

**立法會**  
**Legislative Council**

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LC Paper No. CB(2)2363/01-02  
(These minutes have been seen by  
the Administration)

**LegCo Panel on Manpower**

**Minutes of meeting**  
**held on Thursday, 16 May 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 YEUNG Yiu-chung, BBS  
Hon Ambrose LAU Hon-chuen, GBS, JP  
Hon Andrew CHENG Kar-foo  
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
- Members attending** : Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP  
Dr Hon LO Wing-lok
- Members absent** : Hon LEUNG Yiu-chung  
Hon SZETO Wah

**Public Officers :**    Item IV  
**attending**

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

Ms Elizabeth TSE  
Deputy Secretary for the Treasury

Mrs DO PANG Wai-yee  
Principal Assistant Secretary for Education and Manpower

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

Mr LO Fu-wai  
Assistant Director (Grade Management and Development)  
Food and Environmental Hygiene Department

Mr Eddy YAU  
Assistant Director (Leisure Services)  
Leisure and Cultural Services Department

Mr LEE Cert-quinn  
Chief Manager (Support Services) 2  
Housing Department

Item V

Mrs DO PANG Wai-yee  
Principal Assistant Secretary for Education and Manpower

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

Mr NG Kwok-keung  
Senior Labour Officer  
Labour Department

Item VI

Mrs DO PANG Wai-yee  
Principal Assistant Secretary for Education and Manpower

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

Dr LEUNG Ting-hung  
Assistant Director of Health (Traditional Chinese Medicine)

Mrs Bernadette LAI  
Senior Labour Officer  
Labour Department

Item VII

Mrs DO PANG Wai-yee  
Principal Assistant Secretary for Education and Manpower

Ms Annie CHOI  
Principal Assistant Secretary for Environment and Food

Mr TSANG Kin-woo  
Assistant Commissioner for Labour (Employment Services)

**Attendance by :** Item VII  
**Invitation**

Ms Kelly LEASE  
Research Associate  
Institute for Local Self-Reliance

Ms Miranda YIP  
Campaigner  
Greenpeace

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

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

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**I. Confirmation of minutes of previous meeting and matters arising**  
(LC Paper No. CB(2)1887/01-02 and CB(2)1885/01-02(01))

The minutes of the meeting held on 18 April 2002 were confirmed.

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

3. Mr LEE Cheuk-yan suggested that the following issues be discussed by the Panel at the

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meeting in July 2002 -

- (a) Recommendations made by the Provisional Construction Industry Co-ordination Board in respect of employees' compensation insurance and subcontracting system of the construction industry, as well as the proposal regarding registration system of construction workers; and
- (b) Implications of the World Trade Organisation Agreement on Government Procurement on the employment of local people, and measures to be adopted by the Administration to retain jobs in Hong Kong, especially in relation to services procured by the Government.

4. Miss CHAN Yuen-han suggested that the Administration's policy on the promotion of employment opportunities for people with disabilities be discussed at the meeting in July 2002.

5. Ms LI Fung-ying understood that the Labour Department (LD) had conducted an examination of the issue of protection for workers who were not employed under a continuous contract (i.e. persons who were employed for less than four weeks and whose working hours were less than 18 in each week). She suggested that the report made by LD on the subject be discussed by the Panel once it was ready.

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

(LC Paper No. CB(2)1885/01-02(02))

6. Members agreed that the following items be discussed at the next meeting to be held on Thursday, 20 June 2002 at 2:30 pm -

- (a) Draft Report of the Panel on Manpower for submission to the Legislative Council;
- (b) Work progress of the proposed establishment of a Manpower Development Committee; and
- (c) Enhanced fee reimbursement for students of Project Yi Jin.

*(Post-meeting note : The next meeting had been re-scheduled to 27 June 2002 at 10:45 am in order to give way to a Council meeting.)*

7. Members agreed that the Panel should draw up a list of major manpower-related issues and forward it to the director of bureau responsible for the manpower portfolio as soon as the accountability system for principal officials was in place. The director should be invited to attend a meeting of the Panel at the beginning of the 2002-03 session to respond to the issues on the list and to brief members on the policy initiatives in respect of the manpower arena. The Chairman directed that members should inform the Clerk to the Panel of their proposed issues before the next meeting so that the list could be finalised at that meeting.

