

**Replies to initial written questions raised by Finance
Committee Members in examining the Estimates of Expenditure 2003-04**

**[Controlling Officers : Head 157 - Permanent Secretary for Economic Development and Labour (Labour)
Head 90 – Commissioner for Labour]
[Session No.: 15] [File name: EDLB(L)-e1.doc]**

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**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)001

Question Serial No.

0041

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

- (a) There is a drop of over 200 in the planned number of inspections under the Boilers and Pressure Vessels Ordinance ("BPVO") in 2003 when compared with the actual number in 2002. What is the reason for this?
- (b) There is a drop of over 200 in the planned number of talks, lectures and seminars organised in 2003 when compared with the actual number in 2002. What is the reason for this? And
- (c) What is the detailed expenditure on the organization of these activities each year and the number of staff involved (please provide a breakdown by ranks)?
- (d) The number of 'examinations conducted and exemptions granted for the issue or endorsement of certificates of competence' will decrease from 603 in 2002 to 450 in 2003. What is the reason for this?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

- (a) The planned number of inspections under the BPVO for 2003 is set at 6,200, same as that set for 2002, although the actual number of inspections in 2002 was 6,444, about 200 more than the planned target. If there is less demand on ad hoc emergency duties in 2003, we will increase the number of inspections accordingly.
- (b) The numbers of health talks, lectures, and seminars conducted in 2001 and 2002 were 2,617 and 3,201 respectively, whereas the planned figures for these two years were 2,300 and 2,500. Our planned figure for 2003 is 3,000, which is a planning target but not a ceiling on the number of such activities to be conducted. The department will conduct more health talks, lectures and seminars if there is an increase in demand.
- (c) The total expenditure incurred in organizing health talks, lectures and seminars in 2002 was \$0.63 million. The manpower requirement for this service is as follows:-

Grade and Rank	No. of officers Involved
Deputy Chief Occupational Safety Officer	0.3
Senior Divisional Occupational Safety Officer	0.5

Divisional Occupational Safety Officer	1.1
Occupational Safety Officer I	3.1
Occupational Safety Officer II	0.05
Occupational Health Officer	0.5
Occupational Hygienist	0.5
Nursing Officer	2
Registered Nurse	6
Clerical Officer	0.05
Assistant Clerical Officer	1.05

- (d) The rise in the number of ‘examinations conducted and exemptions granted for the issue or endorsement of certificates of competency’, from 445 in 2001 to 603 in 2002, was mainly due to the increase in the number of staff from the Hospital Authority who have to obtain the relevant qualifications before they are permitted to operate boilers and pressure vessels. As most of them have now obtained the required qualifications, it is expected that the number of applications will drop to the previous year’s level of about 450.

Signature _____

Name in block letters Mrs Pamela TAN

Post Title Commissioner for Labour

Date 19 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)002

Question Serial No.

0042

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question : Under this programme, the Administration has mentioned about "publishing a series of casebooks on common occupational diseases to promote the prevention of work-related diseases". Please provide the following information:-

- (a) the detailed estimates of the expenditure and the number of staff involved (please provide a breakdown by ranks); and
- (b) whether this kind of work has been carried out during the past three years. If yes, what are the details? If no, what is the reason?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

- (a) The expenditure to be incurred in publishing this series of four casebooks on common occupational diseases is estimated to be \$0.14 million, including \$0.11 million for personal emoluments and \$0.03 million for artwork design and printing. The sum will be absorbed within the provision of the Department. The staff involved in developing these casebooks include 0.2 Occupational Health Officer, 0.2 Nursing Officer and 0.1 Registered Nurse.
- (b) All along, we have been developing different kinds of publications on occupational health based on three different approaches:-
- (i) The prevention of hazards in individual industries;
 - (ii) The control of specific hazards in different industries; and
 - (iii) The prevention of common occupational diseases.

In 2003-04, we will take a new case study approach to illustrate the causes and prevention of occupational diseases under different circumstances.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title Commissioner for Labour

Date 19 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)003

Question Serial No.

0043

Head: 90 – Labour Department

Subhead(No. & title):

Programme: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under this programme, the Administration has mentioned that two large-scale publicity programmes will be launched to enhance the safety and health awareness of workers employed in the construction and catering industries. Please inform this Council:-

- (a) the details of the two programmes, the expenses and the number of staff involved (please provide a breakdown by ranks);
- (b) whether similar programmes had been organized in the past three years. If yes, what are the details; and if no, what is the reason; and
- (c) what criteria and mechanism are in place to assess whether the safety and health awareness of workers in the construction and catering industries who have participated in such publicity programmes has been enhanced?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply :

- (a) The Department plans to launch two large-scale promotional programmes in 2003 aimed at enhancing the safety and health awareness of employees in the construction and catering industries. The promotional programmes will be organised jointly with key players in the industries, including the Occupational Safety and Health Council, major trade associations, employee unions, related organisations and other government departments concerned.

The promotional programmes will feature territory-wide competitions on safety and health performance. Publicity drives such as safety quizzes, roving exhibitions, promotional visits, fun days and award presentation ceremonies will be organised.

The expenditure, excluding staff cost, on the two promotional programmes is estimated to be as follows:-

- (a) Promotional programme for the construction industry : \$1.9 million
- (b) Promotional programme for the catering industry : \$1.3 million

The Department will contribute \$0.6 million to the two programmes with the remainder to be provided by the co-organisers.

The staff involved in organising and implementing the two programmes in the financial year of 2003-04 are as follows:-

- 0.3 Deputy Chief Occupational Safety Officer
- 0.6 Divisional Occupational Safety Officer
- 0.8 Occupational Safety Officer I
- 0.2 Occupational Safety Officer II
- 0.5 Clerical Officer
- 0.5 Assistant Clerical Officer

(b) In the past three years, the Department had launched similar promotional programmes targeting at the construction and catering industries. Details are as follows:-

		Actual Expenditure (\$ million)	Department's contribution (\$million)	Contribution from co-organisers (\$million)
Programme for Construction Industry	2002	1.93	0.25	1.68
	2001	2.08	0.25	1.83
	2000	2.50	0.15	2.35
Programme for Catering Industry	2002	1.31	0.35	0.96
	2001	1.32	0.35	0.97
	2000	1.45	0.35	1.10

These programmes were organised in collaboration with key players in the respective industries and featured open competitions and other promotional activities such as safety quizzes, roving exhibitions, TV show, radio programmes, promotional visits, fun days and award presentation ceremonies.

(c) Safety awareness and safety culture require continued and sustained efforts in promotion, publicity and education. Although it is difficult to quantify the effects of such promotional programmes in enhancing the safety and health awareness of workers in the construction and catering industries, each year the events have attracted the participation of hundreds of establishments and tens of thousands of employees in the respective industries. They are very well received by trade associations and employee unions. These publicity efforts complement the Department's efforts on the enforcement and legislation fronts. All these efforts have collectively contributed to the declining accident toll of the construction and catering industries in the past few years, as shown in the following tables:-

(a) Construction Industry

	1999	2001	Change	1 st three quarters of 2001	1 st three quarters of 2002	Change
No. of industrial accidents	14,078	9,206	- 4,872 (-34.6%)	7,226	4,889	- 2,337 (- 32.3%)
Accident rate per 1,000	198.4	114.6	- 83.8	118.2	86.3	- 31.9

workers			(- 42.2%)			(- 27.0%)
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(b) Catering Industry

	1999	2001	Change	1 st three quarters of 2001	1 st three quarters of 2002	Change
No. of industrial accidents	12,549	11,914	- 635 (- 5.1%)	9,093	7,646	- 1,447 (- 15.9%)
Accident rate per 1,000 workers	66.9	61.5	- 5.4 (- 8.1%)	62.5	54.5	- 8 (- 12.8%)

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 19 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)004

Question Serial No.

0044

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under this programme, the Administration has mentioned that it has revamped the menu of items of the 24-hour general enquiry telephone service and "added more topics for information retrieval by telephone and by fax". Please inform this Council:

- (a) the details of the work, the expenditure involved and the number of staff involved (please provide a breakdown of figures by ranks); and
- (b) the number of people who had made use of this service in the past three years?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

(a) In 2002, the Labour Department revamped the menu of items of its 24-hour Telephone Enquiry Service (TES) to facilitate easier access to information frequently sought by callers. More topics such as the Youth Work Experience and Training Scheme and regulations governing the employment of young persons and child entertainers etc. were added. At present, there are 80 topics of pre-recorded sound messages and 94 printed messages at TES, an increase of 16% and 31% respectively as compared to 2001. Other enhancements of TES included:

- linking up TES with the complaint hotline of the Immigration Department to facilitate the public in reporting illegal employment;
- expansion of the queue-for-operator capacity by 33%; and
- extension of the operator service from 12:00 noon to 1:00 p.m. on Saturdays.

As part of the improvements, ten telephone enquiry officers were recruited on contract terms in 2002. The expenditure in 2002-03 for the above improvements was \$1.4 million.

(b) TES received 1 352 846, 1 470 183, and 1 266 039 calls in 2000, 2001 and 2002 respectively. With the deployment of more telephone enquiry officers to TES in the second quarter of 2002, the rate of successful connection to operators increased and the number of repeated calls reduced correspondingly. In consequence, there was a drop in the number of calls received in 2002.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date

19 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)005

Question Serial No.

0045

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

The Administration has been able to "issue certificates of compensation assessment" within three weeks over the past two years. Why does the Administration not envisage a further reduction of time required for completion of the work in 2003?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

The planned target is to issue certificates of compensation assessment to injured employees and their employers within three weeks in 2003. The same target has been set for the years 2001 and 2002. It is a planning target and is not the time required for every certificate. Our aim is to issue the certificates within the shortest possible time.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 19 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)006

Question Serial No.

0058

Head: 90 - Labour Department

Subhead(No. & title): 000 – Operational expenses

Programme:

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under this subhead, the provision for “job-related allowances” under the Personal Emoluments for 2003-04 is only 10% of the revised estimate of the previous year. What is the reason?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

The provision sought for “Job-related allowances” in 2003-04 is about 10% of that in the 2002-03 revised estimate. The reasons are:

- (a) In the 2002-03 revised estimate, “Job-related allowances (JRA)” includes two components, viz \$25,000 for "On-call duty allowance" and \$5,000 for “Hardship allowance”. These two items made up the total of \$30,000 in the 2002-03 revised estimate.
- (c) For the 2003-04 estimate, the component of "On-call duty allowance" is grouped under “Allowances” instead of JRA. The provision for "Hardship allowance" which is paid to a chauffeur deployed to work in the Labour Department since July 2002 is no longer required because the staff will not be working in the Department from 1 April 2003. The provision for JRA in 2003-04 is now made up of two new components, viz. "Typhoon allowance" (\$2,000) and "Rainstorm black warning allowance" (\$1,000) which were previously put under “Allowances” and there is no change in the amounts sought. Thus the provision for JRA has been reduced to \$3,000 in 2003-04.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 19 March 2003

Examination of Estimates of Expenditure 2003-04
**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

Reply Serial No.

EDLB(L)007

Head : 157 - Government Secretariat: Subhead (No. & title) :
Economic Development and
Labour (Labour Branch)

Question Serial No.

0113

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question : Regarding consultancy studies for policy making and assessment (if any) commissioned by the above bureau and departments, please provide details in the following format:

- (1) Please provide the following details on the consultancy studies for which financial provision has been allocated respectively in 2001-02 and 2002-03:

Name of consultants (if available)	Description	Consultancy fees	Progress on consultancy Studies (planning/ in progress/ completed)	The Administration's follow-up action on the study reports and the progress made	Reasons for no follow-up action on the study reports and whether other measures are available to deal with the subject under study

- (2) Please provide the following details on the consultancy studies for which financial provision has not been allocated respectively in 2001-02 and 2002-03, though consultancy studies have been made during the year:

Name of consultants (if available)	Description	Consultancy fees	Progress on consultancy studies (planning/ in progress/ completed)	The Administration's follow-up action on the study reports and the progress made	Reasons for no follow-up action on the study reports and whether other measures are available to deal with the subject under study

(3) Has financial provision been allocated for commissioning consultancy studies in 2003-04? If yes, please provide the following details:

Name of consultants (if available)	Description	Consultancy fees	Status of consultancy studies (planning/ in progress / completed)

Asked by : Hon. HO Sau-lan, Cyd

Reply :

(1) Details of the consultancy studies for which financial provision has been allocated respectively in 2001-02 and 2002-03 are provided below:

(a) Studies commissioned by the former Manpower Division of the Education and Manpower Bureau (under Head 146) in **2001-02**

Name of consultants (if available)	Description	Consultancy fees	Progress on consultancy studies (planning/ in progress/ completed)	The Administration's follow-up action on the study reports and the progress made	Reasons for no follow-up action on the study reports and whether other measures are available to deal with the subject under study
Policy 21 Ltd, the University of Hong Kong	Opinion Survey on the Public's View on Age Discrimination in Employment	\$350,000	Completed	Results of the survey were presented to the Manpower Panel of Legislative Council.	
Census & Statistics Department	Survey of Care Workers at Elderly Homes	\$223,400	Completed	Results of the survey provided input for policy formulation to promote employment opportunities for local care workers.	

(b) Study commissioned by the former Manpower Division of the Education and Manpower Bureau (under Head 146) in **2002-03**

Name of consultants (if available)	Description	Consultancy fees	Progress on consultancy studies (planning/ in progress/ completed)	The Administration's follow-up action on the study reports and the progress made	Reasons for no follow-up action on the study reports and whether other measures are available to deal with the subject under study
Census & Statistics Department	Wage Survey of Care Workers at Elderly Homes	\$51,330	Completed	Based on the results of the survey, the Administration has drawn up the median wage of imported care workers under the Supplementary Labour Scheme.	

(c) Studies commissioned by the Labour Department (under Head 90) in **2002-03**

Name of consultants (if available)	Description	Consultancy fees	Progress on consultancy studies (planning/ in progress/ completed)	The Administration's follow-up action on the study reports and the progress made	Reasons for no follow-up action on the study reports and whether other measures are available to deal with the subject under study
Centre for Social Policy Studies, Hong Kong Polytechnic University	Evaluation of the overall performance of the Youth Work Experience and Training Scheme (YWETS) and longitudinal study on the longer-term effects of YWETS on trainees	\$1,300,000 in 2002-03	The survey straddles two financial years starting from 2002-03, and is still on-going.	<p>The report on the profile analysis of trainees was endorsed by the Administration; a special project entitled "Action S4" has been launched to provide intensive training and counselling services to the more vulnerable trainees.</p> <p>The Labour Department will consider the recommendations proposed in the interim findings of the study for improvement of YWETS.</p>	

(2) Nil.

