

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

**HEAD 141 – GOVERNMENT SECRETARIAT :
LABOUR AND WELFARE BUREAU
Subhead 003 Recoverable salaries and allowances (General)**

Members are invited to recommend to the Finance Committee the retention of the following supernumerary post for a period of two years with effect from 1 August 2008 to enable the continued secondment of a civil servant to the Employees Retraining Board –

1 Administrative Officer Staff Grade B
(D3) (\$134,250 - \$142,250)

PROBLEM

The existing supernumerary post of Administrative Officer Staff Grade B (AOSGB) (D3) created for the secondment of a civil servant to the Employees Retraining Board (ERB) as its Executive Director (ED) will lapse on 1 August 2008. The Labour and Welfare Bureau (LWB) considers that there is an operational need to retain the post beyond this date for the continued secondment of a civil servant with solid management and administrative experience to fill the ED/ERB post for another two years.

PROPOSAL

2. The Secretary for Labour and Welfare proposes to retain a supernumerary post of AOSGB in the LWB for a period of two years with effect from 1 August 2008 to enable the continued secondment of a civil servant to the ERB as its ED.

/JUSTIFICATION

JUSTIFICATION

Creation of Supernumerary Post in 2006

3. In July 2006, the Finance Committee approved vide EC(2006-07)10 the creation of a supernumerary post of AOSGB in the former Education and Manpower Bureau (EMB)¹ to enable the secondment of a civil servant to serve as ED/ERB for a period of two years with effect from 1 August 2006. The major duties of the secondee include –

- (a) ensuring the continued smooth functioning of the ERB and discharge of duties under the Employees Retraining Ordinance (ERO) (Cap. 423) upon the former ED/ERB's departure; and
- (b) conducting a strategic review on the future role and functions of the ERB.

Encl. 1 The job description of the secondee as ED/ERB is at Enclosure 1. The supernumerary post accommodating the secondee is ranked at the same level as that of the former ED/ERB.

Latest Developments and Progress of the Strategic Review of the ERB

4. The ERB's primary service targets used to be confined to persons aged 30 or above with junior secondary education or below. Following the announcement of the Chief Executive (CE) in his 2007-08 Policy Address, the eligibility criteria of the Employees Retraining Scheme (ERS) have been relaxed with effect from 1 December 2007 to cover persons aged 15 or above with education level at sub-degree level or below. To tie in with the relaxation and meet the training needs of the new target clientele, the ERB has increased the provision of training places by 10% from 100 000 to 110 000 in 2007-08. This marks the first step to expand and enhance the training and retraining services of the ERB and the number of training places will be further increased in 2008-09 and beyond. The secondee has been taking the lead in firming up the scope and scale of such training and retraining services. Leadership is also required of the secondee in implementing the pilot scheme of "one-stop" training and employment support model unveiled in the 2007-08 Policy Address, aiming to provide integrated training and employment support services to the needy .

/5.

¹ Upon the re-organisation of the Government Secretariat with effect from 1 July 2007, the policy responsibility over manpower development, including the housekeeping of the ERB, was transferred from the former EMB to the LWB. The supernumerary post of AOSGB was transferred to the LWB with effect from the same date.

5. The civil servant secondee, as the ED/ERB, has fulfilled a key role expected of her during the past two years of secondment to the ERB in conducting and completing a strategic review on ERB's future role and functions. The ERB released a consultative document on its future directions on 24 January 2008, setting out its review proposals for consultation with the public and relevant stakeholders. The Legislative Council (LegCo) Panel on Manpower was consulted on 21 February 2008. The public consultation period ended on 31 March 2008. The ED/ERB and her colleagues are reviewing and consolidating views collected on the review proposals. The ERB is expected to submit a report on its final recommendations to the Government in mid-2008. The initial assessment is that the ERB would need at least three years to implement the expansion of the ERS and the review proposals in phases.

