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Replies to initial written questions raised by Legislative Council Members in examining the Estimates of Expenditure 2022-23

Director of Bureau : Secretary for Labour and Welfare

Session No.: 21

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Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)001

(Question Serial No. 0573)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

It is the policy direction of the HKSAR Government to improve working environments and enhance the level of safety management in order to safeguard the workforce which is a valuable human resource of Hong Kong. In this connection, would the Government advise:

- (a) whether resources and manpower were available for the Labour Department (LD) to assist small and medium enterprises (SMEs) in strengthening occupational safety and health (OSH) training in the past 3 years; if so, of the details;
- (b) whether additional resources and manpower were allocated by LD in the past 3 years to consider introducing amendments to OSH legislation with a view to striking a balance between the duties of employers and employees; if so, of the details;
- (c) further to the above questions, whether LD has considered allocating additional resources and manpower to facilitate the promotion of OSH information to various SMEs and labour organisations; if so, of the details for different types of organisations?

<u>Asked by</u>: Hon CHAN Man-ki, Maggie (LegCo internal reference no.: 8) <u>Reply</u>:

(a)&(c) LD has been adopting strategies such as education and training as well as publicity and promotion to enhance the OSH performance of various industries, including SMEs.

In respect of education and training, LD had, in the past 3 years, organised OSH talks with different themes and various training courses related to OSH legislation, including courses designed for trainers or persons required to assist their employers in organising in-house training in their own organisations. LD staff were also deployed upon invitation to serve as speakers in OSH talks organised by individual organisations so as to acquaint employers and employees in various

industries, including SMEs, with the statutory provisions and the requirements of relevant codes of practice, thereby assisting them in enhancing their OSH performance.

As regards publicity and promotion, LD organised a variety of OSH promotional activities such as seminars, roving exhibitions and out-reaching promotional visits in collaboration with the Occupational Safety and Health Council (OSHC), major trade associations and workers' unions. LD also disseminated OSH messages on its webpages, published and updated safety guidelines, produced text and animated versions of "Work Safety Alert", and utilised channels such as television, radio, newspapers and social media so as to enhance the OSH awareness of various industries, including SMEs, and labour organisations.

Moreover, in order to enhance the OSH level of SMEs, LD collaborated with OSHC to launch several sponsorship schemes, including the Sponsorship Scheme for Fall Arresting Equipment for Renovation & Maintenance Work and Construction Industry, the Portable Residual Current Device Sponsorship Scheme, the Enhanced Light-Duty Working Platform Sponsorship Scheme, the Tool Lanyard Sponsorship Scheme, etc., with a view to promoting the use of relevant safety equipment among SMEs.

LD will continue with the above education and training as well as publicity and promotion work for SMEs and labour organisations to promote OSH information and actively foster the OSH culture. The work concerned is LD's ongoing efforts, and the resources and manpower deployed cannot be separately identified.

(b) The existing OSH legislation has already covered the OSH duties of both employers and employees. For example, employers are required to provide systems of work, working environments and plant that are safe for their employees, while employees should co-operate with their employers, adopt all safety measures and properly use the personal protective equipment provided so as to avoid endangering their own work safety and that of others. LD is reviewing the penalties of the relevant legislation, covering the statutory duties of both employers and employees, in order to strengthen their deterrent effect. The related work is primarily undertaken by the Legislation Review Team set up through internal staff deployment in LD.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)002

(Question Serial No. 0391)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Regarding the special enforcement operations (SEOs) conducted in various areas of safety and health at work in 2018-19, 2019-20, 2020-21 and 2021-22, would the Government provide the following information:

- (a) the number of times the Labour Department (LD) provided training courses, organised seminars, advised stakeholders on the prevention of accidents and work hazards as well as issued safety publications and publicity materials, and the expenditure involved;
- (b) the numbers of inspections conducted, statutory suspension notices and improvement notices issued as well as prosecutions taken out by LD, with a breakdown by new construction works (with emphasis on work-at-height, lifting operations and electrical works); renovation, maintenance, alteration and addition (RMAA) works; catering industry; logistics, cargo and container handling works; waste management works, etc.;
- (c) a breakdown, by social media platform used, of the number of times LD disseminated messages to workers and the number of workers reached?

<u>Asked by</u>: Hon CHAU Siu-chung (LegCo internal reference no.: 1) <u>Reply</u>:

(a) A yearly breakdown of the (1) occupational safety and health (OSH) courses, lectures and seminars organised, (2) written warnings on the prevention of accidents and work hazards issued to stakeholders and (3) OSH publications issued by LD from 2018 to

2021¹ is given in the table below:

	2018	2019	2020	2021
OSH courses, lectures and seminars	2 132	2 046	694 ²	1 8812
Written warnings	30 708	33 633	20 261	26 489
OSH publications (including those newly produced, revised and translated into different languages)	50	27	18	44

LD does not keep figures concerning the advice given to stakeholders on the prevention of accidents and work hazards or the issue of publicity materials.

The above work is LD's ongoing efforts and the expenditure involved cannot be separately identified.

- (b) The yearly figures on (1) inspections conducted, (2) suspension notices and improvement notices issued and (3) prosecutions taken out by LD in respect of different work activities during the SEOs from 2018 to 2021 are set out at the Annex.
- (c) Since 2021, LD has disseminated OSH messages through social media platforms (such as Facebook page) of the Occupational Safety and Health Council. LD does not keep figures on such dissemination of messages.

In addition, LD has started placing OSH advertisements on different websites and mobile applications since 2021. LD conducted related promotional activities 6 times in total and disseminated OSH messages about 45 million times in 2021.

Relevant figures on SEOs conducted by $\boldsymbol{L}\boldsymbol{D}^1$

	2018	2019	2020	2021
Inspections				
New construction works	3 496	3 619	5 119	4 880
RMAA works	3 952	4 595	4 698	3 320
Catering industry	3 301	3 083	Note 4	1 814
Logistics, cargo and container handling works	1 726	2 267	852	1 742
Waste management works	1 007	782	440	811
Others ³	14 065	19 923	6 5 1 6	17 434
Total	27 547	34 269	17 625	30 001
Suspension notices		•		•
New construction works	22	-	11	4
RMAA works	113	166	34	22
Catering industry	-	-	Note 4	-
Logistics, cargo and	-	_	_	-
container handling works				
Waste management works	-	-	4	433
Others ³	49	46	38	42
Total	184	212	87	501
Improvement notices				
New construction works	228	311	263	682
RMAA works	211	480	527	220
Catering industry	140	198	Note 4	128
Logistics, cargo and container handling works	18	16	12	9
Waste management works	1	2	1	-
Others ³	601	552	188	561
Total	1 199	1 559	991	1 600
Prosecutions				
New construction works	161	134	113	185
RMAA works	187	344	330	76
Catering industry	136	176	Note 4	130
Logistics, cargo and	23	11	7	8
container handling works				
Waste management works	1	1	-	_
Others ³	518	375	124	321
Total	1 026	1 041	574	720

Notes:

- 1. The information is compiled on a calendar year basis.
- 2. Owing to the special work arrangements for government employees in 2020 and early 2021 in the light of the COVID-19 pandemic, the figures for those two years are lower than the targets.
- 3. Others refer to SEOs which cannot be grouped under any of the above categories, such as "safety at work during summer and work-at-height safety" and "fire and chemical safety".
- 4. Owing to the special work arrangements for government employees in 2020 in the light of the COVID-19 pandemic, no SEOs in respect of safety in the catering industry were conducted in that year.

- End -

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)003

(Question Serial No. 0303)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (2) Employment Services

<u>Controlling Officer</u>: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

The Employment Programme for the Elderly and Middle-aged (EPEM) of the Labour Department (LD) aims at encouraging employers to engage unemployed job seekers aged 40 or above in full-time or part-time long-term posts through the provision of on-the-job training (OJT) allowance. Please provide in table form the situation in each of the past 5 years:

- (a) What were the respective numbers of elderly job seekers aged 60 or above who were unemployed or had left the workforce and unemployed job seekers aged 40 to 59 placed into employment under this programme?
- (b) What was the number of organisations participating in EPEM to engage unemployed job seekers?
- (c) What were the types of work and ranks for which unemployed job seekers were engaged?
- (d) After launching the enhancement measures for OJT allowance on 1 September 2020, when will the Government review the effectiveness of the programme and consider increasing the OJT allowance payable to employers so as to attract more organisations to participate in the above programme?

<u>Asked by</u>: Hon CHEUNG Kwok-kwan (LegCo internal reference no.: 10) <u>Reply</u>:

(a) to (c) From 2017 to 2021, there were respectively 2 642, 2 574, 3 061, 2 260 and 3 340 placements eligible for joining EPEM (known as the Employment Programme for the Middle-aged before September 2018), involving 991, 961, 1 093, 937 and 1 266 employers. Breakdowns by age and occupation of employees are provided at Annex. LD does not keep a breakdown by rank of employees.

(d) In September 2020, LD substantially raised the ceiling of OJT allowance payable to employers under EPEM. LD will review the programme in a timely manner with due consideration of the socio-economic and employment market conditions, and introduce enhancement measures when necessary.

Breakdowns of placements eligible for joining EPEM from 2017 to 2021 by age and occupation of employees

(a) By age

Age		No. of placements						
Age	2017	2018	2019	2020	2021			
40-59	2 392	2 238	2 524	1 768	2 445			
60 or above	250	336	537	492	895			
Total	2 642	2 574	3 061	2 260	3 340			

(b) By occupation

Occupation	No. of placements						
Occupation	2017	2018	2019	2020	2021		
Managers and administrators, professionals and associate professionals	145	161	231	210	400		
Clerical support workers	472	493	580	404	618		
Service workers and sales workers	798	844	873	570	794		
Agricultural and fishery workers and craft and related workers	98	91	151	149	215		
Plant and machine operators and assemblers	67	89	106	65	146		
Elementary occupations	1 062	896	1 120	862	1 167		
Total	2 642	2 574	3 061	2 260	3 340		

- End -

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)004

(Question Serial No. 0697)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (2) Employment Services

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

In Matters Requiring Special Attention in 2022-23 under Programme (2), it is mentioned that the major plans of the Labour Department (LD) include reviewing the effectiveness of the Greater Bay Area Youth Employment Scheme (the Employment Scheme). In this connection, please advise of:

- (a) the estimated administrative expenses and manpower for this scheme;
- (b) the latest progress and the implementation timetable of the scheme;
- (c) whether performance indicators have been set; if so, of the details; if not, the reasons for that;
- (d) the measures that the Government will introduce to assist employees working across the border, having regard to the strict border control amidst the COVID-19 pandemic.

<u>Asked by</u>: Hon KOON Ho-ming, Peter Douglas (LegCo internal reference no.: 3) Reply:

- (a) The Government has implemented the Employment Scheme with allocation from the Anti-epidemic Fund. The estimated expenditure involved in publicity and promotion, administrative expenses as well as contingency fee is \$16 million in total. The Employment Scheme is implemented through internal staff deployment within the Government. As the staff concerned also undertake other duties, the manpower and expenditure involved cannot be separately identified.
- (b) The Government launched the Employment Scheme in January 2021, with 417 enterprises offering 3 494 job vacancies. Over 20 000 job applications were submitted by graduates. Graduates recruited by the enterprises have to report for duty on or before 31 August 2021. Enterprises may submit preliminary applications for

- allowance after the graduates have reported for duty. The Employment Scheme Secretariat has received 1 091 such applications.
- (c) To review the implementation and effectiveness of the Employment Scheme more systematically, the Labour and Welfare Bureau and LD are conducting an evaluation study on the Employment Scheme. The study is expected to be completed within this year. The Government will draw reference from the study results and give due regard to the views of stakeholders in mapping out the way forward.
- (d) As required by the Employment Scheme, graduates taking up non-innovation and technology posts have to station and work in the Mainland cities of the Greater Bay Area (GBA), while those taking up innovation and technology (I&T) posts have to station in both Hong Kong and the Mainland cities of GBA for about 6 to 12 months in each place. As at February 2022, about 85% of the graduates who had reported for duty under the Employment Scheme have been working on the Mainland, while the remaining 15% were mainly employed in I&T posts. Practical information about working and living in GBA has been uploaded to the dedicated website for the Employment Scheme for the graduates' reference. In addition, participating graduates in need of living and emotional support on the Mainland may seek assistance through the Guangdong "12355" Hong Kong and Macao Youths hotline to obtain information and support on working and living on the Mainland.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)005

(Question Serial No. 0500)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (4) Employees' Rights and Benefits

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Regarding the Labour Department's (LD) work on employees' rights and benefits, would the Government advise this Committee:

- (a) of the number of complaints about breaches of the Statutory Minimum Wage (SMW) requirement received and the outcome of the follow-up actions;
- (b) of the respective numbers of wilful cases of defaulted payment of the Labour Tribunal (LT) or the Minor Employment Claims Adjudication Board (MECAB) awards, and the respective total amounts in default;
- (c) whether LD's administration of the Protection of Wages on Insolvency Fund (PWIF) includes regular reviews of the amounts of ex gratia payments so as to safeguard employees' rights. Please set out the years in which ex gratia payments were adjusted and the amounts before and after adjustment;
- (d) of the progress of taking forward improvement proposals to PWIF on the basis of the recommendations of the review currently underway, and whether the proposals can be introduced into the Legislative Council (LegCo) in the current legislative session?

Asked by: Hon KWOK Wai-keung (LegCo internal reference no.: 9)

Reply:

(a) From 2017 to 2021, LD received a total of 125 complaints about suspected breaches of the SMW requirement. LD had followed up on all these cases and confirmed that the employees had subsequently received SMW or recovered the shortfall in wages. Over the same period, the number of summonses heard in respect of prosecutions for suspected breaches of the SMW requirement was 29, out of which 26 summonses were convicted.

- (b) From 2017 to 2021, LD received 1 232 and 60 cases of defaulted payment of LT and MECAB awards respectively. LD does not keep statistics on the total amount in default.
- (c) The PWIF Board and LD examine the scope of protection of PWIF from time to time with due consideration of the economic development and needs of the society. Progressive improvements have been made to PWIF since its establishment in 1985. So far, the ceilings of ex gratia payment items have been raised and the scope of protection expanded eight times. The evolution of PWIF's previous adjustments to the payment ceilings and expansion of scope of protection is set out at Annex.
- (d) The PWIF Board and LD have put forward adjustment proposals after reviewing the coverage of ex gratia payment items of PWIF and the rate of levy on business registration certificates. The Government consulted the Labour Advisory Board (LAB) on the review outcome and adjustment proposals in February 2022. LAB unanimously agreed to the adjustment proposals. The Government will report the review outcome and adjustment proposals to the LegCo Panel on Manpower in April with a view to introducing the proposed legislative amendments into LegCo within the first half of this year.

