

立法會
Legislative Council

LC Paper No. CB(2) 1013/00-01

(These minutes have been seen by the
Administration)

Ref : CB2/PL/MP/1

LegCo Panel on Manpower

**Minutes of meeting
held on Thursday, 14 December 2000 at 2:30 pm
in the Chamber of the Legislative Council Building**

Members present : Hon LAU Chin-shek, JP (Chairman)
Hon CHAN Kwok-keung (Deputy Chairman)
Hon Kenneth TING Woo-shou, JP
Hon James TIEN Pei-chun, JP
Hon Cyd HO Sau-lan
Hon LEE Cheuk-yan
Hon CHAN Yuen-han
Hon LEUNG Yiu-chung
Hon YEUNG Yiu-chung
Hon Ambrose LAU Hon-chuen, JP
Hon Andrew CHENG Kar-foo
Hon SZETO Wah
Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Michael MAK Kwok-fung
Hon LEUNG Fu-wah, MH, JP
Hon Frederick FUNG Kin-kee

Member absent : Dr Hon LUI Ming-wah, JP

Public Officers : Item III
attending

Mr Philip K F CHOK, JP
Deputy Secretary for Education and Manpower

Mr Paul WONG
Principal Assistant Secretary for Education and Manpower (10)

Mr H Y CHEUNG
Principal Economist
Financial Services Bureau

Mr Alvin W K LI
Assistant Commissioner (Social)
Census and Statistics Department

Item IV

Mr Philip K F CHOK, JP
Deputy Secretary for Education and Manpower

Miss Erica NG
Principal Assistant Secretary for Education and Manpower (4)

Mrs Pamela TAN
Commissioner for Labour

Mr CHOW Tung-shan
Assistant Commissioner for Labour (Employment Services)

Item V

Mr Ivan LEE
Principal Assistant Secretary for Education and Manpower (5)

Dr Frederick MAK
Deputy Executive Director (Training & Development)
Vocational Training Council

Mr Lawrence WONG
Director of Chinese Cuisine Training Institute

Item VI

Mr K K LAM
Principal Assistant Secretary for Education and Manpower (7)

Mr MAK Hung-kae
Assistant Commissioner for Labour (Occupational Safety)

Mr WONG Yan-kit
Principal Surveyor (Boilers and Pressure Vessels)
Labour Department

Clerk in attendance : Mrs Sharon TONG
Chief Assistant Secretary (2)1

Staff in attendance : Ms Joanne MAK
Senior Assistant Secretary (2) 2

Ms Dora WAI
Assistant Secretary (Social Functions)

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I. Confirmation of minutes of meeting held on 16 November 2000 and matters arising
(LC Papers Nos. CB(2) 445/00-01 and CB(2) 465/00-01(01))

The minutes of the meeting held on 16 November 2000 were confirmed.

List of follow-up actions required of the Administration

2. Members noted the list of follow-up actions required of the Administration.

II. Date of next meeting and items for discussion
(LC Paper No. CB(2) 465/00-01(02))

3. Members agreed that the following items be discussed at the next Panel meeting scheduled for 18 January 2001 -

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- (a) Follow-up on Report on Manpower Projections to 2005 and Study on Employment Prospect of People Aged 40- 49 - Administration's response to members' views and suggestions;
- (b) Employees' compensation system;
- (c) Employment Information Superhighway of the Labour Department (LD);
- (d) Creation of a Supernumerary Senior Principal Executive Officer post in the Education and Manpower Bureau (EMB) to enable the secondment of a suitable officer to the Vocational Training Council (VTC); and
- (e) Enhanced employment service for local domestic helpers.

(Post-meeting note : The Administration had subsequently advised that the item at paragraph 3(e) would be discussed under the item at paragraph 3(c)).

4. The Chairman reminded the Administration that as previously agreed, the Administration should consult relevant LegCo Panels on proposals of Government fee revision under their respective purview. He requested the Administration to submit the relevant proposals to this Panel for discussion.

