

立法會
Legislative Council

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Finance Committee of the Legislative Council

**Minutes of the 6th meeting
held at the Legislative Council Chamber
on Friday, 4 March 2005, at 2:30 pm**

Members present:

Hon Emily LAU Wai-hing, JP (Chairman)
Hon CHAN Kam-lam, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon LEE Cheuk-yan
Hon Martin LEE Chu-ming, SC, JP
Dr Hon David LI Kwok-po, GBS, JP
Hon Fred LI Wah-ming, JP
Hon Margaret NG
Hon James TO Kun-sun
Hon CHEUNG Man-kwong
Hon CHAN Yuen-han, JP
Hon Bernard CHAN, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon LEUNG Yiu-chung
Hon SIN Chung-kai, JP
Hon WONG Yung-kan, JP
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Howard YOUNG, SBS, JP
Dr Hon YEUNG Sum
Hon LAU Chin-shek, JP
Hon LAU Kong-wah, JP
Hon Miriam LAU Kin-yee, GBS, JP
Hon CHOY So-yuk
Hon Andrew CHENG Kar-foo
Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, BBS, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Albert CHAN Wai-yip

Hon Frederick FUNG Kin-kee, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon Vincent FANG Kang, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon LI Kwok-ying, MH
Hon Daniel LAM Wai-keung, BBS, JP
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon MA Lik, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Dr Hon KWOK Ka-ki
Dr Hon Fernando CHEUNG Chiu-hung
Hon WONG Ting-kwong, BBS
Hon TONG Ka-wah, SC
Hon Patrick LAU Sau-shing, SBS, JP
Hon Albert Jinghan CHENG
Hon KWONG Chi-kin
Hon TAM Heung-man

Members absent:

Hon James TIEN Pei-chun, GBS, JP
Dr Hon LUI Ming-wah, JP
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Dr Hon Philip WONG Yu-hong, GBS
Hon LAU Wong-fat, GBS, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon TAM Yiu-chung, GBS, JP
Dr Hon Joseph LEE Kok-long
Hon CHEUNG Hok-ming, SBS, JP
Hon CHIM Pui-chung

Public officers attending:

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| Mr Frederick MA Si-hang, JP | Secretary for Financial Services and the Treasury |
| Miss Elizabeth TSE, JP | Deputy Secretary for Financial Services and the Treasury (Treasury) 1 |
| Mr Alfred FOK | Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch) |
| Mrs Fanny LAW, GBS, JP | Permanent Secretary for Education and Manpower |

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| Mr Chris WARDLAW | Deputy Secretary for Education and Manpower |
| Mr Billy WOO | Assistant Secretary for Education and Manpower (Language Education) |
| Ms Irene YOUNG | Principal Assistant Secretary for Education and Manpower (Higher Education) |
| Mr Lawrence KWAN | Project Coordinator (Higher Education) Education and Manpower Bureau |
| Mr Stanley YING, JP | Permanent Secretary for Security |
| Mr Michael WONG | Deputy Secretary for Security |
| Ms Linda SO | Principal Assistant Secretary for Security |
| Mr Raymond WONG, IMSM | Assistant Director of Immigration (Information Systems) |
| Mr Albert LAI | Chief Systems Manager (Technology Services) Immigration Department |
| Mrs Marion LAI, JP | Deputy Secretary for Commerce, Industry and Technology (Communications and Technology) |
| Ms Lorna WONG, JP | Commissioner for Television and Entertainment Licensing |
| Ms Angela LUK | Assistant Commissioner for Television and Entertainment Licensing (Entertainment) |
| Mr Matthew CHEUNG, JP | Permanent Secretary for Economic Development and Labour (Labour) |
| Mrs DO PANG Wai-ye | Assistant Commissioner for Labour (Policy Support and Strategic Planning) |
| Dr WONG Fook-ye | Assistant Director of Agriculture, Fisheries and Conservation (Country and Marine Parks) |
| Mr Donald TONG Chi-keung, JP | Deputy Director of Food and Environmental Hygiene (Administration & Development) |
| Mr Paul CHENG | Assistant Secretary for Health, Welfare and Food (Health) |
| Mr Alex LEUNG | Coordinator (Human Resources) Hospital Authority |
| Ms Olivia CHAN | Acting Assistant Director of Leisure and Cultural Services (Leisure Services) |
| Mr CHEUNG Hing-wah | Assistant Director of Social Welfare (Youth and Corrections) |
| Mr TSE Man-shing | Assistant Director of Home Affairs (Administration) |

