

**立法會**  
**Legislative Council**

LC Paper No. CB(2) 1464/01-02  
(These minutes have been seen by the  
Administration)

Ref : CB2/PL/MP/1

**LegCo Panel on Manpower**

**Minutes of meeting**  
**held on Thursday, 28 February 2002 at 2:30 pm**  
**in the Chamber of the Legislative Council Building**

**Members present** : Hon LAU Chin-shek, JP (Chairman)  
Hon CHAN Kwok-keung (Deputy Chairman)  
Hon Kenneth TING Woo-shou, JP  
Hon James TIEN Pei-chun, GBS, JP  
Hon Cyd HO Sau-lan  
Hon LEE Cheuk-yan  
Dr Hon LUI Ming-wah, JP  
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 Michael MAK Kwok-fung  
Hon Albert CHAN Wai-yip  
Hon LEUNG Fu-wah, MH, JP  
Hon Frederick FUNG Kin-kee

**Public Officers attending** : Item III  
  
Mr Philip K F CHOK, JP  
Deputy Secretary for Education and Manpower  
  
Mrs DO PANG Wai-yee  
Principal Assistant Secretary for Education and Manpower (4)  
  
Mr K Y TANG  
Government Economist

Item IV

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

Mr IP Hong-yi  
Director of Information Technology Training and Development Centre  
Vocational Training Council

Mr Y K CHAU  
Adviser, Information Technology Training and Development Centre  
Vocational Training Council

Mr Gary AU  
Assistant Secretary for Education and Manpower

Item V

Mrs Pamela TAN, JP  
Commissioner for Labour

Mrs Jennie CHOR, JP  
Assistant Commissioner for Labour (Labour Relations)

Mr Alan WONG Kwok-lun  
Chief Labour Officer

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

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

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**I. Confirmation of minutes of previous meeting and matters arising**  
(LC Paper Nos. CB(2)1149/01-02 and CB(2)1146/01-02(01))

The minutes of the meeting held on 17 January 2002 were confirmed.

**2. Members noted the list of follow-up actions.**

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3. Mr LEUNG Yiu-chung pointed out that owing to time constraint, the views expressed by members on the Administration's proposals to set up a Manpower Development Committee (MDC) as a non-statutory body were not adequately addressed at the meeting on 17 January 2002 when the subject of "review on organisation of vocational training and retraining" was discussed. In this connection, he proposed to move a motion at this meeting to urge the Administration to set up the MDC as a statutory body.
4. Ms LI Fung-ying said that she was not in favour of moving the motion at this meeting given that staff associations of the Vocational Training Council still had differing views on the Administration's proposals. In her view, more time should be allowed for the Administration to follow up its proposals with the parties concerned before further discussion should be held by the Panel. Mr Kenneth TING shared Ms LI's view.
5. The Chairman suggested that the progress of the proposals in relation to the setting up of a MDC should be followed up by the Panel at a future meeting, and that members might decide whether the motion proposed by Mr LEUNG Yiu-chung should be moved when the subject was discussed again. Members agreed.

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

(LC Paper No. CB(2)1146/01-02(02))

6. Members agreed that the next meeting, which had earlier been re-scheduled to 25 March 2002 to give way to a special meeting of the Legislative Council (LegCo) Finance Committee, be reverted to 21 March 2002 at 2:30 pm in the light of change of dates of the above special meeting. Members also agreed that the following items be discussed at the next meeting -

- (a) Briefing by Census and Statistics Department on Summary of 2001 Census relating to labour and manpower issues;
- (b) Opinion survey on the public's views on age discrimination in recruitment;
- (c) Continuing Education Fund; and
- (d) Proposal to address the financial problem of the Protection of Wages on Insolvency Fund.

7. Deputy Secretary for Education and Manpower (DSEM) informed members that the item referred to in paragraph 6(b) above might not be ready for discussion at the next meeting. Members agreed that if this was the case, the item would be replaced by "Provision of rest break for employees".

