

立法會
Legislative Council

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LegCo Panel on Security

Minutes of special meeting
held on Wednesday, 14 March 2001 at 8:30 am
in Conference Room A of the Legislative Council Building

Members present : Hon LAU Kong-wah (Chairman)
Hon James TO Kun-sun (Deputy Chairman)
Hon Albert HO Chun-yan
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, JP
Hon CHEUNG Man-kwong
Hon Howard YOUNG, JP
Hon IP Kwok-him, JP

Members attending : Hon James TIEN Pei-chun, JP
Hon LEE Cheuk-yan
Hon CHAN Kwok-keung
Hon CHAN Yuen-han
Hon SIN Chung-kai
Hon Andrew CHENG Kar-foo
Hon LI Fung-ying, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon LEUNG Fu-wah, MH, JP
Hon Audrey EU Yuet-mee, SC, JP

Members absent : Dr Hon LUI Ming-wah, JP
Hon Andrew WONG Wang-fat, JP
Hon Ambrose LAU Hon-chuen, JP
Hon WONG Sing-chi

- Public Officers attending** : Mrs Regina IP, JP
Secretary for Security
- Mr Timothy TONG, JP
Deputy Secretary for Security 3
- Ms Linda SO
Principal Assistant Secretary for Security
- Mr Philip CHOK, JP
Deputy Secretary for Education and Manpower 1
- Mr LAW Yiu-tung
Assistant Director of Immigration
- Mr Rex CHANG
Principal Assistant Secretary for Information Technology &
Broadcasting
- Miss Maureen TO
Principal Assistant Secretary for Financial Services
- Clerk in attendance** : Mrs Sharon TONG
Chief Assistant Secretary (2)1
- Staff in attendance** : Mr Raymond LAM
Senior Assistant Secretary (2)5

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I. Briefing by the Administration on the Admission of Mainland Professionals Scheme
(LC Paper Nos. CB(2) 1050/00-01(01) and CB(2) 1064/00-01(01))

Mr CHEUNG Man-kwong said that the economic situation in Hong Kong was poor and many institutions, such as those in the banking or information technology sector, were shifting part of their operations to the Mainland. In view of these, he was concerned that the Admission of Mainland Professionals Scheme (the Scheme), which imposed no quota or minimum wage and would allow the admitted Mainland professionals to acquire right of abode in the longer term, would affect the employment opportunities of graduates from local universities. He asked about the impact of the Scheme on the employment opportunities and wage level of graduates from local universities.

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2. Secretary for Security (S for S) responded that an adequate supply of manpower was important to economic development. She pointed out that the sustained economic growth in the United States in the past ten years was attributable to the rapid technological development supported by an abundant supply of information technology (IT) professionals. She said that many local and foreign investors in Hong Kong had expressed concern about a lack of sufficient professionals in the IT and financial services sectors. With the accession of China to World Trade Organization (WTO), it was envisaged that more overseas companies would establish offices in Hong Kong in preparation for their entry into the Mainland market. These companies would need large numbers of professionals who were familiar with the market situation as well as the laws in the Mainland. Thus, the admission of Mainland professionals in the IT and financial services sectors would enhance economic development in Hong Kong and create more employment opportunities for local workers.

3. Mr CHEUNG Man-kwong said that the wage level of workers would be stable when there was a balance between manpower demand and supply. If manpower supply far exceeded demand, wage levels would certainly fall. He expressed doubt about the accuracy of the Administration's assessment of the manpower demand and supply for the IT and financial services sectors. Referring to paragraph 13 of the Administration's paper, he expressed concern that as some paging companies and banks had recently shifted part of their operations to the Mainland, the manpower shortage might be overestimated. He stressed that an overestimate in manpower shortage and a lack of quota under the Scheme would result in an oversupply in manpower in the two sectors and unemployment of more local university graduates.