Re-organisation of the Executive Office of the ERB

6. The ED/ERB is supported by the Executive Office in administering the ERS. Having regard to the expanded scope of work of the ERB, the ED/ERB has been taking steps to enhance the organisational capacity of the Executive Office. The changes to the organisation structure of the Executive Office include the appointment of an additional Deputy Executive Director to focus on business development and corporate communications, and re-scheduling of responsibilities and reinforcement at the senior management level by creating Senior Manager posts for leading the functions on course development and administration, business development, as well as quality assurance and management audit. The ED/ERB will follow through these and other organisational changes to ensure that the Executive Office has a sound structural framework equipped with qualified personnel to support the ERB in meeting the challenges ahead.

Proposed Retention of the Supernumerary Post of AOSGB

7. Subject to the Government's endorsement of the ERB's final report on its strategic review (please see paragraph 5 above), strong leadership in the senior management of the Executive Office of the ERB is required in launching the wide range of review recommendations. The ED/ERB will play a pivotal role in ensuring a smooth start in taking forward and implementing the recommendations in phases while overseeing the continued effective operation of the expanded ERS.

8. We consider it essential to have a civil servant secondee with extensive working experience in various government bureaux and departments, a good grasp of management issues at a senior level and strong leadership skills to lead the Executive Office of the ERB during this critical period when a

/comprehensive

comprehensive range of ERB initiatives will be launched. Our ultimate intention remains to go for open recruitment to fill the ED/ERB post. As a transitional arrangement, however, we propose that the supernumerary post of AOSGB be retained for the continued secondment of a civil servant with solid management and administrative experience to fill the ED/ERB post for another two years with effect from 1 August 2008, to follow up on the strategic review and oversee the implementation of the review recommendations during the initial stage. The secondment would also allow sufficient time for recruiting a suitable person to fill the ED/ERB post. The ERB has no objection to the proposal to continue to second a civil servant to fill the ED/ERB post for another two years as a transitional arrangement.

Encl. 2 9. The revised job description of the ED/ERB is at Enclosure 2. The
Encls. 3 organisation charts of the ERB and its Executive Office as at April 2006 and
& 4 April 2008 are at Enclosures 3 and 4 respectively.

Alternatives Considered

10. Given all the recent developments and considerations as detailed in paragraphs 4 to 8 above, we consider that pursuing open recruitment for the post of ED/ERB is not a desirable option at this stage. The alternative of promoting suitable officers from within the Executive Office to fill the post of ED/ERB has also been considered, but is found not feasible as no suitable candidate from within the Executive Office could be identified. Retaining the supernumerary AOSGB post for two years with effect from 1 August 2008 for seconding a civil servant to the ERB as its ED is the only feasible option.

FINANCIAL IMPLICATIONS

11. The additional notional annual salary cost at mid-point of the proposed AOSGB (D3) post is \$1,659,000. The full annual average staff cost, including salaries and staff on-cost, is \$2,255,000. We will recover the full cost, including the staff on-cost, of the proposed post from the ERB.

PUBLIC CONSULTATION

12. We consulted the LegCo Panel on Manpower on 24 April 2008. Members in general supported the proposal.

/BACKGROUND

BACKGROUND

13. The ERB is an independent statutory body set up in 1992 under the ERO. Its main function is to provide retraining to eligible local workers to assist them in taking on new or enhanced skills so that they can adjust to changes in the economic environment.

14. The ERB comprises a Chairman and a Vice-chairman who are non-officials appointed by the CE, and a total of not more than 15 representatives of employers, employees, persons connected with vocational training and retraining or manpower planning, and public officers. The Executive Office of the ERB, which provides administrative support and implements the ERB's decisions, is headed by the ED/ERB.

ESTABLISHMENT CHANGES

15. The establishment changes in the LWB since the establishment of the Bureau on 1 July 2007 are as follows –

Establishment (Note)	Number of posts	
	Existing (as at 1 April 2008)	As at 1 July 2007
A	10 + (2)#	10 + (1)
B	25	23
C	61	52
Total	96 + (2)	85 + (1)

Note:

A – ranks in the directorate pay scale or equivalent

B – non-directorate ranks, the maximum pay point of which is above MPS Point 33 or equivalent

C – non-directorate ranks, the maximum pay point of which is at or below MPS Point 33 or equivalent

() – number of supernumerary directorate posts

– As at 1 April 2008, there was no unfilled directorate post in the LWB.

