

立法會
Legislative Council

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LC Paper No. CB(2) 2823/02-03
(These minutes have been seen
by the Administration)

Panel on Manpower

Minutes of meeting
held on Thursday, 19 June 2003 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 LEE Cheuk-yan
Hon CHEUNG Man-kwong
Hon CHAN Yuen-han, JP
Hon LEUNG Yiu-chung
Hon YEUNG Yiu-chung, BBS
Hon Andrew CHENG Kar-foo
Hon Ambrose LAU Hon-chuen, GBS, JP
Hon SZETO Wah
Dr Hon LUI Ming-wah, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Michael MAK Kwok-fung
Hon LEUNG Fu-wah, MH, JP
Hon Frederick FUNG Kin-kee
- Member attending** : Hon Emily LAU Wai-hing, JP
- Members absent** : Hon Cyd HO Sau-lan
Hon LI Fung-ying, JP

Public Officers : Item IV
attending

Mr Byron LAM
Principal Assistant Secretary for Education and Manpower

Mr Gary AU
Assistant Secretary for Education and Manpower

Mr S P FU
Chief Industrial Training Officer
(Skills Upgrading Scheme)

Item V

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

Mrs DO PANG Wai-yee
Principal Assistant Secretary for Economic Development
and Labour (Labour)

Mr Charles CHAN
Assistant Commissioner for Tourism

Mr Donald TONG Chi-keung
Deputy Director of Food and Environmental Hygiene
(Administration and Development)

Mr Johnny WOO
Assistant Director of Leisure and
Cultural Services (Leisure Services)

Mr TSE Man-shing
Assistant Director of Home Affairs (Administration)

Mr LAI Ip-cheung
Assistant Director of Housing (Estate Management)

Mr CHEUNG Hing-wah
Assistant Director of Social Welfare
(Youth and Corrections)

Mr LEUNG Chi-hong
Assistant Director of Agriculture, Fisheries and
Conservation (Country and Marine Parks) (Acting)

Mr Stanley NG
Assistant Commissioner for Labour
(Employment Services) (Acting)

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

Staff in attendance : Mrs Eleanor CHOW
Senior Assistant Secretary (2) 4

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I. Confirmation of minutes of previous meetings
(LC Paper Nos. CB(2)2281 & 2377/02-03)

The minutes of meetings held on 24 April 2003 and 6 May 2003 were confirmed.

II. Date of next meeting and items for discussion
(LC Paper Nos. CB(2)2491/02-03(01) and (02))

2. Members agreed that the following items be discussed at the next meeting to be held on 17 July 2003 -

- (a) Youth work experience and skills enhancement programme for the manufacturing industry;
- (b) Progress report on the Youth Work Experience Training Scheme; and
- (c) Manpower projection to 2007.

3. Mr LEE Cheuk-yan said that subject to the availability of the draft report of the Hong Kong Special Administrative Region of the People's Republic of China in the light of the International Covenant on Economic, Social and Cultural Rights, the Panel should discuss the subject at an appropriate meeting.

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4. The Chairman said that he and the Deputy Chairman had discussed with the Administration the list of outstanding items for discussion by this Panel (LC Paper No. CB(2) 2491/02-02(02)). He had requested the Administration to review the list and suggest items to be deleted from or added to the list. The Administration had undertaken to come up with a revised list for the consideration of the Panel in due course. The Chairman asked members also to go through the list and forward comments, if any, to the Clerk. Concerning the draft report mentioned by Mr LEE, the Chairman said that the Administration had advised him that the draft report would be submitted to the Panel for discussion when ready.

(Post-meeting note : In its letter dated 23 June 2003, the Administration advised that the Second Report had been submitted to the Central Government. As the Second Report was prepared after public consultation, the Administration clarified that it would not conduct another round of consultation on the Second Report before it was submitted to the United Nations.)

5. Mr LEE Cheuk-yan said that at the joint meeting of the Panels on Administration of Justice and Legal Services and Manpower held this morning, a proposal had been raised for the Labour Department to provide one-stop service in handling employees' claims for arrears of wages arising from insolvencies. Members had proposed that functions of the Legal Aid Department in this regard be taken up by the Labour Department. Mr LEE suggested that the item be included into the outstanding list for future discussion.

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

(LC Paper No. CB(2)2491/02-03(03))

6. Members endorsed the draft Report which gave an account of the work of the Panel during the 2002-03 legislative session. Members noted that the Report would be tabled at the Council meeting on 2 July 2003.