Members

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### **III. Information paper issued since last meeting**

(LC Paper No. CB(2)1881/01-02(01))

8. Referring to the progress report on the Skills Upgrading Scheme for the period between September 2001 and March 2002 provided by the Administration, Ms LI Fung-ying enquired whether there would be a timetable for improvement actions to be taken in cases where trainers had not been found to be performing satisfactorily and, if no improvement was found upon next inspection, what monitoring measures would be implemented to ensure the quality of trainers. Deputy Secretary for Education and Manpower (DSEM) undertook to provide a written response.

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### **IV. Employment terms for persons engaged in projects or services contracted out by the Government**

(LC Paper Nos. CB(2)1885/01-02(03) and CB(2)1995/01-02(01))

*(Post-meeting note : The submission from The Neighbourhood and Workers' Service Centre tabled at the meeting was subsequently issued to members vide LC Paper No. CB(2)1995/01-02 on 21 May 2002.)*

9. Mr LEUNG Fu-wah questioned why the Administration did not consider extending the scope of the protection for workers equivalent to the Government's Model Scale 1 Grades staff across the board on a mandatory basis to cover grades beyond the Model Scale 1.

10. Mr Michael MAK pointed out that as suggested in a five-year manpower projection conducted by the Administration in 2000, the demand for clerical workers would continue to drop drastically. In view of this, he suggested that the scope of the protection for Model Scale 1 workers should be extended to cover clerical workers as this group of workers were also vulnerable to unfavourable employment terms.

11. Deputy Secretary for the Treasury (DS for Tsy) said that reports last year on government contractors allegedly exploiting non-skilled workers had prompted a review of the arrangements for the procurement of government services, especially services that relied heavily on the deployment of non-skilled workers. She pointed out that a lot of procurement rules and regulations governing the tendering arrangements for government service contracts were already in existence, additional rules and regulations should be avoided unless fully justified. The basic principle which had been taken into account when carrying out the review was to ensure fairness and openness of tender procedures. Nevertheless, the Administration accepted that non-skilled workers who performed functions comparable to the duties of Government's Model Scale 1 Grades staff had little or no bargaining power in the employment market and were therefore most vulnerable to unfavourable employment terms. In view of this, the Finance Bureau promulgated Financial Circular No. 3/2001 (the Circular) in May 2001 setting out new arrangements for the procurement of government services. The measures in the Circular were exceptional and designed to safeguard the rights of non-skilled workers.

12. DS for Tsy further explained that under the new tendering arrangements, Controlling Officers of procuring departments were required to adopt a marking scheme for the evaluation of tenders that relied heavily on the deployment of non-skilled workers. Depending on the

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nature of the services to be procured, Controlling Officers might consider allocating a 30% to 40% weighting to quality assessment and 60% to 70% weighting to price evaluation. Assessment on wage levels and working hours proposed by tenderers should be included under the quality assessment. Controlling Officers had been reminded to make reference to the Quarterly Report of Wage and Payroll Statistics issued by the Census and Statistics Department when assessing the proposed wage levels and working hours. The Circular also required Controlling Officers to bind tenderers to their tender offers on wage levels and working hours for non-skilled workers, and to bind successful tenderers to sign written employment contracts with their workers.

13. DS for Tsy added that during the period after the promulgation of the Circular and up to March 2002, the Government had awarded 207 service contracts (excluding works-related projects) amounting to approximately \$2,839 million. Among these contracts, 70 were contracts that relied heavily on non-skilled workers, and the estimated total contract value amounted to approximately \$1,013.5 million.

14. Mr LEUNG Fu-wah pointed out that apart from the Housing Department (HD), the Leisure and Cultural Services Department (LCSD) and the Food and Environmental Hygiene Department (FEHD), there were many public organisations, such as the Hospital Authority, which also relied heavily on the service of non-skilled workers provided by contractors. He asked how these workers could be protected against exploitation by their employers.

15. DS for Tsy said that the Hospital Authority had its own procurement procedures for the award of service contracts. The tendering arrangements stipulated in the Circular applied to government departments only.

