

立法會
Legislative Council

LC Paper No. CB(2)1019/11-12
(These minutes have been seen
by the Administration)

Ref : CB2/PL/MP

Panel on Manpower

Minutes of meeting
held on Thursday, 15 December 2011, at 2:30 pm
in Conference Room 3 of the Legislative Council Complex

Members present : Hon LEE Cheuk-yan (Chairman)
Hon LI Fung-ying, SBS, JP (Deputy Chairman)
Hon CHEUNG Man-kwong
Hon LEUNG Yiu-chung
Hon Andrew CHENG Kar-foo
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon CHAN Kin-por, JP
Hon CHEUNG Kwok-che
Hon WONG Sing-chi
Hon WONG Kwok-kin, BBS
Hon IP Wai-ming, MH
Hon IP Kwok-him, GBS, JP
Dr Hon PAN Pey-chyou
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung

Member absent : Hon WONG Kwok-hing, MH

Public Officers attending : Item V
Mr CHEUK Wing-hing, JP
Commissioner for Labour

Mr Nicholas CHAN
Assistant Commissioner for Labour
(Policy Support)

Miss Mabel LI Po-yi
Assistant Commissioner for Labour
(Development)

Mr Ricky CHUI Kin-ming, JP
Assistant Director (Finance)
Leisure and Cultural Services Department

Mr Raymond HO Kam-biu
Senior Labour Officer (Labour Inspection)
Labour Department

Item VI

Mr Matthew CHEUNG Kin-chung, GBS, JP
Secretary for Labour and Welfare

Mr CHEUK Wing-hing, JP
Commissioner for Labour

Mrs Tonia LEUNG SO Suk-ching, JP
Assistant Commissioner for Labour
(Employment Services)

Ms Nerissa WONG Pui-han
Senior Labour Officer
(Employment Services) (One-stop Shop)
Labour Department

Mr Stanley NG, BBS
Executive Director
Employees Retraining Board

Clerk in attendance : Mr Raymond LAM
Chief Council Secretary (2) 1

Staff in attendance : Miss Josephine SO
Senior Council Secretary (2) 7

Ms Kiwi NG
Legislative Assistant (2) 1

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I. Confirmation of minutes of previous meeting
(LC Paper No. CB(2)546/11-12)

The minutes of the meeting held on 20 October 2011 were confirmed.

II. Information paper(s) issued since the last meeting

2. Members noted that no information paper had been issued since the last meeting.

III. Date of next meeting and items for discussion
(LC Paper Nos. CB(2)548/11-12(01) and (02))

3. The Chairman informed members that the next Panel meeting was originally scheduled for Thursday, 19 January 2012, at 2:30 pm. However, the Chief Executive's second Question and Answer Session ("CE Q&A Session") for the 2011-2012 session would be held on the same date from 3:00 pm to 4:30 pm. To give way to the CE Q&A Session, members agreed to re-schedule the regular meeting in January 2012 to Friday, 20 January 2012, at 9:00 am.

4. Members agreed to discuss the following two items proposed by the Administration at the next Panel meeting -

- (a) Proposed amendments to the reinstatement and re-engagement provisions under the Employment Ordinance; and
- (b) Review of the levels of compensation under the Employees' Compensation Ordinance, the Pneumoconiosis and Mesothelioma (Compensation) Ordinance and the Occupational Deafness (Compensation) Ordinance.

5. Members also agreed to include the item "Policy on the admission of persons from other places to work in Hong Kong" (item 14 of the Panel's list of outstanding issues for discussion) in the agenda for the next regular meeting. In view of the number of items proposed, members agreed that the meeting be held from 9:00 am to 12:00 noon.

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(Post-meeting note: With the concurrence of the Chairman and the three members proposing the item "Policy on the admission of persons from other places to work in Hong Kong", the discussion of the item was deferred to a future meeting. As only two items proposed by the Administration in paragraph 4 above would be discussed at the meeting on 20 January 2012, the regular meeting in January 2012 would end at 11:00 am.)

IV. Report of the delegation of the Panel on Manpower to study the experience in the implementation of standard working hours in the Republic of Korea

(LC Paper No. CB(2)551/11-12)

6. Members noted the report of the delegation of the Panel on Manpower on its duty visit to study the experience in the implementation of standard working hours in the Republic of Korea ("the Report").