Evolution of PWIF's adjustments to the payment ceilings and expansion of scope of protection

PWIF came into operation in 1985, initially covering arrears of wages for 4 months with a ceiling of \$8,000. This was followed by 8 revisions as set out in the table below:

Year	Scope of protection and ceilings of ex gratia payments of PWIF after revision
1987	Arrears of wages for 4 months: \$8,000 <u>7 days' wages in lieu of notice: \$2,000</u>
1989	Arrears of wages for 4 months: \$8,000 7 days' wages in lieu of notice: \$2,000 <u>Severance payment: \$4,000</u>
1991	Arrears of wages for 4 months: \$8,000 7 days' wages in lieu of notice: \$2,000 Severance payment: <i>up to</i> \$8,000 plus 50% of any excess entitlement
1993	Arrears of wages for 4 months: \$\frac{\$18,000}{1 \text{ month's}}\$ wages in lieu of notice: \$\frac{\$6,000}{0}\$ Severance payment: up to \$8,000 plus 50% of any excess entitlement
1995	Arrears of wages for 4 months: \$18,000 1 month's wages in lieu of notice: \$6,000 Severance payment: up to <u>\$24,000</u> plus 50% of any excess entitlement
1996	Arrears of wages for 4 months: \$36,000 1 month's wages in lieu of notice: \$22,500 Severance payment: up to \$36,000 plus 50% of any excess entitlement
1999	Arrears of wages for 4 months: \$36,000 1 month's wages in lieu of notice: \$22,500 Severance payment: up to \$50,000 plus 50% of any excess entitlement
2012	Arrears of wages for 4 months: \$36,000 1 month's wages in lieu of notice: \$22,500 Severance payment: up to \$50,000 plus 50% of any excess entitlement Pay for untaken annual leave for the last 2 leave years and pay for untaken statutory holidays within the last 4 months of service: \$10,500

Note: Improvements in the scope of protection and payment amounts are marked in <u>italics</u> <u>and underlined</u>.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)006

(Question Serial No. 0786)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (1) Labour Relations

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Regarding the Labour Department's (LD) work on labour relations, please advise this Committee of the following:

- (a) What is the progress of the review on the continuous contract requirement under the Employment Ordinance (EO)? Who were the stakeholders consulted? Will public consultation be conducted? Is there a legislative timetable in place? If yes, what are the details?
- (b) Regarding the waiting time for consultation meetings, did LD implement work from home arrangements in the past year? What was the number of days when the branch offices of the Labour Relations Division of LD were completely closed? Were consultation meetings still arranged during that period? If yes, what was the number of cases handled during that period? If not, what was the number of cases backlogged during that period?

Asked by: Hon KWOK Wai-keung (LegCo internal reference no.: 8)

Reply:

- (a) Continuous contract is the cornerstone for various employment benefits under EO. Any change in the continuous contract requirement will have far-reaching implications on the labour market and the community as a whole. The Government will prudently and thoroughly explore the issue and strive to strike a reasonable balance between the benefits of employees and the affordability of employers, bearing in mind the overall interests of Hong Kong. LD is examining the issue and plans to discuss with the Labour Advisory Board in the second half of this year.
- (b) The Government implemented special work arrangements in the light of the COVID-19 pandemic. The branch offices of the Labour Relations Division of LD provided counter services only on Monday, Wednesday and Friday (except public holiday) from

4 January to 17 February 2021. A total of about 3 500 consultation meetings were held during the period.

- End -

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)007

(Question Serial No. 0559)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (2) Employment Services

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

To encourage and support recent university graduates to work and pursue their career in the Guangdong-Hong Kong-Macao Greater Bay Area, the Labour Department launched the Greater Bay Area Youth Employment Scheme (the Employment Scheme) under the Anti-epidemic Fund in January 2021. Would the Government provide figures on:

- (a) the total expenditure on disbursement of allowances to enterprises and the number of enterprises involved;
- (b) the number of participants in the Employment Scheme, number of participants engaged in different industries (with a breakdown by innovation and technology (I&T) post and non-I&T post) and number of participants engaged in various types of work of the I&T posts (with a breakdown by research and development, information technology, data analysis, system development, digital marketing, engineering, information security, technology-related intellectual property or technology transfer and others);
- (c) the monthly salary of participating young people (with a breakdown by \$18,000-\$21,000, \$21,001-\$24,000, \$24,001-\$27,000, \$27,001-\$30,000 and \$30,001 or above)?

Asked by: Hon LAM Chun-sing (LegCo internal reference no.: 1)

Reply:

- (a) As at February 2022, the Employment Scheme Secretariat had disbursed allowances of more than \$17 million to 155 enterprises.
- (b) Among the 1 091 young people employed under the Employment Scheme, 344 were employed in I&T posts and the remaining 747 were employed in non-I&T posts. A breakdown by industry of their employment is provided at Annex 1. The Employment Scheme Secretariat does not keep a breakdown by job duty of the young people employed.

(c)	A breakdown by monthly salary of the young people employed is provided at Annex 2.

Breakdown by industry of employment under the Greater Bay Area Youth Employment Scheme

Industry of employment	No. of young people taking up I&T posts	Percentage	No. of young people taking up non-I&T posts	Percentage	Total	Percentage
Business services	98	9.0%	279	25.6%	377	34.6%
Finance	55	5.0%	231	21.2%	286	26.2%
Manufacture of electronic parts	44	4.0%	8	0.7%	52	4.8%
Other manufacturing industry	28	2.6%	23	2.1%	51	4.7%
Import and export trades	8	0.7%	31	2.8%	39	3.6%
Real estates	6	0.5%	30	2.7%	36	3.3%
Education services	5	0.5%	25	2.3%	30	2.7%
Communication	15	1.4%	8	0.7%	23	2.1%
Others	85	7.8%	112	10.3%	197	18.1%
Total	344	31.5%	747	68.5%	1 091	100%

Breakdown by monthly salary under the Greater Bay Area Youth Employment Scheme

Monthly salary	No. of young people	Percentage
\$18,000 - \$21,000	969	88.8%
\$21,001 - \$24,000	79	7.2%
\$24,001 - \$27,000	8	0.7%
\$27,001 - \$30,000	6	0.5%
\$30,001 or above	29	2.7%
Total	1 091	100%

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)008

(Question Serial No. 0631)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

Programme: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

The Labour Department (LD) stated in Programme (3) that the numbers of fatal/non-fatal accidents in industrial undertakings/non-industrial undertakings in 2021 were higher than those of 2020. In this connection, would the Government advise this Committee of the following:

- (a) What are the main reasons for the higher number of accidents in 2021 than in 2020?
- (b) What are the reasons for the decrease in the number of prosecutions taken out from 2 739 to 2 465 despite the fact that the numbers of both the investigation of accidents at workplaces conducted by LD and the warnings issued by Occupational Safety Officers (OSOs) in 2021 were higher than those in 2020?
- (c) Among the prosecutions taken out in 2021, what were (i) the number of cases for which the court's judgment had been given; (ii) the number of cases for which fines were imposed and the average amount of fines; and (iii) the number of cases for which imprisonment was imposed and the average term of imprisonment?

<u>Asked by</u>: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 5) <u>Reply</u>:

- (a) The relatively low number of accidents in 2020 may be due to the fact that some workers were affected by factors such as taking of no-pay leave, underemployment, etc. during the COVID-19 pandemic. Consequently, the number of accidents in 2020 may not reflect the normal occupational safety and health (OSH) performance of various industries in that year, and is thus not appropriate for comparison with those in other years.
- (b) Subsequent to the inspections and accident investigations conducted by OSOs of LD at various workplaces under the Factories and Industrial Undertakings Ordinance, the

Occupational Safety and Health Ordinance and their subsidiary regulations, duty holders who are required to improve the OSH measures at their workplaces will be issued written warnings urging them to make improvement as soon as possible. Rigorous enforcement action will be taken if breaches of the OSH legislation are detected. There is no definite causal relationship between the numbers of accident investigations and written warnings and the number of prosecutions taken out.

(c) The statistics on the OSH prosecution summonses for which the court's judgments were given in 2021 are as follows:

Total number of summonses	2 649
Number of summonses convicted	1 887
Average amount of fines	\$8,109

(Note: The hearing proceedings involved in the prosecutions taken out each year may not be completed in the same year. As a result, the number of summonses convicted within the year does not correspond to the number of prosecutions taken out in the same year.)

The convicted person in 1 of the above cases was sentenced to immediate imprisonment for 2 weeks.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)009

(Question Serial No. 0678)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (4) Employees' Rights and Benefits

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

The difficult business environment caused by the COVID-19 pandemic has rendered many enterprises unable to continue their business, and their employees have no choice but to apply to the Labour Department (LD) for compensation under the Protection of Wages on Insolvency Fund (PWIF). In this connection, would the Government advise this Committee:

- (a) of the number of PWIF applications approved in the past 3 years, with breakdowns by (i) time required to effect payment, (ii) industry, (iii) cause of application and (iv) compensation amount;
- (b) whether LD will increase its manpower for processing PWIF applications in 2022-23 to cater for the increase in applications; if so, of the additional manpower and expenditure?

<u>Asked by</u>: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 4) <u>Reply</u>:

- (a) Breakdowns of PWIF applications approved from 2019 to 2021 by time required to effect payment, industry and cause of application are at Annex 1, Annex 2 and Annex 3 respectively. The amount of ex gratia payment involved in PWIF applications approved over the same period is at Annex 4.
- (b) According to past experience, the number of PWIF applications has been closely related to economic changes. If necessary, LD will arrange internal deployment to increase its manpower for processing the applications.

Breakdown of PWIF applications approved by time required to effect payment

Time required to effect payment	No. of applications approved			
upon receipt of all information	2019	2020	2021	
and documents required for				
processing the applications by LD				
4 weeks or less	2 360	2 353	3 356	
More than 4 weeks to 6 weeks	125	72	30	
More than 6 weeks to 8 weeks	39	3	2	
More than 8 weeks to 10 weeks	-	-	-	
Total	2 524	2 428	3 388	

Breakdown of PWIF applications approved by industry

Year	Industry	No. of applications approved ^
2019	Construction	1 070
	Food and beverage service activities	419
	Retail trade	332
	Import and export trade	130
	Manufacture of computer, electronic and optical products	83
	Information technology service activities	71
	Real estate activities	40
	Others	379
	Total	2 524
2020	Food and beverage service activities	872
	Construction	463
	Import and export trade	191
	Retail trade	147
	Other personal service activities	101
	Wholesale	69
	Financial service activities (except insurance and pension funding)	68
	Others	517
	Total	2 428
2021	Food and beverage service activities	1 014
	Retail trade	446
	Construction	410
	Import and export trade	269
	Sports and other entertainment activities	266
	Other personal service activities	130
	Financial service activities (except insurance	85
	and pension funding)	
	Others	768
	Total	3 388

[^] Including applications received in the same year or before.

Breakdown of PWIF applications approved by cause of application

Year	Cause of application [#] (Item owed)	No. of applications approved* ^
2019	Wages	2 335
	Wages in lieu of notice	1 235
	Severance payment	525
	Pay for untaken annual leave and/or untaken statutory holidays	1 032
	Total	2 524
2020	Wages	2 126
	Wages in lieu of notice	1 586
	Severance payment	399
	Pay for untaken annual leave and/or untaken statutory holidays	1 267
	Total	2 428
2021	Wages	2 759
	Wages in lieu of notice	2 406
	Severance payment	758
	Pay for untaken annual leave and/or untaken statutory holidays	1 868
	Total	3 388

[#] An employee who is owed wages, wages in lieu of notice, severance payment, pay for untaken annual leave and/or untaken statutory holidays by the insolvent employer may apply for ex gratia payment under PWIF.

^{*} The breakdown figures do not add up to the total as an application may involve more than 1 item owed.

[^] Including applications received in the same year or before.

Amount of ex gratia payment involved in PWIF applications approved

Year	Amount of ex gratia payment	
	involved in applications approved	
	(\$million)	
2019	83.1	
2020	78.5	
2021	113.1	

- End -

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)010

(Question Serial No. 0679)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (4) Employees' Rights and Benefits

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

(a) Regarding details about the number of employees' compensation (EC) claims in 2020 and 2021, please provide:

- (i) the number of EC claims received by the Labour Department (LD);
- (ii) the number of compensation claims involving incapacitation of employees for more than 3 days as a result of work injuries (with a breakdown by industry);
- (iii) the number of compensation claims involving incapacitation of employees for more than 3 days as a result of work injuries which were not settled in the same respective year (with a breakdown by industry);
- (iv) the number of settled compensation claims involving incapacitation of employees for more than 3 days as a result of work injuries (with a breakdown by time required for settlement);
- (v) the number of EC claims arising from contraction of COVID-19.
- (b) Given the emergence of a mode of work involving online platforms in recent years and the unknown employment status of platform workers, will resources be allocated to examine how to afford EC protection to them? Will consideration be given to establishing a central EC scheme to cover this type of worker?
- (c) The recent rampant Omicron variant has led to a significant increase in the number of confirmed COVID-19 cases. It is envisaged that more employees will file claims for compensation. Will the Government earmark additional expenditure and manpower in 2022-23 to process the claims? If yes, what are the details?

(d) Has the pandemic delayed the processing of EC claims? If yes, what are the reasons? How will the work procedures be improved in future to speed up processing of the claims?

<u>Asked by</u>: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 6) Reply:

- (a) In 2020 and 2021,
 - (i) the number of EC claims reported under the Employees' Compensation Ordinance (ECO) and received by LD is at Annex 1.
 - (ii) the number of compensation claims involving incapacitation of employees for more than 3 days as a result of work injuries with a breakdown by industry is at Annex 2.
 - (iii) of the compensation claims involving incapacitation of employees for more than 3 days as a result of work injuries, the number of compensation claims which were not settled in the same respective year with a breakdown by industry is at Annex 3.
 - (iv) of the compensation claims involving incapacitation of employees for more than 3 days as a result of work injuries, the number of compensation claims settled with a breakdown by time required for settlement is at Annex 4. The processing time for each compensation claim is affected by various factors such as the duration of medical treatment and rehabilitation required for the employee's injury, whether the claim involves disputes that require mediation or adjudication by the court, etc.
 - (v) LD received a total of 557 EC claims reported under ECO with employees suspected to have contracted COVID-19 arising out of and in the course of employment.
- (b) Online platform work involves a new mode of work. LD is exploring with the Census and Statistics Department on the feasibility of conducting a Thematic Household Survey to collect data on the situation of online platform workers. In addition, LD will continue to conduct a wide range of promotional activities to publicise among employers, employees and the public the differences between "employees" and "self-employed persons" as well as their rights and obligations; and provide appropriate services to employees in need. LD will also ensure through rigorous law enforcement that employees are protected under the labour laws, including the Employment Ordinance and ECO. The existing mode of operation of EC system, which suits the local circumstances of Hong Kong, works well in affording suitable EC protection to employees injured at work and family members of deceased employees. The Government has no plan to consider setting up a central EC scheme to cover self-employed persons.
- (c) LD has been keeping a close watch on the development of the COVID-19 pandemic and closely monitoring the number of EC claims received with employees suspected to have

- contracted that disease arising out of and in the course of the employment. If necessary, LD will increase manpower through internal deployment to handle the work.
- (d) During the Government's implementation of special work arrangements in the light of the COVID-19 pandemic, LD strives to continue processing the EC claims and adopts appropriate measures to reduce the impact of the pandemic on the related work, thereby safeguarding the injured employees' rights to EC. The relevant measures include adopting video conferencing and paper mode (i.e. the Employees' Compensation Assessment Board conducts assessments based on the medical records and information submitted by injured employees so that they do not have to attend in person) so as to maintain the processing of compensation claims. LD will continue to maintain liaison with the Hospital Authority and review the arrangements.