Clerk in attendance:

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| Ms Pauline NG | Assistant Secretary General 1 |
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Staff in attendance:

Miss Becky YU
Mrs Mary TANG
Ms Caris CHAN
Mr Frankie WOO

Chief Council Secretary (1)1
Senior Council Secretary (1)2
Senior Legislative Assistant (1)1
Legislative Assistant (1)2

Action

Item No. 1 - FCR(2004-05)46

RECOMMENDATIONS OF THE PUBLIC WORKS SUBCOMMITTEE MADE ON 16 FEBRUARY 2005

The Chairman put the item to vote. The Committee approved the proposal.

Item No. 2 - FCR(2004-05)44

HEAD 156 – GOVERNMENT SECRETARIAT: EDUCATION AND MANPOWER BUREAU

**♦ Subhead 700 General non-recurrent
New Item “Grant to the Language Fund”**

2. The Chairman informed members that the item was brought forward from the last meeting on 25 February 2005, and that the Panel on Education was consulted on the proposal at its meeting on 7 February 2005.

3. Miss TAM Heung-man questioned if the duration of four to eight weeks of the overseas immersion course for primary school teachers was sufficient to improve their language teaching skills. Mr Tommy CHEUNG echoed that consideration should be given to extending the duration for better results. The Permanent Secretary for Education and Manpower (PSEM) explained that the overseas immersion course was not intended to improve the language teaching skills of language teachers but rather to expose them to an English language environment so that they would be more accustomed to using English and build capacity for continuing improvement. The course, which had all along been provided to those receiving professional training in teaching, was extended to serving primary teachers to enhance their teaching and learning of the English language. She nevertheless undertook to convey to the Standing Committee on Language Education and Research (SCOLAR) members’ suggestions on more investment to be made to pre-primary language education and extension of the duration of overseas immersion course.

4. Mr CHEUNG Man-kwong said that the proposal was not thoroughly discussed at the meeting of the Panel on Education on 7 February 2005 due to time constraints. Referring to the estimated expenditure on strengthening support for language education at primary and pre-primary levels, Mr CHEUNG considered that the proposed allocation of \$20 million for the professional development of pre-primary teachers was not enough given the fact that language proficiency should best be developed at an early age, and that there were some 8 000 serving teachers in local kindergartens.

4. PSEM said that a study was being conducted on language education at pre-primary level and it was hoped that more concrete proposals could be made available after the study. She added that of the proposed injection of \$500 million to the Language Fund (the Fund), \$200 million would be earmarked for strengthening support for language education at primary and pre-primary levels. The estimated expenditures for different measures, including professional development of pre-primary school teachers, as set out in the paper were only indicative and the exact allocation would be subject to further deliberations by SCOLAR taking into account the development needs. Given that the estimated expenditure for each measure had been clearly delineated, Mr CHEUNG Man-kwong held the view that there was limited room for adjustment to the funding allocation. PSEM reiterated that the proposed allocation was an initial assessment and had not been discussed with the education sector. Flexibility would be allowed to adjust the scope and the estimated expenditure of each measure taking into account the decision of SCOLAR. For instance, kindergarten teachers might also be given a chance to take part in the overseas immersion course intended for primary school teachers to enhance their professional development.

