

**立法會**  
**Legislative Council**

LC Paper No. CB(2) 854/01-02

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by the Administration)

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**LegCo Panel on Manpower**

**Minutes of meeting**  
**held on Thursday, 20 December 2001 at 2:30 pm**  
**in Conference Room A of the Legislative Council Building**

**Members present** : Hon CHAN Kwok-keung (Deputy Chairman)  
Hon Kenneth TING Woo-shou, JP  
Hon James TIEN Pei-chun, GBS, JP  
Hon LEE Cheuk-yan  
Hon CHAN Yuen-han, JP  
Hon LEUNG Yiu-chung  
Hon YEUNG Yiu-chung, BBS  
Hon Ambrose LAU Hon-chuen, GBS, JP  
Hon Andrew CHENG Kar-foo  
Hon SZETO Wah  
Hon LI Fung-ying, JP  
Hon Tommy CHEUNG Yu-yan, JP  
Hon Albert CHAN Wai-yip  
Hon LEUNG Fu-wah, MH, JP  
Hon Frederick FUNG Kin-kee

**Member attending** : Hon Audrey EU Yuet-mee, SC, JP

**Members absent** Hon LAU Chin-shek, JP (Chairman)  
Hon Cyd HO Sau-lan  
Dr Hon LUI Ming-wah, JP  
Hon Michael MAK Kwok-fung

**Public Officers :**    Item III  
**attending**

Mrs Fanny LAW, JP  
Secretary for Education and Manpower

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

Mrs Rachel CARTLAND, JP  
Principal Assistant Secretary for Education and Manpower (5)

Item IV

Mrs Fanny LAW, JP  
Secretary for Education and Manpower

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

Mrs Rachel CARTLAND, JP  
Principal Assistant Secretary for Education and Manpower (5)

Mr Gary AU Kam-hung  
Assistant Secretary for Education and Manpower

Item V

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

Mr LAM Kam-kwong  
Principal Assistant Secretary for Education and Manpower (7)

Mrs Jenny CHAN  
Assistant Commissioner for Labour (Rights and Benefits)

Mr LAI Ka-tong  
Senior Labour Officer

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

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

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As the Chairman was unable to attend the meeting, the Deputy Chairman took the chair.

**I. Confirmation of minutes of previous meetings and matters arising**

(LC Paper Nos. CB(2)536/01-02, CB(2)689/01-02 and CB(2)688/01-02(01))

2. The minutes of the meetings held on 2 and 15 November 2001 were confirmed.

List of follow-up actions required of the Administration

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

**II. Date of next meeting and items for discussion**

(LC Paper No. CB(2)688/01-02(02))

4. Members agreed that the following items be discussed at the next meeting to be held on Thursday, 17 January 2002 at 2:30 pm -

- (a) Review on organisation of vocational training and retraining; and
- (b) Impact on the Protection of Wages on Insolvency Fund of increase in cases of liquidation of companies which were unable to pay outstanding wages and other entitlements owed to employees.

5. The Deputy Chairman informed members that the Commissioner for Census and Statistics had agreed to brief members on the recently published Summary Results of the 2001 Population Census relating to labour and manpower matters. Members agreed that the briefing should be held at a future meeting of the Panel.

**III. Enhancing support for education and manpower policy making in the Education and Manpower Bureau**

(LC Paper No. CB(2)688/01-02(03))

6. Secretary for Education and Manpower (SEM) briefed members on the staffing proposal under the manpower arena to create a supernumerary post of Administrative Officer Staff Grade C (AOSGC) for the period from 1 February 2002 to 31 March 2004 to set up the Manpower Development Committee (MDC) and to provide policy support in respect of the establishment of the Continuing Education Fund (CEF). She informed members that the Legislative Council (LegCo) Panel on Education had also been consulted on the staffing proposals as set out in the Administration's paper.

7. Mr LEUNG Fu-wah pointed out that the public was increasingly concerned about the continuous inflating establishment of the Government. He suggested that the Education and Manpower Bureau (EMB) should try to absorb the additional work arising from new initiatives through internal redeployment. For example, EMB should consider

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whether the work of the Quality Education Fund (QEF) Secretariat could be reviewed after taking into account the views of the Director of Audit.

