立法會 Legislative Council

LC Paper No. CB(2)1039/13-14 (These minutes have been seen by the Administration)

Ref: CB2/PL/MP

Panel on Manpower

Minutes of meeting held on Monday, 27 January 2014, at 8:30 am in Conference Room 1 of the Legislative Council Complex

Members : Hon LEE Cheuk-yan (Chairman)

present Hon WONG Kwok-kin, BBS (Deputy Chairman)

Hon Albert HO Chun-yan Hon LEUNG Yiu-chung

Hon Tommy CHEUNG Yu-yan, SBS, JP

Hon CHAN Kin-por, BBS, JP Dr Hon LEUNG Ka-lau

Hon CHEUNG Kwok-che Hon IP Kwok-him, GBS, JP Hon LEUNG Kwok-hung

Hon CHAN Yuen-han, SBS, JP

Hon LEUNG Che-cheung, BBS, MH, JP

Hon KWOK Wai-keung

Hon SIN Chung-kai, SBS, JP Hon POON Siu-ping, BBS, MH

Hon TANG Ka-piu

Dr Hon CHIANG Lai-wan, JP

Member attending

Hon WONG Kwok-hing, BBS, MH

Members : Dr Hon KWOK Ka-ki absent Hon CHUNG Kwok-pan

Public Officers attending

: <u>Item IV</u>

Mr Matthew CHEUNG Kin-chung, GBS, JP Secretary for Labour and Welfare

Miss Annie TAM Kam-lan, JP Permanent Secretary for Labour and Welfare

Mr CHEUK Wing-hing, JP Commissioner for Labour

Mr Byron NG Kwok-keung, JP Deputy Commissioner for Labour (Labour Administration)

Mr David LEUNG, JP
Deputy Commissioner for Labour
(Occupational Safety and Health)

Ms Lydia LAM Sui-ping Principal Assistant Secretary for Labour and Welfare (Manpower)

Item V

Mr Eddie NG, SBS, JP Secretary for Education

Ms Michelle LI, JP
Permanent Secretary for Education (Acting) /
Deputy Secretary for Education (1)

Ms Pecvin YONG Principal Assistant Secretary (Further Education) Education Bureau

Clerk in attendance

Miss Betty MA

Chief Council Secretary (2) 1

Staff in : Ms Rita LAI

attendance Senior Council Secretary (2) 1

Miss Kay CHU

Council Secretary (2) 1

Miss Lulu YEUNG Clerical Assistant (2) 1

Action

I. Confirmation of minutes of previous meeting

(LC Paper No. CB(2)489/13-14)

The minutes of the meeting held on 19 November 2013 were confirmed.

II. Information paper(s) issued since the last meeting

(LC Paper No. CB(1)739/13-14(01))

2. <u>Members</u> noted the letter dated 9 January 2014 from Mr KWOK Wai-keung proposing that a joint meeting of the Panel on Manpower and Panel on Development be held to discuss issues relating to the design of new residential buildings and occupational safety of workers engaged in external wall works had been issued since the last meeting. <u>Members</u> further noted that the Administration had been requested to provide a response to the issues of concern raised in Mr KWOK's letter.

III. Date of next meeting and items for discussion

(LC Paper Nos. CB(2)700/13-14(01) and (02))

Regular meeting in February 2014

- 3. <u>Members</u> agreed that the following items proposed by the Administration be discussed at the next regular meeting on 18 February 2014 -
 - (a) Review of whether medical certificates issued by chiropractors should be recognised under labour legislation; and

(b) Youth employment.

<u>Members</u> further agreed that deputations would be invited to give views on item (b) above.

Special meeting in February 2014

- 4. In the light of wide public concern about several abuse cases against foreign domestic helpers ("FDHs"), <u>members</u> agreed that a special meeting be held around late February 2014 to discuss and receive views from deputations on policies relating to FDHs and regulation of employment agencies ("EAs") providing FDH placement service. Members would be informed of the meeting arrangements in due course.
- 5. <u>Mr SIN Chung-kai</u> suggested and <u>members</u> agreed that the Research Office of the Legislative Council Secretariat ("LegCo") be requested to prepare an information note on the regulation of domestic helper employment agencies in selected places.

(*Post-meeting note*: The special meeting was subsequently held on 27 February 2014.)

- IV. Briefing by the Secretary for Labour and Welfare on relevant policy initiatives in the Chief Executive's 2014 Policy Address (LC Paper No. CB(2)700/13-14(03), The 2014 Policy Address booklet and The 2014 Policy Agenda booklet)
- 6. At the invitation of the Chairman, the Secretary for Labour and Welfare ("SLW") briefed members on the new and on-going key initiatives pertaining to labour and manpower under the Labour and Welfare Bureau ("LWB") in the Chief Executive ("CE")'s 2014 Policy Address, details of which were set out in the Administration's paper.