7. The Chairman referred members to the following two recommendations of the delegation set out in paragraphs 4.17 and 4.18 of the Report and invited members to endorse the recommendations -

(a) inviting representatives of the Administration, where appropriate, to accompany relevant committees of the Legislative Council ("LegCo") in future overseas duty visits; and

(b) seeking the House Committee's approval for priority allocation of a debate slot to the Chairman of the Panel cum leader of the delegation for moving a motion to take note of the Report at a Council meeting.

8. The Chairman said that subject to members' endorsement, a proposal would be submitted to the House Committee for consideration at the meeting on 13 January 2012, seeking its approval for the allocation of a priority debate slot under Rule 14A(h) of the House Rules ("HR") for him to move the motion at the Council meeting of 8 February 2012.

9. Mr Tommy CHEUNG said that he did not support the two recommendations in paragraph 7 above. Regarding the delegation's proposal to seek the House Committee's approval for the priority allocation of a debate slot to the Panel Chairman for taking note of the

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Report, he considered that it was in effect jumping the queue for the allocation of debate slots for Members' motions with no legislative effect. In his view, should any Members wish to pursue this proposal for the purpose of debating issues relating to standard working hours at a Council meeting, they should do so in their own capacity as an individual Member, and the debate slot should be counted as the mover's own slot.

10. Mr IP Kwok-him queried the need for holding a motion debate on the Report. In his view, the Panel would have fulfilled its obligation by submitting the Report to the Council.

11. Expressing support for the proposals of the delegation, Mr WONG Sing-chi said that there was no harm for the committees concerned to invite representatives of the Administration to accompany LegCo delegations in future overseas duty visits as in doing so, officials from the relevant Government departments could provide delegation members with information relevant to Hong Kong and share their views or insight on the subject under study during the visit. Mr WONG further said that it was appropriate and not uncommon for Members to debate on reports submitted by committees. In the present case, the Report presented the main findings and observations of the delegation.

12. The Deputy Chairman pointed out that the subject of standard working hours had caused wide public concern in Hong Kong, the delegation recommended holding a motion debate since it would provide a platform for Members to express their views on the matter. To her knowledge, the Administration was conducting a study on standard working hours, and had conducted overseas duty visits to some countries, including the United Kingdom, earlier this year to understand their experience in the implementation of standard working hours. The Deputy Chairman considered that it was an appropriate time for Members and the Administration to exchange views and share useful information on the issue.

13. The Chairman said that to his knowledge, the Administration had also conducted its own visit to the Republic of Korea.

14. Mr IP Wai-ming said that the holding of a motion debate on the issue of standard working hours was different from that on the Report. The latter would facilitate a more focused discussion on the findings and observations of the delegation.

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15. The Chairman said that the proposal to seek the House Committee's approval for the allocation of a priority debate slot was agreed by the delegation, which comprised 11 Members. He added that notwithstanding the recommendation, it was up to the committee concerned to decide whether to invite representatives of the Administration to accompany it in an overseas duty visit.

16. As there were divided views among members on the recommendation, the Chairman put the recommendation to vote. Five members voted for and two members voted against it and one member abstained.

17. Mr Tommy CHEUNG requested putting on record that he did not support the proposal.

18. The Chairman put to vote the recommendation to seek the House Committee's approval for the priority allocation of a debate slot to the Panel Chairman for taking note of the Report. Five members voted for and two members voted against it and one member abstained. Based on the result of the voting, the Chairman declared that the Panel would seek the agreement of the House Committee for priority allocation of a debate slot to its Chairman for moving a motion for debate on the Report at the Council meeting of 8 February 2012.

19. Members also agreed on the wording of the motion as follows -

議案措辭

"本會察悉人力事務委員會訪問團研究南韓實施標準工時的經驗的報告。"

(Translation)

Wording of the Motion

"That this Council notes the Report of the delegation of the Panel on Manpower to study the experience in the implementation of standard working hours in the Republic of Korea."

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20. Members also agreed that a paper would be submitted to the House Committee for consideration at the meeting on 13 January 2012, seeking its approval for the allocation of a priority debate slot under HR 14A(h) for the Panel Chairman to move the motion at the Council meeting of 8 February 2012.

21. The Chairman said that according to HR 13(a), not more than two debates initiated by Members should be held at each regular Council meeting. He invited members' views on whether the Panel should suggest to the House Committee that there should only be one other motion debate without legislative effect at the Council Meeting of 8 February.

22. Mr Tommy CHEUNG expressed strong opposition to put forward such a suggestion to the House Committee, as this would deprive Members of their chance of success in bidding debate slots.

