

**Replies to supplementary questions raised by Finance Committee Members in
examining the Estimates of Expenditure 2007-08**

**Director of Bureau : Secretary for Economic Development and Labour
Session No. : 12**

Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
S-EDLB(L)01	S005	WONG Kwok-hing	90	Labour Relations
S-EDLB(L)02	S045	WONG Kwok-hing	90	Employment Services
S-EDLB(L)03	S056	WONG Kwok-hing	90	Employee Rights and Benefits
S-EDLB(L)04	S057	WONG Kwok-hing	90	Employee Rights and Benefits
S-EDLB(L)05	S041	KWONG Chi-kin	90	Labour Relations
S-EDLB(L)06	S042	KWONG Chi-kin	90	Labour Relations
S-EDLB(L)07	S053	CHAN Yuen-han	90	Employee Rights and Benefits
S-EDLB(L)08	S054	CHAN Yuen-han	90	Employee Rights and Benefits
S-EDLB(L)09	S055	CHAN Yuen-han	90	Employee Rights and Benefits

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-EDLB(L)01

Question Serial No.

S005

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Permanent Secretary for Economic Development and Labour (Labour) /Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

As Reply CSB003 to Question 0857 has indicated, the Government aims to provide a family-friendly working environment and the vast majority of civil servants are provided with full-pay annual leave, ranging from 22 to 40.5 days.

If the Government does not play an exemplary role by spearheading paid paternity leave in the civil service, are there any other measures to encourage the private sector to implement paid paternity leave?

Asked by: Hon. WONG Kwok-hing

Reply:

The Labour Department will organise a series of promotional activities to encourage employers to adopt family-friendly employment practices, including the provision of paternity leave.

We will organise a large-scale seminar on 1 June 2007 for employers, representatives of employer associations and human resources practitioners. The seminar will provide a useful forum for participants to gain a better understanding of the latest development on family-friendly employment practices and share experience in implementing such practices.

After the seminar, various promotional activities, including roving exhibitions, will be organised to disseminate information on good family-friendly employment practices and to increase public awareness of the subject. We will also promote enlightened family-friendly employment practices to employers and human resources practitioners through our network of nine industry-based tripartite committees and 18 Human Resources Managers Clubs formed in various trades and industries.

Signature _____

Name in block letters MATTHEW CHEUNG KIN-CHUNG

Post Title Permanent Secretary for Economic
Development and Labour (Labour)/
Commissioner for Labour

Date 26 March 2007

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**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-EDLB(L)02

Question Serial No.

S045

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Permanent Secretary for Economic Development and Labour (Labour) /Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Of the 497 participants who completed the one-month work trial under the “Work Trial Scheme”, only 382 were offered employment and 330 of them accepted the offers. Among them, only 190 worked for 3 months or more in the post-trial employment. In this connection, will the Government inform this Committee of the following:

- (a) have the employers who did not offer employment to the participants continued to participate in the “Work Trial Scheme”?
- (b) as the number of participants who worked for more than 3 months in the post-trial employment only accounts for about 38% of those who completed the one-month work trial, what are the reasons for the low success rate?

Asked by: Hon. WONG Kwok-hing

Reply:

- (a) The Work Trial Scheme is launched to enhance the employability of job-seekers with special difficulty in finding employment, including those who have failed repeatedly in job interviews, through work trials in participating organisations. During the one-month work trial, the Labour Department (LD) will follow up with both the participating organisations and the participants, by telephone contacts or site visits as appropriate, to help the participants adjust at work.

In case the participating organisation does not offer employment to the participant on completion of work trial, LD will assess the reasons given by the employer, feedback of the participant, its findings and observations, etc. We will try to ascertain the participating organisation’s sincerity and commitment in employing permanent staff before allowing it to join the Scheme again.

In 2006, of the 103 participating organisations that did not offer employment to 115 participants, 31 organisations were allowed to participate in the Scheme again. While some of these 31 organisations are still waiting for work trial arrangement, 16 of them have offered employment to 18 new participants after completion of work trial.