III. Follow-up on Report on Manpower Projections to 2005 and Study on Employment Prospect of People Aged 40-49 - members' views and suggestions

(LC Papers Nos. CB(2) 226/00-01(04), CB(2) 465/00-01(03) and CB(2) 533/00-01)

5. Miss CHAN Yuen-han presented the joint submission made by her, Mr LEUNG Fu-wah and Mr CHAN Kwok-keung on the "Report on Manpower Projection to 2005" (the Report) and "Study on Employment Prospect of People Aged 40-49". Referring to the Government's projection that the average annual growth rate of manpower requirement from 1999 to 2005 would be 2.4% (or an increase of 433 000 jobs), Miss CHAN felt that the forecast employment growth rate was on the high side because Hong Kong's economic growth would be geared towards high-tech activities which were not labour-intensive. She expressed concern about the employment prospects of workers with low educational attainment and low skills who might be rendered redundant in the job market.

6. Principal Economist (PE) of the Financial Services Bureau responded that

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the purpose of the current projection exercise was to fully assess the increase in potential employment opportunities and the degree of manpower mismatch. In making the projection, an assumption had been made that the further manpower requirement was free from manpower supply constraint. However, the actual employment rate did depend on both manpower demand and manpower supply. Should the quantity and skills of the labour supply not match with the projected manpower requirement, the actual employment growth rate would turn out to be lower than projected.

7. Referring to the employment growth rate between 1986 and 1998, Miss CHAN Yuen-han asked whether and if so, in what way it was subject to the labour supply constraint. PE replied that economic growth had been strong for most of the time during the period. As a result, the labour market was tight, as borne out partly by the large increase in nominal wages by an annual average of 7-8%.

8. Pointing out that there were some 150 000 people belonging to "hidden unemployment" in 1995-96, Miss CHAN Yuen-han queried why it was considered that there was a manpower shortage at that time. PE replied that the tight labour supply between 1986 and 1998 was also reflected in the low unemployment rate prevailing over the period, at only about 2%.

9. Mr LEUNG Fu-wah pointed out that the unemployment rate in 1995 was high and asked what could be reflected from that. PE replied that the present exercise was conducted to project the trends of manpower requirement and supply for the next five years, having regard to the respective trend in growth rates over the past ten years or so. Fluctuations found in one or two individual years should have less bearing to such a longer term projection exercise.

10. The Chairman asked the Administration to provide a written response to the questions set out in the submission made by Miss CHAN Yuen-han, Mr LEUNG Fu-wah and Mr CHAN Kwok-keung for further discussion at the next meeting. Miss CHAN Yuen-han requested the Administration to provide detailed figures to substantiate the picture presented by the Administration in respect of Hong Kong's future manpower situation. In particular, the Administration should explain why the "hidden unemployment" figures had sharply increased from some 30 000 in 1993 to some 150 000 in 1995 and to some 220 000 now. She also urged the Administration to address the unemployment problem faced by workers aged between 30 and 39 and those between 50 and 59.

11. Miss LI Fung-ying took the view that the projected economic growth did not necessarily have a direct proportional relation with the manpower requirement because of factors like relocation of businesses to the Mainland, cross-border trade and the development of high-tech resulting in reduced manual

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labour demand. She requested the Administration to provide more detailed information to substantiate the projection made. She also expressed disagreement to the point made in the "Study on Employment Prospect of People Aged 40-49" that the deterioration in the employment prospects of middle-aged workers with low educational attainment was attributable to their low education level rather than their age.

12. On the provision of training, Miss LI Fung-ying said that the role and functions of the various training bodies providing vocational training to workers were not clear, and the duration of such training courses was in general rather short. To ensure effectiveness of training, she urged the Administration to conduct an overall review of the provision of vocational training and training for adults, the adequacy of the supporting measures to complement these training programmes and the role and functions of the training bodies. To enable recognition of employees' skills and qualifications by employers, such as skills acquired by employees through self-learning and the professional qualifications of new arrivals which were obtained before their admission to Hong Kong, Miss LI suggest that the Administration should put in place a skills assessment system.

