

立法會
Legislative Council

LC Paper No. CB(2) 2544/99-00
(These minutes have been seen by
the Administration and cleared
with the Chairman)

Ref : CB2/PL/MP/1

LegCo Panel on Manpower

Minutes of meeting
held on Thursday, 25 May 2000 at 2:30 pm
in the Chamber of the Legislative Council Building

- Members present** :
- Hon LAU Chin-shek, JP (Chairman)
 - Hon LEE Kai-ming, SBS, JP (Deputy Chairman)
 - Hon Kenneth TING Woo-shou, JP
 - Hon James TIEN Pei-chun, JP
 - Hon HO Sai-chu, SBS, JP
 - Hon Cyd HO Sau-lan
 - Hon Michael HO Mun-ka
 - Hon CHAN Kwok-keung
 - Hon CHAN Yuen-han
 - Hon CHAN Wing-chan
 - Hon LEUNG Yiu-chung
 - Hon YEUNG Yiu-chung
 - Hon Andrew CHENG Kar-foo
 - Hon SZETO Wah
- Members absent** :
- Hon David CHU Yu-lin
 - Hon LEE Cheuk-yan
 - Dr Hon LUI Ming-wah, JP
 - Hon Ronald ARCULLI, JP
 - Dr Hon LEONG Che-hung, JP
 - Hon SIN Chung-kai

Public Officers : Item IV
attending

Mr Philip K F CHOK, JP
Deputy Secretary for Education and Manpower 1

Miss Erica NG
Principal Assistant Secretary for Education
and Manpower 4

Ms Cecelia YEN
Principal Assistant Secretary for Civil Service

Mr C M WONG
Assistant Secretary for Home Affairs

Mr FUNG Ying-lun
Senior Labour Officer (Development)

Item V

Mr Philip K F CHOK, JP
Deputy Secretary for Education and Manpower 1

Miss Elizabeth TSE
Deputy Secretary for Treasury 3

Miss Erica NG
Principal Assistant Secretary for Education
and Manpower 4

Mr William SIU, JP
Assistant Commissioner for Labour
(Rights and Benefits)

Item VI

Mr Philip K F CHOK, JP
Deputy Secretary for Education and Manpower 1

Mrs Carrie LAM, JP
Deputy Secretary for Treasury 1

Mr Ivan LEE
Principal Assistant Secretary for Education
and Manpower 5

Professor LEE Ngok, JP
Executive Director
Vocational Training Council

Ms Amy LO
Finance Officer
Vocational Training Council

Item VII

Mr LAM Kam-kwong
Principal Assistant Secretary for Education
and Manpower 7

Mr Fred TING, JP
Deputy Commissioner for Labour
(Occupational Safety and Health)

Mr TSANG Kin-woo, JP
Assistant Commissioner for Labour
(Occupational Safety)

Mr PANG Kwok-lam
Deputy Chief Occupational Safety Officer

Attendance by invitation : Equal Opportunities Commission

Ms Anna WU
Chairperson

Ms Priscilla CHUNG
Director (Gender)

Clerk in attendance : Mrs Sharon TONG
Chief Assistant Secretary (2)1

Staff in attendance : Mr Raymond LAM
Senior Assistant Secretary (2) 5

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I. Confirmation of minutes of meeting held on 27 April 2000 and matters arising

(LC Paper Nos. CB(2) 2043/99-00, CB(2)2041/99-00(01) and CB(2) 2097/99-00(01))

The minutes of the meeting held on 27 April 2000 were confirmed.

List of follow-up actions required of the Administration

2. Members noted the list of follow-up actions required of the Administration and the progress report provided by the Administration on the outstanding items in the list.

II. Draft report of the Panel on Manpower for submission to the Legislative Council

(LC Paper No. CB(2) 2045/99-00)

3. Members endorsed the draft report of the Panel for submission to the Legislative Council.

III. Date of next meeting and items for discussion

(LC Paper No. CB(2) 2041/99-00(02))

4. Members agreed to reschedule the next regular meeting for 20 June 2000 at 2:30 pm to discuss the following items -

- (a) Job opportunities created by environmental protection initiatives;
- (b) Measures to promote employer and employee relations;
- (c) Employment situation of graduates from Information Technology Assistant Course and graduates from courses offered by the Vocational Training Council;
- (d) Consultancy study on the best overseas practices in manpower forecasting; and
- (e) Revision of fees and charges.