8. SEM said that she was fully aware of the views expressed by members of the LegCo Panel on Education that the overall number of directorate staff in the Government should be properly controlled. However, she held the view that the need for additional staffing support to meet the growth in the overall workload of EMB should be considered separately. She informed members that the Education Department would take over the operational tasks from the QEF Secretariat with effect from April 2002 so that it would be able to focus its work on the review and promotion of QEF having regard to the suggestions made by the Director of Audit. It was therefore envisaged that there was no scope for the QEF Secretariat to take on additional work in connection with the setting up of MDC.

9. Mr Tommy CHEUNG expressed the view that in order not to increase the financial strain on the Government, proposals to create directorate posts should not be supported unless with full justifications. He suggested that EMB should identify other possible solutions to cope with the increased workload.

10. SEM pointed out that the various new policy initiatives announced every year had made EMB unable to cope with the ever-increasing workload. Staff of EMB had been facing tremendous work pressure in the past few years. If no additional staffing support could be made available, EMB might need to re-arrange its work priorities. Under the circumstance, EMB might only be able to continue with those initiatives which had already commenced work, such as the Skills Upgrading Scheme. Other new initiatives which had not yet commenced might have to be deferred.

11. Mr SZETO Wah considered that EMB should take on the additional work by internal redeployment. He suggested that it should also review its existing work practices to enhance efficiency and streamline work procedures.

12. SEM pointed out that there had not been an increase in the staffing support at directorate level in the manpower arena of EMB despite the tremendous increase in the workload in the past few years. She said that the Project Springboard and the Skills Upgrading Scheme demanded much co-ordination efforts from EMB as there was not a corresponding government department tasked to assist with the respective work. In addition, the review on the organisation of vocational training and retraining was an important matter and had taken up much of the time of Principal Assistant Secretary for Education and Manpower (5), who was one of the three Principal Assistant Secretaries (PASs) in EMB designated to deal with manpower-related matters. As the existing three PASs were already fully occupied and the work on MDC was expected to build up fast and would quickly become substantial in quantity, the appointment of another PAS to take forward the new initiatives in respect of the setting up of MDC and the establishment of CEF was therefore necessary.

13. Mr Albert CHAN was not supportive of the staffing proposals. In view of the continual increase in the number of directorate officials and the continual decrease in the

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number of non-directorate staff within the Government, he urged the Administration to conduct a comprehensive review on the overall organisational structure of the Government. He suggested that the review should cover not only bureaux and government departments, but also the Chief Executive's Office and the Financial Secretary's Office, etc.

14. Mr James TIEN shared the views of Mr Albert CHAN and Mr SZETO Wah. Although Mr TIEN was supportive of the work of EMB, he considered that it should try to absorb the work arising from new initiatives by internal redeployment. If no spare capacity could be identified within EMB, the matter should be brought to the attention of the Chief Secretary for Administration. As there were already some 1 500 directorate staff in the Government, he urged the Administration to review the overall organisational structure of the Government with a view to enhancing efficiency and identifying spare capacity for performing additional or new tasks. Mr TIEN said that he was prepared to support the proposed creation of the post of AOSGC if the recurrent cost of this post would be offset by a deletion of an equivalent directorate post in the Government.

15. SEM shared members' view that staffing resources for new tasks should be identified through internal redeployment and reorganisation of the overall structure of the Government. She pointed out that the Administration had in fact been progressing towards this direction. However, it took time to achieve the expected results. Additional staffing support would therefore be required in the interim if new initiatives were to be implemented.

16. Mr LEE Cheuk-yan said that if MDC was established as a statutory body, there would not be a need for EMB to create a supernumerary post for setting up and servicing MDC. In addition, as MDC was proposed to absorb the functions of the Employees Retraining Board (ERB), existing staff of ERB could be absorbed by MDC.