**III. Setting up a mandatory unemployment insurance system in Hong Kong - the**

**Administration's response**

(LC Paper No. CB(2)897/01-02(01))

8. Government Economist (GE) briefed members on the salient points of the Administration's response to the suggestion of setting up a mandatory unemployment insurance (UI) system in Hong Kong as set out in the Administration's paper.

9. Mr LEE Cheuk-yan considered that the Administration lacked a versatile mind in coping with the new "challenge" of continuing unemployment. With the unemployment rate expected to rise to 7% in the not-too-distant future, he was disappointed that the Administration did not pursue the proposal for setting up a mandatory UI system in Hong Kong. In his view, the argument that UI would induce moral hazard behaviour was unreasonable as the amount of UI benefit one would be able to receive might only be half of his previous earnings and the receipt of such benefit would be subject to a maximum duration. Moreover, the Comprehensive Social Security Assistance (CSSA) system was unable to provide effective assistance to all the unemployed as some of them did not meet the eligibility criteria for CSSA. What this group of unemployed persons needed was some transitory financial assistance to help them tide over the financial hardship during the spell of unemployment. He urged the Administration to undertake effective measures to address the problem of continuing unemployment given that the existing safety net provided by the Government was unable to protect all the unemployed.

10. GE explained that UI was not meant to address the problem of structural unemployment. It only aimed to provide transitory income to the unemployed to tide over short-term financial hardship during the spell of unemployment as a result of cyclical economic downturn. Therefore, a ceiling on the duration of receipt of UI benefit would be imposed, which might range from a year to 18 months and would vary from country to country. In this connection, he stressed that as the proposed mandatory UI system would not be operated as a government-funded scheme, all benefit pay-outs would have to be financed by contributions from the labour force. If the contribution rate was uniform relative to individuals' pay, the less frequently unemployed would be made to cross-subsidise the more frequently unemployed. Thus the system would have a cost to all employees, and would also be inequitable.

11. Mr LEE Cheuk-yan pointed out that a number of Asian communities, like China, Taiwan and South Korea, had already implemented an UI system. Singapore, which did not have such system in place currently, was actively examining the need to introduce one. He asked whether the Administration would follow suit.

12. GE said that the proposal to set up an UI system in Singapore was raised from the local community. The Singapore Government had yet to make a response. The proposal was now being examined by a government committee, and an indication was expected to be made in May. He gathered that there were differing views amongst the Singaporean community on the proposal. As against those in support of the proposal, some economic analysts expressed reservations as to whether a contributory UI system should be introduced on top of the existing central provident fund scheme. They were worried about the rising costs on the part of employers which might in turn undermine the competitiveness of the country. Besides, the problems of moral hazard, work disincentive,

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inequitable redistribution of income and financial difficulty of an UI system would have to be carefully considered.

13. Mr LEE Cheuk-yan said that the unemployment rate might continue to stay at a high level of 4% even if the economy revived. Mr LEE and the Chairman asked whether the Administration considered that there was a structural unemployment problem in Hong Kong and whether the problem was expected to continue to aggravate.

14. GE pointed out that there was indeed a certain proportion of unemployed persons who had been out of work for quite some time. This reflected their inability to secure employment, in a more protracted period beyond cyclical changes in labour demand in the economy. As such, those unemployed persons could be considered as possessing the characteristics of structural unemployment. How the structural unemployment problem would continue would hinge on the wider structural change in the economy.

15. Mr Andrew CHENG shared the view that UI should aim at helping those who were temporarily out of work due to cyclical unemployment whereas the problem of structural unemployment should be addressed by other measures. However, he commented that the proposal had been studied solely from an economic perspective and that the Administration had a serious inclination to decline the proposal. Such inclination could be easily seen from the use of words and arguments provided in its paper. Mr LEUNG Yiu-chung echoed Mr CHENG's view.

