

立法會
Legislative Council

LC Paper No. CB(2)426/00-01
(These minutes have been
seen by the Administration)

Ref : CB2/PL/WS

LegCo Panel on Welfare Services

Minutes of meeting
held on Monday, 13 November 2000 at 10:45 am
in Conference Room A of the Legislative Council Building

Members Present : Hon LAW Chi-kwong, JP (Chairman)
Hon CHAN Yuen-han (Deputy Chairman)
Hon Cyd HO Sau-lan
Hon LEE Cheuk-yan
Hon Fred LI Wah-ming, JP
Hon CHEUNG Man-kwong
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Dr Hon YEUNG Sum
Hon LI Fung-ying, JP
Hon Henry WU King-cheong, BBS
Hon Michael MAK Kwok-fung
Hon WONG Sing-chi

Members Absent : Hon David CHU Yu-lin
Hon CHOY So-yuk
Hon Frederick FUNG Kin-kee

Member Attending : Hon Eric LI Ka-cheung, JP

Public Officers Attending : For all items
Mrs Carrie LAM, JP

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Director of Social Welfare

Mr Robin GILL, JP
Deputy Secretary for Health and Welfare (3)

Item IV

Miss Diane WONG
Principal Assistant Secretary for Health and Welfare (Welfare) 2

Miss Ann HON
Assistant Director of Social Welfare
(Youth & Human Resources Management)

Item V

Mrs June SHERRY
Assistant Director of Social Welfare (Subventions)

**Deputations by : Item IV
Invitation**

Hong Kong Council of Social Service

Mr Ivan YIU Tze-leung
Chairperson, Children and Youth Division

Ms Tabitha HO
Chairperson, Coordinating Committee on School Social Work
Children and Youth Division

Ms Jane TSUEI
Division Officer, Children and Youth Division

Hong Kong Association of Heads of Secondary Schools

Mr Michael WONG Wai-yu
Chairman

Sister WONG May-may
Executive Committee member

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Hong Kong Professional Teachers' Union

Mr WONG Hak-lim
Director, Organization Department

Mr CHIK Pun-shing
Deputy Chief Executive

Item V

Fighting for Social Welfare Alliance

Mr CHENG Ching-fat
Representative

Mr YEUNG Kin-bun
Representative

Mr KOO Wing-hon
Representative

Ms Daphne LEUNG Ching-hang
Representative

Hong Kong Social Workers' General Union

Mr WOO Leung-hei
Vice President

Hong Kong Social Workers' Association

Mr CHUA Hoi-wai
Vice President

Hong Kong Council of Social Service

Mr TIK Chi-yuen
Chairperson of Agency Finance & Administration

Dr Joyce CHANG
Vice-chairperson of Agency Finance & Administration

Ms Kay KU

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Assistant Director (Development)

Ms Virginia CHAN
Assistant Director (Agency Service)

Clerk in Attendance : Ms Doris CHAN
Chief Assistant Secretary (2) 4

Staff in Attendance : Miss Mary SO
Senior Assistant Secretary (2) 8

I. Confirmation of minutes of meetings on 10 and 13 October 2000
(LC Paper Nos. CB(2)60/00-01 and CB(2)225/00-01)

The minutes of the meeting on 10 October 2000 were confirmed.

2. As regards the minutes of the meeting on 13 October 2000, they were confirmed subject to the amendments proposed by Miss Cyd HO as set out in her letter in the **Appendix**. Referring to paragraph 92 of the Chief Executive's Policy Address 2000 which stated that around 15 000 new jobs would be created by the Government next year, the Chairman sought clarification from the Administration whether the statement made by the Secretary for Health and Welfare (SHW) to the Panel on 13 October 2000 that 15 000 new jobs would be created by the Administration over the next two years (as recorded in the last sentence of paragraph 3 of the minutes of the meeting on 13 October 2000) was correct. Deputy Secretary for Health and Welfare (DSHW) responded that the correct statement should be 15 000 new jobs would be created by the Administration within the next year. He further said that the confusion over the two-year period had arisen because most of the 15 000 new jobs to be created next year were short-term jobs which would last for two years. The Chairman suggested not to amend the sentence in question as it was a correct record of what SHW had said at the meeting and the briefing note provided by SHW also stated that 15 000 new jobs would be created by the Administration over the next two years. Members agreed.

