

立法會
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Subcommittee to Study the Subject of Combating Poverty

Minutes of meeting
held on Thursday, 5 October 2006, at 2:30 pm
in Conference Room A of the Legislative Council Building

Members present : Hon Frederick FUNG Kin-kee, SBS, JP (Chairman)
Hon James TIEN Pei-chun, GBS, JP (Deputy Chairman)
Hon LEE Cheuk-yan
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon CHAN Yuen-han, JP
Hon LEUNG Yiu-chung
Hon Emily LAU Wai-hing, JP
Hon LI Fung-ying, BBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Dr Hon Fernando CHEUNG Chiu-hung
Hon Albert Jinghan CHENG

Members absent : Hon Albert HO Chun-yan
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Ronny TONG Ka-wah, SC

Public officers attending : Agenda items I and II

Mr Stephen FISHER, JP
Secretary to the Commission on Poverty

Ms Edna WONG
Assistant Secretary to the Commission on Poverty

Agenda item II

Mrs FUNG CHING Suk-ye, Betty, JP
Deputy Secretary for Education and Manpower

Mr David PAO
Deputy Head, Efficiency Unit

Mr Stanley NG
Acting Assistant Commissioner for Labour
(Employees' Rights and Benefits)

Mr Ernest IP
Senior Labour Officer (Labour Inspection)

Clerk in attendance : Miss Betty MA
Senior Council Secretary (2) 1

Staff in attendance : Mr Chris LAI
Senior Council Secretary (2) 7

Miss Maggie CHIU
Legislative Assistant (2) 4

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I. Implementation of recommendations in the Subcommittee's Report on Working Poverty (Paragraph 6.1(a) in the Report)
[LC Paper No. CB(2)3110/05-06(01)]

The Chairman said that the Subcommittee would continue discussion with the Administration on the implementation of the following recommendation in the Subcommittee's Report on Working Poverty –

- Enabling community participation and empowerment of the working poor in formulating strategies to reduce working poverty (paragraph 6.1(a) in the Report).

Empowerment of the working poor

2. Secretary to Commission on Poverty (CoP) (Secy/CoP) briefed members on the existing mechanism of the Government in enabling community

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participation in formulating poverty alleviation strategies, as set out in the paper prepared by the CoP Secretariat [LC Paper No. CB(2)3110/05-06(01)]. Secy/CoP said that dedicated local forums had been set up in three pilot districts to identify the priorities of district needs, mobilise community resources, and explore bottom-up solutions in addressing the key challenges in the districts. Secy/CoP further said that to better understand the problems faced by the working poor at district level, CoP was conducting a study on "District-based Support for the Disadvantaged" which aimed at examining the best practices and supportive framework in formulating and implementing district poverty alleviation strategies, taking into account the experience of the districts, the implementation of the "Enhancing Self-Reliance Through District Partnership Programme" and views from district personalities. CoP would draw reference from the outcome of the study and make recommendations on the long-term strategy in implementing the district-based approach in alleviating poverty.

3. Dr Fernando CHEUNG said that while he supported the adoption of a district-based approach to provide support for the disadvantaged, he could not see any change at policy level in reducing or combating poverty. He considered that the implementation of pilot district projects on poverty alleviation, such as the "Enhancing Self-Reliance Through District Partnership Programme" at district level, could not solve the problem of working poverty.

4. The Chairman enquired whether committees formed under CoP comprised members from the working poor and whether consultative forums had been set up by CoP to solicit public views on the formulation of poverty alleviation and prevention strategies.

5. Secy/CoP responded that the membership of CoP broadly represented the interests of different sectors of the community, which comprised Legislative Council Members, businessmen, representatives from non-governmental organisations (NGOs) and academics. While the working poor were not directly represented in CoP, the representatives of NGOs in CoP were well versed with the needs of the working poor. Secy/CoP said that the CoP Secretariat would specifically seek the views of those representatives from NGOs as well as relevant parties at district level on new measures on poverty alleviation. Secy/CoP added that the Financial Secretary (FS), Chairman of CoP, had also met with the working poor to solicit their views as well.

6. The Chairman pointed out that representatives from NGOs sitting on CoP were appointed by the Government and they could not fully represent the views and interests of the working poor. The Chairman was of the view that CoP should include members representing the working poor.

7. Secy/CoP said that CoP would provide a final report on its work in mid 2007. The report would set out, among others, long-term poverty alleviation

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strategies and measures. He believed that in preparing its report, CoP would consider the Subcommittee's recommendation of establishing a consultative platform modelling on the operation of the National Economic Social Forum of the Republic of Ireland to gauge public views.