16. Ms LI Fung-ying asked whether Controlling Officers were required to check if successful tenderers had fulfilled the requirement to sign written employment contracts with their workers and, if contracts had been signed, whether each worker was employed under a continuous contract. She further asked whether there was any mechanism to prevent a situation where a contractor signed a false employment contract with one of his workers but the job was in fact performed by more than one worker. The other workers sharing the job would not be protected by the Employment Ordinance (EO) as they were not employed under a continuous contract. She asked the Administration to provide a written response to state clearly whether all employment contracts signed between government contractors and their workers were continuous contracts.

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17. DS for Tsy said that tenderers' offers on wage levels and working hours for non-skilled workers would be binding on the tenderers after the award of tender. Controlling Officers would state clearly in the tender document whether subcontracting of service was allowed and, if it was allowed, written approval from the Controlling Officer was required. She added that since the introduction of the new tendering arrangements, Government had detected 13 cases (including two suspected ones) of workers of government contractors being required to work longer than the working hours offered in the employment contract or being paid less than the agreed wages.

18. Assistant Director (Grade Management and Development) of the Food and Environmental Hygiene Department (AD, FEHD) said that service contractors of FEHD were

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not allowed to subcontract their service to other parties unless written approval from FEHD had been obtained. In this connection, FEHD had not given any approval so far for contractors to do so. The service contract between FEHD and its contractors clearly stipulated that a written employment agreement had to be signed if the employer-employee relationship between the contractor and the worker exceeded seven days. Contractors were also required to state clearly in the employment agreement the period of employment, wage, maximum working hours for each day and leave arrangements, etc for the worker. Besides, FEHD also required contractors to provide it with details of their workers and to ensure that their workers would wear a name badge with a photo on it to facilitate checking by FEHD staff.

19. Chief Manager (Support Services) 2 of the Housing Department (CM, HD) said that service contractors of HD were not allowed to subcontract their service to other parties. He added that since the change of the guarding services system from two 12-hour shifts to three eight-hour shifts, HD had required contractors to sign written employment contracts with their security staff, with the working hours clearly stated in the contract. A monitoring mechanism had been put in place to monitor the attendance and working hours of security guards employed by contractors. With such mechanism, the possibility of having false employment contracts was minimal. He assured members that the terms on the service contracts between HD and its contractors would be strictly enforced.

20. Assistant Director (Leisure Services) of the Leisure and Cultural Services Department (AD, LCSD) said that similar monitoring measures were adopted by LCSD to guard against exploitation of non-skilled workers by contractors.

21. DSEM supplemented that LD had conducted 272 inspections on government contractors in 2001. Out of these inspections, there were over 200 summonses which were successfully convicted under EO. Assistant Commissioner for Labour (Rights and Benefits) (AC for L (RB)) supplemented that the total number of successful convictions in 2001 was around 4 000. The Chairman requested the Administration to provide information on the rates of successful convictions under EO against government contractors and other enterprises.

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22. In reply to Mr LEE Cheuk-yan's request to provide the wage level and working hours on each employment contract signed between government contractors and their workers, DS for Tsy said that it might not be appropriate to release the wage levels and working hours offered by individual contractors. However, the Administration would try to provide a breakdown which would show the relationship between the wage levels and working hours offered to non-skilled workers by government contractors.

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23. Mr LEE Cheuk-yan commented that HD's weighting accorded to wage level in the evaluation of tenders was too low. He then queried why the average monthly wages of security officers stated in the Administration's paper ranged from \$4,825 to \$5,712 as he gathered that the minimum wage level offered by security service contractors of HD was \$4,200. He also questioned why the range of the wages was so broad.

24. CM, HD explained that security officers employed by contractors of HD were divided into three ranks. Therefore, the range of their wages was broader. He pointed out that in the initial period after the change of the guarding services system from two shifts to three shifts, initially there had been contracts which offered wages at \$4,200. However, the wage levels of

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security officers had improved after HD had revised its marking scheme for the evaluation of tenders. Under the new marking scheme, if the wage level offered by a tenderer was lower than the overall average of proposed monthly wages contained in all tender submissions by a certain percentage, the financial score of the tenderer concerned would be discounted by that percentage.

