

立法會
Legislative Council

LC Paper No. CB(2)1513/00-01
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Administration)

Ref : CB2/PL/MP/1

LegCo Panel on Manpower

**Minutes of special meeting
held on Friday, 30 March 2001 at 10:45 am
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 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 LEUNG Fu-wah, MH, JP
- Member Attending** : Hon NG Leung-sing
Hon Mrs Selina CHOW LIANG Shuk-ye, JP
Hon James TO Kun-sun
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
- Members absent** : Hon Cyd HO Sau-lan
Dr Hon LUI Ming-wah, JP
Hon Michael MAK Kwok-fung
Hon Frederick FUNG Kin-kee

Public Officers : Mrs Fanny LAW, JP
attending Secretary for Education and Manpower

Mrs Regina IP, JP
Secretary for Security

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

Mr Timothy TONG, JP
Deputy Secretary for Security

Mr Michael J T ROWSE
Director-General of Investment Promotion

Mr Rex CHANG
Principal Assistant Secretary for Information Technology and
Broadcasting

Miss Susie HO
Deputy Secretary for Financial Services

Mr LAW Yiu-tung
Acting Assistant Director of Immigration

Ms Linda SO
Principal Assistant Secretary for Security

Attendance by : The Federation of Hong Kong & Kowloon Labour Unions
Invitation

Mr POON Siu-ping
Vice Chairman

Ms WONG Yau-hing
Director of Labour Rights

The British Chamber of Commerce in Hong Kong

Brigadier Christopher HAMMERBECK
Executive Director

The Chinese General Chamber of Commerce

Mr HO Sai-chu
Vice-Chairman

Hong Kong Information Technology & Network Engineering
Employees Association

Mr TANG Wai-tong
Chairman

Mr FAN Kwok-fai
Executive Secretary

Hong Kong Communication Industry Employees Association

Mr CHAN Wing-lai
President

The Hong Kong Exporters' Association

Mr Jeffrey LAM
Chairman

Hong Kong General Chamber of Commerce

Mr Christopher CHENG
Deputy Chairman

Federation of Hong Kong Industries

Mr Andrew LEUNG
Deputy Chairman

Mr Roger TAM
Senior Administrative Officer

Hong Kong Confederation of Trade Unions

Ms Elizabeth TANG
Chief Executive

Mr MAK Tak-ching
Organizing Secretary

German Chamber of Commerce

Mr Wolfgang EHMANN
Deputy Executive Director

Miss Inken OLIN
Manager
Administration

Hong Kong Information Technology Federation

Miss Judy LEUNG
Vice President

Mr Alan LUNG
Treasurer

The Chinese Manufacturers' Association of Hong Kong

Mr Joseph M W LAU
Executive Committee Member

Ms Eva TSE
Executive Officer
Industrial Development & Research Division

Federation of Hong Kong Restaurant Owners

Mr William MARK Yiu-tong

Estate Restaurant (Hong Kong) Merchant Association

Mr CHAN Cheung-chor

Academic Staff Association, The University of Hong Kong

Mr CHAN Che-wai
Chairman

Individuals attending

Prof K K CHAN
Hong Kong University of Science and Technology

Mr Edwin LAU Chi-kit

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

Staff in attendance : Ms Dora WAI
Senior Assistant Secretary(2)4

Action

I. Admission of Mainland Professionals Scheme (the Scheme)
(LC Paper Nos. CB(2)1194/00-01(01), CB(2)1050/00-01(01) and
CB(2)1064/00-01(01))

The Chairman welcomed all parties to the meeting and invited the deputations to express their views on the Scheme.

Meeting with deputations

Prof K K CHAN
(LC Paper No. CB(2)1207/00-01(01))

2. Prof K K CHAN of the Hong Kong University of Science and Technology said that he attended the meeting in his personal capacity and then presented his views in support of the Scheme as detailed in his submission. In his view, with the rapid growth of the economy in the Mainland and its impending accession to the World Trade Organization (WTO), Mainland professionals with expertise in the Mainland

market would be able to play an important role to attract multinational firms to set up offices in Hong Kong for running businesses in the Mainland.