17. SEM pointed out that the functions currently performed by ERB differed from those to be performed by MDC, the work of MDC included a dynamic labour market analysis and the setting up of a qualifications framework, etc. It was considered not appropriate for a training provider, such as ERB or VTC, to be tasked with such macro-duties. Besides, there would be a manpower mismatch in the existing staff of ERB and that required by MDC. She further pointed out that the functions currently performed by ERB would continue after the reorganisation of training and retraining. By then, the work of ERB, as well as its staff performing the work, would be absorbed by MDC. On the question about the need for EMB to create a supernumerary post, she considered that it would be the same to create the post either under EMB or a statutory body as staff cost had to be incurred inevitably.

18. Ms LI Fung-ying shared members' views that EMB should identify staffing resources to take on the additional work arising from new initiatives by internal redeployment or reorganisation of the overall structure of the Government. She said that EMB should also explore the possibility of recalling civil servants who had been seconded to VTC.

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19. SEM responded that there were only a few civil servants on secondment to VTC, and it was not envisaged that they could be recalled shortly as the workload arising from the reorganisation of VTC was expected to be heavy. She reiterated that EMB would re-arrange its work priorities. Some new initiatives in manpower matters might have to be deferred if no additional staffing support could be made available.

20. Miss CHAN Yuen-han said that in view of the heavy workload of EMB, she had all along been suggesting that education and manpower matters should be handled by two separate bureaux. She considered that it was inappropriate and undesirable to continually create new posts within the Government to cope with new tasks. However, she was not willing to see deferment of work on the ground of a lack of manpower resources. She suggested that the Government should first conduct a thorough review on its existing organisational structure before any staffing proposals were introduced. SEM responded that it was beyond the authority of EMB to conduct a reorganisation/redeployment exercise of the Government.

21. Mr Andrew CHENG shared members' views that the Government should not seek to create new posts whenever there were new tasks and that additional work arising from new initiatives should be absorbed by internal redeployment. He asked about the details of the work of the QEF Secretariat, the Support Unit of the Standing Committee on Language Education and Research, and the Capital Works and Early Childhood Education Division.

22. SEM said that the projects for which the Capital Works and Early Childhood Education Division was responsible included School Improvement Programme and Whole-day Primary Schooling. The work involved under the School Improvement Programme was time-consuming and labour-intensive which included liaison with various government departments and examination of the specific circumstances of individual schools.

23. Having regard to the views expressed by members, SEM said that EMB might not put forward the staffing proposals to the LegCo Establishment Subcommittee as previously scheduled. Under the circumstance, some initiatives under the purview of EMB might have to be deferred. Mr SZETO Wah requested EMB to provide information on the work intended to be deferred due to a lack of manpower resources.

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24. The Deputy Chairman asked the Administration to review the work schedules of EMB with a view to identifying scope for internal redeployment to take on the additional work. SEM agreed.

**IV. Continuing Education Fund**  
(LC Paper No. CB(2)688/01-02(04))

25. SEM briefed members on the latest position regarding the proposed CEF as

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outlined in the Administration's paper.

26. Miss CHAN Yuen-han and Mr LEE Cheuk-yan asked whether the maximum subsidy per applicant was \$10,000 and whether an applicant might apply once only. SEM responded that the Administration had yet to reach a decision on the maximum subsidy to be provided to each applicant. However, a subsidy of \$10,000 seemed to be a reasonable amount according to the views collected. She pointed out that the manpower projection to 2005 conducted in 2000 revealed a shortage of manpower of high qualifications and thus there was a need to upgrade the general academic qualifications of the working population. Since there were already a lot of subsidies for short-term courses, it was therefore proposed that the courses to be subsidised by CEF should be of high intensity and of relatively longer duration, and should be substantial and should lead to a qualification. In this connection, the Administration would work closely with stakeholders on the courses to be subsidised by CEF.

