

立法會
Legislative Council

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Finance Committee of the Legislative Council

Minutes of the 9th meeting
held at the Conference Room 1 of the Legislative Council Complex
on Friday, 13 January 2012, at 3:15 pm

Members present:

Hon Emily LAU Wai-hing, JP (Chairman)
Prof Hon Patrick LAU Sau-shing, SBS, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon LEE Cheuk-yan
Dr Hon David LI Kwok-po, GBM, GBS, JP
Dr Hon Margaret NG
Hon CHEUNG Man-kwong
Hon CHAN Kam-lam, SBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Hon LEUNG Yiu-chung
Dr Hon Philip WONG Yu-hong, GBS
Hon WONG Yung-kan, SBS, JP
Hon LAU Kong-wah, JP
Hon Miriam LAU Kin-yeet, GBS, JP
Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon Vincent FANG Kang, SBS, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon Jeffrey LAM Kin-fung, GBS, JP

Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon CHEUNG Hok-ming, GBS, JP
Hon WONG Ting-kwong, BBS, JP
Hon Ronny TONG Ka-wah, SC
Hon CHIM Pui-chung
Hon KAM Nai-wai, MH
Hon Starry LEE Wai-king, JP
Dr Hon LAM Tai-fai, BBS, JP
Hon CHAN Kin-por, JP
Dr Hon Priscilla LEUNG Mei-fun, JP
Dr Hon LEUNG Ka-lau
Hon CHEUNG Kwok-che
Hon WONG Kwok-kin, BBS
Hon IP Kwok-him, GBS, JP
Hon Mrs Regina IP LAU Suk-yea, GBS, JP
Dr Hon PAN Pey-chyou
Hon LEUNG Kwok-hung
Hon Tanya CHAN
Hon Albert CHAN Wai-yip

Members absent:

Hon Fred LI Wah-ming, SBS, JP
Hon James TO Kun-sun
Hon LAU Wong-fat, GBM, GBS, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon LI Fung-ying, SBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Dr Hon Joseph LEE Kok-long, SBS, JP
Hon Cyd HO Sau-lan
Hon CHAN Hak-kan
Hon Paul CHAN Mo-po, MH, JP
Hon WONG Sing-chi
Hon IP Wai-ming, MH
Hon Paul TSE Wai-chun, JP
Dr Hon Samson TAM Wai-ho, JP
Hon Alan LEONG Kah-kit, SC
Hon WONG Yuk-man

Public officers attending:

Ms Julia LEUNG Fung-ye, JP	Acting Secretary for Financial Services and the Treasury
Mr Stanley YING, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Alice LAU, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Ms Elsie YUEN	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Kenneth CHEN Wei-on, JP	Under Secretary for Education
Mrs Cherry TSE LING Kit-ching, JP	Permanent Secretary for Education
Ms Michelle LI, JP	Deputy Secretary for Education (1)
Miss Jenny YIP	Deputy Secretary-General, University Grants Committee
Mrs Michelle WONG YAU Wai-ching	Deputy Secretary for Education (4)
Mr Tony TANG	Principal Assistant Secretary for Education (Support Services)
Mr Stephen SUI Wai-keung	Commissioner for Rehabilitation, Labour and Welfare Bureau
Mr Patrick NIP Tak-kuen, JP	Director of Social Welfare
Mrs Cecilia YUEN	Assistant Director of Social Welfare (Rehabilitation and Medical Social Services)
Miss Charmaine LEE	Deputy Secretary for Constitutional and Mainland Affairs (2)
Mr Edwin LAU	Principal Assistant Secretary for Constitutional and Mainland Affairs (7)
Mrs Carolina YEUNG	Senior Executive Officer (Constitutional and Mainland Affairs) 7A
Ms Selene TSOI	Principal Assistant Secretary for the Civil Service (Conditions of Service)

Clerk in attendance:

Mrs Constance LI	Assistant Secretary General 1
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Staff in attendance:

Ms Annette LAM	Chief Council Secretary (1)7
Mr Daniel SIN	Senior Council Secretary (1)7
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Christy YAU	Legislative Assistant (1)8

Item No. 1 - FCR(2011-12)70

ARRANGEMENTS FOR MEMBERS TO INDICATE THEIR INTENTION TO SPEAK AT MEETINGS OF THE FINANCE COMMITTEE, ESTABLISHMENT SUBCOMMITTEE AND PUBLIC WORKS SUBCOMMITTEE

The Chairman advised that the Committee was invited to consider proposed amendments to the procedures of the Finance Committee (FC), the Establishment Subcommittee (ESC) and the Public Works Subcommittee (PWSC) regarding the arrangements for members to indicate their intention to speak at meetings.