13. Ms Cyd HO asked whether EMB had discussed the matter of training leave with other policy bureaux and employers organizations since the manpower studies had concluded that it was necessary for the currently employed older workers with low education and low skills to upgrade themselves through training. Ms HO considered that the manpower projection was not complete. She said that in this manpower projection exercise the Administration had not taken into account the development needs of new industries and other emerging activities. For example, in the case of the sports, cultural and recreational services, the manpower requirement was projected to increase from 47 000 to 62 000 by 2005 which, in her view, reflected the manpower needs of the Disney Theme Park only. The Administration had not taken into consideration the development of cable television and market development of television programmes in its projection.

14. Mr SZETO Wah asked how the Administration would address the problems as pointed out in the Report that by 2005, there would be over-demand of workers with degree and post-secondary education but surplus of workers at the lower to middle educational level. He urged the Administration to provide concrete plans for meeting the policy initiative of providing tertiary education for 60% of secondary school leavers in the following ten years. Mr SZETO also considered that the Administration should address the employment problems of workers aged between 50 and 65 suffering from low education attainment. He expressed concern that surplus of workers in this category could also impact on the employment opportunities of workers aged between 40 and 49.

15. Deputy Secretary for Education and Manpower (DSEM) said that the

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policy objective of education was to raise the general educational level of the population and a series of initiatives had been announced in the Policy Address for meeting the objective. He explained that it would take some time for the Administration to increase the provision of tertiary places as lots of coordination work would have to be done. He stressed that the Administration was actively working towards this goal. DSEM clarified that the Skills Upgrading Scheme was not restricted to workers aged between 40 and 49, but was open to workers of all age groups who had practical needs for training. The Administration was of the view that additional training opportunities should not be only provided to workers aged between 40 and 49, but to all workers who had practical needs.

16. Mr LEE Cheuk-yan introduced the joint submission made by him, the Chairman and Mr LEUNG Yiu-chung. He highlighted the proposed measures to address the anticipated manpower surplus at secondary level and below and shortfalls at degree and post-secondary level by 2005 as follows -

- (a) The Government should actively involve in the provision of "post-employment training" to workers to improve their skills;
- (b) In anticipation of the large decrease in the number of office clerk posts by 2005, more training opportunities should be provided to clerks to help them upgrade their skills for taking up more senior posts;
- (c) The Government should establish a training leave wage subsidy scheme to encourage employers to release their staff to attend training;
- (d) The Government should subsidize trainees receiving fundamental and mid-level skills training by making grants to them to meet the full training cost or half of the cost incurred. The subsidy arrangement could be in the form of "training coupon" or "personal training account";
- (e) The Government should establish a skill assessment system to enable employees' skills and qualifications to be recognized by employers; and
- (f) The Government should make use of proceeds from the auction of 3G for setting up a vocational training fund for implementing the above proposals and consider imposing a levy on business organizations to meet the long-term post-employment training cost.

Mr LEE pointed out that the Government should put more emphasis on the

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provision of on-the-job training for workers and introduce measures to encourage employers to release their staff to attend training to upgrade their skills. He said that the problem of the lack of training opportunities was serious for workers with low skill and low education as surveys had shown that employers were more inclined to provide training to the more senior staff with higher educational level. These workers had less chance to receive training given the fact that they had to find time after work to attend training.

17. Mr LEUNG Yiu-chung said that many middle-aged workers with low educational attainment and lesser skills felt that they were unable to adapt to the economic restructuring and had no confidence in changing their occupations or in being able to meet new requirements, such as the use of computer. He said that the Government had only provided employment/retraining services to the unemployed but neglected the needs of the "potentially unemployed", i.e. the unskilled workers who were currently employed but had a high risk of losing job. When their trade continued to shrink, these workers would lose their jobs and would have great difficulty in finding employment again or in adapting to new jobs. He urged the Administration to adopt the proposed measures put forward in the submission to tackle the projected imbalance of manpower resource.