23. As there were different views among members on the proposal to suggest that there should only be one other motion debate without legislative effect at the Council Meeting, a vote was taken on the proposal. Five members voted for and one member voted against the proposal and one member abstained. The Chairman declared that the proposal was carried.

24. The Deputy Chairman suggested and members agreed to amend the word "陪同" in paragraph 4.17 of the Chinese version of the Report as "聯同".

(Post-meeting note: The amended version of the relevant page of the Chinese version of the Report was circulated to members vide LC Paper No. CB(2)660/11-12 on 22 December 2011.)

V. Supplementary provisions required for top-up payment to government service contractors arising from the implementation of statutory minimum wage
(LC Paper Nos. CB(2)548/11-12(03) and (04))

25. The Chairman drew members' attention to Rule 83A of the Rules of Procedure concerning personal pecuniary interest to be disclosed which provided that "In the Council or in any committee or subcommittee, a Member shall not move any motion or amendment relating to a matter

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in which he has a pecuniary interest, whether direct or indirect, or speak on any such matter, except where he discloses the nature of that interest". He reminded members to declare direct or indirect pecuniary interest and the nature of that interest in the matter under discussion before speaking on the matter.

26. At the invitation of the Chairman, Commissioner for Labour ("C for L") briefed members on the Administration's plan to seek the approval of the Finance Committee ("FC") to provide supplementary provision of \$78.488 million for the Leisure and Cultural Services Department ("LCSD") to meet its extra government service contract expenditure in 2011-2012 arising from the implementation of the statutory minimum wage ("SMW"), as detailed in the Administration's paper.

Reason for seeking additional provision

27. Mr IP Wai-ming noted that the exceptional arrangement to authorize bureaux and departments to provide top-up payments to service contractors in respect of existing contracts straddling 1 May 2011 to meet the increase in wage costs of non-skilled workers arising solely and directly from the implementation of SMW ("the special arrangement") would entail additional expenditure for 53 procuring departments, and 52 of them could absorb the additional expenditure from savings identified from their approved provisions for 2011-2012 and/or supplementary provisions approved under delegated authority. LCSD was the only department in need of supplementary provision. He asked about the reason why LCSD could not absorb the top-up payment using its own resources.

28. In response, Assistant Director (Finance)/LCSD ("AD/LCSD") explained that -

- (a) LCSD had all along been striving to achieve good use of its allocated resources with minimal underspending. In 2010-2011, while the approved allocation to LCSD was \$5.29 billion, the total spending was about \$5.27 billion, representing a 99.6% spending level;
- (b) as the special arrangement was only finalized in early 2011, LCSD was unable to budget for the additional expenditure in the 2011-2012 Estimates; and

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- (c) in 2011-2012, the additional expenditure of LCSD's government service contracts as a result of implementing the special arrangement was \$96 million. Despite the limited room available for LCSD to meet the additional expenditure, it had reduced the funding shortfall for 2011-2012 to \$78.488 million after internal redeployment of identified savings of \$17.512 million.

29. C for L supplemented that except for LCSD and the Food and Environmental Hygiene Department ("FEHD") which had recorded a higher level of increase in government service contract expenditure, the additional expenditure for the other 51 procuring departments for implementing the special arrangement was at an average of around \$1.6 million in 2011-2012. FEHD and the other 51 procuring departments could absorb the additional expenditure through savings identified from their approved provisions for 2011-2012 and/or supplementary provisions approved under delegated authority.

Monitoring mechanism

30. Mr IP Wai-ming sought information on the measures adopted by the Administration to ensure that the top-up payments would go to the workers who were the target beneficiaries of the special arrangement.

31. Mr WONG Sing-chi said that he had received many complaints about contractors of government service contracts forcing their employees to sign fabricated wage slips. Expressing concern about the measures adopted by the Administration to ensure that the top-up payments would go to the workers, he asked whether further safeguards would be put in place by the Administration to prevent unscrupulous contractors from embezzling the top-up payments.

32. C for L responded that procuring departments had all along been monitoring their contractors in accordance with their existing contract management system. Since the implementation of the special arrangement, procuring departments had spared no effort to enforce various safeguard measures to ensure that the top-up payments went to the pocket of non-skilled workers who were the target beneficiaries of the special arrangement. Such measures included direct checking with concerned workers on wages received and verification of documents submitted by contractors supporting their top-up payment applications, such as payroll records of non-skilled workers deployed to carry out

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government services under contracts during the relevant month, workers' attendance records, autopay records and other documents showing the increase in wage costs. C for L stressed that there were established channels for workers to voice their grievances and seek assistance, and those who suspected their employment rights being infringed were encouraged to report to the Labour Department ("LD"). When reports about cases of non-compliance with the statutory requirement were received, LD would investigate each of the cases and take out prosecution if there was sufficient evidence to establish an offence.