*The Federation of Hong Kong & Kowloon Labour Unions
(LC Paper No. CB(2)1186/00-01(01))*

3. Ms WONG Yau-hing presented the views of The Federation of Hong Kong & Kowloon Labour Unions on the Scheme as set out in its submission. She suggested that there should be a high degree of transparency on the operation of the Scheme in order to prevent abuses; a quota for the number of Mainland professionals to be admitted should be imposed; a minimum salary level should be set; and representatives from the labour sector should be involved in the monitoring of the Scheme.

*The British Chamber of Commerce in Hong Kong
(LC Paper No. CB(2)1186/00-01(02))*

4. Brigadier Christopher HAMMERBECK presented the views of The British Chamber of Commerce in Hong Kong which supported the admission of Mainland professionals. He opined that the immediate operational problem of firms arising from the shortage of information technology (IT) and financial services professionals in the local market should be addressed immediately. Although he recognized that the Scheme could alleviate the current problem, he pointed out that it was not easy to attract Mainland professionals to come to work in Hong Kong nowadays as there were tremendous employment opportunities in the Mainland.

*The Chinese General Chamber of Commerce
(LC Paper No. CB(2)1186/00-01(03))*

5. Mr HO Sai-chu presented the views of The Chinese General Chamber of Commerce in support of the Scheme as detailed in its submission. He said that there was no reason why foreign professionals had all along been allowed to work in Hong Kong while Mainland professionals were not allowed to do so. He suggested that the Administration should consider extending the Scheme to cover other sectors in need. He considered that complicated application procedures should be avoided.

*Hong Kong Information Technology & Network Engineering Employees Association
(LC Paper No. CB(2)1186/00-01(04))*

6. Mr TANG Wai-tong presented the views of the Hong Kong Information Technology & Network Engineering Employees Association as set out in its submission. He said that the Association was in support of the Scheme on the condition that there should be a quota on the number of professionals to be admitted and there should be a monitoring mechanism for the Scheme involving representatives of employers, employees, government officials and professionals.

*Hong Kong Communication Industry Employees Association
(LC Paper No. CB(2)1186/00-01(05))*

7. Mr CHAN Wing-lai presented the views of the Hong Kong Communication Industry Employees Association as detailed in its submission. He said that in principle the Association raised no objection to the implementation of the Scheme, but suggested that a quota on the number of Mainland professionals to be admitted should be imposed and a monitoring mechanism should be put in place. He further suggested that the Administration should provide more education and training opportunities for the IT sector.

*Hong Kong General Chamber of Commerce
(LC Paper No. CB(2)1186/00-01(07))*

8. Mr Christopher CHENG said that the Hong Kong General Chamber of Commerce welcomed the Scheme, with reasons given in its submission. He suggested that the Administration should consider extending the Scheme to cover other sectors in need at an appropriate time. He was of the view that a quota on the number of Mainland professionals to be admitted should not be imposed and the application procedures should be simplified.

*The Hong Kong Exporters' Association
(LC Paper No. CB(2)1186/00-01(06))*

9. Mr Jeffrey LAM presented the views of The Hong Kong Exporters' Association in support of the Scheme as set out in its submission. He said that the admission of Mainland professionals to work in Hong Kong would not only solve the manpower shortage problem, but would also help local enterprises capitalize on business opportunities in the Mainland. He therefore suggested that the Scheme should be extended to include other industries as soon as practicable and the application procedures should be as simple as possible.

*Federation of Hong Kong Industries
(LC Paper No. CB(2)1186/00-01(08))*

10. Mr Andrew LEUNG shared the views of the Hong Kong General Chamber of Commerce and The Hong Kong Exporters' Association. In presenting the views of the Federation of Hong Kong Industries as outlined in its submission, he pointed out that some of the skills possessed by Mainland professionals were not available either locally or overseas. In his view, the Scheme would help enhance Hong Kong's economy and hence generate new jobs instead of hampering local employment opportunities. He opined that an open approach should be adopted for the Scheme as many countries or cities, such as Singapore, Shanghai and Taiwan, were adopting a relaxed policy on importation of talents and professionals.

