	3
6. Section 4 substituted.....	3
4. Application fees for registration: applicant is a registered construction worker	4
7. Section 5 substituted.....	4
5. Application fees for registration: specific designated trade divisions.....	4
8. Section 6 substituted.....	4
6. Application fees for renewal of registration: general.....	4

	Page
9. Sections 6A and 6B added.....	5
6A. Application fees for renewal of registration: renewal periods of not more than 48 months.....	5
6B. Application fees for renewal of registration: specific designated trade divisions	5
10. Section 8A added.....	6
8A. Fee for assessment under section 40A(8) of Ordinance	6
11. Section 9 amended (waiver of application fees for registration)	6
12. Section 10 amended (waiver of application fees for renewal of registration).....	7
13. Part 5 repealed (refund of fees)	7
14. Schedules 1 and 2 added.....	7
Schedule 1 Application Fees for Registration for Registration Periods of Not More Than 48 Months	7
Schedule 2 Application Fees for Renewal of Registration for Renewal Periods of Not More Than 48 Months	8

Construction Workers Registration (Fees) (Amendment) Regulation 2015

(Made by the Construction Industry Council under section 63 of the Construction Workers Registration Ordinance (Cap. 583) subject to the approval of the Secretary for Development)

1. Commencement

This Regulation comes into operation on the day on which section 2 of the Construction Workers Registration (Amendment) Ordinance 2014 (22 of 2014) comes into operation.

2. Construction Workers Registration (Fees) Regulation amended

The Construction Workers Registration (Fees) Regulation (Cap. 583 sub. leg. B) is amended as set out in sections 3 to 14.

3. Section 2 amended (interpretation)

(1) Section 2—

Repeal subsection (1).

(2) Section 2(2)(a)—

Repeal

everything after “trade” and before the semicolon

Substitute

“division”.

(3) Section 2(2)(b)—

Repeal

everything after “trade” and before the semicolon

Substitute

“division”.

(4) Section 2(2)(c)—

Repeal

everything after “trade” and before the semicolon

Substitute

“division”.

(5) Section 2(2)(d)—

Repeal

everything after “trade” and before the semicolon

Substitute

“division”.

(6) Section 2(3)(a)—

Repeal

everything after “trade” and before the semicolon

Substitute

“division”.

(7) Section 2(3)(b)—

Repeal

everything after “trade” and before the semicolon

Substitute

“division”.

4. Section 3 substituted

Section 3—

Repeal the section

Substitute

“3. Application fees for registration: general

Subject to sections 3A, 4 and 5, the fee payable for an application for registration is \$100.”.

5. Section 3A added

After section 3—

Add**“3A. Application fees for registration: registration periods of not more than 48 months**

(1) The fee payable for an application for registration for a registration period specified in column 1 of Schedule 1 is the percentage of the general application fee specified in column 2 of that Schedule opposite the period.

(2) In this section—

general application fee (一般申請費) means the fee prescribed by section 3;

registration period (註冊期), in relation to a registration, means the period beginning on the date of the registration and expiring on the date specified under section 44(1) of the Ordinance for the registration.”.

6. Section 4 substituted

Section 4—

Repeal the section**Substitute****“4. Application fees for registration: applicant is a registered construction worker**

No fee is payable for an application for registration if the person making the application is already a registered construction worker.”.

7. Section 5 substituted

Section 5—

Repeal the section**Substitute****“5. Application fees for registration: specific designated trade divisions**

The fee payable for an application for registration is one-half of the fee prescribed under section 3 or 3A if—

- (a) it is an application for registration as a registered skilled worker or registered semi-skilled worker for a designated trade division; and
- (b) a qualification or requirement is set out in column 6 of Schedule 1 to the Ordinance opposite the trade division.”.

8. Section 6 substituted

Section 6—

Repeal the section**Substitute****“6. Application fees for renewal of registration: general**

Subject to sections 6A and 6B, the fee payable for an application for renewal of registration is \$100.”.

9. Sections 6A and 6B added

After section 6—

Add

“6A. Application fees for renewal of registration: renewal periods of not more than 48 months

(1) The fee payable for an application for renewal of registration for a renewal period specified in column 1 of Schedule 2 is the percentage of the general renewal fee specified in column 2 of that Schedule opposite the period.

(2) In this section—

general renewal fee (一般續期費) means the fee prescribed by section 6;

renewal period (續期期間), in relation to the renewal of a registration, means the period—

- (a) beginning on the relevant date as defined by paragraph (b), (c) or (d) of the definition of *relevant date* in section 44(10) of the Ordinance; and
- (b) expiring on the date specified under section 44(1) of the Ordinance for the registration as renewed.

