

For discussion on
24 April 2008

Legislative Council Panel on Manpower

Retention of a Supernumerary Post for Secondment to the Employees Retraining Board as Executive Director

Purpose

This paper briefs Members on our proposal to retain a supernumerary post of Administrative Officer Staff Grade B (AOSGB) (D3) in the Labour and Welfare Bureau (LWB) for a period of two years with effect from 1 August 2008. The proposal will enable the continued secondment of a civil servant to the Employees Retraining Board (ERB) as its Executive Director (ED/ERB), to oversee the daily operation of the ERB and to assist the ERB in implementing the various recommendations arising from a strategic review on its future role and functions.

Background

2. With the Finance Committee's (FC's) approval vide EC(2006-07)10 in July 2006, a supernumerary post of AOSGB was created in the former Education and Manpower Bureau (EMB)¹ for a period of two years with effect from 1 August 2006 to undertake the following major duties –

- (a) to ensure 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) to conduct a strategic review on the future role and functions of the ERB.

The job description of the supernumerary AOSGB post is at Annex A. The post is ranked at the same level as that of the former ED/ERB.

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

3. 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. The ERB's major targets used to be confined to persons aged 30 or above with junior secondary education or below.

4. The ERB comprises a Chairman and a Vice-chairman who are non-officials appointed by the Chief Executive (CE), and a total of not more than 15 representatives of employers and 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 implement the ERB's decisions, is headed by the ED/ERB.

Justifications

Latest Developments and Progress of the Strategic Review of the ERB

5. 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 young people 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 secondee has to take the lead in firming up the scope and scale of such services in 2008-09. 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 improve training and employment support services to the needy through the provision of integrated services

6. The 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 Panel on Manpower was consulted on 21 February 2008. The public consultation period ended on 31 March 2008 and 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 given the repositioning of the ERB and the extensive service spectrum, the ERB would need at least three years to implement the expansion of the ERS and the review proposals progressively.

Re-organisation of the Executive Office of ERB

7. Having regard to the new role and expanded scope of work of the ERB, its organisational capacity has to be suitably enhanced. The changes to the organisation structure of the Executive Office include the introduction 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 has to take on additional responsibilities to lead the Executive Office through the various organisational changes and to meet the challenges ahead. The revised job description of the ED/ERB is at Annex B. The organisation charts of the ERB and its Executive Office as at April 2006 and April 2008 are at Annexes C and D respectively.

Proposed Retention of the Supernumerary Post of AOSGB

8. Subject to the Government's endorsement of the ERB's final report on its strategic review (see paragraphs 5 and 6 above), strong leadership in the senior management of the Executive Office of the ERB is instrumental in taking forward and implementing the wide range of review recommendations during the initial stage. The ED/ERB will play an especially important role in ensuring a smooth start to and continued effective operation of the expanded ERS when the recommendations are implemented in phases and the ERB undergoes rapid expansion and drastic changes.

9. To spearhead these changes and maintain the momentum of expansion, 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 range of ERB initiatives are being launched. Our ultimate intention remains to go for open recruitment for 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 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 provide sufficiently strong executive leadership upon the re-organisation of the Executive Office of the ERB to cope with the increasing demands and challenges, and allow sufficient time for recruiting a suitable person to fill the ED/ERB post, the preparation work for which will commence in about 12 months' time.

Other Alternatives Considered

10. Given all the recent developments and considerations as detailed in paragraphs 5 to 9 above, we do not consider that pursuing open recruitment for the post of ED/ERB is 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 for seconding a civil servant to the ERB as its ED from 1 August 2008 is the only feasible option.

Financial Implications

11. The notional annual salary cost at mid-point of the proposed AOSGB 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.

Advice Sought

12. Subject to Members' views, we plan to seek the support of the Establishment Sub-committee on 28 May 2008 and approval of the Finance Committee on 13 June 2008.