16. GE responded that the Administration had analysed the gist of an UI system in a fair and square way. The reason for using "purported merits" was that the Administration did not consider them as merits after an intensive study on their features. He added that in conducting the analysis, reference from other countries had been drawn, and much quantitative calculations pertaining to the Hong Kong situations had been done as illustration.

17. Mr Andrew CHENG expressed disagreement with the argument that cross-subsidising the unemployed people who belonged to higher income households would make an UI system inequitable. Instead, he considered that an UI system was a relatively fair system as the same basis, using a certain percentage of one's salary, for calculating the contributions and benefits would be adopted. Those who had contributed less because of lower earnings would receive less benefits when he was unemployed while those who had contributed more because of higher earnings would receive more. In his view, the problem of moral hazard could be minimised through the implementation of control measures.

18. Mr Andrew CHENG considered that the Administration had neglected the interests of the middle class. He pointed out that this group of people had made significant contributions to the community but had obtained little benefits from the Government. As a great number of them had become negative asset owners and had gone into financial hardship, he suggested that the Administration should explore ways to provide them with unemployment protection.

19. DSEM said that the Education and Manpower Bureau (EMB) agreed to the points made by GE. He pointed out that -

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- (a) under a mandatory UI system, employers and employees or either party would be required to make contributions to the system. This was tantamount to a payroll tax. The need to cover the administration cost of running the system and to set up a seed fund or buffer fund might create an even greater burden on employers and employees;
- (b) a mandatory UI system tended to redistribute income from the less frequently unemployed to the more frequently unemployed. One-third of the unemployed people who belonged to higher income households would also be at the receiving end of the cross-subsidy. This departed from the original intent of UI to help lower income households;
- (c) the CSSA system was already providing help to those in need to tide over financial hardship, whether due to unemployment or other causes. Those who were unable to meet the eligibility criteria for CSSA should be able to rely on their own savings and/or assets to tide over the financial hardship. If their savings and assets were depleted, financial assistance could be provided to them under the CSSA system. The Administration considered that the best way to help those who were unemployed as a result of the economic restructuring was to provide them with training and retraining to upgrade their skills and employment services to assist them to re-enter the labour market as soon as possible; and
- (d) protection for retrenched workers was already provided in the provisions concerning employees' rights and benefits under the labour legislation, which included severance payment and long service payment. In addition, the Protection of Wages on Insolvency Fund would render assistance, by granting ex-gratia payment, to employees whose employers had become insolvent.

DSEM said that based on the above main reasons, the Administration considered it inappropriate to set up a mandatory UI system in Hong Kong at this stage, especially given that the public's acceptability to the system was dubious during the present economic downturn.

20. The Chairman considered that the Administration should give its own stance on the proposal. Whether or not the public would accept the proposal was a separate issue.

21. Ms LI Fung-ying pointed out that since the implementation of the Mandatory Provident Fund System, severance payment and long service payment would have to be offset against the amount of retirement benefits and that an employee would not be able to receive his retirement benefits until he reached the age of 65. Therefore, it might not be possible for an unemployed person to rely on the severance payment or long service payment to tide over financial hardship.

22. Dr LUI Ming-wah said that he did not support the setting up of a mandatory UI system. He also considered it unreasonable to require employers to make contributions to the system. In his view, the most effective solution to the problem of massive and

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structural unemployment was to boost the economy.

23. Mr Michael MAK enquired about the reasons why the out-of-work income might sometimes be higher than the in-work income. GE explained that the objective of UI was to provide an extra channel of financial support for the unemployed. Therefore, the UI benefit might not be counted as part of the assessable income when granting CSSA payment in cases where an UI benefit recipient was at the same time a CSSA recipient. If so, for the lower income workers the out-of-work income could turn out to be higher than the in-work income.

24. Mr Michael MAK further enquired about the number of people who would join an UI system. GE replied that as such system was commonly operated in a mandatory form, the entire employed workforce was expected to join the system, which meant that every employee would be required to make contribution to the system.