Hong Kong Confederation of Trade Unions

(LC Paper No. CB(2)1207/00-01(02))

11. Mr MAK Tak-ching said that the Hong Kong Confederation of Trade Unions raised no objection to the Scheme if it was adopted as an interim measure to address the immediate manpower shortfall. Referring to its submission, Mr MAK said that it was the Confederation's viewpoint that a quota under the Scheme should be imposed and a minimum wage level should be set. In order to enhance the competitiveness of the local workforce in a longer term, the Administration should, on admission of a Mainland professional, provide a training or university place relevant to the skills possessed by the Mainland professional within a year upon his admission.

*German Chamber of Commerce
(LC Paper No. CB(2)1207/00-01(03))*

12. Mr Wolfgang EHMANN presented the views of the German Chamber of Commerce in support of the Scheme as outlined in its submission. He pointed out that currently multinational companies with regional offices in Hong Kong running businesses in the Mainland were not allowed to transfer their Mainland staff to Hong Kong for training. As there was no similar restriction in Japan and Singapore, the consequence of the restriction might result in relocation of the regional offices in Hong Kong to some other countries which did not impose such restriction.

*Mr Edwin LAU Chi-kit
(LC Paper No. CB(2)1186/00-01(09))*

13. Mr Edwin LAU Chi-kit expressed support for the Scheme, with views detailed in his submission. He pointed out that many large as well as small and medium enterprises were facing difficulties in recruiting suitable IT personnel from the local market. He considered that the Scheme would not affect the employment opportunities of low-skilled workers as the people to be admitted were skilled professionals.

*Hong Kong Information Technology Federation
(LC Paper No. CB(2)1207/00-01(04))*

14. Mr Alan LUNG presented the views of the Hong Kong Information Technology Federation as set out in its submission. He said that the Federation was in support of the Scheme and suggested that it should be implemented in an open and non-discriminatory manner. The Federation also suggested that professionals should be allowed to come with their dependants and the existing training policy should be reviewed to prevent manpower shortage in the future. Miss Judy LEUNG added that no quota on the number of professionals to be admitted under the Scheme should be imposed as there was a global shortage of IT professionals. Many countries were relaxing their immigration policies to attract these professionals to work in their countries. However, there should be a system to monitor the operation of the Scheme. To sum up, she considered that the Scheme would provide a fast mean to revive the

competitiveness of Hong Kong among Southeast Asian countries.

*The Chinese Manufacturers' Association of Hong Kong
(LC Paper No. CB(2)1186/00-01(10))*

15. Mr Joseph M W LAU presented the views of The Chinese Manufacturers' Association of Hong Kong as outlined in its submission. He pointed out that the Association welcomed the Scheme and suggested that it should be extended to bring about benefits to other traditional industries. He also suggested that the operation of the Scheme should be as simple as possible.

*Federation of Hong Kong Restaurant Owners
(LC Paper No. CB(2)1186/00-01(11))*

16. Mr William MARK Yiu-tong presented the views of the Federation of Hong Kong Restaurant Owners in support of the Scheme as detailed in its submission. He suggested that the Scheme should be extended to cover the catering industry.

*Estate Restaurant (Hong Kong) Merchant Association
(LC Paper No. CB(2)1207/00-01(05))*

17. Mr CHAN Cheung-chor shared the view of the Federation of Hong Kong Restaurant Owners. As outlined in its submission, Mr CHAN said that the Estate Restaurant (Hong Kong) Merchant Association considered that the Scheme would have a positive impact on the employment situation for local people.

*Academic Staff Association, The University of Hong Kong
(LC Paper No. CB(2)1207/00-01(06))*

18. Mr CHAN Che-wai presented the views of the Academic Staff Association of The University of Hong Kong which was not in support of the Scheme. He opined that the Scheme with no quota imposed would violate the spirit of the Basic Law as the protection given to the people of Hong Kong against an unlimited influx of people from the Mainland would be at stake upon the implementation of the Scheme. He said that the long-term solution to shortage of professionals was to train up the local people to cater for the needs of the market.

