

**立法會**  
**Legislative Council**

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LC Paper No. CB(2) 1631/02-03

(These minutes have been seen  
by the Administration)

**Panel on Manpower**

**Minutes of special meeting  
held on Monday, 13 January 2003 at 11:00 am  
in Conference Room A 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 CHEUNG Man-kwong  
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 LI Fung-ying, JP  
Hon Michael MAK Kwok-fung  
Hon Frederick FUNG Kin-kee

**Members attending** : Hon James TIEN Pei-chun, GBS, JP  
Dr Hon David CHU Yu-lin, JP  
Hon SIN Chung-kai  
Dr Hon Philip WONG Yu-hong  
Hon Emily LAU Wai-hing, JP  
Hon Henry WU King-cheong, BBS, JP  
Hon IP Kwok-him, JP

**Members absent** : Dr Hon LUI Ming-wah, JP  
Hon SZETO Wah  
Hon Tommy CHEUNG Yu-yan, JP  
Hon LEUNG Fu-wah, MH, JP

**Public Officers :** Item I  
**attending**

Mr Stephen IP, GBS, JP  
Secretary for Economic Development and Labour

Mr Matthew CHEUNG Kin-chung, JP  
Permanent Secretary for Economic Development and Labour (Labour)

Mrs Pamela TAN, JP  
Commissioner for Labour

Item II

Professor Arthur K C LI, GBS, JP  
Secretary for Education and Manpower

Mrs Fanny LAW, JP  
Permanent Secretary for Education and Manpower

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

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

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**I. Briefing by Secretary for Economic Development and Labour on the Chief Executive's 2003 Policy Address relating to labour portfolio**  
(LC Paper No. CB(2)899/02-03(01))

Secretary for Economic Development and Labour (SEDL) briefed Members on the Re-employment Training Programme for the Middle-aged (the RT Programme) and the District Employment Programme for the Middle-aged as set out in the Administration's paper tabled at the meeting. The two new Programmes sought to strengthen employment services to people aged 40 or above and who had been unemployed for more than three months.

*(Post-meeting note : The Administration's paper was circulated to Members vide LC Paper No. CB(2)899/02-03 on 14 January 2003.)*

2. SEDL supplemented that the Government would continue to run the Youth Pre-employment Training Programme and the Youth Work Experience and Training

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Scheme to help young people enhance their employability. The former scheme aimed at providing comprehensive pre-employment training to those aged between 15 and 19. At least 12 000 school leavers could benefit from the scheme each year. The latter scheme sought to provide on-the-job training for young people aged between 15 and 24 with educational attainment below degree level in order to enable them to acquire work experience and job skills. The scheme would provide 10 000 training places in two years.

3. SEDL further said that the Administration would continue to take a serious view on illegal employment and wage offences. To combat the problems, the Labour Department (LD) would enhance cooperation with the Police and the Immigration Department to step up enforcement against illegal acts in this regard. More inspection visits to workplaces would be paid to detect illegal employment and cases of arrears of wages or underpayment of wages. Prosecution would be taken out against the employers concerned at an early stage where there was prima facie evidence. Effective measures had also been put in place to prevent abuse of the Protection of Wages on Insolvency Fund.

4. SEDL added that the Administration's determination to address unemployment could be evidenced by the recent revamp of the Task Force on Employment. With a larger membership after the revamp, the Task Force was able to collect more views and advice on ways to improve the employment situation of Hong Kong from a wider variety of sectors. He pointed out that the long-term and practical solution to address unemployment was to revive the economy so as to enable the business sector to create more employment opportunities for the workforce.

5. Miss CHAN Yuen-han considered that the two new employment programmes for the middle-aged, which could only provide a total of 3 500 training/employment places, would not be able to fully address the serious unemployment situation in Hong Kong. She enquired about the details of the following new initiatives in the 2003 Policy Address and their envisaged roles in solving the problem of structural unemployment -

- (a) facilitating the development of creative industries and enhancing assistance to local community economy; and
- (b) promoting closer economic partnering relationship with the Mainland and fostering interaction with the Pearl River Delta (PRD) as a key to economic revival in Hong Kong.

