立法會 Legislative Council

LC Paper No. CB(2)1262/13-14 (These minutes have been seen by the Administration)

Ref: CB2/PL/MP

Panel on Manpower

Minutes of meeting held on Tuesday, 18 February 2014, at 4:30 pm 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

Dr Hon KWOK Ka-ki 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 Hon CHUNG Kwok-pan

Member attending

Hon WONG Kwok-hing, BBS, MH

Public Officers attending

: Item III

Mr Byron NG Kwok-keung, JP Acting Commissioner for Labour

Mr Ernest IP Yee-cheung, JP Assistant Commissioner for Labour (Employees' Rights & Benefits)

Miss Christine BUT Wing-tung
Senior Labour Officer
(Employees' Compensation Division)
(Central Services Section)
Labour Department

Item IV

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 Byron NG Kwok-keung, JP Acting Commissioner for Labour

Mrs Tonia LEUNG SO Suk-ching, JP Assistant Commissioner for Labour (Employment Services)

Mrs Louisa POON MEI yen Senior Labour Officer (Youth Employment) Labour Department

Attendance by invitation

: Item IV

Democratic Alliance for the Betterment and Progress of Hong Kong

Mr NGAN Man-yu Deputy Spokesperson on Manpower

Liberal Party Youth Committee

Mr Harris YEUNG Member

The Federation of Hong Kong and Kowloon Labour Unions

Mr CHAN Man Luen-ying Organizer

Democratic Party

Mr Ricky OR Yiu-lam Member of Central Committee

New People's Party

Mr Henry PAK Hon-pan Community Development Officer

Young Civics

Miss Bonnie LEUNG Chairman

Hong Kong Christian Service

Miss Phoebe CHU Lai-ying Service Supervisor

HKFTU Vocational Training and Employment Advancement Committee

Mr TONG Kang-yiu Director

Labour Party

Mr MOK Hiu-fung Representative

Hong Kong Policy Viewers

Mr KUNG Wai-sum

Chairperson

Autism Hong Kong

Mr F C TANG Representative

The Hong Kong Council of Social Service

Ms Louisa YAU Shui-ling

Officer (Children and Youth Service Development)

Clerk in attendance

Miss Betty MA

Chief Council Secretary (2) 1

Staff in attendance

Ms Rita LAI

Senior Council Secretary (2) 1

Miss Kay CHU

Council Secretary (2) 1

Ms Kiwi NG

Legislative Assistant (2) 1

Miss Lulu YEUNG Clerical Assistant (2) 1

Action

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

<u>Members</u> noted that no information paper had been issued since the last meeting.

II. Date of next meeting and items for discussion

(LC Paper Nos. CB(2)853/13-14(01) and (02))

Rescheduling of special meeting in February

2. <u>The Chairman</u> suggested and <u>members</u> agreed that to avoid clashing with the anticipated continuation of the Council meeting of 19 February 2014 on 21 February 2014, the special meeting originally scheduled for 21 February 2014 would be re-scheduled to 27 February 2014.

Joint meeting on 18 March 2014

3. <u>The Chairman</u> informed members that a joint meeting of the Panel on Manpower and the Panel on Financial Affairs would be held on 18 March 2014 from 3:30 pm to 5:30 pm to discuss the arrangement of offsetting severance payments and long service payments against Mandatory Provident Fund accrued benefits.

Regular meeting on 18 March 2014

4. <u>Members</u> agreed to the Administration's proposal to discuss "Working Holiday Scheme" at the next regular meeting on 18 March 2014, which would be held immediately after the joint meeting with the Panel with Financial Affairs to be held on the same day.

III. Review of whether medical certificates issued by chiropractors should be recognised under labour legislation

(LC Paper Nos. CB(2)853/13-14(03) to (04) and CB(2)876/13-14(01))

5. At the invitation of the Chairman, <u>Acting Commissioner</u> for <u>Labour</u> ("Ag C for L") briefed members on the findings of the Thematic Household Survey ("THS") on chiropractor consultation by the public conducted by the Census and Statistics Department ("C&SD") during September to November 2012 and published on 8 November 2013 (hereinafter referred to as "the THS 2012 survey findings"); the latest development of chiropractic in Hong Kong and other places; and the Administration's review findings on whether medical certificates (commonly known as "sick leave certificates") issued by chiropractors should be recognised under labour legislation, as detailed in the Administration's paper.