3. The Chairman then sought members' views as to whether the Panel should make bids for funds for overseas duty visits. Members did not put forward any suggestion for overseas duty visits.

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II. Date of next meeting and items for discussion

(LC Paper Nos. CB(2)201/00-01(01) - (02))

4. A list of agenda items proposed by the Administration for discussion by the Panel was tabled at the meeting.

5. Miss CHAN Yuen-han suggested to also discuss the issue of family services at the next meeting to be held on 11 December 2000. As the Administration was currently conducting a review on family services, the Chairman suggested to first ask the Administration whether it was in a position to report on the subject at the next meeting. Members agreed.

6. Members agreed to discuss the following items at the next meeting to be held on 11 December 2000 at 10:45 am for the time being -

(a) Comprehensive Social Protection Scheme proposed by the Hong Kong Social Security Society; and

(b) Progress report on Support for Self-reliance Scheme.

III. Information paper issued since the last meeting

(LC Paper No. CB(2)215/00-01(01))

7. Members noted the above information paper entitled "Provision of enhanced home and community care services for elders" provided by the Administration. The Chairman said that if members had any questions on the contents of the paper, they would be answered by the Administration under agenda item VII.

IV. Implementation of the policy of one school social worker for each school

(LC Paper Nos. CB(2)201/00-01(03) - (06))

Views of the Administration

8. At the invitation of the Chairman, Director of Social Welfare (DSW) introduced the Administration's paper (LC Paper No. CB(2)201/00-01(03)) which detailed the progress in the implementation of the policy of one School Social Worker (SSW) for each secondary school, the consequential redeployment of funding and staffing resources and other related matters. In particular, DSW said that through the efforts of both the Social Welfare Department (SWD) and the Non-governmental Organizations (NGOs), the question of staff redundancy did not arise. Responding to members' concern expressed during the last legislative session about the provision of SSW in large Academically-low Achiever (ALA) schools, the Administration had, as a

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transitional measure, maintained the school social work service provision of seven large ALA schools with a student population of 1 300 or above at the ratio of one social worker to 1 000 students for another year. Meanwhile, SWD had set up a Panel under the Steering Committee on School Social Work Service to monitor the transition exercise. It would also review the efforts in using community-based services to complement the school social work service in meeting the service needs of these seven large ALA schools. DSW further said that if the aforesaid Panel came to a view that large ALA schools should be provided with more than one SSW, the Administration would seriously consider such suggestion.

Views of the deputations

Hong Kong Council of Social Service (HKCSS)

9. Mr Ivan YIU introduced HKCSS' submission (LC Paper No. CB(2)201/00-01(04)) on the implementation of one SSW for each secondary school which set out its suggestions on the future direction of the provision of youth services as well as issues arising from the redeployment of resources from children and youth centres (CYCs) and study and reading rooms (SR rooms) to achieve the objective of one SSW for each secondary school.

10. Ms Tabitha HO said that in order to allow sufficient time for newly-posted SSWs to prepare for services for the school year starting September 2000, HKCSS had conducted sharing sessions amongst NGOs providing school social work service to enhance sharing of experience as well as support. To ensure the smooth implementation of one SSW for each secondary school, HKCSS would work closely with the schools concerned to strive for continuous improvements. HKCSS also intended to conduct a survey to collect views on the school social work service from the school management at the end of the current school year. Ms HO further said that although the Panel under the Steering Committee on School Social Work Service would review whether the provision of more than one SSW should be made permanent for large ALA schools, HKCSS, as a member of the aforesaid Panel, would also push for a review of the service needs of the secondary schools. Specifically, whether the policy of providing one SSW for each secondary school across the board could be lifted for schools which had more cases in need of service. She pointed out that many NGOs were of the view that community-based services could not fully complement the school social work service in meeting the service needs of schools, as school social work service was not only more accessible to students, but would enhance close collaboration amongst social workers, school personnel and parents of the students. Ms HO also said that in view of the trend of the lowering of age of young people with problems, HKCSS recommended that school social work service be introduced to primary schools. In view of the significant resources involved, pilot projects could be operated as a start and the service be extended to all primary schools in phases.

