

立法會
Legislative Council

Ref : CB2/PL/MP/1

LC Paper No. CB(2) 2590/01-02
(These minutes have been seen by
the Administration)

LegCo Panel on Manpower

Minutes of meeting
held on Thursday, 27 June 2002 at 10:45 am
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 Cyd HO Sau-lan
Hon LEE Cheuk-yan
Hon CHAN Yuen-han, JP
Hon LEUNG Yiu-chung
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 Frederick FUNG Kin-kee

Members absent : Hon James TIEN Pei-chun, GBS, JP
Dr Hon LUI Ming-wah, JP
Hon YEUNG Yiu-chung, BBS
Hon Michael MAK Kwok-fung
Hon LEUNG Fu-wah, MH, JP

Public Officers attending : Items IV and V

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

Mr Tony CHENG
Principal Assistant Secretary for Education and Manpower

Attendance by : Item IV
Invitation

Federation of Trade Unions in Vocational Training Council

Mr KO Fai
Vice-Chairman

Mr CHENG Kay-kin
Secretary

Hong Kong Institute of Vocational Education Teachers' Association,
Technical Education and Vocational Training Non-Teaching Staff Union,
Vocational Training Council Skills Centres Staff Association, and
representative of Technical, Clerical and Secretarial Ranks and Minor Staff
in the Council Consultative Committee of Vocational Training Council

Mr CHAN Wai-keung
President
Hong Kong Institute of Vocational Education Teachers' Association

Mr WONG Fun-bor
Chairman
Hong Kong Institute of Vocational Education Teachers' Association

Mr NG Ngau
Chairman
Technical Education and Vocational Training Non-Teaching Staff Union

Mr KUI Chi-fai
Executive Member
Vocational Training Council Skills Centres Staff Association

Mr LAM Kim-wah
Representative of Technical, Clerical and Secretarial Ranks and Minor
Staff in the Council Consultative Committee of Vocational Training
Council

Technical Education Graduate Staff Association

Mr Sunny SUNG Po-kwong
Chairman

Mr Eddy CHAN Fok-cheung
Secretary

Hong Kong Institute of Vocational Education Staff Association

Mr Paul YEUNG
Chairman

Dr Joe LAU
Member

Vocational Training Council Student Affairs Office Staff Association

Mr Martin YEUNG
President

Mr George LEUNG
Vice-President

Concern Alliance on Training and Retraining

Mrs CHEUNG-ANG Siew-mei
Executive Director, Christian Action
Chairman, Concern Alliance on Training and Retraining

Ms WONG Wai-han
Director (Retraining Centre)
Hong Kong College of Technology

Ms Marilyn TANG Yin-lee
Deputy Executive Director
The Hong Kong Confederation of Trade Unions

Ms Cora YUEN Wai-yu
Centre Administrator
Holy Carpenter Church Community Centre

Mr Johnny TSANG Wing-keung
Supervisor
Hong Kong YWCA (Retraining and Employment Service)

Ms LO Yiu-wah
Service Coordinator
SKH Lady MacLehose Centre

Mr Cliff AU Wai-cheung
Social Service Manager (Community Services and Extended Education)
Yan Oi Tong

Employees Retraining Board Staff Concern Group on the Development of
the Manpower Development Committee

Ms Pauline LAI
Committee Member

Mr Jove CHAN
Committee Member

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)2363/01-02 and CB(2)2362/01-02(01))

The minutes of the meeting held on 16 May 2002 were confirmed.

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

3. Given that the Labour portfolio would be amalgamated with the Economic Development portfolio upon the implementation of the accountability system for principal officials, while the Manpower portfolio would continue to be dealt with by the Education and Manpower Bureau (EMB), Mr LEE Cheuk-yan enquired about the staffing support for these two portfolios after the re-organisation as compared with that under the present structure.

4. Deputy Secretary for Education and Manpower (DSEM) said that labour matters were at present handled by a team under EMB. The team, which consisted of around seven staff members, was headed by a Principal Assistant Secretary who was supported by two Assistant Secretaries and a few supporting staff. Once the accountability system was in place, this team, together with the Labour Department, would be transferred to the Economic Development and Labour Bureau (EDLB) to continue performing duties relating to labour matters. There would also be a Permanent Secretary tasked to take charge of labour matters under EDLB. Whether there would be a change to the staffing support for the Labour portfolio would have to be decided by EDLB. DSEM added that he, being the Deputy Secretary currently responsible for labour and manpower matters, would remain in EMB to continue the work under the Manpower portfolio.