6. SEDL said that the two new employment programmes were certainly not the only means to tackle the problem of unemployment. He assured Members that all relevant bureaux would continue to join hands in working out practical ways to address unemployment. He pointed out that the tourism industry, logistics industry, creative industries, local community economy businesses, waste recovery activities and infrastructure projects would altogether create many job opportunities in the next few years. Among these areas, the Economic Development and Labour Bureau (EDLB) was responsible for the development of the tourism industry and logistics industry while

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the other areas fell under the purview of other bureaux.

7. SEDL added that the Disneyland theme park would offer some 5 000 jobs by the end of 2004 and the total number of jobs to be created upon the completion of the project in 2005 would amount to approximately 18 000. In addition, more than 20 new hotels were coming on stream in the next three years, which would create another nearly 10 000 jobs. He said that EDLB would continue to make every effort to assist in the development of the tourism industry with a view to creating more employment opportunities for the local workforce. EDLB would also continue its efforts to promote the logistics industry which, he believed, would be able to bring about a great number of job opportunities.

8. Miss CHAN Yuen-han suggested that EDLB should provide members with a paper setting out the following -

- (a) how the new initiatives referred to in paragraph 5(a) and (b) above and the economic activities cited by SEDL in paragraph 6 above could help solve the problem of structural unemployment; and
- (b) the number of employment opportunities anticipated to be created by each of those new initiatives and economic activities.

9. The Chairman understood that SEDL might not be in the best position to provide the paper as the requested information straddled a number of policy areas. In this connection, SEDL suggested that the issue might be referred to the Task Force on Employment for detailed discussion in a well-structured manner. The Task Force might hold discussions with the respective bureaux on the development and prospects of each industry/area in question with a view to identifying the number of jobs to be created. Members raised no objection to the suggestion. SEDL undertook to convey this idea to the Task Force on Employment.

10. Mr James TIEN enquired whether there would be a sectoral requirement on the RT Programme and whether applications from employers for joining the Programme would be considered on a first-come-first-served basis. He expressed concern whether the Programme would give rise to a situation where an employer would first terminate the service of an existing employee and then re-engage him under the Programme with a view to enjoying the training subsidy.

11. To prevent abuse of the RT Programme, Mr James TIEN asked the Administration to consider granting the \$4,500 training subsidy in a lump sum after a participating job-seeker had been employed for a longer period of time, e.g. one year, instead of granting it on a monthly basis at \$1,500 during the first three months of on-the-job training as presently proposed.

12. SEDL said that the RT Programme would be open to all sectors. It aimed at helping those aged 40 or above and who had been unemployed for more than three months to seek employment. Employers would be encouraged to recruit these people

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and provide them with on-the-job training for three months. Apart from canvassing employers to offer training places, the Administration would also encourage participating employers to offer long-term employment to participating job-seekers instead of only providing three months' training.

13. SEDL added that the proposed arrangements for the granting of training subsidy under the RT Programme had been drawn up in the light of operational experience of the Re-employment Pilot Programme for the Middle-aged (the pilot programme). Under the pilot programme, employers were only granted a one-off training subsidy of \$2,800 for the provision of one-month on-the-job training to each participating job-seeker. He pointed out that the possibility of abuse of the RT Programme should be minimal as the costs incurred by an employer in terminating the service of an existing employee would outweigh the pecuniary benefits he could gain from the training subsidy.

14. Permanent Secretary for Economic Development and Labour (Labour) (PS for EDL (Labour)) said that LD would provide job matching services to job-seekers. Job-seekers applying for the RT Programme would be invited to attend an interview to enable the prospective employers to consider their suitability. If an applicant was considered to be suitable, the prospective employer would be required to submit a training plan for the applicant to LD for perusal. This would help ensure that sufficient and suitable training would be provided to the applicant concerned.

15. PS for EDL (Labour) pointed out that employers joining the RT Programme would be required to offer full-time jobs to job-seekers at a salary not lower than the market rate and undertake not to displace existing staff with participating job-seekers. Coupled with the fact that job-seekers applying for the Programme must have been unemployed for more than three months, the situation cited by Mr James TIEN in paragraph 10 above should not arise.

16. In response to Mr James TIEN's enquiry concerning training for participating job-seekers, PS for EDL (Labour) said that employers joining the RT Programme would be required to assign experienced staff members to serve as mentors of participating job-seekers throughout the training period.

17. Given that the local domestic market had been intensely dominated by foreign domestic helpers (FDHs), Mr YEUNG Yiu-cheung enquired whether the Administration would put in place more strenuous measures to improve the situation.