(*Post-meeting note*: The speaking note of SLW tabled at the meeting was issued to members vide LC Paper No. CB(2)766/13-14 on 27 January 2014.)

Employees' rights and benefits

- 7. Mr TANG Ka-piu expressed disappointment about a lack of specific policy initiatives on enhancing employees' rights and benefits in the 2014 Policy Address. Miss CHAN Yuen-han and the Chairman shared similar concerns. Specifically, Mr TANG was concerned about the concrete work plan in respect of the reviews of the statutory minimum wage ("SMW") rate and the continuous contract requirements under the Employment Ordinance (Cap. 57) ("EO") as well as the introduction of universal retirement protection.
- 8. <u>SLW</u> advised that in enhancing the existing employees' rights and benefits, there was a need to balance employees' interests and employers' affordability to ensure that the relevant policy was in line with the overall socio-economic development of Hong Kong. In the light of the experience in the implementation of SMW, it was noteworthy that consensus building for various labour issues would be a lengthy process because of the complexity of issues involved. That said, the Administration planned to introduce a bill into LegCo in 2013-2014 session on the provision of three-day statutory paternity leave ("PL"). As regards retirement protection, the Commission on Poverty had commissioned a consultancy study under the leadership of Professor Nelson Chow on the subject. The consultancy team expected that a report would be submitted by mid-2014.

Standard working hours ("SWH")

- 9. <u>Miss CHAN Yuen-han</u> and <u>the Chairman</u> were concerned about the work progress of the Standard Working Hours Committee ("SWHC"). Both members expressed great reservations about legislating for SWH within the tenure of the current Government. Given that the working hours statistics of employees in various sectors of Hong Kong were already available in the Report of the Policy Study on SWH which was released in November 2012, <u>Miss CHAN</u> saw no reason for further delay in the introduction of the relevant legislation. She considered that the Administration should provide the Panel with an interim report on the work progress of SWHC by the end of the 2013-2014 session.
- 10. Pointing out that the long working hours situation was a major concern of the middle-class because of its adverse impact on their family life, Mr TANG Ka-piu considered it a pressing need for the Administration to address the problem.

11. <u>SLW</u> advised that the two working groups formed under SWHC, namely "Working Hours Consultation Group" and "Working Hours Study Group" would strive to submit their reports to SWHC by end-2014 for deliberation and planning of future work. He assured members that SWHC would adhere to its work plan closely in an objective, holistic and balanced manner, and carry out informed and in-depth discussions on working hours with a view to building consensus and identifying the way forward. <u>SLW</u> said that the work of SWHC was highly transparent, he nevertheless would relay members' views to SWHC for consideration.

Offsetting arrangement for severance payments ("SP") and long service payments ("LSP") under EO

- 12. Referring to the male government employees' current entitlement to five days' paid PL, Mr WONG Kwok-hing enquired whether the Administration would, in a similar manner, take the lead in abolishing the offsetting arrangement whereby the accrued benefit from the contributions made by the Government bureaux/departments as employers to the Mandatory Provident Fund ("MPF") schemes were used for offsetting SP and LSP payable to the non-civil service contract staff, so as to set a good example for the private sector. In his view, the offsetting arrangement had deprived employees concerned of their retirement protection.
- 13. Echoing a similar concern, <u>Mr LEUNG Kwok-hung</u> took the view that as the largest employer in Hong Kong, the Government should set a good example to protect employees' rights and benefits by abolishing the offsetting arrangement.
- 14. <u>Miss CHAN Yuen-han</u> and <u>Mr TANG Ka-piu</u> were concerned about how the Administration would take the subject of offsetting arrangement forward. <u>The Chairman</u> expressed dissatisfaction about the absence of a roadmap and concrete timetable for abolishing the offsetting arrangement.
- 15. Mr Tommy CHEUNG pointed out that the long-established offsetting arrangement was extended to cover MPF schemes after extensive consultations with employers' associations and employees' unions and balancing all relevant considerations. Should the offsetting arrangement be abolished, he was concerned that this would give rise to a significant increase in the operating costs, especially those of small and medium enterprises ("SMEs").

16. <u>SLW</u> said that the Administration was aware of the community concern about the offsetting arrangement. Any change to the terms of employment of government employees would have to be studied carefully by the Civil Service Bureau. <u>SLW</u> further said that employers had been allowed under EO to use their contributions to retirement schemes for offsetting SP or LSP before the MPF system came into operation. As the subject matter involved issues pertaining to the overall employer-employee relationship, any change to the arrangement would require consensus of employees and employers. The Administration would need to listen to the views of different sectors and examine the issue in a holistic and careful manner. LWB would work in concert with the Financial Services and the Treasury Bureau and revert to the Panel in due course.