5. Mr CHEUNG Man-kwong expressed concern that members would not know of any subsequent changes to the funding allocation if these were to be made after approval from the Finance Committee (FC) was sought. To prevent the recurrence of the Harbour Fest incident where the disbursement of the funding of \$100 million could not be accounted for at the time FC's approval was sought, he considered it necessary for the Administration to provide a more precise breakdown on the funding allocation when seeking FC's approval so that members would be able to know whether the funding was justified and how it should be spent. The Chairman concurred that members would need to be cautious in approving funding proposals as they would be held accountable for their decisions.

6. Mr Tommy CHEUNG said that Members of the Liberal Party supported that more funds should be provided to enhance the language skills of English language teachers in the Chinese secondary schools. To address Mr CHEUNG Man-kwong's concern, he enquired if FC could only give an in-principle approval for the funding proposal so that the proposed measures could be implemented without delay, while the actual funding allocation could be approved by the Panel on Education. PSEM reiterated that SCOLAR which broadly comprised representatives from the education sector, including those from secondary, primary and pre-primary levels, was the approving and monitoring authority for disbursements from the Fund.

7. Mr LEUNG Kwok-hung opined that eventually, it was members of FC, rather than Government officials, who were held responsible if anything went wrong with the funding approval. FC members therefore ought to be careful with what they were approving and should not allow too much free hand for the Administration to adjust the funding allocation after it had been approved by FC. As such, the Administration should set out clearly how the fund would be used to avoid any misunderstanding. Mr LEUNG considered it necessary to invite the Chairman of SCOLAR to explain the allocation of the Fund to members. PSEM said that it was clearly set out in the Administration's paper that \$200 million would be earmarked for

strengthening support for language education at primary and pre-primary levels. There would not be any deviation from the said purpose in the disbursement of funds. As the actual drawdown from the funds would depend on the number of applications received, some flexibility on the disbursement of funds would be required. The Administration would take into account members' suggestion to invest more in pre-primary education when deciding on the actual funding. To help Mr LEUNG understand the background of the present proposal, PSEM explained that the Fund was set up in 1994 to provide financial support for projects and activities which were aimed at improving Hong Kong people's proficiency in Chinese (including Putonghua) and English. Since then, funds had been disbursed for a number of initiatives. Given the large number of projects and activities, it would not be possible for FC to deal with each and every disbursement of the Fund nor would it be possible for the Fund to operate if no flexibility was given in its disbursements.

8. In this respect, Mr Albert CHENG also found the proposed allocation of the \$500 million to be injected into the Fund too broad-brush. While agreeing that it would be a waste of time and resources if the Administration had to seek FC's approval for any subsequent adjustments to the funding allocation, he considered it necessary that the Chairman of SCOLAR should be invited to attend a meeting of Panel on Education to explain to members the allocation arrangements for the Fund before FC could give approval for the proposed injection. PSEM said that the necessary information on the funding allocation had in fact been set out in the Administration's paper and there would not be a need for the Chairman of SCOLAR to explain further. She also clarified that it was the responsibility of the Education and Manpower Bureau rather than SCOLAR to regularly report to the Panel on Education on the progress of development of language education.

9. Ms Audrey EU said that while she agreed to the policy intent behind the proposed injection to the Fund, she shared members' concerns about the need to be cautious with the funding allocation to prevent the recurrence of problems associated with the Harbour Fest. She then enquired about the urgency of the proposal which was deferred from the last meeting and the means through which the Administration could enhance members' understanding on the disbursement of the Fund without compromising the monitoring role of SCOLAR. PSEM said that the proposed measures aimed to implement the recommendations of the study on language education commissioned by SCOLAR last year. The Panel on Education was regularly updated on the progress of development on language education and the disbursement of the Fund. In addition to strengthening the support for language education at primary and pre-primary levels, the Administration considered it important to enhance the language proficiency for pre-primary language teachers as well for the benefit of students at an early age. The proposed injection would allow for planning of resources for initiatives to strengthen support for language education.