4. S for S responded that it was a requirement for Mainland professionals admitted under the Scheme to be offered a remuneration package broadly comparable to the prevailing market rate for local professionals. She said that there was a high demand for professionals in many parts of the world. Many places were more aggressive than Hong Kong in the admission of professionals. She further said that manpower demand and supply were dynamic and changed over time. While manpower supply would increase with the admission of professionals, the attraction of more companies to invest and open offices in Hong Kong would increase manpower demand. She assured Members that the Scheme would not become a channel for the importation of low cost labour.

5. Deputy Secretary for Education and Manpower 1 (DSEM 1) said that there was a shortage of IT professionals in most parts of the world. The Education and Manpower Bureau (EMB) had completed a Consultancy Study on the Manpower and Training Needs of the IT Sector in February 2000. According to the high end estimate, which was considered more accurate, the shortfall of degree graduates in IT might rise to about 14 000 in 2005. He added that although the overall unemployment rate for the fourth quarter of 2000 was 4.4%, the unemployment rate for the IT sector was only 1.5% in the same period. There was thus no need to worry about the impact of the Scheme on the employment opportunities of local university graduates.

6. Mr IP Kwok-him said that there were reports that the monthly salary of an

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engineer who possessed five years' experience was only about \$7,500. The Administration should provide more supporting statistics to convince Members of the need for the Scheme. He questioned whether the manpower projection was made on an assumption of substantial economic growth in the next five years. Referring to paragraph 12 of the Administration's paper, he requested the Administration to provide a breakdown among different industries of the projected manpower shortfall of 117 000 persons in 2005.

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7. DSEM 1 agreed to examine if the breakdown requested by Mr IP Kwok-him could be provided. He said that no manpower projection could be absolutely accurate, especially given that the market situation changed with time. However, information on hand indicated that the estimates as referred to in the Administration's paper should be accurate. He added that the projected manpower shortfall of 117 000 persons in all sectors in 2005 referred to persons at post-secondary level or above. With the change towards a knowledge-based economy in Hong Kong, the demand for persons with good academic qualifications was expected to increase in the coming five years.

8. Miss Margaret NG asked whether the Administration had discussed the projected manpower shortage with local universities and whether the universities were supportive of the Scheme. She questioned why the financial provisions for universities were reduced rather than increased. She added that the information contained in the Administration's paper was very subjective. The statistics provided could not support the policy proposed in the paper. There was a lack of clear distinction between professionals and talents. There was no indication that objective criteria would be adopted by the Immigration Department (ImmD) in the processing of applications. She also asked how the Administration would ensure fairness in the processing of applications so that the Scheme would not be open to abuse.

9. DSEM 1 said that although the financial provisions for local universities had recently been reduced, savings had been achieved through the enhancement of productivity programmes of these universities. It had not brought about a decrease in the number of tertiary education places. The Administration had made available the manpower projection figures to local universities, which had taken steps to increase the number of IT-related training places by 3% in 2000-01. The Vocational Training Council (VTC) would also increase the number of relevant training places by 6%. There were also plans to increase the number of self-financing places in local universities. There would be a 20% increase in the number of places at post-graduate level. A task force had also been formed under the Information Technology and Broadcasting Bureau (ITBB) to formulate measures to increase manpower supply in the IT sector. Thus, steps were being taken to increase the supply of IT-related manpower. However, the additional manpower supply thus generated was insufficient for meeting the rapid increase in demand. He added that ImmD would take steps to ensure that the Mainland professionals to be admitted would possess skills and knowledge not readily available locally, and were offered a remuneration package broadly comparable to the prevailing market level for local professionals. Miss Margaret NG considered that the Administration should take steps to increase the

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number of places in universities instead of maintaining it at about the existing level and admit professionals from outside Hong Kong.