Legislative proposal on compulsory reinstatement and re-engagement

- 17. Mr WONG Kwok-hing expressed concern about the delay in introducing the Employment (Amendment) Bill which sought to empower the Labour Tribunal/the Court to make a compulsory order for reinstatement or re-engagement of an employee who had been dismissed unreasonably and unlawfully. Mr WONG noted with concern that although the Administration had previously indicated its intention to introduce the amendment bill in the last legislative session, which was considered non-controversial, the legislative proposal was not included in the Administration's Legislative Programme 2013-2014.
- 18. <u>SLW</u> advised that as the legislative proposal contained a number of new elements, which carried implications on certain legal principles and court procedures, the Administration had been striving to sort them out with the Department of Justice and the Judiciary with a view to finalising it for introduction into LegCo at the earliest possible time.

Alignment of statutory holidays with general holidays

- 19. <u>Mr WONG Kwok-hing</u> strongly called on the Administration to expedite the alignment of the number of statutory holidays with the general holidays with a view to standardising the leave entitlement of all employees and further promoting family-friendly employment practices.
- 20. <u>SLW</u> said that the Labour Department ("LD") had commissioned the Census and Statistics Department ("C&SD") to collect statistics on the percentage and characteristics of employees taking statutory holidays and general holidays in Hong Kong. <u>Commissioner for Labour</u>

- ("C for L") supplemented that analysis of the data collected by C&SD was being conducted. Besides, according to information gathered by LD in early 2013, Hong Kong ranked third among 12 neighbouring economies in respect of the number of statutory holidays designated for employees. Like Hong Kong, a number of economies, including Japan, Korea, Taiwan and Macao, had two systems of holidays, viz. general holidays for the public at large and holidays for employees. The Administration would continue to study on the subject. As the Administration was currently heavily engaged in the legislative work on PL, the subject of alignment of holidays would be handled later.
- 21. <u>Mr Tommy CHEUNG</u>, however, expressed concern that the alignment of number of statutory holidays with general holidays would incur additional staff cost, which would impose a heavy financial burden on employers, in particular SMEs.

Legislating for paid PL

22. While Mr WONG Kwok-hing welcomed the Administration's plan to introduce a bill into LegCo in the 2013-2014 session on the provision of three-day paid statutory PL, Mr Tommy CHEUNG expressed concern that following the enactment of the relevant bill, the duration of paid PL would be progressively extended to such a level beyond the affordability of employers.

<u>Labour force</u>

- 23. Mr CHAN Kin-por was concerned about the problem of labour shortage in certain industries, in particular the construction and transport industries. He enquired about the measures taken by the Administration to address the labour shortage problem.
- 24. <u>SLW</u> responded that the Administration attached great importance to the tight labour situation in the construction and transport industries. It spared no efforts in working closely with employers to attract new entrants, including ethnic minorities, young persons and new arrivals, to the construction industry through enhancing the working environment and conditions. To meet the specific needs of the transport industry, <u>SLW</u> said that respective employers could approach the Employees Retraining Board ("ERB") for organisation of Skills Upgrading Scheme Plus courses exclusively for employees from the same company or association.

- 25. Mr Tommy CHEUNG said that the Liberal Party was of the view that the Administration should actively consider allowing importing more labour under the Supplementary Labour Scheme ("SLS") to relieve the acute manpower shortage problem in designated industries, such as the construction industry. In response, <u>SLW</u> said that employers who encountered genuine difficulties in getting suitable employees locally might consider applying to import workers to fill vacancies under the established mechanism of SLS.
- 26. Mr LEUNG Yiu-chung said that the grassroots workers strongly objected to expanding the importation of labour under SLS to relieve the labour shortage problem in certain industries. They were gravely concerned about the suppression of wage levels of local workers and the adverse impact on their employees' rights and benefits.
- 27. On unleashing potential labour force, Mr LEUNG Yiu-chung was concerned about the adequacy of subsidised child care services which was crucial to releasing female homemakers with children to join the labour force. Mr LEUNG held the view that the Government's plan to lift the age limit of service beneficiaries of the Neighbourhood Support Child Care Project from aged under six to nine from 2014-2015 remained insufficient to meet the service need, having regard to the need of some women to take care of their children aged between nine and 12 and the criminal liability for negligence in taking care of children under the Offences against the Person Ordinance (Cap. 212). As regards elderly employment, Mr LEUNG said that it would be difficult to change the mindset of employers to engage the elderly in employment merely through publicity. The Administration should consider legislating for age discrimination against job seekers.
- 28. Mr KWOK Wai-keung pointed out that the Employees Retraining Levy was imposed on employers who imported labour under SLS but not on employers using the three talent admission schemes, namely the General Employment Policy, Admission Scheme for Mainland Talents and Professionals, and Quality Migrant Admission Scheme. He considered the differential treatment unreasonable. He also expressed concern about the competition in the employment market between the professionals and skilled labour admitted to Hong Kong under the talent admission schemes and the graduates of the local universities and sub-degree programmes.