27. Mr LEE Cheuk-yan said that if the maximum subsidy per applicant was \$10,000 and that an applicant might apply once only, it might give rise to a situation where all applicants would only take courses at \$10,000 in order to fully utilise his entitlement. Mr Tommy CHEUNG shared Mr LEE's view. Mr CHEUNG said that training providers might choose to provide courses at \$10,000. Mr SZETO Wah, Mr Andrew CHENG, Mr LEUNG Yiu-chung and Mr Frederick FUNG shared the views of Mr LEE and Mr CHEUNG.

28. Mr SZETO Wah suggested that an education voucher system should be adopted for CEF in order to prevent the occurrence of the problems envisaged by members and to encourage more people to pursue continuing education. Mr LEUNG Yiu-chung, Mr LEUNG Fu-wah and Miss CHAN Yuen-han expressed support for Mr SZETO's proposal.

29. Mr Frederick FUNG said that in order to ensure the quality of courses to be provided by training bodies, the Administration might make reference to information on the unit cost trend of courses of different industries when approving courses.

30. SEM said that the purpose of introducing a maximum subsidy for each applicant was to enable CEF to help as many people as possible. An applicant should choose a course which was most suitable to him having regard to his ability, the need of society and the environment of the employment market, etc. Choosing an unsuitable course for the purpose of exhausting the entitlement would be a waste of the applicant's time and public resources. She assured members that the Administration would duly monitor the accreditation of courses.

31. Mr LEE Cheuk-yan expressed doubt as to how a course would be determined as contributing to the economic development of Hong Kong. He said that if only such courses would be eligible for subsidy under CEF, not too many people would be able to benefit. He suggested that the scope of CEF should be extended to cover all courses so that all who needed to pursue vocational training and/or continuing education would be

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able to benefit from CEF.

32. SEM pointed out that there had been a general consensus that the scope of CEF should not be too wide as \$5 billion was a limited amount. In order to achieve some impact, the Administration should target courses in the most promising sectors of the economy which could offer potential for growth in job opportunities and help enhance Hong Kong's overall competitiveness. In order not to exhaust CEF soon after its implementation, the Administration would launch accredited courses by phases and on a sector-by-sector basis. It would follow the principle endorsed by the Commission on Strategic Development that a broad and flexible approach should be adopted in selecting the economic sectors to be covered by CEF.

33. Miss CHAN Yuen-han asked about the age limit for applying subsidy under CEF. SEM replied that the Administration considered it appropriate to target on adults as there was already a lot of assistance and subsidies for youngsters. However, due to resource constraints, an age limit of 60 was proposed as it was a common retirement age in today's society.

34. Miss CHAN Yuen-han enquired about the relationship between courses to be subsidised by CEF and courses organised by VTC and the Productivity Council, etc. SEM said that an applicant should not enjoy double benefit in the same academic year in respect of the same course. For example, an applicant might not apply for subsidy from CEF if the course he took was a VTC course which already had 70% subsidy by the Government. However, courses which had subsidy from the Government taken by an applicant in the past would not affect his eligibility for subsidy in another self-financing course.

35. Mr Tommy CHEUNG expressed concern that the catering industry might not be able to benefit from CEF as the courses attended by workers of the catering industry were usually of short duration and did not lead to a qualification. He asked whether subsidy would be granted under CEF for the trade tests conducted by the Chinese Cuisine Training Institute. He also asked about the basis for determining whether a course was substantial.

36. SEM pointed out that the working population in Hong Kong was over three million and given that the resources were limited, it was not possible to cater for the needs of all sectors. Hence, priorities were required. Decision on whether courses for the catering industry should be subsidised by CEF would be made after extensive consultation with stakeholders. If courses for the catering industry were decided to be included, industry groups would be formed and discussion would be held among employer and employee representatives, training bodies and Government representatives to devise the appropriate courses.

37. In response to Mr Albert CHAN's enquiry as to whether those who had declared bankrupt would be eligible for subsidy under CEF, SEM said that no means test would be imposed under CEF. As a result of redeployment of duties, the Student Financial Assistance Agency would be tasked to administer payments from CEF and maintain the



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database. The conditions imposed on students in respect of financial subsidy offered by the Agency would not apply to applicants under CEF.