- 6. <u>Members</u> noted the background brief entitled "Recognition of medical certificates issued by chiropractors under labour-related legislation" prepared by the Legislative Council ("LegCo") Secretariat.
- 7. Acknowledging the low level of community knowledge and acceptance of chiropractic treatment, which was considered as a form of complementary and alternative medicine, <u>Dr KWOK Ka-ki</u> was concerned whether an injured employee receiving treatment of alternative medicine, including chiropractic treatment, was entitled to reimburse from his employer the medical expenses incurred and whether the sick leave certificates so issued would be duly recognised under labour legislation. Noting from the THS 2012 survey findings that more than 60% of those persons who had received chiropractic treatment paid over \$300 per chiropractic treatment on average, <u>Dr KWOK</u> considered that the relatively high treatment fee had deterred injured employees from seeking chiropractic treatment.
- 8. Ag C for L said that according to the Employees' Compensation Ordinance (Cap. 282) ("ECO"), an injured employee was entitled to recover from his employer the medical expenses for treatment of the work injury rendered by various healthcare practitioners, including, among others, registered chiropractors, subject to a daily ceiling of \$200, under either the public or private healthcare system.
- 9. <u>Dr KWOK Ka-ki</u> further enquired about the percentage of injured employees seeking treatment from complementary and alternative medicine, such as podiatric physician, and the medical expenses so incurred under the public healthcare system. <u>Ag C for L</u> said that the Administration did not maintain such statistics. Besides, podiatric physician was not included as one of the 12 types of healthcare practitioners which were subject to statutory registration in Hong Kong.
- 10. <u>Dr KWOK Ka-ki</u> held the view that the issue on recognising medical certificates issued by chiropractors should be considered in a wider context. To this end, due consideration should also be given to whether the medical certificates issued by other allied healthcare practitioners, including physiotherapists and occupational therapists, were to be covered under labour legislation.
- 11. <u>Ag C for L</u> shared Dr KWOK Ka-ki's view that the issue should be considered from a wider perspective as it would have read-across implications on ECO and other labour legislation. As such, the Administration was of the view that the issue should be handled with prudence.

- 12. Noting from the findings of the survey conducted by the Labour Department ("LD") on chiropractor consultation by injured employees who called on LD for medical clearance in 2013 that there was a decrease in the percentage of the injured employees who had received chiropratic treatment among those surveyed, as compared with the findings of a similar survey conducted in 2010, <u>Dr KWOK Ka-ki</u> sought more information on the trend.
- 13. Ag C for L responded that according to the 2013 survey findings, the low utilisation of chiropractic treatment by the injured employees surveyed might be due to the community's limited knowledge about chiropractic treatment. Ag C for L stressed that the Administration would maintain an ongoing dialogue with the chiropractic sector and encourage it to step up its publicity efforts to promote and enhance the prevalence of chiropractic treatment.
- 14. Mr WONG Kwok-hing said that he had since 2008 called for the recognition of medical certificates issued by chiropractors under labour Expressing regrets and disappointment legislation. Administration's conservative stance on the matter, Mr WONG strongly urged the Administration to set up a dedicated task force to follow up on the matter. With reference to his personal experience, he opined that chiropractic treatment was effective for certain musculoskeletal disorders. Mr WONG further said that the practising qualifications of the 180 registered chiropractors in Hong Kong were subject to the statutory regime, the non-recognition of the medical certificates issued by the registered chiropractors under labour legislation was discriminatory and To facilitate further deliberation on the subject, unreasonable. Mr WONG was of the view that representatives of the relevant professional bodies, namely the Chiropractic Doctors' Association of Hong Kong ("CDAHK") and the Hong Kong Chiropractors' Association, should be invited to join the discussion at a future meeting when the Panel revisited the issue. Miss CHAN Yuen-han and Mr SIN Chung-kai shared similar views.
- 15. Responding to members, <u>Ag C for L</u> made the following points -
 - (a) the Administration respected the professionalism of chiropractors and noted the THS 2012 findings on the views expressed by those persons who had received chiropractic treatment on the level of effectiveness of such treatment. While adopting an open view on whether medical certificates issued by registered chiropractors should be

recognised under labour legislation in future, the Administration had in the past decade commissioned C&SD to conduct two rounds of the survey on chiropractor consultation by the public in order to gain a more updated and thorough understanding of the community knowledge and utilisation of chiropractic treatment. The Administration had all along maintained ongoing communication with the chiropractic sector and stakeholders. The chiropractic sector was encouraged to enhance their publicity efforts and continuing education for chiropractors with a view to promoting the prevalence and the public's acceptance of chiropractic treatment;

- injured employees could seek direct chiropractic treatment (b) without a referral by other healthcare practitioners and could recover the medical expenses on chiropractic treatment from their employers under ECO. However, whether the medical certificates issued by chiropractors should be recognised under labour legislation was a separate issue as it would create new legal liabilities on the stakeholders like employers and insurers underwriting employees' compensation insurance. If the medical certificates of chiropractors were to be covered under labour legislation, it might have a significant impact on the existing employees' compensation system;
- there were significant differences in the approaches adopted (c) by different places towards chiropractic under respective labour laws and social security systems. labour laws of many of the neighbouring places in Asia did not recognise the medical certificates issued by chiropractors. In various developed economies of Asia, chiropractors had no formal position in the public healthcare system. In many places of Europe, chiropractic was generally considered as a kind of therapy supplementary to western medicine, and medical certificates issued by chiropractors were not recognised under their labour laws. While chiropractic was well-established in the United States of America ("USA") and Canada, there was a trend in recent years to restrict benefit payments in respect of chiropractic treatment or to delist chiropractic service from the coverage of respective healthcare insurance schemes, thus affecting the prevalence of chiropractic treatment in these places;