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5. Members discussed as to whether the two new Directors of Bureau responsible for the Labour and Manpower portfolios (i.e. Secretary for Economic Development and Labour, and Secretary for Education and Manpower (SEM)) should be invited to the meeting in July 2002 to brief members on their aspirations and the policy initiatives/work plans in these two areas respectively. On the suggestion of the Chairman, members agreed that in order to allow more time for the two Directors to devise their policy initiatives/work plans, the two Directors be invited to brief members on their policy initiatives/work plans and to respond to issues raised by members at a meeting of the Panel at the beginning of the 2002-03 session. Members also agreed that the Panel should forward a list of issues to be raised by members to the two Directors for their advance information. In this connection, the Chairman asked members to inform the Clerk as soon as possible of the issues they would like to propose for inclusion in the list.

Members

6. Hon CHAN Yuen-han said that some of the issues to be discussed by the Panel, e.g. the problem of unemployment in Hong Kong, might straddle more than one policy area, as the Labour and Manpower portfolios would be overseen by two different bureaux in future. She expressed concern about the lack of a bureau, as EMB under the present arrangement, to perform the coordination role after the re-organisation of bureaux. Hon LEE Cheuk-yan said that each and every discussion item would have to be determined as to which bureau would be the coordinating bureau in future. The Chairman said that the Administration should take note of Miss CHAN's concern.

II. Date of next meeting and items for discussion (LC Paper No. CB(2)2362/01-02(02))

7. Members agreed that the following items be discussed at the next meeting to be held on Thursday, 18 July 2002 at 2:30 pm -

- (a) Extension of the construction industry levy to electrical and mechanical works;
- (b) Recommendations made by the Provisional Construction Industry Co-ordination Board in respect of employees' compensation insurance and subcontracting system of the construction industry, and the proposal regarding registration system of construction workers;
- (c) Implications of the World Trade Organisation Agreement on Government Procurement on local employment; and
- (d) Measures to promote employment opportunities for people with disabilities.

III. Draft Report of the Panel on Manpower for submission to the Legislative Council

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(LC Paper No. CB(2)2362/01-02(03))

8. Members endorsed the draft Report which gave an account of the work of the Panel during the 2001-02 legislative session. Members noted that the endorsed Report would be tabled at the Council meeting on 3 July 2002.

IV. Work progress of the proposed establishment of a Manpower Development Committee

(LC Paper No. CB(2)2362/01-02(04))

9. DSEM briefed members on the progress on establishing a Manpower Development Committee (MDC) and its Preparatory Committee as set out in the Administration's paper.

Meeting with deputations

Federation of Trade Unions in Vocational Training Council

(LC Paper No. CB(2)2362/01-02(05))

10. Mr CHENG Kay-kin presented the views of the Federation of Trade Unions in Vocational Training Council as detailed in its submission.

Hong Kong Institute of Vocational Education Teachers' Association, Technical Education and Vocational Training Non-Teaching Staff Union, Vocational Training Council Skills Centres Staff Association, and representative of Technical, Clerical and Secretarial Ranks and Minor Staff in the Council Consultative Committee of Vocational Training Council

(LC Paper No. CB(2)2362/01-02(06))

11. Mr CHAN Wai-keung and Mr WONG Fun-bor presented the views of the Hong Kong Institute of Vocational Education Teachers' Association, Technical Education and Vocational Training Non-Teaching Staff Union, Vocational Training Council Skills Centres Staff Association, and representative of Technical, Clerical and Secretarial Ranks and Minor Staff in the Council Consultative Committee of Vocational Training Council, as set out in the deputation's submission.

Technical Education Graduate Staff Association

(LC Paper No. CB(2)2362/01-02(07))

12. Mr Sunny SUNG Po-kwong presented the views of the Technical Education Graduate Staff Association as outlined in its submission.

Hong Kong Institute of Vocational Education Staff Association

(LC Paper No. CB(2)2362/01-02(08))

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13. Mr Paul YEUNG presented the views of the Hong Kong Institute of Vocational Education Staff Association as set out in its submission.

