



Corruption Prevention Checklist

Recruitment of Construction Workers



Introduction

It is a common practice for some contractors/subcontractors to rely on their employees, e.g. foremen or more experienced workers, as “middlemen” to assist in sourcing and recruiting workers through the latter’s personal networks. Past ICAC cases reveal that such a practice, without proper and effective control, is vulnerable to abuse by unscrupulous “middlemen”, e.g. soliciting and accepting “referral fee” from workers in return for their recruitment or continuous employment in construction projects or inflating the qualifications of the workers to deceive wage payments from the employers. This practice not only renders the “middlemen” and the workers who offer the “referral fee” or conspire in the deception cases liable to prosecution, but also gives rise to criticisms of exploitation of grassroots workers and tarnishes the reputation of the contractors/subcontractors concerned and the construction industry as a whole. In addition, as unqualified workers who are willing to pay “referral fee” or conspire with the “middlemen” are employed for construction projects, this may undermine the integrity and quality of the projects and, more importantly, put public safety at stake.

Corruption Prevention Checklist

To assist contractors/subcontractors to put in place adequate safeguards against corruption and malpractices in the recruitment of construction workers, the Corruption Prevention Department has prepared this corruption prevention checklist for their reference. Project clients are also encouraged to require their contractors and subcontractors to adopt or adapt the measures recommended in the checklist in the recruitment of workers for their projects.

(a) Adoption of Anti-bribery Policy

- Lay down a clear company policy to prohibit employees from offering, soliciting and accepting advantages, including any forms of “referral fee”, in the recruitment of workers (i.e. the prohibition policy);
- If the company engages agents, either individuals or organisations, to assist in the recruitment of workers, subject the agents and their staff to the same prohibition policy;
- If necessary and appropriate, directly reward the employees or pay the agents who have assisted in the recruitment of workers;
- Specify the prohibition policy in the code of conduct, employment contracts and/or agency agreements and, if necessary and appropriate, require employees/agents to declare compliance with the prohibition policy;
- For the basic standard of conduct expected of the employees of a private company on, among others, offering, solicitation and acceptance of advantages and management of conflict of interest, please refer to the Sample Code of Conduct for the Private Sector, which can be downloaded at the following website: -
https://cpas.icac.hk/EN/Info/Lib_List?cate_id=3&id=2365
- Through regular training or reminders, raise the corruption prevention awareness of employees and agents in the recruitment of workers;

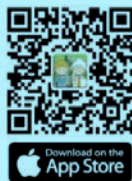




(b) Sourcing of Workers

- ☑ Avoid only relying on particular employees to source and refer workers for the company;
- ☑ Make use of free and well-established job matching platforms available in the market for sourcing workers, such as -
 - ✧ the Labour Department's Construction Industry Recruitment Centre, of which the information is available at the following website:-
<https://www2.jobs.gov.hk/0/en/jobseeker/Construction/RecruitmentCentre/>
 - ✧ the Construction Industry Council (CIC)'s "easyJob" mobile app, of which the quick-response codes for the employer and worker versions are provided below:-

Employer Version



Worker Version



- ☑ Where practicable and resource permits, maintain a database of workers with satisfactory past performance records with a view to expediting the sourcing of workers for future projects;

(c) Verification of Workers' Qualifications

- ☑ Segregate the duties of sourcing/referring workers and verifying workers' qualifications to enhance checks and balances and help detect and deter inflation/misrepresentation of workers' qualifications;
- ☑ Verify workers' qualifications against reliable documents/records, e.g. original certificates of competence / workers' registration cards issued by CIC;
- ☑ Consider automating the verification of workers' qualifications through reconciling the workers' qualifications reported in the daily attendance records with CIC's online Register of Construction Workers which is accessible at the following website:-
<https://www.cic.hk/eform/webenquiry/webenquiry.aspx?lang=en-US>

(d) Administration of Employment Contracts

- ☑ Segregate the duties of sourcing/referring workers and negotiating with and handling wage payments to workers to enhance checks and balances and help detect and deter inflation and deception of workers' wages for private gain;
- ☑ Adopt written employment contracts with workers, clearly specifying the employment terms and wages (e.g. working hours, amount of basic wages, allowances and overtime payments), the company's prohibition policy and the related contractual obligations and sanctions;
- ☑ Explain the above terms and conditions, in particular the company's prohibition policy and key integrity requirements in the code of conduct, to workers upon making offers to them;
- ☑ Employ permanent workers and pay them on a monthly wage basis as far as practicable to enhance workers' job security and reduce the risk of them paying bribe for securing jobs;



(e) Management of and Payment of Wages to Workers

- Maintain proper daily attendance records of workers on site, including their names, trade divisions, levels (e.g. skilled or semi-skilled) of registration, and site check-in/check-out times;
- Conduct random checks on site to ensure the accuracy of workers' attendance records and the authenticity/validity of workers' registration cards;
- Make payment of wages, including allowances and overtime payments, to workers directly through bank transfers to the workers' designated bank accounts or by crossed cheques payable to the workers concerned;
- If there is an operational need to pay wages to workers by cash (e.g. for temporary and/or daily workers), designate a staff member who is not involved in sourcing/referring workers to issue the cash payments to the workers directly and require the workers to sign to acknowledge receipt of the cash payments;



(f) Reporting of Suspected Corruption

- Remind employees and workers to be vigilant at all times and report any suspected corruption to the ICAC immediately;
- Channels for reporting corruption: -
<https://www.icac.org.hk/en/rc/channel/index.html>

Corruption Prevention Advisory Services

To assist private companies such as contractors and subcontractors in enhancing their corruption prevention awareness and capabilities, the Corruption Prevention Department has a dedicated Corruption Prevention Advisory Service (CPAS) group which provides free, confidential and tailor-made services to them.

CPAS provides free, confidential and tailor-made corruption prevention service to private companies/organisations, including contractors and subcontractors. Please contact CPAS through the following channels:

-  **Phone : 2526 6363**
-  **Fax : 2522 0505**
-  **Email : cpas@cpd.icac.org.hk**
-  **Website : <http://cpas.icac.hk>**



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