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11. Mr Ivan YIU supplemented that the implementation of the policy of one SSW for each secondary school at the expense of cutting back resources from CYCs and SR rooms had posed a major challenge to NGOs operating youth services. Although 21 new Integrated Teams (ITs) had been formed and the manpower provision of 21 existing ITs had been expanded, concern still remained as to whether such new provisions could adequately cope with the needs of young people as some districts were no longer provided with centre-based services such as CYCs and SR rooms. Mr YIU hoped that the Administration would not lose sight of the importance of community-based service to young people. The recent education reform, review on school social work service and the "Understanding the Adolescent Project" jointed conducted by Breakthrough and the Chinese University of Hong Kong all attested to this point. To this end, HKCSS urged the Administration to work closely with NGOs to regularly review the multifarious needs of young people and work out effective measures to close service gaps. Mr YIU further said that the existing piecemeal approach adopted by the Administration on the provision of youth services had undermined the effectiveness of many youth programmes, and urged that a more comprehensive long and medium-term plans in this regard be formulated. HKCSS had recently submitted a proposal for developing a planning mechanism for the provision of welfare services to the Administration. He hoped that the Administration would consider HKCSS' proposal and work out with the NGOs concerned a blueprint for the long-term provision of children and youth services.

Hong Kong Association of Heads of Secondary Schools (HKAHSS)

12. Mr WONG Wai-yu took members through the HKAHSS' submission (LC Paper No. CB(2)201/00-01(05)) which summarized the findings of an opinion survey conducted by HKAHSS on the implementation of one SSW for each secondary school tabled at the meeting. Mr WONG said that the response rate of the survey was 71.6%, i.e. 229 out of 320 heads of secondary schools had responded to the survey. In particular, the survey findings showed that the majority of respondents, i.e. about 87.4%, were satisfied with the implementation of the policy of one SSW for each secondary school. However, about 45.5% of the respondents had concern that the impending reduction of five to three bands for the purpose of allocating secondary one places commencing next school year would increase the already high caseload of SSWs. This was because schools of high banding would in future have to admit students of poorer academic achievement. Mr WONG further said that although the intention was to have one SSW for each school, there were schools whose school social work service was presently shared by two SSWs working on an alternate basis. The latter arrangement was considered unsatisfactory by the respondents. Mr WONG also pointed out that about 85.3% and 87.9% of the respondents considered that additional support should be provided to SSW serving schools of lower banding and that more than one SSW should be provided to large ALA schools respectively.

13. Sister WONG May-may said that about 16.6% of the respondents had to change

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the NGOs providing them with school social work service. One of the main grievances of the respondents was that the Administration had not consulted nor informed them of the changes required in advance. She pointed out that schools did not wish to have their SSWs replaced with new ones, having regard to the fact that much efforts and time had been put in to build up mutual trust and strong rapport. Moreover, not only would new SSWs need time to get acquainted with the students and their problems, there was also concern about the need to protect clients' information upon the swapping and transfer of schools between operating agencies. Sister WONG further said that the respondents considered it necessary to conduct a yearly review on the implementation of the policy to ensure that it would continue to meet students' needs, and that the schools should also have the right to change the NGOs providing them with school social work service where justified. To enhance counselling service for students, suggestion had also been made that SWD should extend its psychological and psychiatric counselling services to secondary schools.

