

Panel on Manpower

List of outstanding items for discussion

(position as at 19 April 2005)

**Proposed timing
for discussion**

Items proposed by members

1. 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 United Nations Committee on Economic, Social and Cultural Rights issued its Concluding Observations on 11 May 2001 after its hearing on the above Report. The United Nations Committee has raised a wide range of issues in its Concluding Observations. At its meeting on 12 June 2001, the LegCo Panel on Home Affairs suggested that the relevant Panels should discuss issues raised in the Concluding Observations under their purview. The Chairman of the Panel on Manpower has agreed that the Panel should discuss issues raised in the Concluding Observations which are under the purview of the Panel.

To be confirmed

In its letter to the Chairman on 23 June 2003 (LC Paper No. CB(2)2744/02-03(01)), the Administration advised that the Second Report had been submitted to the Central Government.

2. Problem of unemployment of the youth

Hon CHAN Yuen-han suggested on 30 October 2001 that the problem of youth unemployment should be discussed by the Panel, and youth organisations should be invited to give views on the subject.

To be confirmed

**Proposed timing
for discussion**

At the meeting on 18 April 2002, the Administration briefed members on the proposed Youth Work Experience and Training Scheme which aims at addressing the rising unemployment rate of young people aged between 15 and 24.

At the meeting on 31 October 2002, the Administration briefed members on a series of measures to promote employment opportunities for people at all levels.

At the meeting on 20 February 2003, the Administration briefed members on a special project entitled "Action S4" which aims to provide intensive training and counselling services to vulnerable trainees of the Youth Work Experience and Training Scheme.

At the meeting on 17 July 2003, the Administration briefed members on the progress of the Youth Work Experience and Training Scheme and a special project co-organised with the Professional Validation Council of Hong Kong under the Scheme entitled "Youth Work Experience and Skills Enhancement Programme for the Manufacturing Industry" which aims at providing employment and training opportunities for young people and supply a pool of well trained personnel to meet the needs of the manufacturing industry.

At the briefing on the Chief Executive's (CE's) 2004 Policy Address on 15 January 2004, the Administration briefed members on the proposed extension of the Youth Work Experience and Training Scheme for 2 years and a one-year pilot scheme to train and assist 1 000 young people aged 18 to 24 to become self-employed. Members discussed and supported the proposals at the Panel meeting on 12 February 2004.

Funding approval for the two proposals was given by the Finance Committee on 27 February 2004.

**Proposed timing
for discussion**

Upon request by members at the meeting on 17 June 2004, the Administration has provided a paper on the progress of the youth employment and training programmes offered by the Labour Department. The paper was circulated to members vide LC Paper No. CB(2)3136/03-04 on 21 July 2004.

3. Problem of unemployment of the middle-aged

Hon CHAN Yuen-han, Hon WONG Kwok-hing and Hon KWONG Chi-kin suggested in their letter dated 16 December 2004 that the problem of unemployment of persons aged 40 to 50 should be discussed by the Panel.

To be confirmed

4. Proposals to extend the applicability of the Employment Ordinance to government employees on non-civil service contract terms, and employees who are not employed under a continuous contract

At the meeting on 2 November 2001, Hon LEUNG Fu-wah indicated that he and two other members in the Labour Constituency would jointly introduce a Member's Bill to extend the applicability of the Employment Ordinance to those who are employed by the Government on non-civil service contract terms. They will make another proposal to extend the same to those who are not employed under a continuous contract (i.e. persons who are employed for less than four weeks and whose working hours are less than 18 in each week).

To be confirmed

At the meeting on 15 November 2001, Hon LEUNG Fu-wah informed members that the said Member's Bill jointly proposed by Hon CHAN Kwok-keung, Hon LI Fung-ying and himself had been submitted to the President of LegCo for consideration. Members agreed that the proposals should be discussed by the Panel when ready. On 14 March 2002, the President ruled that the Bill relates to public expenditure and Government policy and therefore may not be introduced by the members.

As suggested by Hon LI Fung-ying at the meeting on 16 May 2002, members agreed that the report by LD concerning protection for workers who are not employed under a continuous contract should be discussed by the Panel once it is ready.