33. Mr WONG Kwok-kin and the Deputy Chairman expressed doubt about whether service contractors had really taken forward the special arrangement. In urging the Administration to closely monitor the disbursement of top-up payment to ensure that the entire amount was paid to workers, they asked whether and how the procuring departments would verify applications for top-up payment from service contractors to ensure that the amount claimed for covering the increase in wage costs arising from the implementation of SMW was true and accurate.

34. C for L responded that for existing contracts straddling 1 May 2011, government service contractors might apply to procuring departments for top-up payment after their payment of monthly wages to non-skilled workers employed. Contractors were required to calculate the top-up payment down to a per-worker-per-contract level based on the actual wage and employment profiles of workers concerned. In doing so, contractors were encouraged to use a template provided by the Administration in providing itemized breakdown of wages, statutory benefits and provident fund contributions for verification by the relevant procuring departments. Top-up payment would only be released on a reimbursement basis after the procuring departments were satisfied that the top-up amount under application for the month had arisen solely and directly from meeting the SMW requirement and that the contractors had paid their workers according to the wages stipulated in the standard employment contracts ("SECs") and made provident fund contributions in accordance with statutory requirements. So far, the top-up arrangements had been working smoothly and LD had not received any complaint about belated wage payment at a level as specified by SECs.

35. Taking the case of LCSD as an example, AD/LCSD added that apart from verifying contractors' applications through direct checking with concerned workers on wages received, LCSD had also required contractors for contracts procured through tenders to arrange for a certified public accountant (practising) or a corporate practice registered

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under the Professional Accountants Ordinance (Cap. 50) to examine the relevant employment agreements, payrolls and other supporting documents and to certify that all information provided was correct and workers had been paid no less than the wages as specified.

36. Mr LEUNG Yiu-chung considered that the disbursement of top-up payment should be made on a reimbursement basis. In doing so, the top-up payment would not be released based on an assumption but the actual wages and employment profiles of workers concerned.

37. Responding to Mr WONG Sing-chi's enquiry on whether wages to workers employed under government outsourced service contracts were paid through autopay bank account, C for L replied in the affirmative.

38. AD/LCSD informed members that in the case of LCSD, service contractors were required to enter into written employment contracts, by using SECs, with their non-skilled workers deployed to carry out government services under contracts and to make payment of wages to each worker through autopay. In addition, information on the monthly wages and working hours of workers engaged under government service contracts should be set out in their employment contracts. To ensure that its contractors complied with the requirements, LCSD was following the demerit point system implemented for all government service contracts, under which for each breach of the aforementioned contractual obligations, a default notice (each default notice attracting a demerit point) would be issued to the contractor concerned.

39. The Chairman noted that employers' contribution into Mandatory Provident Fund ("MPF") Schemes or Occupational Retirement Schemes was included under the coverage of the top-up payments under discussion. To his knowledge, some service contractors who adopted retirement benefit schemes often dismissed their employees before they could attain the minimum qualifying length of service, i.e. five years, for long service payment. As employees whose length of service was less than five years were not eligible for long service payment, they would suffer from a loss in employers' accrued benefits in a retirement scheme upon dismissal or termination of service. The Chairman expressed deep concern whether there was a loophole in the special arrangement, enabling unscrupulous service contractors to pocket the top-up payments provided for employers' contribution to retirement benefit schemes. He further said that he had received complaints about service contractors' reducing the working hours of workers without the latter's consent. He was concerned

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whether the Government might end up making top-up payments in excess of what the service contractors entitled.

40. In response, C for L and AD/LCSD made the following points -

- (a) according to LCSD's record, most service contractors opted for MPF coverage;
- (b) top-up payment would only be released on a reimbursement basis after the procuring departments were satisfied that the top-up amount under application for the month had arisen solely and directly from meeting the SMW requirement and that the contractors had paid their workers according to the wages stipulated in the relevant SECs and made provident fund contributions in accordance with statutory requirements. These measures could help prevent service contractors from embezzling the top-up payments;
- (c) generally speaking, at the time when tenders were invited for the relevant service contracts, the stipulated quality and requirements of services would be made clear to contractors. Interested contractors should, in accordance with the requirements of government service contracts, specify in their tenders the terms and conditions of employment of non-skilled workers; and
- (d) contractors who had succeeded in bidding for the relevant government contracts were required to state clearly in the employment contracts signed with their employees the period of employment, wage, maximum working hours for each day and leave arrangements, etc for the workers. Unilateral variation of terms stipulated in the written employment contracts by employers was not allowed.