IV. Review of the Skills Upgrading Scheme

(LC Paper No. CB(2)2491/02-03(04))

7. At the invitation of the Chairman, Principal Assistant Secretary for Education and Manpower (PASEM) reported the review results of the Skills Upgrading Scheme (SUS) as set out in the paper.

8. Noting that the Government currently subsidized 70% of the fees of SUS courses while the remaining 30% was paid by the trainees and/or employers,

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Mr LEE Cheuk-yan asked about the measures taken by the Administration to encourage employers to subsidize a larger portion with a view to alleviating the financial burden of employees who already suffered from salary cuts.

9. PASEM said that according to the survey conducted, 75% of the trainees and 77% of the employers considered that the level of subsidy by the Government was reasonable. The majority of trainees and employers also considered the training courses useful. As the course fees ranged from \$100 to \$700 only, he considered that the amount was affordable to both the trainees and employers. In addition, he noted that some trainees were taking paid leave to attend these courses. He considered that the best way was for the employers and employees concerned to work out the training arrangements. In response to Mr LEE Cheuk-yan, PASEM said that according to records, 36% of the employers contributed to the course fees of which 30% paid for all the fees.

10. Mr LEE Cheuk-yan said that the survey however did not include the views of employees who did not enroll on the courses due to financial difficulty. With only 30% of the employers paid their employers for attending the courses, he remained of the view that the Administration should introduce measures to encourage employers to contribute more to the training courses. He cited for example that an employer's contribution to courses could be exempted from tax.

11. Miss CHAN Yuen-han recalled that when SUS was first proposed, members had suggested that trainees and employers should pay an equal share of the training courses, i.e., each to pay 15% of the course fee. She maintained the view that the success of SUS hinged on the efforts of employees and employers. She supported Mr LEE's proposal to encourage employers to contribute more. In response to her request, PASEM undertook to consider further the need for introducing additional measures to encourage employers to contribute more.

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12. Mr LEE Cheuk-yan said that notwithstanding that the planned number of training places had already reached 117 000, which far exceeded the original estimated number of 50 000, the estimated cost for these training places was only \$160 million, against the total fund of \$400 million earmarked for SUS. He enquired how the Administration was able to contain cost at such a low level. In view of the savings achieved, the Chairman requested the Government to consider increasing its subsidy by another 10% to 80%, so as to alleviate the burden of trainees and employers whose business was hard hit by the Severe Acute Respiratory Syndrome (SARS). As SUS proved to be useful, the Administration should also consider increasing the funding so that more people would benefit.

13. PASEM explained that SUS adopted a competitive bidding system in commissioning training providers for delivery of services. This mode of commissioning had effectively helped reduce the cost involved. Given that the

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majority of the trainees and employers were satisfied with the level of subsidy, the Administration did not intend to change the composition of the subsidy. With a savings of \$240 million, the Administration had no plan to request additional funding for SUS at this stage. PASEM said that the savings would be used to extend SUS, instead of increase the level of Government subsidy. By doing so, more training places would be created and more employees would benefit from SUS.

14. Mr Kenneth TING said that he was satisfied with the result of SUS, as it had achieved the purpose of benefiting both the employers and employees. He urged that participation from employees and employers in SUS should be encouraged.

15. Mr LEUNG Fu-wah enquired about the courses offered to the passenger transport industry under SUS. Chief Industry Training Officer (SUS) (CITO) explained that training would be provided to drivers in the areas of road safety, customer services, maintenance skills, contingency measures in the case of emergency, etc.

16. Noting that the courses for the Chinese catering industry and the real estate industry had started 88 and 3 classes respectively (Annex to the paper), Mr LEUNG Fu-wah asked the reasons for the great disparity. CITO explained that SUS started off with six industries and was subsequently joined by ten other industries in the past two years. Real estate industry only had a few classes started because it joined in SUS late. Popularity of the courses was also one of the factors affecting the number of classes organised. In further response to Mr LEUNG, CITO explained that the courses for the tourism sector included topics such as customer services and introduction of scenic spots. The course offered on-site visit and demonstration, in addition to theoretical topics. Topics related to Disney Land would be included to tie in with its opening.

17. Mr LEUNG Fu-wah expressed concern that against the planned total, the retail sector had less than 30% of the classes started and less than 30% of the trainees enrolled. CITO explained that some of the courses for the retail sector were newly introduced and hence it took some time for trainees to register the courses. In addition, as most of the courses took place at the day time, retailers, in particular the small to medium ones, had difficulty to release their staff at the day time. To address the needs of these people, arrangements would be made to schedule retail courses in the evening.

(The Chairman left the meeting at this juncture and the Deputy Chairman took the Chair.)