18. DSEM acknowledged the need to provide assistance not only to the unemployed but also to the currently employed to enable them to tide over the adaptation difficulties they would encounter in the course of the economic restructuring. He said that in anticipation of new job opportunities as projected in the Report, the Government pledged to train up workers with the necessary skills to meet the needs of industries. It had therefore introduced the Skills Upgrading Scheme and the relevant Steering Committee had so far identified three trades, namely the printing trade, the retail trade and Chinese catering trade for organising skills upgrading courses in the pilot phase of the Scheme. The Administration was consulting the trade unions and employers groups of these trades in designing the content of the training programme.

19. Mr LEE Cheuk-yan reiterated that it was essential for employers to release their staff during office hours to attend training. DSEM responded that although the consultants had put forward the suggestion of requiring employers to provide three to four days' training leave to employees, it was very difficult to require them to do so on a mandatory basis. The Administration's plan was to provide the training courses after working hours and during weekends or less busy periods to facilitate workers' attendance of the courses. It would also explain to employers the benefits that would be brought about to their organizations and encourage them to send their staff to attend such training.

20. The Chairman reminded the Administration that the general feedback from workers was that they had difficulty to attend training after working hours because they were too tired after work. Mr LEE Cheuk-yan further pointed out

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that it was impossible for workers such as those of the Chinese catering trade to attend training on rest days as they only had two to three rest days each month. He considered that the Government should subsidize employers to hire temporary staff or, if this was not possible, should pay for the overtime allowance required for staff to work extra hours in order to absorb the work of those released to attend training. He clarified that he did not suggest requiring employers to provide paid training leave to employees on a mandatory basis as such a measure was too inflexible.

21. Mr LEUNG Yiu-chung considered that the projected manpower mismatch was attributable to the Administration's lack of long-term plan for manpower training. He said that the Administration had adopted a piece-meal approach to tackling the problem and the Skills Upgrading Scheme was an example of such an approach. He urged the Administration to address the training needs of workers in all different industries and provide them with long-term training. He added that many workers in the trades selected for implementation of the Skills Upgrading Scheme were required to work during weekends. Ms Cyd HO echoed Mr LEUNG's view and considered that the Administration should look at the role and responsibility of employers in providing training for their staff. She also took the view that it was not realistic to require a worker to attend, after working hours, training or retraining which was essential to him in upgrading his skills and qualifications.

22. The Chairman requested the Administration to respond to members' views and suggestions at the next meeting.

IV. Pilot project for long-term unemployed people
(LC Paper No. CB(2) 465/00-01(04))

23. At the Chairman's invitation, Commissioner for Labour (C for L) briefed members on the salient points of the Administration's paper on a pilot programme, entitled "Re-employment Pilot Programme for the Middle-aged", to be launched by LD to help the long-term unemployed.

24. Mr LEE Cheuk-yan said that the pilot programme was similar to the intensive employment assistance programme implemented by the Social Welfare Department (SWD) in the way that participants of both programmes were given opportunities to work on attachment to organizations to enable participants to gain work experience. In view of the similarities between the two programmes, Mr LEE asked if there was any coordination between LD and SWD in devising such programmes to avoid duplication of efforts.

25. C for L replied that the two departments had conducted thorough discussions before introducing the programmes. She stressed that there was no

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overlap between the programmes because the intensive employment assistance programme was provided to the unemployed recipients of the Comprehensive Social Security Assistance Scheme (CSSA) whereas this pilot programme mainly targetted at unemployed non-CSSA recipients. The approaches of the two programmes were also different to cater for the different needs of the different clients targetted.

26. Mr LEE Cheuk-yan considered that compared with the intensive employment assistance programme, the pilot programme was more practical in that it provided a training subsidy of \$2,800 for employers who offered vacancies and training for the participants. He said that the unemployed CSSA recipients should not be excluded from the pilot programme which, in his view, would be more effective.

27. In response, C for L explained that unemployed CSSA recipients in general had greater adaptation problems for re-employment because they were out of work for longer periods than unemployed non-CSSA recipients. It was therefore necessary to provide different employment services for these two categories of clients to meet their needs.

28. Mr LEUNG Fu-wah asked whether the pre-employment training classes covered by the pilot programme required a minimum number of enrollments. He also asked whether the content of the pre-employment training was same as that of the retraining course on Job Search Skills run by the Employees Retraining Board (ERB).