41. Notwithstanding the Administration's response, the Chairman reiterated his concern about the possibility of embezzlement by service contractors if they were provided with the portion of the top-up payments for covering employers' contribution to MPF Schemes or occupational retirement schemes at an early stage. He considered that the Administration should look into the matter and come up with measures to plug the loophole. C for L said that he would relay the concern to the relevant policy bureaux/departments.

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Need for providing service contractors with top-up payment

42. The Deputy Chairman queried the need for providing government service contractors with top-up payment. She pointed out that the issue of implementing SMW had been discussed for a long time and the Minimum Wage Ordinance ("MWO") (Cap. 608) was passed by LegCo on 17 July 2010. Service contractors should have taken into account their obligation to pay non-skilled workers SMW and predicted whether this would contribute to higher tender costs, in offering bids for government services.

43. C for L responded that despite the introduction of the Minimum Wage Bill and the enactment of MWO respectively in June 2009 and July 2010, the initial SMW rate at \$28 per hour was not recommended until the end of 2010. While noting this as the contractors' liability, the Administration could understand that the implementation of the initial SMW rate was unique in that many contractors of government service contracts, particularly those relying heavily on the deployment of non-skilled workers, such as cleansing and guarding services, were unable to capture the impact of SMW on their contract prices when offering bids at the tendering stage. Hence, the Administration decided to make a special arrangement to authorize in principle bureaux and departments to provide top-up payments to service contractors of existing service contracts to cover their wage cost increase arising solely and directly from the implementation of SMW, in order to protect the employment of existing employees as well as to ensure the continued provision of public services. It should be noted that the special arrangement was an exceptional and one-off measure. Since the SMW rate would be reviewed at least once in every two years according to MWO, for new contracts tendered on or after 1 May 2011, tenderers were expected to estimate and take into account the likely impact of SMW during the contract period in making their bids. The Government would not provide top-up payments to these new contracts, for subsequent adjustments of the level of SMW.

44. Mr WONG Sing-chi noted with concern that extra provision was required by 53 procuring departments for covering additional expenditure arising from the implementation of the special arrangement, and the estimated additional expenditure in this respect in 2011-2012 would amount to about \$279 million, representing an increase of 9.87%, from \$2,827 million to \$3,106 million. In his view, it reflected that the departments concerned and contractors had been exploiting workers employed under government service contracts before the enactment of MWO by paying the workers excessively low wages.

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45. In response, C for L stressed that SMW was a wage floor designed for the protection of the low-paid workers from receiving excessively low wages. He reiterated that the top-up arrangement was intended as a one-off measure to help service contractors cover increase in wage costs arising solely and directly from the implementation of SMW. This measure was made out of the Administration's deep concerns over the employment as well as the rights and benefits of non-skilled workers, and the need to avoid disruption to public service delivery.

46. Mr LEUNG Kwok-hung enquired whether the provision of top-up payments would become a recurrent measure consequent to future reviews and adjustments of the SMW rate.

47. In response, C for L reiterated that the top-up arrangement was intended as a one-off and exceptional measure. This measure was made out of the Administration's appreciation of the uniqueness of the implementation of the initial SMW rate in that many existing service contractors might not be able to provide for the impact of SMW when offering bids at the tendering stage. The Administration was also concerned that the additional SMW requirement might affect the viability of existing contracts to the extent of putting the continuity of public services at risk. The Administration therefore decided to make special arrangements for existing contracts as referred to in paragraph 3 of the Administration's paper to authorize in principle procuring bureaux/departments to provide top-up payment to service contractors to cover their wage cost increase arising solely and directly from the implementation of SMW, including the corresponding increase in provident fund contributions. For new contracts tendered on or after 1 May 2011, contractors were expected to take into account the likely SMW impact on wage costs during the contract period in making their bids. The Government would not provide top-up payment for these new contracts upon subsequent adjustments of the SMW level.

Other issues

48. Mr LEUNG Yiu-chung asked whether the additional funding of \$78.488 million sought by LCSD would be allocated for any payment for rest days and meal breaks.

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49. C for L responded that under the special arrangement, the Government mandated all contractors of the relevant government service contracts, including those of LCSD, to pay their non-skilled workers at not less than the SMW rate plus one paid rest day in every period of seven days. There was no requirement for across-the-board provision of paid meal breaks under the new arrangement.