25. Mr LEE Cheuk-yan also commented that LCSD's weighting accorded to working hours in the evaluation of tenders was too low and that the working hours of the workers employed by contractors of LCSD were relatively longer which ranged from eight to 11.

26. AD, LCSD explained that in order to allow flexibility, LCSD had no specific requirement on working hours offered to workers engaged by contractors. He further explained that the marking scheme adopted by LCSD accorded a 40% weighting to quality and 60% weighting to price evaluation. The quality component included factors such as relevant experience of the tenderer, qualifications of its senior management, proposed wage levels and working hours, etc. He added that LCSD had not received any complaints so far against exploitation of non-skilled workers by its contractors. Nevertheless, LCSD would review the marking scheme in the light of operational experience.

27. Mr LEE Cheuk-yan said that in order to avoid a scenario where the wage levels and/or working hours of similar types of jobs offered by contractors of different government departments varied, he asked the Administration to consider introducing a co-ordinated marking scheme with standardised weightings for use by all procuring departments. He also asked the Administration to consider standardising the working hours of all workers employed by government contractors at eight hours per day.

28. DS for Tsy explained that the nature of work and the complexity of duties of similar types of jobs offered by different departments, or even within a department, could be very different. Therefore, it was not considered appropriate and effective to compulsorily require all procuring departments to adopt the same marking scheme with standardised weightings in the evaluation of tenders. Similarly, it was also not desirable to rigidly set the same number of working hours for all workers employed by government contractors.

29. DS for Tsy supplemented that it was considered appropriate to provide Controlling Officers with flexibility to decide on the most appropriate way for engaging the service of contractors having regard to the nature of the service contract and the specific need of the department concerned. She pointed out that all tenderers would be made well aware of the requirements under the new tender assessment system. Therefore, they should be aware that it would not be to their benefit to offer wages or working hours which were far below the market levels or else their competitiveness in bidding for the contract would be undermined. Controlling Officers had also been reminded of the need to use a suitable marking scheme for the evaluation of tenders and critically assess the wage levels and working hours proposed by tenderers in their bids.

30. Mr Tommy CHEUNG supported that Controlling Officers should be allowed flexibility to decide on the wage levels and working hours of workers engaged by contractors of government contracts provided that the assessment criteria in the marking scheme were adhered to.

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31. Miss CHAN Yuen-han pointed out that a lot of complaints had been received by labour unions that workers employed by government contractors had not been paid the wages offered in the employment contract. She therefore could not understand as to why the Government had only received 13 such complaints since the introduction of the new tender assessment system. DSEM invited members to refer complaint cases to LD for investigation. At the request of Miss CHAN, DS for Tsy agreed to provide members with details of the complaint cases received by the Government.

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32. Mr Andrew CHENG considered that without the introduction of a minimum wage and maximum working hours for non-skilled workers employed under service contracts awarded by the Government, they would easily be exploited by contractors, especially at a time of economic downturn and high unemployment. He believed that the majority of these workers would not lodge complaints against their employers for fear of losing their jobs. Therefore, there was a need for the Government to put in place an effective mechanism to protect the interests of this group of workers.

33. DS for Tsy explained that the primary objective of the Government in contracting out its services was to achieve better use of limited resources by obtaining more flexible, efficient and cost-effective services from the market.

34. Mr Andrew CHENG stressed that savings achieved from outsourcing of services should not be made at the expense of the non-skilled workers. He urged the Administration to face up the problem and introduce a minimum wage and maximum working hours for non-skilled workers concerned.

35. DS for Tsy considered that there was no single solution to the problem of exploitation of workers by contractors, certainly not one that could be resolved merely through a marking scheme in tender evaluation. She assured members that the Administration would continue to improve the monitoring measures to deter contractors' non-compliance with the terms of the service contract. In addition to reinforcing enforcement measures, ways to encourage workers who were exploited by contractors to voice their complaints would be explored so that redress of the cases could be sought. She stressed that concerted efforts from the parties concerned were required in order to eliminate the problem.