29. C for L replied that the pre-employment training would be conducted in small classes. To maximize the use of resources and enhance experience sharing among classmates, each class would have at least a few participants. C for L further said that the retraining course on Job Search Skills provided more standardized training to participants whereas the pre-employment training would be tailor-made to meet the needs of individual participants. To this end, LD officers would prepare a profile of the training needs for each target client and provide the profile to the course instructor of the client. Based on the profile, the course instructor would design a programme to meet the specific needs of the client.

30. Miss CHAN Yuen-han asked what action would be taken by the Administration to ensure that the training could really help participants to find jobs. C for L replied that through the pilot programme, the Administration intended to strengthen support for the long-term unemployed to help them secure employment. She explained that LD staff would closely liaise with employers concerned and request them to provide induction training to the participants who would be joining their organizations. LD staff would also provide the

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participants with information booklets concerning the organizations. Employers would be required to designate an experienced staff to be responsible for providing guidance to the participants.

31. Miss CHAN Yuen-han expressed concern that some employers might abuse the pilot programme and dismissed a participant quickly after receiving the subsidy of \$2,800 from the Government. Miss CHAN requested the Administration to plan carefully the detailed arrangements of the pilot programme based on experience learnt from similar programmes introduced in the past, such as the Youth Pre-employment Training Programme. C for L clarified that the Youth Pre-employment Training Programme was not meant to secure employment for its participants but only served to give them some working experience. She said that as employers joining this pilot programme would have to put in much effort in training up the participants, she did not think that they would be joining the project merely for the subsidy of \$2,800. Moreover, if the performance of the employers was found to be unsatisfactory, they would be removed from the list and no longer be considered under this scheme. The Administration would take note of members' comments in implementing the pilot programme.

32. Miss LI Fung-ying questioned how the pre-employment training could cater for the diverse needs of different participants. If a participant felt that he was suitable for taking up a particular kind of jobs but his instructor had a different view, she asked how the situation would be handled. C for L said that the LD staff concerned and course instructors of the scheme would carefully look at the needs of a participant in an objective manner and provide professional advice and appropriate guidance to the participant. She added that the choice rested with the participant.

33. Mr LEUNG Fu-wah noted that ERB had organized an on-the-job retraining programme which also provided a training subsidy of \$6,000 for employers. He asked whether it had overlapped with the pilot programme. C for L replied that the pilot programme was different from that retraining programme as the former aimed at helping the long-term unemployed to find jobs whereas the latter helped the currently unemployed to upgrade their skills. In response to Mr LEUNG's further question, C for L said that the pilot programme aimed at serving 2 000 clients on a budget of close to \$10 million.

34. Mr Andrew CHENG asked about the eligibility criteria for selecting participants of the pilot programme as the number of long-term unemployed people was probably far more than 2 000. He also asked how the Administration would achieve optimal use of the limited resources reserved for this scheme. C for L responded that assuming that all the participants required the different services covered by this pilot programme, the budget set for the programme would be adequate to provide services for 2 000 clients. She added that the

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budget should be able to cater for more than 2 000 clients as some of them might probably not require the full range of services covered by the pilot programme.

35. On the selection of participants, Assistant Commissioner for Labour (Employment Services) (AC for L(ES)) explained that the pilot programme would target those who had comparatively greater difficulty in finding jobs and had been unemployed for more than three months. C for L added that at present the unemployed in the age group of 40 or above had the lowest success rate in finding employment after registration with LD. She said that this would be taken into consideration in the selection of participants for this programme.

36. In response to Mr Frederick FUNG's enquiry about the breakdown of the budget set for the pilot programme, C for L said that the budget would be used to pay for the training subsidies for employers and the cost of providing counselling and training services to participants. The administrative cost of the pilot programme would be minimal which would not exceed 8% of the overall budget. The cost of providing the pre-employment training and related services under this programme would make up about 44% of the total cost. She stressed that these services would be useful in enhancing participants' skills and competitiveness.