8. Mr LEUNG Yiu-chung said that the major problem faced by the working poor was that their income from work was insufficient to meet their daily expenses. The Administration should provide assistance and support to alleviate the financial burden of the working poor, for example, shortening the waiting time for the allocation of public housing units. However, as the Housing Authority did not comprise members from the needy, it did not understand or address the problems and housing needs of the singleton applicants when deciding to tighten up the eligibility criteria. He expressed regret that singleton applicants for public housing units had not been consulted on the revised eligibility criteria for the allocation of housing units. Mr LEUNG stressed that the working poor and the disadvantaged should be empowered to participate in the decision making process which would affect their daily lives.

9. Secy/CoP said that different channels were available for individuals to put forward their views to the Housing Authority relating to housing issues. Under the existing policy, elderly singletons would be given priority for the allocation of public housing units. Secy/CoP said that he would relay Mr LEUNG's views to the Housing, Planning and Lands Bureau and the Housing Authority for consideration.

10. Miss CHAN Yuen-han commented that in the absence of a consultative platform for the Administration to directly gauge the views of the disadvantaged groups, their difficulties and concerns were seldom taken into consideration in the policy-making process. She pointed out that some working poor had carried out hawking activities after work in order to help their families make ends meet. Instead of assisting these low-income workers to earn a living on their own accord, the Administration had taken enforcement actions against such "illegal" hawking activities. In this connection, Miss CHAN urged the Administration to establish a consultative platform with a view to better understanding the needs of the working poor directly. Miss CHAN added that to alleviate the problem of working poverty, the Administration should formulate new measures to create better-paid employment opportunities for the working poor.

11. Secy/CoP responded that poverty alleviation could be achieved at both the macro- and micro-levels. Secy/CoP said that boosting the economy and creation of employment opportunities through the market forces were effective means to reduce poverty at the macro-level. He said that both foreign and local experience showed that the situation of poverty improved when there was a sustainable development in the economy. However, due to various reasons, some poor people could not benefit from economic recovery. CoP had focused

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its key area of work in strengthening assistance for this group of people at the micro-level.

12. Miss CHAN Yuen-han suggested that CoP should coordinate the establishment of a consultative forum to listen to the views of and the problems faced by the working poor. Secy/CoP agreed with Miss CHAN on the importance of direct dialogues with members of the public in policy formulation and implementation. He said that CoP would consider Miss CHAN's suggestions.

13. Dr Fernando CHEUNG said that while he was appreciative of Secy/CoP's enthusiasm in soliciting public views, he hoped that concrete actions would be taken to alleviate the problem of working poverty. With a view to enabling empowerment of the working poor in the formulation of poverty alleviation strategies, Dr CHEUNG asked whether consideration would be given to -

- (a) organising a Poverty Alleviation Summit and inviting senior Government officials and CoP representatives to have direct dialogues with the disadvantaged groups on poverty alleviation and prevention strategies; and
- (b) as a pilot exercise, including target service recipients in the vetting committee to vet funding applications for "Enhancing Self-Reliance Through Partnership Programme", similar to the overseas experience where nearly half of the members of a vetting committee for community projects were service recipients.

14. Secy/CoP said that he would convey Dr CHEUNG's suggestion of organising a Poverty Alleviation Summit for the consideration of CoP. As regards the composition of the vetting committee of the "Enhancing Self-Reliance Through District Partnership Programme", Secy/CoP advised that to his knowledge, an advisory committee comprising representatives from Government departments and non-officials from different sectors was set up under the Home Affairs Department (HAD) to vet funding applications. Secy/CoP added that careful consideration should be given to including service recipients in the process of vetting applications, as it would give rise to potential conflict of interests. Nevertheless, he would convey Dr CHEUNG's views to HAD for consideration.

15. Ms Emily LAU considered that the major causes of poverty were unemployment and low-income employment. In her view, the Administration should tackle the problem at policy level with a view to enhancing and upgrading the quality and skills of the labour force.