- (b) In 2006, a total of 497 participants completed the one-month work trial. Of these, 382 were offered employment, representing a success rate of 77%. Of the 330 participants who accepted offers of employment, 190 (58% retention rate) worked for 3 months or more in the post-trial employment.

Among the 140 participants who worked for less than 3 months by the end of 2006, 10 participants are still in employment, 103 resigned mainly due to other employment opportunities or family/ personal/ health reasons, and employment of the remaining 27 participants were terminated by their employers mainly due to unsatisfactory performance.

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Reply Serial No.

S-EDLB(L)03

Question Serial No.

S056

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Permanent Secretary for Economic Development and Labour (Labour) /Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Regarding the Bureau Secretary's written statement on "safeguarding employees' rights and benefits", will the Government provide information on the arrangements and timetable for a comprehensive review of the Employment Ordinance? (The Bureau has promised to conduct such a review during a relevant motion debate of the Legislative Council.)

Asked by: Hon. WONG Kwok-hing

Reply:

The Employment Ordinance (EO) provides a wide range of protection to employees. We constantly keep the EO under review and make suitable improvements in tandem with the pace of Hong Kong's socio-economic developments. In doing so, we always strike a reasonable balance between the interests of both employers and employees.

We have identified the three priority items for review, namely provisions on "continuous contract" under the EO, enforcement of Labour Tribunal awards, and section 64B of the EO on the criminal liabilities of responsible persons of companies for wage offences. The reviews are in progress.

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Reply Serial No.

S-EDLB(L)04

Question Serial No.

S057

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Permanent Secretary for Economic Development and Labour (Labour) /Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Regarding Reply Serial No. EDLB(L)011, workers employed by government service contractors not only will face unemployment at the change of contractor, they are also affected by continual wage reduction as their wage level is determined according to the statistics of the Census and Statistics Department (C&SD), hence their wages will be cut each time the contract is renewed. In this connection, please provide the following information:

- (1) a breakdown of the distribution of outsourced services in government departments by names of departments, number of contractors, job titles, number of workers engaged and duration of contract in months;
- (2) the situation of wage reduction concerning the above contracts of outsourced services;
- (3) whether the service contractors are taking advantage of the statistics of the C&SD with the connivance of the Government to keep on reducing the wages of these workers? If yes, how can the Government protect their wages? If no, what effective measures will be taken to halt wage reduction?

Asked by: Hon. WONG Kwok-hing

Reply:

Based on information available to the Labour Department (LD) as at 28 February 2007, the total number of outsourced service contracts awarded by two major procuring departments employing non-skilled workers, namely the Food and Environmental Hygiene Department and the Leisure and Cultural Services Department involving cleansing service, security service and property management was 178. The breakdown is as follows:

	Food and Environmental Hygiene Department		Leisure and Cultural Services Department		
	Cleansing service	Security service	Cleansing service	Security service	Property management service
Number of contracts	79	23	35	28	13

LD does not have readily available information on the number of workers employed by the contractors, the duration of their employment contracts and changes in wage level, if any, under the above service contracts and contracts of other procuring departments.

Under the mandatory wage requirement for government service contracts, contractors are required to pay their non-skilled workers wages not lower than the average monthly wages (which relate to an average number of normal hours of work per day and average number of standard working days per month) for the relevant industry/occupations as published in the Census and Statistics Department's Quarterly Report of Wage and Payroll Statistics at the time when the tenders of the service contracts are invited. As wages in the private sector are usually determined by a combination of factors, including the economic circumstances, operating situation, labour supply and demand condition, as well as the qualifications, experience and performance of individual workers, these factors and staff mobility will affect the average wage level of workers. Hence, the average wage level set out in the Quarterly Report tends to vary from time to time. The Government will ensure that the wage rates for non-skilled workers offered by its service contractors are in conformity with the mandatory wage requirement. Any irregularity detected will be thoroughly investigated and follow-up actions will be taken by the relevant procuring departments as appropriate.