Moreover, LD will further promote "Paper Medical Clearance" (PMC) by proactively inviting injured employees and employers of suitable cases to complete the follow-up procedures for work injury sick leave by PMC. This measure obviates the need for the injured employees to attend the medical clearance in person while LD can speed up the processing of compensation claims by issuing the "Certificate of Compensation Assessment" direct under ECO.

Number of EC claims reported under ECO and received by LD

Duration of incapacitation of employees	2020	2021
Not more than 3 days	10 269	11 451
More than 3 days*	28 487	31 096
Total	38 756	42 547

^{*} Figures include fatal cases.

Number of compensation claims involving incapacitation of employees for more than 3 days as a result of work injuries with a breakdown by industry

Industry	2020	2021
Public Administration, Social and Personal	6 323	7 198
Services		
Finance and Insurance, Real Estate, Professional	6 415	7 164
and Business Services		
Food and Beverage Services	3 798	4 325
Import/Export, Wholesale and Retail Trades,	3 844	3 848
Accommodation Services		
Transportation, Storage, Postal and Courier	2 692	2 702
Services, Information and Communications		
Construction	2 897	3 438
Manufacturing	1 415	1 518
Others	1 103	903
Total	28 487	31 096

Number of compensation claims involving incapacitation of employees for more than 3 days as a result of work injuries which were not settled in the same respective year with a breakdown by industry

Industry	2020	2021
Public Administration, Social and Personal	3 339	3 230
Services		
Finance and Insurance, Real Estate, Professional	3 220	3 090
and Business Services		
Food and Beverage Services	1 618	1 573
Import/Export, Wholesale and Retail Trades,	1 731	1 386
Accommodation Services		
Transportation, Storage, Postal and Courier	1 344	1 344
Services, Information and Communications		
Construction	2 164	2 385
Manufacturing	710	648
Others	669	440
Total	14 795	14 096

Number of settled compensation claims involving incapacitation of employees for more than 3 days as a result of work injuries with a breakdown by time required for settlement

Time required for settlement of	No. of compensation claims settled^	
compensation claims	2020	2021
Below 365 days	19 854	25 154
365 to below 730 days	5 045	5 480
730 to below 1 095 days	1 472	2 183
1 095 days or above	748	1 263
Total	27 119	34 080

[^] The number of compensation claims settled includes compensation claims reported to LD under ECO in or before the respective settlement year.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)011

(Question Serial No. 0032)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

Programme: (2) Employment Services

<u>Controlling Officer</u>: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

The Labour Department (LD) provides free employment service to all job seekers. Please provide information according to the following categories:

- (a) Please give details of the assistance or counselling services LD provided to persons unemployed and with disabilities in the past 3 years. Please provide (1) the names of the programmes involved; (2) the counselling agencies involved; (3) the number of cases involved; and (4) the expenditures involved. (Please set out in table form)
- (b) How many of the above unemployment cases involved (1) new arrivals; (2) ethnic minorities (EMs); (3) the elderly and middle-aged? (Please set out in table form)
- (c) Did LD make adjustments to the various employment programmes starting from 2019 to address the substantial increase in the number of unemployed persons due to the pandemic? If yes, what were the programmes? What was the effectiveness? What were the respective expenditures involved? As Hong Kong is entering the fifth wave of the pandemic, will the above unemployment support measures be further enhanced to address the large number of people who become unemployed thereafter? If yes, what are the measures? What are the additional expenditures involved?

Asked by: Hon NGAN Man-yu (LegCo internal reference no.: 7)

Reply:

(a) LD has been providing comprehensive and free employment services to all job seekers through 13 job centres across the territory, 3 industry-based recruitment centres for the catering, retail and construction industries, a Telephone Employment Service Centre, the Interactive Employment Service website and its mobile application, etc. LD also liaises with employers in various industries to canvass vacancies for job seekers with different educational backgrounds and working experience and organises different types of job fairs to expedite the dissemination of employment information, striving its best

to help job seekers secure employment. In addition to general employment services, job seekers may also meet employment officers at job centres in different districts to obtain personalised employment advisory service. Employment officers will help job seekers match and find suitable jobs by providing them with job search advice and information on the job market and training or retraining courses, conducting career aptitude assessment, etc., in accordance with their individual needs and preferences.

To help job seekers with special employment needs or difficulties in employment, LD implements several special employment programmes, including the Employment Programme for the Elderly and Middle-aged (EPEM) for the elderly and middle-aged (aged 40 or above), the Youth Employment and Training Programme (YETP) for young school leavers aged 15 to 24 with educational attainment at sub-degree level or below and the Work Orientation and Placement Scheme (WOPS) for job seekers with disabilities, etc. LD also introduces timely enhancements to the programmes in order to provide incentives encouraging employers to hire the elderly and middle-aged, young people and persons with disabilities and offer on-the-job training (OJT) to raise their employability.

EPEM is implemented by the Employment Services Division of LD to encourage employers to engage the elderly and middle-aged and provide OJT through the provision of training allowance to employers. No prior registration under EPEM is required for employees as relevant registration can be made by their employers after they have secured employment from vacancies placed with LD. The number of EPEM placements from 2019 to 2021 and the expenditure on EPEM for the 3 financial years from 2018-19 to 2020-21 are set out at Annex 1.

YETP provides young people with a series of free and dedicated training and employment support services, including pre-employment training courses, workplace attachment training, OJT and case management and employment support services. The service providers of case management and employment support services under YETP and number of trainees enrolled in YETP for the 3 programme years (running from September each year to August of the following year) from 2018/19 to 2020/21, and the expenditure for implementing YETP in the 3 financial years from 2018-19 to 2020-21 are set out at Annex 2.

WOPS implemented by the Selective Placement Division (SPD) of LD provides job seekers with disabilities fit for open employment with personalised employment services, including employment counselling, job matching and referral and post-placement follow-up services. WOPS encourages employers to offer employment to persons with disabilities through the provision of incentive. SPD also implements the Counselling Scheme for Persons with Disabilities, under which registered social workers of the non-governmental organisation (NGO) engaged will provide psychological and emotional counselling service to needy job seekers with disabilities registered with SPD. The number of WOPS cases from 2019 to 2021 and the expenditure for the 3 financial years from 2018-19 to 2020-21 are set out at Annex 3. The number of cases involved and the service provider engaged under the Counselling Scheme for Persons with Disabilities as well as the expenditure on the Scheme in the 3 financial years from 2018-19 to 2020-21 are set out at Annex 4.

To support the employment of EM job seekers, LD launched the Racial Diversity Employment Programme in November 2020. The Programme provides, on a pilot basis, one-stop employment services for EM job seekers in a case management approach through 2 NGOs, namely Baptist Oi Kwan Social Service and New Home Association Limited. As at the end of 2021, 536 EM job seekers had participated in the Programme and the expenditure involved was \$2.32 million.

- (b) Job seekers who register with LD for employment services are not required to report their employment status to LD. LD therefore does not have statistics on registered job seekers who are unemployed. The numbers of new arrivals, EMs and the elderly and middle-aged who registered for LD's employment services from 2019 to 2021 are set out at Annex 5.
- (c) LD raised the ceiling of OJT allowance payable to employers under EPEM, YETP and WOPS in September 2020, with a view to further encouraging employers to hire the elderly and middle-aged, young people and persons with disabilities. The details are as follows:
 - (i) The maximum amount of OJT allowance payable to employers engaging job seekers aged 60 or above who are unemployed or have left the workforce and providing them with OJT under EPEM was increased from \$4,000 to \$5,000 per month per employee for a period of 6 to 12 months. For employers engaging unemployed job seekers aged 40 to 59, the maximum amount of allowance was raised from \$3,000 to \$4,000 per month per employee for a period of 3 to 6 months. After the launch of the enhancement measure, there were 4 322 placements eligible for joining EPEM as at the end of 2021, of which 1 435 applications for OJT allowance were made and approved. The amount of OJT allowance granted to employers during the same period was \$21.3 million.
 - (ii) The maximum amount of OJT allowance payable to employers under YETP was increased from \$4,000 to \$5,000 per month for a period of 6 to 12 months. After the launch of the enhancement measure, there were a total of 2 710 placements recorded under YETP as at the end of 2021. The amount of OJT allowance granted to employers during the period was \$70.45 million.
 - (iii) As for the maximum amount of OJT allowance payable to employers under WOPS, the ceiling of the allowance was raised from \$7,000 to \$8,000 per month during the three-month work adaptation period and from \$5,000 to \$6,000 per month for the following 6 months. After the launch of the enhancement measure, there were a total of 1 475 placements recorded under WOPS as at the end of 2021. The amount of OJT allowance granted to employers during the period was \$31.42 million.

In addition, LD launched a pilot scheme in September 2020 to encourage eligible employees placed into employment under EPEM, YETP and WOPS to undergo and complete OJT through the provision of a retention allowance, thereby stabilising employment. These employees will be offered a retention allowance of \$3,000 if they stay in their full-time posts for 3 months. Thereafter, they will receive an additional allowance of \$1,000 for each ensuing month when they stay

in the posts until completion of OJT lasting for 6 to 12 months. For part-time posts, the respective amounts of retention allowance payable will be halved. Subject to the length of OJT period, a full-time employee may receive a retention allowance of up to \$12,000. As at the end of 2021, a total of 1 874 applications for retention allowance were approved and the amount of allowance approved totalled \$13.05 million.

LD has been closely monitoring the development of the pandemic and will, in the light of the economic and labour market situation of Hong Kong, continue to review its employment services and make timely adjustments or enhancements to the measures so as to suit the changing needs of job seekers and employers.

Employment Programme for the Elderly and Middle-aged

Number of placements eligible for joining EPEM

Year	No. of placements		
2019	3 061		
2020	2 260		
2021	3 340		

Expenditure

Financial year	Amount (\$million)	
2018-19	4	
2019-20	7	
2020-21	11.2	

Youth Employment and Training Programme

Service providers of case management and employment support services for the programme years from 2018/19 to 2020/21

Methodist Centre
YMCA of Hong Kong
Caritas - Hong Kong
New Territories Association Retraining Centre
Hong Kong Confederation of Trade Unions
Hong Kong College of Technology
Hong Kong Young Women's Christian Association
H.K.S.K.H. Lady MacLehose Centre
Hong Kong Employment Development Service Limited
The Hong Kong Federation Of Trade Unions Occupational
Retraining Centre
The Salvation Army
Christian Family Service Centre
The Hong Kong Federation of Youth Groups
Hong Kong Children and Youth Services
Baptist Oi Kwan Social Service
The Evangelical Lutheran Church Social Service - Hong Kong
Hong Kong PHAB Association
The Federation of Hong Kong & Kowloon Labour Unions

Number of trainees enrolled for the programme years from 2018/19 to 2020/21

Programme year	No. of trainees
2018/19	4 572
2019/20	3 418
2020/21	4 191

Note: Youth Employment and Training Programme operates on the basis of programme year, running from September each year to August of the following year.

Expenditure for the financial years from 2018-19 to 2020-21

Financial year	Amount (\$million)
2018-19	79.5
2019-20	85.8
2020-21	89.4

Work Orientation and Placement Scheme

Number of cases

Year	No. of placements	
2019	942	
2020	809	
2021	1 137	

Expenditure

Financial year	Amount (\$million)
2018-19	13.39
2019-20	16.48
2020-21	22.49

Counselling Scheme for Persons with Disabilities

Number of cases and name of service provider

Financial year	No. of counselling cases	Name of service provider	
2018-19	48	Baptist Oi Kwan Social Service	
2019-20	39	Baptist Oi Kwan Social Service	
2020-21	30	Baptist Oi Kwan Social Service	

Expenditure

Financial year	Amount (\$'000)
2018-19	83
2019-20	67
2020-21	45

Numbers of new arrivals, EMs and the elderly and middle-aged who registered with LD for employment services from 2019 to 2021

Year	New arrivals	EMs	The elderly and
			middle-aged
2019	3 289	1 231	23 744
2020	2 072	1 504	23 063
2021	2 708	1 372	22 796

Note: Job seekers who registered for employment services may belong to more than 1 category.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)012

(Question Serial No. 0033)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (2) Employment Services

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Regarding the regulation of job placement service in Hong Kong, please provide the following information:

- (a) Since the Employment (Amendment) Ordinance 2018 came into effect, what were (i) the number of prosecutions taken out against breaches of the Ordinance, (ii) the types of cases involved, (iii) the number of employment agencies (EAs) involved and (iv) the details of the penalties? Please provide the information by year in table form.
- (b) How many complaints against EAs providing placement service for foreign domestic helpers (FDHs) did the Labour Department (LD) receive in each of the past 3 years? What were the respective numbers of cases with investigation initiated? What types of complaints did these cases involve in general? Please set out the information by type of complaints.
- (c) What were the numbers of regular and surprise inspections to EAs providing placement service for FDHs conducted in the past 3 years? In addition, LD stated that it would continue to step up enforcement and prosecution against unscrupulous EAs. Please provide information on the upcoming work, and the manpower and amount of expenditure involved.

Asked by: Hon NGAN Man-yu (LegCo internal reference no.: 8)

Reply:

- (a) The Employment (Amendment) Ordinance 2018 came into effect on 9 February 2018. The relevant figures on successful prosecutions taken out against EAs by LD from 2018 (from 9 February onwards) to 2021 are set out at Annex 1.
- (b) In 2019, 2020 and 2021, the Employment Agencies Administration (EAA) of LD respectively received 475, 290 and 396 complaints against EAs providing placement

service for FDHs (FDH-EAs). EAA would investigate each complaint. The number of complaints against FDH-EAs, with a breakdown by type of complaint, is set out at Annex 2.

(c) In 2019, 2020 and 2021, the number of inspections to FDH-EAs conducted by EAA were 1 390, 1 091 and 1 586 respectively, covering both regular and surprise ones.

EAA will continue to ensure that EAs comply with Part XII of the Employment Ordinance, the Employment Agency Regulations and the requirements and standards set out in the Code of Practice for Employment Agencies (the Code) through licensing, inspections and complaint investigation. LD will take out prosecution if there is sufficient evidence to prove that an EA has breached the law. If an EA has not complied with the Code, LD may revoke or refuse to issue or renew its licence, or issue warnings for rectification of the irregularities detected.

EAA's staff establishment for 2022-23 comprises 26 Labour Officer Grade and 9 Clerical Grade posts responsible for performing licensing duties, conducting inspections of EAs and investigating complaints, as well as other related publicity and educational work, etc. The estimated expenditure (excluding staff cost) is \$8.02 million.