10. Ir Dr Raymond HO said that Members of the Alliance supported the proposal. He also agreed to the need for regular training for teachers to improve their professional skills. He pointed out that unlike the case of Harbour Fest where a lump sum was awarded to a Government department to oversee the event, the allocation of the Fund was being monitored by SCOLAR under an established mechanism. As

such, members would not need to worry about the micro-management of the Fund, particularly when the Administration had undertaken to report regularly to the Panel on Education on the progress of disbursement. He then enquired if the \$500 million injection to the Fund would be sufficient to finance all the proposed measures. PSEM said that the Administration would plan on the basis of a \$500 million injection. If the response to the proposed measures was overwhelming as in the case of the Professional Development Incentive Grant Scheme, the Administration would consider providing a further injection to the Fund.

11. Mr Andrew LEUNG said that he would support the proposed injection, and that there should not be any further delay in the injection given the importance of language education in primary and pre-primary schools. He added that members should have trust in the Administration over the allocation of the Fund which was monitored by SCOLAR since its establishment in 1996. Besides, regular updates on the progress of disbursement of the Fund were provided to the Panel on Education. FC should focus on major funding proposals and leave details of allocation to the Administration. If anything went wrong, the Administration should be asked to explain and take remedial actions.

12. Mr CHEUNG Man-kwong said that he was not opposed to the proposed injection but was concerned about how the funding should be allocated. He was in fact seeking the information which he should have sought at the Panel meeting if not due to time constraints. He considered that instead of providing training to teachers, the Administration should assist students in attaining a higher competency given that the percentage of students not attaining basic competency in the Territory-wide System Assessment was quite significant, particularly in the language subjects (24% in English and 17% in Chinese). He also sought elaboration on the proposed provision of paid study leave or supply teachers to relieve teachers on training from their regular duties, which was aimed at encouraging more serving teachers to pursue professional development. He further asked if the overseas immersion courses for primary school teachers would constitute a part of the training for the Language Proficiency Assessment for Teachers, and whether consideration would be given to adjusting the allocation so that more provision could be made for language education at pre-primary levels. If so, the Administration's assurance was required since the adjustment would be subject to further review by SCOLAR. He also welcomed an opportunity to exchange views with SCOLAR.

13. PSEM considered that the Panel was the most appropriate forum to discuss in detail the issues being raised. As the Chairman of the Panel on Education, Dr YEUNG Sum said that he would be pleased to arrange for a special Panel meeting to discuss these issues. In this connection, PSEM agreed to re-circulate the Action Plan to Raise Language Standards in Hong Kong released in June 2003 to facilitate members' understanding of the subject.

(Post-meeting note: Copy of the Action Plan to Raise Language Standards in Hong Kong was circulated to members vide FC54/04-05 on 14 March 2005.)

14. Mr CHEUNG Man-kwong also drew to members' attention that he would not have requested such detailed deliberation of the subject had sufficient time been allowed at the meeting of the Panel on Education on 7 February 2005 to address his concerns. The Chairman took the opportunity to remind the Administration regarding the agreed arrangements on submission of funding proposals for consideration by Panels before consideration by FC. She said that it would normally take about six to seven weeks from giving notice to the relevant Panels for discussion of the funding proposals to the date of FC meeting at which the subject would be discussed. For the present case, the paper should reach the Panel on Education by early January 2005. However, it was only until 31 January 2005 that the Panel was aware of such a paper. In view of the urgency, the Chairman of the Panel on Education had no choice but to agree to include the funding proposal in the agenda of the meeting on 7 February 2005 which was already quite full. This explained why Panel members did not have sufficient time to discuss the proposal. Mr LEUNG Kwok-hung said that the Administration should be reproved for not adhering to the agreed arrangements on timely submission of papers. PSEM said that the Administration had met the requirement for submission of papers to the Panel five clear days before the relevant meeting. The Clerk advised that the crux of the matter was not the timely submission of paper but the early notification of the item for inclusion in the agenda of the relevant Panel meeting. The Panel decided on its agenda one month before the meeting. If the Administration had not given advance notice, there was difficulty to allocate time for discussion of the subject at the relevant meeting.