50. Mr LEUNG Yiu-chung said that to his knowledge, many workers engaged under service contracts of LCSD or the Agriculture, Fisheries and Conservation Department to provide cleansing and maintenance services to country parks had difficulty in taking meals away from their workplaces, and they were often required to perform their job duties during the meal breaks. In Mr LEUNG's view, it was unfair to the workers if they were not provided with paid meal breaks. His view was echoed by Mr LEUNG Kwok-hung.

51. In response, AD/LCSD advised that it had been the general practice of LCSD not to assign duties to employees during their meal breaks. If an employee was in attendance, during his meal breaks, at a place of employment in accordance with his employment contract, such time would be counted as hours worked by the employee concerned for computing his wages.

52. C for L said that neither MWO nor the Employment Ordinance (Cap. 57) prescribed that meal breaks or rest days should be paid or not. These matters had to be agreed between employers and employees. At present, SEC used by government service contractors did not prescribe the provision of paid meal breaks. At the time of signing SEC, contractors and their workers could negotiate and agree on the terms of employment, such as working hours or arrangements and any payment for meal breaks, having regard to the nature of work, characteristics of the industries and operational needs of the company.

Conclusion

53. The Chairman concluded that members supported in principle the Administration's proposal to seek FC's approval for a supplementary provision of \$78.488 million to enable LCSD to pay top-up payments to its government service contractors.

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VI. Latest progress of the setting up of a pioneer one-stop employment and training centre in Tin Shui Wai

(LC Paper Nos. CB(2)540/11-12(01) and CB(2)548/11-12(05))

54. With the aid of powerpoint presentation, Secretary for Labour and Welfare ("SLW"), C for L and Assistant Commissioner for Labour (Employment Services) ("AC for L (ES)") briefed members on the latest progress in the setting up of the pioneer one-stop employment and training centre ("the Centre") in Tin Shui Wai, details of which were set out in the Administration's paper.

(Post-meeting note: The softcopy of the powerpoint presentation material was issued to members vide LC Paper No. CB(2)619/11-12(01) on 15 December 2011.)

55. Expressing support for the establishment of the Centre in Tin Shui Wai for the purpose of streamlining, integrating and enhancing the existing employment, training and retraining services provided by LD, Social Welfare Department ("SWD") and Employees Retraining Board ("ERB"), Mr CHAN Kin-por enquired about the details of the personalized and customized employment services to be provided by the Centre and whether those services were restricted to unemployed able-bodied Comprehensive Social Security Assistance ("CSSA") recipients living in Tin Shui Wai.

56. In response, SLW and AC for L (ES) made the following points -

- (a) the Centre would be named as "Employment in One-stop" to reflect its brand new mode of operation and services. It was set up in Tin Shui Wai on a pioneer basis aimed at enhancing employment support for vulnerable groups in the district. In its first and second years of operation, the Centre would provide on a trial basis case management and intensive employment support services respectively to 500 and 750 unemployed able-bodied CSSA recipients in Tin Shui Wai, with a view to helping them secure employment and become self-reliant. SWD would refer fresh CSSA recipients to the Centre as existing CSSA recipients were already receiving assistance under the employment assistance programmes operated by SWD. After gaining more experience, the Administration would review the operation of the Centre and refine, if appropriate, its modus operandi, so that the Centre would be more ready to serve more unemployed able-bodied CSSA recipients in the district;

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- (b) in addition to those unemployed able-bodied CSSA recipients, the enhanced employment services would also be provided to 50 other job seekers with special employment difficulties each year during its first two years of operation. The tender exercise for contracting out the case management and intensive employment support services had been completed, and the contract had been awarded to the Hong Kong Young Women's Christian Association;
- (c) apart from those targetted clients mentioned in (a) and (b), the Centre would also serve other job-seekers in need of employment assistance in a way similar to those offered by existing Job Centres of LD. The Administration expected that the Centre could serve about 10 000 job seekers a year;
- (d) the "Employment in One-stop" would adopt a needs assessment tool developed by reputable academics from a local university to analyze the employment needs of individual job seekers with reference to their qualifications, skills, experiences, motivation, interests, job preferences, personalities, attitudes and aptitudes for work. Based on the assessment results, case managers would try to identify their employment barriers with a view to helping them resolve their problems and provide them with customized services, including individual or group counselling throughout the job search process, training or retraining, employment support and post-placement follow-up services. At the same time, the "Employment in One-stop" would tailor make special employment programmes to suit the job seekers' individual needs and to enhance their employability; and
- (e) LD and ERB had jointly formulated a mechanism for cooperation, under which case managers of the "Employment in One-stop" could refer job seekers with training or retraining needs to the ERB Service Centre for enrollment into suitable ERB courses or offer of other training support services to enhance their employability.