29. <u>SLW</u> explained that it was the Government's established policy that employers who were permitted to import low-skilled labour under SLS should contribute towards the training and retraining of the local workforce. The applicants under the talent admission schemes administered by the Immigration Department were different from those under SLS.

Vocational training and manpower development

- 30. Mr CHEUNG Kwok-che expressed concern that there was a lack of coordinated efforts among LWB, LD, the Education Bureau ("EDB") Vocational Training ("VTC") the Council non-governmental organisations ("NGOs") in the provision of vocational training and manpower development for the youth. Notwithstanding the launching of various new initiatives by LWB and LD to provide young people with pre-employment training, work attachment, on-the-job training employment support services under the Youth Employment and Training Programme and the offering of various relevant sub-degree programmes by the post-secondary institutions and community colleges, Mr CHEUNG held the view that it would be a waste of resources from both the personal and government perspectives, if the efforts were not well-integrated into clear articulation pathways for the youth.
- 31. <u>SLW</u> advised that VTC offered vocational training programmes to support the Government's policies on education and manpower development. While collaborating with EDB in the provision of vocational training for the young persons, LWB would focus on providing assistance to the vulnerable young persons in acquiring non-academic qualifications. <u>SLW</u> stressed that the Government had all along been striving to provide secondary school leavers with flexible and diversified articulation pathways in both further studies and career development. Citing the introduction of the "first-hire-then-train" pilot scheme through the Lotteries Fund last year as an example, he elaborated that young people were recruited to provide care services at residential care homes for the elderly and were provided with subsidies to pursue further studies for preparation for taking up a higher position in the career ladder.

32. Mr CHEUNG Kwok-che maintained the view that LWB should collaborate with EDB in the development of clear pathways for the youth so as to avoid overlapping and wastage of resources. Taking students of sub-degree programmes for social services as an example, he said that these students were in face of an uncertain career prospect because there was no corresponding entry qualification for sub-degree holders of social services in the welfare sector. The Chairman shared a similar concern.

Youth employment

- 33. Mr KWOK Wai-keung was in support of increasing the allowances payable to the young people under various youth employment and training programmes so as to attract them to receive relevant on-the-job training. Mr KWOK asked whether the Administration would consider making similar arrangement of providing training allowances to students of full-day sub-degree or degree programmes when undergoing internship. In the light of the retention problem of young skilled labour in the low-pay industries, Mr KWOK further expressed the view that the Administration should liaise with the stakeholders about improving the remuneration packages so as to encourage the youth to retain in employment after completing the relevant on-the-job training.
- SLW said that training allowances would be payable to eligible 34. attending the Pilot Traineeship Scheme of VTC trainees placement-tied courses of ERB. SLW further said that the Administration proposed in the 2014 Policy Address to introduce a pilot Training and Support Scheme at VTC to integrate structured apprenticeship training programmes and clear career progression pathways for specific industries meeting certain criteria, such as the industry was willing to provide allowance or subsidy to trainees and to offer a certain salary level to trainees who had completed the apprenticeship training and were willing to join relevant industries. SLW added that the electrical and mechanical industry had agreed to offer an allowance of such.
- 35. Mr LEUNG Che-cheung noted with concern that although the overall unemployment rate was not that high, the youth unemployment rate was relatively high. In his view, it was largely attributed to the lack of work types meeting the aspirations and interests of young people. He called on the Administration to enhance its efforts in addressing the problem. For instance, the Administration should extend the Youth Employment Start to different districts to provide one-stop employment support service for the young people.