IV. Equal pay for work of equal value

(LC Paper Nos. CB(2) 2041/99-00(03) and (04))

5. At the invitation of the Chairman, Chairperson of Equal Opportunities Commission (C/EOC) and Deputy Secretary for Education and Manpower 1 (DSEM1) briefed members on the respective papers provided by EOC and the Administration.

6. The Chairman asked about the pay differential between male-dominated and female-dominated jobs in the Civil Service. C/EOC said that EOC had identified 28 types of female-dominated jobs and 161 types of male-dominated jobs in the Civil Service. However, EOC had not examined the pay differential in these jobs. Principal Assistant Secretary for Civil Service said that the salary structure of the Civil Service was determined by the job factors of the job and the minimum level of qualification considered necessary for the competent performance of the job. One common pay structure and common pay scale was generally applied to all grades whose job factors were broadly comparable and whose requirements for appointment were broadly similar. Such grades together formed a qualification group.

7. Miss CHAN Yuen-han welcomed the establishment of the Task Force on Equal Pay for Work of Equal Value (the Task Force) by EOC. She asked about the timetable for the Task Force's promotion and implementation of the principle of "equal pay for work of equal value".

8. Director(Gender) of EOC (D(G)/EOC) responded that the implementation plan would be divided into three phases. Each phase would take one or two years to complete. Miss CHAN Yuen-han asked whether the three phases would take about six years to complete. She said that the Hong Kong Federation of Trade Unions had been promoting the principle of "equal pay for work of equal value" for many years. She hoped that the work of the Task Force would be expedited. C/EOC said that as "equal pay for work of equal value" was a relatively new principle, more time was needed for the promotion and implementation of the principle. Nevertheless, the work of the Task Force would be expedited where possible. She said that EOC was pleased to provide members with annual reports on the work of the Task Force.

9. Mr Michael HO said that the Democratic Party was in support of "equal pay for work of equal value". He asked about the measures to be adopted by the Administration in the promotion of "equal pay for work of equal value" in Hong Kong. DSEM1 responded that the Administration supported the principle of "equal pay for work of equal value". It would examine ways to implement Article 11 of the Convention on the Elimination of All Forms of Discrimination Against Women in Hong Kong. As the Administration lacked information on whether a problem on the issue existed in the labour market, it would participate in the work of the Task Force to examine the situation. Mr HO said that if the Administration was in support of the principle, it should take steps to promote the principle and facilitate its implementation in Hong Kong besides looking at the issue from the perspective of an employer.

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10. Miss Cyd HO said that minimum academic qualification was only one of the factors to be considered in the assessment of the value of a job. It should not be the sole determinant of starting salaries in the Civil Service. D(G)/EOC said that there had been much debate on the assessment of the value of jobs. The Task Force would review the pay differential between male and female-dominated jobs in the Civil Service. A professor in human resources management, who was also a member of the Task Force, had undertaken to analyze information provided by the Administration on the Civil Service. The Task Force would also train up local specialists and engage overseas experts to promote the principle in Hong Kong.

11. Miss Cyd HO asked why the median salary of female-dominated jobs was lower than that of male-dominated jobs. She also asked whether there were sufficient financial resources for EOC to sponsor overseas experts to promote the principle in Hong Kong. C/EOC said that a research into the issue revealed that the pay differential was due to a number of factors, including the nature of jobs taken and career aspiration. In the research, it was revealed that there was a pay differential which could not be explained by market factors. More study on this unexplainable pay differential was therefore needed. She added that a comprehensive and in-depth study might be needed on the issue at some stage, by which time additional funds might be needed. In a recent seminar on the issue organized by EOC, representatives of the International Labour Organization (ILO) had been invited to explain the principle and different methods adopted in the assessment of the value of jobs. ILO had also provided useful research reports and information on the issue. EOC would seek to maintain such a relationship with ILO. She said that EOC would try its best to promote the principle with the resources allocated.

12. Mr James TIEN said that it was very difficult to assess the value of different types of jobs. He said that a pay differential might be due to market forces of demand and supply. The median salary of a type of job might be higher than that of another type merely because of a higher demand for the type of human resource in the market. He suggested that in examining overseas experience, the Task Force should also identify the negative effects of implementing the principle, such as whether certain categories of workers became unemployed as a result of implementation of the principle. Referring to the second phase of the work of the Task Force, he said that an examination of companies with over 200 employees might not be appropriate, as over 90% of companies in Hong Kong were employing less than 200 employees.