- (d) since all chiropractors in Hong Kong were engaged in private practice and there was a lack of local tertiary institutions providing chiropractic training in Hong Kong, it would be difficult to identify a neutral and independent authority to offer medical opinion for resolving possible disputes if the medical certificates issued by a chiropractor were opposed or challenged by the employer or insurer. Under the existing employees' compensation mechanism, medical practitioners of the Hospital Authority and Chinese medicine practitioners of a local university, among others, took part in the work of the Employees' Compensation Assessment Board to assess the degree of permanent loss of earning capacity suffered by an injured employee and the period of absence from duty as a result of the injury;
- (e) the Administration maintained close communication with the stakeholders. On 11 February 2014, LD held a meeting with representatives of CDAHK together with Professor LEE Kok-long to exchange views on the subject. It was noted that the chiropractic profession was liaising with a local university with a view to introducing local training on chiropractic in Hong Kong; and
- (f) as compared with LD's 2010 survey on chiropractor consultation by injured employees, the 2013 survey findings revealed that the percentage of injured employees who had received chiropractic treatment among the injured employees surveyed decreased from 2.9% to 1.0%. These survey findings consistently pointed to an insignificant number of injured employees having received chiropractic treatment.
- 16. Mr KWOK Wai-keung sought more information on the recent trend to restrict benefit payments in respect of chiropractic treatment in some states or provinces of USA and Canada. Ag C for L said that it was mainly a measure adopted by these states or provinces to curb the drastic increase in medical costs. While the injured employee was entitled to a specified number of visits of chiropractic treatment, the number of treatments rendered by medical practitioners was not capped.

- While pointing out that chiropractic treatment using spinal 17. manipulation was scientifically proven to be effective for musculoskeletal problems, Mr CHAN Kin-por said that the subject of recognising medical certificates issued by registered chiropractors under labour legislation should be considered as a separate issue. In his view, priority should be given to addressing the abuse of sick leave entitlement which was an issue of concern of the insurance sector in many overseas countries. Mr CHAN considered it most desirable and imperative to ensure provision of appropriate rest to injured employees to facilitate their early and full recovery, thus helping them return to work rather than gaining sickness allowance. Taking the issuance of "fit note" by medical practitioners in the United Kingdom to individuals as a measure to address the abuse problem, Mr CHAN called on the Administration to make reference to the overseas practices and review the mechanism for granting sick leave so as to make improvement as appropriate and tackle the problem at source. With such improvement, he believed that the medical certificates issued by registered chiropractors could be recognised under labour laws.
- 18. Ag C for L responded that the Administration attached great importance to the issue of medical certificates issued by registered healthcare practitioners. It had maintained contact with the Chiropractors Council of Hong Kong ("CCHK") and noted that a study on the formulation and drafting of guidelines for the issuance of sick leave certificates was being undertaken by the "Committee on Issue of Sick Leave Certificates" set up by CCHK. The Administration would keep in view the development. As regards the concern about individual work injury cases involving prolonged sick leaves, the Administration would look into the situation with a view to facilitating an injured employee's early return to work after his recovery from the injury.
- 19. Mr POON Siu-ping expressed the view that should there be disputes relating to issuance of medical certificates by chiropractors and employees' compensation under ECO, they could be resolved by the Court. Mr POON said that the Administration should have a clear stance on whether medical certificates issued by chiropractors should be recognised under labour legislation. Referring to the prevalence and development of chiropractic in many western countries over the years, including USA and Canada, and the establishment of CCHK as a regulatory body under the Chiropractors Registration Ordinance in 1993 to provide for matters relating to the registration and disciplinary control of chiropractors, Mr POON held the view that the Administration should

not unduly delay the relevant work in Hong Kong. Taking the Chinese medicine treatment as an example, he was in support of providing employees with more treatment options. Mr KWOK Wai-keung shared a similar view and referred members to the 2013 survey findings in which over 70% of the 33 700 persons who had received chiropractic treatment claimed that the chiropractic treatment either effective or very effective as stated in paragraph 10 of the Administration's paper. Mr POON enquired about the timetable for conducting another round of survey on the subject.

- 20. Ag C for L advised that the Administration had monitored closely the development of chiropractic in Hong Kong and other places. It had already brought the attention of the chiropractic sector to the public concerns in respect of chiropractic treatment, including the importance of maintaining medical records and the need to draw up guidelines for issuing medical certificates. The Administration would continue to communicate with stakeholders on the subject. Ag C for L further said that as compared to chiropractic treatment, the situation of Chinese medicine treatment was different. In 2003, LD conducted a similar survey on the utilisation of Chinese medicine treatment among injured employees, the findings of which indicated that 32.1% of the injured employees surveyed had received Chinese medicine treatment. At that time, the medical functions performed by registered Chinese medicine practitioners had not yet been recognised under labour legislation. In other words, an injured employee was not entitled to sick leave and reimbursement of medical expenses after receiving treatment from Chinese medicine practitioners. As regards chiropractor consultation by injured employees, in comparison with the 2010 survey, the 2013 survey findings however registered a drop in the percentage of injured employees who had received chiropractic treatment among those surveyed.
- 21. Given that medical expense on receiving chiropractic treatment for work injury was reimbursable under ECO but medical certificates issued by chiropractors were not duly recognised under labour legislation, Mr KWOK Wai-keung considered the Administration's stance on the matter unclear. Since chiropractic was at a developing stage with only around 180 registered chiropractors, Mr KWOK considered it proportionate to the number of people seeking chiropractic treatment. To his understanding, a large proportion of the general population suffered from different kinds of neuro-musculoskeletal problems, including back, waist and neck, which could be effectively addressed by chiropractic treatment. The recognition of medical certificates issued by chiropractors under labour laws, which would encourage the public to make use of the