57. In response to Mr CHAN Kin-por's enquiries, AC for L (ES) advised that job seekers with special employment difficulties included those who had remained unemployed for a prolonged period as well as those who had repeatedly failed in job interviews. Case managers of the

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"Employment in One-stop" would provide these job-seekers with intensive and customized employment support services. The ratio of case managers to job seekers would be 1 to 70.

58. The Deputy Chairman considered it a good idea to establish a one-stop centre in Tin Shui Wai, since it would save job-seekers in the district the time and trouble of travelling between LD's Job Centres and ERB's training centres to look for job opportunities and to attend training during the job hunting process. In her view, similar one-stop employment and training centres should be set up in more districts, particularly in new towns. The Deputy Chairman was also concerned about the scarcity of jobs and the persistently high unemployment rate in Yuen Long District. She considered that the Administration should introduce further measures to create more jobs and to tackle the unemployment problem in that district. Her view was echoed by Mr CHEUNG Kwok-che.

59. SLW responded that since the one-stop centre would operate on a new service model aimed at integrating and streamlining existing employment, training and retraining services of LD, SWD and ERB, the Administration would assess the suitability of extending the service model to other districts in the light of operational experience. While appreciating members' concern over the high unemployment rate in Yuen Long District, which currently stood at 4.4% and ranking third among the 18 districts in the territory, the Administration had been making tremendous efforts in implementing various initiatives to provide work incentive to the unemployed and low-income employees. Two distinct examples were the introduction of SMW and the implementation of the Work Incentive Transport Subsidy Scheme.

60. Mr LEUNG Yiu-chung shared the Deputy Chairman's view that the crux of the unemployment problem in new towns, such as Tin Shui Wai, was due to insufficient job opportunities within the local communities, in particular for women. He said that many women living in Tin Shui Wai had to stay at home to take care of their young children and could not travel far to work, and they might prefer to work shorter hours as part-time and casual workers. In his view, the Administration should allocate more resources to strengthen the after-school child care support service in new towns, so as to create a more enabling environment for women's engagement in work.

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61. In response, SLW advised that, in October 2008, SWD had started launching the three-year pilot Neighbourhood Support Child Care Project ("NSCCP"), with an aim to provide parents with more flexible child care services in addition to the regular ones and at the same time, promote community participation and mutual assistance in the neighbourhood. Under NSCCP, there were two service components, namely, home-based child care service and centre-based care groups, through which carers in the neighbourhood were recruited and trained to take care of children at the carers' homes or at centres run by the service operators. In view of its positive outcome, the Administration had regularized NSCCP and extended it to all 18 districts in October 2011. SLW further said that after the completion of the fitting-out work of the site at the new Amenity and Community Building at Tin Ching Estate and the commencement of operation of the Centre by the end of December 2011, the Administration would look into the possibility of setting up a child care centre in the same building, to facilitate parents in using the services provided at the "Employment in One-stop" and the ERB Service Centre. In addition, the Administration had provided funding through the Community Investment and Inclusion Fund to non-government organizations to run a variety of projects in Tin Shui Wai with a view to strengthening the community support network in the area.

62. Responding to the Chairman's enquiry, Executive Director/ERB ("ED/ERB") said that ERB had specially designed the "Module Certificate in Employment Set Sail" and "Certificate in Foundation Skills for Employment" ("FSE") courses to help new arrivals adapt to the local labour market and to enhance their employability. ERB had been working closely with SWD to provide trainees enrolled in FSE with centre-based or home-based child care services on a need basis under NSCCP in order to facilitate their participation in training and to prepare themselves for employment. FSE was first piloted in five districts and subsequently extended to nine districts, including Tin Shui Wai. Should response to this course be favourable, consideration might be given to extending its coverage on a territory-wide basis.

63. In response to the Deputy Chairman's enquiry about the manpower resources to be allocated for the "Employment in One-stop", SLW and C for L advised that -

- (a) the estimated recurrent expenditure for the one-stop centre in its first year of operation was about \$9.14 million and the annual staff cost was about \$7.78 million; and

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- (b) while there would be 26 LD staff providing employment services at the one-stop centre, 11 staff from the Hong Kong Young Women's Christian Association, including eight registered social workers, would be responsible for providing case management and employment support services to needy job seekers.