*Vocational Training Council Student Affairs Office Staff Association
(LC Paper No. CB(2)2362/01-02(09))*

14. Mr Martin YEUNG presented the views of the Vocational Training Council Student Affairs Office Staff Association as detailed in its submission.

*Concern Alliance on Training and Retraining
(LC Paper Nos. CB(2)2362/01-02(10) and CB(2)1823/01-02(01))*

15. Mrs CHEUNG-ANG Siew-mei presented the views of the Concern Alliance on Training and Retraining as set out in her speaking note.

*Employees Retraining Board Staff Concern Group on the Development of the Manpower Development Committee
(LC Paper No. CB(2)2362/01-02(11))*

16. Ms Pauline LAI presented the views of the Employees Retraining Board Staff Concern Group on the Development of the Manpower Development Committee as detailed in its submission.

Issues raised by members

17. Mr LEE Cheuk-yan said that the proposals in relation to the establishment of MDC seemed to go against the "stakeholders principle" as the affected parties had expressed great reservations and worries over the proposals. He pointed out that if the Government ceased to subsidise training courses organised by the Vocational Training Council (VTC), trainees from low income families might lose the opportunity to receive such training on grounds of lack of financial means. Teachers of VTC might also be affected as there might be changes to the types of training courses to be organised after the opening up of the vocational training market. The future employment prospects of staff of the Employees Retraining Board (ERB) would also be at stake. He was also concerned whether the retraining allowance currently provided by the Government would be stopped following the taking over of the functions of ERB by MDC.

18. Mr LEE Cheuk-yan further said that in order to survive in an open market, a service provider might only choose to provide low-cost courses. Hence, the quality of vocational education and retraining might be compromised. The Administration's purposes might only be able to reduce government expenditure, but without any increase in overall efficiency and cost-effectiveness. He, therefore, queried whether the proposed establishment of MDC should continue to be pursued. If the Administration still concluded there was a need to do so, he suggested that the Administration should address the views and worries of the affected parties, and re-consider whether MDC should be established as a statutory body, instead of an advisory committee as presently proposed.

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19. Mr Andrew CHENG opined that the proposals would not be implemented successfully without the support of frontline staff. To this end, he urged the Administration to step up its dialogues with the affected staff associations. Mr Albert CHAN echoed Mr CHENG's views.

20. DSEM said that the Administration had already informed members of its acceptance to the proposals relating to the establishment of MDC at an earlier meeting of the Panel. Members might recall that in 2001, the Administration commissioned a consultant to carry out a review on the organisation of vocational training and retraining in Hong Kong. Following extensive consultation with a broad range of stakeholders across the vocational sector, the consultant concluded that the existing arrangements were not adequate to meet the demand for trained manpower arising from the changes in the economy. The inadequacies identified by the consultant included a lack of budget and policy coordination across the vocational sector; inadequate information on outcomes of training and retraining for stakeholders; inadequate information on pathways for trainees to build on their learning; uneven quality of training providers; a limited market for pre-employment vocational education and training, etc. To address these shortfalls, the consultant recommended that a new body, MDC, be established to assume a coordination role in the vocational sector. He pointed out that before the proposal to set up MDC was accepted, the Administration had carried out consultation with the relevant parties, including staff of VTC and ERB, on a number of occasions. While the Administration fully appreciated the possible impacts of the proposals on staff of VTC and ERB, the Administration had given assurance that it would continue its dialogue with the affected staff associations throughout the process.

21. Referring to the recommendations made by the University Grants Committee (UGC) in its recently published Report on Higher Education in Hong Kong (the Report), DSEM pointed out that the shortage of manpower of high educational attainment or high skills had brought about a greater need to upgrade the quality of local manpower. However, as the resources were limited, the level of subsidy for existing higher diploma courses might need to be adjusted if more such courses were to be provided. All new courses might need to be run on a self-financing basis if the Administration chose to maintain the current level of subsidy for existing programmes. Alternatively, the Administration might choose to subsidise certain categories of courses, such as those without an immediate market appeal or requiring a high capita cost, leaving other courses to be run on a self-financing basis. He stressed that the Administration had yet to make a decision on whether the current mode of subsidy for these courses should be changed. The public's views on the recommendations made by UGC in the Report would be taken into account in making the decision.