CIVIL SERVICE BUREAU COMMENTS

16. The Civil Service Bureau supports the proposed retention of the supernumerary post for a period of two years to enable the continued secondment of a civil servant to the ERB to follow up on the strategic review on its future role and functions and oversee the implementation of the review recommendations during the initial stage. The grading and ranking of the proposed post are considered appropriate having regard to the level and scope of responsibilities required.

/ADVICE

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONIDITIONS OF SERVICE

17. As the post is proposed on a supernumerary basis, its retention, if approved, will be reported to the Standing Committee on Directorate Salaries and Conditions of Service in accordance with the agreed procedure.

Labour and Welfare Bureau
May 2008

**Original Job Description of the Executive Director
of the Employees Retraining Board**

(as shown in Enclosure 2 to EC(2006-07)10 proposing the creation of the supernumerary post for two years with effect from August 2006)

Rank : Administrative Officer Staff Grade B (D3)

Major Duties and Responsibilities –

The Executive Director (ED) of the Employees Retraining Board (ERB) reports to the Chairman of the ERB. ED/ERB has the following duties and responsibilities –

- I. To discharge the functions of the ERB under the Employees Retraining Ordinance. These include –
 - (a) to oversee the operation and management of the Employees Retraining Scheme through a network of training and service providers;
 - (b) to develop, implement and monitor the Board's policies, strategies, and programmes for retraining of employees;
 - (c) to administer the Employees Retraining Fund with annual recurrent subvention from the Government and other sources of revenue (e.g. course fees and levy on imported labour), and to direct, co-ordinate and monitor funding and delivery of quality retraining courses and services; and
 - (d) to direct and oversee the operation of the Board's Executive Office (including skills assessment centre), retraining resource centres, as well as district offices of the Integrated Scheme for Local Domestic Helpers.
- II. To assist the Board in conducting a strategic review of the operation, as well as the future role and functions of the ERB having regard to –
 - (a) the development of the Qualifications Framework and its associated Quality Assurance mechanism; and
 - (b) the changing social and economic environment, and requirements of the industries.

**Revised Job Description of the Executive Director
of the Employees Retraining Board**

Rank : Administrative Officer Staff Grade B (D3)