Issues raised by members

19. Mr Andrew CHENG considered that the Administration should provide more tertiary and training places in areas where manpower shortage was found so that the manpower shortfall expected in 2005 could be met by local graduates. He shared the view of Prof K K CHAN that the recent reduction on financial provisions for

universities was regrettable. He asked about the views of Prof K K CHAN on whether a quota should be imposed under the Scheme.

20. Prof K K CHAN said that he was not supportive of the imposition of a quota. The number of Mainland professionals to be admitted should be determined by market forces of demand and supply. These professionals should be offered a remuneration package broadly comparable to the prevailing market rate for local professionals. Stringent and complicated application procedures should be avoided. In respect of education and training, he said that as the education provided by universities was usually general in nature, graduates would need to acquire practical knowledge and skills through employment in well-established industries and on-the-job training. Many university graduates were unemployed because of a mismatch between their academic qualifications and the practical knowledge and skills required of the jobs. However, he pointed out that the public expenditure on education in Hong Kong was relatively low when compared with other countries. He urged the Administration to increase its commitment to local education, particularly in areas with serious manpower shortage problems such as IT. He opined that education policy and the Scheme were two different issues which should be handled separately. In his view, the Scheme was viable and should be extended to cover other sectors in order to benefit the society as a whole.

21. With regard to a number of requests for extending the Scheme to other industries, Mr Andrew CHENG cited the catering industry as an example that instead of relying on the admission scheme, the Administration should consider providing financial assistance to local chefs to go to the Mainland or overseas to acquire advanced culinary skills and bring in innovative and exquisite cuisines. In addition, he considered that the absence of a quota under the Scheme might be open to abuse and the trend to employ Mainland professionals might spread to other industries, thus affecting the overall employment opportunities of the local workforce. He maintained the view that the Administration should invest more on local tertiary education to train up its own professionals to meet the local needs.

22. Prof K K CHAN said that no country would depend entirely on its own home-grown talents and professionals. He cited as an example that the good development of western cuisine in Hong Kong was attributable to the admission of foreign chefs by the hotel industry. The local workforce and the society had benefitted from the transfer of skills. He agreed with the Administration's proposed arrangement that statistics and information on the implementation of the Scheme be released regularly so that the public would be able to monitor its effectiveness.

23. In reply to Mr James TIEN's question about the main concern of foreign companies in deciding whether to invest in Hong Kong, Director-General of Investment Promotion (DG of IP) said that the matter involved a wide range of issues like the stability of the society. One of the most commonly-asked questions was concerning the high costs in running business in Hong Kong. He said that he learned from many foreign companies in Hong Kong that they had encountered difficulties in

bringing in adequate skilled professionals, which were either not available or in shortage locally, to fill the vacancies. He pointed out that employers considered it more convenient and would prefer to employ local people should there be suitable applicants with the requisite skills. A survey showed that there was a 20% increase in the number of foreign-owned regional headquarters and regional offices in Hong Kong over the 1999 figure. Nevertheless, Hong Kong was in intense competition with other cities such as Sydney, Singapore, Shenzhen and Shanghai, particularly in the role of regional headquarters. In view of this, suitable talents and skilled professionals from other places should be attracted to fill the vacancies in order to maintain Hong Kong's competitiveness, otherwise Hong Kong might lose out to its competitors as a renowned business and financial centre. He cited as an example that the grooming of regional office executives by a regional headquarter would usually include hands-on training by performing an actual job in the regional headquarter. The situation might be that this job could be handled competently by a local person. However, if local policy only allowed that job to be offered to a local person, it might ruin the prime objective of that company in setting up its regional headquarter in Hong Kong. Hong Kong might in turn lose a large number of jobs that the regional headquarter would originally be able to provide for the local workforce. He said that this example demonstrated that the policy on admission of talents and professionals should be formulated with a view to maximizing the benefits that would probably be brought about by the admission.