10. Miss Margaret NG questioned why the Security Bureau (SB) and Immigration Department (ImmD) was responsible for the policy aspects of the Scheme. She considered that ImmD should be responsible for immigration-related procedures rather than the verification of academic qualifications and skills. S for S responded that SB and ImmD were responsible for the Scheme since they were responsible for the implementation of immigration policies. Such a practice was also adopted in the United States and the United Kingdom. The Scheme was drawn up jointly by SB, EMB, ITBB, the Financial Services Bureau and the Commerce and Industry Bureau. She added that Hong Kong had all along a policy on the admission of professionals from almost all places except the Mainland. ImmD possessed substantial experience in dealing with the admission of professionals from many countries. Objective criteria, such as the examination of academic qualifications and references from previous employers, would be adopted in the processing of applications. ImmD would have regard to the overall interests of Hong Kong in the implementation of immigration policies. Where necessary, advice would be sought from the labour sector and organizations such as VTC.

11. Mr Andrew CHENG shared Miss Margaret NG's views. He pointed out that only 117 talents had been admitted under the Admission of Talents Scheme (the Talents Scheme), under which 2 000 talents were estimated to be admitted. Although it was originally expected that the talents admitted would possess a doctorate degree, it turned out that 61 of the talents admitted did not possess a doctorate degree. In view of these, he expressed doubt about the accuracy of the projected manpower shortage in 2005, especially given that the market situation would change with time. He further pointed out that under the Pilot Scheme on Entry of Mainland Professionals, only graduates from 36 key Mainland universities were eligible for admission. However, such a criterion was not imposed under the Scheme. Moreover, as indicated in paragraph 20(a) of the Administration's paper, applicants without a first degree in the relevant field but with good technical qualifications and proven experience might also be considered for admission. He expressed concern that these were subjective criteria and they might be open to abuse. He was of the view that the Scheme would affect the employment opportunities of local university graduates and medium skilled workers.

12. DSEM 1 reiterated that no manpower projection could be absolutely accurate. However, information on hand indicated that the estimates as quoted in the Administration's paper should be accurate. He added that IT degree graduates had no problem in securing a job after graduation.

13. S for S said that the admission of 2 000 talents was only an estimate. The actual number admitted was fewer than expected because not many local companies were involved in high value-added research and development domestically. It was also due to the fact that Hong Kong was slow in comparison with other countries in the admission of talents. On academic qualifications, she explained that under the

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Talents Scheme, an applicant should have a good education background, normally a doctorate degree in the relevant field, but in special circumstances, proven extraordinary abilities or achievements or relevant experience might also be considered. Similar flexibility would be allowed under the Scheme. Where an applicant under the Scheme did not have a first degree in the relevant field, he would still be required to possess relevant professional qualifications and experience. The Administration would not allow the Scheme to be abused for the admission of workers with low skills levels. She added that restricting applications under the Pilot Scheme on Entry of Mainland Professionals to graduates from 36 key Mainland universities had been found to be inappropriate, as the list of 36 universities was too restricted and had been drawn up subjectively. She reiterated that objective criteria, such as academic qualifications, language skills, technical qualifications, relevant professional experience and achievements, would be considered in the assessment of applications.

14. Mr James TIEN commented that the admission of professionals, which was merely an economic issue, had become a political issue. He informed Members that the Liberal Party and the Hong Kong General Chamber of Commerce were in support of the Scheme. He said that many foreign chambers of commerce considered that the development of IT and financial services sectors in Hong Kong would facilitate the economic growth of Hong Kong. However, they had expressed concern about the stringent requirements and complicated procedures involved in the admission of professionals or talents under the previous schemes. He considered that the Administration should explain the Scheme to foreign chambers of commerce in Hong Kong and encourage participation in the Scheme instead of giving them the impression that the Administration was hampering the admission of professionals. He added that IT professionals from countries where wages were comparatively low, such as India, the Philippines and Indonesia, were currently eligible for admission to Hong Kong and there was no influx of IT professionals from these countries. Referring to paragraph 3 of the Administration's paper, he questioned why the traditional industrial sector had not been consulted on the Scheme. He also asked whether IT professionals could be admitted to companies in other industries, such as the textile industry.