- 36. <u>SLW</u> responded that the unemployment rate for young people aged 15 to 24 had significantly decreased from 10.1% in the three-month period (September November 2013) to 8.8% in the fourth quarter of 2013 as compared with 3.2% for the overall unemployment rate in the corresponding period. That said, the Administration would continue its efforts in providing employment support and services to some 28 500 non-engaged young people through various employment projects.
- 37. <u>Mr LEUNG Che-cheung</u> was concerned that some 2 100 temporary posts of programme workers ("PWs") in the welfare sector were due to lapse by end-March 2014. Contrary to the Administration's policy on promoting youth employment, <u>Mr LEUNG</u> sought clarification on the rationale for discontinuation of these posts.
- 38. <u>SLW</u> explained that in 2008 the Government had provided, on top of the Lump Sum Grant ("LSG") subvention, additional temporary funding for NGOs subvented by the Social Welfare Department ("SWD") to create 3 000 temporary PW posts for young people aged between 15 and 29 for three years as a special employment support measure during the economic downturn at that time. The temporary posts aimed at assisting young people to obtain work experience so as to enhance their employability in the open market. While the duration of these PW posts had been extended thrice, the Administration had stressed time and again they were temporary and time-limited in nature. After serving in the posts for some time, incumbent PWs had acquired considerable work experience and could seek jobs in the labour market or pursue further studies according to their own interest and preference.
- 39. <u>Mr LEUNG Yiu-chung</u> expressed the view that after several years' service, many PWs would like to pursue their career in the welfare sector. Moreover, with the support of PWs, the relevant welfare service units had been operating smoothly. In his view, the Administration should discontinue the so-called special employment support measure through natural wastage. <u>Mr LEUNG Kwok-hung</u> shared a similar view.
- 40. Mr TANG Ka-piu also expressed grave concern about the prospects of the PWs concerned. To his understanding, most PWs had an aspiration for the social welfare profession and preferred to working in the sector.

- 41. Responding to members' concerns, <u>SLW</u> reiterated that the PW posts were temporary and time-limited in nature. NGOs under LSG subvention arrangement had full autonomy and flexibility in the deployment of subvention, including the continued employment of existing PWs. In the past months, SWD had actively encouraged the NGOs concerned to provide training and employment support for incumbent PWs so as to enable them to secure other suitable jobs or training opportunities. The Administration had also provided a series of support measures for these young people, including job skills training and employment support projects. In the light of the prevailing low unemployment rate, it was expected that these young people could find suitable jobs in the labour market.
- 42. <u>Dr CHIANG Lai-wan</u> referred members to her motion on assisting young people in their development on all fronts, which was passed at a Council meeting in January 2014. Pointing out that support for upward mobility of the youth was one of the initiatives in the 2014 Policy Address, <u>Dr CHIANG</u> expressed concern about the Administration's efforts in providing appropriate support to young people to make early preparation for their career and life planning according to their own interest and preference. <u>Dr CHIANG</u> considered it imperative to provide students with information on career development and the anticipated manpower demand in specific industries so as to avoid the problem of manpower mismatch. She added that LWB should work in collaboration with EDB in facilitating the young people to start life planning at an early stage.
- 43. <u>SLW</u> said that the Administration had devoted substantial resources to take forward the initiatives in the CE's 2014 Policy Address. To his knowledge, EDB would enhance the support for life planning and career guidance services for secondary students.

Helping low-income families

44. Mr SIN Chung-kai enquired about whether the subsidy under the Work Incentive Transport Subsidy ("WITS") Scheme would be taken into account in the calculation of family income under the proposed Low-income Working Family Allowance ("LIFA") as announced in the CE's 2014 Policy Address.

- 45. <u>SLW</u> advised that according to the Administration's initial thinking, LIFA would be granted on a family basis to relieve the financial burden of non-Comprehensive Social Security Assistance ("CSSA") low-income working households, and beneficiaries of LIFA should not be concurrently receiving household-based WITS. Individual household members might, however, choose to make individual-based applications for WITS if they were eligible and the subsidy of which would be regarded as family income under the proposed LIFA.
- 46. Mr SIN Chung-kai was concerned about the data management of various schemes in place to help low-income families. In response, <u>SLW</u> said that the Administration had put in place relevant arrangements whereby data verification across different schemes could be carried out if necessary. In response to the Chairman's enquiry, <u>SLW</u> said that the Efficiency Unit would work with LWB in making available the system for processing LIFA applications. The Administration would seek additional resources to cope with the increased workload as appropriate.
- 47. Mr Tommy CHEUNG said that the Liberal Party was in support of the introduction of the proposed LIFA as it had advocated for such over the years.

WITS Scheme

- 48. Given that the objective of the WITS Scheme was to help low-income workers reduce their cost of travelling to and from work and encourage them to secure or stay in employment, Mr POON Siu-ping held the view that applicants for WITS should be required to undergo an income test only but not an asset test. Having regard to the rise in the public transport cost in recent years, Mr POON enquired whether the Administration would consider making upward adjustment to the full-rate subsidy which had remained at \$600 since its inception.
- 49. <u>SLW</u> said that according to findings of the General Household Survey ("GHS") conducted by C&SD in the fourth quarter of 2012, the average monthly expense of WITS target beneficiaries on public transport for travelling to and from work was \$436, and that for those working across districts was \$489. This showed that the present full-rate WITS at \$600 per month should provide sufficient support to most eligible applicants. The Administration would continue monitoring the position, having regard to the relevant GHS statistics. As regards the asset test, to ensure the proper use of public resources, the Administration had no plan to abolish it. <u>SLW</u> further said that the Administration would commence a comprehensive review of the WITS Scheme in October 2014.