(3) Details of the consultancy studies for which financial provision has been allocated for in 2003-04 are provided below:

(a) Study commissioned by the Labour Branch of the Economic Development and Labour Bureau (under Head 157)

Name of consultants (if available)	Description	Consultancy fees	Status of consultancy studies (planning/ in progress / completed)
Census & Statistics Department	Wage Survey of Care Workers at Elderly Homes	\$80,000	Under planning

(b) Studies commissioned by the Labour Department (under Head 90)

Name of consultants (if available)	Description	Consultancy fees	Status of consultancy studies (planning/ in progress / completed)
Centre for Social Policy Studies, Hong Kong Polytechnic University	Evaluation of the overall performance of YWETS and longitudinal study on the longer-term effects of YWETS on trainees	\$1,300,000 in 2003-04	The survey straddles two financial years starting from 2002-03.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG

Permanent Secretary for Economic
Development and Labour (Labour)

21 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)008

Question Serial No.

0269

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

- (a) Regarding the issuance of Guidance Notes on the testing and examination of suspended working platforms and the glass reinforced plastics fabrication, is it necessitated by the rising number of industrial accidents for both cases? What are the number of staff and expenditure involved for undertaking the work?
- (b) As regards mounting large-scale publicity programmes to enhance safety awareness, please provide the details of the aim, theme and expenditure for each programme.

Asked by: Hon. CHAN Kwok-keung

Reply:

- (a) The Guidance Notes on the Testing and Examination of Suspended Working Platforms will be published to provide practical guidance on the inspection, testing and examination of suspended working platform as prescribed under the Factories & Industrial Undertakings (Suspended Working Platform) Regulation. The Guidance Notes on Chemical Safety in Glass Reinforced Plastics Fabrication will also be published to provide practical safety advice on the handling of chemical substances used in glass reinforced plastics prefabrication. The emphasis is on accident prevention in potentially hazardous job processes and is not related to any increase or drop in accidents in these work processes.

The expenditure to be incurred in artwork, design and printing of the two Guidance Notes is estimated to be \$142,000. The staff involved in developing these Guidance Notes, for the financial year 2003-04, include :-

- (a) 0.2 Senior Engineer/Senior Chemist;
 - (b) 0.3 Divisional Occupational Safety Officer; and
 - (c) 0.4 Occupational Safety Officer.
-
- (b) The Department plans to launch two large-scale promotional programmes in 2003 aimed at enhancing the safety and health awareness of employees in the construction and catering industries. The two programmes will share a common theme, namely, "good safety management", with an emphasis on work-at-height safety for the construction industry and kitchen safety for the catering trade. The promotional programmes will be organised jointly with key players in the industries, including the Occupational Safety and Health Council, major trade associations, employee unions, related organisations and other government departments concerned.

The promotional programmes will feature territory-wide competitions on safety and health

performance. Publicity drives such as safety quizzes, roving exhibitions, promotional visits, fun days and award presentation ceremonies will be organised.

The expenditure on the two promotional programmes is estimated to be as follows:-

- (a) Promotional programme for the construction industry : \$1.9 million
- (b) Promotional programme for the catering industry : \$1.3 million

The Department will contribute \$0.6 million to the two programmes, with the remainder to be provided by the co-organisers.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 19 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)009

Question Serial No.

0279

Head: 90 - Labour Department

Subhead(No. & title): 000 - Operational expenses

Programme: -

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under Personal Emoluments of Subhead 000 Operational expenses, the estimated provision for salaries in 2003-04 is \$719,268,000, which represents an increase of \$4,308,000 over the revised estimate of 2002-03. In view of the deletion of two non-directorate posts in the Labour Department and the civil service pay cut in 2003-04, please explain why there is an increase rather than a decrease in the provision for salaries.

Asked by: Hon. LI Fung-ying

Reply:

Provision for salaries for Labour Department is reduced from the approved estimate of \$735.9 million in 2002-03 to \$719.3 million in 2003-04. In preparing the 2003-04 estimate for salaries, the Department has already taken into account the reduction in salary requirement arising from the deletion of the two non-directorate posts and the full-year effect of the 2002 civil service pay cut in the 2003-04 financial year. However, these reductions have been offset by the increased provisions for payment of salary increments of staff and for filling vacancies, thus leading to a net increase of 0.6% in the provision sought for 2003-04 as compared with the revised estimate for 2002-03.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)010

Question Serial No.

0280

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under Programme (2) Employment Services, the provision for 2003-04 is \$104.1 million (30.6%) higher than the revised estimate for 2002-03. Please give a breakdown of the 2003-04 estimated provision for the Youth Work Experience and Training Scheme, the Youth Pre-employment Training Programme and the Re-employment Pilot Programme for the Middle-aged against the revised estimate of the previous year.

Asked by: Hon. LI Fung-ying

Reply:

Under Programme (2) Employment Services, the provision for 2003-04 is \$104.071 million higher than that in the 2002-03 revised estimates. This is mainly due to the increase of over \$120 million to continue the Youth Work Experience and Training Scheme ("YWETS") in 2003-04. The provision for this Scheme for 2002-03 was smaller because:

- (a) it was launched in late July 2002 and funding was only required for eight months from August 2002 to March 2003; and
- (b) as the training subsidy under the Scheme is only payable after a trainee has been placed into employment, the financial commitment was much smaller during the initial months of implementation when trainees were still undergoing the process of placement.

A breakdown of the provision (including the attribution of PE provision to different programme/service) under the Employment Service Programme is shown below:

	2002-03 (Revised) \$'000	2003-04 (Estimate) \$'000
Youth Work Experience and Training Scheme	74,456	196,608
Youth Pre-employment Training Programme	103,294	89,552
Re-employment Pilot Programme for the Middle-aged	4,000	2,856
Other services (mainly placement services)	158,268	155,073
Total:	340,018	444,089

Signature

Name in block letters Mrs Pamela TAN

Post Title Commissioner for Labour

Date 21 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)011

Question Serial No.

0281

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under Programme (4) Employee Rights and Benefits, the provision for 2003-04 is \$2.6 million (1.3%) higher than the revised estimate for 2002-03. This is mainly due to the increased provision for employing additional temporary staff to cope with the rising number of applications for Protection of Wages on Insolvency Fund and salary increments for staff. Please provide details on the number of additional temporary staff and their contract period and wage level.

Asked by: Hon. LI Fung-ying

Reply:

In 2003-04, 13 contract staff, including 9 Programme Officers, 1 Accounting Officer and 3 Contract Clerks will be employed to cope with the increase in the number of applications to the Protection of Wages on Insolvency Fund. Details are as follows:

	No. of officers	Monthly salary 2003-04 (\$)	Contract Period
Contract Programme Officer	9	16,095	12 months
Contract Accounting Officer	1	16,095	12 months
Contract Clerk	3	8,125	12 months

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 19 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)012

Question Serial No.

0283

Head: 90 - Labour Department

Subhead(No. & title): 295 Contribution to the
Occupational Deafness
Compensation Board

Programme:

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

The 2003-04 estimated provision for Subhead 295 Contribution to the Occupational Deafness Compensation Board is \$3,261,000, representing a decrease of \$1,873,000 (36.5%) against the revised estimate for 2002-03. If the requirement exceeds the estimate, will there be additional resources to ensure that the occupational deafness sufferers will get the compensation?

Asked by: Hon. LI Fung-ying

Reply:

The decrease in provision of \$1,873,000 for Subhead 295 Contribution to the Occupational Deafness Compensation Board (the Board) in the estimates for 2003-04 is mainly due to the downward adjustment in the proportion of levy allocated to the Board pursuant to the amendment of the Employees' Compensation Insurance Levies Ordinance in 2002. Notwithstanding the reduced provision, the government will make contribution to the Board as required by the Occupational Deafness (Compensation) Ordinance and, if necessary, provide supplementary provision. Government's contribution only accounts for part of the income received by the Board, whose main source of income comes from the levy on insurance premium paid by employers. Currently, the Board has a healthy reserve of \$298 million. The government will continue to monitor the Board's income and expenditure to ensure the financial soundness of the Board.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)013

Question Serial No.

0292

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In 2003-04,

- (a) What is the manpower and the expenditure involved in promoting the use of written employment contract by employers and employees? Are there still many trades/industries and companies which do not use written employment contract, thus necessitating the allocation of such manpower and funds to promote its use? Has the Administration conducted such promotion work over the past three years? If yes, is it effective? Have more employers and employees entered into written contracts as a result? If no, will the Administration consider taking stronger measures, say, legislation, to effect the use of written contracts?
- (b) Does "publishing articles of cases in the printed media" mean publishing advertising supplements in the newspapers? If yes, what are the total estimated advertising costs? If no, what are the details of the measures to be taken? Are there any resources earmarked for these measures in the coming year?

Asked by: Hon. CHAN Kwok-keung

Reply:

- (a) Promoting the use of written employment contracts forms part of the Labour Department's (LD) many activities to promote good labour management practices. As such, we do not have separate breakdown on the manpower and expenditure required for this purpose. For the past three years, LD has organized activities to promote the wider use of written contract. We have published guidebooks and produced CD-ROMs on 'Sample Employment Contract' and publicised the message through the mass media and the department's newsletters to employers. We have also made similar appeals at seminars, training courses and workshops organised by LD and at meetings of human resource manager clubs and industry-based tripartite committees.

To assess the effectiveness of our promotional efforts, we conducted a survey at end-2002. The survey captured 221 respondents who reported that they were not using written employment contracts. 82% of them indicated that they would enter into written employment contracts with their employees after attending our promotional activities.

The adoption of written employment contract is a good human resource management practice. We believe that promotion is the best means to encourage its wider use. We have no plan to legislate for the mandatory use of written employment contract.

- (b) In 2003-04, the LD will enhance public understanding of the Employment Ordinance through publishing case articles in local newspapers. We do not plan to place advertisements in newspapers but

will join hands with major newspapers in publishing these articles free of charge. So far, we have secured the consent of four major newspapers to publish these articles at regular intervals. Hence, no additional resources will be required.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)014

Question Serial No.

0293

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

- (a) By what means will the Labour Department improve the content of the webpage on employment opportunities in the Mainland? For example, will more vacancy information be provided in each month? What are the manpower and expenditure involved?
- (b) What are the manpower (including breakdown by ranks) and expenditure involved in the "District Employment Programme" for the middle-aged? Will the costs vary across districts? If yes, please provide details on the expenditure and manpower required and the number of target clients for each district?

Asked by: Hon. CHAN Kwok-keung

Reply:

(a) The dedicated webpage for employment in the Mainland enables job-seekers to search for Mainland vacancies offered by Hong Kong employers. It also hyperlinks with official Mainland employment websites which provide up-to-date employment-related information in the Mainland. We will continue to strengthen our promotion efforts with a view to canvassing more vacancies offered by Hong Kong employers for display on the webpage. The expenditure in enhancing this webpage will be absorbed within the approved allocation of the Labour Department (LD).

(b) The District Employment Programme is a pilot project funded by an allocation of about \$10 million from the Economic Development and Labour Bureau. Under the Programme, the LD will join hands with non-government organisations ("NGOs") in districts where unemployment among the middle-aged is more serious to help them find jobs in the vicinity of their residence. Apart from employment assistance, participants of the Programme will also receive a comprehensive range of social services (such as counselling on family problem) where necessary. NGOs are expected to explore new job opportunities for their participants, particularly vacancies from employers who are not frequent users of the recruitment service of the LD.

All job-registrants who are aged 40 and above, have been unemployed for three months or more and prefer to work near their residence may join the Programme, which will be launched in April 2003. About 1 500 people will benefit from the Programme.

We will pay service fees to NGOs according to the number of placements they have secured and the duration that such placements can be sustained. Therefore, the cost of carrying out the Programme in each district may vary and will depend on the performance of individual NGOs. As regards the number of job seekers to be served in a district, this will depend on the response of eligible job-registrants.

The manpower resources required for implementing the Programme will be absorbed within the LD by staff re-deployment. No new civil service posts will be created for this Programme.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)015

Question Serial No.

0294

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

What action will the Labour Department take to facilitate the construction and insurance industries in clarifying the status of employees? What are the manpower and expenditure involved?

Asked by: Hon. CHAN Kwok-keung

Reply:

The Labour Department has been working closely with the insurance and construction industries in finding appropriate ways to clarify the status of injured workers who are labelled as "self-employed persons" but are actually bona fide employees according to the facts of the relationship.

The insurance industry has agreed in principle that insurers should not merely refer to a worker's status under a Mandatory Provident Fund Scheme to determine his employment status, but should also consider other factors, such as those adopted by the court. The industry has incorporated this principle into the Code of Conduct for insurers underwriting employees' compensation insurance. This should help reduce disputes on the status of injured workers.

The Labour Department has been working in this area within existing resources.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 19 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)016

Question Serial No.

0295

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

What are the manpower and expenditure involved in the newly established investigation unit to step up prosecution of offences under the Employment Ordinance? Is there any increase in the manpower and expenditure allocated by the Labour Department to combat offences under the Employment Ordinance when compared with 2002-03? If yes, how can it ensure that the resources will be utilized to achieve the best results?

Asked by: Hon. CHAN Kwok-keung

Reply:

The Labour Department set up a new Employment Claims Investigation Unit (ECIU) in September 2002 to step up the investigation and prosecution of offences under the Employment Ordinance. The resources required have been made available through internal redeployment. This new Unit is staffed by 11 Labour Officer Grade and General Grade officers and the expenditure involved is \$3.37 million in 2003-04.

To ensure that the resources will be utilised to achieve the best results, the Unit has put in place procedural guidelines on its investigation work. We have also, through training, equipped our investigation officers with investigation skills and techniques so that they are competent in getting comprehensive information and preparing quality witness statements in taking forward prosecution action. The successful performance of the Unit should deter employers from breaching the Employment Ordinance.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 19 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)017

Question Serial No.

