

## 中華人民共和國香港特別行政區政府總部教育局

## **Education Bureau**

Government Secretariat, The Government of the Hong Kong Special Administrative Region
The People's Republic of China

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20 January 2017

Ms Angel WONG
Clerk to Panel on Education
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

Dear Ms WONG,

## Panel on Education of the Legislative Council Issues related to the restructuring of the Vocational Training Council

Your letter of 6 January was well received. This Bureau has looked into the matter with the Vocational Training Council (VTC). Our reply is as follows:

Established under the Vocational Training Council Ordinance (Cap. 1130), the VTC is an independent statutory body that is responsible for advising the Chief Executive on the measures required to ensure a comprehensive and cost-effective system of vocational education and training. The VTC enjoys a high degree of autonomy in academic development and personnel appointment.

The VTC has been implementing its curriculum policies in accordance with its strategic plan. According to the 2012/13 Annual Plan formulated by the

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VTC in 2011, most in-service training programmes are organised on a self-financed basis, except those for the operatives and frontline personnel leading to craft level awards. In fact, taking into account different factors such as market environment, financial situation and development needs, the VTC has gradually arranged some in-service training programmes to operate on a self-financing basis before 2011. Starting from the end of 2011, the management of the Business Administration disciplines (the Management) has informed the staff of the Business Services Centre (the Centre) of such policy direction through different means, and also discussed how to implement the self-financing mode at different platforms. The VTC management has communicated with the Center's head and staff on the details of the operation in a self-financing mode, with the objective of achieving a balanced budget as soon as possible.

Facing fierce market competition in the past few years, the Center has been unable to achieve break even. Given due consideration, the Management decided to let the Business Administration discipline take over the core business of the Centre with the discipline's existing resources in late 2016, and continue providing in-service training and Professional Diploma courses for the industry. The Management has briefed the Import/ Export/ Wholesale Trades Training Board and the Retail Trade Training Board on the transitional arrangements and also reaffirmed the benefits brought to the industry by reorganising the business processes; and has as well written to the major customers and business partners, including the Hong Kong Retail Management Association, on the future arrangement of the training programmes. Positive responses from customers and the industry were received. The VTC is responsible for the provision of preemployment and in-service training at the same time, and it is held responsible to ensure proper management of financial resources. This Bureau understands that the VTC is committed to making good use of its limited resources through business process reengineering, so as to cater for the development of the industry and continue to provide training to the trade as appropriate, instead of terminating the related training services. It is understood that the management of the VTC has been actively following up the business and handover arrangements of the Center and has been catering for the clients' training needs and timetable so that the center can maintain normal operation during the transition period and properly handle customer requirements. Customers are satisfied with the Centre's services and arrangement. The Business Administration discipline has made appropriate arrangements for the courses being offered in 2017, including the staffing and related training arrangements, and has finalised the timetable for the regular training courses in 2017.

As a public organisation, the VTC needs to set up a flexible team of staff in order to improve the cost efficiency of its operation. In handling any manpower-related issues, the VTC will review its operational requirement, financial position as well as the functions of the posts concerned as a whole. Due considerations will be given to factors like long-term operational requirements and operating costs when the VTC arranges for the renewal of employment contracts. We understand that the employment of the staff concerned was not terminated during the contract periods. Rather, their employment contracts were not renewed upon expiry. In view of the uncertainty of the long-term operation of the Centre, the employment contracts of the staff working in the Centre were only renewed for one year since the 2013-14 academic year. Further renewal was considered on a yearly basis having regard to the operation of the Centre. The Management of VTC has all along been encouraging staff of the Centre to apply for other vacant positions within VTC or explore career opportunities outside VTC. There were cases of successful transfer in the past. To tie in with the VTC manpower plan, the Human Resources Division, since early 2016, has started to fill vacancies through internal recruitment before resorting to open recruitment. Internal transfers can be arranged only when there are actual vacancies. The staff and the operational units concerned have to communicate on the job duties, skill profile of the staff and requirements of the post etc. Only when there is a successful match in staff profile and job requirements can internal transfer be arranged. We understand that the VTC cannot ensure contract renewal or internal transfer for all staff upon the expiry of their contracts.

On the concerns and appeals raised by the three staff and the relevant staff unions in August and September 2016, the Management of the VTC had made discussions and responses through different platforms. In the "Chairman's Forum with staff unions and staff representatives" in September 2016, the three concerned staff have attended the Forum. On this occasion, the Chairman and the Management of the VTC had face-to-face communication with the three concerned staff with an open exchange of views on the matter for two hours. Furthermore, the VTC had discussed the matter in details and responded to staff unions' and staff representatives' questions in the "Council Consultative Committee meetings" in September and December 2016.

If you have further enquiries on the above matter, or if Hon HO Kai-ming wishes to have face-to-face discussion with this Bureau, please contact the undersigned at 3509 8502.

Yours sincerely,

(Ms Pecvin YONG)

for Secretary for Education