18. SEDL said that the Administration had put much emphasis on the training and retraining of local domestic helpers (LDHs), and would further enhance the work in this regard at the district level with a view to promoting employment opportunities for LDHs. Having regard to some views that local families should not be deprived of the right to employ FDHs, the Administration considered it appropriate and necessary to strike a balance between developing the market of LDHs and safeguarding people's right to freedom of choice. He assured Members that the Administration would continue to explore practical measures to promote the employment opportunities for

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LDHs.

19. Ms Cyd HO enquired how the initiatives in the Chief Executive's 2003 Policy Address had been worked out within the Administration. She also enquired about the process of formulating the RT Programme, including the proposing and approving parties as well as the respective times, and whether the decision-making process in respect of the Programme involved the Executive Council.

20. SEDL said that the Chief Executive's Policy Address only depicted the broad direction for the future development of Hong Kong. Initiatives in the Policy Agenda, which was the road map for the way forward in specific policy areas, had been drawn up after extensive discussions by the bureaux concerned over the past few months. In respect of the RT Programme, the Administration, in the light of the experience gained from the pilot programme, considered it appropriate to launch the two new Programmes to strengthen its services to help the middle-aged unemployed find employment. The proposals had been thoroughly deliberated within EDLB and LD in the past few months.

21. Mr LEE Cheuk-yan considered that the RT Programme, which could only benefit 2 000 job-seekers, would not have significant effects on improving the unemployment situation of the middle-aged. He pointed out that the major barrier encountered by the middle-aged in seeking employment was age discrimination. In his view, the most effective way to address the problem was to legislate against age discrimination in employment.

22. SEDL understood that the RT Programme would not be able to fully address the problem of unemployment of the middle-aged. However, the Administration hoped that the Programme could help arouse employers' awareness of the work ability of the middle-aged, thereby enhancing their employability. He reiterated that the ultimate solution to address unemployment was to revive the economy so as to enable business enterprises to create more jobs.

23. In order not to further aggravate the unemployment situation, Mr LEE Cheuk-yan hoped that the Government would continue to employ the 10 000-odd staff on non-civil service contract terms and those engaged in some 7 000 posts created in 2000 for the purpose of helping the poor.

24. SEDL responded that as these posts scattered in a great number of bureaux/departments, whether the employees concerned would continue to be employed would depend on the operational need and availability of funds of the respective bureaux/departments.

25. Referring to paragraph 21 of the Chief Executive's 2003 Policy Address, Ms LI Fung-ying enquired about the details of the Administration's work in formulating policies to proactively attract talents and professionals from overseas and the Mainland to work in Hong Kong, and to attract entrepreneurs from the Mainland to come to invest in Hong Kong with a view to creating more employment opportunities.

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26. SEDL responded that the work was steered by the Security Bureau and the Commerce, Industry and Technology Bureau. He believed that the two Bureaux would provide details in this regard to the respective Panels during their policy briefings.

27. The Chairman said that members had expressed concern on a number of previous occasions that admission of Mainland talents and professionals should not fall under the purview of the Security Bureau as it involved policy issues relating to local employment and manpower resources.

28. Mr Andrew CHENG expressed the view that closer integration with PRD would not be able to help solve the problem of serious unemployment in Hong Kong. Given that unemployment was at present a prime concern of the community, he considered that the Administration's first and foremost task should be the creation of more employment opportunities for the local workforce. However, to the contrary, there was no commitment in this respect in the Chief Executive's 2003 Policy Address. Moreover, the various views expressed by members of the Task Force on Employment had neither been reflected in the Policy Address.

29. Mr Andrew CHENG queried whether the Administration's failure to address the public's need for more job opportunities had demonstrated its deviation from the spirit and objectives of the accountability system. He also commented on the slow progress of having created only around 20 000 jobs out of the some 34 000 jobs as announced in the Chief Executive's 2001 Policy Address.

30. SEDL said that out of the some 34 000 jobs, some 22 000 jobs had been created as at the end of 2002. The progress was in line with the scheduled timetable. He pointed out that apart from the 34 000 jobs, the Administration had also created some other jobs in response to the needs of other sectors. He assured Members that the Administration would continue to be accountable to the public and would make every effort to explore ways to address the problem of unemployment.