0296

Head: 90 - Labour Department

Subhead(No. & title): 700 Capital Account

(Item 528 To publicise the
Employees' Compensation
Ordinance)

Programme:

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under this item, on which provisions does the Labour Department concentrate its publicity efforts? The approved commitment for the item amounts to \$1.3 million. Please clarify the objectives and expenditure for this item. What are the issues and the target groups involved?

Asked by: Hon. CHAN Kwok-keung

Reply:

The approved commitment of \$1.345 million will be used in a series of promotional programmes over a period of three years. The programmes aim at educating employers and employees on their rights and obligations under the Employees' Compensation Ordinance (ECO), in particular in the following areas:

- (i) compulsory employees' compensation (EC) insurance under section 40 of the ECO;
- (ii) reporting work accidents under section 15 of the ECO; and
- (iii) making timely compensation payments in accordance with sections 10 and 16A of the ECO.

In 2001-02, we spent \$949,000 to produce a new resource kit with a CD-ROM and a set of leaflets highlighting the major requirements under the Ordinance and the processing of EC claims, organise seminars for employers, and place prominent messages on public transport to remind employers of their responsibilities for taking out EC insurance and publicizing the Labour Department's complaint hotline for non-compliance. In 2002-03, we used \$335,000 to re-produce the resource kit, launch a learning programme in newspapers, revise our guidebook so that common questions and answers on the Ordinance were included, and organize seminars to explain the Ordinance and essential issues to take note when taking out EC insurance.

In 2003-04, we will allocate \$61,000 to organise seminars to strengthen the understanding of employers and trade union representatives of the Ordinance through interactive case studies. We will ensure that the best use is made of available resources in pursuit of our publicity objectives.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 19 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)018

Question Serial No.

0339

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Provision for 2003-04 is 0.1% higher than the revised estimate for 2002-03. Please inform this Council:

- (a) What are the measures adopted for fostering and maintaining harmonious employer and employee relations?
- (b) It is expected that 35 250 cases of labour disputes and claims will be handled in 2003, which are less than the actual number of 35 254 cases handled in 2002. Why is there a decrease rather than an increase in the number of cases handled?

Asked by: Hon. LI Fung-ying

Reply:

- (a) To foster and maintain harmonious labour relations, the Labour Department will continue to :-
 - provide effective conciliation service to help employers and employees in the non-government sector settle promptly their employment claims and disputes;
 - provide effective consultation service for employers and employees in the non-government sector to answer their enquiries about rights and obligations under the Employment Ordinance and their contract of employment;
 - promote understanding of labour laws and encourage good labour management practices;
 - promote tripartite dialogue through industry-based tripartite committees;
 - adjudicate minor employment claims speedily through the Minor Employment Claims Adjudication Board; and
 - make ex gratia payment from the Protection on Wages on Insolvency Fund to relieve the financial hardship of eligible employees whose employers have become insolvent.
- (b) In 2002, the Labour Department handled 35 254 labour disputes and claims. Although this was an increase of 11.2% over that of 2001, the number of cases began to ease off in the last quarter of 2002. Based on this trend, we project that while the caseload in 2003 would remain at a high level, it would be broadly comparable to that of 2002, that is around 35 250.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 19 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

Reply Serial No.

EDLB(L)019

Head : 157 - Government Secretariat: Subhead (No. & title) :
Economic Development and
Labour (Labour Branch)

Question Serial No.

0376

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question :

In 2003-04, the Labour Branch will continue the work under the Employment and Labour Programme and the estimated expenditure will increase by 211.8%. However, provisions have already been allocated to the initiatives for increasing employment opportunities as mentioned in paragraph 53 of the Budget 2003-04, e.g. \$50m is earmarked for expansion of the Re-employment Training Programme for the Middle-aged. Thus, which plan will the increased provision of \$23m be allocated to and what about its details?

Asked by : Hon. CHAN Kwok-keung

Reply :

The provision for 2003-04 is \$23.3m (211.8%) higher than the revised estimate for 2002-03. This is mainly due to the additional provision for the implementation of employment and labour-related initiatives in 2003-04, including new measures to help place the middle-aged unemployed in jobs.

Of the \$23.3m, we have earmarked \$10m to provide part of the funding required to implement the Re-employment Training Programme for the Middle-aged (RTP), \$9.95m for the District Employment Programme for the Middle-aged (DEP) and \$0.2m to promote public awareness of the importance of eliminating age discrimination in employment while the remaining \$3.15m will be reserved for other employment and labour-related initiatives to be developed during the year. Both the RTP and DEP will be implemented by the Labour Department in 2003-04.

RTP seeks to encourage employers to engage the middle-aged unemployed and provide on-the-job training for them. Each participating employer will be granted a training allowance of \$1,500 per month up to three months for each participating job-seeker employed. The RTP is targeted at those job-seekers who are aged 40 or above and unemployed for three months or more. LD will conduct job matching and arrange interviews for participating job-seekers.

In view of the persistently high unemployment amongst middle-aged unemployed workers with low skill, there is a further allocation of \$50m in the 2003-04 Budget to expand the RTP to help 12 000 middle-aged unemployment (instead of 2 000 as originally planned by LD). The total expenditure for the RTP will therefore be \$60m.

Under the DEP, LD will join hands with non-government organisations (NGOs) to provide middle-aged unemployed with comprehensive employment services to help them find work in the vicinity of where they live. NGOs will explore new job opportunities and canvass vacancies from employers who do not normally use the recruitment service of LD. This programme is expected to benefit about 1 500 persons.

Signature	<hr/>
Name in block letters	<u>MATTHEW CHEUNG KIN-CHUNG</u>
Post Title	<u>Permanent Secretary for Economic Development and Labour (Labour)</u>
Date	<hr/> 21 March 2003 <hr/>

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

Reply Serial No.

EDLB(L)020

Head : 157 - Government Secretariat: Subhead (No. & title) :
Economic Development and
Labour (Labour Branch)

Question Serial No.

0377

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question :

(a) About \$3m is earmarked as expenses for improved occupational safety and health standards in this financial year. Please give a detailed account of the specific content of the plan and the occupational safety and health standards aimed to be achieved after the implementation of the plan so as to reflect the improvements made by this \$3m initiative.

(b) In item 5 under the Programme, it is stated that the Labour Branch will seek to "protect self-employed workers against work accidents in construction sites" in 2003-04. What staff costs will be involved in this initiative? What substantial progress was made in 2002-03 and what was the actual cost involved?

Asked by : Hon. CHAN Kwok-keung

Reply :

(a) The Occupational Safety and Health Ordinance (OSHO), enacted in 1997, imposes a duty on employers including government departments and subvented organisations to ensure the safety and health of their employees. To help government departments and subvented organisations to defray the cost of compliance with obligations arising from the OSHO and its subsidiary regulations, funding has been made available since 1998-99 to cover the cost of safety training for staff and purchase of equipment and facilities for improving occupational safety and health.

Over the past years, government departments and subvented organisations have made use of the funding to provide various equipment/facilities to their employees such as patient lifter, back rest, keyboard/mouse wrist rest, screen filters, portable fire fighting equipment, safety shoes, helmets, hearing protectors, respiratory protective equipment, gloves, etc. Besides, training courses on Manual Handling Risk Assessment and Work Station Risk Assessment were also arranged with the funding. With the provision of those training courses and equipment, the occupational safety and health standard of government departments and subvented organisations was improved. We will continue to use the provision in 2003-04 for the same purpose to ensure compliance with the OSHO.

(b) The Labour Branch steers the Labour Department (LD) in working closely with the insurance and construction industries to seek appropriate ways of protecting “self-employed persons” (SEPs) in the construction industry in the event of work injury.

LD will explore the feasibility of encouraging SEPs to purchase accident insurance on a collective basis. LD has informed the trade unions in the construction sector and contractors that it could assist in arranging meetings with insurance underwriters if the SEPs could pool together in taking out group insurance.

Reinsurers are actively considering the introduction of a general liability policy for construction contractors to cover the common law liabilities arising from personal injuries to third parties, including SEPs working in insured sites.

The resources required for this area in terms of staff costs are absorbed within the existing allocation. Hence, it would not involve additional expenditure.

Signature	_____
Name in block letters	<u>MATTHEW CHEUNG KIN-CHUNG</u>
Post Title	<u>Permanent Secretary for Economic Development and Labour (Labour)</u>
Date	<u>21 March 2003</u>

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

EDLB(L)021

Head : 157 Subhead (No. & title) :

Question Serial No.

Programme : Employment and Labour

0378

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Economic Development and Labour Bureau

Question :

In item 4 of the Brief Description under the Programme, it is stated that in 2002-03, "in the face of high unemployment, the prime task of the branch has been to draw up and implement a multipronged approach". Please detail the effectiveness of the various measures implemented (such as the number of posts created)?

Asked by : Hon. Chan Kwok-keung

Reply :

In the face of high unemployment, the Labour Branch helps to draw up and implement a multi-pronged approach to maximise employment opportunities for the local workforce.

Task Force on Employment

The Government revamped the Task Force on Employment in October 2002 and widened its representation. The revamp was designed to enhance the role of the Task Force as a forum to tap the views of the business community, labour sector, academia and the Legislative Council on how best to tackle unemployment.

Creating job opportunities

In his 2001 Policy Address, the Chief Executive announced a series of enhanced services and accelerated works projects to create over 30 000 jobs. Up to February 2003, some 24 000 jobs have been created. We expect a total of about 25 000 jobs to have been created by the end of March 2003.

For the 7 000 jobs created under the initiative for wider economic participation announced in the 2000 Policy Address, 5 000 jobs will lapse in 2002-03. Resources will be made available through the provision of additional funding and internal redeployment to extend about 3 600 jobs for various lengths in 2003-04 and create 228 temporary posts to meet operational needs. About \$200 million of additional funding will be provided in 2003-04 for this purpose.

Re-employment Pilot Programme (RPP)

The RPP was launched in February 2001. It was a special programme comprising employment and career counselling services for the middle-aged long-term unemployed. The target clients of the RPP were unemployed people aged above 40, and had been unemployed for more than three months. The RPP comprised four core components of counselling service, pre-employment training, one-month placement with induction training and three-month follow-up service. Employers offering placement with induction training were offered a one-off training subsidy of \$2,800 for each job vacancy. Funds of \$9.8 million were allocated to the one-year pilot scheme, with a view to serving 2000 job-seekers. Given the favourable response, the programme had been extended for another 12 months to help another 2 000 job-seekers. During the two years of implementation, over 5 000 job-seekers were placed in jobs under the programme.

Youth Pre-employment Training Programme (YPTP)

The YPTP was introduced in 1999 to provide a wide range of employment-related training to young school leavers aged 15 to 19, and will continue to run until at least 2006-07 (when the programme is due for review) with annual allocation of about \$100 million. The Programme comprises modular training and a one-month workplace attachment. During the first three years of implementation, over 35 000 young people have completed training under the Programme. Among the trainees who look for employment, about 70% have found work.

Youth Work Experience and Training Scheme

This is a two-year programme launched in July 2002 to provide on-the-job training to young people aged between 15 and 24. The scheme has been given funding of \$400 million with a target to provide 10 000 training places. For the first year, over 18 000 young people have enrolled. Hitherto, we have received 11 500 vacancies from employers and over 8 200 trainees have secured employment.

In addition, the Labour Department will continue to provide employment services to job-seekers through its Job Centres, Job Matching Programme with personalized counselling and placement services, enhancement on Mainland employment information, interactive Employment Services, Telephone Employment Services, provision of career advisory services and the organisation of career Expos.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG

Permanent Secretary for Economic
Development and Labour (Labour)

19 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

EDLB(L)022

Question Serial No.

Head : 157 Subhead (No. & title) :

0379

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Economic Development and Labour Bureau

Question :

In item 4 of the Brief Description under the Programme, it is stated that the Labour Branch “helped to complete a review of the policies on foreign domestic helpers” in 2002-03. Please describe the results in detail.

Asked by : Hon. Chan Kwok-keung

Reply :

The Labour Branch has helped to complete a review of the policy on foreign domestic helpers (FDHs) in the context of the formulation of population policy. The results of the review are:

- (1) With effect from 1 October 2003, an Employees Retraining Levy (the levy) of \$400 per month for each FDH will be imposed on employers of FDHs. The levy will be paid in a lump sum for the standard contract period of 24 months before visas are granted for the FDHs or by four equal instalments with the first instalment paid before visas are granted. The levy will only apply to new contracts or renewal of contracts. The funds generated from the levy would be used for the training and retraining of the local workforce to enhance their employability and ensure that they keep pace with Hong Kong's economic restructuring.
- (2) Following a well-trying and established mechanism, the minimum allowable wage (MAW) of FDHs will be reduced by \$400 from the current \$3,670 to \$3,270 per month to reflect the latest economic and labour market conditions in Hong Kong. This will take effect on 1 April 2003. The new MAW will only apply to new contracts or renewal of contracts.

- (3) For new and renewal of contracts, both the employer and the FDH will be required to give an undertaking to the Government to comply fully with the terms of the standard contract, including the live-in requirement. Employers found breaching the undertaking may be debarred from employing an FDH for a certain period of time. Similarly, an FDH found breaching the undertaking may not be granted a visa to work in Hong Kong for a certain period.
- (4) The current standard contract is unclear as to whether employers have to provide medical coverage to FDHs when they are on vacation leave outside Hong Kong, which is outside the ambit of employment and beyond the control of the employer. For this reason, the standard contract will be amended such that employers would not be responsible for the medical expenses incurred by their FDHs when the latter are on vacation leave outside Hong Kong

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG
Permanent Secretary for Economic
Development and Labour (Labour)

19 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

Reply Serial No.

EDLB(L)023

Head : 157 Subhead (No. & title) :

Question Serial No.

Programme : Employment and Labour

0380

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Economic Development and Labour Bureau

Question :

In item 4 of the Brief Description under the Programme, it is stated that the Labour Branch “worked with the Labour Department in resolving several major labour disputes” in 2002-03. What were the details and results of these disputes?

Asked by : Hon. CHAN Kwok-keung

Reply :

In 2002-03, the Labour Branch worked closely with the Labour Department in resolving several major labour disputes.

