## 立法會 Legislative Council

Ref : CB2/PL/MP/1 <u>LC Paper No. CB(2) 1115/04-05</u>

(These minutes have been seen by the

Administration)

#### Panel on Manpower

### Minutes of meeting held on Thursday, 24 February 2005 at 2:30 pm in Conference Room A of the Legislative Council Building

**Members** : Hon LAU Chin-shek, JP (Chairman)

**present** Hon KWONG Chi-kin (Deputy Chairman)

Hon Albert HO Chun-yan Hon LEE Cheuk-yan Hon CHAN Yuen-han, JP Hon LEUNG Yiu-chung

Hon Andrew CHENG Kar-foo Hon Abraham SHEK Lai-him, JP Hon LI Fung-ying, BBS, JP

Hon Tommy CHEUNG Yu-yan, JP Hon Frederick FUNG Kin-kee, JP Hon Vincent FANG Kang, JP Hon WONG Kwok-hing, MH

Hon Andrew LEUNG Kwan-yuen, SBS, JP

Hon LEUNG Kwok-hung

**Member** : Hon Jasper TSANG Yok-sing, GBS, JP

absent

**Public Officers**: Item III

attending

Dr WONG Fook-yee

Assistant Director of Agriculture Fisheries and Conservation

(Country and Marine Parks)

Mr Donald TONG Chi-keung Deputy Director of Food and Environmental Hygiene (Administration and Development)

Mr TSE Man-shing Assistant Director of Home Affairs (Administration)

Mr Paul CHENG Principal Assistant Secretary (Health)2 (Acting) Health, Welfare and Food Bureau

Mr David Rossiter Head of Human Resources Hospital Authority

Ms Olivia CHAN
Assistant Director of Leisure and Cultural Services
(Leisure Services)2

Mr CHEUNG Hing-wah Assistant Director of Social Welfare (Youth and Corrections)

Ms Kinnie WONG Assistant Commissioner for Tourism

Mr Matthew CHEUNG Kin-chung Permanent Secretary for Economic Development and Labour (Labour)

Mrs DO PANG Wai-yee Assistant Commissioner for Labour (Policy Support and Strategic Planning)

#### Item IV

Mr Matthew CHEUNG Kin-chung Permanent Secretary for Economic Development and Labour (Labour)

Mrs Jennie CHOR Deputy Commissioner for Labour (Labour Administration) **Clerk in** : Mrs Sharon TONG

**attendance** Chief Council Secretary (2) 1

**Staff in** : Mr Raymond LAM

**attendance** Senior Council Secretary (2) 5

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### I. Confirmation of minutes of previous meeting

(LC Paper No. CB(2)886/04-05)

The minutes of meeting held on 20 January 2005 were confirmed.

#### II. Date of next meeting and items for discussion

(LC Paper Nos. CB(2)888/04-05(01) and (02))

- 2. <u>Members</u> agreed that the following items would be discussed at the next meeting to be held on 17 March 2005 at 2:30 pm -
  - (a) Proposed amendments to the Hong Kong Council for Academic Accreditation Ordinance (Cap. 1150);
  - (b) Standard employment contract for use by government service contractors in employing non-skilled workers;
  - (c) Proposal to designate 28 April as the commemoration day for dead and injured workers in Hong Kong; and
  - (d) Work Trial Scheme to be launched by the Labour Department.
- 3. <u>Miss CHAN Yuen-han</u> expressed concern about the problems encountered by elementary workers. <u>Members</u> agreed that the Administration should be requested to provide information on the new measures, if any, to be announced on or before 1 May 2005 to address the problems encountered by these workers.

## III. Extension of temporary jobs in the public sector

(LC Paper No. CB(2)888/04-05(03))

4. At the invitation of the Chairman, <u>Permanent Secretary for Economic Development and Labour (Labour)</u> (PSL) briefed members on the Administration's proposals to extend about 10 000 temporary jobs created in the public sector. Referring

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to the supplementary information tabled at the meeting, he informed members that the Administration had further increased the number of jobs to be extended in the public sector by 1 134 to 11 217, which would require an additional financial provision of about \$80 million. He said that the 134 temporary jobs not to be extended by the Hospital Authority (HA) as shown in the supplementary information tabled would in fact be kept by the HA through deployment of internal resources. The actual number of workers whose jobs would not be extended was thus about 400.

5. <u>PSL</u> stressed that the Administration had tried its best to extend the temporary jobs. It would be inappropriate to use public money to maintain jobs which were no longer needed from an operational point of view. The job centres of the Labour Department (LD) would accord priority to assisting the affected workers to find jobs. According to the latest information in the database of LD, there were about 18 000 vacancies, of which more than 7 000 were suitable for low-skilled workers.

(*Post-meeting note*: The supplementary information tabled at the meeting was circulated to members vide LC Paper No. CB(2)962/04-05 on 25 February 2005.)