15. S for S responded that the Administration had to strike a balance between the admission of professionals needed by companies in Hong Kong and the prevention of abuse. ImmD had been very successful in this respect. It had also maintained contacts with foreign chambers of commerce. She said that ImmD was generally able to process applications within four weeks upon the receipt of all supporting documents. An exit permit could be issued by the relevant Mainland authorities within 15 working days. She further said that the transfer of staff between a company's Hong Kong office and its office in other countries had always been allowed. After the Scheme was launched, the transfer of staff between a company's Hong Kong office and its Mainland office would also be allowed. She added that the professionals to be admitted under the Scheme should be engaged in IT or financial services work. Thus, a company involved in retail business could apply for the admission of a professional for setting up a computerized inventory control system in his company.

16. In response to Mr James TIEN's question about whether approval for the exit of

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professionals had to be sought from the Mainland authorities in Beijing, Assistant Director of Immigration (AD of Imm) said that exit approval would only need to be sought from the Mainland authorities in the respective provinces or cities where the professionals resided. An exit permit could be issued within 15 working days.

17. Miss CHAN Yuen-han commented that the schemes for the admission of talents and professionals had become increasingly loose, as there would be no quota on the professionals to be admitted under the Scheme. Thus, a Mainland professional with a relevant first degree and experience was eligible for admission. She said that a number of employees in the IT and financial services sectors had expressed their worries about the Scheme. Graduates from local universities were experiencing difficulties in finding a job and their starting salaries had decreased to \$8,000 per month. The LegCo Panel on Manpower had also questioned the accuracy of the manpower projection to 2005 when the subject was discussed. She considered that the Administration was very subjective in its estimation of future manpower shortage. She expressed concern that representatives of labour unions would not be involved in the assessment of professionals under the Scheme.

18. DSEM 1 said that according to the study on Manpower Projection to 2005 and the Consultancy Study on the Manpower and Training Needs of the IT Sector, persons involved in IT management, application system development, Internet and multimedia development, telecommunications and networking were most in need in the years to 2005. Among these, the demand for IT managers and consultants were anticipated to increase most rapidly. Principal Assistant Secretary for Information Technology and Broadcasting added that according to a survey conducted by VTC in 2000, there would be an additional annual demand for 5 000 to 6 000 professionals in application system development, Internet and multimedia development, telecommunications and networking, database management and system programming. There would also be additional demand for 4 000 IT professionals in hardware support, 1 000 IT professionals in IT research and product development and 2 000 professionals in IT education and training.

19. Principal Assistant Secretary for Financial Services said that the Advisory Committee on Human Resources Development in the Financial Services Sector had conducted an opinion survey on the development of human resources in the financial services sector. The Committee recommended that the importation of talents and professionals from the Mainland should be considered as an interim measure to meet manpower shortage. It also emphasized the importance of ensuring that imported talents and local candidates would compete on a level playing field. DSEM 1 added that according to the study on Manpower Projection to 2005, the demand for employees at management and professional levels would increase from 176 000 in 1999 to 219 000 in 2005, representing an average annual increase of 3.7%.

20. S for S clarified that there had not been any quota for the Talents Scheme. Although no quota would be imposed under the Scheme, it was unlikely that the Scheme would lead to an influx of Mainland professionals, as the admission of professionals would usually involve a higher cost for employers. She added that as

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ImmD had less experience in high technology and high value-added economic activities, a selection committee was needed to provide expert advice on applications under the Talents Scheme. As ImmD had accumulated substantial experience in the admission of professionals, the establishment of a selection committee on the admission of professionals was unnecessary. Where necessary, ImmD would seek the advice of relevant government departments and VTC.

21. Miss CHAN Yuen-han said that if there was really a shortage of manpower, the average salaries of employees would generally be pushed upwards rather than downwards to the present level of \$7,000 to \$8,000 per month. She added that the salary levels in Europe were high, while those in the Mainland were much lower. Some Mainland professionals might use Hong Kong as a stepping stone for emigration to other places.