36. Ms Cyd HO asked whether it was true that more than 400 summonses against non-compliance with EO had been issued to seven or eight cleaning contractors of FEHD. If this was the case, she asked whether the Government had introduced any sanctions, such as termination of their service contracts and suspension of the contractors concerned and their associated companies from participation in future tenders, against these contractors in order to prevent them from further exploiting their workers.

37. AD, FEHD said that he did not have the relevant figures on hand and undertook to provide the information requested by Ms Cyd HO after the meeting. He supplemented that tenderers' past performance and conviction records under EO would be taken into account in the evaluation of tenders. However, he pointed out that FEHD had not disqualified any tenderers from bidding for its services so far.

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38. In response to Mr Tommy CHEUNG's enquiry, AC for L (RB) said that out of the some 400 summonses issued against several cleaning contractors of FEHD, 246 had been successfully convicted and the rest were pending in court. In these cases, the workers concerned were not granted their entitled statutory holidays or paid leave.

39. AC for L (RB) further pointed out that under the new tender assessment system, procuring departments were required to assess tenderers' conviction records under EO. Based on the information provided to procuring departments by LD, six tenderers had not been awarded the contract or had been suspended from bidding for future services for 12 months.

40. Ms Cyd HO asked whether all procuring departments had been informed of the above suspension arrangement. As she considered that exploitation of workers by contractors could not be effectively deterred without effective sanctions, she suggested that the six tenderers concerned should be suspended from bidding for all service contracts within the Government.

41. Mr Kenneth TING suggested that the Administration should pay particular attention to the price and quality of service and should investigate whether there was actually exploitation of non-skilled workers by government contractors. Otherwise, he considered that the Administration should be praised for being able to obtain efficient services in a cost-effective manner.

42. Mr Albert CHAN expressed concern about the multi-layered monitoring system adopted by FEHD and the hidden costs involved by the Government in monitoring the services provided by contractors.

43. AD, FEHD informed members that the three-layer structure of Foreman grade staff for monitoring service contracts awarded by FEHD had been changed to a single-level structure. The new structure had been put in place in nine of 20 districts for several months, and would be introduced to the other districts as from June 2002. He also informed members that there was a designated team within FEHD tasked to ensure that the quality of services delivered by staff of FEHD and its contractors was up to the required standard. In carrying out the task, the team would conduct regulatory checks against different categories of work at different locations.

Adm 44. Mr Albert CHAN requested the Administration to provide details of the system adopted by FEHD to monitor the services delivered by contractors, such as the structure of the monitoring system, the rank of staff involved and the actual costs incurred in performing the monitoring role.

**V. Consultation on legislation relating to the application of International Labour Convention No. 182 to Hong Kong**  
(LC Paper No. CB(2)1885/01-02(04))

45. Principal Assistant Secretary for Education and Manpower (PAS(EM)) briefed members on the proposal to amend two labour regulations for the purpose of applying the International Labour Convention No. 182 in Hong Kong as set out in the Administration's paper.

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46. Mr Kenneth TING expressed support for the proposal.

47. Ms Cyd HO welcomed the proposal. However, she pointed out that many students engaged in summer jobs were offered very unfavourable employment terms. She asked the Administration to explore ways to better protect students against exploitation by unscrupulous employers. She pointed out the inadequacy in the education system in not providing for compulsory education after secondary 3 level. She suggested that children should be provided with 11-year free education which could help address the problem of a growing group of young people out of school and out of work.

48. PAS(EM) said that she would convey the suggestion made by Ms Cyd HO to colleagues responsible for the education arena in the Education and Manpower Bureau. She supplemented that the Government had made a commitment to offer subsidised secondary 4 or vocational training places to students who were capable and willing to continue with their studies. On the question of summer jobs, she informed members that LD paid visits to schools every year to conduct briefing sessions for students to remind them of the things to be borne in mind in finding summer jobs.

49. Ms LI Fung-ying expressed support for the proposal. However, she pointed out that following the restructuring of the economy, there were currently few factories and industrial undertakings operating in Hong Kong and hence fewer summer jobs available. She further pointed out that the work nature of some summer jobs might cause harm to the young such as selling pornographic VCDs and jobs involving use of machinery like meat mincers in the restaurant industry which could be hazardous. In view of this, she suggested that the Administration should consider extending similar protection provided under the two Amendment Regulations to cover such trades. The Chairman shared the view of Ms LI.