50. Pointing out that the asset limit for public rental housing application would be adopted for the proposed LIFA, the Chairman enquired whether the Administration would also consider raising the asset limit for individual-based application under the WITS Scheme on par with the proposed LIFA, i.e. from \$79,500 to \$212,000. <u>SLW</u> said that the Chairman's view would be taken into consideration in the comprehensive review of the WITS Scheme which would commence in October 2014.

Employees' compensation

- 51. Referring to the CE's election manifesto that a special taskforce comprising employees, employers and representative of C for L would be set up to undertake a study on improving protection for workers in high-risk occupations in relation to insurance, compensation for work injuries, therapy and rehabilitation, <u>Mr POON Siu-ping</u> enquired about the work progress in this regard.
- 52. <u>Deputy Commissioner for Labour (Labour Administration)</u> ("DC for L (LA)") said that a working group comprising representatives of the relevant bureaux/departments and organisations, including the Office of the Commissioner of Insurance, the Development Bureau and the Hospital Authority, was following up on the matter. It was expected that a preliminary report on the subject would be made available by end 2014.
- 53. Mr Albert HO expressed concern about the amount of the claim for damages for bereavement under section 4 of the Fatal Accidents Ordinance ("FAO") (Cap. 22), which had remained at \$150,000 since 1997. He enquired whether the Administration would consider making upward adjustment to the amount. The Chairman requested the Administration to provide a response to the suggestion.

Admin

(*Post-meeting note*: The Administration has subsequently advised that LD is not responsible for administering FAO, which was introduced by the then Attorney General and was enacted in 1986 to implement the proposals of the Law Reform Commission contained in its "Report on Damages for Personal Injury and Death" published in October 1984.)

- 54. Mr Albert HO expressed concern that the ex gratia payment from the Protection of Wages on Insolvency Fund ("PWIF") did not cover the outstanding employers' contribution to MPF for their employees. In his view, it was part of employees' remuneration for their service rendered to their employers. He enquired whether the Administration would consider conducting a review on the coverage of PWIF.
- 55. DC for L (LA) clarified that making ex gratia payment from PWIF in respect of wage arrears owed to an applicant by his insolvent employer and recovery of outstanding MPF contribution for employees from their employer were separate issues. The scope of coverage and the maximum amount of the ex gratia payment from PWIF for the outstanding wages and other statutory entitlements were clearly specified under the Protection of Wages on Insolvency Ordinance (Cap. 380).
- 56. The Chairman recalled that members had raised the issue before and suggested to expand the scope of PWIF. The Administration considered MPF contribution not wages under the protection of PWIF. The Chairman said that as an alternative means, the indemnity should be provided by the Compensation Fund under the MPF Schemes Ordinance (Cap. 485). He urged the Administration to liaise with the respective organisations and follow up on the issue.
- 57. <u>DC for L (LA)</u> said that the Administration would relay the concern to the Mandatory Provident Fund Schemes Authority for consideration.

Working Holiday Scheme ("WHS")

58. Mr CHAN Kin-por was concerned about the insurance protection for WHS participants. He sought information on the number of cases of WHS participants seeking assistance from the Administration for encountering problems outside Hong Kong. C for L said that the Administration had not received such request for assistance. WHS participants were encouraged to take out insurance policies even though there was no such requirement for participants staying in some host countries such as Europe.

Regulation of EAs placing FDHs

59. Mr Tommy CHEUNG said that the Liberal Party held the view that a licensing scheme with demerit points system should be put in place to monitor and enhance the service quality of EAs providing FDH placement service. With a view to safeguarding the rights and benefits of FDHs and their employers, heavy penalty should be imposed on EAs which were found non-compliant with the licensing requirement. The Administration should make reference to Singapore's practice in regulating FDHs and their employers.

V. Briefing by the Secretary for Education on relevant policy initiatives in the Chief Executive's 2014 Policy Address (LC Paper No. CB(2)700/13-14(04), The 2014 Policy Address booklet and The 2014 Policy Agenda booklet)

60. At the invitation of the Chairman, <u>Secretary for Education</u> ("SED") briefed members on the latest development and implementation of the Qualifications Framework ("QF"), one of the on-going initiatives of EDB, and the proposal to introduce a QF Fund as announced in the CE's 2014 Policy Address, details of which were set out in the Administration's paper.

(*Post-meeting note*: The speaking note of SED tabled at the meeting was issued to members vide LC Paper No. CB(2)766/13-14 on 27 January 2014.)