These include the cases relating to the Tsing Ma Management Limited and PCCW. The Labour Branch was also involved in defusing the tension arising from the Yau Tong incident in July 2002 involving a group of construction workers whose employer had defaulted on wage payments. Through the Labour Branch's steer and cooperation of the trade association, labour unions and Labour Department, a six-point strategy to tackle the problem of wage payment in the construction industry was subsequently put in place.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG
Permanent Secretary for Economic
Development and Labour (Labour)

19 March 2003

Examination of Estimates of Expenditure 2003-04
**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

Reply Serial No.

EDLB(L)024

Head : 157 Government Secretariat:
Economic Development and
Labour (Labour Branch)

Subhead (No. & title) :

Question Serial No.

0381

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question :

In item 5 under the Programme, it is stated that the Labour Branch will “step up, through the Labour Department, prosecution of and public education on offences relating to wages and other benefits under the Employment Ordinance” in 2003-04. Will the relevant measures involve an increase in staff costs so as to strengthen enforcement actions?

Asked by : Hon. CHAN Kwok-keung

Reply :

To step up prosecution of offences relating to wages and other benefits under the Employment Ordinance (EO), the Labour Department (LD) set up the Employment Claims Investigation Unit (the Unit) in September 2002. The Unit is tasked to investigate complicated cases involving suspected offences under the EO and to take prompt prosecution action against offenders.

To enhance public awareness of the requirements of EO, LD will strengthen education and publicity through organising courses and workshops and distributing pamphlets/leaflets.

The resources required for stepping up promotional and prosecution against wage offences have been made available through LD's internal redeployment of resources. Hence, it would not involve additional expenditure in terms of staff costs.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG

Permanent Secretary for Economic
Development and Labour (Labour)

19 March 2003

Examination of Estimates of Expenditure 2003-04
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)025

Question Serial No.

0420

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

The Labour Department extended the Re-employment Pilot Programme for the Middle-aged for another 12 months starting from February 2002 to provide intensive employment service to the long-term unemployed aged over 40. As at the end of 2002, 4 869 people have been placed. Please inform this Council:

- How many middle-aged persons have participated in the programme?
- What is the percentage of participants who have been placed in relation to the total number of participants?
- What is the occupational distribution for the participants who have been placed?
- What is the wage distribution for the participants who have been placed?
- Is there any follow-up action to check whether the participants who have been placed are still in employment?

Asked by: Hon. MAK Kwok-fung, Michael

Reply:

(a) The Re-employment Pilot Programme for the Middle-aged was launched in February 2001 and ended in January 2003. In total, 13 581 job-seekers participated in the Programme.

(b) We have achieved 5 072 placements, representing 37.3% of the total number of participants.

(c) Of those placed, 38.5% were employed in elementary occupations (such as cleaners, labourers and messengers), 8.8% in property management, 4.9% in clerical work, 3.9% in driving posts and the rest in other jobs.

(d) As regards their wages, 10.1% were paid \$9,000 or above, 18.5% between \$7,000 and \$8,999, 44.7% between \$5,000 and \$6,999 and the remaining 26.7% below \$5,000. About 60% of those who earned less than \$5,000 were part-time workers.

(e) We have followed up on all placements. According to our record, about 40% of those placed were able to remain in the same job for three months or more.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)026

Question Serial No.

0423

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In 2003-04, the Labour Department will launch two new employment projects to assist the middle-aged unemployed, i.e. the Re-employment Training Programme” and the “District Employment Programme”. Please inform this Council:

- What are the target groups who will benefit from the two new projects and what are the details of implementation?
- What are the funds allocated for the two new projects?
- For each of the above two projects, what are the estimated respective numbers of people who will participate in the project and who will be placed into employment?

Asked by: Hon. MAK Kwok-fung, Michael

Reply:

The Re-employment Training Programme for the Middle-aged

The Re-employment Training Programme (“RTP”) aims to help, in two years, 12 000 job-seekers who are aged 40 or above and have been unemployed for three months or more to get a job and obtain on-the-job training. Under the RTP, employers who provide participants of the RTP with on-the-job training will receive a training allowance of \$1,500 per month up to three months for each participant employed. The budget for the RTP is \$60 million (comprising \$10 million to be allocated from Economic Development and Labour Bureau (Labour Branch) and \$50 million under Head 106 Subhead 789 Additional commitments). Subject to funding approval by the Finance Committee, we intend to launch the RTP in the latter part of April 2003. It is difficult to estimate at this stage the number of people who will participate in the RTP as this depends on the response of eligible job-registrants and employers.

District Employment Programme for the Middle-aged

The District Employment Programme is funded by an allocation of about \$10 million from the Economic Development and Labour Bureau. Under the Programme, the Labour Department will join hands with non-government organisations (“NGOs”) in districts where unemployment among the middle-aged is more serious to help them find jobs in the vicinity of their residence. Apart from employment assistance, participants of the Programme will also receive a comprehensive range of social services (such as counselling on family problem) where necessary. NGOs are expected to explore new job opportunities for their participants, particularly vacancies from employers who are not frequent users of the recruitment service of the LD.

Any job-registrant aged 40 and above, having been unemployed for three months or more and who prefer to work near their residence may join the Programme, which will be launched in April 2003. About 1 500 middle-aged unemployed will benefit from the Programme. It is difficult to estimate at this stage the number of people who will participate in the DEP as this depends on the response of eligible job-registrants and employers.

Signature _____

Name in block letters Mrs Pamela TAN

Post Title Commissioner for Labour

Date 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)027

Question Serial No.

0514

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

The financial provision for employment services increases from \$280.9 m (approved) in 2002-03 to \$340 m (revised) in 2002-03 and \$444.1 m (estimate) in 2003-04. Please provide the following information:

- Please provide a breakdown of the fund allocations of the increased provisions.
- What are the target groups and the estimated number of participants?
- What are the estimated results?

Asked by: Hon. MAK Kwok-fung, Michael

Reply:

Under Programme (2) Employment Services, the provision for 2003-04 is higher than that in the 2002-03 revised estimates. This is due to the provision for continuing the Youth Work Experience and Training Scheme ("YWETS") in 2003-04. The provision for the YWETS for 2002-03 was smaller because it was launched in late July 2002 and funding was only required for eight months from August 2002 to March 2003. Moreover, as training subsidy under the YWETS is only payable after a trainee has been placed into employment, the financial commitment was much smaller during the initial months of implementation when trainees were still undergoing the process of placement.

In 2003-04, the total financial provision for the YWETS will be \$196.608 million. A breakdown by expenditure items for this provision is shown below:

Item	Estimate (\$million)
Training subsidy	117
Employment counselling and follow-up service	45
Induction training courses	7.5
Reimbursement of course and examination fees for off-the-job vocational training courses	6.5
Promotion and publicity	4
Review and evaluation	1.3
Mentor training, administration and miscellaneous	15.308
Total	196.608

The YWETS provides on-the-job training of six to 12 months for young people aged 15 to 24 with educational qualification below degree level. It aims to assist around 10 000 young people to secure on-the-job training opportunities within a period of two years. When the YWETS was first launched in late

July 2002, it attracted over 18 000 participants. We will invite new applications this summer. It is estimated that a similar number of young people will join the programme.

As at 14 March 2003, 8 320 participants, having received guidance and counselling by their case managers under the YWETS and attended, where appropriate, induction courses on communication and interpersonal skills, were successfully placed into jobs. Of these 8 320 placements, 4 373 jobs offer on-the-job training and draw a training subsidy from the Scheme while the others do not require payments of training subsidy. We expect the total number of placements to exceed 20 000 in two years.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Reply Serial No.

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

EDLB(L)028

Question Serial No.

Head : 157 Government Secretariat: Subhead (No. & title) :
Economic Development and
Labour (Labour Branch)

0516

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question : How many studies on facilitating employment will be carried out in 2003-04?
What are the subjects? How much provision will be involved in each of the study?

Asked by : Hon. CHAN Yuen-han

Reply :

To strengthen employment services to the unemployed youth, Labour Department has assigned the Centre for Social Policy Studies, Hong Kong Polytechnic University to evaluate the performance of the Youth Work Experience and Training Scheme (YWETS) and recommend improvement measures as well as to undertake a longitudinal study to track the longer-term effects of YWETS on trainees. The evaluation and study straddles two financial years starting from 2002-03 and the total consultancy fee involved is \$2.6m , i.e. \$1.3m for each financial year. This will be met from Head 90 Labour Department.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG

Permanent Secretary for Economic
Development and Labour (Labour)

21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

EDLB(L)029

Head : 157 Government Secretariat:
Economic Development and
Labour (Labour Branch)

Subhead (No. & title) :

Question Serial No.

0517

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question : What is the progress of the initiative on continuing to liaise with the construction and insurance industries for a new industry-specific insurance policy? When is the specific scheme expected to be completed?

Asked by : Hon. CHAN Yuen-han

Reply :

The Labour Branch steers the Labour Department (LD) in working closely with the insurance and construction industries on providing insurance protection for construction workers.

LD has launched the Voluntary Rehabilitation Programme in March 2003. Under the programme, participating insurers will provide timely rehabilitation services to injured workers in the construction industry for better and speedier recovery. Insurers and injured employees are free to join the programme on a voluntary basis. For the employees, their statutory rights under the Employees' Compensation Ordinance will not be affected.

Construction workers have expressed worries over the lack of protection in work injuries if they are treated as "self-employed persons" (SEPs). LD has persuaded the insurance industry to a consensus view that insurers should have regard to all relevant circumstances of a particular case, and not solely to the worker's status registered under the Mandatory Provident Fund Scheme, when determining the employment status of an injured worker. The insurance industry has revised its Code of Best Practice for Employees' Compensation Insurers to this effect in March 2003. This should help to clarify the status of injured workers who are labeled as SEPs but are bona fide employees according to the facts of the relationship, thereby reducing unnecessary disputes.

Both industries have also agreed on a new Premium Rebate Scheme in the first quarter of 2003. The scheme aims at providing incentive to construction contractors who achieve pre-agreed targets in a set of safety indicators. Operating on the basis of mutual agreement between the individual insurer and contractor, the latter will have a refund of the premium paid upon achieving the agreed targets.

To assist genuine SEPs, LD has also offered its assistance to construction trade unions and contractors in arranging meetings with insurance underwriters if the SEPs could pool together in taking out group insurance.

Meanwhile, reinsurers are actively considering the introduction of a general liability policy for construction contractors to cover the common law liabilities arising from personal injuries to third parties, including SEPs working in insured sites.

Signature	<hr/>
Name in block letters	<u>MATTHEW CHEUNG KIN-CHUNG</u>
Post Title	<u>Permanent Secretary for Economic Development and Labour (Labour)</u>
Date	<hr/> 19 March 2003 <hr/>

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

Reply Serial No.

EDLB(L)030

Question Serial No.

0518

Head : 157 Government Secretariat: Subhead (No. & title) :
Economic Development and
Labour (Labour Branch)

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question : The estimate for this Head in 2003-04 is \$34,300,000. What is the amount of provision for employment and labour-related initiatives? Please list the various initiatives and the amount of provision allocated to them.

Asked by : Hon. CHAN Yuen-han

Reply :

Apart from the allocation of \$7.4m for Personal Emoluments and operational expenses of the Labour Branch, \$23.3m is allocated for the employment and labour-related initiatives while \$3.6m is earmarked for expenses for improved occupational safety and health standards.

Of the \$23.3m allocated for the employment and labour-related initiatives, we have earmarked \$10m to implement the Re-employment Training Programme for the Middle-aged (RTP), \$9.95m for the District Employment Programme for the Middle-aged (DEP) and \$0.2m to promote public awareness of the importance of eliminating age discrimination in employment while the remaining \$3.15m will be reserved for other employment and labour-related initiatives to be developed during the year. Both the RTP and DEP will be implemented by the Labour Department (LD) in 2003-04.

RTP seeks to encourage employers to engage the middle-aged unemployed and provide on-the-job training for them. Each participating employer will be granted a training allowance of \$1,500 per month up to three months for each participating job-seeker employed. The RTP is targeted at those job-seekers who are aged 40 or above and unemployed for three months or more. LD will conduct job matching and arrange interviews for participating job-seekers.

Under the DEP, LD will join hands with non-government organisations (NGOs) to provide middle-aged unemployed with comprehensive employment services to help them find jobs in the vicinity of where they live. NGOs will explore new job opportunities and canvass vacancies from employers who do not normally use the recruitment service of LD.

The provision of \$3.6m is to help government departments and subvented organisations to defray the cost of compliance with obligations arising from the Occupational Safety and Health Ordinance (OSHO) and its subsidiary regulations. The Ordinance imposes a duty on employers including government departments and subvented organisations to ensure the safety and health of their employees. The provision covers the cost of safety training for staff and purchase of equipment and facilities for improving occupational safety and health in compliance with the OSHO and its subsidiary regulations.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG
Permanent Secretary for Economic
Development and Labour (Labour)

19 March 2003

Examination of Estimates of Expenditure 2003-04
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)031

Question Serial No.

0548

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In the "matters requiring special attention in 2003-04", the Labour Department will launch two new employment projects to assist the middle-aged unemployed, i.e. the "Re-employment Training Programme" and the "District Employment Programme". For each of the two new projects, please provide details of the project and the estimated expenditure involved.

Asked by: Hon. LI Ka-cheung, Eric

Reply:

The Re-employment Training Programme for the Middle-aged

The Re-employment Training Programme ("RTP") aims to help, in two years, 12 000 job-seekers who are aged 40 or above and have been unemployed for three months or more to get a job and obtain on-the-job training. Under the RTP, employers who provide participants of the RTP with on-the-job training will receive a training allowance of \$1,500 per month up to three months for each participant employed. The budget for the RTP is \$60 million (comprising \$10 million to be allocated for Economic Development and Labour Bureau (Labour Branch) and \$50 million under Head 106 Subhead 789 Additional commitments). Subject to funding approval given by the Finance Committee, we intend to launch the RTP in the latter part of April 2003.

District Employment Programme for the Middle-aged

The District Employment Programme is funded by an allocation of about \$10 million from the Economic Development and Labour Bureau. Under the Programme, the Labour Department will join hands with non-government organisations ("NGOs") in districts where unemployment among the middle-aged is more serious to help them find jobs in the vicinity of their residence. Apart from employment assistance, participants of the Programme will also receive a comprehensive range of social services where necessary. NGOs are expected to explore new job opportunities for their participants, particularly vacancies from employers who are not frequent users of the recruitment service of the LD.