2. At the invitation of the Chairman, the Clerk to FC advised that the procedures of FC, ESC and PWSC currently provided that members should raise their hands if they wished to speak. With the installation of the electronic voting system and information technology equipment in Conference Room 1 where meetings of FC, ESC and PWSC were held, members could now use the "Request to speak" system to indicate their intention to speak at these meetings. A simple amendment to FC, ESC and PWSC procedures was therefore proposed so that members could either raise their hands or press the "Request to speak" button if they wished to speak at meetings of FC, ESC and PWSC. With the use of the "Request to speak" system, the number of members waiting to speak would be displayed on the information display panels in Conference Room 1 and on the computer screens on members' desks, while the first three members in the queue would be notified through their pagers and their names would also be displayed on the computer screens on members' desks.

3. The Clerk to FC said that subject to FC's approval of the amendment to the procedures, the new arrangements would take immediate effect. As for meetings of ESC and PWSC, Members who were not member of ESC or PWSC would still have to raise their hands to indicate their intention to speak. The LegCo Secretariat would further examine if any necessary adjustments would need to be made to the system for meetings of ESC and PWSC.

Action

4. The Chairman put the item to vote. The Committee approved the proposed amendments to the FC, ESC and PWSC procedures with immediate effect.

Item No. 2 - FCR(2011-12)67

HEAD 190 – UNIVERSITY GRANTS COMMITTEE

Subhead 000 Operational expenses

HEAD 156 – GOVERNMENT SECRETARIAT : EDUCATION BUREAU

Subhead 700 General non-recurrent

New Item "Injection into the Research Endowment Fund"

5. The Chairman advised that the item sought FC's acceptance of the total recurrent grant for the University Grants Committee (UGC)-funded institutions for the 2012/13 to 2014/15 triennium, estimated at \$42,208.9 million, and also approval for a new commitment of \$5 billion for injection into the Research Endowment Fund for enhancing the research capacity of both the publicly-funded and self-financing institutions in the higher education sector.

6. The Chairman said that Ms Starry LEE, Chairman of the Panel on Education Services, had reported the Panel's discussion when the funding proposal was last discussed by FC on 9 December 2011. The proposal was voted down at the FC meeting on 9 December 2011, and a revised paper was provided by the Administration for FC's consideration at this meeting.

Adjustment of tuition fees

7. Mr CHEUNG Man-kwong said that when the proposal was last discussed at the FC meeting on 9 December 2011, members were concerned that the tuition fees would be increased in the coming triennium. He noted from paragraph 27 of the revised paper presented to FC that the Administration would take into account the implementation experience of the New Academic Structure in the first few years before embarking on any review of the tuition fees. Noting that the review was not expected to be completed within the next three years, he asked the Administration to confirm that tuition fees would not be increased during the triennium.

8. Under Secretary for Education (USED) said that the Administration would need to collect data on the implementation of the New Academic Structure during the first two years of operation to lay the basis of the review.

It was unlikely that the review could be completed within the coming three years and the tuition fees would remain unchanged during this period.

9. Dr PAN Pei-chyou appreciated the Administration's clarification that tuition fees would not be adjusted within the coming triennium. Mr WONG Kwok-hing welcomed the revision made in paragraph 27 of the Administration's paper that the tuition fees of tertiary institutions would be maintained at the current levels in the next three years. Mr WONG asked if the Administration would consult the Legislative Council (LegCo) when tuition fees were to be adjusted in future.

10. USED said that the paper had explained the types of information and the various factors that the Administration would consider when reviewing the level of tuition fees. He confirmed that, as in previous practice, the Administration would listen to members' views if the tuition fees were to be adjusted. Mr WONG said that he would support the funding application on the basis of the Administration's clarification.

11. Mr LEE Cheuk-yan said he would support the funding proposal. He welcomed the Administration's pledge to listen to members' views on future tuition fee adjustment proposals. He said that the present case demonstrated the importance of LegCo's gate-keeping power in approving funding applications. He remarked that if LegCo was consulted in advance, it could often arrive at mutually acceptable outcome with the Administration.