15. The Chairman then invited members' views on whether FC should proceed with a decision on the proposal before the special meeting of the Panel on the funding allocation.

16. PSEM said that under normal practice, approval for injection to the Fund should be first sought from FC, after which the exact allocation would be decided by SCOLAR, taking into account members' views. If FC were to decide on the exact funding allocation, it would be seen to have taken over SCOLAR's role in managing the Fund.

17. Mr Jasper TSANG considered it inappropriate for FC to intervene with the management of the Fund which fell under the purview of SCOLAR. As a former member of SCOLAR, he said that SCOLAR had its own monitoring role. He opined that FC should approve the proposed injection first and let the Panel on Education to follow up the details with the Administration and SCOLAR on their plans to improve language education at an opportune time.

18. Mr CHEUNG Man-kwong reiterated that while supporting the proposed injection, he would like to have a chance to exchange views with the Administration and SCOLAR on the funding allocation. He was concerned about the inadequacy of the provision made to language education of pre-primary levels and considered it necessary that some adjustments should be made to the allocation of the \$200 million under "strengthened support for language education at primary and pre-primary levels" as set out in the paper.

19. Ms Audrey EU agreed that the special meeting as suggested by PSEM should be held as soon as possible if the proposed injection was supported. Mr Abraham SHEK said that members should proceed to vote on the proposal.

20. The Chairman put the item to vote. The Committee approved the proposal. The Administration was requested to arrange for a briefing for members on the subject as soon as possible.

Item No. 3 - FCR(2004-05)45

LOAN FUND

HEAD 252 – LOANS TO SCHOOLS/TEACHERS

◆ Subhead 106 Start-up loan for post-secondary education providers

21. The Chairman informed members that the item was brought forward from the last meeting on 25 February 2005, and that the Panel on Education was consulted on the proposal by way of circulation of the relevant paper on 1 February 2005.

22. Dr YEUNG Sum, Chairman of the Panel on Education, said that the Panel supported the proposal.

23. Mr Fernando CHEUNG declared interest as a staff member of the Hong Kong Polytechnic University (PolyU).

24. Mr CHEUNG Man-kwong remarked that FC would not have to spend much time in scrutinizing funding proposals if the proposals had been discussed by the relevant Panels. He noted that PolyU had twice applied for medium-term loans totalling \$880 million for the provision of associate degree programmes for 6 600 students. However, he was given to understand that there were serious concerns about the drop in qualified applicants for associate degree programmes. In view of the general trend of under-enrolment, post-secondary institutions were having a hard time recruiting enough students to maintain their fiscal balance and to repay their loans. As a result, some institutions had to offer pre-associate degree programmes while others had to lower their entry requirements. The lowered standard of students had also forced some self-accredited institutions to lower their passing grades to enable students to obtain their associate degrees. This had led to the under-qualification of some of the graduating students. The continued expansion of associate degree programmes would inevitably aggravate the situation, thereby adversely affecting the quality of education. To this end, Mr CHEUNG opined that the Administration should look into the supply and demand for associate degree programmes taking into account the decline in student population. He also asked if consideration would be given to extending the loan repayment period if PolyU was unable to enrol a sufficient number of students for its associate degree programmes.

25. PSEM said that the provision of associate degree programmes was in line with the pledge in the Chief Executive's Policy Address 2000 that 60% of senior secondary school leavers should have access to tertiary education within 10 years. Some degree of flexibility was however allowed in the types of education programmes to be offered to meet the changing needs. The provision of pre-associate degree programmes to students who had yet to qualify for associate degree programmes was meant to improve their standards so that they could be qualified for these programmes at a later stage. She stressed that students applying for enrolment to associate degree programmes had to meet the admission requirements as set out in the common descriptors for these programmes. The allegation that post-secondary education providers had to lower their admission requirements in order to enrol more students to balance their fiscal budget was a serious one, as this was at variance with the honour system agreed among the service providers, and would undermine public confidence in the qualification of associate degree holders. She requested Mr CHEUNG Man-kwong to provide more information in this respect so that she could follow up the matter.