16. Secy/CoP agreed that the major challenge facing poverty alleviation was

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assistance could be provided to the middle-aged, low-income and low-skilled workers to tide over the employment problems brought by economic restructuring. Government departments had made concerted efforts in helping these workers to seek employment through training, retraining and employment assistance programmes, as well as creation of employment opportunities. Notwithstanding this, the Administration acknowledged that some unemployed still could not find suitable jobs in the labour market. As regards the problem of low-income employment, Secy/CoP said that introducing minimum wage might help raise the income level of the working poor. However, its implications on the economy and employment market should be considered carefully. Secy/CoP stressed that tackling the problem of working poverty was not easy as it involved many complex issues. The Administration would take into account all the views in examining existing policies and making recommendations for poverty alleviation.

17. Mr LEUNG Kwok-hung held the view that it was Government's obligation to tackle the problem of poverty, irrespective of the complexity of issues involved. Working poverty alleviation strategies and measures, including providing universal retirement protection, establishing an unemployment relief fund and setting a minimum wage, should be included in the Chief Executive's forthcoming Policy Address. Mr LEUNG was dissatisfied at the Administration for not implementing these strategies and measures.

18. The Chairman said that CoP should discuss the following issues relating to empowerment of working poor in formulating anti-poverty strategies at its future meetings –

- (a) establishing a consultative mechanism at the central level to gauge public views regularly on the formulation of poverty alleviation policies and strategies;
- (b) establishing a consultative platform, comprising members from different sectors of the community, under CoP to discuss poverty-related issues; and
- (c) enhancing the consultative mechanisms at district level by gauging the views of the relevant stakeholders and service recipients from outside the existing consultative network.

The Chairman urged CoP to address the above issues in its report to be released in mid 2007.

Transport subsidy scheme

19. Dr Fernando CHEUNG said that FS undertook in the 2006-2007 Budget

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to expand the scope of short-term travelling support scheme to provide further support to low-income workers living in remote areas to take up employment across districts. Dr CHEUNG enquired about the progress of the proposed scheme.

20. Secy/CoP responded that a short-term travelling support scheme had been introduced since April 2006 to help eligible graduates of the Employees Retraining Board (ERB) living in remote areas to work across districts. He said that the initial response to the scheme was not satisfactory, and 43 applications of the some 50 applications, had so far been approved. A review of the scheme would be conducted onto the application procedures and the amount of subsidy. As for the provision of a longer-term travelling support scheme for low-income workers living in remote areas, Secy/CoP said that CoP had been discussing with other relevant bureaux and department on a viable and cost-effective mechanism to guard against possible abuse. Secy/CoP further said that CoP would endeavour to work out the mechanism for the implementation of the longer-term travelling support scheme as early as possible.

21. Dr Fernando CHEUNG was disappointed at the slow progress made in implementing the longer-term travelling support scheme. He enquired about the concrete implementation timetable of the scheme. Secy/CoP responded that CoP aimed to launch the scheme in the 2006-2007 financial year.

22. Mr LEUNG Kwok-hung said that the Administration should honour its commitment in providing a longer-term travelling support to low-income employees living in remote districts, as FS had made the undertaking in his 2006-2007 Budget.

23. Mr LEE Cheuk-yan said that he expressed support for the 2006-2007 Budget on the understanding that a longer-term travelling support would be provided to the low-income employees living in remote districts. He cast doubts on whether the proposed scheme could be launched by the end of this financial year, since the implementation details had yet to be worked out. Secy/CoP reiterated that while CoP would try its best to meet the target implementation date, it still needed to devise a viable and cost-effective mechanism for implementing the scheme.

II. Implementation of recommendations in the Subcommittee's Report on Women in Poverty (Paragraph 5.1(c), (d), (e), (f), (g), (h), (j) and (m) in the Report)

[LC Paper Nos. CB(2)31110/05-06(02) and (03)]

24. The Chairman said that the Subcommittee had completed and presented its Report on Women in Poverty to the House Committee on 16 June 2006. The

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Subcommittee would first discuss the implementation of the recommendations pertaining to education, training, retraining and employment for women in poverty as stated in paragraph 5.1(c), (d), (e), (f), (g), (h), (j) and (m) in the Subcommittee's Report. The Chairman further said that implementation of other recommendations in the Report would be discussed at the next Subcommittee's meeting.

25. Secy/CoP briefed members on the salient points of the CoP's paper [LC Paper No. CB(2)3110/05-06(02)] which set out the Government's efforts in providing more targeted training, retraining and continuing education for the low-skilled, low-education and middle-aged unemployed, including women. Secy/CoP highlighted the fact that ERB offered placement-tied training courses to assist the unemployed to rejoin the workforce. He said that in recent years, ERB had proactively developed market-oriented training and retraining courses, as well as new and untapped job markets for the low-skilled and low-education workers, such as local domestic helpers and post-natal mentors. Secy/CoP added that there were other continuing education initiatives, such as the Capacity Building Mileage Programme developed by the Women's Commission, to encourage women to pursue lifelong learning.

