

LEGISLATIVE COUNCIL BRIEF

Vocational Training Council Ordinance
(Chapter 1130)

VOCATIONAL TRAINING COUNCIL (AMENDMENT) BILL 2004

INTRODUCTION

At the meeting of the Executive Council on 28 September 2004, the Council ADVISED and the Chief Executive ORDERED that the A Vocational Training Council (Amendment) Bill 2004, at Annex A, should be introduced to the Legislative Council (LegCo) to amend the Vocational Training Council Ordinance (VTCO) to -

- (a) empower the Vocational Training Council (VTC) to engage in extra-territorial activities the nature of which must be consistent with its objects and functions;
- (b) replace the existing terminology of “disabled person” used in the VTCO by “person with a disability”; and
- (c) provide for any one of the Council Deputy Chairmen to be signatory of accounts when the Chairman is absent from Hong Kong or is unable to act as Chairman.

JUSTIFICATIONS

(A) *Principal Amendment*

2. Under the existing VTCO, there is no explicit provision for the

VTC to engage in extra-territorial activities.

3. In recent years, an increasing number of Hong Kong firms are engaged in cross-border operations and activities and they employ a large workforce from Hong Kong. With the rapid economic growth in the Pearl River Delta region, the trend is for more of these Hong Kong firms or even Mainland entities to recruit workers from Hong Kong. The ability of the VTC to equip our workforce to cater for the demand of these firms will be crucial to maintaining the competitiveness and employment prospects of our workers. It will also be beneficial to young people for the VTC to arrange for industrial attachment across the border for its students to acquire valuable working experience and to enhance their employment opportunities upon graduation.

4. The VTC wishes to operate a number of activities outside Hong Kong which include: job attachments in the Mainland for youths, provision of skills certification programmes and provision of award bearing/professionally recognised programmes. Except for the job attachments for youth, the proposed activities will be run on a self-financing basis. The operation of these activities requires the VTC to be empowered to extend the territorial coverage of its objects and functions, both on its own and in partnership with its counterparts across the border.

5. These proposed activities would help meet the trained and qualified manpower requirement of Hong Kong business establishments with operations in the Mainland. At the same time, they will provide useful exposure to the trainees and better equip workers for employment in the Mainland.

6. The proposed activities will also facilitate bilateral exchange of experience and expertise in vocational education and training between Hong Kong and the Mainland, thereby contributing to the development of both sides in this area. The above activities may also help provide the VTC with additional income for the furtherance of its objects.

7. Having considered the benefits to the business and community

at large, we propose to introduce amendments to the VTCO to empower the VTC to engage in extra-territorial activities the nature of which are consistent with its objects and functions. Most of the extra-territorial activities will be run on a self-financing basis, in which case we will continue to ensure that there is no cross-subsidisation of these self-financed activities by government subvention for the VTC. We will also ensure that the operation of any extra-territorial activities on a subvented basis will be for the training and education of Hong Kong persons.

(B) *Other Minor Amendments*

8. Minor amendments to the VTCO are also proposed to:
- (a) replace the existing terminology of “disabled person” used in the Ordinance which does not conform with international practice in the description of physically disabled people. The term is to be replaced by “person with a disability”; and
 - (b) provide for any one of the Council Deputy Chairmen to be signatory of accounts when the Chairman is absent from Hong Kong or when the Chairman is unable to act to facilitate the VTC’s internal administration.

THE BILL

9. The main provisions are -
- (a) **clause 4** amends section 6 to empower the VTC to perform its functions outside Hong Kong;
 - (b) **clauses 2 and 3** amend sections 2 and 5(d) to replace the term “disabled persons” by “persons with a disability”; and
 - (c) **clause 5** amends section 17 to provide for any one of the Deputy Chairmen to sign accounts when the Chairman is absent from Hong Kong or when the Chairman is unable to act.
10. Apart from amending the short title of the Ordinance from

“Vocational Training Council (Amendment) Ordinance **2003**” to “Vocational Training Council (Amendment) Ordinance **2004**”, the Bill is the same as the previous one introduced into LegCo on 14 January 2004.