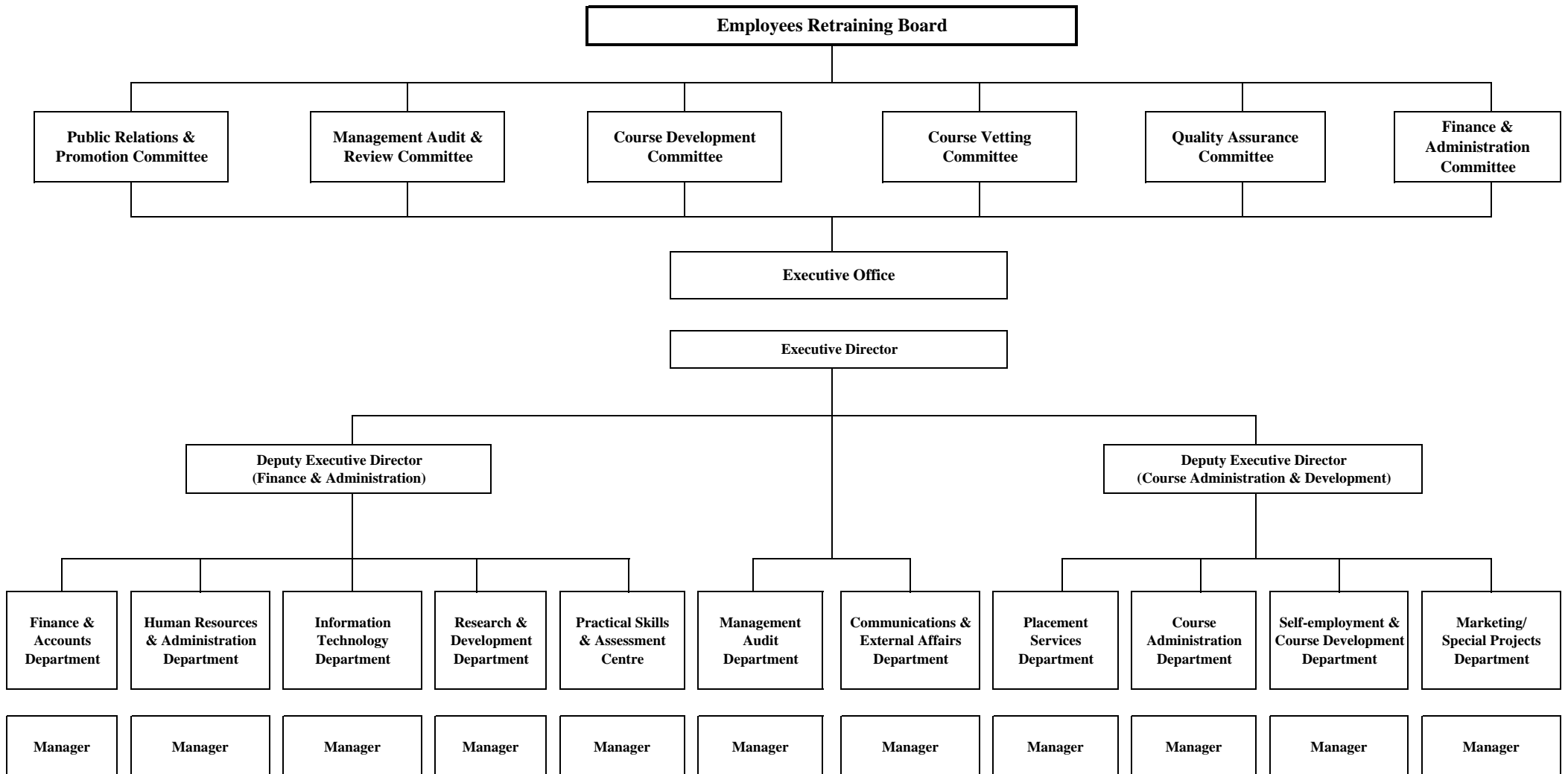
Major Duties and Responsibilities –

The Executive Director (ED) of the Employees Retraining Board (ERB) reports to the Chairman of the ERB. ED/ERB has the following duties and responsibilities –

- I. To discharge the functions of the ERB under the Employees Retraining Ordinance. These include –
 - (a) to oversee the operation and management of the Manpower Development Scheme (previously known as the Employees Retraining Scheme) through a network of training and service providers;
 - (b) to develop, implement and monitor the Board’s policies, strategies, and programmes for training and retraining of employees;
 - (c) to administer and effectively manage the Employees Retraining Fund so as to build up a solid financial base for the sustainable development of the Board’s services;
 - (d) to direct, co-ordinate and monitor funding and delivery of quality training and retraining courses and services; and
 - (e) to direct and oversee the operation of the Board’s Executive Office (including skills assessment centre), retraining resource centres, pilot one-stop training cum employment resource centre(s), as well as district offices of the One-stop Integrated Household Services (previously known as the Integrated Scheme for Local Domestic Helpers), and establishments associated with the “Healthcare Massage Integrated Scheme” and other schemes.

- II. To assist the Board in implementing the various initiatives set out in the strategic review having regard to –
 - (a) the development of the Qualifications Framework and its associated Quality Assurance mechanism;
 - (b) the changing needs of the clientele, as well as the changing vocational training and continuing education market; and
 - (c) the changing social and economic environment, and requirements of the industries.

**Organisation Chart of the Employees Retraining Board and its Executive Office
(as at 1 April 2006)**



Organisation Chart of the Employees Retraining Board and its Executive Office
(as at 1 April 2008)