26. Deputy Secretary for Education and Manpower (DS/EMB) briefed members on the Administration's paper [LC Paper No. CB(2)3110/05-06(03)] which gave an overview of the key initiatives launched by the Education and Manpower Bureau to provide education, training and retraining to the labour force in Hong Kong, including women, so as to enhance their competitiveness. DS/EMB said that these programmes offered equal access and opportunities to all eligible applicants irrespective of their gender. The enrolment rates of women were, however, higher in some programmes, and most notably in the Employees Retraining Scheme, Continuing Education Fund and Adult Education Subvention Scheme, which ranged from 60% to 80%. DS/EMB said that these figures indicated that women displayed a high level of enthusiasm in skills upgrading and lifelong education.

27. As regards the Subcommittee's recommendation for providing insurance coverage for local domestic helpers registered with ERB (paragraph 5.1(m) in the Subcommittee's Report), DS/EMB explained that employers were required to take out insurance policies for their employees under the Employees' Compensation Ordinance. ERB had identified several insurance companies offering a wide range of bargain insurance packages for employers' selection to facilitate their taking out insurance for the local domestic helper trainees under the Integrated Scheme for Local Domestic Helpers. The Administration considered it inappropriate for the Government or ERB to use public money to take out insurance coverage on behalf of the employers.

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Adult education

28. Mr LEE Cheuk-yan said that as a result of a reduction in Government subsidies for the junior secondary evening courses, adults with low-education, such as new arrivals and those who had missed the opportunity to receive formal education, would be deprived of the right to receive formal education in future. He strongly urged the Administration to reconsider the policy on adult education.

29. DS/EMB responded that the Government had introduced a wide range of vocational education and training programmes for adult learners. The Administration considered that the needs of adult learners would be better met by preparing them for employment or enhancing their employability. She added that career-oriented studies would be incorporated in the new senior secondary academic structure. As regards the subsidies for evening adult education, DS/EMB advised that a review would be conducted in 2007-2008.

30. Mr LEUNG Kwok-hung said that some low-income workers, who had missed the opportunity to receive formal education, could not enhance their skills and broaden their knowledge because they did not possess the basic entry qualifications for advanced vocational training programmes. He held the view that these workers would enhance their competitiveness only if they could attend secondary evening schools to continue education.

31. Miss CHAN Yuen-han commented that low-education adults were not eligible for courses organised by the Vocational Training Council (VTC) as they did not possess the minimum entry qualification, i.e. completion of Form Three education. Miss CHAN said that in the New Territories West, a considerable number of women had received only primary education and were badly in need of continuing education to upgrade themselves. Miss CHAN considered that providing primary and junior secondary evening courses would assist these women in further enhancement.

32. DS/EMB responded that the Administration was working on a wider range of learning options to better cater for the different learning needs of students and adult learners. Consideration was being given to launching a pilot bridging programme in conjunction with VTC targeting at low-education adults. Upon completion of the 2-year programme, graduates would be awarded qualifications equivalent to Form 3 or Level 1 of the Qualifications Framework (QF). The programme could facilitate low-education adult learners to pursue further studies and attain higher academic/vocational qualifications. DS/EMB said that the details of the proposal would be made available when ready.

33. Dr Fernando CHEUNG expressed dissatisfaction at the Administration for not providing enough support in the development of continuing education in Hong Kong. He pointed out that in some developed countries, a wide variety of

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continuing education courses without minimum entry requirements were offered by community colleges to all citizens at very low fees. Dr CHEUNG enquired whether means were available under the new academic structure for the low-education women to pursue formal education. Dr CHEUNG also asked about the assistance provided for low-education women, who needed to work and look after their families, to pursue lifelong learning.

34. DS/EMB responded that the cross-sectoral QF provided a platform to facilitate lifelong learning. DS/EMB said that QF was a seven-level hierarchy which linked qualifications in the academic, vocational and continuing education sectors. Under the proposed QF, multiple pathways would be established for members of the public, including low education women, to draw up their own road maps for learning and acquire the relevant qualifications. DS/EMB added that a credit accumulation and transfer system would be established under QF so that learners could systematically accumulate credits of learning and training gained from various courses with a view to converting the accumulated credits into a recognised qualification.