50. PAS(EM) said that employers were already bound by the existing safety legislation. It was their statutory obligation to ensure that the health and safety of their employees (including employees under the age of 18) were safeguarded. Occupational safety officers of LD would from time to time conduct safety inspections at different workplaces in order to ensure that employees were provided with adequate and proper protection at their workplaces. As the nature and mode of work in different trades (other than factories and industrial undertakings) varied, the Administration considered it inappropriate to introduce regulatory measures similar to that provided under the two Amendment Regulations for other trades engaging the service of young people as such course of action might hinder the employment and training opportunities of young people.

**VI. Recognition of Chinese medicine for entitlement to employee benefits under the Employment Ordinance, Employees' Compensation Ordinance, Pneumoconiosis (Compensation) Ordinance and Pneumoconiosis Ex Gratia Scheme**  
(LC Paper No. CB(2)1885/01-02(05))

51. PAS(EM) briefed members on the proposal to recognise Chinese medicine for entitlement of employee benefits under EO, Employees' Compensation Ordinance, Pneumoconiosis (Compensation) Ordinance and the Pneumoconiosis Ex Gratia Scheme.

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52. Mr James TIEN expressed support for the proposal in principle. However, he expressed concern about possible abuse in respect of the recognition of Chinese medicine practitioners (CMPs) for certifying sickness days on the ground that the consultation fee for treatment by CMPs might be less expensive than that charged by medical practitioners. Mr Tommy CHEUNG expressed similar concern. Mr TIEN asked whether the Administration would consider reviewing the arrangement in respect of the recognition of CMPs for certifying sickness days six months after its implementation.

53. PAS(EM) said that according to information from the Department of Health, based on the experience in the Mainland, there was no sign of CMPs granting more sickness days than medical practitioners. She pointed out that with the enactment of the Chinese Medicine Ordinance (the Ordinance) which provided, among other things, a statutory regulatory framework for the practice of CMPs and a registration system of CMPs, only persons who possessed the required standard of knowledge and practice experience would be allowed to practise Chinese medicine in Hong Kong as CMPs. Against this background, registered CMPs should be competent in performing the medical functions stipulated under relevant labour legislation and the Pneumoconiosis Ex Gratia Scheme, including certifying sickness days, and should therefore be recognised and granted the same status as registered medical practitioners. Moreover, the professional standard and ethics of registered CMPs would be subject to regulation by the Chinese Medicine Council of Hong Kong (CMC) established under the Ordinance. She further said that it was envisaged that there should be registered CMPs practising Chinese medicine for some time by the time the legislative proposal to recognise Chinese medicine for entitlement of employee benefits under labour legislation was introduced to the Legislative Council (LegCo).

54. Miss CHAN Yuen-han expressed support for the proposal. She agreed with the Administration that with the enactment of the Ordinance and the regulatory system of CMPs, registered CMPs should be recognised and granted the same status as registered medical practitioners. Ms Cyd HO, Mr Frederick FUNG, Mr Michael MAK and Ms LI Fung-ying shared the view of Miss CHAN. Most of these members considered that a bills committee should be formed to examine the proposal in detail when the legislative proposal was introduced to LegCo.

55. In response to Mr Tommy CHEUNG's enquiry on the timetable for the registration of CMPs, Assistant Director of Health (Traditional Chinese Medicine) (ADH(TCM)) said that the Chinese Medicine Practitioners Board of CMC (CMPB of CMC) was in the process of assessing the professional qualifications of listed CMPs. A listed CMP might become a registered CMP if -

- (a) CMPB of CMC was satisfied that he had already acquired adequate experience in practising Chinese medicine or had already possessed the professional qualifications required of a registered CMP;
- (b) he passed the Registration Assessment, which would be in the form of an oral assessment, scheduled to be conducted at the end of 2002; or
- (c) he passed the Licensing Examination, comprising a written test and a clinical examination, scheduled to be conducted in 2003.

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He added that as the name list of the first batch of registered CMPs would be announced in the next few months, it was expected that there would be many registered CMPs practising Chinese medicine in Hong Kong in a year's time.