chiropractic service, could therefore help mitigate the pressure on the public healthcare service. For the benefits of injured employees, Mr KWOK took the view that the Administration should not hinder the development of chiropractic in Hong Kong.

- 22. In response, <u>Ag C for L</u> stressed that the Administration adopted an open view on whether medical certificates issued by registered chiropractors should be recognised under labour legislation in future and welcomed the development of diversified healthcare services. He reiterated that ECO provided that an injured employee could recover from his employer medical expenses for treatment of the work injury rendered by registered chiropractors. However, whether the medical certificates issued by chiropractors should be recognised under labour legislation was a separate issue.
- 23. Mr LEUNG Kwok-hung held the view that recognising medical certificates issued by chiropractors was in fact a matter of labour relations. He was concerned about the difficulties in consensus building when the subject was deliberated at the meeting of the Labour Advisory Board ("LAB"). Ag C for L advised that employer members concurred with the Administration's review findings that at present there were still insufficient justifications for recognising the medical certificates issued by chiropractors under labour legislation having regard to various considerations. Notably, there was a lack of local tertiary institutions providing chiropractic training in Hong Kong, it would be difficult to identify a neutral and independent authority to offer medical opinion for resolving any possible dispute between an employer and an employee arising from the sick leave certificate issued by a chiropractor to the employee, given that all chiropractors were engaged in private practice.
- 24. Given that the consensus on the subject was yet to be reached at LAB and the Administration's review findings indicated that at present there were still insufficient justifications for recognising the medical certificates issued by chiropractors under labour legislation, Mr Tommy CHEUNG said that the Liberal Party was in support of the Administration's view that the issue should be handled with prudence.
- 25. Mr LEUNG Kwok-hung, however, raised queries as to whether CCHK could be considered as a neutral and independent body in the chiropractic sector. Miss CHAN Yuen-han raised a similar concern. In her view, the Administration could seek independent chiropractic expertise overseas, if so warranted.

- 26. Ag C for L responded that to avoid possible conflict of interest, it was essential that the neutral and independent authority concerned could maintain its independence and its members were not chiropractors engaged in private practice. CCHK was in effect established to deal with matters relating to the registration and disciplinary control of chiropractors, which were different from handling matters concerning sick leave assessment.
- 27. In response to Miss CHAN Yuen-han's disappointment about the little progress made by the Administration to take the subject forward over the years, Ag C for L drew members' attention to the fact that at present, the "Code of Practice for the Guidance of Registered Chiropractors" ("CoP") issued by CCHK neither contained any explicit requirement on the maintenance of medical records nor provided guidelines on the issuance of medical certificates. In addition to the study on the formulation and drafting of guidelines for the issuance of sick leave certificates by the "Committee on Issue of Sick Leave Certificates" as mentioned earlier, CCHK had set up a "Committee on Review of the Code of Practice" to consider including provisions on handling medical records in their CoP. These initiatives were currently under study and the ground work was underway.
- 28. Mr LEUNG Yiu-chung considered that the low utilisation of chiropractic service and the non-recognition of medical certificates issued by chiropractors were mutually influential and inextricably linked. In his view, the prevalence of using chiropractic service in Hong Kong could only be developed following the recognition of the medical certificates issued by chiropractors. As regards the low utilisation of chiropractic treatment compared with Chinese medicine treatment, Mr LEUNG pointed out that it might be attributed to the higher consultation fee of the chiropractic service which was not affordable by most people. To expedite the development of chiropractic, he was of the view that the Administration should convey a clear message to the chiropractic sector that recognition of medical certificates issued by chiropractors would be considered subject to completion of the relevant study and work being undertaken by the two committees under CCHK.
- 29. As injured employees were currently entitled to seek reimbursement for medical expenses incurred from receiving chiropractic treatment under ECO, <u>Mr POON</u> anticipated that the cost impact on recognising the medical certificates issued by chiropractors should not be significant. <u>Mr POON</u> asked whether the Administration had conducted

any assessment to evaluate the magnitude of the increase in the public expenditure on healthcare. Mr TANG Ka-piu shared a similar view. Given that there were only 180 registered chiropractors, Mr TANG held the view that the cost impact, including the premium on taking out insurance policies, upon recognition of the medical certificates issued by registered chiropractors should be moderate. Mr TANG requested the Administration to provide information on the cost analysis in its discussion paper when the Panel revisited the issue.