Relevant figures on prosecutions taken out against EAs by LD

	2018#	2019	2020	2021
No. of summonses involved in successful prosecutions	11	37	11	5
No. of EAs involved	8	10	11	5
Average fine for offences of overcharging of commission from job seekers and unlicensed operation	\$8,000	\$45,333	\$17,933	\$9,625@
Average fine for other offences*	\$2,200	\$2,500	\$2,200	\$900

- # From 9 February 2018 onwards.
- @ Excluding 1 case with non-fine penalty. In 2021, there was 1 person convicted of operating an EA without a licence and sentenced to a 104-hour community service order.
- * Including operating EA at a place other than the place of business specified in the licence, failure to maintain proper records, failure to notify LD of changes in the management and place of business within the statutory timeframe, furnishing to the Commissioner for Labour any information which was known or reasonably ought to be known to be false or misleading in any material particular when submitting an application for renewal of licence, failure to display the licence or the schedule under the Employment Agency Regulations specifying the maximum commission which may be received from job seekers, etc.

Number of complaints against FDH EAs received by LD with a breakdown by type of complaint

	No. of complaints received		
	2019	2020	2021
Overcharging of commission from FDHs	251	53	31
Unlicensed operation	47	29	31
Non-compliance with the Code of Practice for Employment Agencies	122	134	122
*Others	55	74	212
Total	475	290	396

^{*} Including complaints about poor service quality of EAs, issues concerning the refund of service fees, EAs suspected of inducing FDHs to job-hop, etc. Of the 212 cases in 2021, there were 177 complaints involving EAs suspected of inducing FDHs to job-hop.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)013

(Question Serial No. 0035)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (2) Employment Services

<u>Controlling Officer</u>: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Regarding the Greater Bay Area Youth Employment Scheme (the Employment Scheme), would the Government advise this Committee of the following:

- (a) the participating enterprises under the Employment Scheme and their industry sectors;
- (b) the work locations, posts and median salary of the Hong Kong young people participating in the Employment Scheme, the number of young people who have reported for duty so far and the amount of subsidy disbursed by the Government;
- (c) whether the Employment Scheme is envisaged to be expanded or extended? If yes, what are the details of the plan? Are there other subsidy schemes targeting young people working in the Mainland besides the Employment Scheme? If such schemes are available, please provide details of their names and young people's participation in them.

Asked by: Hon NGAN Man-yu (LegCo internal reference no.: 10)

Reply:

- (a) The Employment Scheme received active support from the business sector, with 417 enterprises offering 3 494 job vacancies. A breakdown by industry of the enterprises is provided at Annex 1.
- (b) To encourage enterprises to participate in the Employment Scheme and compensate them for the additional expenses on training the graduates, the Government will, in respect of the number of graduates employed, grant a monthly allowance of HK\$10,000 to enterprises for each graduate employed for up to 18 months. Enterprises may submit preliminary applications for allowance after the graduates have reported for duty. The Employment Scheme Secretariat had received 1 091 relevant applications and disbursed allowance of more than \$17 million as at February 2022.

Breakdowns of the preliminary applications by work location, occupational group and salary level are provided at Annex 2. The median salary of graduates employed is \$18,000.

(c) To review the implementation and effectiveness of the Employment Scheme more systematically, the Labour and Welfare Bureau and the Labour Department are conducting an evaluation study on the Employment Scheme. The study is expected to be completed within this year. The Government will draw reference from the study results and give due regard to the views of stakeholders in mapping out the way forward.

Apart from the Employment Scheme, the Home Affairs Bureau has launched two funding schemes on support for young people starting their businesses in Hong Kong and the Mainland cities of the Greater Bay Area (GBA), namely the Funding Scheme for Youth Entrepreneurship in the Guangdong-Hong Kong-Macao Greater Bay Area (Funding Scheme for Youth Entrepreneurship) and the Funding Scheme for Experiential Programmes at Innovation and Entrepreneurial Bases in the Guangdong-Hong Kong-Macao Greater Bay Area (Funding Scheme for Experiential Programmes), providing entrepreneurial support and incubation services to young people. The Funding Scheme for Youth Entrepreneurship supports 16 non-governmental organisations (NGOs) to organise youth entrepreneurship projects, providing capital subsidy to about 230 youth start-ups (involving more than 800 Hong Kong young entrepreneurs) and rendering entrepreneurial support and incubation services to about 4 000 young entrepreneurs. Funded NGOs have started rolling out youth entrepreneurship projects and the response Subject to the latest situation of the pandemic, the funded has thus far been positive. organisations will gradually assist young entrepreneurs in settling in innovative and entrepreneurial bases in the Mainland cities of GBA. The Funding Scheme for Experiential Programmes supports 15 NGOs to organise short-term experiential projects at innovative and entrepreneurial bases in the Mainland cities of GBA, with a view to deepening Hong Kong young people's understanding of such entrepreneurial bases, as well as the relevant policies and support measures on innovation and entrepreneurship. About 700 young people are expected to benefit from the projects.

Breakdown of the number of enterprises under the Greater Bay Area Youth Employment Scheme by industry

Industry	No. of enterprises	%
Business services	115	27.6%
Import and export trades	41	9.8%
Manufacture of electronic parts	37	8.9%
Other manufacturing industry	35	8.4%
Finance	34	8.2%
Communication	19	4.6%
Education services	17	4.1%
Real estates	10	2.4%
Others	109	26.1%
Total	417	100%

Breakdowns of the preliminary applications for allowance under the Greater Bay Area Youth Employment Scheme by work location, occupational group and salary level

(a) By work location

Work location	Preliminary application for allowance	%
Shenzhen	687	63.0%
Guangzhou	251	23.0%
Dongguan	61	5.6%
Zhuhai	40	3.7%
Huizhou	18	1.6%
Zhongshan	12	1.1%
Foshan	11	1.0%
Jiangmen	4	0.4%
Zhaoqing	4	0.4%
Not provided by the enterprise	3	0.3%
Total	1 091	100%

(b) By occupational group

Occupational group	Preliminary application for allowance	%
Professionals	484	44.4%
Associate professionals	250	22.9%
Managers and administrators	288	26.4%
Clerical support workers	50	4.6%
Skilled agricultural and fishery workers	5	0.5%
Craft and related workers	2	0.2%
Others	12	1.1%
Total	1 091	100%

(c) By salary level

Salary level	Preliminary application for allowance	%
\$18,000	702	64.3%
\$18,001 - \$20,000	241	22.1%
\$20,001 - \$22,000	35	3.2%
\$22,001 - \$24,000	70	6.4%
\$24,001 - \$26,000	7	0.6%
\$26,001 - \$30,000	7	0.6%
\$30,001 or above	29	2.7%
Total	1 091	100%

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)014

(Question Serial No. 0036)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (4) Employees' Rights and Benefits

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Since the extension of statutory maternity leave to 14 weeks from December 2020, employers may apply for reimbursement of the 11th to 14th weeks' statutory maternity leave pay (MLP) that has been paid to employees. Please provide the following information:

- (a) What is the number of successful MLP reimbursement cases since the launch of the scheme? Among these reimbursement cases, what are the highest, lowest and average amounts of reimbursement? What is the percentage share of these cases? Please give the details.
- (b) What is the average time taken for the whole procedure from submission of applications by employers to payment of reimbursement to employees?
- (c) Have the relevant departments received any complaints since the launch of the measure? If yes, what are the complaints about in general?

<u>Asked by</u>: Hon NGAN Man-yu (LegCo internal reference no.: 11) Reply:

- (a) The Labour Department (LD) has launched the Reimbursement of Maternity Leave Pay (RMLP) Scheme since 1 April 2021. Up to January 2022, a total of 6 072 applications were approved. The average reimbursement amount for each approved application was \$22,000. Of the approved applications, the reimbursement amounts for 536 applications (8.8% of the approved applications) were below \$10,000, while that of 85 applications (1.4%) reached the cap of reimbursement (i.e. \$80,000).
- (b) LD does not keep statistics on the time taken from submission of applications by employers to payment of reimbursement. In general, employers receive the reimbursement within 15 working days upon submission of an application together with all the required information and documents.

(c) Up to January 2022, a total of 4 complaints about the RMLP Scheme were received, mainly concerning the processing of applications and the operation of the scheme portal. The complaints have been properly addressed upon follow-up.

- End -

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)015

(Question Serial No. 0196)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (1) Labour Relations

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Major plans of the Labour Department (LD) for 2022-23 include reviewing the continuous contract requirement under the Employment Ordinance (EO). In this connection, would the Government explain:

- (a) the reasons for the review;
- (b) whether there are any work plan and timetable; if yes, what are the details;
- (c) whether the employer associations and enterprises of different sectors/industries across the territory will be consulted; if not, the reasons for that;
- (d) the manpower and administrative cost involved?

Asked by: Hon SHIU Ka-fai (LegCo internal reference no.: 8)

Reply:

- (a) The Government examines EO from time to time having regard to the pace of social and economic development, with a view to improving the benefits of employees progressively. The Government understands the community's ongoing concern over the continuous contract requirement under EO and is thus conducting a review on the issue.
- (b)&(c) Any change in the continuous contract requirement will have far-reaching implications on the labour market and the community as a whole. The Government will prudently and thoroughly explore the issue and strive to strike a reasonable balance between the benefits of employees and the affordability of employers, bearing in mind the overall interests of Hong Kong. LD plans to discuss the issue with the Labour Advisory Board in the second half of this year.

(d) The review work is handled by the existing staff of LD. As the staff concerned also undertake other duties, the manpower and expenditure involved cannot be separately identified.

- End -

LWB(L)016

CONTROLLING OFFICER'S REPLY

(Question Serial No. 0197)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Major plans of the Labour Department (LD) for 2022-23 include intensifying preventive and enforcement efforts to tackle fall-from-height hazards and other work hazards in workplaces through executing targeted inspection strategies, encouraging reports on unsafe working conditions, etc., especially for the construction industry, including renovation, maintenance, alteration and addition (RMAA) works. Would the Government advise of the following:

- (a) the respective numbers of enforcement operations conducted against employers and employees in each of the past 5 years;
- (b) the work plan for 2022-23;
- (c) whether there will be changes in the staff establishment; if yes, what are the details; if not, what is the current establishment?

Asked by: Hon SHIU Ka-fai (LegCo internal reference no.: 9)

Reply:

(a) LD has been stepping up inspection and enforcement targeting the occupational safety and health (OSH) of various industries. In addition to routine surprise inspections, LD also launches special enforcement operations (SEOs) targeted at different high-risk processes and industries of higher risk from time to time. The number of SEOs launched from 2017 to 2021 is provided in the table below:

		No. of SEOs		
2017	2018	2019	2020	2021
21	15	14	8*	18

- Note: * The number of SEOs in 2020 was lower owing to the implementation of special work arrangements for employees in that year in the light of the COVID-19 pandemic.
- In 2022-23, LD will continue to keep close tabs on the OSH risk levels of various industries and their changes. Pursuant to the risk-based principle, LD will formulate and adjust the strategies for inspection and enforcement, publicity and promotion as well as education and training in a timely manner, so as to actively promote the OSH culture, prevent accidents from happening and enhance the OSH performance of various In respect of preventive and enforcement efforts, apart from routine industries. inspections and SEOs mentioned in (a) above, LD will also conduct SEOs, safety audit inspections and in-depth surprise inspections targeted at work sites with poor safety performance; and step up participation in site safety management committee meetings of public works projects to get apprised of their latest risk situation and to adjust the inspection focus accordingly. As for small-scale repair and maintenance works, LD will step up area patrols to curb high-risk work activities including unsafe above-ground work. In addition, LD will intensify the systemic preventive and enforcement efforts to tackle fall-from-height hazards and other work hazards for workers in workplaces, including:
 - (i) introducing legislative amendments to increase the maximum penalties for OSH offences so as to enhance their deterrent effect;
 - (ii) introducing legislative amendments to expand the notification mechanism of construction works to cover those of shorter duration or engaging less workers but involving relatively high risks, including the erection, addition, alteration and dismantling works of truss-out scaffolds at external walls, to facilitate early inspection by LD;
 - (iii) promoting the adoption of Construction Design and Management by different stakeholders of the construction industry in planning and designing construction projects, so as to eradicate or mitigate OSH risks, including fall-from-height risks, that may arise during construction and maintenance of these projects; and
 - (iv) intensifying preventive and enforcement efforts to tackle fall-from-height hazards and other work hazards in workplaces through encouraging reports on unsafe working conditions, etc., especially for the construction industry, including RMAA works.
- (c) The preventive and enforcement efforts concerned are LD's ongoing work and the staff establishment involved cannot be separately identified. Regarding the overall establishment of the Occupational Safety Officer Grade, there will be a decrease of 3 temporary posts in 2022-23.

LWB(L)017

CONTROLLING OFFICER'S REPLY

(Question Serial No. 0321)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

The estimated expenditure on safety and health at work for 2022-23 is 8.9% higher than that for 2021. While the expenditure is mainly used to intensify inspection, enforcement, publicity and education efforts, there is no mention of protection for workers affected by work injuries. We understand that quite a number of trades and self-employed persons do not have employees' compensation insurance (ECI) protection. Will the current-term Government address the issue of occupational safety protection by setting up a fund for workers not covered by ECI to apply? In addition, please advise this Committee of the number of cases involving occupational safety, the causation analysis of safety incidents and the number of successful prosecutions (if applicable) in the past 5 years. Does the Government have any plans to reduce occupational safety incidents by imposing safer technological requirements instead of merely increasing the fines?

Asked by: Hon TANG Fei (LegCo internal reference no.: 6)

Reply:

Under the Employees' Compensation Ordinance (ECO), employers are required to take out ECI (commonly known as "labour insurance") to cover their liabilities to pay compensation under the law (including common law). In case an employer is unable to pay an amount of employees' compensation and/or common law damages awarded by the court, and does not have a valid ECI policy to cover the liability, hence rendering the injured employees or eligible persons unable to make recovery against the employer or any insurers, they may apply for assistance payments for employees' compensation and/or relief payments from the Employees Compensation Assistance Ordinance for the unrecovered sum. In addition, the Employees' Compensation Insurance Residual Scheme provides last-resort cover to employers encountering difficulties in taking out labour insurance thereby ensuring that employees in various sectors are covered by labour insurance.

The number of occupational injuries from 2017 to the first 3 quarters of 2021, with a breakdown by type of accident, is set out at Annex.

The number of occupational safety and health (OSH) summonses convicted in relation to accidents from 2017 to 2021 is as follows:

	2017	2018	2019	2020	2021
No. of OSH summonses convicted in relation to accidents	575	714	527	473	472

Apart from inspection and enforcement, the Government has been introducing targeted preventive measures to various industries through strategies on publicity and promotion as well as education and training with a view to further safeguarding the OSH of employees. For example, LD has promoted the adoption of Construction Design and Management by different stakeholders of the construction industry in planning and designing construction projects, so as to eradicate or mitigate the OSH risks that may arise during construction and maintenance of these projects. Moreover, the Government established the Construction Innovation and Technology Fund in October 2018 to encourage wider adoption of innovative construction methods and new technologies in the construction industry, with a view to uplifting site safety, promoting productivity, improving build quality and enhancing environmental performance.