22. DSEM 1 said that statistics quoted in the Administration's paper were based on consultation with business organisations and comprehensive survey of households and over 3 000 companies in all sectors. The findings about IT manpower requirement were generally consistent with that of a survey conducted by VTC in 2000.

23. Mr LEUNG Fu-wah said that the Supplementary Labour Scheme had operated without much problems with the involvement of the Labour Advisory Board (LAB). He questioned why the Scheme would not be subject to monitoring by LAB. He considered that the introduction of a quota would facilitate a regular review of the Scheme. He added that the Hong Kong Federation of Trade Unions and some other labour unions considered that the Scheme should be coordinated by EMB instead of SB.

24. S for S responded that although representatives of labour unions were not involved in the monitoring of the Talents Scheme, only a small number of talents had been admitted. Although representatives of labour unions would not be involved in the monitoring of the Scheme, the following measures would be adopted -

- (a) the Scheme would be reviewed in one year's time; and
- (b) statistics on the Scheme, including the average salary levels, academic qualifications and number of professionals admitted, would be provided to LegCo on a regular basis.

25. Referring to paragraph 8 of the Administration's paper, Mr LEUNG Fu-wah asked whether there were statistics supporting the assessment that an average of six jobs mainly at professional and supervisory levels would be created with the admission of one talent. S for S responded that the assessment was based on information gathered through questionnaires issued to employers. Mr LEUNG Fu-wah said that the replies of employers might not reflect the real situation. In this connection, S for S said that it was a criminal offence for any person to provide false information to ImmD. She added that all employers should be aware that providing false

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information to ImmD would have serious consequences. Mr Albert HO said that it was not an issue of whether false information was provided, but the basis on which the assessment was made.

26. Mr Albert HO expressed serious doubt about the Scheme. He said that it was agreeable that talents and experts should be admitted to promote technological development. Thus, the Democratic Party had supported the Talents Scheme. He considered an appropriate relaxation of the requirements under the Talents Scheme would be more appropriate. He expressed concern that the Scheme which would result in unlimited admission of professionals with a first degree would have significant impact on manpower supply, bearing in mind there was already seven universities in Hong Kong. The livelihood of people and hence social stability would also be affected. He asked about the time need for training up the necessary manpower and questioned why such training could not be provided by local universities and through on-the-job training.

27. AD of Imm responded that under the existing immigration policy, foreign professionals could be admitted to work in Hong Kong. Despite the absence of a quota, only some 550 out of about 18 000 professionals admitted in 2000 were IT professionals. He said that the procedures adopted by ImmD in the processing of applications had been independently assessed and accredited by ICAC. ImmD had adopted the practice of opening a file for any company which had applied for admission of professionals. Checking on the past admission history of the company could therefore be readily made. Examinations were made of their payroll and tax returns to monitor salary payments and the sales turnover. Where necessary, ImmD would conduct inspections to the companies concerned to verify the information submitted. Verification of academic or professional qualifications might also be made with the issuing bodies. A telephone hotline and a fax line had been established to facilitate the lodging of complaints. There were effective measures to deter abuses. He added that statistics on the Scheme similar to those on the Talents Scheme would be provided to the Panel on a regular basis.

28. DSEM 1 said that the manpower in need was mainly those at university level or above, the training of whom would usually require three years or more. He reiterated that local universities and VTC had taken steps to increase the number of places in 2000-01 by 3% and 6% respectively. The number of self-financing places in local universities would also be increased. A task force under ITBB was formulating short-term and long-term measures to increase manpower supply in the IT sector. Thus, steps were being taken to increase the supply of IT-related manpower. However, these steps could not meet the rapid increase in demand.