**Proposed timing
for discussion**

Hon CHAN Yuen-han, Hon WONG Kwok-hing and Hon KWONG Chi-kin suggested in their letter dated 16 December 2004 that the protection of workers who are not employed under a continuous contract should be discussed by the Panel.

5. Creation of job opportunities

At the meeting between Members and Kwai Tsing District Council (K&TDC) members on 29 November 2001, K&TDC members expressed concern about the Government's assistance in the placement of workers with low educational attainment for jobs in a knowledge-based society. They requested that consideration should be given to developing labour intensive industries, such as catering and food packing industries to complement the promotion of Hong Kong as an attractive tourist destination, as a long-term measure for provision of job opportunities to workers of low educational attainment. As the matter relates to policy issues, Members present at the meeting agreed that it should be referred to the Panel on Manpower for follow-up.

To be confirmed

At the meeting on 31 October 2002, the Administration briefed members on a series of measures to promote employment opportunities for people at all levels.

The second progress report on job creation as at 30 September 2002 provided by the Administration was circulated vide LC Paper No. CB(2)456/02-03 on 25 November 2002.

At the meeting on 28 March 2003, the Administration briefed members on measures to strengthen assistance to the middle-aged unemployed to seek employment.

At the briefing on CE's 2004 Policy Address on 15 January 2004, the Administration briefed members on the progress made in 2003.

Hon CHAN Yuen-han, Hon WONG Kwok-hing and Hon KWONG Chi-kin suggested in their letter on 16 December 2004 that the following issues related to the creation of jobs should be discussed by the Panel –

**Proposed timing
for discussion**

- (a) assisting the development of the recycling industry to create more jobs;
- (b) local precasting of more construction parts to create more job opportunities for local workers;
- (c) the employment of more local workers in public works projects/contracts.

6. Employees' claims for periodical payment for temporary incapacity and other compensation as a result of work-related injury

On 30 April 2002, some DRMs met with a deputation comprising a group of injured workers who requested for an improvement in the services provided by LD in assisting injured workers to claim for outstanding periodical payment for temporary incapacity and/or other compensation as a result of work-related injury.

To be confirmed

In a case conference with the Administration on 21 May 2002, DRMs present at the meeting opined that instead of employers making periodical payment and other compensation to injured workers and seeking reimbursement of the amount paid to injured workers from insurers thereafter, insurers should be required to settle the periodical payment and other compensation direct with injured workers. These Members suggested that the matter be followed up by the Panel on Manpower.

At the meeting on 17 July 2003, members agreed that the Administration should provide further information before deciding on whether to delete the issue from the list of outstanding items.

**Proposed timing
for discussion**

7. Feasibility of provision of one-stop service by the Labour Department in handling cases of arrears of wages

Item raised by Hon LEUNG Yiu-chung at the meeting on 21 November 2002. At the meeting, he pointed out that employees who are owed wages by their insolvent employers are normally required to go through a number of processes with LD, the Labour Tribunal and the Legal Aid Department before they could apply for financial assistance from the Protection of Wages on Insolvency Fund. To streamline the administrative procedures involved and to expedite the process, he suggested that the feasibility of LD providing one-stop service for handling cases of arrears of wages be explored.

To be confirmed

Members agreed that the issue should be discussed at the meeting in January 2003 if the relevant information from the Administration will not be ready for discussion at the meeting in December 2002. Subsequent to the meeting, the Administration has advised that the relevant information will not be ready for discussion at the December meeting.

At the joint meeting of the Panel on Administration of Justice and Legal Services and Panel on Manpower on 6 May 2003, members again requested the Administration to consider the provision of one-stop service by the Labour Department. At the Panel meeting on Manpower on 19 June 2003, Mr LEE Cheuk-yan suggested that the item should be discussed at a future meeting.

The suggestion of the provision of one-stop service by the Labour Department was raised again by Hon LEE Cheuk-yan at the Panel meeting on 18 December 2003. The Administration did not find the idea useful in reducing the time required for the different services. To expedite the wage claim process, the Administration was discussing with the Judiciary and reviewing the streamlining of the administrative procedure.