26. On repayment of loans, PSEM said that the Vetting Committee responsible for examining and assessing applications for start-up loans for post-secondary education providers would only recommend applications if it was satisfied that the providers would be able to repay the loans. While the institutions had to repay the Government loan in 10 years, some institutions had made their own re-financing arrangements so that they might in effect extend the repayment period. As to whether the recommendation of the Vetting Committee on the loan application by PolyU could be made available for public reference, PSEM said that this was not appropriate as it contained commercially sensitive information on the financial position of PolyU which should not be divulged.

27. As regards other details of the start-up loan, Mr Jasper TSANG enquired if the award of the loan would entail the granting of land for the construction of the new campus. The Principal Assistant Secretary for Education and Manpower (Higher Education) said that based on the applicant's proposal, the application for the start-up loan would be considered jointly with the application for the land grant. The land would not be granted if the loan was not approved and the applicant did not have the resources to undertake the proposed development. She also clarified in response to Mr Patrick LAU's question that the loan application by PolyU was not a short-term loan for renting premises, but a medium-term one to cover the construction, refurbishment and equipment costs of the new campus. The Project Coordinator (Higher Education) added that in 2001, PolyU applied for a short-term loan for the establishment of the Hong Kong Community College (HKCC) in rented premises. In 2003, FC approved a medium-term loan to PolyU for HKCC to construct a purpose-built campus in Hunghom Bay Reclamation as its permanent accommodation. The present application for medium-term loan was for HKCC to build its second campus in West Kowloon Reclamation.

28. The Chairman put the item to vote. The Committee approved the proposal.

Item No. 4 - FCR(2004-05)47

CAPITAL WORKS RESERVE FUND

HEAD 710 – COMPUTERISATION

Immigration Department

- ◆ **New Subhead “Introduction of Biometric Hong Kong Special Administrative Region Passport and Strategic Enhancement of the Travel Document Information System”**

29. The Chairman informed members that the Panel on Security was consulted on the proposal at its meeting on 1 February 2005.

30. Mr James TO, Chairman of the Panel on Security, said that the Panel supported the proposal.

31. The Chairman put the item to vote. The Committee approved the proposal.

Item No. 5 - FCR(2004-05)48

**Head 180 – TELEVISION AND ENTERTAINMENT LICENSING
AUTHORITY**

- ◆ **Subhead 700 General Non-recurrent**

Item 016 Film Guarantee Fund

New Item “Film Development Fund”

32. The Chairman informed members that the Panel on Information Technology and Broadcasting (ITB Panel) was consulted on the proposal at its meeting on 4 February 2005.

33. Mr SIN Chung-kai, Chairman of ITB Panel, said that the Panel had discussed the Administration’s proposal to modify the Film Guarantee Fund (FGF) Scheme by reducing its commitment from \$50 million to \$30 million and to use the savings to create a new commitment of \$20 million to revive the Film Development Fund to finance projects conducive to the long-term development of the film industry. While supporting the development of film industry in general, the Panel had not reached a common stance on the proposal.

34. Mr SIN Chung-kai said that Members of the Democratic Party (DP) were supportive of the proposal. He recalled that when the proposal on the establishment of FGF was submitted to FC for consideration on 24 January 2003, the Administration advised that in the case of default in the repayment of loan by a film production company, the Participating Lending Institutions (PLI) and FGF would co-own the copyright of the film in question until the company repaid all the outstanding loan under the conditions set by PLI or the copyright of the film was publicly auctioned and any amount eventually recovered from the film production company and through the auction of the copyright, less the administrative cost incurred, would be shared between FGF and PLI according to the risk-sharing ratio. However, according to

Administration's paper provided for the present meeting, there had been some changes to the agreed arrangement such that in case of default, PLI and FGF would not co-own the copyright of the film and any amount eventually recovered from the film and the film production company, less the administrative cost incurred, would be shared between FGF and PLI according to the risk-sharing ratio. He enquired about the reason for such changes and when these changes came into operation.