29. Mr Albert HO considered that an increase of 3% in tertiary education places was inadequate. He added that other training institutes should also be deployed to provide the necessary training. Given that only 117 talents had been admitted under the Talents Scheme under which 2 000 talents were originally expected to be admitted, he was not confident about the accuracy of the Administration's projections. He considered it more appropriate to improve the existing scheme for the admission of

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talents. DSEM 1 responded that the additional manpower supply generated by local universities and training institutes was still insufficient for meeting an annual growth rate of 11.8% in manpower demand. On the question of whether the provision of tertiary education places could be further increased, he said that the expenditure on education, among which one-third was allocated to universities, had already amounted to 23% of public expenditure.

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30. Miss Margaret NG requested the Administration to provide information about the measures taken or to be taken to address the manpower shortage problem, and to what extent the measures would address the problem.

31. Mr LEE Cheuk-yan opined that the lack of a quota, the lack of a required ratio between local and admitted professionals, and the lack of plans to increase training places to meet manpower shortfall had caused the working population to feel very unsecured. He said that it was inappropriate for the market forces to determine the number of Mainland professionals to be admitted, as market forces were unpredictable. Employers might wish to fill all job vacancies with Mainland professionals if their employment would result in lower salary payments. The unlimited admission of Mainland professionals would not only affect the employment of local university graduates, but also lead to a general lowering of wages. He added that it could be noted from the Annex of the Administration's paper that 88 out of 117 talents admitted had a monthly remuneration package in the range of \$20,001 to \$50,000. This implied that the monthly remuneration package of a Mainland professional would probably be in the range of \$10,000 to \$30,000. Such a range was not comparable to the prevailing market level for local talents and professionals. He considered that the public would have more confidence in the Scheme if a quota was imposed on the number of Mainland professionals to be admitted. There should also be a required ratio between local and admitted professionals to facilitate transfer of skills.

32. S for S responded that although there would not be a quota under the Scheme, it was a requirement that the Mainland professionals to be admitted should possess skills and knowledge not readily available or in shortage locally, and were offered a remuneration package broadly comparable to the prevailing market level for local professionals. She said that with the accession of China to WTO, Mainland professionals were needed to facilitate local and foreign companies' entry into the Mainland market. The admission of Mainland professionals would benefit the economy of Hong Kong. She added that the public should recognize the fact that Hong Kong was experiencing increasingly keen competition from other parts of the world. Many countries, such as the United States, the Republic of Germany, Ireland and New Zealand, were all increasing the admission of professionals. The admission of large numbers of professionals would help to increase the competitiveness of a place. She pointed out that there was a global trend towards the development of knowledge-based economy. One could not secure a job without increasing his competitiveness. Mr LEE Cheuk-yan expressed concern that the Administration was reducing its funding for local universities despite the projected manpower shortage. The Chairman requested the Administration to provide information about the measures adopted by other countries in the admission of professionals.

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33. Mr SIN Chung-kai pointed out that a task force on IT manpower under ITBB, of which he was a member, had not been consulted on the Scheme. He questioned whether it was appropriate to impose no quota on the number of professionals to be admitted under the Scheme. He said that even on the basis of the findings of the studies conducted by the consultant and VTC, a quota could still be determined. He expressed concern that the number of local tertiary education places had been reduced from 15 000 in the past to the current level of 14 500 and the Administration had no plans to vastly increase the number of local tertiary education places to address the manpower shortage problem. He added that the Administration should do more to facilitate the issuance of short-term visa to employees of Mainland companies so that they could come to Hong Kong for attending meetings or doing businesses.

34. DSEM 1 said that the number of self-financing local tertiary IT-related places would be increased to 19 000. He reiterated that increases in training places and local tertiary education places could not catch up with the rapid increase in demand for IT manpower. S for S said that although no quota would be imposed under the Scheme, the number of professionals to be admitted would be determined by the market forces of demand and supply. She added that as housing benefits would have to be offered to the admitted professionals, the cost for the employment of professionals would generally be higher. Thus, the Scheme should not lead to a massive influx of Mainland professionals. She reiterated that the Scheme would be reviewed one year after implementation. The Administration was aware of the problems faced by employees of Mainland companies who needed to come to Hong Kong for attending meetings or doing businesses. Following negotiations with the Mainland authorities in the past few years, a Business Visit Scheme had been introduced to facilitate such activities. She also reiterated that there was a global need for IT professionals. Even the Republic of Germany had allowed a maximum of more than 20 000 IT professionals to work in the country.