56. Mr Tommy CHEUNG enquired whether guidelines on the issue of sick leave certificate and the level of medical fee were included in the Code of Practice for CMPs. ADH(TCM) responded that no specific guidelines in these aspects were laid down in the Code of Practice for CMPs. However, the guidelines clearly stipulated that the issue of untrue or misleading medical certificates by CMPs might be subject to disciplinary action as deemed appropriate by CMPB of CMC. He pointed out that the contents of the Code of Practice for CMPs, mainly on the regulation of the professional responsibilities, conduct and practising criteria of CMPs, were similar to that for medical practitioners. He supplemented that the Code of Practice for listed CMPs was available on the Internet and the Code of Practice for registered CMPs was in the process of printing and would also be made available on the Internet.

57. Mr Michael MAK enquired whether it was common that CMPs received all-round Chinese medicine training. If this was not the case, they might not be as competent as western medical practitioners in the issue of sick leave certificates for sicknesses. ADH(TCM) said that as a general rule, CMPs also possessed general medical knowledge in Chinese medicine. As in the case of western medical practitioners, CMPs might choose to practise in a specific stream such as acupuncture or bone-setting. In this case, they might display their specific streams of practice in a bracket at the end of their titles but in fact CMPs in a specific stream should also be able to perform the medical functions performed by CMPs in general practice. He then pointed out that misconduct of CMPs in any professional respect might result in disciplinary action by CMPB of CMC and claims for damages sought by the patients concerned.

58. Ms LI Fung-ying requested the Administration to provide a more detailed assessment of the financial and staffing implications of the proposal on the Government in the information paper to be provided to LegCo when the legislative proposal was introduced.

**VII. Presentation by Ms Kelly Lease of the Institute for Local Self-Reliance on waste management system**

(LC Paper No. CB(2)1885/01-02(06))

59. Ms Kelly LEASE, Research Associate of the Institute for Local Self-Reliance (ILSR) briefed members on the United States' (US) waste management experience and how an integrated waste management system in Hong Kong could help create employment opportunities as detailed in the information paper provided jointly by ILSR and Greenpeace.

60. Miss CHAN Yuen-han pointed out that the land constraints in Hong Kong had to a considerable extent hindered the development of the recycling industry because space was vital in waste recovery and recycling. She enquired if there was any measures which could

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help foster the recycling industry.

61. Ms LEASE said that she was fully aware of the land constraints in Hong Kong. In her view, the site of the former airport might be considered for use by the recycling industry. She pointed out that the land requirement of a recycling plant depended highly on the mode of operation and the type of technology adopted. The more advanced the technology adopted, the less space was required. Recyclers should take into account the characteristics of the territory when deciding which mode of operation was most suitable.

62. Mr LEE Cheuk-yan considered that the implementation of waste recovery in Hong Kong was more feasible than waste recycling on account of its high labour cost. The recovered waste might need to be exported to other territories for recycling. Noting that the recycling industry in North Carolina employed over 8 700 people and that it had also created approximately 1 200 jobs in Iowa in the fields of retailing and distribution as a result of the implementation of a deposit system for glass bottles, he asked if the US Government had provided any assistance to the recycling industry, such as land grant, financial subsidy or tax concession, etc.

63. Ms LEASE said that in the US, industries paid for disposing of their own waste. Normally, they paid recyclers to collect their waste for recycling at half the price they would have to pay if the waste was disposed of at landfills. She informed members that 11 states in the US had a glass bottle deposit system in place. Consumers were required to pay a deposit of 5¢ for each bottle of beverage they purchased. The deposits would be refunded to them upon return of the bottles. The system worked well with a redemption rate at 80%. Beverage distributors were required to collect and return these bottles to manufacturers for recycling. Consumers who did not return the bottles, i.e. the polluters, paid for the system.

64. Ms LI Fung-ying asked whether investment in the recycling industry in the US was provided by the Government or the private sector. The Chairman enquired about the overseas practice in respect of government's assistance to the recycling industry.