24. In response to a further question raised by Mr James TIEN, DG of IP said that it was fully understandable that people might emotionally feel more comfortable should there be a quota under the Scheme. However, there was no practical need for such a quota as it was not envisaged that there would be a major influx of Mainland professionals to come to Hong Kong to work on the grounds that most people would prefer to stay in their home town for work; and that there were many similar opportunities available to them in other attractive cities. He urged that the Scheme should be extended to cover all other sectors in need as soon as possible. The main concern of foreign investors was to simplify the application procedures so that the Scheme could be administered more easily. One way to do this might be by setting a minimum salary. He was sympathetic to the companies concerned.

25. The Chairman enquired whether assessment had been made in the number of regional headquarters which would be coming on stream in Hong Kong in the next two years, and the expected number of Mainland professionals required for such operations. DG of IP replied that there were 53 new foreign-owned regional headquarters operating in Hong Kong in the last 43 weeks. He expressed confidence that there would be a further substantial increase with the accession of China to WTO. Statistics revealed that the foreign direct investment in Hong Kong in the last calendar year amounted to US\$64 billion. This figure clearly showed that Hong Kong was functioning as the Mainland's international business and financial centre. He added that Hong Kong should place itself in the same position as other financial centres such as New York and London which were able to draw on a pool of best talents and professionals from other areas.

26. Mr LEE Cheuk-yan opined that in formulating a policy, the emotion of citizens and stability of the society should be considered. He pointed out that the number of university graduates and skilled professionals in the Mainland was far more than that in Hong Kong. Local university graduates without relevant skills and experience would no doubt be less favourable. Worries among the local workforce were inevitable, especially if there was no quota on the number of Mainland professionals to be admitted. As the Administration considered that there would not be an influx of applicants under the Scheme, he questioned why it refused to impose a quota. He asked whether the suggestion of setting a minimum salary level under the Scheme would be considered or whether the median wage of local professionals would be used as a criterion in processing applications. He also asked whether the expected shortfall of some 110 000 workers at post-secondary and degree levels already included the figure of the 60% of secondary school leavers who would be provided with further education at post-secondary or sub-degree level or above as announced by the Chief Executive.

27. Secretary for Education and Manpower (SEM) said that a consensus was basically reached at the meeting that skilled professionals had to be admitted to address the immediate manpower shortage problem in order to maintain the competitiveness of Hong Kong. A projection made in 2000 suggested that there would be a manpower shortfall of some 110 000 workers at tertiary education level or above in 2005. As the policy that 60% of the secondary school leavers would be provided with tertiary education by 2010/11 school year could not address the immediate manpower shortage problem, Mainland professionals would have to be admitted as soon as possible to cope with the problem. The Scheme targetted on the two sectors with the most serious manpower shortage problems, viz IT and financial services. The shortfall of IT graduates in the current year stood at 4 000 while the projected manpower shortage for the financial services sector might rise to some 50 000 in 2005. She said that the Administration had adopted a series of measures to enhance local education and training with a view to providing the manpower required for Hong Kong's economic development in the longer term. The Administration saw no reason why a quota should be imposed on the admission of Mainland professionals as the current shortage was so large that a quota was not meaningful. If the quota was set at too low a level, it would be unnecessarily restrictive and might affect Hong Kong's economic growth. It might also give an impression that Hong Kong was not an open city and was in fear of competition with professionals from other places. She assured members that the Scheme would be operated with a high degree of transparency and would be reviewed one year after implementation.

28. SEM further said that the reduction in the triennium funding for universities was a separate issue, aimed at enhancing productivity. She pointed out that there was no reduction in the number of first year first degree places which remained at about 14 500. On the question of the salary of professionals to be admitted under the Scheme, she considered that it should be determined by market forces, especially in view of rapid changes in the IT market. She said that the Immigration Department

(ImmD) had substantial experience in the processing of applications for admission of talents and professionals. In processing these applications, the supply and demand situation of the local market and the salary level would be considered. ImmD would seek advice from relevant government departments and trade organizations where necessary. The Education and Manpower Bureau would liaise closely with ImmD on issues relating to the Scheme. SEM stressed that in order not to affect the effectiveness of the Scheme, any mechanism which would reduce its flexibility should be avoided.

