

## Press Releases

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LCQ12: Manpower resources in construction industry

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Following is a question by the Hon Abraham Shek and a written reply by the Secretary for Development, Mrs Carrie Lam, in the Legislative Council today (May 13):

Question:

Some members of the construction industry have relayed to me that there has been a trend of ageing construction workforce in recent years and, upon the commencement of various major infrastructure projects, a serious shortage of construction workers is anticipated to emerge at the end of next year at the earliest, or in 2011. In this connection, will the Government inform this Council:

(a) whether it knows the progress of the discussions conducted earlier between the Construction Industry Training Authority and the Hong Kong Construction Association on issues such as the ageing workforce and entry pay in the construction industry, and when the outcome of such discussions will be announced;

(b) of the details of the Construction Industry Youth Training Scheme jointly run by the Youth Work Experience and Training Scheme and the Construction Industry Council Training Academy, including the support rendered by the Government and the response of young people to the Scheme; how the authorities will step up the promotion of the Scheme, so as to attract young people (including new arrivals and ethnic minorities) to join the construction industry;

(c) which trades in the construction industry are expected to experience a shortage of skilled workers in the coming three years, and the relevant shortfalls; what training strategies the Government will adopt in response to the situation; and whether it will allocate additional resources to provide more training places or trainee allowances for the trades concerned; and

(d) what measures are in place to ensure that priority will be accorded to local construction workers in the recruitment exercises for future work projects?

Reply:

President,

Government is keeping a close watch on the overall demand and supply of manpower resources in the construction industry to meet the needs of its future development. We are aware of a possible succession gap in certain trades of the industry as a result of the ageing workforce and insufficient new entrants. On the other hand, the employment situation of young people remains critical as they bear the brunt of the financial tsunami. In view of the above, the Government has maintained close liaison with the Construction Industry Council (CIC) and stakeholders of the construction industry, including contractors and trade unions, to step up training for construction workers in a timely manner with a view to attracting young people to join the industry. We hope that the initiatives can provide the necessary manpower resources for the construction industry and help alleviate the employment difficulties of young people.

My reply to the four-part question is as follows:

(a) We understand that the Construction Industry Council Training Academy (the Academy) has discussed recently with related trade associations on potential manpower problems in the construction industry upon successive commencement of various infrastructure projects. Apart from the ageing workforce and entry pay issues, the discussions cover wider topics such as how young people can be attracted to join the industry and upgrading of the skills of construction workers. On the ageing workforce in individual sectors, CIC is drawing up measures to attract new entrants. These include stepping up publicity on the prospects of the construction industry and the employment opportunities for trainees upon completion of the courses offered by the Academy; enhancing the training courses to meet the needs of the construction industry; establishing the fifth training centre in Tin Shui Wai; and implementing the Construction Industry Youth Training Scheme as elaborated below.

(b) The Construction Industry Youth Training Scheme (CIYTS) is a training and employment programme jointly run by the Academy and Labour Department (LD). The aim is to provide comprehensive training, including craftsmanship courses and on-the-job training, for young people who aspire to join the construction industry, so that they can become skilled workers upon completion of training; and to inject fresh blood into the skilled workforce of the industry.

The Government actively supports the implementation of CIYTS. To increase the attractiveness of the Scheme, the Youth Work Experience and Training Scheme of LD will subsidise part of the training allowances.

Subject to the funding approval by CIC for the implementation of CIYTS, the Academy will widely publicise the Scheme through various channels to related organisations, including those for ethnic minorities, so as to recruit young trainees.

(c) CIC has commissioned a consultancy study on the projected demand and supply of construction workers and supervisory/technician staff over the next few years. The study will be completed in mid-2009. Basing on the results of the study and the needs of the industry, CIC will formulate a package of training strategies, including allocating additional resources to step up training when necessary, that can best meet the future needs.

In response to the expected mismatch between the demand and supply of workers in specific trades, CIC will adopt appropriate human resources training measures to meet the demand. For instance, the Academy will organise training courses on blasting works in late May 2009 to meet an expected increase in demand for shotfirers in view of a large number of tunnel infrastructure projects for the coming years. In parallel, the Government has incorporated special terms into new public works contracts which cover blasting works, to require contractors to employ a certain number of workers who have completed the above courses, and to provide training ground for blasting work for trainees, so as to ensure that there will be an adequate supply of shotfirers for the upcoming infrastructure projects. Besides, the Academy will also organise building repair and maintenance courses to train up special trade workers to cope with increasing demand in these trades.

(d) Government's employment policy is to ensure that local workers enjoy priority in employment. Under the policy, employers must accord priority to filling job vacancies with local workers. Employers who wish to import workers at technician level or below under the Supplementary Labour Scheme (SLS) need to demonstrate that there are genuine difficulties in finding suitable staff locally. The employers are required to pay workers imported

under SLS wages at a level no less than the median monthly wages of local workers in comparable positions with terms of employment no less favourable than those for local workers under the labour laws. Imported workers are only allowed to work for their employers in the positions and for the employment period as stipulated in the employment contracts. Upon expiry of the contracts, they must return to their place of origin.

Ends/Wednesday, May 13, 2009  
Issued at HKT 15:03

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