25. Miss CHAN Yuen-han expressed support for the setting up of a mandatory UI system. She pointed out the serious problem of structural unemployment and said that there was a general belief that a person who had been unemployed for more than a year would unlikely be able to re-enter the labour market. She expressed worry that the public expenditure to be spent on CSSA payments might continue to escalate if the unemployment situation persisted.

26. GE pointed out that the objective of an UI system was to help the unemployed tide over contingencies, while the ultimate goal was to bring them back to the labour market. This goal could not be achieved merely by implementing an UI system. The more important measures to tackle the problem of unemployment were to revive the economy, improve the business environment and broaden the market, thereby creating more job opportunities. At the same time, the Government would continue to provide training and retraining opportunities to upgrade the skills of the unemployed. The Government would also continue to provide efficient employment services to assist them to re-enter the labour market. He supplemented that, in recent years, many member economies of the Organisation for Economic Cooperation and Development had increasingly shifted the emphasis of their labour support programmes towards employment enhancing measures, and away from income subsidy measures.

27. Miss CHAN Yuen-han expressed disagreement with the comment that resources to be consumed in checking against the abuse of an UI system would constitute a dead-weight loss on account of that system. She said that checking measures were common in many other systems/schemes.

28. GE responded that while abuse indeed occurred in many systems/schemes, those that were more prone to abuse would require more resources for checking. It would be necessary to devise features in the system so as to minimise the abuse, and hence the resources for spotting it.

29. Mr Kenneth TING said that he did not support the introduction of an UI system, irrespective of which party would be required to make contributions. He asked whether an UI system would be able to solve the problem of unemployment. GE answered in the

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negative.

30. The Deputy Chairman asked whether the Government would be able to spend less on CSSA payments if an UI system was in place. He also asked whether the following criteria, if in place, would be able to help enhance the viability of an UI system -

- (a) only employees would be required to make contributions to the system at a uniform premium rate;
- (b) each UI benefit recipient would receive the same pay-out amount which would only be sufficient to cover the basic cost of living;
- (c) UI benefit recipients would be compulsorily required to take up employment or attend training/retraining programmes; and
- (d) the total amount of contributions could be reimbursed to participants if they had not claimed UI benefit during the insured period.

31. GE reiterated that as the objective of UI was to provide the unemployed with additional financial support during the spell of unemployment, this objective would not be met if the amount of UI benefit was to be offset against the amount of CSSA payment. As such, the Government might not be able to achieve any savings from CSSA. He did not believe that reimbursement of contribution would help the viability of an UI system.

32. The Chairman said that whether a mandatory UI system should be implemented greatly depended on the orientation of the community as to whether the richer should give a helping hand to the poorer.

#### **IV. Extension of the Information Technology Assistant Training Courses** (LC Paper No. CB(2)1146/01-02(03))

33. Principal Assistant Secretary for Education and Manpower (5) (PAS(EM)5) briefed members on the Administration's proposal to seek the approval of the LegCo Finance Committee of an additional commitment of \$54 million to continue the provision of 1 000 Information Technology (IT) training places in the coming three years from 2002-03 to 2004-05 as set out in the Administration's paper.

34. Miss CHAN Yuen-han expressed support for the proposal to extend the IT Assistant Course. However, she queried why the cost of running the IT Assistant Course could not be absorbed by the Vocational Training Council (VTC) given that it had a significant provision of \$2.2 billion per year. Mr Tommy CHEUNG shared similar view of Miss CHAN. He considered that VTC and the Employees' Retraining Board (ERB) should redeploy their resources to fund the IT Assistant Course.