Occupational injuries from 2017 to the first 3 quarters of 2021 – Analysis by type of accident

Type of accident	201	17	201	18	201	19	202	20	First quar of 20	ters
Slip, trip or fall on same level	10 623	(2)	10 630	(3)	9 825		8 796		7 379	(2)
Injured whilst lifting or carrying	6 800		7 059		6 414		4 998		4 078	
Striking against fixed or stationary object	3 179		3 032		2 771		2 119		1 633	(2)
Striking against or struck by moving object	3 300	(3)	3 002		2 827	(7)	2 275	(3)	1 630	(2)
Injured by hand tool	2 095		1 867		1 701		1 294		1 168	
Contact with hot surface or substance	1 700		1 766		1 632		1 195		1 087	
Struck by moving vehicle	1 693	(20)	1 839	(18)	1 474	(30)	886	(15)	716	(15)
Trapped in or between objects	754	(4)	1 083	(2)	875	(2)	728	(2)	662	(2)
Fall of person from height	1 183	(25)	1 159	(17)	1 005	(17)	744	(13)	628	(15)
Injured in workplace violence	757		838	(1)	976	(2)	716	(2)	623	(1)
Struck by falling object	563	(3)	550	(1)	493	(3)	437	(2)	567	(1)
Contact with moving machinery or object being machined	522		590		573		525	(1)	438	
Injured by animal	444		480	(1)	457		368		318	
Exposure to or contact with harmful substance	236		224		234		151		151	
Stepping on object	150		190		104		82		102	
Trapped by collapsing or overturning object	49	(4)	100		93	(4)	50	(4)	24	(1)
Contact with electricity or electric discharge	23		20	(1)	29		22	(1)	17	(1)
Exposure to fire	36		18		21	(1)	17		8	(1)
Exposure to explosion	5		3		16	(4)	3		2	` /
Drowning	7	(6)	6	(6)	2	(1)	6	(5)	1	(1)
Asphyxiation	-	• •	2	(1)	1		-		-	
Others	1 512	(160)	1 506	(167)	1 349	(178)	1 715	(186)	1 452	(149)
Total	35 631	(227)	35 964	(218)	32 872	(249)	27 127	(234)	22 684	(193)

Notes:

- 1. Occupational injury statistics are released on a quarterly basis and the latest available statistics are up to the first 3 quarters of 2021. The occupational injury statistics for the full year of 2021 will be released in April 2022.
- 2. Occupational injuries refer to injury cases in workplaces reported under ECO, resulting in death or incapacity for work of over 3 days. The above figures are compiled by using the date of occurrence of an injury as the basis for computing occupational injury statistics so as to reflect more accurately the number of work injuries occurring in the statistical period.
- 3. Figures in brackets denote the number of fatalities which has also been included in the number of accidents.
- 4. The above figures are recorded based on the information reported in Form 2 under ECO.

- End -

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)018

(Question Serial No. 0858)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (3) Safety and Health at Work

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

In the past 5 years, the average number of occupational fatalities was 226, i.e. on average, about 2 workers died every 3 days. This is indeed an unacceptable trend. The number of inspections under the Factories and Industrial Undertakings Ordinance (FIUO) and the Occupational Safety and Health Ordinance (OSHO) dropped from 166 036 in 2019 to 105 286 in 2020. The estimated number for 2021 was only 131 800, which was still lower than that in 2019. As for promotional visits to workplaces under FIUO and OSHO, the number also dropped from 6 633 in 2019 to 3 921 in 2020. The estimated number for 2021 was 5 560, also lower than that in 2019.

An estimate of \$688.2 million was earmarked for expenditure on Safety and Health at Work. Will additional resources be allocated to occupational safety and health (OSH)? What is the share of education and publicity and what is the share of enforcement operations?

Asked by: Hon TIK Chi-yuen (LegCo internal reference no.: 11)

Reply:

In the past 5 years (i.e. 2017-2021¹), the yearly number of occupational fatalities² reported by employers as received by the Labour Department (LD) was about 230, of which about 20 were fatal industrial accidents³ and about 10 were fatal non-industrial accidents⁴. The remaining 200-plus cases were outside the jurisdiction of FIUO and OSHO ("OSH legislation") and mainly involved natural death cases (non-occupational diseases), cases that happened outside Hong Kong and traffic accidents, etc.

The numbers of inspections and promotional visits to workplaces under OSH legislation in 2020 and 2021 were lower than those in 2019 owing to the special work arrangements for government employees implemented by LD in those 2 years in the light of the COVID-19 pandemic.

LD has been adopting a multi-pronged strategy to enhance OSH in various industries through inspection and enforcement, publicity and promotion as well as education and training. LD will continue to keep close tabs on the OSH risk levels of various industries and the changes. Pursuant to the risk-based principle, LD will formulate and adjust the strategies for inspection and enforcement, publicity and promotion as well as education and training in a timely manner, so as to actively promote the OSH culture, prevent accidents from happening and enhance the OSH performance of various industries.

In respect of inspection and enforcement, apart from routine inspections and special enforcement operations (SEOs), LD will also conduct SEOs, safety audit inspections and indepth surprise inspections targeted at work sites with poor safety performance; and step up participation in site safety management committee meetings of public work projects to get apprised of their latest risk situation and to adjust the inspection focus accordingly. As for small-scale repair and maintenance work, LD will step up area patrols to curb high-risk work activities including unsafe above-ground work.

As regards publicity and promotion, LD organises a variety of OSH promotional activities such as seminars, roving exhibitions and out-reaching promotional visits in collaboration with the Occupational Safety and Health Council, major trade associations and workers' unions. LD also disseminates OSH messages on its webpages, publishes and updates safety guidelines, produces text and animated versions of "Work Safety Alert", and publicises through channels such as television, radio, newspapers and social media so as to enhance OSH awareness in various industries.

As for education and training, LD organises OSH talks with different themes and various training courses related to OSH legislation, including courses designed for trainers or persons required to assist their employers in organising in-house training in their own organisations. LD staff are also deployed upon invitation to serve as speakers in OSH talks organised by individual organisations so as to acquaint employers and employees in various industries with the statutory provisions and the requirements of relevant codes of practice, thereby assisting them in enhancing their OSH performance.

In 2022-23, LD's estimated expenditure on Safety and Health at Work is \$751.3 million, representing an increase of 9.2% over the original estimate of \$688.2 million for the previous year. The above efforts in inspection and enforcement, publicity and promotion, and education and training are LD's ongoing work, and the estimated expenditure involved cannot be separately identified.

Notes:

- 1. LD is consolidating the statistics of fatalities for the full year of 2021 and only preliminary figures are currently available. The official statistics will be released in April 2022.
- 2. Occupational fatalities refer to death cases in workplaces reported under the Employees' Compensation Ordinance.
- 3. Fatal industrial accidents refer to deaths arising from industrial activities in industrial undertakings as defined under FIUO.
- 4. Fatal non-industrial accidents refer to deaths that occurred during work at workplaces in Hong Kong and fell under the jurisdiction of OSHO (but excluding those in industrial undertakings).

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)019

(Question Serial No. 0472)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

Programme: (4) Employees' Rights and Benefits

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

One of the matters requiring special attention in 2022-23 is to support the Minimum Wage Commission (MWC) in conducting a new round of review of the Statutory Minimum Wage (SMW) rate. Would the Government advise this Committee:

- (a) given that the headline inflation rate and the underlying inflation rate are forecast to be 2.1% and 2% respectively this year, while the next minimum wage adjustment will not be implemented until next year and the SMW rate was frozen in the last review, whether the Government will allocate resources to examine what measures can be implemented before the next minimum wage adjustment to support the grassroots who are earning the minimum wage;
- (b) as regards the new round of review, in the light of the lingering COVID-19 pandemic, whether the Government has formulated targeted measures to provide grassroots employees with more appropriate support, including requiring MWC to adopt a value not lower than the inflation level as the basis of adjustment when conducting the new round of review of the SMW rate, and reviewing the minimum wage rate annually so as to address the time lag issue; if so, of the details and expenditure involved; if not, of the reasons for that?

<u>Asked by</u>: Hon WONG Kwok, Kingsley (LegCo internal reference no.: 2)

Reply:

- (a) In addition to the protection afforded by SMW, the Government has improved the income of the grassroots through different targeted measures, including:
 - (i) the Government has implemented various targeted measures since April 2019 to enhance the protection for non-skilled employees engaged by government service contractors. The measures included increasing the technical weighting and the weighting of wage level in the technical assessment in tender evaluation, as well

as requiring contractors to pay contractual gratuity to their employees, in the new tenders for government service contracts that rely heavily on the deployment of non-skilled employees. The Government completed the review report on the above improvement measures at the end of 2020, revealing that the committed wages in these government service contracts had increased by over 24%; and

(ii) the Government launched the "Working Family Allowance (WFA) Scheme" in April 2018 to implement a host of improvements to the then "Low-income Working Family Allowance Scheme", including relaxing the eligibility criteria, substantially increasing the rate of allowances twice, and allowing household members to aggregate their working hours to apply for WFA. Separately, in the light of the pandemic, the Government has reduced the WFA working hour requirements for non-single-parent households from the claim months of June 2021 to May 2022, so that more low-income households will be eligible for WFA and some existing beneficiaries may receive higher rate of allowance.

The Government will review and enhance the support measures for the grassroots in a timely manner.

(b) MWC is conducting a new round of review on the SMW rate in accordance with the Minimum Wage Ordinance, and will submit its recommendation report to the Chief Executive in Council by the end of October 2022. MWC adopts an evidence-based approach in reviewing the SMW rate. Apart from making reference to the data of an "Array of Indicators" covering general economic conditions, labour market conditions, competitiveness and social inclusion, MWC will also study and consider the findings of other surveys, the views of the community on the review of the SMW rate, as well as the impact assessment results of various SMW test levels under different economic environments. The Government will adopt the existing mechanism to complete the review of the SMW rate currently underway.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)020

(Question Serial No. 0474)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (2) Employment Services

<u>Controlling Officer</u>: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Regarding the situation of the construction industry, would the Government advise this Committee of the following:

- (a) the number of vacancies in the construction industry in the past 3 years;
- (b) the number of employed persons, the number of underemployed persons and the underemployment rate in the construction industry in the past 3 years, with breakdowns by gender, age group and mode of employment;
- (c) the number of unemployed persons and the unemployment rate in the construction industry in the past 3 years, with breakdowns by gender and age group;
- (d) the nominal wage index, median monthly wage and its year-on-year rate of change in the construction industry in the past 3 years;
- (e) the respective numbers of imported workers applied for and approved in the construction industry in the past 3 years, with breakdowns by job title and median monthly wage;
- (f) The Financial Secretary has mentioned in the Budget Speech a proposal to allocate \$1 billion to the Construction Industry Council (CIC) for supporting manpower training, which includes increasing the training places and the amount of allowance for trades facing labour shortage so as to attract new entrants and job changers to the industry, and increasing the training places for upgrading semi-skilled construction workers to skilled workers and the amount of allowance. What are the details of the plans? How much additional manpower is expected to be provided for the construction industry? How many skill training places will cover the job titles mentioned in (e)?
- (g) Whether the Government has formulated any targeted measures for 2022-23 to address the situations of job mismatch and importation of labour in the construction industry? If yes, what are the details and expenditure involved? If not, what are the reasons?

<u>Asked by</u>: Hon WONG Kwok, Kingsley (LegCo internal reference no.: 4) Reply:

- (a) to (d) Based on the information collected by the Census and Statistics Department (C&SD), the relevant statistics are provided at Annex 1 to Annex 4.
- (e) The numbers of imported workers applied for and approved under the Supplementary Labour Scheme (SLS) in the construction industry from 2019 to 2021 are provided below:

	2019	2020	2021
No. of imported workers applied for	561	46	846
No. of imported workers approved	172	218	6

The vetting of applications received towards year-end may be completed in the following year, and hence the number of imported workers approved within the year does not correspond to the number of imported workers applied for in the same year.

Under SLS, imported workers must be remunerated at not less than the median monthly wage of the relevant job title as published by C&SD. Breakdowns of the numbers of imported workers applied for and approved in the construction industry from 2019 to 2021 by job title and median monthly wage are provided at Annex 5 and Annex 6.

(f) Based on the information provided by the Development Bureau (DEVB), the proposed \$1 billion funding will be used for supporting CIC to enhance its manpower development measures, increase the number of training places and the amount of allowances for its training programmes with a view to attracting and training more new blood to join the construction industry and providing incentives for upskilling and retention of in-service workers in the industry. Over a period of 6 years, the funding will support the provision of a total of about 20 000 training places for new entrants (including job changers) to become semi-skilled workers and about 6 800 training places for semi-skilled workers to become skilled workers. Of these, about 10 000 semi-skilled worker training places and 3 800 skilled worker training places are additional ones.

CIC regularly updates its manpower forecast and maintains close communication with the industry to understand the latest manpower needs of the sector. The number of training places to be offered for different measures and trades will be determined according to the prevailing industry demand. Since CIC's latest updating exercise is still in progress, the breakdown by trade in respect of the training places supported by the proposed \$1 billion funding is not available at this moment.

(g) DEVB collaborates with CIC to implement a host of multi-pronged measures, including conducting regular manpower forecast of the construction industry,

enhancing training and introducing innovative technologies through the Construction Innovation and Technology Fund (CITF) to uplift productivity. CIC is updating the manpower forecast and, with due regard to the forecast results, will liaise with the industry and various education and training institutions to strengthen training to meet the sustained manpower demand arising from the upcoming major infrastructure development.

The 2022-23 Budget has proposed to allocate \$1 billion to strengthen manpower training in the construction industry. The Budget also proposes to inject an additional \$1.2 billion into CITF to continue implementing the enhancement measures and supporting the construction industry to adopt innovative technology to boost its overall performance.

Number of vacancies in the construction industry in 2019, 2020 and 2021

Year	No. of vacancies ^{(1), (2)}
2019 ⁽³⁾	680
2020 ⁽³⁾	241
2021 ⁽³⁾	188

Notes: (1) Vacancies refer to unfilled job openings which are immediately available, and for which active recruitment steps are being taken by the employers concerned on the survey reference date.

- (2) Covering vacancies of manual workers at construction sites only with data mostly collected from the main contractors.
- (3) The figures refer to the average of the 4 quarters of the year.