Hong Kong Professional Teachers' Union (HKPTU)

14. Mr WONG Hak-lim briefed members on the submission from HKPTU (LC Paper No. CB(2)201/00-01(06)). In particular, Mr WONG raised the following points -

- (a) The existing performance pledge drawn up by SWD for SSW was too rigid to meet the varied service needs of schools. There had been incidents whereby the SSW had been asked by schools to participate in school activities, such as rendering assistance in organizing programmes on civic, sex and drug education, if his/her caseload had not reached the pledged volume. To ensure that the performance pledge of SSW was realistic in the light of the unique circumstances of each school and to avoid any disagreement between SSW and the school on how and to what extent SSW should be involved in school activities, HKPTU considered it better for the school and the NGO to decide amongst themselves the caseload to be handled annually by the SSW and the extent of the SSW's involvement in school activities;
- (b) Clerical support provided by schools to SSWs was generally not adequate and should be improved;
- (c) Schools should provide their SSWs with independent offices equipped with basic office equipment and a designated telephone line;
- (d) More than one SSW should be provided for large ALA school;
- (e) A system should be established to provide a temporary full-time SSW to substitute the SSW on maternity leave, so as to avoid disruption to the

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provision of school social work service to students;

- (f) There should be a balanced development in the services provided by ITs and the school social work teams; and
- (g) The Administration should closely monitor the adequacy of non-school based services (i.e. CYCs and SR rooms) to young people, as these services had proved to be useful in helping young people to face new challenges and difficulties. Where necessary, additional resources should be allocated to the provision of CYCs and SR rooms.

Discussion

15. Mr CHEUNG Man-kwong said that the reduction in the number of bands from five to three for secondary schools commencing next school year would bring about a significant change to the provision of school social work service to existing schools of high banding. In this connection, Mr CHEUNG enquired whether the Administration would consider providing more assistance to SSW whose caseload would very likely to be increased and also become more complicated. Mr CHEUNG further said that as only one SSW was provided for each secondary school, students of the opposite sex to the SSW might feel embarrassed to discuss their problems relating to love and/or sex with their SSW. He enquired about the measures which could be taken to address this problem.

16. Dr YEUNG Sum shared the views of the deputations that the number of SSW to be provided should be based on the unique circumstances of each school, notably the standard of the students. As the close ties developed between the schools and their SSWs were essential to the effective delivery of school social work service, Dr YEUNG expressed support for letting the school principals have the say in retaining the NGOs providing them school social work service.

17. Mr WONG Sing-chi noted that resources had been redeployed from CYCs and SR rooms to achieve the objective of one SSW for each secondary school, and that not all areas in Hong Kong were serviced by ITs despite the fact that new ITs had been formed and that the manpower provision of some existing ITs had been expanded. In this connection, Mr WONG expressed concern that community-based services to young people who opted not to continue their education after completing Form Three had been compromised. Mr WONG further enquired about the manning of SR rooms and whether the service of SR rooms had been adversely affected as a result of redeploying resources from SR rooms to SSW.

18. Before responding to the views and concerns expressed by members and the deputations, DSW thanked the schools and the NGOs for their efforts and cooperation in making the implementation of one SSW for each secondary school a smooth one.

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DSW said that she was well aware of the fact that schools did not wish to have their SSWs replaced with new ones. She however pointed out that such a change was inevitable as some mismatch was bound to occur in a redeployment exercise involving so many agencies and schools. To allay the concerns of those schools who had to change the NGOs providing them with school social work service, SWD had in March 2000 taken the step to brief and prepare the affected schools for the change. Subsequently, District Social Welfare Officers of SWD worked closely with these schools and the NGOs concerned to ensure a smooth transition. DSW explained that such an exercise was necessary to minimize staff redundancy.

19. DSW admitted that in order to come up with the resources for providing one SSW for each secondary school, some CYCs had to be closed and that the number of staff manning SR rooms had been reduced. She however pointed out that the redeployment of resources from CYCs and SR rooms to SSW should not be viewed as a reduction in community-based youth services for the purpose of achieving the objective of providing one SSW for each secondary school, having regard to the fact that many affected CYCs and SR rooms were under-utilized or over-provided. DSW further said that even with the closure of about 30 CYCs, 98% of the territory was provided with community-based social services and relevant professionals to tackle the multi-faceted problems and needs of young people.