35. PAS(EM)5 responded that as the VTC was a very large organisation providing a lot of training courses, the \$2.2 billion provision had already been fully committed in different programmes. It was therefore not possible for VTC to redeploy its resources to absorb the

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additional cost of running the IT Assistant Course. Similarly, ERB was also unable to identify spare resources for the IT Assistant Course. Mr Tommy CHEUNG expressed reservations about the explanations given by PAS(EM)5. He remarked that the Government and public bodies should make better use of the resources provided to them.

36. Miss CHAN Yuen-han asked whether the Administration would consider appointing a department or a separate body to co-ordinate the provision of the various IT training programmes currently provided by different bodies.

37. PAS(EM)5 said that the Information Technology and Broadcasting Bureau (ITBB) had the responsibility for taking an overview on IT manpower issues. The ITBB and also the Trade and Industry Department had already endorsed the merits of the IT Assistant Course, which had been originally proposed by Hon SIN Chung-kai.

38. Noting that over 16 500 applications were received for 2 300 training places and the employment rate of graduates was high, Mr LEUNG Yiu-chung questioned why the Administration did not consider increasing the number of training places to meet the demand. He also asked about the basis for providing 1 000 training places in a year.

39. PAS(EM)5 explained that there was a need for the Administration to balance the allocation of resources for different training programmes. As this proposal sought to provide funding for running the IT Assistant Course up to 2004-05, the Administration would conduct a review in 2005 to assess whether the training places should be increased.

40. Director of Information Technology Training and Development Centre of the Vocational Training Council (D/ITTDC of VTC) supplemented that amongst the 16 500 applicants, some were middle-aged workers who wished to equip themselves with new skills and some were Secondary 3 and Secondary 5 school leavers. The provision of 1 000 training places in a year was based on the advice given by the Steering Group which comprised experts in the IT field, trade associations and government representatives. He said that the Steering Group would closely monitor the demand for IT manpower. Subject to availability of resource, the number of IT training places could be increased should the demand for such personnel become greater.

41. Regarding the 1 700 trainees who had completed their training, Ms LI Fung-ying enquired about the number of graduates who had secured employment and a breakdown of the number of graduates who had not actively sought employment after completing the course. She also queried why the unit cost of \$18,000 per trainee for the training programme to be provided from 2002-03 to 2004-05 remained the same as that of 2000-01 to 2001-02, given that the curriculum of the former had been greatly enhanced.

42. Adviser, Information Technology Training and Development Centre of the Vocational Training Council (A/ITTDC of VTC) said that those who had not completed the course or had not passed the examination were not included in the statistics on employment of graduates. Among all graduates, 29 had not actively sought employment after completing the course because of family or personal reasons or pending decision on further study. Ms LI Fung-ying requested the Administration to provide a detailed breakdown of the employment situation of the 1 700 trainees.

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43. A/ITTDC of VTC pointed out that the main reason for being able to keep the unit cost of the enhanced IT Assistant Course at the current level of \$18,000 per trainee was the introduction of the Web-based Training and Learning option. This new learner-centric training option would offer much greater flexibility and learner control of the training process so as to improve the overall training effectiveness. The resources spent on lecturers had decreased as the number of lecturers required had dropped.

44. Mr LEUNG Yiu-chung said that the VTC had been running the IT Assistant Course and the necessary softwares and relevant course materials were already available. He asked whether the cost of running the course for a further three-year period would drop.

45. D/ITTDC of VTC replied that the cost in terms of the ratio of lecturer to student would drop. However, the savings achieved would not be able to lower the overall cost of the IT Assistant Course because a considerable proportion of resources would be spent on course upgrade. Course conversion from traditional classroom-based training mode to Web-based Training and Learning option would also be carried out.

46. In reply to Mr LEUNG Fu-wah's enquiry, Assistant Secretary for Education and Manpower said that a commitment of \$36 million was approved in 2000 for the provision of 2 000 training places for two years from 2000-01 to 2001-02. The present proposal sought approval for a commitment of \$54 million for the provision of 3 000 training places for three years from 2002-03 to 2004-05. The unit cost per trainee for the above 5 000 places was the same, which was \$18,000. The 300 training places provided under the pilot course had been funded by a separate commitment.