- 6. <u>Miss CHAN Yuen-han</u> expressed concern that the largest number of jobs not to be extended was found with the Food and Environmental Hygiene Department (FEHD). She asked whether it was due to a shortage of financial provision.
- 7. <u>Deputy Director of Food and Environmental Hygiene (Administration and Development)</u> (DD/FEHD) responded that the number of temporary jobs to be extended was determined in accordance with operational needs, such as the utilisation rate of public toilets, but not the availability of financial resources.
- 8. <u>The Chairman</u> said that operational needs were dependent upon the level of service required. A low utilisation rate of a public toilet might not necessarily imply that less cleaning work was required. As the Chief Executive (CE) had stated that the prime consideration of his governance was the promotion of employment, the Administration should not take the lead to reduce jobs. At the request of the Chairman, DD/FEHD agreed to examine whether more temporary jobs could be extended.
- 9. <u>Mr LEE Cheuk-yan</u> asked about the breakdown of the 387 jobs not to be extended by FEHD.
- 10. <u>DD/FEHD</u> responded that the temporary jobs not to be extended by FEHD were mainly those involving the collection of domestic bagged refuse in old districts and cleansing work. As such work would be provided under regular cleansing contracts, there was no longer a need to extend such jobs. He stressed that FEHD had already created about 200 temporary jobs in some other areas to meet operational needs.

- 11. Mr WONG Kwok-hing said that although PSL had done a lot in seeking the extension of most temporary jobs, some government departments had not cooperated to achieve the task. He felt strongly that the Administration should look at the issue from a political point of view. As CE had stressed in his Policy Address 2005 that the prime consideration of his governance was the promotion of employment, the Administration should not create unemployment. It should extend all temporary jobs to maintain the creditability of CE and the Administration.
- 12. <u>Mr WONG Kwok-hing</u> added that the Administration should provide a detailed breakdown of the temporary jobs which would not be extended. He considered that temporary jobs should serve as a bridge for the unemployed to seek permanent employment. The Administration should not only assist the affected temporary workers to seek employment. It should seek to absorb the temporary workers into its establishment.
- 13. <u>PSL</u> responded that the updated numbers tabled at the meeting was a big step forward in comparison with the original numbers set out in the Administration's paper. As advised by DD/FEHD, FEHD would examine whether more temporary jobs could be extended.
- 14. <u>Mr LEUNG Yiu-chung</u> considered that the increased outsourcing of services by FEHD would result in more temporary jobs not being extended. He asked why fewer temporary workers were needed after 31 March 2005. He also asked whether there were any factors giving rise to such a change.
- 15. <u>PSL</u> said that the temporary jobs were created as a short-term measure at the time of high unemployment after the outbreak of the severe acute respiratory syndrome. Such a temporary measure could not continue indefinitely. He added that 31 March 2005 was referred to in the Administration's paper only because it marked the end of the current financial year.
- 16. <u>DD/FEHD</u> said that after the introduction of the new penalties for repeated cleanliness offenders in June 2003, over 20 000 fixed penalty tickets had been issued and the general cleanliness of the streets had improved.
- 17. Mr LEE Cheuk-yan expressed concern that some non-government organisations (NGOs) had deployed temporary programme assistants to fill permanent posts. He considered that adequate financial resources should be provided for such temporary posts to be converted into permanent posts inNGOs.
- 18. <u>Assistant Director of Social Welfare (Youth and Corrections)</u> (AD/SWD) responded that the temporary jobs created by the Social Welfare Department (SWD) were intended for assisting young people to acquire working experience in preparation for future employment. They were not supposed to substitute permanent employees.

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He said that the issue would be raised at a forthcoming meeting with the NGOs and the Hong Kong Council of Social Service for their follow-up action if required.

- 19. <u>Mr LEUNG Yiu-chung</u> questioned why there was no longer a need to assist young people to acquire working experience in preparation for their future employment.
- 20. <u>AD/SWD</u> responded that the temporary jobs were created by SWD at a time when the unemployment rate of young persons was relatively high. He said that SWD would encourage NGOs to give more training opportunities including those about job-seeking and interviewing techniques, to young people so as to better equip them for future employment.
- 21. Mr Andrew CHENG said that most of the temporary jobs had been taken up by the middle-aged and the youth, who had not benefited from the recent economic recovery. He said that as the cleanliness of many public toilets were still below standard and many public hospitals were in need of general workers, the temporary jobs of FEHD and HA should be extended.
- 22. <u>Mr LEUNG Kwok-hung</u> considered that the reason for not extending all temporary jobs mainly arose from the Financial Secretary's request for all government departments to reduce their expenditure. He said that the Finance Committee (FC) should not approve the Administration's funding request, unless all temporary jobs were renewed. He added that training for workers could not be provided through temporary jobs.
- 23. The Deputy Chairman said that in his recent meeting with CE, he had been informed by CE that financial constraint was not an issue in the extension of temporary jobs. He questioned why the temporary jobs were no longer needed. He suggested that FEHD should consider introducing short-term measures to enable the extension of all temporary jobs.
- 24. <u>DD/FEHD</u> noted the views of members and undertook to examine whether more temporary jobs of FEHD could be extended. <u>PSL</u> said that the Administration would try its best to resolve the issue before the proposal was submitted to FC. He added that all the 134 temporary workers not to be extended by HA as shown in the supplementary information tabled would in fact be kept by the HA through deployment of internal resources.