20. On the suggestion of providing more than one SSW to schools with a large student population and/or with more student problems, DSW said that the Administration would be happy to provide schools with more SSWs subject to the availability of funds. Nevertheless, with finite resources, the existing policy of providing each secondary school with one SSW was the best possible arrangement. Moreover, it was difficult to determine the provision of the number of SSW on the number of students having problems as the latter figure was always changing. A more practical and cost-effective approach would be for the SSW to enlist help from community-based services, notably ITs. The Administration was of the view that ITs, with their remit of providing a wide range of services including school social work services, should help to address the various concerns raised by members and deputations, such as filling the void left by the SSWs on maternity leave, sharing the workload of SSW in providing guidance and counselling to students, and encouraging students to come forward with their problems as each IT had several social workers and they were usually of both sexes. DSW further said that at present, over 90 out of the existing some 450 secondary schools were serviced by ITs. It was the long-term goal of the Administration to encourage the formation of ITs to complement the work provided by SSW. She also clarified that at present not one but 1.5 full-time staff were deployed to provide school-based school social work service, i.e. one full-time SSW ranked at Assistant Social Work Officer and a mix of clerical staff helping out on an intermittent basis. She assured members that the Administration would continue to maintain a close dialogue with the operating agencies and the schools to ensure that the existing mode of provision of school social work service could meet the needs of

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young people.

21. Responding to the comments made by Mr CHEUNG Man-kwong about the impact of the reduction in the number of bands for secondary schools brought about by the education reform on the demand for school social work service, DSW said that she could not see that there was necessarily a direct relationship between the two. Moreover, the Administration did not wish to revert to the old way of allocating school social work support on the basis of students' academic achievement and other factors such as the family background of students, which had a stigmatizing effect. She further said that although the Administration had no intention to change the policy of providing one SSW for each secondary school in the foreseeable future, it would not rule out the possibility of adjusting the policy to suit the changing circumstances.

22. On the question of providing SSW with independent office equipped with basic office equipment and a designated telephone line, DSW said that schools had been advised to do so. According to a recent survey conducted by HKCSS, 430 out of some 450 secondary schools had now provided their SSWs with independent office equipped with basic office equipment and a designated telephone line. The Administration would be happy to apply for funding from the Lotteries Fund to improve the office accommodations and facilities provided for the SSW. DSW further said that schools had also been advised to treat their SSWs as part of their staffing establishment and to provide all the necessary support as far as possible.

23. The Chairman said that due to time constraints, members who had further questions for the Administration on the implementation of one SSW for each secondary school could submit them to the clerk for onward transmission to the Administration for response. He requested the Administration to provide a written response to the views/concerns expressed at the meeting or contained in the submissions which it did not have time to address at the meeting. The Administration agreed.

Adm

V. Proposed lump sum grant funding arrangement
(LC Paper Nos. CB(2)201/00-01(07) - (11))

Views of the Administration

24. DSW introduced the Administration's paper (LC Paper No. CB(2)201/00-01(07)) which detailed the progress of the implementation of the Lump Sum Grant (LSG) subvention system. DSW further informed members that as at 11 November 2000, 65 NGOs had indicated their intention to join LSG in 2000/01. Of the 65 NGOs, 56 had already indicated their intention to join LSG in 2000/01 by mid-September 2000 on the basis of the LSG Manual Edition I. As the revised LSG Manual released in the latter part of October 2000 was a marked improvement over the previous one,

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the Administration was confident that these 65 NGOs would not change their mind and that more NGOs would indicate their intention to join LSG in 2000/01 before the deadline on 15 November 2000. DSW pointed out that the 65 NGOs already made up more than one-third of the total number of NGOs operating welfare services and the money involved, i.e about 2.8 billion, represented about 47% of the total funding for subvented welfare sector. DSW further said that in response to HKCSS and NGOs, the Administration had agreed to extend the deadline for NGOs to indicate their intention to join LSG in 2001/02 from 15 November 2000 to 30 November 2000.