**Proposed timing
for discussion**

8. Proposed new importation of labour scheme

Item proposed by members on 20 February 2003 and scheduled for discussion at the meeting on 20 March 2003. The Administration has subsequently advised that as the idea of allowing local employers to import workers from outside Hong Kong on the basis of a fixed ratio to new jobs created locally is still very much in its infancy, the Administration considers it premature to deal with the subject at the March meeting. At the request of the Administration and with the concurrence of the Panel Chairman, the discussion on the item has been deferred to a future meeting.

To be confirmed

The Administration met employer and employee representatives in February 2004 to discuss how best to create local employment opportunities under the Closer Economic Partnership Agreement with the Mainland through flexibly bringing in skilled labour. It was agreed that this should be pursued by streamlining and liberalising, where possible, the Supplementary Labour Scheme. The Administration is exploring the idea.

9. Financial position of the Protection of Wages on Insolvency Fund

When the Finance Committee considered the proposal of extending a bridging loan to the Protection of Wages on Insolvency Fund (PWIF) at its meeting on 8 November 2002, the Administration made the following undertakings in the light of the views expressed by Members -

To be confirmed

- (a) to report to the Panel on Financial Affairs and Panel on Manpower the outcome of the review of sections 273 and 275 of the Companies Ordinance (Cap. 32), with a view to ascertaining the need to introduce amendments to these two sections to enhance deterrence against unscrupulous employers or company directors for abusing the PWIF; and
- (b) to keep the Panel on Manpower posted of developments in relation to adjustment to the level of Business Registration Certificate levy where circumstances warrant.

**Proposed timing
for discussion**

Regarding item (a), the Administration has advised that sections 273 and 275 of the Companies Ordinance are related to insolvent trading, and are being reviewed in the context of the insolvent trading provisions under the Companies (Corporate Rescue) Bill (the Bill). The scrutiny of the Bill has been held in abeyance since December 2001 to allow time for the Administration to conduct consultation on the trust account arrangement under the Bill. The Administration issued the consultation paper in early September 2003 and intends to revert to the Bills Committee after the expiry of the consultation period in early November 2003.

10. Protection against anti-union discrimination

At the meeting on 6 May 2003, Mr LEE Cheuk-yan requested the Administration to respond to the recommendations of the International Labour Organisation (ILO) to address the complaints lodged by the trade union of Cathay Pacific Airways concerning discrimination against trade union. The Administration undertook to respond when official documents were received from ILO.

To be confirmed

11. Factories and Industrial Undertakings (Medical Examinations) Regulation and the related Industrial Training (Construction Industry) (Amendment) Bill

The above Regulation and Amendment Bill were held in abeyance due to economic reasons. At the meeting on 6 May 2003, the Administration said that it would review the situation at the end of 2003 and consult the relevant parties on the way forward. It also undertook to revert to the Panel once a decision on the way forward was made.

To be confirmed

The Administration advised on 29 January 2004 that it was reviewing the implications of the proposed Regulations for affected employers and employees under the present economic climate and employment situation. Relevant employers' associations and trade unions as well as the Labour Advisory Board would be consulted in due course.

**Proposed timing
for discussion**

The Bill has lapsed following the dissolution of the second term of LegCo.

The Administration has advised that it has carefully assessed the implications of the proposed Regulation and the Amendment Bill for employers and employees under the current economic climate and come to the considered view that it would not be advisable to re-introduce these pieces of legislation. Nevertheless, the Labour Department will continue to promote voluntary medical examination of workers engaged in the hazardous occupations through disseminating publicity materials, organizing health talks and exhibitions, and conducting promotional visits to target establishments. The Department has also sent letters to relevant employers' associations and labour unions, and to all doctors to raise their awareness of the importance of medical examinations for workers.

12. Enforcement of certificate of origin and its implications on local employment

At the meeting on 20 November 2003, when the impact of the implementation of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) on local employment was discussed, members expressed concerns about the enforcement of certificate of origin and its implications on local employment. Members agreed that the subject matter should be discussed at a future meeting.

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Members are invited to refer to item 24.