12. Ms Audrey EU commented that the Administration's position was not much different from the previous submission except that the Administration had now clarified that the review on tuition fees would unlikely be completed within the triennium and that tuition fees would not be raised within this period. She criticized the Administration for wasting members' time as it could have made this clear at the last meeting.

13. Ms Starry LEE expressed support for the funding proposal as the funding was needed for the normal operation of the tertiary educational institutions in the coming triennium. She said that given the stable and healthy fiscal conditions, and that the other government fees and charges were under moratorium, the Administration would not lightly decide to raise tuition fees during 2012 - 2015.

14. Ms Miriam LAU supported the funding proposal as the tertiary educational institutions would need assurance of funding allocation to allow early planning and preparation for the next academic year. She agreed that no increase should be made to the tuition fees before 2015, but expressed concern

that the Administration might propose a large increase after the review. Ms LAU said that spending on education was a social investment and should be evaluated in terms of the quality of talents cultivated rather than monetary return. She urged that the Administration should not seek substantial increase in tuition fees.

15. Mr LEUNG Kwok-hung commented that the Administration was only delaying the increase of tuition fees for three years, and he expected the fees would likely be raised by a substantial amount subsequently.

16. Responding to members' concerns, USED said that the Administration committed to promoting higher education as a social investment, and to this end, resources for both recurrent grant and research funding had been increased substantially. In reviewing tuition fees, the Administration would take into account many factors, members' views and the community's affordability, in the light of the data collected during the first two years of operation of the New Academic Structure.

Self-financing programmes

17. Mr CHEUNG Man-kwong noted from paragraph 9 of the Administration's paper that the recurrent grant for UGC-funded educational institutions was a deficiency subvention. Under this mechanism, the assumed income of the institutions (including tuition fees, interest and investment income, etc.) would be deducted from the total assumed recurrent funding requirements. He asked if income from the self-financing programmes would also be taken into account in calculating the recurrent grant, if a large surplus was generated by such programmes.

18. USED said that UGC-funded educational institutions offering self-financing courses were required to keep separate accounts for publicly-funded and self-financing programmes. Surplus generated from self-financing programmes would not be counted towards the income of the institutions for the purpose of calculating recurrent grants.

19. Mr CHEUNG Man-kwong queried why huge surplus generated from self-financing programmes organized by a UGC-funded educational institution and contributed towards its operation should not be counted towards income calculation. Although separate accounts were kept for income from publicly funded programmes and self-financing programmes, the educational institutions concerned would still benefit as a whole. He said that institutions were able to

accumulate huge surplus from self-financing programmes by charging high level of fees, and asked whether these levels of fees should be regulated.

20. USED advised that there was no cross-subsidy between incomes from self-financing and publicly-funded operations. Permanent Secretary for Education (PS(Ed)) said that the Administration encouraged UGC-funded institutions to apply surplus from self-financing programmes to improving self-financing programmes. She added that UGC-funded institutions might charge students of self-financing programmes for using university facilities such as libraries and sports facilities that were provided with public funds. Such charges would be counted as income to the university. The Administration also allowed surplus from publicly-funded programmes to be carried forward from one triennium to the next, or used for investment. The income generated from investment would be taken into account in calculating the recurrent grant.

21. Mr CHEUNG Man-kwong said that as certain UGC-funded educational institutions might use facilities that were funded by UGC in conducting self-financing programmes, the cost of using such facilities should be met from the income of these self-financing programmes.

22. Mrs Regina IP queried whether the accounts of publicly-funded and self-financing educational programmes could be clearly separated, as resources and academic staff might be shared in the development and delivery of publicly-funded and self-financing programmes. She was concerned that UGC-funded institutions were putting more emphasis on self-financing programmes, as these programmes were more profitable. She considered it unfair if a tertiary educational institution had to raise tuition fees for the publicly-funded programmes while a lot of the resources were in fact shared with the profitable self-financing programmes without recovering the cost. She asked the Administration to provide more detailed information in this respect.

23. USED responded that the same question had been raised at the Panel on Education and at a recent LegCo meeting. The Administration was compiling information with UGC and the tertiary educational institutions concerned. In addition, in response to the outcome of the review on higher education, the Administration would set up the Committee on Self-financing Post-Secondary Education as a platform for discussion with tertiary institutions on how best to respond to the concerns of the public and students. The Administration would report to the Panel on Education in due course.

24. Mrs IP commented that the Administration should examine the issue thoroughly and she expected the Treasury would be interested in the institutions'

use of public funds. In response to the Chairman, USED said that the Administration was collecting information from the institutions concerned. As the self-financing sector was developing rapidly, the Administration would need time to analyze and compile the data. He expected that the Administration could revert to the Panel on Education within the current LegCo session.