35. The Commissioner for Television and Entertainment Licensing (C for T&EL) advised that following the approved creation of FGF in 2003, the Television and Entertainment Licensing Authority discussed with the Department of Justice, the Intellectual Property Department and PLI on the technical details of operating FGF and concluded that the co-ownership of the copyright of the film by PLI and FGF would involve very complicated legal procedures. It was decided that upon approval of the loan guarantee of the film under FGF, the film production company had to assign all the receivables, proceeds and benefits arising from the film to and arrange a first legal charge over all copyright of the film in favour of PLI until the loan had been repaid. In case of default, any amount eventually recovered from the film and the film production company, less the administrative cost incurred, would be shared between FGF and PLI according to the risk-sharing ratio. Mr SIN Chung-kai requested that in future, the Administration should notify FC of any changes to the approved arrangements. C for T&EL agreed that the Administration should have notified FC of the changes and she apologized for failing to do so. The Chairman also took this opportunity to remind the Administration the need to inform FC of any subsequent changes to funding proposals.

36. The Chairman put the item to vote. The Committee approved the proposal.

Item No. 6 - FCR(2004-05)49

HEAD 22 – AGRICULTURE, FISHERIES AND CONSERVATION DEPARTMENT

♦ **Subhead 700 General non-recurrent**

Item 572 Provision of additional cleansing and maintenance service to country parks and other AFCD venues

HEAD 49 – FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT

♦ **Subhead 700 General non-recurrent**

Item 013 Special improvement in environmental hygiene

HEAD 63 – HOME AFFAIRS DEPARTMENT

♦ **Subhead 700 General non-recurrent**

Item 024 Minor environmental improvement, community involvement and Clean Hong Kong projects

HEAD 149 – GOVERNMENT SECRETARIAT : HEALTH, WELFARE AND FOOD BUREAU

♦ **Subhead 700 General non-recurrent**

Item 022 Enhancing hospital care services and implementing minor capital works for hospitals and clinics

HEAD 95 – LEISURE AND CULTURAL SERVICES DEPARTMENT

♦ **Subhead 700 General non-recurrent**

Item 048 Leisure, Cultural, Sports and Arts Training Project, Leisure and Cultural Guide Project and provision of cleaning-related service to public leisure venues

HEAD 170 – SOCIAL WELFARE DEPARTMENT

♦ **Subhead 700 General non-recurrent**

Item 529 Community Care Project, provision of additional support to measures under the Support for Self-reliance Scheme, Peer Counsellor Project, Programme Assistant Project and enhancing personal care services to frail elders

37. The Chairman informed members that the Panel on Manpower was consulted on the proposal at its meeting on 24 February 2005.

38. Mr LAU Chin-shek, Chairman of the Panel on Manpower, said that the Panel supported the proposed extension of some 11 200 temporary jobs, but requested the Administration to favourably consider retaining the remaining temporary jobs which the Food and Environmental Hygiene Department proposed not to extend. Having critically reviewed the matter, the Administration had agreed to increase the number of temporary jobs by a further 391, bringing the total to about 11 600. The Panel welcomed the increase in the number of temporary jobs and supported the revised proposal. Mr LAU would also like to extend his appreciation to the concerted efforts of Panel members and the Administration in providing relief for the unemployed.

39. While supporting the proposal, Ms LI Fung-ying considered it necessary for the Administration to review the provision of temporary jobs based on operational need. Where the need for the jobs was of a continuous nature, the temporary posts should be converted to permanent establishment as far as possible. The Permanent Secretary for Economic Development and Labour (Labour) (PSL) took note of Ms LI's view. As regards Ms LI's enquiry about the 11 600 temporary jobs to be extended while in effect some 11 700 temporary jobs were due for expiration by end-March 2005, PSL explained that the Hospital Authority (HA) had absorbed more than 100 jobs through its own resources. On the other hand, 42 additional temporary jobs had been created under the Agriculture, Fisheries and Conservation Department to improve the management of Country Parks.

