

Levy thresholds under three construction industry-related ordinances to be raised next Monday

The levy thresholds under the Construction Industry Council Ordinance (CICO), the Construction Workers Registration Ordinance (CWR0) and the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (PMCO) will be raised from \$1 million to \$3 million from next Monday (July 30).

At present, contractors are required under the CICO and the CWR0 to pay levies at 0.5 per cent and 0.03 per cent of the value of the construction operations respectively to support the work of the Construction Industry Council and the administration of the construction workers registration regime. They are also required under the PMCO to pay a levy at 0.15 per cent of the value of the construction operations to finance the statutory functions of the Pneumoconiosis Compensation Fund Board.

The Legislative Council (LegCo) passed two resolutions on June 27 to raise the levy thresholds under the CICO and the PMCO to relieve the financial burden on small and medium contractors. The same amendment has been made under the CWR0, which was tabled at the LegCo on July 11. Under the new levy threshold, contractors are not required to pay levies for construction operations of a total value not exceeding \$3 million with effect from July 30, except for construction operations that have commenced or for which tenders have been submitted before the effective date.