35. Ms Emily LAU maintained the view that the Administration should continue to provide subsidised adult education courses for low-education adults to pursue further education. It would be for individuals to choose whether they preferred skills upgrading or career-oriented training courses to formal school education.

36. DS/EMB said that the Government was committed to promoting and supporting lifelong learning and would continue with its efforts in providing multiple progression pathways for adult learners through various programmes and schemes to enhance their competitiveness and employability. She added that the pilot programme would offer both vocational and academic streams to meet the needs and aspirations of different adult learners.

37. The Chairman shared the view that the Administration should not reduce the subsidies for the junior secondary evening courses to facilitate low-income employees who preferred to pursue formal education.

38. Ms Emily LAU was dissatisfied that the Administration was reluctant to heed members' request for restoring Government subsidies for adult education courses. She asked for information on the training capacity and fees of the proposed bridging programme for low-education adult learners.

39. DS/EMB said that the proposed programme targeting at low-education adults would be launched on a pilot basis, and the training capacity would depend on the market demand. DS/EMB added that the Administration was considering ways to assist the low income, low education adults enrolling in the pilot programme.

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Training, retraining and employment

40. Mr LEE Cheuk-yan pointed out that part-time general skills courses offered by ERB provided an avenue for the low-skilled workers and home makers to enhance employability. However, ERB had reduced the places for part-time general skills courses. He considered that the full-time placement-tied skills courses offered by ERB could not meet the needs of low-skilled and low-education workers who did not possess the entry qualifications. Mr LEE asked about the assistance provided to the low-education and low-skilled workers to enhance their employability.

41. DS/EMB said that given that part-time general skills courses were widely available in the market, ERB had decided to focus on offering full-time placement-tied retraining courses in the light of the resource constraints. In response to Mr LEE, DS/EMB said that funds would be allocated to provide additional retraining places if the court ruled the Administration in favour in the judicial review regarding the imposition of levy on employers of foreign domestic helpers.

42. Ms LI Fung-ying disagreed with the allocation of additional resources for training and retraining only when the funds set aside pending the result of the judicial review were released. She was of the view that the Administration should deploy adequate resources to enhance the overall quality of the workforce. Ms LI also expressed reservation about the effectiveness of developing QF to promote a life-long learning culture in Hong Kong. She pointed out that as low-skilled workers would normally have to work for long hours, they had practical difficulties in attending training courses after work. Ms LI referred to her motion passed at the Council meeting on 30 June 2004, which urged the Government to consider providing incentives to encourage employers to support QF, say, by granting paid study leave to employees to attend the relevant skills courses, and enquired about the follow-up actions taken by the Administration so far.

43. DS/EMB responded that the Government had been providing incentives for adult learners who wished to pursue continuing education and training. For example, the Government subsidised 70% of the course fees of courses under the Skills Upgrading Scheme while the remaining 30% was paid by the trainees and/or employers. DS/EMB said that more and more employers were willing to release their employees to attend the Scheme.

44. As regards the grant of paid study leave to their employees, Acting Assistant Commissioner for Labour (Employees' Rights and Benefits) said that similar to marriage leave and paternity leave, the grant of study leave to employees was not mandatory under the Employment Ordinance. He said that

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the Labour Department would step up publicity to encourage employers to adopt family-friendly measures and grant study leave to their employees if situation warranted.

45. Ms LI Fung-ying expressed reservation on the effectiveness of only encouraging employers to provide study leave for their employees. She urged the Administration to introduce concrete measures to foster a wider adoption of family-friendly measures in the business sector.

46. Mr LEUNG Kwok-hung considered it inappropriate for the Government to introduce a levy on employers of foreign domestic helpers for the purpose of financing training and retraining for local workers, as this would result in a reduction in the wages of foreign domestic helpers. Mr LEUNG commented that the design of retraining programmes did not meet the market needs. He pointed out that graduates of ERB retraining courses could not find better paid jobs because there were already an abundant supply of workers in the job market, such as security guards and domestic helpers.

47. The Chairman held the view that the Government should invest more resources to assist the unemployed to rejoin the workforce. The Government was putting the cart before the horse by saying that it would allocate more resources on ERB retraining courses only if the court ruled in favour of the judicial review regarding the levy on employers of foreign domestic helpers.