25. Ms Audrey EU urged the Administration to discuss the issue of provision of self-financing places with the Panel on Education. While agreeing that tertiary educational institutions should have autonomy in running academic programmes, she said that the City University of Hong Kong should explain the reason for cutting down its self-financing degree places from one thousand to about 90 places. USED responded that the Administration would follow up the matter with the Panel on Education separately.

26. Mr Abraham SHEK supported the funding proposal. He commended the Administration for having incorporated members' views in the revised paper. He commented that the Administration should encourage tertiary educational institutions to offer more self-financing programmes to meet market demand, and that UGC should not impose too many restrictions on the use of the publicly-funded facilities for the development and delivery of self-financing programmes.

27. Mr CHEUNG Man-kwong referred to a letter from the Heads of Universities Committee (HUCOM) expressing concern about FC's previous rejection of the funding application, and impressing upon members the importance of timely funding approval to the operation of the universities. He said that FC did not approve the Administration's proposal at the previous meeting because the Administration did not undertake not to raise tuition fees in the coming triennium. He expressed disappointment that the heads of universities had not shown any concern about the difficulties faced by students if tuition fees were to be raised and had not expressed support for a freeze in tuition fees in the coming triennium. Mr CHEUNG criticized university heads for not showing enough care for the students. He also criticized that the Administration had allowed tertiary educational institutions to generate as much as 20% profit from the tuition fees for self-financing programmes, while providing various support measures such as start-up loans, accreditation grants, nominal land premium and quality enhancement grants to these institutions. He considered it unfair that students had to incur huge debts to finance their studies but in the end, they were financing the surplus for these institutions. He urged the Administration should monitor the tertiary educational institutions to ensure that tuition fees were set at a reasonable level and to prevent exorbitant profits for running self-financing programmes.

Action

28. USED reiterated that the Administration was gathering information from the institutions concerned and would follow up the matter at the Panel on Education. He said that regardless of the sources of funding, tertiary educational institutions should address the expectation of the community and the needs of students.

29. Mr CHEUNG Man-kwong remarked that the issue of excessive surplus accumulated by tertiary educational institutions from self-financing programmes was not new, but the Administration still needed to collect information in this respect. He criticized the Administration for not performing its duty in monitoring the use of public funds by tertiary educational institutions.

30. Mr LEUNG Kwok-hung agreed with Mr CHEUNG Man-kwong that the heads of universities did not care about the students. He said that tertiary educational institutions had become a profiteering tool and a mere vendor of academic certificates, for which the Administration was to blame. He said that some 40% of students in tertiary education institutions had to pay hefty fees which only contributed to the huge profits of these institutions, and they still sought more funding from the Government. Mr LEUNG asked if the Administration had encouraged the heads of universities to put pressure on FC. He criticized that the Administration was only concerned about getting enough support to push through the funding proposal.

31. In response to the Chairman, USED said that the Administration had been in touch with heads of universities regarding the funding application and had discussed with them their concerns about the recent rejection of the funding application by LegCo.

Resources on research activities and remuneration of academic staff

32. Mr LEE Cheuk-yan referred to a submission from a group of staff of tertiary education institutions expressing concern about the allocation of research funding by competition, which was also a long term concern of the Confederation of Trade Unions. Mr LEE commented that UGC applied commercial principles in managing university funding allocation, and such approach had led to unhealthy competition among tertiary educational institutions, which would only benefit large-scale institutions at the expense of smaller institutions. As a result, tertiary educational institutions had tended to put more emphasis on practical studies at the expense of humanities subjects. He asked the Administration to relay members' concerns to UGC. Mr LEE also expressed concern that more academic staff in tertiary educational

institutions were employed on contract terms with a remuneration slightly better than secondary school teachers. He was concerned that, with less job security under contract terms, these academic staff were more prone to external pressure, which would undermine academic freedom.

33. USED said that members' concerns had been discussed at a meeting of the Panel on Education attended also by representatives of the tertiary education sector. The Administration and UGC had indicated that special funding allocation had been provided for humanities programmes, and further discussions with the universities could be held with UGC and the Research Grants Council as necessary. USED also undertook to reflect members' views on remuneration of academic staff to UGC for consideration.