65. Ms LEASE said that in general, recycling businesses in overseas countries were run by the private sector with assistance from the government. For example, in some countries, arrangements for collection of waste were made by the government while the processing of recyclables, and the manufacturing and marketing of the recycled products were generally carried out by the private sector. Some governments would provide support, in the form of loan, grant or tax initiatives etc, to private enterprises to encourage them to carry out recycling business.

66. The Chairman enquired about the implications on the creation of jobs and the cost to be shouldered by the community in different waste management systems. Ms LEASE said that waste recycling and composting would create many more jobs at much lower costs than landfilling and incineration, as sorting and processing recyclables alone would sustain 10 times more jobs than landfilling and incineration. She cited an example that residents in Seattle had implemented aggressive recycling programmes in opposition to the Government's plan to build an incinerator for handling waste. With such programmes, more than 50% of their waste was recycled and numerous jobs relating to the recycling industry were created. The plan for an incinerator had subsequently been abandoned. On the question of cost, she said that recycling

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businesses in the US were profitable and the community also benefited from the industry as they paid less for recycling than for landfilling or incineration. It was estimated that if recycling programmes were aggressively implemented in Hong Kong over a 10-year period, it would cost \$8 billion less than adopting a landfill-only waste management approach and \$11 billion less than implementing the Waste Reduction Framework Plan put forward by the Administration.

67. Mrs Sophie LEUNG pointed out that the land constraints and expensive labour cost were two major factors deterring the private sector from engaging in recycling business. In her view, the implementation of recycling programmes should not be considered solely in terms of the amount of money to be made or the number of jobs to be created in the near future. She suggested that the Administration should make reference to the US experience and carefully examine the issue from a long-term perspective.

68. Ms LEASE said that based on the successful recycling experience in the US where labour cost was recognised to be the highest in the world, she believed that recycling business in Hong Kong could also be profitable, especially when it was close to territories with supply of labour at very low costs. On the other hand, she agreed with Mrs Sophie LEUNG that the Government should take into consideration the long-term implications in devising the waste management system for the territory in order that a sustainable environment could be created.

69. Principal Assistant Secretary for Environment and Food (PAS(EF)) said that the Administration had all along been attaching great importance to the prevention and recovery of waste. She informed members that a series of measures to promote prevention and recovery of waste were announced by the Environment and Food Bureau in September 2001. The Administration had continued its efforts to enhance public education and community involvement with a view to encouraging waste prevention at source. As regards the problem of land, the Administration would set up a Recovery Park in Tuen Mun as a long-term site for recycling operations. In addition, the Administration had made available some 20 sites through short-term tenancies for use by waste processing and recovery operations. She pointed out the difficulties in identifying sites for this purpose as most people objected to having such facilities located in the vicinity of their residential districts. Nevertheless, the Administration would continue to identify more suitable short-term sites for this purpose.

70. As regards the responsibilities of producers, PAS(EF) said that the Administration would continue to adopt a voluntary approach but would consider the need for mandatory schemes if voluntary schemes were unsuccessful. In fact, a trial scheme for the recovery of mobile phone batteries had been jointly launched by the Government, manufacturers of mobile phone batteries and network suppliers. She highlighted that the Administration maintained an open mind on the types of technology to be adopted to treat large volume of waste, and had recently invited expression of interest from the international waste management industry in providing such technologies in Hong Kong. In addition, the Administration was also examining ways to recycle special waste like glass bottles. She said that views from members and the public in these aspects were always welcome.

71. PAS(EF) assured members that the Administration was committed to encouraging the participation of the community in prevention and recovery of waste. The funding approved by LegCo for the Environment and Conservation Fund the week before the meeting would largely

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be used to fund district organisations, green groups and voluntary agencies to carry out waste reduction work.

72. In summing up, PAS(EF) said that given the land constraints and the lack of domestic industries in Hong Kong, it might not be practical or feasible to put in place certain measures that were effective in other territories. She pointed out that the Administration would also need to consider the likely impact on the price of goods and consumer acceptance when considering the most appropriate way to handle waste. She further assured members that the Administration would endeavour to promote prevention and recovery of waste with a view to creating a sustainable environment.

73. The Chairman said that the Panel would further discuss the issue with the Environment and Food Bureau in the future.

**VIII. Any other business**

74. There being no other business, the meeting ended at 5:30 pm.