13. Establishment of a central compensation fund

At the meeting on 20 May 2004, Hon LEE Cheuk-yan requested the Administration to brief the Panel on the results of its study on the establishment of a central compensation fund. The Administration advised that the study, also undertaken by the insurance industry, would not be ready for discussion until after July 2004.

To be confirmed

**Proposed timing
for discussion**

14. Problem of arrears of wages of construction workers and workers of the catering trade

At the meeting on 12 October 2004, Hon Albert HO suggested that the Panel should discuss the problem of arrears of wages and non-payment of wages to employees who were employed by a subcontractor engaged in the construction industry. Members agreed that the subject matter should be discussed at a future meeting.

To be confirmed

Hon CHAN Yuen-han, Hon WONG Kwok-hing and Hon KWONG Chi-kin suggested in their letter dated 16 December 2004 that the problem of arrears of wages of the construction and the catering trades should be discussed by the Panel.

15. Employment policy

Hon CHAN Yuen-han, Hon WONG Kwok-hing and Hon KWONG Chi-kin suggested in their letter dated 16 December 2004 that the relationship between population and employment policy should be examined to facilitate the formulation of long term population policy and employment policy.

To be confirmed

16. Establishment of a re-employment support scheme

Hon CHAN Yuen-han, Hon WONG Kwok-hing and Hon KWONG Chi-kin suggested in their letter dated 16 December 2004 that the establishment of a re-employment support scheme to encourage the unemployed to join the labour force should be discussed by the Panel.

To be confirmed

17. Progress of establishment of a qualifications framework

Hon CHAN Yuen-han, Hon WONG Kwok-hing and Hon KWONG Chi-kin suggested in their letter dated 16 December 2004 that the progress of the establishment of the qualifications framework proposed by the Administration should be discussed by the Panel.

To be confirmed

**Proposed timing
for discussion**

18. Measures to combat illegal employment

Hon CHAN Yuen-han, Hon WONG Kwok-hing and Hon KWONG Chi-kin suggested in their letter dated 16 December 2004 that the measures adopted by the Administration to combat illegal employment should be jointly discussed by the Panel and the Panel on Security.

To be confirmed

19. Problems relating to the Mandatory Provident Fund Scheme

Hon CHAN Yuen-han, Hon WONG Kwok-hing and Hon KWONG Chi-kin suggested in their letter dated 16 December 2004 that the following issues related to the Mandatory Provident Fund (MPF) scheme should be discussed by the Panel –

To be confirmed

- (a) failure of employers in the construction and catering industries to make MPF contributions;
- (b) MPF coverage for domestic helpers; and
- (c) problem of employers evading MPF contributions through renewal of employment contracts at less than 60-day intervals.

Items likely to be proposed by the Administration

20. Provision of additional compensation for non-compliance with compulsory order of reinstatement or re-engagement

The Administration intends to inform members of the progress of the Administration's proposal to include in the Employment (Amendment) Bill a provision on additional compensation for the employee in case the employer fails to comply with a compulsory order for reinstatement or re-engagement.

To be confirmed

**Proposed timing
for discussion**

21. Employment services provided by the Labour Department

The Administration intends to brief members on the employment services provided by the Labour Department, including the various training and employment programmes, to help place job-seekers in employment.

To be confirmed

22. Measures to promote harmonious labour relations

The Administration intends to brief members on measures taken to reinforce the promotion of harmonious labour relations with particular reference to the construction industry.

May 2005

23. Employees' compensation insurance schemes

The Administration intends to consult members on the way forward for the employees' compensation insurance system in Hong Kong in the light of experience in overseas jurisdictions, local circumstances and submissions received from stakeholders.

May/June 2005

24. Enforcement of certificate of origin and its implications on local employment

The Administration advises that it is committed to upholding the integrity of Hong Kong's certificate of origin system under which certificates of origin for CEPA are issued. It has put in place a comprehensive legal framework in support of the administration of the system and it is enforced by a dedicated team of experienced officers of the Customs and Excise Department.

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After CEPA has operated for one year, the Administration would like to report to the Panel in more detail when full-year application and enforcement figures and information are available.