61. <u>The Chairman</u> drew members' attention to the Administration's plan to submit the funding proposal to the Finance Committee ("FC") for establishing a QF Fund with a financial commitment of \$1 billion. <u>The Chairman</u> also drew members' attention to Rule 83A of the Rules of Procedure concerning personal pecuniary interest to be disclosed.

Recognition of QF

62. <u>Dr CHIANG Lai-wan</u> was in support of the introduction of QF which gave due recognition to the skills and experience acquired by practitioners in the workplace of relevant industries. However, she was concerned about the recognition of QF by the community at large and how the Administration would further promote QF in different industries with a view to increasing the employability of practitioners whose qualifications were recognised under QF. <u>Dr CHIANG</u> further expressed concern about the development of accessible articulation pathways to

enable individual practitioners to purse higher levels of qualifications. She considered that EDB should collaborate with LWB to enhance the public's knowledge and acceptance of QF.

- 63. Mr CHEUNG Kwok-che raised a similar concern about the awareness of the public, in particular the youth, towards the implementation of QF since its introduction in 2008. He held the view that the Administration should step up its promotion and publicity of QF as well as enhance transparency of QF implementation for its wider acceptance.
- 64. <u>SED</u> advised that the Administration fully acknowledged the importance of QF's credibility and the need to obtain the consensus and support of different stakeholders for further development of QF. <u>SED</u> said that the Administration had so far assisted 19 industries in setting up their Industry Training Advisory Committees ("ITACs") under QF and so far 14 of them had drawn up their Specification of Competency Standards ("SCSs") which set out clearly the skills, knowledge and outcome standards required of employees in different functional areas of the respective industries, and enabled course operators to design training courses to meet the needs of the industries.
- 65. Permanent Secretary for Education (Acting) ("PS/Ed(Ag)") added that with the participation of employer representatives in ITACs, the competency standards of various QF levels developed by the respective ITACs were gaining wider acceptance by employers as useful guides and reference for human resources management, such as staff recruitment and performance assessment in different industries. The Administration would continue its work in this direction.
- 66. PS/Ed(Ag) further said that QF was a seven-level hierarchy providing multiple pathways among academic, vocational and continuing education. Under QF, there was a Recognition of Prior Learning ("RPL") mechanism to enable practitioners in the industries of various backgrounds to obtain formal recognition of the knowledge, skills and relevant experience that they had acquired in the workplace up to QF Level 4. The Administration would strive to enhance the acceptance of the RPL mechanism such that practitioners could pursue further learning with their RPL qualifications as a starting point to acquire higher and broader qualifications. To further develop QF, PS/Ed(Ag) said that a study was being conducted in respect of facilitating articulation and mutual recognition of credits and qualifications between ERB and VTC with a view to assisting industry practitioners to move up the articulation ladder progressively.

(Members agreed to extend the meeting by 15 minutes.)

Development of QF

- 67. Mr CHEUNG Kwok-che was concerned that with limited employees' representation on various ITACs, formulation of SCSs was largely determined by employers who might require employees to possess certain qualifications under QF as the basic entry requirement or yardstick for performance assessment. In such circumstances, employees without the stipulated qualifications would be put in a disadvantageous position.
- 68. Mr Albert HO shared a similar view. While supporting the setting up of QF to define clearly the standards of different qualifications of practitioners acquired through different means, Mr HO was concerned that employees whose skills or experience was not recognised under the RPL mechanism would become more vulnerable for displacement. He sought information on the overseas practices in respect of the checks and balances in the implementation of QF.
- 69. <u>SED</u> and <u>PS/Ed(Ag)</u> said that ITACs comprised representatives from employers, employees and professional bodies of respective industries, which provided a platform for stakeholders of the industries to exchange views on the development and enhancement of manpower. ITACs were tasked to draw up SCSs for the relevant sectors. Overseas experience indicated that, instead of being driven out of the industries for not acquiring the QF-recognised qualifications, individual practitioners had been encouraged to engage in learning activities as a result of the development of QF. <u>PS/Ed(Ag)</u> added that the implementation of QF in individual industries was on a voluntary basis and acquiring QF-recognised qualifications was not prerequisite for employment. By drawing up their SCSs, ITACs had facilitated the development of education and training courses and mapping out of progression pathways for employees in the respective sectors.
- 70. Mr KWOK Wai-keung noted with concern that while 46% of the workforce in Hong Kong were covered by the 19 industries which had set up their ITACs, there were only some 9 000 applications for recognition under the RPL mechanism as at 30 November 2013. Mr TANG Ka-piu referred members to the 5 774 applications from the property management industry, which accounted for more than 60% of the total applications and had outnumbered those of other industries. Mr TANG

asked whether the implementation of RPL mechanism in the property management industry had resulted in raising the wage level of the industry practitioners and whether only those practitioners with their qualifications recognised under the RPL mechanism would be engaged in the industry.