Any job-registrant aged 40 and above, having been jobless for three months or more and who prefer to work near their residence may join the Programme, which will be launched in April 2003. About 1 500 middle-aged unemployed will benefit from the Programme.

Signature _____

Name in block letters Mrs Pamela TAN

Post Title Commissioner for Labour

Date 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)032

Question Serial No.

0587

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In 2003-04, the Labour Department will improve the content of the webpage on employment opportunities in the Mainland to facilitate entry of Hong Kong people into the employment market in the Mainland. Apart from this initiative, what other measures are in place to facilitate entry of Hong Kong people into the employment market in the Mainland?

Asked by: Hon. LAU Hon-chuen, Ambrose

Reply:

Apart from improving the content of the dedicated webpage for employment in the Mainland, the Labour Department will continue to strengthen its efforts in canvassing more vacancies from Hong Kong employers for their operations in the Mainland.

The Labour Department will disseminate information on these vacancies through this webpage and its 11 Job Centres. It will assist Hong Kong employers or employer associations in their Mainland employment initiatives for job-seekers, such as organising job fairs and recruitment seminars.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)033

Question Serial No.

0588

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In 2003-04, the Labour Department will launch the "District Employment Programme" for the middle-aged. What is the content of the programme in general? How many unemployed persons are expected to benefit from the programme?

Asked by: Hon. LAU Hon-chuen, Ambrose

Reply:

The District Employment Programme is a pilot project funded by an allocation of about \$10 million from the Economic Development and Labour Bureau. Under the Programme, the Labour Department will join hands with non-government organisations ("NGOs") in districts where unemployment among the middle-aged is more serious to help them find jobs in the vicinity of their residence. Apart from employment assistance, participants of the Programme will also receive a comprehensive range of social services where necessary. NGOs are expected to explore new job opportunities for their participants, particularly vacancies from employers who are not frequent users of the employment service of the LD.

Any job-registrant aged 40 and above, having been jobless for three months or more and who prefer to work near their residence may join the Programme, which will be launched in April 2003. About 1 500 people will benefit from the Programme.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)034

Question Serial No.

0589

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In 2003-04, the Labour Department will step up prosecution of offences under the Employment Ordinance by a new investigation team. What is the establishment of the investigation team? How will it step up prosecution?

Asked by: Hon. LAU Hon-chuen, Ambrose

Reply:

To step up prosecution of wage offences under the Employment Ordinance (EO), the Labour Department (LD) set up a new Employment Claims Investigation Unit by internal re-deployment of resources in September 2002. The Unit is staffed by 11 Labour Officer Grade and General Grade officers. This team is tasked to investigate suspected breaches of wage provisions of the EO so as to take prompt prosecution action against employers for breaching the EO.

LD has also strengthened its enforcement action by :

- stepping up inspection visits to workplaces to detect offences committed under the EO; and
- reminding employees, through the media and publicity pamphlets, to promptly report wage default cases and come forward as prosecution witnesses.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)035

Question Serial No.

0593

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

The number of inspections per field labour inspector has persistently decreased since 2001. Under the circumstances, how can the Administration ensure that effective measures are taken to combat illegal employment?

Asked by: Hon. SHEK Lai-him, Abraham

Reply:

The number of inspections per field labour inspector dropped as a result of our new enforcement strategy in 2002. Instead of relying mainly on routine inspections, we launched more targeted operations to combat illegal employment, which required more effort to plan and conduct. Through more effective intelligence collection and closer co-operation with other enforcement departments, the number of suspected illegal workers detected by labour inspectors increased from 178 in 2001 to 341 in 2002, representing a growth of 91.6%.

The Labour Department has also stepped up publicity against illegal employment. A publicity leaflet has been mailed to two million households/ establishments as an enclosure to demand note for government rates to warn employers of the custodial penalty and the employees' compensation liability in hiring illegal workers. An announcement of public interest carrying the same message has also been broadcast on television and radio since October 2002.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)036

Question Serial No.

0674

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In recent years, the cost of catering operators in taking out employees' compensation insurance has increased significantly. However, some operators have indicated that there has been no actual increase in the number of claims for compensation and the amount of compensation. Given that the cost of taking out employees' compensation insurance has put tremendous pressure on employers in the catering industry, will the Labour Department allocate resources in the coming year to provide assistance? If yes, what are the details of the measures?

Asked by: Hon. CHEUNG Yu-yan, Tommy

Reply:

Hong Kong has an open insurance market. We believe that the level of premium rates should best be set by market forces and that the Government should not intervene in the setting of premium levels by insurers.

Better risk management and reduction in work accidents would help individual employers in the catering industry to negotiate a lower premium rate with their insurers. In 2003, the Labour Department will launch a large-scale promotional programme aimed at enhancing the safety and health awareness of employees in the catering industry. The programme will feature territory-wide competitions on safety and health performance. Publicity drives such as safety quizzes, roving

exhibitions, fun days and presentation of awards will also be organised.

The Department will undertake the programme within its existing manpower resources. As regards financial resources, the department has reserved \$0.35m for the purpose with additional contributions to be made by co-organisers.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

Reply Serial No.

EDLB(L)037

Head : 157 Government Secretariat:
Economic Development and
Labour (Labour Branch)

Subhead (No. & title) :

Question Serial No.

0686

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question : Provision for the Labour Branch of the Economic Development and Labour Bureau in 2003-04 is \$23.3m (211.8%) higher than the estimate for 2002-03. Please account for the substantial increase in the estimated expenditure and provide details of initiatives involving additional expenditure as well as the expenditure for each initiatives.

Asked by : Hon. TIEN Pei-chun, James

Reply :

The provision for 2003-04 is \$23.3m higher than the revised estimate for 2002-03. This is mainly due to the additional provision for the implementation of employment and labour-related initiatives in 2003-04, including new measures to help place the middle-aged unemployed in jobs.

Of the \$23.3m, we have earmarked \$10m to provide part of the funding required to implement the Re-employment Training Programme for the Middle-aged (RTP), \$9.95m for the District Employment Programme for the Middle-aged (DEP) and \$0.2m to promote public awareness of the importance of eliminating age discrimination in employment while the remaining \$3.15m will be reserved for other employment and labour-related initiatives to be developed during the year. Both the RTP and DEP will be implemented by the Labour Department (LD) in 2003-04.

RTP seeks to encourage employers to engage the middle-aged unemployed and provide on-the-job training for them. Each participating employer will be granted a training allowance of \$1,500 per month up to three months for each participating job-seeker employed. The RTP is targeted at those job-seekers who are aged 40 or above and unemployed for three months or more. LD will conduct job matching and arrange interviews for participating job-seekers.

In view of the persistently high unemployment amongst middle-aged unemployed workers with low skill, there is a further allocation of \$50m in the 2003-04 Budget to expand the RTP to help 12 000 middle-aged unemployment (instead of 2 000 as originally planned by LD). The total expenditure for the RTP will therefore be \$60m. The DEP will be launched in April 2003 and the RTP will be launched in late April 2003, subject to funding approval by the Finance Committee.

Under the DEP, LD will join hands with non-government organisations (NGOs) to provide middle-aged unemployed with comprehensive employment services to help them find work in the vicinity of where they live. NGOs will explore new job opportunities and canvass vacancies from employers who do not normally use the recruitment service of LD. This programme is expected to benefit about 1 500 persons.

Signature	_____
Name in block letters	<u>MATTHEW CHEUNG KIN-CHUNG</u>
Post Title	<u>Permanent Secretary for Economic Development and Labour (Labour)</u>
Date	<u>19 March 2003</u>

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)038

Question Serial No.

0778

Head: 90 - Labour Department

Subhead(No. & title): 000 - Operational expenses

Programme:

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Regarding the Operational expenses of \$888 m,

- (1) Why does the provision for "job-related allowances" under Personal Emoluments drop drastically from \$70,000 in 2001-02 to \$30,000 (revised estimate) in 2002-03 and \$3,000 (estimate) in 2003-04?
- (2) In 2003-04, the provisions for general departmental expenses as well as campaigns, exhibitions and publicity have increased by 28.5% and 1.5 times respectively. What are the reasons and the details?

Asked by: Hon. YEUNG Yiu-chung

Reply:

- (1) In 2001-02, the actual expenditure of \$70,000 on "Job-related allowances (JRA)" includes two components, viz. \$45,000 for "Dialect allowance" and \$25,000 for "On-call duty allowance".

In 2002-03, the payment for dialect allowance has ceased. The other item of "On-call duty allowance" remained and the same amount of \$25,000 was sought. For the revised estimate for 2002-03, we have included an additional amount of \$5,000 for payment of "Hardship allowance" to a chauffeur deployed to work in the Department since July 2002. These two items of "On-call duty allowance" (\$25,000) and "Hardship allowance" (\$5,000) made up the total of \$30,000 in the 2002-03 revised estimate.

For the 2003-04 estimate, the component of "On-call duty allowance" is grouped under "Allowances" instead of JRA. The provision for "Hardship allowance" is not required because the staff drawing this allowance will not be working in the Labour Department from 1 April 2003. The provision for JRA in 2003-04 is now made up of two new components, viz. "Typhoon allowance" (\$2,000) and "Rainstorm black warning allowance" (\$1,000) which were previously put under "Allowances" and there is no change in the amounts sought. Thus the amount sought for 2003-04 estimate has been further reduced to \$3,000.

- (2) In 2003-04, the provisions sought for "General departmental expenses" and "Campaigns, exhibitions and publicity" of Subhead 000 are higher than the corresponding items in the 2002-03 revised estimate by 28.5% (\$31.7 million) and 151.5% (\$9.3 million) respectively. The reasons are:

- (i) In 2002-03, the Youth Pre-employment Training Programme (YPTP) is funded partly by a non-recurrent commitment under Subhead 700 and partly under Subhead 000 of the recurrent account. Since all expenditures under the Programme will be charged to Subhead 000 as from 2003-04, a full-year provision has to be made in the 2003-04 estimate and the additional provisions are included under two expenditure components, viz. \$28.2 million for “General departmental expenses” and \$9.3 million for “Campaigns, exhibitions and publicity” of the Subhead to better reflect the nature of the expenditure.
- (ii) Apart from the \$28.2 million mentioned above, additional provision has been included under “General departmental expenses” for the following purposes:
- (a) \$3 million for meeting the increased requirement for the maintenance of computer systems implemented in recent years. They include the occupational safety and health management information system, the government office automation system extension and the interactive selective placement service maintained on the Internet.
- (b) \$0.5 million for meeting the full-year requirement for acquisition of professional support for implementing the proposal on recognizing Chinese medicine for entitlement to employee benefits under labour legislation and the Pneumoconiosis Ex Gratia Scheme.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

EDLB(L)039

Question Serial No.

Head : 157 Government Secretariat: Subhead (No. & title) :
Economic Development and
Labour (Labour Branch)

0800

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question : What are the details of and the expenditure for work done by the Administration in 2002-03 for prevention of age discrimination in employment? What will be the details and estimated expenditure for such work in 2003-04?

Asked by : Hon. LAU Chin-shek

Reply :

In 2002-03, the Labour Department carried out a wide range of education and publicity programmes on the importance of eliminating age discrimination in employment. Announcements of Public Interest (APIs) were broadcast on both television and radio. Advertisements were placed in the recruitment section of seven local newspapers and recruitment magazines, as well as the 19 Mass Transit Railway station platforms in strategic locations.

In addition, posters were displayed at the 11 job centres of the Labour Department, while messages were posted on the Department's Interactive Employment Service website. Letters were also sent to 13 major recruitment newspapers/websites, appealing to them to advise their customers not to place recruitment advertisements with unreasonable age requirements. A feature article was published in the Labour Department's Labour Focus in September 2002 to provide real cases on win-win situation for employers and employees. Our aim was to impress upon employers that they could benefit by giving workers of different age groups the opportunity to fully demonstrate their skills. Also, all 18 Human Resource Managers' Clubs set up by the Department and covering some 2 000 human resource practitioners were briefed on the good practices in recruitment and how anti-age discrimination measures could be incorporated into their human resources policies.

The expenditure on the education and publicity measures in question was about \$270,000.

In 2003-04, the Labour Branch will continue to press ahead with the education and publicity measures to promote public awareness of the importance of eliminating age discrimination in employment. A revised version of the Practical Guidelines on the Elimination of Age Discrimination in Recruitment will be published and disseminated to employer groups. The Labour Department will also continue to identify other possible channels to put the message across to employers. It is estimated that these measures will cost \$200,000.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG
Permanent Secretary for Economic
Development and Labour (Labour)

21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)040

Question Serial No.

0837

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under the above programme, the targets set for both the “waiting time for arranging conciliation meetings for claims” and the “waiting time for claims to be adjudicated after filing with Minor Employment Claims Adjudication Board (MECAB)” are within 5 weeks, while at present, the waiting time generally takes 2 weeks only. If the targets set for these two services are to be improved accordingly, how much additional resources will be required in 2003-04?

Asked by: Hon. LEUNG Yiu-chung

Reply:

The target waiting time for arranging conciliation meetings for claims and that for claims to be adjudicated after filing with the Minor Employment Claims Adjudication Board (MECAB) are both set at “within 5 weeks”. In 2002, the average waiting time for arranging conciliation meetings in the 10 Labour Relations Division (LRD) branch offices ranged from 3.9 to 5 weeks while the waiting time for claims to be adjudicated by the MECAB after filing was 4 to 5 weeks.

We constantly monitor the waiting time for conciliation meetings and adjudication by MECAB. The position has improved in the first two months of 2003. The average waiting time for conciliation meetings was between 3.5 to 4.8 weeks in the 10 LRD offices and the waiting time for adjudication of claims was maintained at 4 to 5 weeks for January - February 2003.

Notwithstanding the 5-week target, our aim is to shorten the waiting time as far as possible. When circumstances warrant, we will make suitable staff redeployment within the Labour Department to cope with the upsurge in caseload.

Signature

Name in block letters Mrs Pamela TAN

Post Title Commissioner for Labour

Date 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)041

Question Serial No.