- 30. Responding to members' concerns, <u>Ag C for L</u> reiterated that the Administration had all along adopted an open mind on the matter. When considering whether the medical certificates issued by chiropractors should be recognised under labour legislation, the increase in the cost for taking out employees' compensation insurance would not be a major consideration. The Administration, instead, would take various factors into account, including the development and prevalence of chiropractic, the community knowledge and acceptance of chiropractic, the availability of sufficient ancillary facilities, and the views and concerns of stakeholders and those who would take on new legal obligations. The Administration would continue to communicate with the stakeholders and closely monitor the development of chiropractic in Hong Kong and other regions.
- 31. Taking into consideration members' views, the Chairman concluded that pending the work progress of the two committees under CCHK, the Panel would revisit the issue on recognition of the medical certificates issued by chiropractors under labour legislation and receive views from deputations including CCHK at a future meeting.

IV. Youth employment

(LC Paper Nos. CB(2)853/13-14(05) and (06))

- 32. <u>Secretary for Labour and Welfare</u> ("SLW") briefly took members through the comprehensive employment support and training services that the Government provided to young people to help them seek employment, as set out in the Administration's paper.
- 33. <u>Members</u> noted the background brief entitled "Youth employment" prepared by the LegCo Secretariat.

Views of deputations

- 34. At the invitation of the Chairman, 12 deputations presented their views on the subject of youth employment.
- 35. Mr NGAN Man-yu of Democratic Alliance for the Betterment and Progress of Hong Kong was concerned about the relative high unemployment rate of the youth as compared with the overall unemployment rate and the problem of mismatch between the job skills possessed by young people and those required of in the labour market. He called on the Government to work in collaboration with the education sector, training bodies and enterprises in providing appropriate support and services for youth employment, including strengthening life planning education, development of programmes/courses in response to the manpower requirements, provision of latest employment information, and setting up more youth employment resources centres.
- 36. Mr Harris YEUNG of Liberal Party Youth Committee expressed the view that the Government should review and enhance its efforts in addressing the problem of manpower mismatch of the youth as well as and the relative high youth unemployment rate as compared with the overall unemployment rate. Consideration should be given to strengthening the life planning of young people during their secondary school stage, changing the mindset of the public towards vocational education and training as well as developing new emerging industries for creation of more job opportunities. With a view to promoting life-long learning in face of the knowledge-based economy, the Administration should consider injecting extra funding into the Continuing Education Fund to enhance the employability of the working population.
- 37. Mr CHAN Man Luen-ying presented the views of The Federation of Hong Kong and Kowloon Labour Unions ("FHKKLU") as detailed in its submission [LC Paper No. CB(2)876/13-14(02)].
- 38. Mr Ricky OR of Democratic Party expressed grave concern that according to the statistics released by C&SD, the median monthly income of the young working people aged 15 to 24 had stood at around \$8,000 in 2011 as compared with that in 2001, while increase in wage level was recorded for other age groups. In the light of the surge of the inflation rate which was more than 20% between 2005 and 2012, it was pointed out that it was no easy task for young employees to support their livelihood. To address the employment difficulties faced by young

people at source and to make possible their upward mobility, he was of the view that the Government should formulate comprehensive youth employment policy, including coordinating the various youth employment training programmes offered by different training bodies, establishing the position of vocational education as well as reviewing manpower requirements of the economy for better course planning to meet the development needs.

- 39. Mr Henry PAK of New People's Party said that it was expected that the Administration's support for the youth initiatives as stated in the 2014 Policy Address could help address the problem of labour mismatch and youth unemployment. He was of the view that manpower training and development as well as provision of education should meet the labour demand of the economic development. The Government should provide support for youth employment in various aspects and identify new trades and industries which presented opportunities for Hong Kong's future economic growth. For instance, the Administration could foster development of innovation and technology industries with the setting up of an Innovation and Technology Bureau, which in turn would create different job opportunities and help the youth realise their potential.
- 40. <u>Miss Bonnie LEUNG</u> presented the views of Young Civics as detailed in its submission [LC Paper No. CB(2)937/13-14(01)].
- 41. <u>Miss Phoebe CHU</u> presented the views of Hong Kong Christian Service ("HKCS") as detailed in its submission [LC Paper No. CB(2)853/13-14(07)].
- 42. Mr TONG Kang-yiu presented the views of HKFTU Vocational Training and Employment Advancement Committee ("HKFTU VTEAC") as detailed in its submission [LC Paper No. CB(2)937/13-14(02)].
- 43. Mr MOK Hiu-fung of Labour Party expressed concern about the frustration experienced by the first-time young job-seekers in entering the employment market because of lack of working experience and the requisite academic qualifications. He was of the view that the Government should strive to develop diversified work types meeting the career aspiration and interest of the young people.
- 44. Mr KUNG Wai-sum of Hong Kong Policy Viewers ("HKPV") expressed the view that in providing employment support for the youth, the Government should strengthen monitoring of the labour market and make improvement to labour legislation as well as enhance the youth's

participation in the formulation of policies for economic development and youth employment for various groups, including the ethnic minorities and persons with disabilities.