31. Ms Emily LAU said that she was a member of the Task Force on Employment. After its revamp, the Task Force had only held one meeting, during which members had expressed various views and put forward some 20 to 30 suggestions. The Task Force had agreed that discussion focusing on two to three of these suggestions should be held at its next meeting. She suggested that background information on issues relating to the suggestions scheduled for discussion should be provided to members of the Task Force to facilitate discussion at the meeting. In her view, the Task Force should have met at an earlier stage to deliberate on views and suggestions from its members so that mature proposals, if any, could be included in the Chief Executive's 2003 Policy Address. She hoped that the Administration would not over-mention the work of the Task Force before it had worked out any concrete proposals.

32. SEDL said that the Task Force on Employment provided an effective forum for the Administration to discuss employment-related matters with representatives from different sectors. He stressed that the ultimate responsibility for the work of the Task

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Force would rest with the Administration. He added that background information on items to be discussed by the Task Force would be provided to its members for reference.

33. Referring to paragraph 56 of the Chief Executive's 2003 Policy Address, Ms Emily LAU enquired about the number of people, out of the 3.27 million people in employment in November 2002, who were engaged in posts arising from Hong Kong's closer integration with PRD. She also enquired whether the Administration had conducted any studies on -

- (a) the impact on local employment brought about by closer integration with PRD; and
- (b) the number of new jobs created by local community economy businesses and the impact of such businesses on existing business operations.

34. Mr Michael MAK said that he could not see how local workers with low skills could benefit from Hong Kong's closer integration with PRD.

35. SEDL said that the total number of people in employment was about 3.27 million, which was a record high over the years. This revealed that a significant number of new jobs had been created even during the period of economic downturn. The reason for the unemployment rate to remain high was that the increase in the size of the labour force grew faster than the increase in the number of new jobs created.

36. SEDL pointed out that it was practically difficult to ascertain the number of jobs which would be created in connection with Hong Kong's closer integration with PRD, as a great number of direct and indirect job posts in a wide variety of sectors were involved. He considered that for the purpose of advancing its competitive edge, Hong Kong should pool its strengths with other cities in the region with a view to bringing mutual benefits. He was confident that closer economic cooperation with PRD would bring about significant and positive impacts on the economy and employment of Hong Kong as a whole.

37. On the question concerning local community economy businesses, SEDL said that the operation of a business counted on a number of factors. It was difficult to say whether local community economy businesses would adversely affect existing business operations. He believed that in planning related projects, the respective Bureau would have due regard to the needs and circumstances of the districts concerned.

38. Mr Henry WU said that it was envisaged that several thousands of in-service employees of the financial services sector would become unemployed. Most of them possessed the requisite professional qualifications. Under the newly enacted Securities and Futures Ordinance (Cap. 571), the professional qualifications of a person would lapse if he had not been employed in a relevant position for more than 180 days. In this connection, he enquired how the job matching services under the two new employment programmes for the middle-aged could help this group of people find suitable employment so as to enable them to retain their professional qualifications.



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39. SEDL said that in providing job matching services to job-seekers, LD would identify suitable vacancies for job-seekers based on their skills and preference. Should there be suitable vacancies for the job-seekers concerned, interviews would be arranged for the job-seekers to meet with the prospective employers.

40. Referring to paragraph 57 of the Chief Executive's 2003 Policy Address, Mr CHEUNG Man-kwong noted that the Chief Executive had made a pessimistic forecast that the unemployment rate would remain high for long periods and the income of some people would drop and the income gap would grow. He asked whether this implied that the high unemployment rate would persist and salary cuts would continue until the local salary levels were comparable to those of the cities in PRD. He also asked whether the Administration had conducted any assessments on impacts of closer integration with PRD on local employment.

41. Mr CHEUNG Man-kwong pointed out that although closer integration with PRD might bring about business opportunities to local entrepreneurs, the new jobs so created might not necessarily be in Hong Kong. Therefore, local workers might not be able to enjoy direct and immediate benefits brought about by these business opportunities. He questioned whether the two new employment programmes for the middle-aged and other programmes, such as the Youth Pre-employment Training Programme, would have practical effects on helping those in need to find employment.

42. SEDL said that the various employment schemes launched by the Government had helped a lot of people secure employment. He reiterated that the ultimate solution to ease unemployment was to provide an enabling business environment to attract investments from other places so that more jobs would be created. He also reiterated the merits of fostering closer integration with PRD as set out in paragraph 36 above.