34. Ms Starry LEE asked if the Administration has looked into a complaint that an individual researcher was not allowed to use the research grant on any joint project with another research unit which had separately received funding from another source. Deputy Secretary-General, University Grants Committee (DSG) advised that apart from grants for individual research projects, Collaborative Research Fund, Areas of Excellence Scheme and Theme-based Research Scheme were available to support joint projects involving researchers from different institutions.

35. Mr Abraham SHEK commented that the Administration should allocate additional resources to support research activities. UGC should avoid applying commercial principles in determining the allocations of funding among tertiary educational institutions because investment on higher education could not be evaluated by indicators such as internal rate of return, but the general enhancement of the quality of the population.

36. Dr PAN Pei-chyou queried the justifications for maintaining the number of publicly-funded taught postgraduate places and research postgraduate places at, respectively, 2 200 and 5 595 places per annum, as mentioned in the paper presented to FC. Dr PAN said that in promoting the six priority industries as announced in the Chief Executive's Policy Address, adequate supply of talents with research experience were required. Dr PAN asked whether the supply would have to rely on self-financing postgraduate places, and, if so, whether additional funds would be provided. He said that the Administration would stifle the development of the six priority industries if insufficient resources were provided for supporting research.

37. USED said that the Administration had been reducing the number of those publicly-funded taught postgraduate places that were related to improving the candidates' personal professional or vocational skills. At the same time,

Action

the Administration was funding more research postgraduate places. However, given the increasing demand for self-financing taught postgraduate programmes, USED said that the Administration intended to use the investment income from \$3 billion out of the proposed \$5 billion injection into the Research Endowment Fund to fund the self-financing tertiary institutions on a competitive basis to enhance academic and research development.

38. Dr PAN commented that many overseas institutions offered scholarship to foreign research students. If Hong Kong did not provide similar incentives, it would be difficult to attract talents international-wise. PS(Ed) advised that the Administration had increased several hundreds of postgraduate places. Deputy Secretary for Education (1) (DS(Ed)1) said that the number of research postgraduate places had been increased by 800 in the current triennium, and the level of research postgraduate places would remain at the present level in the coming triennium. The PhD Fellowship Scheme had also been introduced to recruit outstanding overseas and local students to study for doctorate degrees in Hong Kong.

Number of publicly-funded higher education places

39. Mr LEUNG Kwok-hung commented that in some countries, high quality universities were established with private funds. He said it was the Administration that should be blamed for the absence of high quality institutions in Hong Kong given its reluctance to devote more public resources on university education. Noting that 19% of secondary school graduates were admitted to UGC-funded institutions, and the rest would have to pursue higher education in other self-financing tertiary educational institutions, Mr LEUNG asked the Administration how the admission rates in Hong Kong compared with other developed economies. He queried that the Administration had not provided sufficient publicly-funded university places for those students who could not afford the costs of self-financing degree programmes.

40. USED said that the Administration adopted a two-pronged strategy in promoting the parallel development of the publicly-funded sector and the self-financing sector. Apart from the nine publicly-funded tertiary educational institutions, there were six self-financing degree-awarding institutions. The Administration estimated that by the 2014/15 academic year, more than one-third of the relevant age cohort would have the opportunity to pursue degree-level education. Including sub-degree places, more than two-thirds of young people in the relevant age group would have access to post-secondary education.

Action

41. Mr LEUNG noted that by 2014/15 academic year, two-thirds of the relevant age cohort would still not be able to receive university education from publicly-funded tertiary educational institutions. He criticized the Administration for lack of commitment and long term planning on university education, and commented that the Administration should provide resources to support the operation of the self-financing degree-awarding institutions. He asked if the Administration had plans to improve the proportion of the relevant age cohort who could pursue publicly-funded degree-level education.

42. USED responded that the Administration had been improving higher education opportunities, and had adopted a two-pronged strategy in promoting the parallel development of the publicly-funded sector and the self-financing sector. Based on the experience from the neighbouring countries, higher education development could not sustain on public funds alone. USED added that the Administration had accepted the key recommendations of the Report on Higher Education Review 2010 which laid down broad direction of long term development in the tertiary education sector. The long term commitment of the Administration on higher education development was also outlined in the paper presented to FC.

43. The Chairman put the item to vote. The Committee approved the funding proposal.

Item No. 3 - FCR(2011-12)68

HEAD 156 – GOVERNMENT SECRETARIAT :
EDUCATION BUREAU

Subhead 700 General non-recurrent

New Item "Injection into the Education Development Fund"

44. The Chairman advised that the item sought the Committee's approval of a new commitment of \$550 million for injection into the Education Development Fund.