18. Dr LUI Ming-wah enquired about the number of unemployed workers taking courses of SUS and how many of them got re-employed after training.

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CITO clarified that SUS was targetted at the employed. About 97% of the trainees of SUS were currently employed and the remaining 3% were either of the low income group or the underemployed.

19. In response to Dr LUI's question on assessment of the effectiveness of the training courses, CITO explained that trainees would be required to take tests after the completion of the courses. Those who passed the test would receive a certificate. The Administration was currently devising a qualification framework which attested and linked the standards of vocational and formal education qualifications. This framework would facilitate the recognition of qualifications and be conducive to the development of flexible and multiple progression pathways for learners. The certificate courses offered under SUS would be included in the framework and the qualifications attained would be recognized widely by the industry concerned. Tentatively, it was proposed that qualifications in the framework would be graded on a scale of zero to seven. Given that SUS was targetted at low-skilled workers with secondary and lower education level, the qualification so attained would be graded at the first two levels.

20. The Deputy Chairman informed members that two briefings by the Administration on the proposed qualifications framework had been scheduled for 24 and 27 June 2003. CITO said that members were welcome to attend the briefings.

V. Enhanced employment measures to further relieve impact of the Severe Acute Respiratory Syndrome
(LC Paper No. CB(2)2491/02-03(05))

21. At the invitation of the Chairman, Permanent Secretary for Economic Development and Labour (Labour) (PSL) briefed members on the Government's proposed initiatives to further create employment and training opportunities in response to the outbreak of SARS as set out in the paper. PSL said that in addition to the employment-cum-training package introduced in May 2003, which aimed to provide 21 500 short-term employment and training opportunities with a budget of \$432 million, the Administration now proposed a package of enhanced employment measures to create 32 050 additional employment and training opportunities at a budget of \$715 million. The new package was targetted to create employment for youths and the middle-aged. The Administration would seek funding approval of the Finance Committee on 4 July 2003 with a view to implementing the initiatives in July/August 2003.

(The Chairman joined the meeting at this juncture and resumed the Chair.)

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22. Miss CHAN Yuen-han said that she did not object the two packages which aimed to relieve the problem of unemployment. However, she considered that the Administration's proposals lacked vision and were too short-term. With a total budget of \$1.1 billion for the two packages, she queried why the Administration had not devised a long-term plan to help the unemployed and underemployed. She cautioned that SARS might strike again in the coming fall and these people would face the same difficulties when there was a slowdown in economic activities. She pointed out that some of the temporary jobs could in fact turn into long-term ones, as there was a need for the Government to step up its effort to improve environmental hygiene and public housing cleanliness. She also called for comprehensive measures to revive the economy.

23. PSL responded that the problem of unemployment could only be resolved when the economy revived. Before the economy revived, the Administration had the responsibility to provide relief measures to help the community tide over the difficulties brought about by SARS. Ideally the measures should be longer term but with a huge deficit, offering temporary jobs to more people was a pragmatic approach. In fact, the relief measures were formulated after taking into account the views of LegCo Members, political parties, members of the Task Force on Employment, unions and the wider community. The Administration had responded quickly with initiatives that would help the unemployed turn adversity into opportunity by equipping them with improved skills for future challenges in their career. For instance, through the Skills Enhancement Programme a tour guide temporarily laid off would learn more about tour guide skills and Putonghua for tourism. Similarly, an employee from the retail business asked to take extended no-pay leave would learn about team work and how to better service customers. All these helped the unemployed get prepared for future re-employment when the economy revived later in the year. In fact, this amounted to investing in our human resources. PSL hence disagreed that the proposed packages lacked vision. As regards measures to revive the economy, PSL said that the Financial Secretary was leading a task force to deal with the matter.

24. With a substantial provision of \$1.1 billion, Miss CHAN Yuen-han urged for prudent use of the funding and avoidance of duplication of resources when implementing the relief measures. She also expressed concern that the Administration only asked Hong Kong Council of Social Service (HKCSS) and non-government organizations (NGOs) to assist in implementing these measures after they were formulated. She opined that these bodies should be involved in the development of short-term, medium-term and long-term relief measures at an early stage.

25. PSL responded that the two packages were in fact the product of collective wisdom. The Administration had come up with proposals after discussing with members of the Task Force on Employment, the political parties, HKCSS, NGOs and other relevant groups. The Administration had committed more than what

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had been asked for. For instance, a political party had requested the Government to create 20 000 additional temporary jobs and training places but the present package proposed 32 050 temporary jobs and training places. This showed that the Government attached great importance to the issue of unemployment. It had taken exceptional measures to deal with exceptional circumstances. The proposed package also reflected the involvement of HKCSS and NGOs at the planning stage. For instance, the Positive Life Project was initiated by HKCSS. PSL assured members that there was no problem of duplication of resources as continuous discussions had been held with relevant departments to co-ordinate and implement the initiatives in the most effective manner. In response to Miss CHAN's question on youth creativity, PSL said that this would be addressed by the Positive Life Project which aimed to publicize and promote message on maintaining a positive outlook in life and foster a culture of creativity.