48. Miss CHAN Yuen-han pointed out that the major problems faced by graduates of ERB retraining courses were difficulties in finding and securing employment. The provision of retraining courses alone could not solve the unemployment problem. A more coordinated approach should be adopted in assisting the low-skilled to obtain employment. She pointed out some job markets developed by ERB, such as local domestic helpers, was beginning to saturate and could no longer provide enough job opportunities for graduates of ERB. She was strongly of the view that ERB and the Administration should step up the efforts in developing new potential markets and new courses for women, such as elderly care and home help services for middle-class families.

49. DS/EMB responded that apart from offering retraining courses, ERB had stepped up its efforts in developing potential markets with job opportunities suitable for low-skilled workers, e.g. health massage and foot reflexology, and ERB would launch promotion campaigns for these new courses. DS/EMB welcomed any suggestions on potential job markets so that ERB could explore the feasibility of providing more suitable retraining courses to equip the low-skilled and low-education workers for the jobs identified.

50. Secy/CoP supplemented that CoP was examining the means for strengthening the interface between employment services and skills upgrading

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initiatives currently administered by different Government agencies, with a view to achieving the best use of the resources and avoiding duplication of efforts.

Development of social enterprises

51. The Chairman said that the legislation in Taiwan stipulated that 10% of Government service contracts should be awarded to social enterprises (SEs). The Chairman was of the view that apart from providing seed money to NGOs for starting a business, the Administration should provide more support services to assist NGOs to operate SEs on a sustainable basis, having regard to the fact that most NGOs lacked the experience and professional knowledge in running a business.

52. Secy/CoP said that a crucial factor for SEs to survive and be sustainable was a real enterprising spirit and a mentality to compete and operate like a business. In this connection, CoP was working with universities and skills training institutes on the means for strengthening social entrepreneurship training for NGOs or other interested business organisations.

53. Secy/CoP further said that as the World Trade Organisation Agreement on Government Procurement applied to Hong Kong, preferential treatment could not be given to SEs when awarding Government service contracts. CoP, however, was considering stipulating in the contracts for successful bidders for Government service contracts to be required to employ and provide training to specified disadvantaged groups, such as the middle-aged unemployed. A pilot scheme would be launched in a few selected Government departments. Secy/CoP added that CoP would further study the promotion of SE development and propose measures in its report to be released in mid 2007.

54. Dr Fernando CHEUNG pointed out that the World Trade Organisation Agreement on Government Procurement provided exemptions for procurement of products or services for the disabled. He said that the Administration should introduce similar arrangements for the promotion of SEs. As regards the social entrepreneurial training provided to SEs, Dr CHEUNG considered that academics did not possess relevant experience of running a business, and CoP should enlist the expertise of the business sector in offering professional advice to SEs.

55. Ms LI Fung-ying held the view that instead of assessing the tenders of Government service contracts solely from the cost-effective perspective, priority should be given to those which created job opportunities for low-skilled workers. Miss CHAN Yuen-han expressed a similar view and said that the Administration should review the Co-operative Societies Ordinance with a view to facilitating the setting up of SEs.

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56. Secy/CoP reiterated that CoP was considering the stipulation of a requirement for successful bidders to provide training and employment opportunities for the disadvantaged groups. Secy/CoP added that the Administration would also relax the weighting for employment of disabled persons in approving applications for the Seed Money Project. He believed that the proposed arrangement could enable SEs to operate on a wider range of business activities and employ more unemployed and disabled persons in such business.

57. Deputy Head, Efficiency Unit (DH/EU) said that the study conducted by the Efficiency Unit revealed that over 70% of some 100 Government contracts were not awarded to the lowest bid. This indicated that the quality of service carried more weight in tender evaluation. User opinion surveys also provided a positive feedback towards the quality of service provided by successful tenderers. DH/EU stressed that Government service contracts would be awarded based on the principles of transparency, fairness and value for money in Government procurement. It would be for individual procuring departments to decide on the weighting for the employment of disabled and unemployed persons, in the light of their specific needs and requirements.

III. Any other business

Work plan of the Subcommittee

[LC Paper No. CB(2)2727/05-06(04)]

58. The Chairman said that due to time constraint, the discussion on the Subcommittee's work plan for the 2006-2007 session and new topics for study would be deferred to the next meeting. The Chairman suggested that the Subcommittee would study the development of social enterprises in helping the disadvantaged after completing its work on elderly in poverty. A circular would be issued to members to invite members' views on the suggestion. The Chairman further said that members would be informed of the date of the next meeting in due course.

59. There being no other business, the meeting end at 4:40 pm.