29. Mr LEE Cheuk-yan expressed disappointment that the Administration maintained its stance that no quota would be imposed under the Scheme.

30. In response to Mr LEUNG Fu-wah's suggestion that there should be a monitoring mechanism for the Scheme, Secretary for Security said that statistics relating to the Scheme, including the number of applications, academic qualifications and remuneration of successful applicants, would be provided to members on a regular basis. She stressed that ImmD had a well-established monitoring system for admission of talents and foreign professionals. The same would apply to the admission of Mainland professionals. In processing applications, ImmD would ensure that only those who possessed skills and knowledge in shortage locally and employed with a remuneration package broadly comparable to the prevailing market level were admitted. She added that ImmD would obtain information on remuneration of local employees from the Labour Department (LD), the Vocational Training Centre (VTC) and professional bodies for reference.

31. Mr LEUNG Fu-wah remarked that the lack of flexibility should not be a reason for not introducing a monitoring mechanism. SEM explained that the Scheme was different from the Supplementary Labour Scheme which had no sectoral restriction and thus more monitoring was required. As the Scheme was intended to be implemented initially in only two sectors where there was a significant manpower shortfall, she considered that the effectiveness of the Scheme would be adversely affected if there were too many procedural hurdles.

32. In reply to the question raised by the Chairman, Deputy Secretary for Security (DS for S) said that the Administration had provided Members with regular reports on the implementation of the Admission of Talents Scheme every two to three months since its implementation. He assured members that reports on the implementation of the Admission of Mainland Professionals Scheme would also be provided to Members on a regular basis. Such reports might cover areas where members were particularly interested and discussion on these areas could be held where necessary. The Chairman said that past reports on the Admission of Talents Scheme were rarely received by the Panel on Manpower and requested that the reports on the Admission of Mainland Professionals Scheme should be provided to the Panel.

Adm

33. Ms LI Fung-ying recalled that members had on another occasion requested the Administration to provide information on the employment situation of IT and

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financial services university graduates who were employed in these two sectors and the trend of their salary levels in the past three years. She said that the requested information was not included in the supplementary note provided by the Administration. DSEM agreed to examine if such information was available and would provide it to members as soon as possible.

34. Mr Andrew LEUNG pointed out that if the Scheme was subject to a quota, some companies might rush to submit applications even if there was no genuine need. Consequently, those companies who had a real need might be affected.

35. Miss CHAN Yuen-han said that The Hong Kong Federation of Trade Unions and its member unions would support the Scheme if it was implemented as an interim measure to cope with the immediate manpower shortage. However, she pointed out that the implementation of the Scheme would inevitably create an adverse impact on the salary levels of the workforce. The Administration should review its policies to address the problem in the long run. She suggested that there should be an effective monitoring mechanism for the Scheme. For example, a selection committee comprising representatives from relevant sectors should be formed. She cited a case that seven divers, whose skills were available locally, were admitted to Hong Kong as skilled professionals by the Security Bureau (SB). In her view, these divers should be imported under the Supplementary Labour Scheme administered by LD. This maladministration might be due to the fact that applications for admission of talents and professionals were not required to be vetted by a selection committee, but were solely processed by SB. She therefore suggested that the processing of applications under the Scheme should be similar to that for the Supplementary Labour Scheme in which various sectors including the labour sector were involved. She further said that it was important that the skills of imported professionals would be transferred to the local workforce. In addition, as most local employers would not invest in staff training, the Administration should introduce measures to encourage employers to provide training to staff in order to increase the competitiveness of the local workforce.