38. Mr Albert CHAN said that as a great number of university graduates were facing difficulties in finding a job, many of them were taking skills course in the hope of securing an employment which might require such skills. In his view, university graduates studying such courses should be eligible for a subsidy under CEF. Mr Andrew CHENG shared Mr CHAN's view. Mr CHENG asked the Administration to consider setting a yearly quota, say 20%, for university graduates and allowing the unused quota to be used by other applicants.

39. SEM replied that as the resources were limited and it was the prime objective of CEF to upgrade the overall qualifications of the working population in Hong Kong, the Administration proposed to accord priority to those with lower qualifications. She expressed reservations about Mr CHENG's proposal to set a quota for university graduates as it would pose operational difficulties and might have staffing implications.

40. Mr SZETO Wah suggested that a more open approach should be adopted as, in his view, an upgrade in the quality of people would in general help contribute to the economic development of Hong Kong.

41. SEM assured members that the Administration would adopt an open and broad approach when determining the economic sectors to be included. Courses within these sectors to be subsidised by CEF would not be rigidly confined to industries.

42. Mr Andrew CHENG proposed that the concept of continuing education should be adopted as one of the principles governing the operation of CEF so that academic courses such as social science, psychology, anthropology or history, etc would be covered. In his view, only courses on leisure topics should be excluded.

43. SEM pointed out that according to the findings of a questionnaire survey conducted by the University of Hong Kong, there were at present around 700 000 people pursuing continuing education and the money involved was some \$17 billion. According to these figures, CEF would be depleted in a year after subsidising less than one-third of this group of people if it were to open to all sectors. It was therefore not possible for CEF to cater for the needs of all sectors.

44. Mr Andrew CHENG further proposed that applicants should be allowed to apply for subsidy under CEF to pursue courses being subsidised by the Government. Under the circumstances, the training bodies should re-calculate the course fee and the applicants concerned should pay the adjusted amount. SEM expressed reservations about the proposal as additional administrative work would be involved which might in turn have staffing implications.

45. In reply to Mr Andrew CHENG's enquiry on the timetable for publishing the list of accredited courses, SEM said that the first batch of courses would be published in April 2002. Other courses would be released thereafter phase by phase.

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46. Mr LEUNG Yiu-chung considered that education should not be directly linked with the economy. He commented that the scope of CEF was much narrower than its name. He queried why people aged above 60 would be excluded if the objective of CEF was to encourage lifelong learning. SEM responded that with limited resources, it was necessary to establish basic principles governing the operation of CEF and set priorities on the sectors to be covered.

47. Ms LI Fung-ying suggested that the Administration should adopt a more open approach for the operation of CEF. She considered that courses which could directly or indirectly benefit a person or the economic development of Hong Kong should be subsidised by CEF. She also considered it just that an applicant be entitled to a subsidy for one course only with the maximum subsidy at \$10,000. SEM noted her views.

48. Mr Frederick FUNG said that it would be difficult to determine which types of courses would be regarded as continuing education. He suggested that a definition of "continuing education" should be introduced to remove the ambiguity. SEM noted his views.

49. Mr LEUNG Fu-wah expressed support for the principle that the courses to be subsidised by CEF should contribute to the economic development of Hong Kong. He suggested that courses offered by the Opening University should also be included. SEM noted his views.

50. SEM said that the Administration would continue to collect views on the operation of CEF in the next few months with a view to striking a good balance between all parties concerned and achieving the most effective use of the \$5 billion. She informed members that the Administration was planning to submit the funding proposal for CEF to the Finance Committee in February 2002 at which time a more detailed proposal should be available. Members agreed that the Student Financial Assistance Agency should commence preparatory work for the establishment of CEF immediately.

**V. Progress of the review of the Occupational Deafness Compensation Scheme and rescue package for the Employees Compensation Assistance Scheme (LC Paper No. CB(2)688/01-02(06))**

51. Deputy Secretary for Education and Manpower (DSEM) briefed members on the progress of the review of the Occupational Deafness Compensation Scheme (the ODC Scheme) and the rescue package for the Employees Compensation Assistance Scheme (the ECA Scheme) as set out in the Administration's paper. He informed members of the Administration's plan to introduce the legislative amendments for the ECA Scheme into LegCo on 27 February 2002 and, after the said amendments had been introduced, to seek the Finance Committee's approval to extend a loan to the Employees Compensation Assistance Fund Board in March 2002.