Labour and Welfare Bureau
April 2008

**Original Job Description of the Executive Director
of the Employees Retraining Board
(as shown in Enclosure 2 to EC(2006-07)10 and approved by
the Finance Committee in July 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 Government and other sources of revenue (e.g. course fees and levy on imported labour). To direct, coordinate 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 to conduct 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)

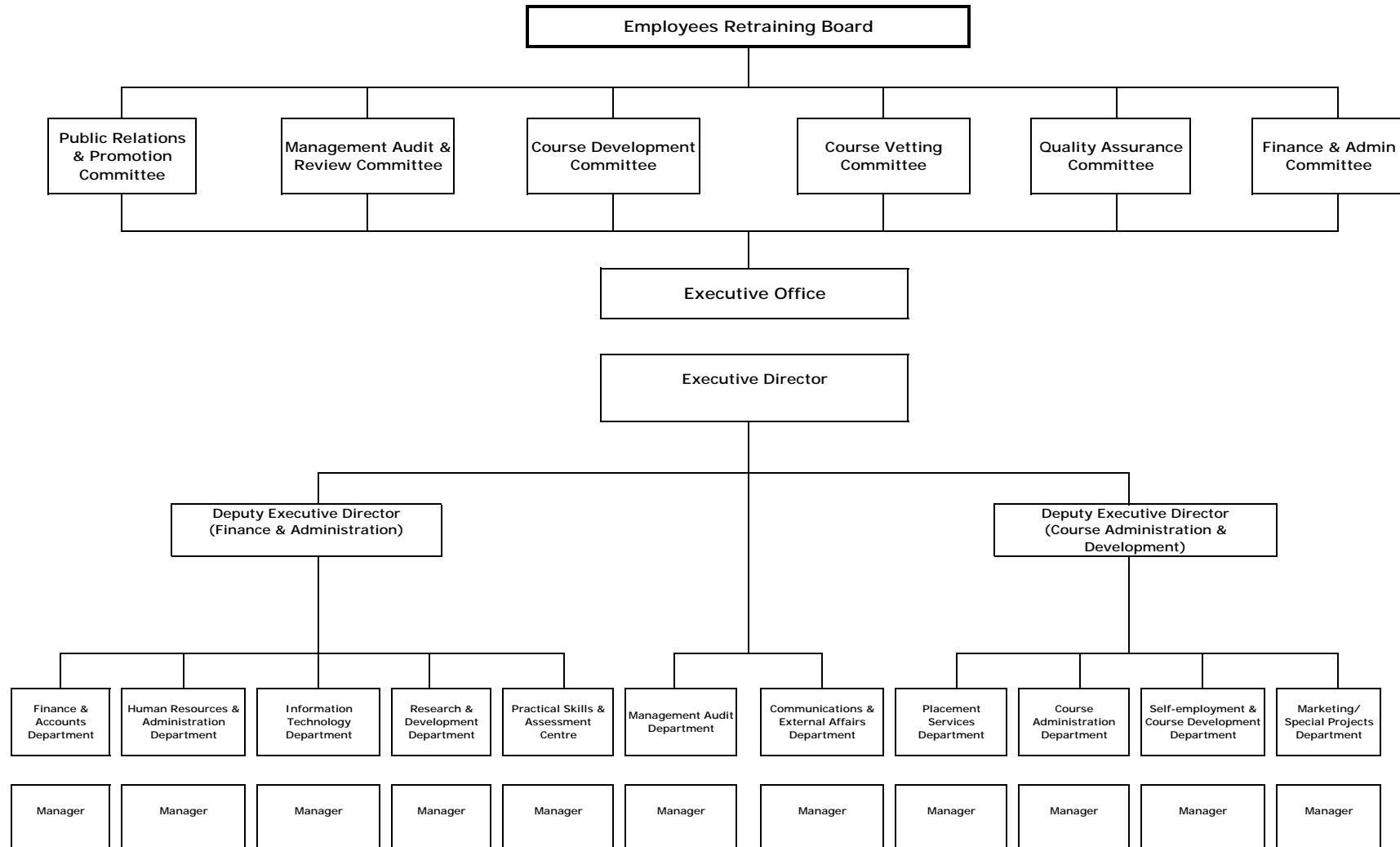
Major Duties and Responsibilities:

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, coordinate 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)



Organization Chart of the Executive Office, Employees Retraining Board
(as at 1 April 2008)