Source: Quarterly Employment Survey of Construction Sites, Census and Statistics Department

Number of employed persons by gender, age group and full-timer/part-timer, and number of underemployed persons and underemployment rate by gender and age group in the construction industry in 2019, 2020 and Q1-Q4 2021

<u>2019</u>

	No. of	No. of employed persons		No. of	Underemployment
	Total	Full-timer#	Part- timer [@]	underemployed persons^	rate (%)
Gender					
Male	298 400	263 400	35 100	16 800	5.3
Female	39 100	35 100	4 000	800	2.0
Age group					
15 - 24	17 800	15 900	1 900	1 100	5.6
25 - 29	31 000	29 200	1 800	800	2.6
30 - 39	66 300	61 900	4 400	1 900	2.7
40 - 49	83 600	75 700	7 900	4 500	5.1
50 - 59	88 800	77 400	11 400	6 400	6.8
60 or above	50 000	38 400	11 600	2 900	5.5
Overall	337 500	298 400	39 100	17 600	5.0

2020

	No. of employed persons		No. of	Undoromployment	
	Total	Full-timer#	Part- timer [@]	underemployed persons^	Underemployment rate (%)
Gender					
Male	273 100	226 100	47 100	25 400	8.3
Female	36 900	32 100	4 800	1 600	4.1
Age group					
15 - 24	13 200	11 500	1 700	800	5.0
25 - 29	29 200	26 300	2 900	1 700	5.0
30 - 39	61 900	53 800	8 100	4 700	6.9
40 - 49	81 300	68 700	12 700	6 800	7.6
50 - 59	77 900	62 800	15 100	8 700	9.9
60 or above	46 500	35 100	11 400	4 400	8.3
Overall	310 000	258 200	51 900	27 000	7.8

<u>2021 Q1</u>

	No. of	No. of employed persons		No. of	Underemployment
	Total	Full-timer#	Part- timer [@]	underemployed persons^	rate (%)
Gender					
Male	272 000	232 000	40 100	24 400	7.9
Female	39 900	36 100	3 700	1 500	3.4
Age group					
15 - 24	11 400	10 000	1 500	1 000	7.6
25 - 29	29 500	26 100	3 400	2 000	5.9
30 - 39	69 600	64 200	5 400	2 900	3.9
40 - 49	77 700	66 700	11 000	6 200	7.2
50 - 59	75 600	62 500	13 000	9 900	11.0
60 or above	48 000	38 600	9 400	4 000	7.2
Overall	311 900	268 100	43 800	25 900	7.4

<u>2021 Q2</u>

	No. of	No. of employed persons		No. of	Underempleyment
	Total	Full-timer#	Part- timer [@]	underemployed persons^	Underemployment rate (%)
Gender					
Male	280 700	242 700	38 000	20 200	6.5
Female	42 200	37 900	4 300	1 300	3.0
Age group					
15 - 24	11 800	11 100	700	*	*
25 - 29	30 100	27 200	3 000	1 800	5.4
30 - 39	66 000	60 500	5 600	3 000	4.1
40 - 49	76 900	68 800	8 100	4 600	5.4
50 - 59	85 800	71 200	14 600	8 300	8.8
60 or above	52 200	41 900	10 400	3 400	5.8
Overall	322 900	280 600	42 300	21 500	6.1

<u>2021 Q3</u>

	No. of	employed pe	ersons	No. of	Underemployment
	Total	Full-timer#	Part- timer [@]	underemployed persons^	rate (%)
Gender					
Male	294 000	256 500	37 500	18 500	5.8
Female	38 400	34 300	4 100	1 100	2.7
Age group					
15 - 24	11 900	10 300	1 600	*	*
25 - 29	30 900	28 800	2 100	1 800	5.2
30 - 39	69 800	64 800	5 000	2 600	3.5
40 - 49	83 900	75 000	8 900	4 800	5.3
50 - 59	81 800	68 600	13 200	6 300	7.2
60 or above	54 100	43 200	10 900	3 700	6.4
Overall	332 400	290 700	41 600	19 600	5.5

2021 Q4

	No. of	No. of employed persons		No. of	Undoromployment
	Total	Full-timer#	Part- timer [@]	underemployed persons^	Underemployment rate (%)
Gender					
Male	295 100	254 900	40 200	18 800	6.0
Female	40 000	36 300	3 700	1 000	2.5
Age group					
15 - 24	14 900	13 600	1 300	600	4.3
25 - 29	34 500	30 900	3 700	2 000	5.3
30 - 39	63 600	57 400	6 200	3 300	5.0
40 - 49	82 600	76 600	6 000	3 700	4.3
50 - 59	82 900	69 400	13 400	6 600	7.5
60 or above	56 600	43 400	13 200	3 500	5.8
Overall	335 100	291 300	43 800	19 800	5.6

Notes: Figures for 2021 as a whole are not yet available.

Employed persons include underemployed persons.

Individual figures may not add up exactly to the total owing to rounding.

The numbers of employed persons and underemployed persons are rounded to the nearest hundred persons.

Figures less than 3 000 persons are compiled based on a small number of observations and hence with relatively large sampling errors and should be interpreted with caution.

- (*) Figures refer to those employed persons who worked 35 hours or longer during the 7 days before enumeration and those who worked less than 35 hours owing to vacation over that period.
- ([®]) Figures refer to those employed persons who worked less than 35 hours owing to reasons other than vacation during the 7 days before enumeration, including those who are underemployed.
- (^) Figures refer to those who involuntarily worked less than 35 hours during the 7 days before enumeration and either (i) have been available for additional work during the 7 days before enumeration; or (ii) have sought additional work during the 30 days before enumeration.
- (*) Figures are not released due to large sampling errors.

Source: General Household Survey, Census and Statistics Department

Number of unemployed persons and the unemployment rate by gender and age group in the construction industry in 2019, 2020 and Q1-Q4 2021

<u>2019</u>

	No. of unemployed persons	Unemployment rate#(%)
Gender		
Male	17 000	5.4
Female	1 200	3.0
Age group		
15 - 24	1 200	6.1
25 - 29	1 700	5.1
30 - 39	2 900	4.2
40 - 49	3 700	4.3
50 - 59	5 600	6.0
60 or above	3 100	5.9
Overall	18 200	5.1

<u>2020</u>

	No. of unemployed persons [^]	Unemployment rate# (%)
Gender		•
Male	33 400	10.9
Female	2 600	6.6
Age group		
15 - 24	2 100	13.5
25 - 29	3 600	10.9
30 - 39	5 900	8.7
40 - 49	7 900	8.9
50 - 59	10 400	11.8
60 or above	6 200	11.7
Overall	36 000	10.4

<u>2021 Q1</u>

	No. of unemployed persons [^]	Unemployment rate#(%)
Gender		
Male	37 400	12.1
Female	3 000	6.9
Age group		
15 - 24	1 400	11.0
25 - 29	3 500	10.5
30 - 39	5 900	7.9
40 - 49	7 900	9.2
50 - 59	14 000	15.7
60 or above	7 600	13.7
Overall	40 400	11.5

<u>2021 Q2</u>

	No. of unemployed persons	Unemployment rate#(%)
Gender		•
Male	28 900	9.3
Female	2 600	5.8
Age group		
15 - 24	1 400	10.3
25 - 29	3 100	9.3
30 - 39	5 600	7.8
40 - 49	7 900	9.3
50 - 59	7 700	8.3
60 or above	5 900	10.1
Overall	31 500	8.9

2021 Q3

	No. of unemployed persons [^]	Unemployment rate#(%)
Gender		
Male	22 300	7.1
Female	1 900	4.8
Age group		
15 - 24	1 100	8.7
25 - 29	2 900	8.6
30 - 39	4 600	6.2
40 - 49	6 300	7.0
50 - 59	5 900	6.7
60 or above	3 400	5.9
Overall	24 300	6.8

2021 Q4

	No. of unemployed persons	Unemployment rate#(%)
Gender		
Male	16 900	5.4
Female	1 200	3.0
Age group		
15 - 24	*	*
25 - 29	3 100	8.3
30 - 39	2 500	3.8
40 - 49	3 300	3.8
50 - 59	4 800	5.4
60 or above	4 200	6.8
Overall	18 100	5.1

Notes: Figures for 2021 as a whole are not yet available.

Individual figures may not add up exactly to the total owing to rounding.

Figures less than 3 000 persons are compiled based on a small number of observations and hence with relatively large sampling errors and should be interpreted with caution.

(^) As regards the number of unemployed persons by industry, since (i) unemployed persons are classified according to their previous industry which may not necessarily be the one which he/she will enter; and (ii) there is no information on previous industry in respect of first-time job-seekers and reentrants into the labour force who were unemployed, such figures are not strictly comparable to the overall unemployment and should be interpreted with

- caution. The number of unemployed persons is rounded to the nearest hundred persons.
- (*) As regards unemployment rate by industry, owing to the method of compiling the number of unemployed persons (see note (^)), such figures are not strictly comparable to the overall unemployment rate and should also be interpreted with caution.
- (*) Figures are not released due to large sampling errors.

Source: General Household Survey, Census and Statistics Department

Nominal wage index, median wage and its year-on-year rate of change in the construction industry in 2019, 2020 and 2021

Year	Median monthly wage* (year-on-year rate of change [®])	Nominal wage index
2019	\$23,500 (+3.1%)	Not available
2020	\$23,000 (-2.2%)	Not available
2021	\$23,200 (+1.0%)	Not available

- Notes: (*) Figures refer to May-June of the reference year. The definition of wage follows that adopted in the Employment Ordinance. It includes basic wage, commission and tips not of gratuitous nature, guaranteed bonuses and allowances other than end of year payment, and overtime allowances. Monthly wage is rounded to the nearest hundred of Hong Kong dollar.
 - ([®]) Year-on-year rate of change is computed using unrounded figures.

Source: Annual Earnings and Hours Survey, Census and Statistics Department

Number of imported workers applied for under SLS in the construction industry in 2019, 2020 and 2021:

breakdowns by job title and median monthly wage

<u>2019</u>

Job title	No. of imported workers applied for	Median monthly wage by year-end (\$)
Operator of Specialised Plant for Seabed Ground Treatment Works	210	22,500
2. Sand Pumping Barge Operation Supervisor	60	34,000
3. Sand Transshipment Operator	52	24,000
Hydraulic Filling Vibro Compaction Rig Operator	40	30,000
5. Floating Box Culvert Installation Operator	38	30,000
6. Polyethylene Pipe Installation and Jointing Fitter	30	33,000
7. Painter and Decorator (Historic Building)	24	27,160
8. Lift Mechanic	12	26,185
9. Wood Engraver (Historic Building)	12	28,870
10. Others	83	Not applicable#
Total	561	Not applicable

<u>2020</u>

Job title	No. of imported workers applied for	Median monthly wage by year-end (\$)
Laboratory Technician (Construction Materials)	20	26,100
2. Glass Reinforced Plastics Worker	10	15,460
3. Fluorocarbon Coating Technician Worker	6	21,500
4. Glass Polishing Technician	4	25,690
5. Cutting Machine Operator	3	11,520
6. Gas Welder	2	13,420
7. Wood Engraver (Historic Building)	1	29,000
Total	46	Not applicable

<u>2021</u>

Job title	No. of imported workers applied for	Median monthly wage by year-end (\$)
Refrigeration/Air-conditioning/ Ventilation Mechanic (Air System)	203	31,380
2. Fire Service Electrical Fitter	138	32,030
3. Fire Service Mechanical Fitter	80	32,030
4. Plumber	73	30,740
5. Refrigeration/Air-conditioning/ Ventilation Mechanic (Water System)	66	31,380
6. Curtain Wall Installer	60	Not applicable ⁺
7. Overhead Line Linesman (General Duty)	45	Not applicable ⁺
8. Senior Overhead Line Linesman	30	Not applicable ⁺
9. High Pressure Welder	30	Not applicable ⁺
10. Others	121	Not applicable [#]
Total	846	Not applicable

<sup>Not applicable as many job titles were involved.
Figures are not yet available.</sup>

Number of imported workers approved under SLS in the construction industry in 2019, 2020 and 2021: breakdowns by job title and median monthly wage

<u>2019</u>

Job title	No. of imported workers approved	Median monthly wage by year-end (\$)
Floating Box Culvert Installation Operator	50	30,000
Underwater Lamination Sand Placing Special Barge Operator	40	24,000
Underwater Band Drain Special Barge Operator	40	24,000
4. Painter and Decorator (Historic Building)	21	27,160
5. Wood Engraver (Historic Building)	10	28,870
6. Lift Mechanic	6	26,185
7. Automatic Irrigation Technician	2	30,001
8. Assistant Industrial Radiographer	1	15,000
9. Gold-Plasterer (Historic Building)	1	27,050
10. Industrial Radiographer	1	17,500
Total	172	Not applicable

<u>2020</u>

Job title	No. of imported workers approved	Median monthly wage by year-end (\$)
Operator of Specialised Plant for Seabed Ground Treatment Works	100	22,500
2. Sand Pumping Barge Operation Supervisor	50	34,000
Hydraulic Filling Vibro Compaction Rig Operator	40	30,000
4. Sand Transshipment Operator	10	24,000
5. Lift Mechanic	8	26,185
6. Carpenter (Vessel Repair)	3	16,090
7. Glass Polishing Technician	2	25,690
8. Joiner (Historic Building)	2	29,000
9. Glass Fibre Reinforced Polymer Professional and Skilful Technician	1	22,660
10. Others	2	Not applicable [#]
Total	218	Not applicable

<u>2021</u>

Job title	No. of imported workers approved	Median monthly wage by year-end (\$)
1. Cutting Machine Operator	3	11,520
2. Glass Polishing Technician	2	25,910
3. Wood Engraver (Historic Building)	1	29,270
Total	6	Not applicable

^{*} Not applicable as many job titles were involved.

- End -

Examination of Estimates of Expenditure 2022-23

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)021

(Question Serial No. 0475)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (4) Employees' Rights and Benefits

Controlling Officer: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Under the impact of the fifth wave of the COVID-19 epidemic, many employees are facing difficulties such as lay-offs, no-pay leave, or even unemployment. However, the measures proposed in the Budget may not be able to keep up with the changes of the epidemic situation and provide immediate support to people in need. The Financial Secretary (FS) has earmarked \$20 billion for other potential anti-epidemic needs. How much of it will be earmarked for helping those wage earners who have lost their income due to lay-offs, no-pay leave, etc. with a view to providing support to these hard-hit people with greater flexibility and precision as well as helping them ride out the epidemic? If such funding is available, what are the details and the earmarked amounts? If not, what are the reasons?

<u>Asked by</u>: Hon WONG Kwok, Kingsley (LegCo internal reference no.: 5)

Reply:

FS has proposed in the 2022-23 Budget to allocate substantial additional resources in the new financial year to contain and stabilise the epidemic. The Government has further earmarked \$20 billion for other potential anti-epidemic needs. Its specific uses will be subject to the changes of the epidemic situation and the actual needs.

Targeting the financial difficulties faced by unemployed persons, the Chief Executive announced on 8 February the setting up of the Temporary Unemployment Relief Scheme under the sixth round of Anti-epidemic Fund. As approved by the Finance Committee of the Legislative Council on 15 February, a financial provision of \$3 billion has been earmarked for the Scheme to provide assistance for people who have lost their jobs due to the fifth wave of the epidemic and to reduce their financial stress before they find another job, benefitting the following persons:

(i) those who were rendered unemployed since the fifth wave of the epidemic started in late December 2021; and

(ii) those who have been requested not to work temporarily by the employers as the premises in which they work have been restricted under social distancing measures.