13. C/EOC said that EOC was aware that the pay differential was due to a number of factors, including the nature of jobs taken and career aspiration. The method adopted by EOC was a conservative one. In the research, it was noted that there was a differential in pay which could not be explained by market factors. The pay differential might be due to historical reasons. EOC would examine the reasons for the pay differential and propose appropriate methods to address problems identified. She further said that a relatively long time was needed as it was important to carry out an accurate research into the issue. She agreed to examine the negative effects of

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implementing the principle in studying overseas experience. She added that EOC was aware that overseas experience might not be entirely applicable to Hong Kong. C/EOC explained that the work of the Task Force would be divided into three phases. The first phase would involve an examination of the situation in the Civil Service as the Government had a more established system. The second phase would involve an examination of companies with over 200 employees. The third phase would involve the examination of smaller companies. She hoped that benchmarks for assessing the value of jobs would have been developed by the time the third phase was launched.

14. Mr LEUNG Yiu-chung expressed concern that all members of the Task Force came from Government departments. He asked whether there were plans to appoint representatives from the community to the Task Force. He added that legislative amendments had been made in recent years to relax working time restrictions on women in order to implement equal opportunities for different sex. However, the relaxation had resulted in longer working time for women. He asked whether the issue of working time would be reviewed in the implementation plan.

15. C/EOC responded that consideration was being given to enlarging the membership of the Task Force. She said that consultations would be made with a number of consultants and organizations. As regards the issue of long working time, she said it could not be addressed with anti-discrimination legislation if the long working time was found with both male and female employees. She added that it might sometimes be necessary to balance objectives which were in conflict with each other.

16. Mr HO Sai-chu said that the issue of "equal pay for work of equal value" was a complex one. He expressed support for the Task Force's progressive implementation of the principle. He added that consultation should be made with the business sector and caution had to be taken in implementation if negative effects were identified.

17. Mr Michael HO expressed concern that although the Code of Practice on Employment under the Sex Discrimination Ordinance (the Code of Practice) required employers to implement equal pay for equal work, it only required employers to implement "equal pay for work of equal value" progressively. He considered that the term "progressively" should be removed from the Code of Practice in respect of "equal pay for work of equal value". Assistant Secretary for Home Affairs (AS(HA)) said that the Code of Practice was issued by EOC in accordance with the Sex Discrimination Ordinance (Cap. 480) (SDO). Although a contravention of the Code of Practice would not render a person liable under SDO, the court would have regard to the Code of Practice in determining relevant questions in discrimination cases. C/EOC said that the issue of the principle of "equal pay for work of equal value" was a grey area in SDO. While the concept of equal pay for equal work was clearly covered under SDO, the principle of "equal pay for work of equal value" was only covered under SDO in some situations. There was also the problem of lack of an objective method for the assessment of the value of work.

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18. Mr LEE Kai-ming asked whether the Administration would consider removing the Government's reservation on the application of Article 7(1) of the International Covenant on Economic, Social and Cultural Rights (ICESCR) in Hong Kong. AS(HA) responded that the reservation continued to apply to Hong Kong after reunification since Article 39 of the Basic Law provided that the provisions of ICESCR as applied to Hong Kong would remain in force. He said that it would be necessary to determine whether the requirements and principles under Article 7(1) of ICESCR could be implemented in Hong Kong before a decision could be made on the removal of the reservation. Mr LEE said that as the principle of "equal pay for work of equal value" partly originated from the Article 7(1) of ICESCR, it would be very difficult to incorporate the principle in local legislation if the reservation was retained. AS(HA) noted the views of Mr LEE. Miss CHAN Yuen-han added that the reservation should be removed after reunification especially given that China was in support of the principle. She also hoped that EOC would expedite the development of benchmarks for assessing the value of jobs.

V. Minimum employment terms for persons engaged in projects or services contracted out by the Government
(LC Paper No. CB(2) 2041/99-00(05))

19. At the invitation of the Chairman, DSEM1 briefed members on the Administration's paper on the minimum employment terms for persons engaged in projects or services contracted out by the Government.

20. The Chairman asked whether projects or services were contracted out by the Administration regardless of the employment terms offered by the contractors to their employees. Mr CHAN Wing-chan added that the monthly salary of employees engaged in projects or services contracted out by the Government had dropped from about \$8,000 to \$9,000 to about \$3,000 to \$4,000. He asked whether the Administration would consider introducing a statutory minimum wage for employees engaged in projects or services contracted out by the Government.