22. Mr LEE Cheuk-yan said that he was in full support of the Administration's objective to address the shortfalls referred to in paragraph 20 above. However, he considered that such objective should not be achieved by reducing the subsidy for VTC, which was a long-established major vocational training provider. In his view, the better way to achieve the objective was to improve the overall coordination across the vocational sector.

23. Mr LEUNG Yiu-chung remained of the view that MDC, if established, should be a statutory body. He expressed concern that the control of vocational education and training might be centralised in the Administration if MDC only played an advisory role.

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24. DSEM pointed out that MDC would be able to fully perform its functions even if it was a non-statutory body. Therefore, the Administration did not see a need for it to be established as a statutory body. He added that the mode of operation of MDC would be similar to that of UGC, which was also a non-statutory body performing an advisory function. However, part of the work to be undertaken by MDC, such as the development of a qualifications framework and a quality assurance system, might require legislative backing.

25. Ms Cyd HO noted that the Report had recommended the establishment of a Further Education Council (FEC) to oversee the provision of programmes at associate degree and comparable levels by public and private providers. She enquired about the difference of the functions to be performed by MDC and the proposed FEC.

26. Ms LI Fung-ying commented that the public was confused by the proposals relating to the establishment of MDC and FEC as these two bodies seemed to have overlapping roles. In her view, the Administration should only release thoroughly deliberated proposals in order not to confuse the public. She added that if the ultimate goal behind various proposals was to reduce subsidy for vocational education and retraining, the Administration should also clearly make known this goal. Mr Albert CHAN echoed Ms LI's views.

27. DSEM explained that the recommended establishment of FEC was only a proposal put forward in the Report. This should not be taken to mean that the Administration had accepted the proposal. The Administration would examine the roles and functions of the proposed FEC and would critically assess whether there was a need to establish FEC, having regard to the adoption of the proposal to set up MDC.

28. Ms Cyd HO pointed out that the change of the timing for the delivery of the Policy Address from October to January might affect the timetable for the preparation of the annual Budget. It might also in turn affect the timing and format of the annual Resource Allocation Exercise (RAE) which was usually conducted around June every year. She asked whether EMB had started the annual RAE for the 2003-04 Budget.

29. DSEM believed that the RAE for this year might have to be deferred in the light of the change of the timing for the delivery of the Policy Address. However, EMB had not yet received information from the Finance Bureau (FB) concerning RAE for the 2003-04 Budget. As requested by Ms Cyd HO, DSEM undertook to provide members with the relevant information when it was received from FB.

30. In response to Miss CHAN Yuen-han's enquiry, DSEM explained that at present the Government subsidised all higher diploma courses organised by The Hong Kong Polytechnic University, City University of Hong Kong and VTC. In order to be able to offer more training opportunities to people in need, the Report recommended that only part of the higher diploma courses currently organised by the above two universities should be subsidised in future, while the remaining ones should be organised on a self-financing basis. If this recommendation was adopted by the Administration, the change in the principles of provision of subsidy for higher diploma courses should apply across the board to these two universities as well as VTC. He assured members that the Administration would consider the views from all parties concerned,

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including the views from VTC, before making a decision on whether the form and level of subsidy for higher diploma courses should be changed. He added that public consultation on the Report would last until the end of July 2002.

31. Given that the consultation on the Report was still underway, Mr LEUNG Yiu-chung queried why EMB issued a letter to VTC on 17 May 2002 requiring it to follow the arrangements proposed in the Report.

32. DSEM clarified that the letter mentioned by Mr LEUNG Yiu-chung did not require VTC to follow the arrangements proposed in the Report. The purpose of the letter was to inform VTC that should the Administration decide to change the principles of provision of subsidy for higher diploma courses for The Hong Kong Polytechnic University and City University of Hong Kong, the new principles would also apply to higher diploma courses organised by VTC. DSEM undertook to provide a copy of the letter for members' reference.

Adm

33. Miss CHAN Yuen-han said that The Hong Kong Federation of Trade Unions was of the view that the form and level of subsidy currently provided to sub-degree programmes organised by The Hong Kong Polytechnic University, City University of Hong Kong and VTC should remain unchanged.

34. The Chairman said that members were generally in support of the principles of the proposals in relation to the establishment of MDC. However, they were still concerned about the problems which might arise on account of resource constraints, such as the level of Government's commitment in vocational education and training after the opening up of the vocational training market. On the suggestion of the Chairman, members agreed that the Chairman should write to the new SEM conveying the concerns of members. Miss CHAN Yuen-han suggested that the new SEM should also be requested to provide a response on how the Administration would position mainstream education and vocational education, and how they would interface with each other.