Full-time and part-time employees as well as self-employed persons may apply. A one-off subsidy of \$10,000 will be granted to each eligible person. Application will open on 23 March and close on 12 April.

- End -

LWB(L)022

CONTROLLING OFFICER'S REPLY

(Question Serial No. 0477)

<u>Head</u>: (90) Labour Department

Subhead (No. & title): ()

<u>Programme</u>: (2) Employment Services

<u>Controlling Officer</u>: Commissioner for Labour (Chris SUN)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

The Financial Secretary (FS) has stated in the Budget Speech that it is necessary to enrich industrial development and move towards high-quality and inclusive economic growth, thereby creating more high-quality and diverse employment opportunities. In this connection, would the Government advise this Committee of:

- (a) the work plan implemented by the Government for promoting and opening up industrial development, its progress and outcome achieved in the past 3 years;
- (b) the specific measures to further enrich industrial development with a view to achieving better quality economic growth and creating more high-quality and diverse employment opportunities, as well as the number of jobs expected to be created and the estimated expenditure involved?

Asked by: Hon WONG Kwok, Kingsley (LegCo internal reference no.: 7)

Reply:

In consultation with relevant bureaux, the consolidated reply is as follows:

(a) In the 2022-23 Budget, FS elaborated on plans for supporting the development of different industries, covering innovation and technology (I&T) development, international financial centre, arts, culture and tourism, aviation and maritime sectors, agriculture and fisheries, trade development, etc. with a view to fostering economic growth and creating more employment opportunities.

The Government attaches great importance to promoting industrial development. In the past 3 years, substantial financial resources were allocated to carry out the related work. The resources and work involved in promoting the development of different industries were co-ordinated and undertaken by relevant bureaux and departments. Examples of some of the measures taken and the outcomes achieved are summarised below:

(i) With regard to I&T, the Government is committed to the development of Hong Kong's I&T, which can inject new impetus into the economy and enhance Hong Kong's competitiveness. The current-term Government has invested over \$130 billion in I&T development in accordance with the 8 major areas set forth by the Chief Executive in the 2017 Policy Address, which has seen results trending up gradually. For example, the number of start-ups rose from around 1 000 in 2014 to around 4 000 in 2021, and venture capital investment in Hong Kong also substantially increased from around \$1.24 billion to over \$40 billion in the same period. Hong Kong is currently Asia's largest and the world's second largest fund-raising hub for biotechnology. These show that the I&T ecosystem in Hong Kong has become increasingly vibrant.

The Government has been promoting the development of Hong Kong's I&T industry in 5 areas, namely infrastructure, technology, talent, capital, and scientific research. Its major work includes:

- (1) Infrastructure The 2021 Policy Address has unprecedentedly set aside around 250 ha of land for I&T development. The Hong Kong Science and Technology Corporation is also developing the Microelectronics Centre and Advanced Manufacturing Centre (AMC), and has started planning for the construction of the second AMC to promote "re-industrialisation";
- (2) Technology The Hong Kong Productivity Council (HKPC) is fully committed to assisting enterprises in moving towards high value-added production and gradually upgrading to Industry 4.0, and to assisting the industry in upgrading their technologies. HKPC also organises a wide range of training programmes and seminars on new technologies and the latest research results;
- (3) Talent The Government has been adopting a multi-pronged approach to enlarge the I&T talent pool through attracting, nurturing and retaining talent with a series of initiatives, including the IT Innovation Lab in Secondary Schools and Knowing More About IT Programmes, STEM Internship Scheme, Research Talent Hub, Re-industrialisation and Technology Training Programme, Technology Talent Admission Scheme and Global STEM Professorship Scheme, etc.;
- (4) Capital The Midstream Research Programme for Universities, Public Sector Training Scheme and Technology Start-up Support Scheme for Universities under the Innovation and Technology Fund facilitate the commercialisation and industrialisation of research and development (R&D) results. The Re-industrialisation Funding Scheme launched in 2020 subsidises manufacturers, on a matching basis, to set up new smart production lines in Hong Kong; and

- (5) Scientific Research The InnoHK research clusters the Government's flagship I&T project has successfully attracted over 30 world-renowned universities and research institutes around the world to collaborate with local universities and research institutes on setting up 28 research laboratories in the Hong Kong Science Park.
- (ii) In respect of financial services, the major initiatives include:
 - The Government has been working in concert with the financial regulators (1) and the industry to promote green and sustainable finance in Hong Kong through a multi-pronged strategy, providing the infrastructure and impetus that support market development. For instance, the Government has successfully issued Government green bonds under the Government Green Bond Programme (GGBP) totalling over US\$7 billion equivalent since May 2019, which were well received by the global investment community with oversubscription recorded for many times. In particular, the Government issued a total of Renminbi (RMB) 5 billion green bonds for the first time in November last year, including a three-year tranche and a five-year tranche, setting an important benchmark for potential issuers. The Government also announced in February this year the offering details of the inaugural retail green bond for public subscription. Subject to the development of the epidemic situation, the Government will relaunch the subscription arrangement as soon as possible for participation of the general public. Government also doubled the borrowing ceiling of GGBP to HK\$200 billion last year and will, having regard to the market situation, continue to issue green bonds, including RMB green bonds, to provide a pricing reference for the market.

The Government launched a new Green and Sustainable Finance Grant Scheme (Grant Scheme) in May 2021 to provide subsidy for eligible bond issuers and loan borrowers to cover their expenses on bond issuance and external review services. The Grant Scheme has been well received by the industry. As at end-February 2022, over 50 applications had been approved under the Grant Scheme.

The Green and Sustainable Finance Cross-Agency Steering Group, formed by relevant bureaux and financial regulators and established in May 2020, promulgated a strategic plan in December 2020 for strengthening Hong Kong's financial ecosystem to support a greener and more sustainable future;

(2) The Shenzhen Municipal People's Government (Shenzhen Government) issued offshore RMB municipal government bonds totalling RMB5 billion in Hong Kong in October 2021, including green bonds. In respect of interest paid or profit received arising from the debt instruments issued in Hong Kong by the Shenzhen Government, the HKSAR Government will exempt the payment of profits tax. This is the first time a Municipal People's Government issues bonds in Hong Kong, enriching our spectrum of RMB financial products and thereby promoting RMB internationalisation;

- (3) The Government has completed a three-step exercise to enhance Hong Kong's position as an international asset and wealth management centre by introducing the Limited Partnership Fund regime, providing tax concession for carried interest issued by private equity funds operating in Hong Kong, and establishing a re-domiciliation mechanism for foreign funds to relocate to Hong Kong; and
- (4) The Government strives to promote Fintech development. Currently, 8 virtual banks, 4 virtual insurers and 1 virtual asset trading platform are operating in Hong Kong, providing innovative and practical financial services to members of the public. Last year, the Government allocated \$10 million to launch the Fintech Proof-of-Concept (PoC) Subsidy Scheme to encourage Fintech companies to put forth innovative and practical Fintech solutions and products to address practical issues faced by financial institutions, attracting over 160 applications, with 93 projects approved, ranging from WealthTech, RegTech, InsurTech and payment systems to Environmental, Social and Governance, cross-boundary data analysis, overseas remittances, and many other areas.
- (iii) The Government's total expenditure on culture and the arts in 2021-22 was about \$5.7 billion, which was a 43% increase when compared to about \$4 billion in 2017-18. The Chief Executive stated in the Policy Address delivered in October 2020 that the Government would actively promote and support the development of arts technology (arts tech). A total of \$100 million has been earmarked from the funds and schemes managed under the purview of relevant policy bureaux (including the Arts Capacity Development Funding Scheme (ACDFS) under the Home Affairs Bureau's Arts and Sport Development Fund, the Innovation and Technology Bureau's Innovation and Technology Fund and the Commerce and Economic Development Bureau's Film Development Fund and CreateSmart Initiative) for application by those who are interested in promoting arts tech. As at February 2022, approval had been granted for allocating \$36.57 million to provide resources to promote the development of arts and cultural industries.
- (iv) As for the development of the agriculture and fisheries industry, the Agriculture, Fisheries and Conservation Department (AFCD) has been actively supporting the modernisation and sustainable development of local agriculture and fisheries industry as well as enhancing its competitiveness through the Sustainable Fisheries Development Fund (SFDF) and the Sustainable Agriculture Development Fund (SADF). The two funds have approved a number of projects, assisting the industry in adopting or transforming into a modernised, sustainable and high value-added operation mode, as well as helping it seize the opportunities arising from the Greater Bay Area (GBA) development.

The Government will also continue to take forward the measures under the New Agriculture Policy, including the establishment of the Agricultural Park (Agri-Park) in Kwu Tung South in the New Territories. The works of Agri-Park Phase 1 are expected to be completed in phases from the second quarter of this year to 2023. As for Phase 2, the preparatory work has also commenced.

- (b) The Government also adopts a multi-pronged approach to further enrich the industrial development of Hong Kong. Examples of the specific measures are as follows:
 - (i) In terms of I&T, the 2022-23 Budget announced that the Technology Start-up Support Scheme for Universities would be enhanced to double the annual subsidy for each specified university. The Government also encourages more private investment in local I&T start-ups in different stages of development through investment funds, including the Innovation and Technology Venture Fund, the Corporate Venture Fund of the Hong Kong Science and Technology Parks Corporation and the Cyberport Macro Fund of Cyberport. The 2022-23 Budget also announced that a \$5 billion Strategic Tech Fund would be set up under the Hong Kong Growth Portfolio with a view to further building a more vibrant I&T ecosystem in Hong Kong.

At the same time, the Government announced that \$10 billion would be earmarked to enhance the capacity and capability in life and health sciences, including setting up the InnoLife Healthtech Hub in the Hong Kong-Shenzhen Innovation and Technology Park. Besides, starting from 2022-23, the amount of annual funding for 16 State Key Laboratories and 6 Hong Kong Branches of Chinese National Engineering Research Centres in Hong Kong will be doubled in order to provide them with more resources for R&D activities.

- (ii) As regards financial services, the major initiatives include:
 - (1) The Government will continue to issue green bonds totalling about US\$4.5 billion or equivalent, including no less than HK\$10 billion of retail green bonds, in 2022-23 so that more financial institutions and members of the public can participate in green and sustainable finance. The Government will also take forward the recommendations of the Steering Committee on Bond Market Development in Hong Kong to further promote the overall development of Hong Kong's bond market. The Government has also lowered the threshold of the minimum loan size from \$200 million to \$100 million in respect of applications for subsidies for covering external review costs under the Grant Scheme, with a view to benefitting more enterprises interested in green transformation and promoting the development of green finance in Hong Kong at the same time;
 - (2) On Fintech development, the Government will allocate another \$10 million for launching a new round of the Fintech PoC Subsidy Scheme this year, so as to encourage the financial industry to conduct PoC projects on more financial services and products. The Government will also provide a "onestop platform" for the industry to conduct pilot trials on Fintech projects concurrently in Hong Kong and the Mainland, and promote better uses of Government data in enhancing the financing capacity of small and medium enterprises through the further development of Commercial Data Interchange;
 - (3) To capitalise on the relevant infrastructure financing opportunities including the Belt and Road Initiative, the Hong Kong Mortgage Corporation Limited

is expected to offer infrastructure financing securitisation products with a total value of US\$450 million for the subscription of investors in the institutional market this financial year;

- (4) Concerning the asset and wealth management sector, the Government has proposed to provide tax concessions for eligible family investment management entities managed by single-family offices. We are consulting the sector on the detailed proposal;
- (5) On the channels for the two-way flow of funds, the Government will work with the Mainland regulatory authorities to explore enhancement measures for the Cross-boundary Wealth Management Connect Scheme, such as increasing quota gradually, expanding the scope of eligible investment products, inviting more participating organisations and improving the distribution arrangement; and
- On capacity building, the Government has added "experienced professionals in compliance in asset management" and "experienced financial professionals in Environmental, Social and Governance (ESG)" to the Talent List of Hong Kong, with a view to attracting overseas talent with relevant experience to come to Hong Kong. The Government also plans to launch a three-year Pilot Green and Sustainable Finance Capacity Building Support Scheme to provide subsidies for practitioners in the financial and other relevant sectors to participate in green and sustainable finance training and obtain relevant professional qualifications, so as to encourage them to participate in the training, and help build up the local green and sustainable We will also launch a new round of the Financial finance talent pool. Practitioners FinTech Training Programme to provide financial practitioners with Fintech training and subsidies; implement the Pilot Scheme on Training Subsidy for FinTech Practitioners to provide reimbursement of tuition fees for practitioners who have attained Fintech professional qualifications; and conduct a consultancy study with a view to developing Fintech professional qualifications for different financial sectors, thereby promoting professional development of Fintech talent.
- (iii) To further promote arts tech development, FS' 2022-23 Budget proposed that the Government would allocate \$30 million to implement the Arts Technology Funding Pilot Scheme from 2022-23 onwards to encourage the 9 major performing arts groups to apply arts tech. It also proposed that the Government would inject an additional \$10 million into ACDFS to encourage small and medium-sized arts groups under the Scheme to further explore the use of arts tech, thereby nurturing arts tech talent. Separately, the Government proposed an annual provision of \$85 million to support the development of the East Kowloon Cultural Centre, scheduled for commissioning in phases in 2023, into a major arts tech venue and incubator for the provision of structured training.
- (iv) AFCD launched two pilot schemes in mid-February this year under SFDF and SADF respectively, providing subsidies for local fishermen and farmers to develop a modernised agriculture and fisheries industry and to adopt new technologies,

such as hydroponic technology, smart farm management, advanced livestock waste treatment technology, deep sea mariculture, and shellfish and crustacean farming, whilst fostering the transfer of knowledge, experience and achievement to other stakeholders of the industry. To further support the development of the industry in terms of application of advanced technology and intensification of production, and help it seize the opportunities arising from the GBA development, FS proposed in the 2022-23 Budget to make two separate injections of \$500 million each into the two funds as well as expand the coverage of the funds and streamline the application procedures as appropriate.

Jobs created through the Government's promotion and opening up of industrial development are mainly provided by the private sector and no public money is involved. The Government does not have the figures on these jobs.

- End -

CONTROLLING OFFICER'S REPLY

LWB(L)023

(Question Serial No. 0708)

Head: (141) Government Secretariat: Labour and Welfare Bureau

Subhead (No. & title): ()

<u>Programme</u>: (4) Manpower Development

Controlling Officer: Permanent Secretary for Labour and Welfare (Ms Alice LAU)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Under this Programme, one of the aims is to develop a well-trained and adaptable workforce to meet the changing manpower demands of the economy and contribute to the overall competitiveness of Hong Kong. Since the outbreak of the fifth wave of the epidemic, the employment situation in many industries has been deteriorating and the manpower demands of the economy have been changing. It is expected that the unemployment rate in many affected industries will rise further. Would the Government inform this Committee whether it has set up any occupation switching programme for specific epidemic-stricken industries in order to help the unemployed switch to other trades or occupations, or even engage in emerging industries or trades with recruitment needs amid the epidemic? If yes, what are the specific work plan, implementation timetable, staff establishment and estimated expenditure involved for the coming year? If not, what are the reasons?