21. DSEM1 responded that the Administration did not consider it appropriate to introduce any form of statutory minimum wage in Hong Kong. Along the same line, the Administration did not consider it appropriate to stipulate minimum wage in Government projects and service contracts. The wages of workers engaged for projects and services contracted out by the Government should be worked out between the successful contractor and his employees. In contracting out projects and services, the Government's objective was to obtain goods and services at the best value for money in support of programmes and activities. The Chairman requested the Administration to provide information on the number of employees engaged in projects or services contracted out by the Government whose salaries had dropped from about \$8,000 to \$9,000 to about \$3,000 to \$4,000 per month.

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22. Mr James TIEN expressed support for the Administration's position of not

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introducing a statutory minimum wage for employees engaged in projects or services contracted out by the Government. He said that wage levels should be determined by the forces of supply and demand in the labour market. It would be unfair to introduce a minimum wage solely for persons engaged in projects or services contracted out by the Government.

23. Miss CHAN Yuen-han said that the Administration's policy would result in an increase in the earnings of employers and a reduction in the earnings of employees. In the longer term, this might become an origin of social unrest. She said that Singapore was doing a lot more than Hong Kong in assisting workers who had no bargaining power. She said that as the salary of some workers had recently decreased to \$10 per hour, it would be very difficult to ensure the quality of service. A person who earned \$12 per hour would only earn about \$2,000 to \$3,000 per month even if he worked for eight hours per day.

24. DSEM1 reiterated that the Administration's objective of contracting out projects and services was to obtain goods and services at the best value for money. As explained by the Secretary for Education and Manpower on another occasion, the case Miss CHAN Yuen-han referred to involved a part-time job mainly responsible for the escorting of children between their schools and home. The facts of the case should be examined in proper perspective.

25. Mr LEUNG Yiu-chung asked about the criteria adopted by the Administration in assessing the quality of service provided by contractors. He said that there were many complaints about the cleanliness of public rental housing estates. He considered that the crux of the issue was the multi-level subcontracting system, under which low-income workers had to work very long hours to maintain their living. The Administration should examine whether such a situation was desirable.

26. DSEM1 responded that the measures adopted by individual Government departments to ensure the quality of service were set out in paragraph 6 of the Administration's paper. The monitoring of projects and services contracted out by the Government were under the purview of the Government departments concerned. If there was any complaint about the quality of service, he could refer the complaint to the relevant Government department.

27. Mr Kenneth TING said that contractors had to comply with the requirements laid down in the Employment Ordinance (Cap. 57). He asked whether the quality of services had improved or deteriorated after the services were contracted out. DSEM1 responded that he did not have such information on hand.

28. Mr Andrew CHENG expressed disappointment that EMB had not noticed the major problem that good quality of service could not be achieved with an increasingly low bidding price for successful contracts. The quality of service could not be guaranteed if workers earning a low hourly wage had to work very long hours.

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29. DSEM1 reiterated that the monitoring of projects and services contracted out by the Government was under the purview of the respective Government departments concerned. He would relay members concern over the quality of service to Government departments concerned.

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VI. Memorandum of administrative arrangements between the Government and the Vocational Training Council
(LC Paper No. CB(2) 2041/99-00(06))

30. At the invitation of the Chairman, DSEM1 highlighted the salient points of the Administration's paper on the memorandum of administrative arrangements (MAA) between the Government and the Vocational Training Council (VTC).

31. Miss CHAN Yuen-han expressed concern about the adequacy of training for Secondary 3 and 5 school leavers under the new funding arrangement in the form of a lump sum subvention. She also expressed concern that VTC might emulate into a higher education institute providing training for school leavers of matriculation level or above.