- 45. Mr F C TANG presented the views of Autism Hong Kong ("AHK") as detailed in its submission [LC Paper No. CB(2)876/13-14(03)].
- 46. Ms Louisa YAU of The Hong Kong Council of Social Service ("HKCSS") expressed grave concern about the seriousness of youth unemployment when comparing with other age groups locally as well as overseas. Given the unfavourable employment terms and conditions in the labour market, it was understood that some of the youth chose to take up casual or part-time jobs and they could hardly benefit from the implementation of the statutory minimum wage. She called on the Government to conduct a review of the labour market for young people, having regard to the impact brought about by the economic restructuring and financial tsunami, and to formulate the youth employment policy as appropriate.

Discussion

- 47. In response to the views of deputations, <u>SLW</u> advised that -
 - (a) the Administration had all along attached great importance to youth employment. Various government bureaux and departments, in particular LD, had been working in collaboration to provide comprehensive employment support and training services to young people on all fronts to help them seek employment;
 - (b) according to the latest labour force statistics (provisional figures for November 2013 to January 2014) released by C&SD, the seasonally adjusted unemployment rate edged down to 3.1% in this three-month period, which was the lowest level since December 1997 to February 1998. Youth employment had improved in tandem. The unemployment rate for young people aged 15 to 24 went down to 7.5% in the same three-month period. Within this particular group, the unemployment rate for some 4 400 young people aged 15 to 19 decreased to 10.5%, while the unemployment rate for those aged 20 to 24 also went down to 7.0%;

- the Administration had launched different initiatives to (c) provide young people with through-train services which included pre-employment training, workplace attachment and on-the-job training. Some 90 000 young people had received training under the former Youth Pre-employment Training Programme ("YPTP") since 1999 and some 60 000 young people successfully found work after having attended Youth Work Experience and Training ("YWETS") since 2002. The revamped YPTP&YWETS (currently known as the Youth Employment and Training Programme / "YETP") offered on-the-job to young people and helped them develop opportunities careers in different industries since 2009. According to the findings of the annual trainee development surveys conducted on trainees who completed YETP, excluding those trainees who decided to pursue further studies, around 70% of the sampled trainees were in employment at the time of survey;
- (d) in view of the current tight labour market and huge demand for manpower in various trades and industries such as retail, catering, services and care industries, the primary reason for youth unemployment was a mismatch between job requirements in the labour market and the qualifications of the youth. To address the issue, it was imperative that the young people would change their mindset and take a broad view of the job opportunities across the full spectrum of sectors when they planned for their career;
- (e) as highlighted in the 2014 Policy Address, the positioning of vocational education in the education system would be re-established in the light of the ageing population and the impending succession gaps in the skilled labour industries. To this end, the Administration proposed to introduce a pilot Training and Support Scheme at the Vocational Training Council ("VTC") to integrate structured apprenticeship training programmes and clear career progression pathways for specific industries meeting certain criteria, if 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. The electrical and mechanical industry was one of the participating industries;

- (f) in the light of the pressing demand for care personnel in the social welfare sector and providing the younger generation with more employment options and a foundation for career development in care services, a "first-hire-then-train" pilot scheme was introduced through the Lotteries Fund last year. Young people were recruited to provide care services at residential care homes for the elderly ("RCHEs") and were provided with subsidies to pursue a part-time programme. After completing the programme, they could be promoted to a higher position and pursue further career development in care services. As the response to the pilot scheme was positive, the Administration would allocate additional resources to expand the pilot scheme to cover also rehabilitation services and provide an additional 1 000 places in the coming few years; and
- (g) VTC launched the Pilot Traineeship Scheme at end-2011 which applied the mode of training-cum-work to the service industries that met the career aspiration and interest of young people. With beauty care and hairdressing industries as the starting point, the pilot scheme provided structured on-the-job training and vocational education to young people aged 15 or above. As trainees and employers were generally satisfied with the pilot scheme, in 2014 VTC would test out the mode of training-cum-work in the retail and elderly care services industries which faced manpower shortage.

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

Labour market for the youth

48. The Chairman and Mr CHEUNG Kwok-che noted with concern about the high propensity to taking up part-time, casual or fragmented jobs among young workers as pointed out by some deputations. The Chairman was of the view that it was largely attributed to the great disparity between the expectation of the younger generation towards their working life and the undesirable employment terms and conditions in the labour market such as working six days a week or long working hours. In his view, changes should be made to the employment mode so as to attract the young people to join and stay in the workforce. The Chairman asked how the Administration would address the issue.

