# **Report No. 44 of the Director of Audit — Chapter 8**

## WORK SAFETY AT CONSTRUCTION SITES

### **Summary**

1. According to the Labour Department (LD)'s statistics, there were 4,367 accidents in the construction industry in 2003, down from 19,588 accidents in 1998. Notwithstanding this substantial improvement in construction safety, the LD is committed to bringing the accident toll further down.

#### **Inspection of construction sites**

2. **Quality control procedures.** Through site inspections, the LD assesses the adequacy of control on work risks at construction sites, within a legal framework of duties, standards and sanctions. In 2004, a total of 47,700 site inspections were conducted by 124 officers. The LD has developed various enforcement instruments (e.g. standing orders) to guide its officers in conducting site inspections. To ensure fairness of site inspection results, line supervisors are required to perform quality control procedures such as case file reviews and supervisory visits. The Audit Commission (Audit) notes that the LD's senior management may need more information to assess the adequacy of supervisory visits in achieving their purposes. Audit has recommended that the Commissioner for Labour should critically review the LD's supervisory visit procedures and, in the longer term, explore the possibility of setting up an independent quality assurance unit to provide added assurance on the quality of site inspections.

3. **Other areas for improvement.** There were instances where the contractors did not comply with the legal requirement to notify the LD of their site particulars, within seven days after work commencement. For cases where a notification was received, Audit's sample check identified a large disparity in the timing of the first site inspections. Audit also found a backlog of site inspections in one of the offices it visited. *Audit has recommended that the Commissioner for Labour should follow up these audit findings with a view to enhancing the management of site inspections.* 

4. *Minor sites.* Works at minor sites (where minor maintenance and repair works are undertaken) are often completed in a short time, involving a few people with a high turnover rate. It is difficult for the LD to locate the sites and take enforcement action. Concerned about their poor safety, the LD has stepped up measures to address the problem. Recent initiatives include stepping up enforcement and promotional activities, and establishing a voluntary referral system whereby property management companies are encouraged to keep the LD informed of unsafe working conditions for timely interventions.

5. Need for regular reviews. Audit notes that the LD still faces many constraints and difficulties, which highlight the need for regular reviews of the minor site operations in the light of experience. For example, there is little assurance that staff of property management companies will report unsafe working conditions to the LD under the voluntary referral system. Audit has recommended that the Commissioner for Labour should conduct regular reviews of the minor site operations to identify room for further improvement, and make the best use of information sharing with other government departments that possess information on minor sites. Furthermore, the recent initiatives on minor sites have drawn substantial resources from the LD's other operations, in particular the inspections of other construction sites. Audit has recommended that the Commissioner should assess how the shift of resources towards minor site operations has affected the LD's other operations.

#### Safety Management Regulation

6. *Compliance rate.* The Safety Management Regulation (SMR) came into effect on 1 April 2002. It provides for the introduction of a safety management system in relevant industrial undertakings, including construction sites. As at September 2004, contractors achieved an overall compliance rate of 95%. *As a higher compliance rate will lead to safer sites, Audit has recommended that the Commissioner for Labour should make continued efforts to ensure full compliance with the SMR requirement as soon as possible.* 

7. **Integral strategy plan.** The LD's SMR operations draw resources from the same pool of officers responsible for conducting site inspections. Allocating more resources for one activity will mean less resources available for the other. Audit has recommended that the Commissioner for Labour should consider drawing up an integral strategic plan covering both SMR operations and site inspections. This will help determine an optimal mix of activities, and guide the relevant offices in planning their operations and allocating resources.

#### **Response from the Administration**

8. The Administration has accepted all the audit recommendations.

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