32. DSEM responded that VTC was required under the MAA to inform the Administration of the number of training places for Secondary 3 and 5 school leavers each year. Executive Director of VTC (ED/VTC) said that VTC had no plans to emulate into a higher level education institute. He stressed that all policy changes would have to be approved by the Council of VTC. As highlighted in paragraph 2.4 of the MAA, VTC would adhere to the objective of providing technical education and industrial training for students at post-Secondary 3 and post-Secondary 5 levels. Deputy Secretary for Treasury 1 (DST1) said that the new funding arrangement for VTC was highlighted in the Budget Speech given by the Financial Secretary on 8 March 2000. The flexibility for subvented bodies to save money for future use was proven to be effective in resource management. It encouraged the better use of resources and provided an incentive to save money and promote longer term planning. It was practised by the Hospital Authority and, more recently, in the Operating Expenses Block Grant for government and aided schools. All these were intended for facilitating the operation of subvented organizations in the most economical manner. She added that as the MAA had no retrospective effect, approval would have to be sought from the LegCo Finance Committee for VTC's retention of its surplus recurrent subvention of the 1999-2000 financial year for the proposed uses as set out in the Administration's paper.

33. Miss CHAN Yuen-han asked whether performance indicators would be established for the training of students aged between 15 and 19. She said that such indicators would be needed especially given that VTC had such a high degree of autonomy. DSEM1 responded that an understanding had been reached between the Administration and VTC that priority would be given to Secondary 3 school leavers in the training places under the Certificate in Vocational Studies course. ED/VTC added

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that both recurrent and capital financial provision had been budgeted for the training of these groups of school leavers. In September 2000, more training places would be provided in courses on hotel and catering services and building services. The Administration would also increase training places under the Youth Pre-employment Training Programme and the Information Technology Assistant Course. He was pleased to discuss the establishment of performance indicators with the Administration.

34. Mis CHAN Yuen-han asked whether the employees of VTC would be given the opportunity to participate in reforms. ED/VTC responded that adequate communication was being maintained between the management and the staff unions of VTC.

35. Mr LEE Kai-ming welcomed the new arrangement allowing VTC to retain unspent funds achieved through productivity improvements or savings. He said that the Association of Inspectors of Apprentices had conveyed the view that the phrase "promote the training of apprentices" in paragraph 2.2(c) of the MAA did not reflect the existing role of VTC in the training of apprentices. He asked whether the phrase reflected a change in the future role of VTC in the training of apprentices. He said that the views submitted by the staff unions of VTC should be considered.

36. Principal Assistant Secretary for Education and Manpower 5 (PAS(EM)5) responded that there were no plans to change the role of VTC in the training of apprentices. Paragraph 2.2 of the MAA was drawn up in accordance with the relevant provisions in the VTC Ordinance (Cap. 1130). ED/VTC was appointed as the Director of Apprenticeship under the Apprenticeship Ordinance (Cap. 47) and this arrangement had been reflected in paragraph 1.2 of the MAA. ED/VTC said that he would consider the views of the staff unions as referred to by Mr LEE. He assured members that VTC would continue its consultations with staff unions.

VII. Occupational Safety and Health Management Information System
(LC Paper No. CB(2) 2041/99-00(07))

37. Members noted the Administration's paper on the Labour Department's proposal to install an Occupational Safety and Health Management Information System (OSHMIS) in its Occupational Safety and Health Branch (OSHB).

38. Referring to paragraph 8 of the Administration's paper, Mr CHAN Wing-chan asked about the arrangements for the persons currently occupying the 15 posts to be deleted in OSHB. Deputy Commissioner for Labour (Occupational Safety and Health) (DC for L (OSH)) responded that the 15 posts to be deleted comprised two Occupational Safety Officers and 13 clerical posts. The two Occupational Safety Officer posts were currently vacant. Staff members currently occupying the 13 clerical posts would be redeployed by the central Government.

39. Mr CHAN Wing-chan asked how the proposed OSHMIS would reduce the

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number of accidents. DC for L(OSH) responded that the proposed system would enhance efficiency in the allocation of resources to improve enforcement, the quality of safety and health management information, publicity and education. All these would help to reduce accidents.

40. In response to Mr Kenneth TING's question on the relationship between the annual recurrent expenditure of \$5.452 million as referred to in paragraph 7 and the annual savings of \$10.807 million in paragraph 8 of the Administration's paper, DC for L(OSH) said that the annual current expenditure and annual savings were unrelated. The annual savings of \$10.807 million comprised realisable annual savings of \$6.073 million arising from the deletion of 15 posts in OSHB and reduction in photocopying and printing of publications, as well as notional savings of \$4.734 million from staff savings in various grades. The annual recurrent expenditure of \$5.452 million was the cost for operating and maintaining the system.

41. The Chairman said that the implementation of the system should be expedited.

42. There being no other business, the meeting ended at 4:30 pm.

Legislative Council Secretariat

7 July 2000