49. SLW said that it was crucial to help young people start life planning in an early stage and understand the manpower requirements, career prospects and progression pathways in different trades and industries. For instance, the aircraft maintenance industry, which offered rewarding career prospects, had keen demand for new blood. It was, however, equally important for employers to change their mindset and provide their employees with flexible and varied work arrangements and support, which would allow their employees to pursue further studies and achieve a reasonable work-life balance. Citing the introduction of the "first-hire-then-train" pilot scheme as an example, SLW said that young people were recruited to provide care services at RCHEs and were provided with subsidies to pursue a two-year part-time programme during working days. Upon completion of the first year of training, they would be promoted as health workers. After completion of the programme, they could pursue further career development in care services. In response to the Chairman's enquiry, SLW advised that the Administration would appeal to the RCHEs operators to provide reasonable working hours for care staff in RCHEs so as to attract more young people to join the sector.

Employment support and services

- 50. Given various initiatives were launched by different government bureaux and departments, public bodies and organisations to provide young people with employment support and services under different youth employment and training programmes, Mr POON Siu-ping enquired whether the Administration would conduct a review and coordinate these efforts.
- 51. Mr CHEUNG Kwok-che pointed out that the acute problem of youth unemployment was not peculiar to Hong Kong but a global phenomenon. In addressing the issue, Mr CHEUNG held the view that different government bureaux and departments, including the Labour and Welfare Bureau, LD and the Education Bureau, should work in close collaboration and formulate strategies as appropriate. Sharing the view of HKPV, Mr CHEUNG called on the Administration to consider inviting participation of young people in the process of policy formulation.
- 52. <u>SLW</u> responded that there had been close co-ordination and liaison among LD, VTC and the Employees Retraining Board in providing support and services for youth employment, while overlapping of resources was avoided.

- 53. Mr POON Siu-ping expressed concern that as pointed out by some deputations, the median monthly income of the young working people aged 15 to 24 had remained at around \$8,000 from 2001 to 2011 and lagged far behind the increase in the inflation rate over the period. He enquired whether the Administration would consider seriously reviewing the employment problem faced by young people.
- 54. Ag C for L advised that as an enhancement measure to encourage employers to provide more on-the-job training opportunities for trainees of YETP who had not yet accumulated sufficient working experience, LD had raised the allowance payable to an employer who engaged a young person in on-the-job training with a monthly salary of \$6,000 or above from \$2,000 to \$3,000 per month with effect from June 2013. The payment period of the allowance was from six to 12 months. The Administration would continue its efforts in promoting youth employment.
- 55. Mr KWOK Wai-keung cast doubt as to whether employers participating in YETP were merely motivated by the provision of financial incentive. Expressing concern about the employment status of the 8 095 young people enrolled in YETP in 2012-2013, Mr KWOK enquired about the number of trainees who were eventually engaged by the same employer upon completion of the on-the-job training. In his view, the Administration should keep such statistics which could help evaluate the effectiveness of the programme.
- 56. Assistant Commissioner for Labour (Employment Services) ("AC for L (ES)") said that the Administration did not maintain statistics on the number of trainees who were engaged by the same employer under YETP upon completion of the on-the-job training. It was understandable that some trainees might wish to find other jobs in accordance with their career aspirations and interest after completing the on-the-job training. On the other hand, in the light of the buoyant labour demand, trainees who had good performance would most probably be retained by the AC for L (ES) further said that it was participating employers. noteworthy that the current wage level of the jobs offered by the participating employers under YETP was some \$7,000 to \$8,000 on average and about half of them was above \$8,000. Moreover, according to programme requirement, employers who engaged young people were required to appoint staff with relevant work experience to be mentors of the trainees and provide appropriate guidance during the training period.

Vocational training and manpower development

- 57. Acknowledging that vocational education as one of the highlights in the 2014 Policy Address, Mr POON Siu-ping considered that the Government, being the largest employer in Hong Kong, should take the lead in recruiting graduates of vocational education programmes and make this a recruitment policy. Mr POON further asked whether the Administration would consider reducing the publicly-funded places of the associate degree programmes and increasing those for vocational education in view of the development needs.
- SLW shared Mr POON Siu-ping's observation on the importance 58. of vocational education, which was highlighted as one of the policy direction of the education initiatives in the 2014 Policy Address. SLW pointed out that there was huge demand for manpower in various trades and industries. For instance, the construction industry was entering a golden decade with a host of major infrastructure projects coming on stream with considerable job opportunities at various levels in the sector ageing population also offered career development opportunities in the elderly care services industry. SLW reiterated that it was important that young people and their parents could adopt a flexible mindset in career planning while the Administration would strive to provide young people with the latest information on manpower requirements, training opportunities and progression pathways in various sectors so as to enable them to enrol in the vocational training programmes meeting their capability, aspiration and career interest.

[Mr CHEUNG Kwok-che was elected among members to chair the meeting during the temporary absence of the Chairman and Deputy Chairman.]

59. Dr CHIANG Lai-wan recalled that there were clear progression pathways under apprenticeship scheme in various trades and industries in the past. However, economic restructuring and technology advancement had brought about considerable impact on manpower streamlining and reduction in different work types over the years. Echoing the emphasis on the possibility of achieving excellence in each and every sector in the 2014 Policy Address, Dr CHIANG pointed out that young people working or receiving vocational training in different sectors could also attain outstanding achievement other than pursuit of higher academic qualifications. She considered it imperative that young people be provided with relevant information on the promotional prospects of various sectors in their career planning and be encouraged to pursue their interests and realise their potentials.

