

**Short Public Hearing of Public Accounts Committee
of the Legislative Council on 12 June 2020**

**Director of Audit's Report No. 74
Chapter 3: Employees Retraining Board**

Opening Remarks by the Secretary for Labour and Welfare

Chairman,

I would like to thank the Audit Commission for conducting the value-for-money audit on the Employees Retraining Board (ERB), reviewing comprehensively various aspects of ERB's operation and providing valuable recommendations. I note that ERB has generally agreed with the various recommendations, and has formulated follow-up plans. The Labour and Welfare Bureau (LWB) will provide the necessary support and assistance to ERB for implementing the improvement measures in a timely manner.

2. I also agree with the recommendations in the Report in relation to LWB's role of monitoring ERB's performance, and will follow up together with ERB. Amongst others, regarding the recommendation to review the rates of retraining allowances, LWB had earlier assisted ERB in amending the relevant subsidiary legislation to raise the statutory cap of monthly retraining allowance payable to each trainee from \$4,000 to \$5,800, i.e. by 45%. The amendment has come into effect from the 25th of last month.

3. Under the current economic environment and employment situation, ERB will step up its support provided for the unemployed and other eligible employees. Apart from the 140 000 training places provided annually under regular courses, ERB launched the "Love Upgrading Special Scheme" (Special Scheme) in October last year to provide employees affected by economic downturn with comprehensive training and also special allowance during the training period to assist them to upgrade their skills and pursue self-enhancement, with a view to rejoining the employment market as soon as possible. ERB is preparing for the launch of the new phase of the Special Scheme in July. The new phase of Special Scheme will be enhanced, including disbursement of special allowance based on the new monthly cap of \$5,800.

4. My colleagues and I would be pleased to answer questions raised by Members. Thank you, Chairman.

Labour and Welfare Bureau
June 2020