(Members agreed to extend the meeting by 15 minutes.)

64. Mr CHEUNG Kwok-che expressed concern about the anticipated heavy caseload of registered social workers in the Centre. He considered that the Administration should improve the ratio of case managers to job seekers.

65. SLW responded that the Administration would keep in review the actual staff requirement, including that in respect of registered social workers, when the Centre was put to operation at the end of December 2011. He added that as the registered social workers would mainly provide employment assistance to the job seekers rather than intensive case services, the ratio should be appropriate.

66. Mr CHEUNG Kwok-che considered that with the brand new mode of operation and services available at the "Employment in One-stop" and its strengthened cooperation with the ERB Service Centre, both ERB and the Administration should capitalize on their advantages to improve their flexibility in responding to the training or retraining needs of the labour market. Where appropriate, ERB should design new retraining programmes to meet the changing demands of the employment market.

67. In response, ED/ERB advised that ERB had all along been a funding and coordinating body and did not directly administer training courses. The functions of ERB were, inter alia, to engage the services of training bodies for the purpose of providing or conducting training services and to defray the costs of the provision of retraining courses and supplementary retraining programmes. Over the years, ERB had worked in partnership with its appointed training bodies. Through the district networks of these training bodies, ERB had responded in a flexible manner to changes in the labour market and suitably assisted grassroots workers to face the impact brought by changes of the economic structure and environment. It should be noted that ERB-appointed training bodies endeavoured to provide a full range of multi-faceted, placement-tied courses as well as generic skills courses to assist their trainees in

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acquiring vocational skills and recognized qualifications. As these courses underwent accreditation by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications, graduates would be able to obtain recognized qualifications in Hong Kong for employment and continuous upgrading. ED/ERB added that employers and employer associations could apply to ERB for tailor-made courses if they had a considerable number of vacancies in a particular job position and if they encountered difficulties in recruitment. ERB would provide one-stop recruitment, pre-employment training tailored to the employer's requirements and on-the-job follow-up service for employers.

68. Noting the Administration's plan to review the effectiveness of the "Employment in One-stop" two years after its implementation, Mr CHEUNG Kwok-che sought information about the criteria and yardstick for assessing its effectiveness.

69. In response, SLW advised that the Administration planned to review the operation of the one-stop centre two years after it had commenced operation. Its effectiveness would be evaluated on the basis of the number of job seekers registered, vacancies canvassed, job referrals made, placements achieved, recruitment activities organized and users' satisfaction with the services provided.

70. In response to Mr LEUNG Kwok-hung's query on the effectiveness of the "Employment in One-stop" in assisting hard-to-employ job-seekers to secure employment, SLW reiterated that the one-stop centre would be a new service model aiming at integrating and streamlining the existing employment, training and retraining services of LD, SWD and ERB. Evaluation of its effectiveness in assisting job-seekers to secure employment would need a longer time to complete. The Administration would assess the suitability of extending the service model to other districts in the light of operational experience.

71. Mr LEUNG Kwok-hung noted with concern that home-based child carers of NSCCP were currently remunerated at \$19 per hour, far below the initial SMW rate. He considered the incentive payment unreasonable and asked whether the level could be raised.

72. In response, SLW advised that service charges and incentive payment for home-based child carers of NSCCP were determined by service operators having regard to the service content and the circumstances of their districts. NSCCP aimed to provide needy families with more flexible child care service in addition to regular services and,

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at the same time, promote community participation and mutual assistance in the neighbourhood. Home-based child carers of NSCCP were volunteers rather than employees of the service operators and were provided with an incentive payment at an hourly rate of \$18 to \$22.

73. The Chairman expressed support for the establishment of the "Employment in One-stop", which offered coordinated employment services to job seekers. In his view, the Administration should actively consider making improvements based on the experience gained in the pioneer plan in Tin Shui Wai, with a view to extending as early as possible the new service model to other districts. Besides, the employment, training and retraining services provided at a one-stop centre should not be limited to CSSA recipients.

74. In response, AC for L (ES) explained that enhanced employment support services, such as employment consultation services, career assessments, provision of employment market information, enhancement of job search skills through attending mock interviews etc, were being provided to all job seekers under various employment programmes at all Job Centres. The "Employment in One-stop" differed from other Job Centres as registered social workers were engaged to provide in-depth counselling services to help those job seekers with special employment difficulties to overcome their employment barriers.

75. There being no other business, the meeting ended at 4:44 pm.

Council Business Division 2
Legislative Council Secretariat
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