45. Ms Starry LEE, Chairman of the Panel on Education, reported that the proposal was discussed at the Panel meeting held on 12 December 2012. Panel members generally supported the proposal and had requested for supplementary information on the differentiated professional support to be provided for students with special education needs. Ms LEE said that in the supplementary information provided by the Administration, it was still not clear how the proposed funding injection would support learner diversity in kindergartens. She had earlier suggested that the Administration should set up a professional support team comprising speech therapists, educational

psychologists and pre-primary education experts to render assistance to kindergarten teachers in early identification of students with different aptitudes or inclination. Ms LEE asked if the proposed funding injection included resources for this purpose, as the resources from the Education Development Fund were inadequate to support kindergartens.

46. USED responded that the Administration had stepped up efforts in promoting pre-primary education, including enhancing support for students with different educational needs, and a post would be created to look into the special educational needs of students and the support for non-Chinese speaking students. Further enhancement could be provided progressively following the approval of the funding application. Ms LEE said that, as the Administration had accepted that there was a need to introduce support measures to facilitate teachers in the early identification of and early intervention on children in kindergartens with learning diversities, the matter would be followed up by the Panel on Education.

47. Mr CHEUNG Man-kwong expressed support for the funding proposal which would provide useful support for schools.

48. Referring to Enclosure 3 of the Administration's paper, Mr IP Kwok-him asked about the reasons for the large increase in the estimated expenditure on Principal Support Network from \$9.28 million in 2011/12 to \$11.96 million in 2012/13. Principal Assistant Secretary (Support Services) (PAS(SS)) advised that the increase in provision was to cater for enhancing the leadership capability at both the school principal and deputy principal levels. In response to Mr IP, PAS(SS) advised that the enhancement of leadership at middle management would be achieved through increase in number of participants as well as training to enhance effectiveness.

49. The Chairman put the item to vote. The Committee approved the funding proposal.

Item No. 4 - FCR(2011-12)65

HEAD 170 – SOCIAL WELFARE DEPARTMENT

Subhead 700 General non-recurrent

Item 521 Enhancing employment of people with disabilities through small enterprise

50. The Chairman advised that the item sought the Committee's approval of an increase in commitment by \$100 million from \$54 million to \$154 million

for the "Enhancing Employment of People with Disabilities through Small Enterprises" Project.

51. Mr CHEUNG Kwok-che, Chairman of the Panel on Welfare Services, said that the Panel discussed the proposal on 12 December 2011. Panel members supported the proposal, but expressed concern about the relatively small number of job opportunities created for persons with disabilities under the "Enhancing Employment of People with Disabilities through Small Enterprises" Project, as compared with the amount of funding injected. Panel members were also concerned whether businesses under the Project would be sustainable after the funding period expired, and suggested that the Administration should elaborate on the complementary measures to enhance the sustainable development of businesses to be funded under the Project, when preparing the relevant funding proposal to FC. Mr CHEUNG said that the Administration had provided the requested information in the FC paper and the Administration's proposal to FC was reasonable. He would support the funding application.

52. The Chairman put the item to vote. The Committee approved the funding proposal.

Item No. 5- FCR(2011-12)69

**HEAD 144 – GOVERNMENT SECRETARIAT :
CONSTITUTIONAL AND MAINLAND AFFAIRS BUREAU
Subhead 000 Operational expenses**

**HEAD 28 – CIVIL AVIATION DEPARTMENT
Subhead 000 Operational expenses**

**HEAD 31 – CUSTOMS AND EXCISE DEPARTMENT
Subhead 000 Operational expenses**

**HEAD 60 – HIGHWAYS DEPARTMENT
Subhead 000 Operational expenses**

**HEAD 122 – HONG KONG POLICE FORCE
Subhead 000 Operational expenses**

53. The Chairman said that the item sought FC's approval of a system for determining the rent allowance payable to officers posted to offices in the

Action

Mainland and Taiwan under the Constitutional and Mainland Affairs Bureau and those on secondment to organizations in the Mainland and Taiwan, as well as the relevant delegation of authority to the Secretary for Constitutional and Mainland Affairs and the Secretary for the Civil Service.

54. The Chairman put the item to vote. The Committee approved the funding proposal.

55. The meeting was adjourned at 4:34 pm.

Legislative Council Secretariat

1 June 2012