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35. Mr SIN Chung-kai said that the self-financing places in local universities were mainly confined to part-time courses. He requested the Administration to provide information about the additional places to be offered by local universities in respect of IT degree courses.

36. Mr Tommy CHEUNG said that the catering industry questioned why it was not covered under the Scheme. He hoped that the Administration would conduct a study on the manpower shortage of chefs in the catering sector, which was willing to impose a required ratio on the number of local and Mainland professionals. He asked whether a person without a first degree but possessed expertise in IT and financial services could be admitted under the Scheme to work in the catering industry.

37. S for S said that the existing immigration policy had already allowed the admission of persons who possessed particular skills not available locally. Each application was assessed on its individual merits and some chefs had been admitted in the past. For example, a Mainland chef had been admitted on a short term basis many

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years ago to train up local chefs when Sichuan cuisine was first introduced in Hong Kong. She added that whether an IT or financial services professional could be admitted to work in the catering industry would depend on the level of skills required in the job and whether such skills were not readily available locally.

38. Mr James TO said that the public was generally worried about the Scheme. He pointed out that according to paragraph 11 of the Administration's paper, the Talents Scheme focussed more on innovation and research, while the Scheme focussed more on addressing immediate operational needs of firms. This indicated that the admission of Mainland professionals would only fill job vacancies rather than create job opportunities. He considered that the Scheme would leave no room for the career advancement of local employees. It would also make it difficult for secondary school students to decide their career. He added that ImmD should monitor the Scheme through examining whether there was reduction in the wages of other employees in companies which had admitted Mainland professionals. S for S responded that the admission of Mainland professionals would attract more foreign companies to open offices in Hong Kong, thus creating more job opportunities.

39. In response to Mr James TO's question about the projected monthly remuneration package of an admitted Mainland professional, S for S recounted her personal experience of coming across a graduate from Cambridge University being remunerated at about \$9,000 per month in her first job. Another university graduate in accounting who possessed five years' experience was being remunerated at about \$25,000 per month. She considered that wages reflected the economic situation.

40. Mr James TO said that the young generation would be very depressed if the Administration resorted to the admission of professionals from outside Hong Kong because it was costly to train up the necessary manpower locally. He expressed concern that the impact of the Scheme might give rise to social instability. S for S responded that the admission of professionals would only be allowed for sectors in serious shortage of manpower.

41. Mr Howard YOUNG said that the travel industry questioned why the Scheme was restricted to the IT and financial services sectors. He said that Russian-speaking Mainland professionals might be needed, for example, for serving Russian tourists. S for S responded that the IT and financial services sectors were found to be most in need of professionals. Whether admission was needed in other sectors would be examined in the review of the Scheme to be conducted one year after implementation.

42. Mr CHAN Kwok-keung expressed concern that the lack of a quota would result in an influx of Mainland professionals and force local graduates to work in other places. He also expressed concern that the participation of representatives from labour unions would not be allowed in the assessment of applications. S for S responded that as ImmD had accumulated many years' experience in the admission of professionals, the involvement of representatives from labour unions would not be needed in the assessment of applications. She assured Members that there would be transparency in the processing of applications and the Scheme would be monitored closely.

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Information on the Scheme would be provided to the Panel on a regular basis.

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43. Mr Howard YOUNG requested the Administration to provide information about the number of employees in the IT and financial services sectors who had left Hong Kong in the past ten years. Miss CHAN Yuen-han requested the Administration to provide information about the employment situation of graduates from local universities, especially in the IT and financial services sectors. The Chairman asked the Administration to provide the information requested by Members as soon as possible.

44. The meeting ended at 10:45 am.

Legislative Council Secretariat

11 April 2001