0989

Head: 90 - Labour Department

Subhead(No. & title):

Programmes: (1) Labour Relations; (2) Employment Services; (3) Safety and Health at Work; and
(4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

(a) The establishment and strength (as at 31 March 2003) for implementing the above programme areas by the following categories:

I: Ranks with starting pay at MPS 45 & above (including Directorate)

II: Ranks with starting pay at MPS 34 to 44

III: Ranks with starting pay at MPS 12 to 33

IV: Ranks with starting pay at MPS 11 & below

(Please provide breakdown by programme areas)

(b) the number of posts (by ranks) already deleted or redeployed in 2002-03 to enhance productivity and optimize resources; and

(c) the number of posts (by ranks) to be deleted or redeployed in 2003-04 to accomplish the Government's "3R1M" objective.

Asked by: Hon. CHOW LIANG Shuk-ye, Selina

Reply:

(a) The establishment and strength (as at 31 March 2003) for implementing the above programmes are shown below:

Ranks	MPS 45 & above (including Directorate)		MPS 34 to 44		MPS 12 to 33		MPS 11 & below		Total	
	E	S	E	S	E	S	E	S	E	S
Programme										
Labour Relations	16	15	30	30	76	60	98	110	220	215
Employment Services	9	8	46	42	99	86	219	226	373	362
Safety and Health at Work	32	28	99	99	240	236	310	306	681	669
Employees Rights & Benefits	8	8	39	37	188	182	261	261	496	488
Grand Total	65	59	214	208	603	564	888	903	1770	1734

E = establishment S = strength Note: Model Scale I officers are not included in the above four categories .

- (b) To enhance productivity and optimize resources, in 2002-03, the following 64 posts have already been deleted -

<i>Rank</i>	<i>Number</i>
Assistant Labour Officer II	1
Occupational Safety Officer I	4
Occupational Safety Officer II	13
Assistant Clerical Officer	17
Clerical Assistant	23
Typist	3
Confidential Assistant	1
Calligraphist	1
Nursing Officer	1

Two more Assistant Clerical Officer posts will be deleted by 31 March 2003.

- (c) As an initial effort to accomplish Government's '3R1M' objective, we will delete two posts, and freeze four posts pending further review, in 2003-04. Details are as follows -

- (i) Posts to be deleted

<i>Rank</i>	<i>Number</i>
Personal Secretary I	1
Clerical Assistant	1

(ii) Posts to be frozen

<i>Rank</i>	<i>Number</i>
Medical and Health Officer	1
Occupational Safety Officer II	1
Labour Inspector II	1
Occupational Hygienist	1

Efforts will continue with a view to identifying further posts for deletion, where possible.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)042

Question Serial No.

1017

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In the past 3 years, what were the number and the ratio of claims for which conciliation meetings could not be arranged within 5 weeks?

Asked by: Hon. LEE Cheuk-yan

Reply:

The number of claims with waiting time for conciliation meetings exceeding five weeks and the relevant percentage as against the number of claims received in the past three years are given below :

Year	Total no. of claims received	No. of claims with waiting time for conciliation meetings exceeding 5 weeks	% over total no. of claims received
2000	29 956	2 082	7%
2001	32 960	11 604	35%
2002	35 362	8 938	25%

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)043

Question Serial No.

1018

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In the past three years, what was the average waiting time for arranging conciliation meetings in each district office?

Asked by: Hon. LEE Cheuk-yan

Reply:

The average waiting time (in terms of weeks) for arranging conciliation meetings in each branch office of the Labour Relations Division in the past three years is given below :

Office	2000	2001	2002
Hong Kong East	4.4	5.3	4.8
Hong Kong West	4.5	5.4	3.9
Kowloon East	3.6	4.5	4.9
Kowloon West	4.0	4.6	5.0
Kowloon South	4.8	5.6	4.3
Kwun Tong	3.8	4.7	5.0
Kwai Chung	4.1	4.8	4.8
Tsuen Wan	3.7	4.4	4.7
Tuen Mun	4.0	4.7	4.5
Sha Tin & Tai Po	3.8	4.8	4.9

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)044

Question Serial No.

1019

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Please provide a breakdown of the number of applications to the Protection of Wages on Insolvency Fund for the past three years based on the time spent on effecting payment. In view of the drastic increase in 2002 in the number of applications received, the target of effecting payment within 10 weeks could only be met in 76.3% of the applications. What measures will the Labour Department take in 2003 to shorten the time for effecting payment in respect of applications to the Protection of Wages on Insolvency Fund?

Asked by: Hon. LEE Cheuk-yan

Reply:

In the past three years, the time required to effect ex gratia payments to applicants from the Protection of Wages on Insolvency Fund was as follows:

Payment time	2000	2001	2002
4 weeks or less	38.33%	43.43%	27.15%
More than 4 weeks to 6 weeks	17.89%	14.49%	12.40%
More than 6 weeks to 8 weeks	17.05%	11.82%	9.77%
More than 8 weeks to 10 weeks	26.73%	30.26%	27.02%
More than 10 weeks	-	-	23.66%
	<u>100%</u>	<u>100%</u>	<u>100%</u>

The time required to complete the processing of applications hinges on the number of applications received and the staffing resources available to process them. It also depends on the complexity of the applications and whether supporting documentary evidence is readily available.

The Labour Department has recently adopted the following measures with a view to shortening the time for effecting payment:

- to continue the employment of the 13 contract staff engaged in 2002;
- to re-deploy additional manpower to assist in processing applications when the caseload is heavy; and
- to further streamline work procedures to speed up the processing of applications.

Signature _____

Name in block letters Mrs Pamela TAN

Post Title Commissioner for Labour

Date 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

Reply Serial No.

EDLB(L)045

Head : 157 Government Secretariat: Subhead (No. & title) :
Economic Development and
Labour (Labour Branch)

Question Serial No.

1035

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question : There are two items of expenses under Other Charges, i.e. expenses for employment and labour-related initiatives and expenses for improved occupational safety and health standards, of which a financial provision of over \$20m is required. Will the Administration please elaborate on this?

Asked by : Hon. TIEN Pei-chun, James

Reply :

There are two items of expenses under Other Charges : \$23.3m is allocated for the employment and labour-related initiatives while \$3.6m is earmarked for expenses for improved occupational safety and health standards.

Of the \$23.3m allocated for the employment and labour-related initiatives, we have earmarked \$10m to implement the Re-employment Training Programme for the Middle-aged (RTP), \$9.95m for the District Employment Programme for the Middle-aged (DEP) and \$0.2m to promote public awareness of the importance of eliminating age discrimination in employment while the remaining \$3.15m will be reserved for other employment and labour-related initiatives to be developed during the year. Both the RTP and DEP will be implemented by the Labour Department (LD) in 2003-04.

RTP seeks to encourage employers to engage the middle-aged unemployed and provide on-the-job training for them. Each participating employer will be granted a training allowance of \$1,500 per month up to three months for each participating job-seeker employed. The RTP is targeted at those job-seekers who are aged 40 or above and unemployed for three months or more. LD will conduct job matching and arrange interviews for participating job-seekers.

Under the DEP, LD will join hands with non-government organisations (NGOs) to provide middle-aged unemployed with comprehensive employment services to help them find work in the vicinity of where they live. NGOs will explore new job opportunities and canvass vacancies from employers who do not normally use the recruitment service of LD.

The provision of \$3.6m is to help government departments and subvented organisations to defray the cost of compliance with obligations arising from the Occupational Safety and Health Ordinance (OSHO) and its subsidiary regulations. The Ordinance imposes a duty on employers including government departments and subvented organisations to ensure the safety and health of their employees. The provision covers the cost of safety training for staff and purchase of equipment and facilities for improving occupational safety and health.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG
Permanent Secretary for Economic
Development and Labour (Labour)

21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)046

Question Serial No.

1076

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question : Of the increased provision of 104.1 m for 2003-04, what is the additional funding for the Youth Work Experience and Training Scheme as a result of improved cash flow? In the Scheme coming up in 2003-04, is the estimated cost of training a young person the same as that of 2002-03?

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

In 2003-04, an additional provision of over \$120 million will be provided for the Youth Work Experience and Training Scheme. In reply to Q1083 also asked by the Hon. CHENG Kar-foo, we have provided in detail the estimated costs of training a trainee and placing a trainee into employment in 2003-04. This cost is the same as that in 2002-03.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)047

Question Serial No.

1077

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under the above programme, the "Re-employment Training Programme for the Middle-aged" and the "District Employment Programme" will be launched in 2003-04. How many places will be allocated for each project? What is the funding for each project? Please give a detailed breakdown of the expenditure involved.

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

The Re-employment Training Programme aims to help, in two years, 12 000 job-seekers who are aged 40 or above and have been unemployed for three months or more to get a job and obtain on-the-job training with a budget of \$60 million. Of this sum, \$54 million (\$4,500 x 12000 places) will be for payment of training allowance to employers and the remaining \$6 million will be used for publicity and programme administration.

The District Employment Programme is a pilot programme under which the Labour Department will join hands with non-government organisations ("NGO") to provide employment assistance to about 1 500 job-registrants who are aged 40 and above, have been unemployed for three months or more and prefer to work near their residence. It will be funded by an allocation of about \$10 million from the Economic Development and Labour Bureau. Of this sum, \$9.1 million will be paid to NGOs for their services while the rest will be used to meet publicity and administration expenses.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)048

Question Serial No.

1078

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Does the increased provision of \$140 million for the above programme in 2003-04 include the additional expenditure required for the "Re-employment Training Programme for the Middle-aged", the "District Employment Programme" and the attachment training for 2 000 university graduates? If no, what are the sources of funding for these programmes?

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

The increased provision for this programme is \$104.1 million. This provision does not include the additional expenditure required for implementing the Re-employment Training Programme, the District Employment Programme and the attachment training scheme for university graduates.

We will seek approval from the Finance Committee for an allocation of \$60 million to implement the Re-employment Training Programme (of which \$10 million is redeployed from Economic Development and Labour Bureau (Labour Branch)), and \$26 million to implement the attachment training scheme for university graduates. The net funding of \$76 million will be met from Head 106 Subhead 789 Additional commitments in the draft estimates. As regards the District Employment Programme, it will be funded by an allocation of about \$10 million from the Economic Development and Labour Bureau (Labour Branch).

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)049

Question Serial No.

1081

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In 2003-04, the Government will allocate \$26 m for the provision of attachment training for 2 000 university graduates. Please inform this Council of the monthly cost for providing training to each graduate with a breakdown of the major expenditure items.

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

Under the scheme, an employer who provides university graduates with on-the-job training will receive, for up to six months, a monthly training allowance of \$2 000 for each trainee employed. About 2 000 university graduates will benefit from this scheme. Of the \$26 million sought to implement this scheme, \$24 million (\$2 000 x 6 months x 2 000 places) will be for paying training allowance to employers while the remaining \$2 million will be administrative and publicity expenses.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)050

Question Serial No.

1082

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Regarding the different employment service schemes implemented under the above Programme, what are the resources allocated for boosting the local community economy in 2003-04? What is the number of posts planned to be created?

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

The Labour Department has not made separate provision or planned to create any posts in the 2003-04 estimate specifically for promoting local community economy. Where necessary, we will make use of our existing resources to facilitate and support the organisation of such activities.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)051

Question Serial No.

1083

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

For the Youth Work Experience and Training Scheme in 2003-04,

- (a) what is the estimated number of training places to be provided?
- (b) what is the cost for training each young person?
- (c) what is the cost for successfully placing a young person into employment?

What is the cost for training each young person under the Youth Pre-employment Training Programme?

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

- (a) The Youth Work Experience and Training Scheme ("YWETS") was first launched in July 2002. The first round of application which closed on 13 August 2002 attracted over 18 000 participants. We expect a similar number of participants for the second round of application which will commence this summer. All qualified participants admitted to the Scheme will be provided with training.
- (b) All trainees under the YWETS are provided with a 50-hour employment counselling and support service by registered social workers. Those who have not received training in communication and interpersonal skills will, in addition, attend a 40-hour induction course on these subjects. The cost of employment counselling and employment support is \$2,500 per trainee while that of the induction course is about \$1,500. As the counselling segment is mandatory while the induction course is optional, the cost of preparing and assisting one young person for on-the-job training under the YWETS may range from \$2,500 to \$4,000.
- (c) For each trainee placed into a training vacancy offered under the YWETS, a training subsidy of \$2,000 per month will be paid to the employer concerned during the training period. As the training may last from six to 12 months, the cost of the training subsidy will range from \$12,000 to \$24,000. In addition, these trainees are entitled to reimbursement of course and examination fees for off-the-job vocational training courses attended, subject to a maximum of \$4,000 per trainee. Therefore, the total cost of placing a trainee into a training vacancy under the YWETS will range from about \$16,000 to \$28,000.

In 2003-04, we have earmarked a provision of \$89.6 million for training 12,000 young persons under the Youth Pre-employment Training Programme. Thus, the maximum cost for training one young person under this Programme would be about \$7,500.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

EDLB(L)052

Head : Paragraph 53 Budget Speech Subhead (No. & title) :

Question Serial No.

Programme : Increasing Employment Opportunities

1085

Controlling Officer :

Director of Bureau : Secretary for Economic Development and Labour

Question :

Are the 3 600 temporary jobs mentioned already included in the 30 000 jobs announced for creation in the Policy Address 2001? If yes, are there any other temporary jobs which are pending deletion? What is the latest progress for the creation of these 30 000 jobs?

Asked by : Hon. CHENG Kar-foo, Andrew

Reply :

The 2003-04 Budget announced the extension of the 3 600 temporary jobs through additional funding and internal redeployment of resources. These jobs were not among the 30 000 jobs which the Administration undertook to create in the 2001 Policy Address. Up to end-February 2003, out of the 30 000 jobs, over 24 000 have been created. We expect a total of 25 000 jobs to have been created by end-March 2003.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG
Permanent Secretary for Economic
Development and Labour (Labour)

21 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)053

Question Serial No.

1086

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Please provide a breakdown of figures in 2002-03 on the amount of funds available, the number of applicants, and the amount involved for all the Funds and compensation schemes available for the employees.