52. Mr Frederick FUNG asked whether the requirement of 10 years of employment in

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aggregate in any noisy occupation under the ODC Scheme could be reduced to five or seven years. Assistant Commissioner for Labour (Rights and Benefits) (AC for L(RB)) pointed out that the 10-year requirement was in line with international standards. She added that under normal circumstances, obvious symptoms of sensorineural hearing loss caused by prolonged exposure to noisy working environment would only appear after 10 years. Nevertheless, the Administration relaxed the 10-year requirement to five-year for some particularly noisy occupations in 1998.

53. Mr Frederick FUNG asked why the five-year requirement was not extended to apply to all noisy occupations. AC for L(RB) pointed out that sensorineural hearing loss might be caused by a number of factors which included exposure to excessive noise at work, old age or disease. As it was not practicable to ascertain the single cause leading to the sensorineural hearing loss, an employee would be presumed to be suffering from occupational deafness and therefore entitled to compensation under the ODC Scheme if he had worked in the specified noisy occupation(s) for a required number of years. The 10-year employment requirement was a widely accepted standard. Only in some highly noisy occupations that it was known that the employees might suffer from occupational deafness in a shorter period. As such, it was considered appropriate to lower the 10-year requirement to five-year for such highly noisy occupations only.

54. Ms LI Fung-ying welcomed the Administration's proposal to extend the eligibility for ex-gratia payment, payable in lieu of common law damages under the ECA Scheme, to parents of a deceased worker. In view of the urgent need to restore the long-term viability of the ECA Scheme, she expressed support for the package of measures proposed by the Administration.

55. Mr LEE Cheuk-yan urged the Administration to give assurance to workers suffering from employment-related noise-induced hearing loss that their rights and benefits would not be affected following the reduction of the levy rate for the Occupational Deafness Compensation Board. In addition, the Administration should continue to examine the following proposals –

- (a) whether the Brewin Trust Fund could provide assistance to those who suffered from hearing loss in one ear and were not covered under the ODC Scheme;
- (b) whether the life-time maximum of \$15,000 for the purchase, repair and replacement of hearing assistive device could be increased to \$25,000;
- (c) whether the scope of the ODC Scheme could be extended to cover workers of all industries, including non-specified occupations; and
- (d) whether compensation for pain and suffering would be awarded as in the Pneumoconiosis (Compensation) Ordinance.

56. DSEM said that the financial position of the Occupational Deafness Compensation Board was sound and therefore the proposed reduction in its share of levy income should

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not have implications on the operation of the Fund. In fact, the Administration had recommended a package of proposals to improve the ODC Scheme. Any other proposed improvements should be considered in accordance with the established principles for the operation of the Fund. He added that the Administration was actively examining the suggestions put forward by members at the meeting on 15 November 2001 with a view to incorporating possible adjustments in its legislative amendments for introduction into LegCo. He agreed to consider the views of Mr LEE.

57. Mr Albert CHAN asked about the difference between Hong Kong, after the implementation of the Administration's proposed improvements to the ODC Scheme, and other developed countries in respect of the level of compensation for workers suffering from employment-related noise-induced hearing loss.

58. AC for L(RB) said that the statutory minimum level of deafness in Singapore was 50 dB in both ears whereas the minimum level in Hong Kong was only 40 dB in both ears. The required length of employment in noisy occupation in Singapore was 10 years across the board which was also more stringent than Hong Kong. While compensation would be awarded to claimants on the basis of loss of earning capacity in Hong Kong and Singapore, the method for calculating the compensation varied.

59. The Deputy Chairman said that members generally expressed support for the proposed package of measures to restore the long-term viability of the ECA Scheme.

**VI. Any other business**

60. There being no other business, the meeting ended at 4:20 pm.