Clerk

V. Enhanced fee reimbursement for students of Project Yi Jin
(LC Paper No. CB(2)2362/01-02(12))

35. DSEM briefed members on the proposal to increase the fee reimbursement for needy students of Project Yi Jin in the 2002-03 academic year as set out in the Administration's paper.

36. Ms LI Fung-ying expressed support for the proposal in principle. However, in view of the fact that tuition fee would be reimbursed to students only after they had completed the programme, she asked whether the Government would also provide financial assistance to students who had financial difficulties to pay the tuition fee in advance.

37. DSEM explained that one of the objectives of the reimbursement arrangement was to provide an incentive for students to work hard to complete the programme. Students who could not afford to pay the tuition fee in advance might apply for financial assistance under the loan schemes administered by the Student Financial Assistance Agency (SFAA). He remarked that such loans would not create immediate financial impacts on the students concerned as they

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would be allowed to repay the loan in 10 years after they had completed their studies.

38. Ms Cyd HO considered that granting loans to students might not be a responsible way to help them pursue their studies. She said that issues relating to financial assistance for students might need to be jointly discussed with the Panel on Education in future.

39. Mr LEE Cheuk-yan pointed out that the tuition fee for the programme was much higher than that for secondary education. Students pursuing the programme had to shoulder a tuition fee of around \$21,000 if they pursued all ten modules, which meant that they had to pay a monthly tuition fee of around \$1,800. Such an amount would create a heavy burden on low income families.

40. Mr LEE Cheuk-yan further pointed out that secondary school students who were in financial need would be granted half or full assistance of tuition fee. He considered that there should also be a 50% reimbursement arrangement for the programme, in addition to the non-means tested 30% reimbursement and the proposed full reimbursement under the means test. Alternatively, the Administration might consider raising the upper limit of total family income in order to enable more students with financial difficulties to be eligible for full reimbursement of tuition fee.

41. Mr LEUNG Yiu-chung shared the view of Mr LEE. Mr LEUNG considered that the mode and level of subsidy for students of the programme should be consistent with that for secondary school students as the curricula of the programme were analogous to secondary education level.

42. Ms Cyd HO said that having regard to the fact that the levels of subsidy provided to different programmes might be different and hence the levels of tuition fee of these programmes might also be different, it was unreasonable to use the same upper limit of total family income for determining the eligibility of students for subsidy in different programmes. In addition, as recipients of Comprehensive Social Security Assistance (CSSA) were exempted from paying certain government fees, such as public school tuition fees, she suggested that the existing upper limit of total family income for determining the eligibility for full reimbursement of tuition fee for the programme be reviewed in order to be fair to non-CSSA recipients. In her view, the upper limit should be set at a level equivalent to the amount of monthly entitlement to CSSA payment plus the amount of monthly tuition fee for the programme. Miss CHAN Yuen-han shared Ms HO's views. The Chairman asked the Administration to consider the suggestion of Ms HO.

43. DSEM pointed out that the mode and level of subsidy under different financial assistance schemes for different categories of students varied from one to another, and that the mode of subsidy for the programme had been unique since its implementation. While agreeing that the curricula of the programme were analogous to secondary education level, he considered that it might not be practical and appropriate to change the mode of subsidy for the programme at this stage. Instead, the Administration considered it necessary and appropriate to provide greater assistance to students who wished to take up the programme but were unable to do so due to a lack of financial means. To achieve this aim, the Administration proposed to

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increase the reimbursement of the tuition fee from 30% to 100% for needy students. "Needy students" would be defined as those who were eligible for full assistance under the means test for the secondary school sector administered by SFAA.

44. DSEM added that the Administration would take into account the long-term financial implications on the programme when determining whether the mode and level of subsidy for students should be further improved. He said that this issue would be examined in detail when the comprehensive evaluation of the programme was conducted. Principal Assistant Secretary for Education and Manpower supplemented that the evaluation of the programme was planned to start at the end of 2002 and complete in the first quarter of 2003.

VI. Any other business

45. There being no other business, the meeting ended at 1:00 pm.

Council Business Division 2
Legislative Council Secretariat
15 July 2002