Views of the deputations

Hong Kong Social Workers' General Union (HKSWSU)

25. Mr WOO Leung-hei said that as HKSWSU was a member of the Fighting for Social Welfare Alliance (FSWA), HKSWSU's views on the proposed LSG funding arrangement had been incorporated in the submission from FSWA tabled at the meeting (LC Paper No. CB(2)201/00-01(08)). In particular, Mr WOO highlighted the following points stated in the aforesaid submission -

- (a) The Administration should give a guarantee that the one employer policy would continue to be adopted by NGOs joining the LSG, so that staff salaries and Provident Fund (PF) contributions would not be reduced on change of employment with another NGO. The upholding of such policy was important as it would promote healthy movement of social welfare personnel and enhance staff morale;
- (b) Some NGOs, worried that they would not have enough fund to meet their operating costs under the new funding system, had begun to recruit staff on a short-term basis, say, for period ranging from one month to less than 60 days, in order to avoid paying their contributions to the Mandatory Provident Fund Scheme;
- (c) As NGOs would be given the flexibility to determine their own staffing structure and remuneration under the new funding system, there were concerns that some NGOs would make use of such flexibility to reduce staff costs through a performance appraisal system lacking in objective standards. To remedy the situation, the Administration should devise an objective performance appraisal system for the NGOs to follow; and
- (d) As the conditions of service of existing staff were much better than new staff, there were concerns about impact on staff morale and staff relationship when people doing identical jobs were compensated differently.

Fighting for Social Welfare Alliance (FSWA)

26. Mr CHENG Ching-fat expressed concern that as NGOs would be given the flexibility to determine their staffing structure and remuneration under the LSG funding system, the harmonious employer and employee relations would be damaged. He cited several recent cases in which the NGOs concerned had unilaterally changed the conditions of service, such as reducing the leave earning rate, lengthening the working hours and replacing the existing arrangement of PF payment (i.e. employers' contributions to PF were 5%/10%/15% according to the years of service of the employers) with the requirement stipulated by the Mandatory Provident Fund Scheme Ordinance. In this connection, Mr CHENG urged that the Lump Sum Grant Steering Committee, to be set up by SWD and to be chaired by DSW, would look into these problems.

27. Mr KOO Wing-hon and Mr YEUNG KIN-bin related the experiences encountered by people who had recently entered the social work field as follows -

- (a) Newcomers to the welfare sector found out that very few permanent posts were offered by the NGOs and had to accept short-term project-based jobs usually of only one to three months' duration. After the short-term staff left, any unfinished work would need to be followed up by existing staff;
- (b) Even if the short-term staff could have their contract renewed, they still would not be given any incremental salary points and other fringe benefits accorded to a permanent staff doing similar jobs; and
- (c) The situations depicted in paragraphs 27 (a) and (b) above would not only undermine the morale of staff employed on a short-term contractual basis but would also deter new blood from entering the social work field. It would also discourage existing staff from leaving their jobs to pursue advance studies in social work as they would be worried whether they could secure permanent employment on completion of further study and whether the NGOs would commensurate them on the basis of their past working experience and academic attainment.

Hong Kong Social Workers' Association (HKSWA)

28. Mr CHUA Hoi-wai referred members to the submission from HKSWA (LC Paper No. CB(2)201/00-01(10)). Mr CHUA said that the reason why some NGOs unilaterally changed the conditions of service and only employed short-term staff on a contract basis was because they were not sure whether they would have enough money to meet their commitments under the new funding arrangement. To this end, he urged the Administration to adopt the following measures detailed in the HKSWA's

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submission -

- (a) The Administration should continue to assist NGOs to meet their contractual obligations to existing staff beyond the five years Tide-Over Grant (TOG) period where necessary;
- (b) The Administration should give an assurance that it would provide adequate funding to enable the NGOs to meet the PF contributions of existing staff;
- (c) New projects run by the NGOs should not be required to achieve productivity gains amounting to 5% of operating expenditure under the Enhanced Productivity Programme from the outset and should be allowed to achieve such gains within a three-year period; and
- (d) A transparent and accountable mechanism should be set up to review the operation of the LSG funding arrangement three years after its implementation.

29. Mr CHUA further said that to allay staff concerns, the one employer policy should be continued to be adopted by the NGOs under the new funding system.

Hong Kong Council of Social Service (HKCSS)

30. Mr TIK Chi-yuen introduced the submission from HKCSS (LC Paper No. CB(2)201/00-01(11)) and highlighted the following points -

- (a) In view of the many demands on the NGOs brought about by the welfare subvention reform, central administration support must be enhanced as a matter of urgency, especially for the smaller agencies;
- (b) The one employer policy should continue for existing staff so that their "transferability" entitlements would be not be affected; and
- (c) Additional funding should be given to NGOs for the provision of new services.