47. Mr SZETO Wah suggested that the Administration should provide a detailed cost breakdown in the paper to be submitted to the LegCo Finance Committee to facilitate Members' consideration.

48. The Chairman concluded that members were generally in support of the proposal. However, the Administration should take note of the views expressed by members.

**V. Impact on the Protection of Wages on Insolvency Fund of increase in cases of liquidation of companies which are unable to pay outstanding wages and other entitlements owed to employees**

(LC Paper Nos. CB(2)688/01-02(07), CB(2)828/01-02(03), CB(2)899/01-02(01) and CB(2)899/01-02(02))

49. Commissioner for Labour (C for L) briefed members on the details of the analysis of the latest trends of applications for ex-gratia payment from the Protection of Wages on Insolvency Fund (PWIF) and its impact on the financial position of the Fund as set out in the Administration's paper. She also informed members that -

- (a) a total of 15 163 applications were received by the PWIF in the first 10 months of the current financial year (April 2001 to January 2002); and

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- (b) the reserve of the PWIF had dropped to \$227 million as at the end of January 2002.

50. C for L further informed members that the PWIF Board, having considered that the Business Registration Certificate (BRC) levy was the major source of income for the PWIF, unanimously agreed at its meeting on 22 February 2002 that the BRC levy should be increased by \$350 per annum, i.e. from the current level of \$250 to \$600, with effect from 1 May 2002 in order to ensure the financial viability of the PWIF. The Labour Advisory Board (LAB) was also consulted on the above proposal at its meeting on 27 February 2002, during which the majority of its members endorsed the proposal. Members of the LAB also agreed that a review of the BRC levy rate should be conducted a year later. C for L said that the levy rate might be adjusted downwards if the financial position of the PWIF so permitted. She appealed for members' support to the proposed increase in the BRC levy.

51. Mr James TIEN commented that the level of the proposed increase was unreasonably high. He pointed out that based on the actual figures for the period between April 2001 and October 2001, the expenditure for 2001-02 should be estimated at around \$350 million, which was close to the figure for 2000-01. The annual income of the PWIF had been quite stable in the past few years, which stood at an average of around \$250 million per annum. Judging from the above figures, there would be a foreseeable annual shortfall of around \$100 million in the PWIF. Thus, it should only require an increase of \$100 in the BRC levy in order to meet the shortfall. In his view, it was not a good practice for the PWIF or other funds of similar nature to operate on large annual surpluses. The income of such funds should be set at a level which would only be able to meet its expenditure.

52. In view of the above, Mr James TIEN suggested that the Administration should consider adopting one of the following options in order to increase the reserve of the PWIF to meet claims payment -

- (a) an injection of \$100 million to the PWIF by the Government; or
- (b) an increase of \$100 instead of \$350 in the BRC levy, and such arrangement should be reviewed in a year's time.

53. C for L pointed out that levy income was not government revenue. The BRC levy collected would go to the PWIF for the purpose of making ex-gratia payment to employees who were unable to receive outstanding wages and other statutory entitlements from their insolvent employers. It was therefore not appropriate in principle for the Government to inject public money into the PWIF as the responsibility for providing financial assistance to employees of insolvency cases should be borne by employers rather than taxpayers in general. After careful consideration by the parties concerned, it was considered that the best way to maintain the financial viability of the PWIF was to increase the BRC levy. The ground for proposing an increase of \$350 was based on the 18 000 applications expected to be processed in 2002-03. The total amount of claims payment of these applications would amount to about \$500 million.