37. Mr Tommy CHEUNG asked whether the pilot programme was just the same as a retraining programme previously launched by ERB. He suggested that LD should collect information on the employment situation of the participants in the first six months after completion of the pilot programme to see whether or not the participants were really able to secure longer-term employment after joining the programme. C for L responded that a detailed evaluation of this programme would be conducted upon its completion and Mr CHEUNG's suggestion would be taken into consideration. AC for L (ES) explained that the retraining programme run by ERB as referred to by Mr CHEUNG provided standardized training to participants whereas the pilot programme aimed at catering for specific needs of individual participants. He said that the pilot programme would make use of the very successful experience of the retraining programme. However, the pilot programme was different in that it would include enhanced services in various respects. Mr James TIEN suggested that the Panel should pay a visit to the relevant training institutions to better understand the operation of the training courses.

V. Progress report of Chinese Cuisine Training Institute
(LC Paper No. CB(2) 465/00-01 (05))

38. At the Chairman's invitation, Principal Assistant Secretary for Education and Manpower (5) (PAS(EM)(5)) briefed members on the salient points of the progress report on the setting up of the Chinese Cuisine Training Institute (CCTI).

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39. Miss CHAN Yuen-han asked what arrangements would be made to the catering courses currently provided by VTC following the establishment of CCTI. PAS(EM)(5) replied that it was planned that in future all courses on skill training on Chinese culinary art would be provided by CCTI. Therefore, courses on Chinese cuisine previously provided by the Hospitality Industry Training and Development Centre at Pokfulam would be taken over by the CCTI. The space thus vacated at the VTC centre would be used for other training courses such as courses on western style cuisine. Miss CHAN suggested that the Administration should review the various training institutions providing similar training to avoid overlapping and ensure better use of resources. She requested the Administration to provide more detailed information on culinary skill training courses offered by various training institutions.

40. In response to Mr Kenneth TING's question on the selection of trainees for the courses offered by CCTI, PAS(EM)(5) explained that the 49 trainees of the full-time elementary class were selected out of some 800 applicants. They were selected based on their performance at interviews. As to the 21 trainees admitted to part-time elementary class, they were selected out of 98 applicants. These 21 trainees were all working in the catering industry.

41. Referring to paragraph 7 of the paper, Mr Andrew CHENG pointed out that the number of trainee intake of CCTI was very small compared with the estimated full capacity. He asked about the recurrent budget that would be needed to cope with the increase in the number of trainees in the future. PAS(EM)(5) replied that the operation of CCTI had commenced for only six months. It was planned that CCTI would reach its full capacity in 2002-03. He informed members that the recurrent expenditure in 2001-02 would be \$10.35 million, which would be reduced to \$4 million after 2003. He explained that income would be derived from fees for trade tests and training course. With the increased intake of trainees, the recurrent expenditure would be reduced. The above income and expenditure projections would be subject to review in the light of operational experience.

42. Mr Tommy CHEUNG declared that he was a member of the CCTI Training Board. He said that the catering industry had all along expressed reservations about the location of CCTI which was considered quite remote. He suggested that the Administration should consider an alternative location in the long term to facilitate members of the catering trade to attend the courses and skill tests conducted by CCTI.

43. Referring to paragraph 7 of the paper, Mr James TIEN asked about the criteria for admission of trainees to the interest classes of CCTI. PAS(EM)(5) replied that these interest classes were short-term courses open to all interested people. The fee for such courses would be charged on a cost-recovery basis and

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there was no special criterion for selection of trainees.

VI. Proposed amendments to the Boilers and Pressure Vessels Ordinance and the Boilers and Pressure Vessels Regulations
(LC Paper No. CB(2) 465/00-01 (06))

44. In response to Mr Kenneth TING's enquiry, Assistant Commissioner for Labour (Occupational Safety) confirmed that there had been no cases of refund of the fees charged under section 6(1) and (3) of the Boilers and Pressure Vessels Ordinance in respect of the issue of a certificate.

45. Members had no further question on the proposed amendments.

46. The meeting ended at 4:30 pm.

Legislative Council Secretariat

2 March 2001