26. The Chairman shared the view of Miss CHAN that the measures were too short-term. He pointed out many of the programmes only had a duration of six months, with some lasted for only two weeks. He asked whether the Administration would consider extending the employment offer. Mr Frederick FUNG said that while he supported the temporary measures to relieve unemployment, he considered some of the measures relating to cleaning, maintenance, piping and drainage works, and civic education could become long-term opportunities.

27. PSL reiterated that the relief measures were short-term to address the immediate problems faced by the unemployed and underemployed as a result of SARS. In the longer term, the problem of unemployment could only be resolved by the concerted effort of the employers, the community and the Government. PSL explained that programmes which had a duration of two weeks were tailor-made at the requests of trade unions. Specifically, for the unemployed and underemployed workers in the airport-related sectors, which were hard hit by the outbreak of SARS, two-week training courses offering \$1,000 per week would be provided. Other vacancies offered under the present proposal mostly lasted for six months, but the Support for Self-reliance Scheme had a duration of one year.

28. Assistant Director of Social Welfare (Youth and Corrections) supplemented that the provision of additional support under the intensified Support for Self-reliance Scheme would hire 100 Community Work Organizers for one year to help employable Comprehensive Social Security Assistance recipients develop their work habit and increase their self-esteem through participating in community work, thus paving the way for future employment.

29. Mr LEE Cheuk-yan said that of the 32 050 vacancies, 13 000 were training places. Discounting the 4 000 vacancies for local domestic helpers (LDH), which he had reservation that they would be fully taken up, there were only

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15 050 temporary jobs created in real term. With an unprecedented high unemployment rate, he considered that the Government should take unprecedented measures to deal with the problem of unemployment, which he expected to reach 8.9% in the coming month. Although the Administration anticipated that the economy would revive at the end of the year, Mr LEE opined that the job market would take a longer time to pick up. He pointed out that after taking measures of downsizing, employers would not resume recruitment immediately after the economy revived. Mr LEE therefore proposed that the programmes which were proposed to last for six months to be extended to one year, and programmes relating to environmental protection to become permanent. He found that some jobs with only a duration of three months unacceptable. One such example was the jobs offered by the Food and Environmental Hygiene Department (FEHD) to improve environmental hygiene.

30. PSL said that offering permanent jobs and extending the employment period were a question of resources. He reiterated that the proposed measures were transitional ones to relieve the problem of unemployment. Since the introduction of relief measures in May 2003, business activities in the catering sector had already showed improvement. PSL clarified that all the jobs were proposed on a six-month basis. The 4 250 vacancies offered by FEHD under the present proposal included the 3 000 jobs which were offered in the package announced in May this year and to be extended by another six months. As to Mr LEE's concern on the take-up rate of LDHs, PSL explained that the programme had just started in June and it needed sometime to gauge the response. The programme sought to promote employment opportunities for LDHs by addressing the current mismatch in supply and demand arising from geographic location and working hours. It was hoped that with the offering of incentive allowances up to a maximum of \$1,200, there would be cultural change among LDHs to taking up cross-harbour work or working during unsocial hours. Mr LEE Cheuk-yan considered that the change of culture was a rather remote and abstract issue. He remained skeptical as to whether the additional 4 000 vacancies could be filled fully.

31. Mr Andrew CHENG said that with the a total provision of \$1.1 billion for the two packages to address the problems arising from SARS, it was important to ensure that the measures to reinforce cleanliness of Hong Kong would achieve that effect. In this connection, he noted that out of the 32 050 vacancies created under the present proposal, only some 6 000 were related to improving environmental hygiene. As environmental black spots and defective drainage were the main causes leading to the spread of SARS, he supported the establishment of Team Clean led by the Chief Secretary for Administration to promote a sustainable approach to improve environmental hygiene in Hong Kong. However, he was given to understand that the manpower to inspect the environment and drainage came from internal redeployment. With over 30 000 buildings with drainage problems, he doubted whether environmental hygiene

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could be enforced effectively in the absence of additional manpower. To this end, he asked the Administration to provide information on the number of additional workers to be hired by Team Clean to carry out inspection and maintenance of external drainage pipes of buildings. As the work of the Team Clean and the work created under the present proposal were relating to the enforcement of environmental hygiene, Mr CHENG requested that the said information be provided to members before the Finance Committee meeting on 4 July 2003, at which the present proposal would be considered.