LEGISLATIVE TIMETABLE

11. The legislative timetable will be –

Publication in the Gazette	8 October 2004
First Reading and commencement of Second Reading debate	13 October 2004
Resumption of Second Reading debate, committee stage and Third Reading	to be notified

IMPLICATIONS OF THE PROPOSAL

B 12. The proposal has economic and financial implications as set out at Annex B. The proposal has no civil service implications for the Government. It is in conformity with the Basic Law, including the provisions concerning human rights, and does not affect the current binding effect of the VTCO. The proposal does not have productivity or major sustainability implications.

PUBLIC CONSULTATION

13. Public consultation had been conducted before the introduction of the Bill into LegCo during its second term. Details of consultation are recapitulated in the following paragraph.

14. The VTC has consulted all its Training Boards (TBs), which comprise stakeholders of relevant industry sectors, and the TBs support the proposal for the VTC to engage in extra-territorial activities. The LegCo

Panel on Manpower was consulted on the proposals on 20 November 2003. The Panel did not have any specific comment on the proposals.

PUBLICITY

15. A press release will be issued when the Bill is gazetted. A spokesman will be available to answer media and public enquiries.

BACKGROUND

16. The Bill was introduced into LegCo on 14 January 2004 but was not scrutinised due to limited time available in the last legislative session of its second term of office. Pursuant to section 9(4) of the Legislative Council Ordinance, the consideration of the Bill is to lapse at the end of the term, i.e. on 30 September 2004. We need to re-introduce the Bill into LegCo at the earliest possible juncture in the 2004-05 legislative session.

ENQUIRIES

17. For enquiries relating to this Brief, please contact Mr Byron Lam, Principal Assistant Secretary, Education and Manpower Bureau, at telephone number 2961 5612.

Education and Manpower Bureau
October 2004

A BILL

To

Amend the Vocational Training Council Ordinance to empower the Vocational Training Council to perform its functions outside Hong Kong; to empower the Deputy Chairmen of the Council to sign statements of accounts; and to make other minor amendments.

Enacted by the Legislative Council.

1. Short title

This Ordinance may be cited as the Vocational Training Council (Amendment) Ordinance 2004.

2. Interpretation

Section 2 of the Vocational Training Council Ordinance (Cap. 1130) is amended –

- (a) in the definition of “disabled person”, by repealing “disabled person” and substituting “person with a disability”;
- (b) in the definition of “skills training”, in paragraphs (a) and (b), by repealing “disabled persons” and substituting “persons with a disability”.

3. Objects of the Council

Section 5(d) is amended by repealing “disabled persons” and substituting “persons with a disability who are”.

4. Functions of the Council

Section 6 is amended by adding –

“(3) Subject to subsection (4), the Council may perform any of its functions under this section in Hong Kong or elsewhere either on its own or jointly with or as agent for other person or organization.

(4) The Council may not perform any of its functions outside Hong Kong using any money appropriated by the Legislative Council under section 12(a) unless it is for the benefit of Hong Kong to do so.”.

5. Accounts

Section 17 is amended –

(a) in subsection (3), by repealing everything after “thereof” and substituting a full stop;

(b) by adding –

“(4) The statement and balance sheet required by subsection (3) shall be signed by the Chairman, or if the Chairman is absent from Hong Kong or is for any other reason unable to exercise the powers or perform the duties of a Chairman, by any one of the Deputy Chairmen.”

Explanatory Memorandum

This Bill amends the Vocational Training Council Ordinance (Cap. 1130)

to –

- (a) empower the Vocational Training Council to perform its functions outside Hong Kong;
- (b) empower any one of the Deputy Chairmen of the Council to sign statements of accounts when the Chairman is absent from Hong Kong or is unable to act as Chairman;
and
- (c) amend “disabled person” to “person with a disability”.

Economic Implications

The proposed extra-territorial activities to be provided by the VTC will help meet the training needs of Hong Kong businesses operating across the boundary and help foster the competitiveness of Hong Kong staff in the Mainland market. This will contribute positively to the productivity capacity of our economy.

Financial Implications

2. The running of extra-territorial activities by the VTC on a self-financing basis will not require additional funding from the Government. It is possible that some of the self-financed activities may generate surplus income for supporting programmes run by the VTC with government subvention, thus reducing the VTC's reliance on government's funding. In respect of any extra-territorial activities to be run on a subvented basis, Secretary for Education and Manpower will absorb the operating costs from within his operating expenditure envelope whereas government funding for any capital works will be subject to annual resource allocation exercise.