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

Protection of Wages on Insolvency Fund

Amount available as at 1.1.2003	\$48.5 million
Estimated income for 2003*	\$442 million
Applications received in 2002	
(i) No. of applications	23 023
(ii) Amount claimed	\$1,005 million
Total payout in 2002	\$514 million

* Apart from the estimated income of \$442 million (derived from the Business Registration Certificate levy and from subrogation), the Finance Committee on 8.11.02 approved the extension of a bridging government loan of \$695 million to the Fund Board between 2002-03 and 2005-06. The loan is in the form of a credit line and funds would only be drawn when necessary.

Employees Compensation Assistance Scheme

Amount available as at 1.1.2003	\$22.6 million
Estimated income for 2003* ¹	\$93 million
No. of applicants who received assistance in 2002	Uninsured cases : 34 Insurer Insolvency cases: 471 Total: 505
Total amount of assistance payout in 2002* ²	Uninsured cases : \$24.46 million Insurer Insolvency cases : \$26.25 million Total : \$50.71 million

*¹ As at 1.1.2003, the ECAFB has not yet drawn down any loan from the second loan facility of \$220 million provided to the Board by the Government. The reserve of the ECAFB as at 1.1.2003 has only taken into account the bridging loan of \$60 million provided by the Government and drawn down by the Board in July 2001. The sum of the first loan has been largely spent enabling the Board to meet its liabilities arising from the uninsured applications made by injured employees as well as the HIH Group of Companies claims made by employers.

*² The Employees Compensation Assistance Fund Board does not keep statistics on the amount claimed.

Pneumoconiosis Compensation Fund Board

Amount available as at 1.1.2003	\$877.4 million
Estimated income for 2003	\$206 million
No. of applications received in 2002	Non-fatal : 210 Fatal : 96 Total : 306
No. of applications approved in 2002	Non-fatal : 111 Fatal : 86 Total : 197
Total amount of compensation payout in 2002*	Non-fatal : \$155 million Fatal : \$33.4 million Total : \$188.4 million

* The Pneumoconiosis Compensation Fund Board does not keep statistics on the amount claimed.

Occupational Deafness Compensation Board

Amount available as at 1.1.2003	\$298.1 million
Estimated income for 2003	\$43 million
No. of applications received in 2002	262
No. of applications approved in 2002	114
Total amount of compensation payout in 2002*	\$7.95 million

* The Occupational Deafness Compensation Board, which awards compensation by assessment, does not require applicants to submit a claimed amount.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)054

Question Serial No.

1087

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In 2002-03, what is the number of applicants who applied for payment under the Protection of Wages on Insolvency Fund? What is their success rate and what is the amount of payments they received?

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

As the 2002-03 financial year has not ended, we do not have the figures in question. However, in 2002, we received 23 023 applications for the Protection of Wages on Insolvency Fund, processed 20 157 applications and approved 18 118 of them. The success rate was 90%. The total amount of payment approved was \$514 million.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)055

Question Serial No.

1088

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

For each application for Protection of Wages on Insolvency Fund in 2002-03, how long is the waiting time for an application to be processed and how long does it take to complete the process? What is the number of staff responsible for this job? What is the number of temporary staff employed to cope with the rising number of applications for Protection of Wages on Insolvency Fund and what are their ranks?

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

In 2002, the time required for processing applications for the Protection of Wages on Insolvency Fund (the Fund) and effecting payment to the applicants was as follows:

<i>Payment time</i>	<i>2002</i>
4 weeks or less	27.15%
More than 4 weeks to 6 weeks	12.40%
More than 6 weeks to 8 weeks	9.77%
More than 8 weeks to 10 weeks	27.02%
More than 10 weeks	23.66%
	<hr/>
	100%

A number of applications required more than 10 weeks for processing either because these cases did not provide sufficient information to establish the facts, or they were more complicated and required more time for verification, or they were filed during periods of sudden upsurges of caseload. In 2003, we shall critically review our working procedure and workflow to expedite case processing and will continue to deploy additional manpower to process cases when the caseload is heavy.

The Wage Security Unit (WSU) of the Labour Department is responsible for processing applications for ex gratia payment from the Fund. It has a total of 46 staff, including 32 civil service staff and 14 non-civil service contract staff.

To cope with the increase in the number of applications to the Fund, the Labour Department has in 2002 employed an additional 13 contract staff, including 9 Programme Officers, 1 Accounting Officer and 3 Contract Clerks.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)056

Question Serial No.

1089

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question : In 2002-03, how many employers and employees were involved in the investigated cases related to imported labour? What is the number of people and cases referred to the Immigration Department or penalized for illegal employment?

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

As the 2002-03 financial year has not ended, we do not have the figures in question.

However, in 2002, 104 employers and 191 employees were involved in the investigated cases related to imported labour.

During that year, labour inspectors of the Labour Department detected 341 suspected illegal workers in 258 establishments during workplace inspections and targeted operations. Information on these workers was referred to the Immigration Department or the Police for further investigation. Among these suspected illegal workers, 105 in 44 establishments were either subsequently convicted with imprisonment term and/or fines, or repatriated, while 79 workers in 72 establishments are still under investigation. The rest were released due to insufficient evidence.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

EDLB(L)057

Head : 157 Government Secretariat:
Economic Development and
Labour (Labour Branch)

Subhead (No. & title) :

Question Serial No.

1113

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question : Please provide the number of non-civil service contract staff employed and the level of expenditure involved in 2002-03. Are there any plans to employ more or less non-civil service contract staff in 2003-04? If so, what are the reasons? And what will be the number of staff and the level of expenditure involved?

Asked by : Hon. LEE Cheuk-yan

Reply :

There is no non-civil service contract staff (NCSCS) employed under the Labour Branch of the Economic Development and Labour Bureau in 2002-03. We have no plans for employing NCSCS in 2003-04.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG
Permanent Secretary for Economic
Development and Labour (Labour)

21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)058

Question Serial No.

1149

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations
(3) Employment Services
(4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Under the above Programme, what were the respective numbers of cases involving foreign domestic helpers who were engaged in non-domestic duties, underpaid wages and overcharged for commission by employment agencies in 2002? How many cases have been substantiated? What were the manpower and expenditure involved in handling the cases? What are the estimated resources allocated for handling such cases in 2003-04?

Asked by: Hon. HO Sau-lan, Cyd

Reply:

According to information supplied by the Immigration Department, there were 220 foreign domestic helpers (FDHs) arrested for taking up unapproved employment in Hong Kong and 181 employers arrested for involvement in illegal employment of FDHs in 2002. Among them, 83 FDHs and 31 employers were prosecuted for the respective offences.

In 2002, the Labour Department handled 94 claims lodged by FDHs for underpayment of wages. Of these claims, 30 were resolved by conciliation and the rest were referred to the Labour Tribunal or the Minor Employment Claims Adjudication Board for adjudication.

In 2002, the Labour Department received 98 complaints against employment agencies for overcharging commission from FDHs. We have completed investigation of 88 cases while the other 10 cases are still under investigation. Of the 88 cases, we have instituted prosecution action against the employment agencies concerned in respect of 12 cases. However, no prosecution action has been taken for the remaining 76 cases because of insufficient evidence.

As the officers involved in enforcement duties also perform other tasks not related to FDHs, it is not possible for us to work out the exact amount of manpower resources and expenses required for handling cases relating to FDHs.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

EDLB(L)059

Head : 157 Government Secretariat:
Economic Development and
Labour (Labour Branch)

Subhead (No. & title) :

Question Serial No.

1173

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question : The estimated provision required for 2003-04 is \$34,348,000 which is 211.8% higher than the revised estimate for the previous year. Will the Administration inform this Council of the detailed breakdown of the expenditure? What are expected to be achieved? What are the causes behind such rapid increase in expenses?

Asked by : Hon. SIN Chung-kai

Reply :

The provision for 2003-04 is \$23.3m (211.8%) higher than the revised estimate for 2002-03. This is mainly due to the additional provision for the implementation of employment and labour-related initiatives in 2003-04, including new measures to help place the middle-aged unemployed in jobs.

Of the \$23.3m, we have earmarked \$10m to provide part of the funding required to implement the Re-employment Training Programme for the Middle-aged (RTP), \$9.95m for the District Employment Programme for the Middle-aged (DEP) and \$0.2m to promote public awareness of the importance of eliminating age discrimination in employment while the remaining \$3.15m will be reserved for other employment and labour-related initiatives to be developed during the year. Both the RTP and DEP will be implemented by the Labour Department (LD) in 2003-04.

RTP seeks to encourage employers to engage the middle-aged unemployed and provide on-the-job training for them. Each participating employer will be granted a training allowance of \$1,500 per month up to three months for each participating job-seeker employed. The RTP is targeted at those job-seekers who are aged 40 or above and unemployed for three months or more. LD will conduct job matching and arrange interviews for participating job-seekers.

In view of the persistently high unemployment amongst middle-aged unemployed workers with low skill, there is a further allocation of \$50m in the 2003-04 Budget to expand the RTP to help 12 000 middle-aged unemployment (instead of 2 000 as originally planned by LD). The total expenditure for the RTP will therefore be \$60m.

Under the DEP, LD will join hands with non-government organisations (NGOs) to provide middle-aged unemployed with comprehensive employment services to help them find work in the vicinity of where they live. NGOs will explore new job opportunities and canvass vacancies from employers who do not normally use the recruitment service of LD. This programme is expected to benefit about 1 500 persons.

Signature

Name in block letters

Post Title

Date

MATTHEW CHEUNG KIN-CHUNG

Permanent Secretary for Economic
Development and Labour (Labour)

21 March 2003

**Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)060

Question Serial No.

1207

Head: 90 - Labour Department

Subhead(No. & title): 000 Operational expenses

Programme:

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In the past two years, there was no expenditure for Mandatory Provident Fund (MPF) contribution under Personnel Related Expenses. However, there is a provision of \$327,000 for MPF contribution in the 2003-04 estimates. What is the reason for making such provision? What is the number of staff to whom the MPF contribution is made? What are their posts? Are they newly employed staff or existing staff who get MPF contributions as a result of variation of their contracts?

Asked by: Hon. CHAN Yuen-han

Reply:

In the past two years (2001-02 and 2002-03), the expenditure on MPF contributions for eligible civil servants in the Labour Department was charged to a central vote : Head 120 Pensions Subhead 016 Gratuities and Mandatory Provident Fund Contributions. Following the spirit of delegating more staff management functions to Heads of Departments/Heads of Grades and to better reflect the total cost of a department in the delivery of service, provisions for MPF contributions will be charged to the heads of expenditure of individual bureaux/departments including the Labour Department from 2003-04 onwards. Taking into account the one-off transfer of provision from Head 120 Subhead 016, we have earmarked an amount of \$327,000 under Head 90 Subhead 000 for MPF contribution in the 2003-04 draft Estimates.

The provision of \$327,000 sought for 2003-04 is to cater for the MPF contributions in respect of 34 civil servants appointed under agreement terms (viz 17 Labour Inspector IIs, 5 Assistant Labour Officer IIs, 1 Executive Officer II, 1 Medical and Health Officer, 1 Chief Executive Officer, 1 Chief Labour Inspector, 1 Senior Labour Inspector, 2 Labour Inspector Is, 1 Senior Divisional Occupational Safety Officer, 2 Divisional Occupational Safety Officers, 1 Clerical Officer and 1 Assistant Clerical Officer). There is no staff who has had variation of contracts.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04
CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

EDLB(L)061

Question Serial No.

1208

Head: 90 - Labour Department

Subhead(No. & title): 000 Operational expenses

Programme:

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

The provision for "campaigns, exhibitions and publicity" has increased by \$9,312,000 when compared with last year. What are the major items of "campaigns, exhibitions and publicity" in the increased provision?

What is the provision for each item?

Asked by: Hon. CHAN Yuen-han

Reply:

There is only one item, the Youth Pre-employment Training Programme, which contributes to the increase of \$9.3 million in the provision for "campaigns, exhibitions and publicity". This increase reflects a technical change in the accounting arrangements for the Programme.

In 2002-03, the Programme is funded partly by a non-recurrent commitment under Sub-head 700 and partly under the recurrent account. Since all expenditures under the Programme will be charged to Subhead 000 as from 2003-04, the provision for the "Campaigns, exhibitions and publicity" related to this Programme will be \$9.3 million.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)062

Question Serial No.

1262

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Please give a breakdown of figures, by sex and age group, on the number of able-bodied and disabled job-seekers who have registered for employment service and who have been placed into employment. How many of them are new arrivals? Please provide details on the number by their places of origin before their arrival in Hong Kong.

Asked by: Hon. HO Sau-lan, Cyd

Reply:

A. Able-bodied job-seekers

In 2002, the Labour Department registered 208 895 able-bodied job-seekers. In total, we secured 62 467 placements, among which 28 734 were achieved through job referrals arranged by the Labour Department. The breakdowns by sex and age group of all job registrants and placements are provided below:

Registrants

	Age Group	
	Female	
	Male	
	Total	
15-19		20 107
		15 765
		35 872
20-29		37 427
		38 907
		76 334
30-39		18 727
		15 272
		33 999
40-49		23 277
		16 838
		40 115

50-59	8 921
	11 023
	19 944
60 or above	571
	2 060
	2 631
Total	109 030
	99 865
	208 895

Placements by referral

Age Group	Female	Male	Total
15-19	1 250	1 211	2 461
20-29	4 349	4 742	9 091
30-39	3 301	2 286	5 587
40-49	5 126	2 508	7 634
50-59	2 082	1 536	3 618
60 or above	80	263	343
Total	16 188	12 546	28 734

Of the 208 895 able-bodied registrants, 11 117 were new arrivals and among the 28 734 placements, 1 936 were for new-arrival registrants. As the Labour Department provides employment services to all job-seekers who are legally employable in Hong Kong, we do not have further breakdowns of new-arrival registrants by sex, age and their places of origin.

B. Disabled job-seekers

In 2002, the Labour Department registered 4 225 disabled job-seekers and achieved 2 572 placements. The breakdowns by sex and age group are given below:

	Registrants		
	Age Group		
	Female		
	Male		
			Total
15-19			213
			158
			371
20-29			770
			700
			1 470
30-39			566
			438
			1 004
40-49			551
			396
			947
50-59			272
			115
			387
60 or above			38
			8
			46
Total			2 410
			1 815
			4 225

Placements

	Age Group		
	Female		
	Male		
15-19			157
			121
			278

20-29	554
	530
	1 084
30-39	314
	274
	588
40-49	213
	241
	454
50-59	93
	53
	146
60 or above	20
	2
	22
Total	1 351
	1 221
	2 572

No separate statistics are kept for disabled job-seekers who are new arrivals.