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54. Miss CHAN Yuen-han expressed support for the Administration's proposal to increase the BRC levy. She pointed out that there had been intentional abuses of the PWIF by some international IT companies operating in Hong Kong. These companies had strong back-up support from their overseas parent companies and were familiar with the legal system in Hong Kong. The method they usually used to evade their responsibilities to pay outstanding wages and other statutory entitlements to their employees was to transfer their assets out of Hong Kong before they went into liquidation. As a result, their employees had to seek financial assistance from the PWIF. The Chairman added that according to a submission from an association of the IT sector, one of these companies was a national enterprise. The Chairman and Miss CHAN Yuen-han urged the Administration to look into the matter and explore the possibility of exercising tighter control over the operation of the PWIF.

55. C for L said that the Administration was also very concerned about the issue of possible abuse of the PWIF. Currently, all applications for ex-gratia payment from the PWIF were subject to vigorous vetting. The Administration would continue to closely monitor the operation of the PWIF. She informed members that the Administration had introduced the Companies (Corporate Rescue) Bill which contained provisions that could address the problem of insolvent trading.

56. Mr LEE Cheuk-yan said that in view of the fact that the BRC levy might be increased for the purpose of maintaining the financial viability of the PWIF, he hoped that the Administration would accept the suggestion of the LegCo cross-party coalition to reduce certain government fees by 10%. Besides, he pointed out that an employee would first be required to go through a number of processes with the Labour Department, the Labour Tribunal and the Legal Aid Department, which would normally take three to four months, before he could apply for financial assistance from the PWIF. Noting that the average time required for making ex-gratia payment from the PWIF was 5.2 weeks whereas 30% of the applicants had to wait for more than eight weeks, he asked whether the lead time required for making ex-gratia payment could be shortened.

57. C for L responded that a number of measures had already been put in place to expedite the process for making ex-gratia payment from the PWIF. Such measures included redeploying more staff to process the applications, reviewing work processes and streamlining procedures as well as obtaining additional staffing to speed up the application process.

## **VI. Any other business**

58. Mr Andrew CHENG said that Mr Fred TING from the Labour Department (LD) informed the Subcommittee on Occupational Safety and Health (Display Screen Equipment) Regulation at its meeting on 28 February 2002 that as a result of heavy workload of EMB and internal staff deployment, there would no longer be any representative from EMB to attend meetings of the Subcommittee. Representatives from LD would attend meetings and answer questions concerning policy issues from the Subcommittee on behalf of EMB. Such an arrangement would extend to other committees to study legislation concerning occupational safety and health.

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59. Ms Cyd HO said that the Administration also informed the Bills Committee on Boilers and Pressure Vessels (Amendment) Bill 2001 of similar arrangement. The Bills Committee accepted the proposed arrangement as it considered that the Bill mainly involved technical issues and representatives from LD should be able to answer questions from the Bills Committee. The Bills Committee also agreed that representatives from EMB should be invited to meeting(s) if the Bills Committee considered their presence at certain meeting(s) necessary.

60. Mr LEUNG Fu-wah expressed support for the new arrangement as he considered that legislation concerning occupational safety and health mainly involved technical issues. In his view, representatives from LD would be in a better position than representatives from EMB to answer questions from the committees concerned.

61. Mr James TIEN was of the view that representatives from both EMB and LD should be present at meetings of the committees concerned in order to avoid a situation where EMB was not fully aware of the policy issues being discussed.

62. Ms LI Fung-ying said that her main concern was whether the new arrangement would result in delay in the work of the committees concerned, if representatives from LD would not be able to answer questions involving policy issues at the meeting(s).

63. C for L assured members that LD would sort out with EMB matters involving policy issues before attending meetings of the committees concerned.

64. The Chairman said that it should be important to note that it would be up to the committees concerned to agree on the representatives from the Administration to attend their meetings. Besides, the new arrangement was a departure from the usual practice of having representatives from both the bureau and the department attending meetings of committees. He would, on behalf of the Panel, write to the Secretary for Education and Manpower reflecting members' concerns and seeking for a detailed explanation of the new arrangement.

65. There being no other business, the meeting ended at 4:35 pm.