43. Mr CHEUNG Man-kwong asked whether the Administration had assessed the likely duration of the "long periods" as mentioned in paragraph 57 of the Chief Executive's 2003 Policy Address. SEDL said that he believed that no one would be able to advise on such a duration as Hong Kong was undergoing an economic restructuring.

**II. Briefing by Secretary for Education and Manpower on the Chief Executive's 2003 Policy Address relating to manpower portfolio**  
(LC Paper No. CB(2)899/02-03(02))

44. Secretary for Education and Manpower (SEM) briefed Members on the key policy initiatives relating to the manpower portfolio as set out in his speaking note tabled at the meeting.

*(Post-meeting note : The speaking note of SEM was circulated to Members vide LC Paper No. CB(2)899/02-03 on 14 January 2003.)*

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45. The Deputy Chairman took the chair at this juncture.
46. Ms Cyd HO enquired whether the Administration had any concrete plans on manpower building to cope with the development of creative industries.
47. Miss CHAN Yuen-han suggested that the Administration should review school curricula and contents of training programmes with a view to enabling the local workforce to possess the skills and knowledge required for promoting the development of creative industries. She hoped that the Administration could provide, preferably before the Council's debate on the Chief Executive's Policy Address, information on specific measures to tackle the problem of structural unemployment and the timetable for implementing these measures.
48. Mr LEUNG Yiu-chung pointed out an argument that closer integration with PRD would take away jobs from Hong Kong rather than bringing in new employment opportunities. He considered that the Administration should provide a concrete plan on manpower training and development, and should also demonstrate how the problem of unemployment of local workers with low skills and low academic qualifications would be addressed.
49. Ms Emily LAU shared similar concern of Mr LEUNG Yiu-chung regarding the impact of closer integration with PRD on local employment. She considered it important that the Administration should be able to accurately assess the future manpower requirements so as to facilitate the formulation of suitable manpower training plans to meet the needs of the market.
50. Given that there was no new initiative on manpower training in the Policy Agenda, Mr LEE Cheuk-yan enquired whether it would mean that the existing policies on training and retraining would remain unchanged. He pointed out that some workers were unable to take training courses because of their working hours. He also asked whether resources for training and retraining would have to be reduced because of the fiscal deficit.
51. Mr Andrew CHENG said that in view of the change in the local employment situation brought about by closer integration with PRD and the deferral of some infrastructure projects due to the fiscal deficit, he considered that the Administration should provide, preferably before the Council's debate on the Chief Executive's Policy Address, information on the number of new jobs to be created and details of the manpower training plan in order to relieve the worries of the public.
52. SEM said that a paper detailing the key policy initiatives and work plan of the Education and Manpower Bureau (EMB) for 2003 had already been provided to the Panel for its discussion at the meeting on 21 November 2002. He appreciated Members' concern about the impact of closer integration with PRD on local manpower, and informed Members that EMB was in the process of carrying out a manpower projection survey to assess Hong Kong's future manpower needs and to identify potential gaps in manpower supply and demand. The outcome of the survey would provide useful

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information on the manpower requirements of Hong Kong up to 2007.

53. SEM assured Members that EMB would continue to do its utmost to formulate appropriate manpower training strategy having regard to the changing needs of the community. Appropriate manpower training could help equip the local workforce with the skills and knowledge required by the market, thereby helping to ease unemployment. He added that the Administration was reviewing the mode of operation of the Vocational Training Council and the Employees Retraining Board with a view to further improving the provision of training and retraining. Due to resource constraint, the Administration would continue to ensure effective use of resources in training and retraining.

54. In response to Ms Emily LAU's enquiry about the details of the manpower projection, SEM said that the Administration was in the course of identifying an appropriate methodology for conducting the survey for the purpose of enhancing the accuracy of the projection. The projection survey would be broadly divided into two parts, namely an overall projection and a projection by sectors. The report on the outcome of the survey was expected to be published in the second quarter of 2003. He highlighted that adjustments to the projection might be made from time to time in view of the ever-changing market situation.

*(Post-meeting note : An information paper on "Manpower training and development" provided by EMB after the meeting was circulated to Members vide LC Paper No. CB(2)925/02-03 on 15 January 2003.)*

**III. Any other business**

55. There being no other business, the meeting ended at 12:35 pm.