(*Post-meeting note*: The Administration's response was circulated to members vide LC Paper No. CB(2)978/04-05 on 1 March 2005.)

25. Subject to the extension of the remaining temporary jobs of FEHD, <u>members</u> generally supported the funding proposal and agreed that the proposal could be submitted to FC for consideration.

# IV. Labour Department's performance in the labour administration area in 2004

(LC Paper No. CB(2)888/04-05(04))

- 26. At the invitation of the Chairman, <u>PSL</u> briefed members on LD's overall performance in the different programme areas under labour administration in 2004. He also provided members with updated information as follows -
  - (a) LD would organise 50 job fairs in 2005;
  - (b) more than 9 000 middle-aged jobseekers had been placed into jobs under the Re-employment Training Programme for the Middle-aged (RTP);
  - (c) some 4 000 applications had been approved under the Special Incentive Allowance Scheme for Local Domestic Helpers;
  - (d) the trainees under the Youth Self-employment Support Scheme (YSSS) had conducted about 3 000 business transactions with gross profits of around \$1.3 million; and
  - (e) the surplus of the Protection of Wages on Insolvency Fund had now reached \$58 million.
- 27. <u>PSL</u> informed members that a restaurant operator, in the capacity a director of a limited company, had been sentenced to one month's imprisonment, but suspended for two years, after being convicted of wage offences under the Employment Ordinance. This was the first time that a director of a limited company was convicted for wage offences under the Employment Ordinance. It was also the first time that a custodial sentence was imposed by the court for such an offence. He stressed that LD would step up its enforcement effort against wage offences.
- 28. <u>Mr WONG Kwok-hing</u> commended LD for its performance in different programmes areas in labour administration. He suggested that the Administration should
  - (a) simplify the procedures for applications under the Protection of Wages on Insolvency Fund;
  - (b) enhance the knowledge of government departments engaged in monitoring outsourced services in employment-related legislation;
  - (c) promote employers' awareness of corporate social responsibility;

- (d) take actions against the deduction from the wages of workers for payment of employers' MPF contributions;
- (e) address the problems arising from the multi-layer sub-contracting system in the construction industry; and
- (f) strengthen enforcement actions against employers who deliberately closed business to avoid wage payments.
- 29. <u>Mr WONG Kwok-hing</u> asked how the Administration would prevent employers' abuse of the Work Trial Scheme and RTP. He also asked whether the YSSS was successful.
- 30. <u>PSL</u> noted the suggestions of Mr WONG Kwok-hing. He said that the Administration would provide a paper on the Work Trial Scheme for discussion at the Panel. The Administration would also provide a written reply to a question to be asked by Mr WONG on RTP at the Council meeting on 2 March 2005. He added that YSSS was successful and the trainees had conducted about 3 000 business transactions with gross profits of around \$1.3 million.
- 31. Mr Abrham SHEK asked how the Administration would address the problem of unemployment of construction workers, the unemployment rate of whom was more than 10%. He considered that the Administration should launch more infrastructural projects to create more jobs in the construction industry.
- 32. <u>PSL</u> responded that the Administration was aware of the high unemployment rate of 14.7 % in the construction industry. The problem was being addressed through
  - (a) annual public spending of \$29 billion on infrastructure projects in the coming five years, which would create 45 000 jobs, of which 41 000 would be suitable for elementary workers;
  - (b) the Hong Kong Disneyland project, which created about 10 000 jobs in the construction industry;
  - (c) the construction of 36 hotels between now and 2008, which would create more than 10 000 jobs in the construction industry; and
  - (d) construction works arising from urban renewal and renovation of old buildings, which would create thousands of jobs in the construction industry over the next 10 years.

- 33. <u>PSL</u> added that the increased construction works in Macau between now and 2007 would create several thousand employment opportunities for construction workers of Hong Kong.
- 34. <u>Mr LEUNG Kwan-yuen</u> hoped that LD would maintain harmonious employer-employee relations. He said that although the Administration should assist workers to lodge claims under the Protection of Wages on Insolvency Fund, it should act in accordance with the law.
- 35. Mr LEE Cheuk-yan expressed concern that many cases of arrears of wages were found in the construction and catering industries. He considered that to address the problem in the construction industry, wages should be paid to construction workers directly once every fortnight. The liability of main contractors in wage payment should also be increased from two months to four months. To address the problem in the catering industry, legislative amendments should be introduced to make directors of limited companies personally liable for wage offences. LD should also employ its own solicitor to handle claims under the Protection of Wages on Insolvency Fund and other labour matters. Mr LEUNG Kwok hung shared the view that wage should be paid by main contractors to construction workers directly.
- 36. <u>Mr WONG Kwok-hing</u> said that more construction parts should be precast locally so that more jobs would be created for local workers.
- 37. PSL noted the views of members.
- 38. There being no other business, the meeting ended at 4:35 pm.

Council Business Division 2
<u>Legislative Council Secretariat</u>
18 March 2005