Discussion

31. Dr YEUNG Sum was of the view that the conditions of service offered by NGOs should not be changed under the LSG funding arrangement, and that they should also be applied to new staff. As all aided schools adopted the one employer policy, he could not see the reason for not applying the same policy to NGOs in the welfare sector. Dr YEUNG further urged the Administration to extend the Tide-over

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Grant period for those NGOs who had difficulty in meeting their contractual obligations to existing staff. Mr CHEUNG Man-kwong shared Dr YEUNG's views. Mr LEE Cheuk-yan also said that if the Administration would not provide adequate funding and require NGOs to carry out the one employer policy, the end result would be that the Administration would be creating unscrupulous employers. For example, if NGOs were given the flexibility to determine their staffing structure and remuneration, there would be the possibility that some NGOs would exploit their employees, say, by employing them on a short-term basis to avoid making PF payment.

32. Mr Fred LI expressed concern that the reason why some NGOs used different means to reduce staff costs, such as not honouring their contractual obligations to existing staff and employing new staff on a short-term basis, was because the management comprised volunteers who often did not have a good understanding of the operations of the NGOs they served. As such, these volunteers tended to control staff costs to ensure that NGOs would have sufficient funds to continue operation under the new funding system. Mr WONG Sing-chi concurred with Mr LI, and further opined that if NGO management was not revamped, the LSG implementation would not be smooth.

33. Mr Henry WU declared interest that he served on the Boards of two NGOs. Mr WU further said that although many Board members of NGOs were volunteers, they nevertheless were very dedicated to their voluntary work and were good employers.

34. DSW said that the allegations made by members about volunteer Board members of NGOs having no regard for the welfare of their staff and was not familiar with the operations of the NGOs they served were unfounded. In her contacts with the management of the welfare agencies, many volunteer Board members of NGOs were in fact very well-versed in the workings of the NGOs they served and had a very clear direction on how the NGOs should be run, not only in the short term but also for the next five and even 10 years under the LSG funding arrangement. It was also unfair to say that the reason why the services provided by the agencies were not innovative enough was because the agencies were controlled by volunteers, as the existing subvention system with its emphasis on input control was the cause for stifling the agencies' intention to become more innovative. DSW further said that many of the volunteer Board members were professionals such as judges, lawyers and doctors who had devoted a lot of their spare time in their volunteer work. She hoped that the efforts and time put in by them and other volunteers serving in other capacities would be appreciated by the public. DSW also pointed out that the management of the agencies did not only comprise volunteers but also paid staff such as agency heads. As agency heads were themselves employees and social workers like their subordinates, it was understandable that they would protect staff interests. To her knowledge, many agencies had widely consulted their staff on the new funding arrangement and had organized many seminars to brief and prepare their staff for the change. DSW added

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that SWD would also step up its efforts in the coming months to ensure the smooth implementation of the new funding arrangement.

35. On the concerns expressed by members and deputations, DSW responded as follows -

- (a) The Administration had never said that the adoption of the 6.8% of mid-point salaries as the basis for calculating PF portion in the Benchmark funding to be disbursed as a lump sum would meet the PF provision of all NGOs. To allay staff concerns about their existing benefits, the Administration had agreed to reimburse the employer's PF contribution in respect of existing staff on an actual basis (i.e. honouring the scale of 5%/10%/15% recognized for subvention purpose under the existing system). For new or replacement staff, the 6.8% was the present sector-wide average PF employer's contribution; and together with other components such as provision for salaries calculated at mid-point of the full recognized establishment should provide adequate funding for operating the service.
- (b) The Administration had never agreed to the no worse-off principle stated by HKCSS in its submission. The so-called one employer policy hitherto applied was not a Government policy for NGOs in the welfare sector per se but a practice in administering the rigid subvention system with full control over staff engaged. The only principle that the Administration would apply on remuneration matters was that the remuneration package of staff of subvented agencies should not be better than that of the civil servants of comparable ranks. The reason why staff of aided schools were allowed to carry their salary and PF contribution upon transfer from one school to another was that Government was the "paymaster" of all aided school teachers. For NGOs opting to join the LSG, it was up to the NGOs to decide how they wished to remunerate their staff or attract and retain staff. If the Administration forced the NGOs to follow a prescribed set of conditions of services, it would defeat the purpose for implementing the new funding arrangement in the first place;
- (c) The Administration had adopted a liberal approach in calculating the lump sum grant for the NGOs based on full establishment. Moreover, although LSG calculation would only include recognized subvented posts, the Administration in this transition exercise had also extended TOG and PF protection to staff not in full compliance with the recognized establishment. The Administration was confident that the formula for the calculation of the lump sum grant coupled with the Tide-Over Fund should provide NGOs with sufficient funds to meet their