40. Mr WONG Kwok-hing thanked the Administration for acceding to the Panel's request for increasing the number of temporary jobs. He also agreed that objective criteria should be worked out to assess the need for conversion of temporary posts into permanent ones based on operational needs as in the case of HA which had

employed about 80% of its temporary workers on contract terms. He further pointed out that the provision of temporary jobs was only an interim measure, the Administration should endeavour to assist the temporary workers to secure permanent jobs in the open market by making suitable recommendations based on their performance.

41. Miss CHAN Yuen-han said that Members of the Hong Kong Federation of Trade Unions supported the proposal. She however pointed out that the retention of the 391 additional temporary jobs had indeed revealed the need for the jobs but these were not extended in the first place due to budget constraints. She therefore called for concerted efforts in creating more employment opportunities.

42. Mr LEE Cheuk-yan said that Members of the Hong Kong Confederation of Trade Unions supported the proposal as the creation of employment opportunities was of primary importance. He stressed the need for the Administration to provide jobs for the low-skilled workers which was essential to enhance social stability. Consideration should also be given to extending the duration of temporary jobs as this would have the effect of improving service quality. He did not agree that the provision of temporary jobs should be an interim measure since the unemployment rate was still high. He opined that the Administration should provide young people with the necessary training to prepare them for future employment.

43. Mr Andrew CHENG said that DP Members supported the proposal. He agreed that the Administration should continue to provide jobs to the middle-aged and the less-educated workers who might have great difficulties in securing employment in the open market. The Food Environmental Hygiene Department, in particular, should continue to provide more job opportunities for the unskilled workers in maintaining environmental hygiene. He hoped that members and the Administration would work together in resolving the unemployment problem. PSL welcomed members' views and agreed to take them into consideration.

44. While supporting the proposal, Mr Fernando CHEUNG noted that some of the temporary workers had been offered temporary 12-month contracts since 2000. Since they were in fact performing the work of permanent staff whose posts had been deleted as a result of efficiency drives over the years, except that they had no security of employment, Mr CHEUNG considered that instead of extending the temporary jobs on a yearly basis, there should be longer term planning for the career development of these temporary workers, particularly those in the welfare sector who had already attained the necessary experience in youth activities and elderly healthcare services. The Assistant Director of Social Welfare (Youth and Corrections) said that he was aware of Mr CHEUNG's concern which was also raised at the meeting of the Panel on Manpower during which the proposal was discussed. He added that the offering of temporary jobs to young people was meant to provide them with the necessary job-related training so that they could be able to find permanent positions in the open market. It was not intended that they would take up these temporary jobs for a long time. In fact, many of them were able to find permanent jobs in the open market.

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45. Mr Fernando CHEUNG pointed out that as a result of funding cuts in the public sector, many of the services previously provided by permanent staff were now undertaken by temporary workers at a lower cost. These temporary workers, some of them were degree holders, were interested in pursuing a career with the Government. The community would be set to lose if there was no longer term planning for them. At members' request, the Administration agreed to provide where available the number of temporary workers who had successfully secured permanent jobs in the open market, together with details on their present salaries and qualifications.

46. Miss TAM Heung-man asked if the salary of temporary workers had been revised upwards as compared to last year. PSL advised that temporary youth workers would receive a fixed salary of \$4,000 per month, but some of the other temporary workers would have their salary adjusted upwards based on their years of service.

47. The Chairman put the item to vote. The Committee approved the proposal.

Any other business

48. The Chairman said that when the progress of the Centre for Youth Development (CYD) was discussed at the special briefing held on 25 February, the Administration was requested to seek FC's approval for the proposed changes to the management and operation mode of CYD. The Administration was seeking legal advice on the issue and members would be informed of the arrangements for a further meeting if this was considered necessary.

(Post-meeting note: A special meeting was held on 18 March 2005 to discuss the proposed changes to the management and operation mode of CYD.)

49. The meeting was adjourned at 4:20 pm.

Legislative Council Secretariat

19 May 2005