

NOTE FOR FINANCE COMMITTEE

First Half-yearly Progress Report on the Skills Upgrading Scheme

PURPOSE

On 1 June 2001 Members approved a new commitment of \$400 million under Head 146 Government Secretariat: Education and Manpower Bureau Subhead 700 General other non-recurrent for the Government to launch the Skills Upgrading Scheme. Courses under the Scheme began in September 2001. Members requested the Administration to submit half-yearly progress reports after implementation of the Scheme. This paper presents the first half-yearly progress report on the Scheme from September 2001 to March 2002 for Members' information.

BACKGROUND

2. The Scheme aims to provide focused skills training for in-service workers with secondary or lower education to upgrade their skills so as to maintain their competitiveness in the labour market. A Steering Committee on the Skills Upgrading Scheme chaired by Secretary for Education and Manpower comprising representatives from employers, employees, training institutions and relevant government bureaux/departments was set up in November 2000. Six industries, namely printing, Chinese catering, retail, import and export trade, transportation and wearing apparel/textile, were identified for the initial phase of the Scheme. Sector-specific industry working groups were set up for all six industries to develop training packages to meet the current needs of their industries.

PROGRESS OF FIRST PHASE PROGRAMMES

3. The first batch of courses was launched in early September 2001. As at 31 March 2002, a total of 256 programmes have been launched for a total of 5 392 workers. Of these, 3 162 trainees from 192 classes have completed their training. Details of the course breakdown by industry are as follows -

/Industry

Industry	Number of programmes started	Number of trainees involved	Number of programmes completed	Number of trainees who have completed training
Printing	96	1 523	75	994
Chinese catering	40	894	39	744
Import / Export trade	45	1 130	28	429
Wearing Apparel / textile	34	852	20	377
Transport	20	504	14	285
Retail	21	489	16	333
Total	256	5 392	192	3 162

4. The overall trainee enrolment rate¹ is 98%. The course retention rate² and passing rate³ stand at 82% and 91% respectively. According to the feedback collected from trainees at the end of the courses and an independent evaluation of the Scheme carried out by Policy 21 Ltd. of the University of Hong Kong, the vast majority of the trainees (between 84% to 90%) were satisfied with the course contents, the performance of the trainers and the training providers. Of those who did not express satisfaction, most of them considered the course duration too short. Comments from trainees were referred back to the respective industry working groups for consideration and suitable refinements were made accordingly.

Training Institutions

5. The respective industry working groups are responsible for drawing up the detailed selection criteria to identify suitable training providers. The training providers are selected according to their track record, location of training sites, equipment available, trainers' qualifications, and the training cost in accordance with the Government's procurement procedures. The list of training providers approved for the first phase programmes is at the Enclosure.

Encl.

/Quality

¹ This is the percentage of the total number of trainees enrolled against the total number of planned training places.

² This is the percentage of the total number of trainees completing the course against the total number of trainees enrolled.

³ All trainees are required to pass an end of course assessment before a certificate is awarded. This is the percentage of the total number of trainees passing the assessment against the total number of trainees completing the course.

Quality Assurance

6. To monitor the quality of training under the Scheme, the respective industry working groups arrange for representatives to pay regular visits to training providers. Such visits are of three types -

(a) Administrative inspections

Surprise administrative inspections are conducted to check whether the class arrangements conform to the approved conditions, e.g. proper keeping of attendance records, identity of trainers, commencement and finishing times of the classes, location of the training site, etc. Such surprise inspections are conducted randomly with more inspections being carried out for longer courses. Up to 31 March 2002, a total of 120 administrative inspections have been carried out.

(b) Academic inspections

Academic inspections are conducted by industry working group representatives with the relevant background. The inspectors sit in the class to observe how the trainers are conducting their classes. Each trainer will be observed at least once for shorter courses (lasting less than 3 months) and at least twice for longer courses (lasting more than 3 months). Up to 31 March 2002, a total of 322 academic inspections have been carried out.

(c) Invigilation of end of course assessments

The industry working groups arrange for representatives to invigilate the end of course assessments to ensure that training bodies are conducting the assessments strictly in accordance with the approved procedures. By the end of March 2002, a total of 192 such invigilations have been conducted.

7. Investigation and assessment reports are prepared after all these various inspections, and are submitted regularly to the respective industry working groups for monitoring purpose. On two occasions, it was reported that the trainers were not performing satisfactorily. The respective industry working groups subsequently asked the training providers to make immediate improvement. Recent inspections of the two training providers revealed that necessary improvements have been made. The working group would continue to monitor the situation closely.

/Other

Other issues

8. We stated in FCR(2001-02)6 that the Steering Committee would finalise the fee proposals in consultation with the industry working groups on the fee proposals. The Steering Group subsequently endorsed on 12 June 2001 its original proposal that the Government would subsidise 70% of the training costs. In addition, the entire fee can be reimbursed upon completion of training to those trainees who earn a monthly salary below \$6,333.

9. When Members previously discussed the Scheme, concerns were expressed about the time cost incurred by employers whose employees attend training courses under the Scheme. From the information gathered from trainees, the time cost incurred by employers is believed to be minimal, for the following reasons -

- (a) most courses (95%) were conducted outside the office hours of the respective industries;
- (b) most trainees (93%) took part in the courses during their own free time; and
- (c) in the case of trainees who attended the training courses during normal working hours, most of their employers would re-arrange the work or leave schedule to make way for the employees' participation in the relevant courses.

SECOND PHASE PROGRAMME

10. To enable workers from other industry sectors to benefit from the Scheme, the Steering Committee in September 2001 invited other interested industries to submit applications to join the second phase programme. The Steering Committee gave approval for seven industries, namely hotel, tourism, hairdressing, property management, insurance, electrical and mechanical engineering trade and real estate agents trades to join the Scheme, in addition to the six industries already covered. Courses for the tourism, insurance, hairdressing, electrical and mechanical engineering and the property management sectors will be launched in early July 2002. Courses for the real estate sector are expected to be launched in September 2002 while courses for the hotel sector would be launched at the end of the year.

Chinese Catering

- Association of Restaurant Managers
- Institute of Vocational Education (Haking Wong)
- Hospitality Industry Training and Development Centre
- Eating Establishment Employees General Union

Printing

- Hong Kong Printing Industry Workers Union
- Vocational Training Council Printing Industry Training Centre
- Graphic Arts Association of HK, Ltd. Printing Materials Testing and Analytic Centre
- Advanced Printing Technology Centre

Wearing Apparel/Textile

- Clothing Industry Training Authority
- Vocational Training Council Textile Industry Training Centre
- Hong Kong Wearing Apparel Industry Employees General Union

Import/Export Trade

- Hong Kong College of Technology Retraining Centre
- The Federation of Hong Kong and Kowloon Labour Unions
- Federation of Trade Unions Occupational Retraining Centre
- Vocational Training Council Import/Export and Wholesale Trades Training Centre
- Caritas Adult and Higher Education Service
- Hong Kong Christian Service – Kwun Tong Vocational Training Centre

/Transport

Transport

- City University of Hong Kong School of Continuing and Professional Education
- Vocational Training Council Hong Kong Centre for Transport and Logistics
- HK Storehouses and Transportation Staff Association
- Logistics Cargo Supervisors Association
- Federation of Trade Unions Occupational Retraining Centre

Retail

- Retail Management Association/Vocational Training Council Retail Trades Training Centre
- Hong Kong Christian Service – Kwun Tong Vocational Training Centre
- The Hong Kong Management Association
- Hong Kong College of Technology Retraining Centre
- Hong Kong Confederation of Trade Union – Employees Retraining Centre