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contractual commitments to existing staff;

- (d) The situation of staff doing identical jobs but remunerated differently was nothing new. Arising from the civil service reform, the Administration had adopted a set of new benchmarks and starting salaries for civil servants on 1 April 2000. It should also be noted that the adoption of new benchmarks and starting salaries also applied to teachers newly recruited into aided schools;
- (e) Provision for additional central administration support would entail substantial resources and the Administration had no resources earmarked for this purpose for the time being. Instead, the Administration would provide practical assistance and training to NGO management to help them effect the changes smoothly such as by setting up a help centre to provide advisory services on management issues to NGOs; and in particular practical support services to smaller NGOs;
- (f) Additional resources would continue to be provided by the Administration for new services operated by NGOs. For example, additional funding would be allocated to undertake new service initiatives announced in the 2000 Policy Address such as strengthening ITs to deal with young night drifters. The Administration would not deny funding to NGOs for the provision of new services on the ground that the NGOs had sufficient funds in their reserves as the latter was meant for meeting future liabilities. The Administration would request the Hong Kong Jockey Club and the Community Chest to do the same when considering funding applications from NGOs;
- (g) The Lump Sum Grant Steering Committee to be chaired by herself would be set up to monitor the progress of the lump sum grant implementation, to discuss and suggestion solutions to problems arising from the implementation, and to facilitate communication and sharing of information and experience amongst SWD, NGOs and staff; and
- (h) The main reason why some NGOs were currently employing staff on a short-term basis was because the arrangement for the implementation of the new funding had not yet been finalized and hence these NGOs had resorted to use such means to employ staff as a temporary measure. The Administration was of the view that the incidence of NGOs employing staff on a short term basis would decrease once the new funding arrangement had been finalized.

36. Mr CHEUNG Man-kwong enquired how the Lump Sum Grant Steering Committee would consider the complaints lodged by staff that they were deliberately

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employed on a short-term basis so that they would be deprived of salary increments and other fringe benefits accorded to permanent staff. DSW responded that the Administration had received such complaints from staff during the past months and each and every case was being given serious consideration. Where such complaints were labour disputes, they should best be resolved in accordance with the labour legislation. She pointed out that the Administration had set out in the LSG Manual the best employment practices for NGO management to follow and the Administration would take into account such best practices in NGOs in deciding on the allocation of new services.

37. In summing up, the Chairman urged the Administration to take on board the views and suggestions put forward by the deputations and hoped that the Lump Sum Grant Steering Committee would seriously consider the complaints lodged by staff and the concerns raised by deputations at the meeting. The Chairman further said that the Panel would continue to close monitor the LSG implementation and would invite the Administration to brief members on the matter at a later date.

VI. Assistance to visually impaired persons in accessing to and processing of information on computer

(LC Paper No. CB(2)201/00-01(12))

38. Members did not raise any queries on the above Administration's paper which provided an update on the assistance rendered to the blind or visually impaired persons in processing and accessing information on computers.

VII. Any other business

(LC Paper No. CB(2)201/00-01(13))

39. Members did not raise any queries on the proposed terms of the reference of the Panel as set out in the above paper. Moreover, members did not raise any queries on the Administration's paper entitled "Provision of enhanced home and community care services for elders".

40. There being no other business, the meeting ended at 1:02 pm.

Legislative Council Secretariat

7 December 2000