60. <u>SLW</u> shared Dr CHIANG Lai-wan's view on the need to provide young people with progression pathways in their career development. To this end, the Administration would strengthen the support for life planning and career guidance services for young people during their secondary education stage.

[At this juncture, the Chairman resumed the chairmanship.]

Support for youth with special needs

- 61. Noting the employment difficulties encountered by the autistic youth, Mr KWOK Wai-keung invited views from AHK on the necessary support from the Administration. In response, Mr F C TANG, representative of AHK said that it would be helpful if the Administration would enhance the public's understanding of autism and encourage employment of autistic persons among the public organisations and the business sector.
- 62. Mr CHEUNG Kwok-che was concerned about the provision of inadequate employment support and services to vulnerable young people, including the autistic youngsters, hidden youth and those with various kinds of disabilities.
- 63. In response, SLW said that LD had since 2010 launched Action S5 to strengthen assistance to young people aged 15 to 24 who had acute employment difficulties owing to barriers including low educational attainment, emotional/behavioural problems and learning difficulties, in addition to the employment service to job seekers with disabilities provided by the Selective Placement Division. Whereas, the Special Training and Enhancement Programme (My STEP) implemented by the Social Welfare Department ("SWD") had been providing employment service, including counselling and structured motivational or disciplinary training, to Comprehensive Social Security Assistance able-bodied unemployed recipients aged between 15 and 29 to help them rejoin the workforce or return to mainstream schooling. As regards the training and employment support for young people with special needs, including "hidden youths" facing employment difficulties, SWD in collaboration with professionals and non-governmental organisations with social and community networks had strived to reach out to these young people and offer them with services and assistance, and cultivate among them positive attitudes and extend their social networks, so as to provide them with opportunities for sustainable development in the employment market.

- 64. <u>The Chairman</u> was of the view that the Administration should allocate necessary resources to the welfare organisations in providing support services to hidden youth.
- 65. At the invitation of the Chairman, representatives of some deputations expressed further views as follows -
 - (a) Miss Phoebe CHU of HKCS held the view that different government departments should work in collaboration to tackle the problem of hidden youth and the Administration should allocate more resources in this respect. Moreover, the Administration should formulate long-term strategies and develop innovation industries with career prospects to meet the career aspiration and interest of the youth;
 - (b) Mr CHAN Man Luen-ying of FHKKLU considered it imperative that young employees be provided with reasonable remuneration and they could find jobs with career prospects. The monthly wage of \$8,000 for trainees under YETP was too low which had remained more or less the same over the years. Young employees should be provided with reasonable remuneration so that they could lead a dignified life;
 - Mr TONG Kang-yiu of HKFTU VTEAC was of the view (c) that difficulties in staff recruitment and retention in some specific industries were largely attributed to the low wage Some large enterprises had grave concern about level. pushing up the wage level if they participated in the apprenticeship training programmes organised by VTC. He considered that a task force on vocational education with representatives from various stakeholders, including employers, employees, the government and academics, should be set up to map out the strategies to promote vocational education in the community;
 - (d) Mr F C TANG of AHK said that the welfare organisations could serve as a bridge of communication between employers and autistic employees; and

- (e) Ms Louisa YAU of HKCSS expressed concern about a high percentage of young people engaged in the low-paid service industries such as retail and catering industries. She called on the Administration to draw up appropriate employment policy to ensure that the younger generation could lead a dignified working life.
- 66. In response to the further views of the deputations, <u>SLW</u> advised that -
 - (a) the Administration was dedicated to address the issue of hidden youth who were socially isolated and faced employment difficulties through various means and help them integrate into the community through sustained employment;
 - (b) trainees undergoing on-the-job training under YETP were provided with a monthly salary of some \$8,000 which had significantly been increased over the years. YETP had closely collaborated with an extensive network of employers to provide on-the-job training to trainees. With the working experience acquired during the on-the-job training, it was expected that the trainees could secure employment with better remuneration in the labour market upon completion of the training;
 - (c) under the Pilot Training and Support Scheme at VTC, the Administration and participating industries such as the electrical and mechanical industry would provide a grant or an allowance for apprentices in the first year of training and the ensuing three years of apprenticeship and to offer employment with clear progression at a certain salary level to trainees who had completed the apprenticeship training and were willing to join relevant industries; and
 - (d) the Administration was committed to scaling new heights in economic development with a view to creating more gainful and promising career options to young people. For instance, the third runway in the airport and the social and economic development opportunities on Lantau.

- 67. In concluding the discussion, the Chairman said that it was crucial for the Administration to coordinate the efforts and make improvement to the various employment support and services provided to young people by different government bureaux and departments, training bodies and relevant organisations. Moreover, it was considered imperative that due respect could be given to the expectation of younger generation in leading a dignified working life through maintenance of a work-life balance.
- 68. There being no other business, the meeting ended at 7:00 pm.

Council Business Division 2 <u>Legislative Council Secretariat</u> 8 April 2014