

NOTE FOR FINANCE COMMITTEE

Third Half-yearly Progress Report on the Skills Upgrading Scheme

PURPOSE

This paper presents the third half-yearly progress report on the Skills Upgrading Scheme (SUS) for the period from October 2002 to March 2003 for Members' information.

BACKGROUND

2. On 1 June 2001, Members approved a new commitment of \$400 million for the implementation of the SUS. Courses under the SUS began in September 2001. We reported progress of the SUS vide information papers FCRI(2002-03)7 (for the period from September 2001 to March 2002) and FCRI(2002-03)19 (for the period from April 2002 to September 2002). This paper reports the progress for the period from October 2002 to March 2003.

PROGRESS

Courses

3. As at 31 March 2003, a total of 1 422 classes involving a total of 29 895 workers have been launched since the commencement of the Scheme. Of these, 22 519 trainees from 1 260 classes have completed training. Details of the courses, broken down by industries, are as follows -

/Industry

Industry	No. of classes started		No. of trainees enrolled		No. of classes completed		No. of trainees completed training	
	<i>Cumulative up to 31.3.2003</i>	<i>During the period from 1.10.2002 to 31.3.2003 only</i>	<i>Cumulative up to 31.3.2003</i>	<i>During the period from 1.10.2002 to 31.3.2003 only</i>	<i>Cumulative up to 31.3.2003</i>	<i>During the period from 1.10.2002 to 31.3.2003 only</i>	<i>Cumulative up to 31.3.2003</i>	<i>During the period from 1.10.2002 to 31.3.2003 only</i>
Phase 1*								
Printing	208	69	3 172	1 046	174	47	2 218	600
Chinese Catering	87	15	1 981	363	85	25	1 662	505
Import / Export Trade	104	26	2 553	622	90	30	1 478	498
Wearing Apparel / Textile	75	14	1 741	237	68	12	1 138	183
Transport	61	13	1 519	325	57	18	1 173	389
Retail	249	62	5 498	1 320	245	66	5 097	1 367
Phase 2**								
Tourism	61	42	1 457	1 009	52	36	1 155	801
Hairdressing	118	60	1 833	923	105	60	1 281	711
Electrical & Mechanical Engineering	284	187	6 151	4 004	246	195	4 416	3 400
Property Management	85	58	1 890	1 347	85	69	1 690	1 378
Insurance	47	47	1 369	1 369	43	43	1 072	1 072
Beauty Care	31	31	528	528	10	10	139	139
Building Maintenance and Decoration	11	11	187	187	---	---	---	---
Hotel	1	1	16	16	---	---	---	---
Total	1 422	636	29 895	13 296	1 260	611	22 519	11 043

Note -

* The first batch of courses under the first phase was launched in September 2001.

** The first batch of courses under the second phase was launched in July 2002.

4. The cumulative overall trainee enrolment rate¹, course retention rate² and passing rate³ up to March 2003 are 96%, 84% and 93% respectively. The latest feedback collected from trainees at the end of the courses indicated that the vast majority of the trainees were satisfied with the course contents (about 92%) and the performance of the trainers (about 95%).

/Quality

¹ This is the percentage of the total number of trainees enrolled against the total number of planned training places.

² This is the percentage of the total number of trainees completing the course against the total number of trainees enrolled.

³ All trainees are required to pass an end-of-course assessment before a certificate is awarded. This is the percentage of the total number of trainees passing the assessment against the total number of trainees completing the course.

Quality Assurance

5. To monitor the quality of training offered by the course providers, the SUS Secretariat and the respective industry working groups continued to arrange for representatives to pay three types of regular visits to training providers. Figures of these visits are summarised below -

	Cumulative up to 31.3.2003	During the period from 1.10.2002 to 31.3.2003 only
(a) Administrative inspections ⁴	1 188	611
(b) Academic inspections ⁵	865	271
(c) Invigilation of end-of-course assessments ⁶	1 260	611

6. The Secretariat continued to prepare investigation and assessment reports and submitted them regularly to the respective industry working groups for monitoring purpose. During the period from October 2002 to March 2003, the performance of the training providers and the respective trainers were generally considered satisfactory. The average passing rate of trainees attending the retail courses offered by one of the training providers was found to be below par. The training provider was asked to take improvement actions and it eventually did not offer further courses for the retail sector under the SUS.

ADDITIONAL INDUSTRY SECTORS

7. Courses for the Real Estate Agents sector were launched in mid-May 2003. The Passenger Transport sector has joined the SUS recently and the respective industry working group is being set up to follow up on the course development work.

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⁴ Administrative inspections are conducted to check whether the class arrangements conform to the approved conditions, e.g. proper keeping of attendance records, identity of trainers, commencement and finishing times of the classes, location of the training site, etc.

⁵ Academic inspections are conducted by industry working group's representatives with the relevant background to sit in the class to observe how the trainers are conducting their classes.

⁶ The industry working groups arrange representatives to invigilate the end of course assessments to ensure that training bodies are conducting the assessments strictly in accordance with the approved procedures.