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Reply Serial No.

S-EDLB(L)05

Question Serial No.

S041

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Permanent Secretary for Economic Development and Labour (Labour) / Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

What are the reasons for not having conducted a formal study on family-friendly employment practices in Hong Kong?

Asked by: Hon. KWONG Chi-kin

Reply:

In 2007-08, the Labour Department aims at increasing awareness of family-friendly employment practices and facilitating experience-sharing of enlightened practices among employers and human resources practitioners. To this end, we have been collecting up-to-date information on family-friendly employment practices being adopted in Hong Kong through our network of nine industry-based tripartite committees and 18 Human Resources Managers Clubs formed in various trades and industries. As the information so collected is considered sufficient for the purpose, there is no need at this juncture to conduct a formal study on the subject.

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Reply Serial No.

S-EDLB(L)06

Question Serial No.

S042

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Permanent Secretary for Economic Development and Labour (Labour) /Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

The Administration will consider conducting a study on family-friendly employment practices in Hong Kong “as and when the need arises”. Under what circumstances or when is it considered necessary to do so?

Asked by: Hon. KWONG Chi-kin

Reply:

The Labour Department (LD) has been collecting up-to-date information on family-friendly employment practices through its network of nine industry-based tripartite committees and 18 Human Resources Managers Clubs formed in various trades and industries.

In 2007-08, LD will promote family-friendly employment practices to employers and human resources practitioners through a large-scale seminar, roving exhibitions and meetings of tripartite committees and Human Resources Managers Clubs. We will take into account the feedback of participants and local developments in considering whether and when the need for a formal study arises.

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Reply Serial No.

S-EDLB(L)07

Question Serial No.

S053

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Permanent Secretary for Economic Development and Labour (Labour) /Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

The Labour Department plans to conduct an opinion survey in 2008 to gauge the views of the public on age discrimination. In this connection, will the Administration inform this Council:

- (a) of the organisation which will conduct the opinion survey;
- (b) of the target groups and the number of respondents of the opinion survey; and
- (c) whether the opinion survey will cover the acceptance of the public on legislating against age discrimination.

Asked by: Hon. CHAN Yuen-han

Reply:

The Labour Department plans to conduct an opinion survey in 2008 to gauge the views of the public on age discrimination in employment. The survey will be conducted via a Thematic Household Survey (THS) to be managed by the Census and Statistics Department. A sample size of about 10 000 households is normally involved for each round of THS. The survey would include, amongst other things, respondents' views on the most effective measures to tackle age discrimination in employment, such as public education, promotion as well as legislation.

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Reply Serial No.

S-EDLB(L)08

Question Serial No.

S054

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Permanent Secretary for Economic Development and Labour (Labour) /Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Had the government service contractors been notified before the Labour Inspectors conducted the inspections?

Asked by: Hon. CHAN Yuen-han

Reply:

Labour inspectors of the Labour Department conduct workplace inspections to check whether government service contractors comply with the provisions of labour legislation. No prior notice is given to the contractors before the inspections.

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Reply Serial No.

S-EDLB(L)09

Question Serial No.

S055

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Permanent Secretary for Economic Development and Labour (Labour) /Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

During the interviews with the 2 369 non-skilled workers engaged by the government service contractors, were complaints received from these workers about their rights being exploited?

Asked by: Hon. CHAN Yuen-han

Reply:

During the interviews with 2 369 non-skilled workers engaged by 105 government service contractors, labour inspectors of the Labour Department (LD) detected suspected breaches of legislative provisions on wage payment, statutory holidays and annual leave. These cases were thoroughly investigated and, as a result, LD secured 22 convictions and issued written warnings to the service contractors in another 26 cases. The results of our enforcement action were promptly reported to the relevant procuring departments for their follow-up action.

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