6B. Application fees for renewal of registration: specific designated trade divisions

The fee payable for an application for renewal of registration is one-half of the fee prescribed under section 6 or 6A if—

- (a) it is an application for renewal of registration as a registered skilled worker or registered semi-skilled worker for a designated trade division; and

- (b) a qualification or requirement is set out in column 6 of Schedule 1 to the Ordinance opposite the trade division.”.

10. Section 8A added

Part 3, after section 8—

Add

“8A. Fee for assessment under section 40A(8) of Ordinance

- (1) The fee payable under section 40A(8) of the Ordinance for one assessment referred to in section 40A(1)(b)(ii) of the Ordinance is \$50.
- (2) The Council is to refund in full a fee paid under subsection (1) in connection with a person’s application for registration if—
 - (a) the application is made within 12 months beginning on the commencement date of section 40A of the Ordinance; and
 - (b) the person passes the assessment for which the fee was paid.”.

11. Section 9 amended (waiver of application fees for registration)

- (1) Section 9, Chinese text, heading, after “申請”—

Add

“的”.

- (2) Section 9(1)(b)—

Repeal

“4(2)”

Substitute

“3A”.

12. Section 10 amended (waiver of application fees for renewal of registration)

(1) Section 10, Chinese text, heading, after “申請”—

Add

“的”.

(2) Section 10(1)(b)—

Repeal

“6(1) or (2)”

Substitute

“6, 6A or 6B”.

13. Part 5 repealed (refund of fees)

Part 5—

Repeal the Part.

14. Schedules 1 and 2 added

At the end of the Regulation—

Add

“Schedule 1

[s. 3A]

Application Fees for Registration for Registration Periods of Not More Than 48 Months

Column 1

Column 2

Percentage of
general application
fee

Registration period

- | | | |
|----|---|----|
| 1. | Not more than 12 months | 20 |
| 2. | More than 12 months but not more than 24 months | 40 |
| 3. | More than 24 months but not more than 36 months | 60 |
| 4. | More than 36 months but not more than 48 months | 80 |

Schedule 2

[s. 6A]

Application Fees for Renewal of Registration for Renewal Periods of Not More Than 48 Months

Column 1

Column 2

Percentage of
general renewal fee

Renewal period

- | | | |
|----|---|----|
| 1. | Not more than 12 months | 20 |
| 2. | More than 12 months but not more than 24 months | 40 |
| 3. | More than 24 months but not more | 60 |

Column 1	Column 2
Renewal period than 36 months	Percentage of general renewal fee
4. More than 36 months but not more than 48 months	80”.

Construction Industry Council

2015

Explanatory Note

This Regulation mainly amends the Construction Workers Registration (Fees) Regulation (Cap. 583 sub. leg. B) (*principal Regulation*) to modify the fee charging scheme prescribed for applications under the Construction Workers Registration Ordinance (Cap. 583) (*Ordinance*).

2. Section 3 repeals obsolete definitions, and makes consequential amendments to the principal Regulation necessitated by the Construction Workers Registration (Amendment) Ordinance 2014 (22 of 2014) (*Amendment Ordinance*).
3. Section 4 amends section 3 of the principal Regulation to provide that, subject to the prescribed exceptions, the application fee for a registration within the meaning of the Ordinance is \$100.
4. Section 5 adds a new section 3A to the principal Regulation to provide for the application fees for registration for registration periods of not more than 48 months.
5. Section 6 amends section 4 of the principal Regulation so that under the amended section 4, no fee is payable for all applications for registration made by persons who are registered construction workers.
6. Section 7 amends section 5 of the principal Regulation to make consequential amendments necessitated by the Amendment Ordinance.
7. Section 8 amends section 6 of the principal Regulation to provide that, subject to the prescribed exceptions, the application fee for renewal of registration is \$100.
8. Section 9 adds 2 new sections to the principal Regulation—

- (a) the new section 6A provides for the application fees for renewal of registration for renewal periods of not more than 48 months;
 - (b) the new section 6B is substituted for section 6(2) of the principal Regulation to make consequential amendments necessitated by the Amendment Ordinance.
- 9. Section 10 adds a new section 8A to the principal Regulation to prescribe a fee of \$50 for taking one assessment referred to in section 40A(1)(b)(ii) of the Ordinance. The new section also prescribes a refund arrangement for that fee, which applies if the application relating to the fee is made within 12 months beginning on the commencement date of section 40A of the Ordinance and the applicant passes the assessment concerned.
- 10. Sections 11 and 12 make consequential amendments to sections 9 and 10 of the principal Regulation.
- 11. Section 13 repeals Part 5 of the principal Regulation which provided for the refund of application fees under the old fee charging scheme.
- 12. Section 14 adds 2 new Schedules to the principal Regulation for the fees payable under the new sections 3A and 6A of the principal Regulation.