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32. PSL clarified that under the present proposal, some 9 000 vacancies would be created to handle environmental hygiene work, including those offered to young people. He further said that as the Team Clean would roll out its plan in August 2003, he might not be able to provide Mr CHENG with the requested information before 4 July 2003. Besides, the proposal on employment relief measures and the work of the Team Clean were two different issues. Nevertheless, he would try his best to provide further information for the consideration of members. He would also reflect Mr CHENG's concern to the Chief Secretary for the Administration.

(Post-meeting note : The information provided by the Administration was issued to members vide LC Paper No. CB(2)2751/02-03.)

33. Mr Andrew CHENG expressed support for the project promoting cultural, sport and performing art by attaching youngsters for training and providing workplace experience in the Leisure and Cultural Services Department (LCSD), performing art venues and sports associations. He pointed out that the provision of \$35.7 million for 1 250 jobs was quite substantial and urged that the Administration should be more focused in promoting these activities. In this connection, he suggested that the Administration should identify the types of sport and art activities that were attractive to young people, and focus on developing training programmes in these areas so that young people would know their goals and what to pursue in their career. Mr CHENG also suggested that programmes for promoting and developing soccer be mapped out. Mr Frederick FUNG shared his view and suggested that soccer talents should be identified, district soccer teams should be formed, matches between districts should be promoted, etc.

34. Addressing members' concerns, Assistant Director of Leisure and Cultural Services (Leisure Services) said that various initiatives would be introduced to enhance the skills of young people and provide them with valuable work experience. Training pertinent to the job requirements would be arranged so that the participating youths would not only gain working experience, but also obtained useful job-related training to improve their employability. Under the youth programmes, young people who had an interest in sports would be trained to become junior district trainers, resident trainer in sports complex, life guards,

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mechanics to maintain sport facilities, athletic management trainees to assist sports associations in organizing and managing sports activities, etc. For those who were interested in gardening work, certificate courses on gardening, organic farming, etc, would be available. PSL added that the Administration aimed to promote diversity to enable youngsters to develop their different potentials. He would reflect to LCSD of members' suggestions in respect of means to promote soccer.

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35. Mr LEUNG Yiu-chung said that with an unemployment rate of 8.3%, he supported the Administration's proposed measures to relieve unemployment. However, he found that some of the measures taken by the Administration were contradictory. The Administration was creating employment by introducing relief measures on the one hand, while creating unemployment by terminating contract staff employed by the Housing Authority, FEHD and LCSD on the other hand. Mr LEUNG also expressed concern about the jobs offered by FEHD through service contractors to improve environmental hygiene. He urged that a mechanism should be put in place to monitor the wage offered to workers to prevent exploitation by contractors. He pointed out that although non-compliant contractors were forbidden from bidding future contracts, contractors could easily overcome the hurdle by setting up another company.

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36. PSL responded that the policy for employing contract staff did not come under the purview of the Economic Development and Labour Bureau, but he would relay Mr LEUNG's concern to the Civil Service Bureau. As regards outsourcing work, PSL said that FEHD would follow the guidelines issued by the Financial Services and Treasury Bureau on the engagement and monitoring of Government service contracts to protect the interest of the workers. FEHD would require contractors to specify in their proposals the wages and maximum working hours of their unskilled staff. FEHD would also monitor closely compliance by contractors to ensure that the interest of workers was protected.

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37. Deputy Director of FEHD (Administration and Development) supplemented that one of the considerations on whether to keep contract staff was the department's operational need and the nature of the work involved. As the Team Clean had yet to work out its plan, he was not in a position to tell at this stage whether the contract staff could be retained. He assured members that FEHD attached great importance to the monitoring of outsourcing work. It had been working closely with the Labour Department in monitoring the employment of workers by contractors. It had also recently revised the marking scheme for assessing tenders, putting more weight on the combined score of wages and maximum working hours of unskilled workers. To increase transparency, the wages and maximum working hours for unskilled workers specified in the contract could be divulged to third parties. FEHD would also monitor closely compliance by contractors and follow up any complaints from workers. Non-compliance might result in termination of contract or prohibition

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from bidding future contracts. The Chairman requested the Administration to provide for the Panel's reference the relevant part of a contract showing the wages and maximum working hours of workers to be hired by contractors were specified.

38. The meeting ended at 4:27 pm.

Council Business Division 2
Legislative Council Secretariat
16 July 2003