Signature _____
Name in block letters Mrs Pamela TAN
Post Title Commissioner for Labour
Date 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)063

Question Serial No.

1304

Head: 90 - Labour Department

Subhead(No. & title): 000 – Operational expenses

Programme:

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

What were the number of non-civil service contract staff (NCSC) recruited and the expenditure involved in 2002-03? Is there any plan to increase or reduce the number of non-civil service contract staff to be recruited in 2003-04? If yes, what are the reasons for the increase or decrease in the number of staff to be recruited? What are the number of staff and the expenditure involved?

Asked by: Hon. LEE Cheuk-yan

Reply:

The number of NCSC staff employed and their employment duration will vary according to changing service needs. At present, the number of NCSC staff employed in the Labour Department is 157. The total expenditure involved for 2002-03 is \$25.9 million.

For 2003-04, we do not expect drastic changes to the requirements for NCSC staff. The number of NCSC staff to be employed and the estimated expenditure should remain more or less the same as in 2002-03.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL SUPPLEMENTARY QUESTION**

Reply Serial No.

EDLB(L)064

Head : 157 Government Secretariat:
Economic Development and
Labour (Labour Branch)

Subhead (No. & title) :

Question Serial No.

1453

Programme : Employment and Labour

Controlling Officer : Permanent Secretary for Economic Development and Labour (Labour)

Director of Bureau : Secretary for Economic Development and Labour

Question :

The estimated expenditure of the Economic Development and Labour Bureau (Labour Branch) surges over 200% to \$34.3 million. Please provide in details the use of the increased amount of \$23.3 million, including the breakdown of the additional provision for the new measures to help place the middle-aged unemployed in jobs.

Asked by : Hon. YEUNG Yiu-chung

Reply :

The provision for 2003-04 is \$23.3m higher than the revised estimate for 2002-03. This is mainly due to the additional provision for the implementation of employment and labour-related initiatives in 2003-04, including new measures to help place the middle-aged unemployed in jobs.

Of the \$23.3m, we have earmarked \$10m to provide part of the funding required to implement the Re-employment Training Programme for the Middle-aged (RTP), \$9.95m for the District Employment Programme for the Middle-aged (DEP) and \$0.2m to promote public awareness of the importance of eliminating age discrimination in employment while the remaining \$3.15m will be reserved for other employment and labour-related initiatives to be developed during the year. Both the RTP and DEP will be implemented by the Labour Department in 2003-04.

RTP seeks to encourage employers to engage the middle-aged unemployed and provide on-the-job training for them. Each participating employer will be granted a training allowance of \$1,500 per month up to three months for each participating job-seeker employed. The RTP is targeted at those job-seekers who are aged 40 or above and unemployed for three months or more. LD will conduct job matching and arrange interviews for participating job-seekers.

In view of the persistently high unemployment amongst middle-aged unemployed workers with low skill, there is a further allocation of \$50m in the 2003-04 Budget to expand the RTP to help 12 000 middle-aged unemployment (instead of 2 000 as originally planned by LD). The total expenditure for the RTP will therefore be \$60m.

Under the DEP, LD will join hands with non-government organisations (NGOs) to provide middle-aged unemployed with comprehensive employment services to help them find work in the vicinity of where they live. NGOs will explore new job opportunities and canvass vacancies from employers who do not normally use the recruitment service of LD. This programme is expected to benefit about 1 500 persons.

Signature	<hr/>
Name in block letters	<u>MATTHEW CHEUNG KIN-CHUNG</u>
Post Title	<u>Permanent Secretary for Economic Development and Labour (Labour)</u>
Date	<hr/> 21 March 2003 <hr/>

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)065

Question Serial No.

1466

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

What are the details of the "District Employment Programme" to be launched in 2003-04? Which trades will be involved? Which stage does the preparatory work proceed to?

Asked by: Hon. CHEUNG Yu-yan, Tommy

Reply:

The District Employment Programme is a pilot project funded by an allocation of about \$10 million deployed internally from the Economic Development and Labour Bureau. Under the Programme, the Labour Department will join hands with non-government organisations ("NGOs") in districts where unemployment among the middle-aged is more serious to help them find jobs in the vicinity of their residence. Apart from employment assistance, participants of the Programme will also receive a comprehensive range of social services (such as counselling on family problem) where necessary. NGOs are expected to explore new and suitable job opportunities for their participants, particularly vacancies from employers who are not frequent users of the employment service of the LD.

All job-registrants who are aged 40 and above, have been unemployed for three months or more and prefer to work near their residence may join the Programme, which will be launched in April 2003. About 1 500 people will benefit from the Programme.

We are processing proposals submitted by NGOs for running the Programme at the district level. We expect to complete the processing work before end-March 2003.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)066

Question Serial No.

1467

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

Please provide details about the progress of the "Youth Work Experience and Training Programme" launched in 2002-03: the number of applicants, the number of participants who have secured employment, the breakdown of these participants by occupation and industry and the response of employers and employees to the programme. How does the Administration assess the effectiveness of the programme? What is the way forward for the programme?

Asked by: Hon. CHEUNG Yu-yan, Tommy

Reply:

The Youth Work Experience and Training Scheme ("YWETS") was first launched on 24 July 2002. When the application period closed on 13 August 2002, it attracted over 18 000 participants. As at 14 March 2003, 8 320 participants, having received guidance and counselling by their case managers under the YWETS and attended, where appropriate, induction courses on communication and interpersonal skills, were successfully placed into jobs. Of these 8 320 placements, 4 373 jobs offer on-the-job training and draw a training subsidy from the Scheme while the others do not require payments of training subsidy. Of the 4 373 trainees whose placements involve payment of training subsidy, 27% were clerks, 18% customer service representatives, 17% information technology assistants, 6% engineering technicians, 5% hair-stylists/beauticians, 4% tour coordinators, 4% catering workers, and 19% employees in other occupations. In terms of industry, 16% were in education services, 11% in wholesale and retail, 11% in government departments, 8% in business services, 7% in personal services, 6% in manufacturing and design, 5% in catering, 5% in import and export, 5% in tourism, 4% in community and social services, 4% in information technology, 4% in construction and engineering, and 14% in other industries. So far, feedback from employers and trainees on the YWETS has been positive.

The Labour Department has commissioned the Centre for Social Policy Studies of the Hong Kong Polytechnic University to evaluate the performance of the YWETS and recommend improvement measures as well as to undertake a longitudinal study to track the longer-term effect of YWETS on trainees. The evaluation and study straddle two financial years starting from 2002-03.

The YWETS is a two-year project and will be concluded around the end of 2004. We will consider the way forward nearer the time.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)067

Question Serial No.

1469

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (2) Employment Services

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

The provision for Programme 2 (Employment Services) has increased by \$104.1m (30.6%). What are the items involved in this increased provision and the expenditure of each item?

Asked by: Hon. TIEN Pei-chun, James

Reply:

Under Programme (2) Employment Services, the provision for 2003-04 is \$104.071 million higher than that in the 2002-03 revised estimates. This is mainly due to the increase in provision in 2003-04 to continue the Youth Work Experience and Training Scheme ("YWETS"). The provision for the YWETS for 2002-03 was smaller because it was launched in late July 2002 and funding was only required for eight months from August 2002 to March 2003. Moreover, as training subsidy under the YWETS is only payable after a trainee has been placed into employment, the financial commitment was much smaller during the initial months of implementation when trainees were still undergoing the process of placement.

In 2003-04, the total financial provision for the YWETS will be \$196.608 million, which is \$122.152 million higher than the 2002-03 revised estimate. A breakdown by expenditure items for the provision sought for 2003-04 is shown below:

Item	Estimate (\$million)
Training subsidy	117
Employment counseling and follow-up service	45
Induction training courses	7.5
Reimbursement of course and examination fees for off-the-job vocational training courses	6.5
Promotion and publicity	4
Review and evaluation	1.3
Mentor training, administration, and miscellaneous	15.308
Total	196.608

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)068

Question Serial No.

1477

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

What is the percentage of cases which met the target for the item "waiting time for arranging conciliation meetings for claims" under the above programme for each of the years from 2001 to 2003? In 2001 and 2002, there was an increase in both the number of labour disputes and claims handled and the number of consultation meetings held, but there was no increase in staffing requirement. Why? Has this led to a longer waiting time?

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

The target waiting time for arranging conciliation meetings for claims is within 5 weeks. The percentage of claims with waiting time for conciliation which have met the 5-week target in 2001 and 2002 is given below :

<u>Year</u>	Total no. of claims received	No. of claims with waiting time for conciliation meetings within 5 weeks	% over total no. of claims received
2001	32 960	21 356	65%
2002	35 362	26 424	75%

The figures for 2003 are not yet available.

To cope with the increased demand for service, seven additional officers of the Labour Officer grade were deployed to handle conciliation of claims in 2002. In addition, staff redeployment within the Labour Department was arranged to handle occasional upsurge in caseload. As a result of these measures, the waiting time for conciliation was shortened in 2002.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)069

Question Serial No.

1478

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (1) Labour Relations

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

What were the number of workers and the amount of claims involved in the labour disputes and claims handled and in the cases adjudicated by the Minor Employment Claims Adjudication Board in 2002-03? What were the number of workers and the amount of claims involved in the cases that were successfully resolved?

Asked by: Hon. CHENG Kar-foo, Andrew

Reply:

The statistics required on labour disputes and claims handled by the Labour Department in 2002 are given below:

	Labour disputes*	Claims*
No. of cases handled in 2002	433	34 821
No. of employees involved	23 258	54 846
Amount claimed	\$739,974,341	\$1,860,094,368
No. of cases resolved through conciliation ¹	72	20 564
No. of employees involved	3 431	27 750
Amount received	\$44,929,945	\$205,581,665
No. of recipients	2 622	14 813
No. of cases partially resolved ²	66	489
Amount received	\$29,153,904	\$11,115,348
No. of recipients	2 246	755

(*A case which involves more than 20 employees is classified as a labour dispute. A case involving 20 or less employees is classified as a claim.)

¹ Cases not resolved, or only partially resolved, through conciliation include:

- (a) 146 labour disputes and 1 016 claims were referred to the Legal Aid Department for petition and the Protection of Wages on Insolvency Fund for application of ex gratia payment, because the employers concerned were insolvent and conciliation did not take place;
- (b) 215 labour disputes and 11 801 claims were referred to the Labour Tribunal or the Minor Employment Claims Adjudication Board (depending on the claim amount and the number of claimants) for adjudication, because the parties concerned could not resolve their dispute during conciliation; and
- (c) 1 440 claims were referred to the Labour Tribunal or the Minor Employment Claims Adjudication Board for adjudication, because the employers concerned could not be reached for conciliation.

² For these cases, conciliation resolved part of the claim items. The cases were referred to the Labour Tribunal or the Minor Employment Claims Adjudication Board for adjudication on the remaining items that were in dispute.

In 2002, the Minor Employment Claims Adjudication Board registered 2 768 claims involving 2 792 claimants. The total amount claimed was \$11,795,016. During the year, the Board concluded 2 692 claims and the total sum awarded was \$6,073,435.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)070

Question Serial No.

1479

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

For the above programme in 2003-04, please provide information on the establishment, scope of duty and salary cost of the new investigation team set up to step up prosecution of offences under the Employment Ordinance.

Asked by: Hon. LEUNG Fu-wah

Reply:

The new Employment Claims Investigation Unit is tasked to investigate suspected breaches of the Employment Ordinance (EO) to facilitate taking out prompt prosecution against employers for breaching the EO. It is staffed by 11 Labour Officer Grade and General Grade officers and the expenditure involved is \$3.37 million in 2003-04.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)071

Question Serial No.

1531

Head: 90 - Labour Department

Subhead(No. & title):

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question : The Controlling Officer's Report stated that the Labour Department devised a new strategy for close co-operation with procuring departments and stepped up inspection in 2002. Please provide information on the details of the work, the results achieved and the resources involved.

Asked by: Hon. LAU Chin-shek

Reply:

In 2002, Labour Department devised a new strategy for close co-operation with procuring departments and conducted targeted inspections to government service contractors who mainly employ low-skilled employees to ensure that these employees enjoyed their statutory and contractual benefits. Meetings were held with major procuring departments to work out tighter monitoring measures in the light of our enforcement experience. Briefings were also given to government contractors and departmental staff responsible for contract management to acquaint them with employers' statutory obligations under labour legislation.

In the same year, a dedicated enforcement team of six labour inspectors was redeployed within the Labour Department to conduct focused workplace inspections to check the employment conditions of the employees of government contractors. Altogether 393 inspections were conducted in the year, representing an increase of 44.5% over 2001. A total of 22 warnings were issued to the contractors for minor breaches of labour legislation, such as failure to provide a copy of contract to their employees. Prosecution was taken out against serious breaches, e.g. holiday offences, and 42 summonses were convicted in 2002. Non-compliance with tendering or contractual conditions detected during enforcement was also provided to procuring departments for follow-up actions. Through closer co-operation with the procuring departments and vigorous enforcement, employees' statutory rights and benefits were better safeguarded.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003

Examination of Estimates of Expenditure 2003-04

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

EDLB(L)072

Question Serial No.

1532

Head: 90 - Labour Department

Subhead(No. & title): 000

Programme: (4) Employee Rights and Benefits

Controlling Officer: Commissioner for Labour

Director of Bureau: Secretary for Economic Development and Labour

Question :

In 2003-04, the Labour Department will step up prosecution of offences under the Employment Ordinance by a new investigation team. What are the mode of operation of the investigation team and the resources involved?

Asked by: Hon. LAU Chin-shek

Reply:

The new Employment Claims Investigation Unit is tasked to conduct in-depth investigation into suspected offences under the Employment Ordinance by interviewing the employees, employers and other parties concerned, taking statements and collecting relevant documentary evidence, and conducting hearings with employers.

The Unit is staffed by 11 Labour Officer Grade and General Grade officers, and the expenditure involved is \$3.37 million in 2003-04. The resources have been made available through internal re-deployment.

Signature _____

Name in block letters _____ Mrs Pamela TAN

Post Title _____ Commissioner for Labour

Date _____ 21 March 2003