- 71. <u>PS/Ed(Ag)</u> responded that the RPL mechanism had been implemented in eight industries. The positive response of the property management industry could largely be attributed to the active participation of the relevant stakeholder groups, including employers and employees, in the industry to implement QF. The Administration would continue to work closely with other industries with a view to extending the RPL mechanism to those industries which had set up ITACs and completed their respective SCSs.
- Mr KWOK Wai-keung was concerned about the development progress of the credit accumulation and transfer system among different sectors and training institutions. PS/Ed(Ag) said that EDB had announced the use of QF Credit in October 2012, which provided clear and transparent information on the size or volume of learning programmes recognised under QF as well as the commitments from Moreover, starting from practitioners to complete the programmes. 1 January 2014, education and training providers of programmes newly registered in the Qualification Register ("QR") should indicate the QF credit values of such programmes if they were pitched at QF Levels 1 to 4. These would facilitate the arrangement of credit transfer among different sectors and training institutions as well as the development of multiple pathways among academic, vocational and continuing education. Administration would continue its work in this respect.
- 73. In response to Mr KWOK Wai-keung's enquiry about the development of SCS-based training programmes, <u>PS/Ed(Ag)</u> advised that as at 31 December 2013, more than 530 SCS-based training programmes had been developed by the education and training providers. To expedite the process, resources were provided to the relevant ITACs for the development of the SCS-based training packages. It was expected that the first batch of training packages for four ITACs would be ready for publishing in the third quarter of 2014, which aimed to serve as a catalyst for the development of SCS-based materials for wider adoption by enterprises and course providers to meet the needs of the industries.

- 74. Mr KWOK Wai-keung expressed concern that some new arrivals who possessed professional qualifications acquired in the Mainland were not duly recognised under QF. To make ends meet, these people had to take up non-skilled work, or even fell into the safety net of the social security system. Mr KWOK asked how the Administration would address the problem.
- 75. <u>PS/Ed(Ag)</u> advised that there were different ways for new arrivals to attain qualifications recognised under QF, for instance, enrolling in the QF-recognised programmes such as those under Yi Jin Diploma or offered by VTC and ERB.
- 76. Mr TANG Ka-piu expressed concern that work experience and skills acquired from the maritime industry were not duly recognised under QF. He called on the Administration to address the issue.
- 77. <u>SED</u> advised that the Administration would continue to develop network for formal recognition of the skills and experience acquired by practitioners in the workplace of different industries under QF. <u>PS/Ed(Ag)</u> added that with the introduction of the credit accumulation and transfer system, it was envisaged that the credits accumulated by individual practitioners from different programmes and training could be transferred into recognised qualifications for pursuing further studies.
- 78. Mr TANG Ka-piu drew members' attention to some complaint cases in which students pursuing self-financing pre-associate degree programmes had received financial assistance under the publicly funded financial assistance schemes on the condition of satisfactory completion of the relevant associate degree programmes. However, as these students eventually failed in admitting to the associate degree programmes, they were required to repay the financial assistance. He called on the Administration to look into the matter.
- 79. <u>SED</u> and <u>PS/Ed(Ag)</u> said that students were advised to be prudent in the selection of learning programmes and were encouraged to enrol in the QF-recognised learning programmes listed under QR.

Proposed uses of the QF Fund

80. Referring to the Government's proposal of setting up a \$1 billion QF Fund and the allocation of \$10 million per year to support ITACs to launch new initiatives as announced by the Financial Secretary in the 2013-2014 Budget, Mr CHEUNG Kwok-che sought more information on the uses of the funding and the annual recurrent allocation for the purpose.

- 81. Drawing the experience of the construction industry, the Chairman considered that to promote development of QF, part of the recurrent funding should be allocated to trade unions and organisations in the relevant sectors and industries to assist practitioners to acquire formal recognition of their skills and knowledge under the RPL mechanism. Additional resources from the QF Fund should also be provided for the education or training providers to organise QF-related programmes to encourage more practitioners of different industries to pursue learning and upgrading.
- 82. <u>SED</u> advised that the QF Fund aimed to support schemes and initiatives for the sustainable development and implementation of QF, including support schemes for QF development and funding for ITACs, QF-related studies/projects and public education. The annual recurrent funding requirement was in the region of \$40 million to \$50 million.
- 83. In concluding the discussion, the Chairman said that members had raised no objection in principle to the proposed introduction of the QF Fund. The Administration was requested to take heed of members' concerns and further elaborate on the uses of the proposed funding when submitting the proposal to FC for consideration as far as practicable.
- 84. There being no other business, the meeting ended at 10:45 am.

Council Business Division 2
<u>Legislative Council Secretariat</u>
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