36. SEM agreed that the training and retraining policy should be reviewed. In view of the projection that there would be a surplus of workers of low skills or low educational attainment in the next few years, she said that the Administration was currently focusing on the Skills Upgrading Scheme as announced by the Chief Executive in his 2000 Policy Address. Job training and skills upgrading for other types of jobs would also be examined. She reiterated that the subject on training should be discussed separately.

37. On the question of monitoring mechanism, DS for S said that labour representatives were not involved in the processing of applications under the Scheme because the people to be admitted were skilled professionals rather than low-skilled workers. He then briefed members on the past arrangements for admission of talents and professionals as follows -

- (a) The Pilot Scheme on the Entry of Mainland Professionals in 1994 was subject to a quota of 1 000 persons. There was no committee to monitor that Pilot Scheme.
- (b) Currently ImmD approved the admission of more than 10 000 foreign professionals every year, and ImmD had substantial experience in dealing with these applications. There was also no committee to oversee the processing of such applications.
- (c) There was a selection committee comprising unofficial members for the admission of talents. Such committee was necessary as the talents admitted usually possessed advanced and unique skills, the advice of the selection committee would facilitate ImmD in processing these applications.

38. Mr Tommy CHEUNG said that in general there was insufficient on-the-job training for various job types in the catering industry. No formal training on Chinese cuisine was provided by tertiary institutions. He requested the Administration to consider providing more training for the catering industry. As regards the admission of catering professionals, he said that it should be handled on a need basis. He held the view that the admission of professionals would help increase local employment opportunities.

39. SEM responded that the Administration would examine whether there was a demand for more training places offered by the Chinese Cuisine Training Institute. She added that the Steering Committee on the Skills Upgrading Scheme would consider the views of the catering industry in respect of the training required.

40. Mr Jeffrey LAM expressed confidence that the admission of professionals would provide an impetus to local economic growth. He pointed out that the significant growth in the Mainland economy in the last 20 years was largely attributed to the skills and knowledge brought in by those Hong Kong people who invested or worked there. In respect of training and retraining, he said that most of the local companies lacked the resources to provide training for their staff as more than 90% were small or medium enterprises. He suggested that representatives of industries should advise the Administration on the training needs of individual industries.

41. Mr Andrew LEUNG said that the principal role of LAB was to advise the Administration on labour matters. He was of the view that members of LAB should not be assigned tasks of extreme importance as they were serving on a voluntary basis without pay. He considered that it was not appropriate for LAB to participate in the monitoring of the processing of applications under the Scheme as there might be a conflict of interest for employer representatives to perform this role.

42. Mr LEUNG Yiu-chung recalled that the Pilot Scheme on the Entry of Mainland Professionals launched in 1994 had stopped one year after its

implementation. He questioned whether the Administration had been aware of the manpower shortage problem long before and queried why it had not introduced effective measures to cope with the situation. SEM replied that such shortage occurred following the rapid transformation to a knowledge-based and high value-added economy in Hong Kong. Many parts of the world were facing similar problems nowadays, especially in the IT field. The Administration was trying its best to provide suitable training pursuant to the views obtained through various channels like universities, VTC, representatives of relevant industries and manpower surveys. She said that Hong Kong had to be forward-looking in order to capture the business opportunities that would arise with the accession of China to WTO. That was the main reason why the Scheme was focussed on the IT and financial services sectors.

43. Mr CHAN Kwok-keung remarked that the number of talents admitted should have been more if SB had invited labour representatives to participate in the processing of applications under the Admission of Talents Scheme.

44. The Chairman said that while there was no view expressed at the meeting disallowing the admission of Mainland professionals, some members and deputations were worried about the implications of the Scheme as presently proposed. In implementing the Scheme, the psychological impact on the local workforce and stability of the society should not be ignored. He asked the Administration to seriously consider the issues of concern raised by members and deputations, viz the imposition of a quota, the introduction of a monitoring mechanism and transfer of technology. He suggested and members agreed that these issues be further discussed at the next Panel meeting to be held on 19 April 2001.

45. There being no other business. The meeting ended at 1:15 pm.

Legislative Council Secretariat

15 May 2001