Asked by: Hon HONG Wen, Wendy (LegCo internal reference no.: 4)

Reply:

Commissioned by the Government, the Employees Retraining Board (ERB) has launched 5 tranches of the Love Upgrading Special Scheme ("the Special Scheme") from October 2019 to provide training and special allowance to employees affected by economic downturn. The placement-tied courses offered by the Special Scheme help equip unemployed trainees with skills required by the market, and trainees usually opt for cross-industry training. Trainees who have completed the courses will receive placement follow-up services for 3 to 6 months provided by training bodies so that they can join the employment market as soon as possible. Taking together the Special Scheme and over 700 regular training courses provided by ERB, over 100 000 training places in total are provided yearly to assist the unemployed and eligible serving employees to upgrade their employment-related skills. The relevant work falls within ERB's ongoing work, and the related staff establishment and estimated expenditure cannot be separately identified.

CONTROLLING OFFICER'S REPLY

LWB(L)024

Head: (141) Government Secretariat: Labour and Welfare Bureau

Subhead (No. & title): ()

Year:

<u>Programme</u>: (4) Manpower Development

<u>Controlling Officer</u>: Permanent Secretary for Labour and Welfare (Ms Alice LAU)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

Regarding the Programme on Manpower Development, please advise this Committee of the following:

- 1. In addition to overseeing the operation of the Continuing Education Fund (CEF), does the Bureau also monitor the level of tuition fees of the CEF courses? Please list the courses having tuition fees raised after the subsidy under the CEF had been increased to \$20,000.
- 2. The number of meetings of the Human Resources Planning Commission (HRPC) held last year; the number of discussion items proposed by HRPC members; the details of the strategies determined by HRPC members for human resources development and training in Hong Kong in the past 3 years as well as their progress of implementation.
- 3. In respect of overseeing the training services provided by the Employees Retraining Board (ERB),
 - a. please give the following information on the Love Upgrading Special Scheme (the Scheme) by course and by year:

Course		Total
Number of people		
enrolled		
Number of males		
Number of females		
Number of classes		
Number of people who		
have completed training		
Number of people		
eligible for the allowance		
Number of people not		
eligible for the allowance		

- b. please list by year the total amount of special allowance disbursed since the launch of the Scheme;
- c. please list by year the number of participants in the Scheme by age groups of 18-24, 25-35, 36-45, 56-65 and over 65; and
- d. please list by year the number of ethnic minority people participating in the Scheme.

Asked by: Hon KWOK Wai-keung (LegCo internal reference no.: 7)

Reply:

1. The Continuing Education Fund (CEF) subsidises courses operated by public and private course providers. CEF currently provides each learner with a subsidy ceiling of \$20,000. The Government requires 20% of the course fee to be borne by learners (co-payment ratio) for the first \$10,000 subsidy, and the co-payment ratio is 40% for the subsidy above \$10,000. The above-mentioned mechanism has proved to be effective, not only in ensuring learners to select courses prudently but also preventing course providers from arbitrarily raising the course fees in response to adjustment to the subsidy ceiling.

Course providers are required to submit application and obtain prior approval from the authority if they have to amend the specifications of CEF courses, such as teaching venue, admission requirement for learners, attendance requirement, fee and class size, etc. Since the CEF subsidy ceiling was raised to \$20,000 in April 2019 till end January 2022, about 2 500 applications for amending CEF course specifications were received. As each application may involve single or multiple courses and amendments of different specifications, we do not maintain a separate breakdown on increase in course fees.

2. The Human Resources Planning Commission (HRPC) is a high-level policy consultation platform which offers advice to the Government on policies and measures formulated and implemented by different policy bureaux and departments (B/Ds), to develop Hong Kong further into a high value-added and more diversified economy. HRPC convened 3 meetings in the 2021-22 financial year. The Secretariat of HRPC will take into account Government policies, programmes and plans for economic development and the comments and suggestions offered by members in previous discussions in preparing the meeting agenda.

In the past three years, members expressed concern on a number of human resources issues, including the way to enhance both the quantity and quality of human capital of Hong Kong to leverage the development opportunities brought about by the 14th Five-Year Plan and the Greater Bay Area (GBA), the development of local pillar industries and the innovation and technology (I&T) industry. In addition, members also suggested that Hong Kong should strengthen its talent attraction work to maintain a diverse talent pool and the global competitiveness of Hong Kong. Having regard to members' views, HRPC discussed a number of relevant policies and measures covering areas such as labour, training, education, talent admission, I&T, as well as re-industrialisation. Specific items discussed include the "Funding Scheme for Youth Entrepreneurship

in the Guangdong-Hong Kong-Macao GBA" and the "GBA Youth Employment Scheme"; Post-secondary education and vocational training in Hong Kong; and the implementation of talent admission schemes, including the launching of the Global STEM Professorship Scheme and the increase in annual quota of the Quality Migrant Admission Scheme. Relevant B/Ds will take into account members' views in implementing these policies and measures to promote the further development of Hong Kong. The Government issues press release after each HRPC meeting to keep the public informed of the work of HRPC.

3a&b. The Employees Retraining Board (ERB) has launched 5 tranches of the "Love Upgrading Special Scheme" ("the Special Scheme") from October 2019 to provide training and special allowance to employees affected by economic downturn. For trainees who have met the designated attendance requirement, the allowance is calculated based on the actual number of class sessions attended and disbursed upon completion of each course. As at end January 2022, the numbers of enrolled trainees by gender, completed trainees and trainees eligible for the allowance under the first to fourth tranches of the Special Scheme are as follows —

	First Tranche	Second Tranche	Third Tranche	Fourth Tranche	Total
Number of Enrolled Trainees Note1	20 234	41 297 Note 2	48 256	35 017	144 804
Male	5 888	11 057	12 364	8 379	37 688
Female	14 346	30 238	35 892	26 638	107 114
Number of Completed Trainees (attaining 80% attendance)	18 506	38 471	45 405	33 298	135 680
Number of Trainees Eligible for the Allowance Note 2 (attaining 80% attendance under the first and second tranches; 60% attendance under the third and fourth tranches) Note 3	18 506	38 471	46 158	33 808	136 943
Amount of Allowance Disbursed to Trainees (\$ million)	59.89	111.3	125.0	79.61	375.8

Note 1 A trainee may enrol in more than one training course.

Note 2 Two trainees had not declared their gender.

Note 3 Enrolled trainees not attaining the designated attendance requirement are not eligible for the allowance.

The fifth tranche of the Special Scheme commenced in January 2022, so the relevant information is not yet available.

c. As at end January 2022, the number of enrolled trainees by age under the first to fourth tranches of the Special Scheme is as follows –

Age	First Tranche	Second Tranche	Third Tranche	Fourth Tranche	Total
15 - 19	136	229	492	347	1 204
20 - 24	674	1 488	1 771	1 085	5 018
25 - 29	954	2 103	2 285	1 421	6 763
30 - 39	2 824	6 331	7 004	4 576	20 735
40 - 49	4 921	9 325	10 531	7 238	32 015
50 - 59	6 606	12 771	14 674	10 688	44 739
60 or above	4 119	9 050	11 499	9 662	34 330
Total	20 234	41 297	48 256	35 017	144 804

d. As at end January 2022, the number of trainees enrolled in dedicated courses for ethnic minorities under the first to fourth tranches of the Special Scheme is as follows –

	First Tranche	Second Tranche	Third Tranche	Fourth Tranche	Total
Number of Enrolled Trainees in Dedicated Courses for Ethnic Minorities	11	37	221	145	414

Examination of Estimates of Expenditure 2022-23

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)025

(Question Serial No. 0561)

<u>Head</u>: (141) Government Secretariat: Labour and Welfare Bureau

Subhead (No. & title): ()

<u>Programme</u>: (7) Subvention: Vocational Training Council (Vocational Training)

<u>Controlling Officer</u>: Permanent Secretary for Labour and Welfare (Ms Alice LAU)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

As regards the provision of subvention for the Vocational Training Council (VTC) to offer vocational training to in-service personnel and young persons, would the Bureau advise this Committee of:

- (a) the course titles of the training courses related to innovation and technology offered by VTC, the respective numbers of places, enrolments and graduation rates of each course in the 2018-19, 2019-20 and 2020-21 academic years; and the rate of graduates engaged in the innovation and technology industry.
- (b) the course titles of the training courses related to green environmental protection offered by VTC, the respective numbers of places, enrolments and graduation rates of each course in the 2018-19, 2019-20 and 2020-21 academic years; and the rate of graduates engaged in the green environmental protection industry.
- (c) VTC conducts manpower surveys for 25 industries through its Training Boards every 4 years to evaluate the manpower demand of the industries. For emerging industries other than the 25 industries, how does VTC assess their manpower demand in order to make curriculum changes?

<u>Asked by</u>: Hon LAM Chun-sing (LegCo internal reference no.: 3)

Reply:

(a) & (b) The respective numbers of places, enrolments and graduation rates of training programmes on innovation and technology (I&T) as well as green environmental protection offered by the Vocational Training Council (VTC) in the past 3 academic years (2018-19 to 2020-21) are as follows –

		2018-19 academic	2019-20 academic	2020-21 academic
		year	year	year
Programmes	No. of places	1 170	1 270	1 170
on I&T	No. of enrolments	1 454	1 305	1 222
	Graduation rate	65%	74%	76%
Programmes	No. of places	180	180	135
on green	No. of enrolments	164	168	133
environmental	Graduation rate	76%	86%	76%
protection				

According to the results of VTC's employment survey on its graduates of 2019 and 2020, more than 70% of the graduates of programmes on I&T were engaged in jobs relevant to the programmes, including programmers, information technology (IT) engineers, IT specialists, mobile application developers, cloud developers, multimedia designers, web developers, software engineers and system engineers, etc. Since green environmental protection industry was not listed separately in the job categories under the employment survey, VTC does not have the specific information on the situation of graduates of green environmental protection industry programmes engaging in jobs relevant to their programmes.

(c) Training Boards of VTC conduct manpower surveys for different industries periodically. Advisory Boards of various disciplines, including health and life sciences, business, design and engineering, etc., also evaluate the development situations and training needs of other industries to adjust the relevant curriculum.

CONTROLLING OFFICER'S REPLY

LWB(L)026

(Question Serial No. 0617)

<u>Head</u>: (141) Government Secretariat: Labour and Welfare Bureau

Subhead (No. & title): ()

<u>Programme</u>: (4) Manpower Development

Controlling Officer: Permanent Secretary for Labour and Welfare (Ms Alice LAU)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

In the Analysis of Financial Provision, the expenditure under Programme (4) Manpower Development has significantly dropped from \$2,536 million in 2020-21 to \$36.6 million in 2021-22 and \$37.9 million in 2022-23. In this connection, please inform this Committee of the following:

- 1. What are the reasons for the significant fluctuation in the provision under this programme?
- 2. What are the reasons for the significantly reduced provision for the expenditure?
- 3. What are the details of the provision for relevant expenditure over the past 5 years?

<u>Asked by</u>: Hon LUK Hon-man, Benson (LegCo internal reference no.: 5) <u>Reply</u>:

- (1) & (2) As the Government had injected \$2.5 billion into the Employees Retraining Fund in 2020-21, the funding provision for the year was significantly higher than those for other years. Excluding the above-mentioned one-off \$2.5 billion injection, the provisions over the years are broadly comparable.
- (3) In the past 5 years (2017-18 to 2021-22), the respective provisions under Programme (4) were \$38.2 million, \$38.6 million, \$40.0 million, \$2,536 million and \$36.6 million.

Examination of Estimates of Expenditure 2022-23

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)027

(Question Serial No. 0034)

<u>Head</u>: (141) Government Secretariat: Labour and Welfare Bureau

Subhead (No. & title): ()

<u>Programme</u>: (7) Subvention: Vocational Training Council (Vocational Training)

<u>Controlling Officer</u>: Permanent Secretary for Labour and Welfare (Ms Alice LAU)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

The Vocational Training Council (VTC) provides Hong Kong's labour market with vocational training for meeting the manpower needs of industries, enhancing the quality of the workforce in Hong Kong and helping employees adjust to market changes. In this connection, please provide the following information:

- (a) In the past 3 years, (i) how many in-service training programmes were offered by VTC? Please provide the name of each of the programmes; (ii) what was the number of trainees of each programme; and (iii) what were the numbers of participating public or private institutions? (Please set out the details separately.)
- (b) Has any subsidy been provided for the public or private institutions which trainees of the in-service training programmes mentioned above come from? If yes, what were the respective subsidy amounts?
- (c) It is understood that the VTC Training Boards for the 25 designated industry sectors conduct full-scale manpower surveys at various intervals once every 4 years to assess the manpower demand and training needs of different industries, supplemented with manpower updates in between times. When was the last manpower survey completed? In what ways have the survey findings influenced future manpower planning as well as the formulation of education and training policies? Please set out the information in detail.

Asked by: Hon NGAN Man-yu (LegCo internal reference no.: 9)

Reply:

(a) & (b) In the 2019-20 and 2020-21 academic years, the Vocational Training Council (VTC) organised 848 and 1 151 in-service training programmes respectively covering engineering, business, hotel and tourism, information technology and other industries, to which about 88 000 and 141 000 trainees had enrolled respectively. As the 2021-22 academic year will end in August 2022 and the

programmes are still open for application, the relevant figures are not yet available. VTC does not maintain a separate breakdown of the number of trainees coming from public or private institutions, nor does it provide subsidies to the institutions that the trainees come from.

(c) Training Boards of VTC conduct manpower surveys for different industries periodically. The most recently completed manpower survey was on Banking and Finance, with the report promulgated on 29 October 2021. VTC will adopt the information and recommendations from the manpower surveys to enhance the curriculum planning and development, training content and facilities, etc. The Government will also make reference to the information and recommendations of relevant surveys in formulating the education and training policies.

- End -

Examination of Estimates of Expenditure 2022-23

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)028

(Question Serial No. 0037)

<u>Head</u>: (141) Government Secretariat: Labour and Welfare Bureau

Subhead (No. & title): ()

<u>Programme</u>: (4) Manpower Development

Controlling Officer: Permanent Secretary for Labour and Welfare (Ms Alice LAU)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

The Employees Retraining Board has launched the Love Upgrading Special Scheme (the Scheme) since 2019. In this connection, would the Government advise this Committee of:

- (a) the respective numbers of participating trainees under each tranche of the Scheme since its implementation, the amount of allowances disbursed to the trainees (with a tabulated breakdown by different levels of allowances disbursed such as within \$1,000, within \$2,000 and so on), the respective percentages of the trainees who have successfully completed the entire course in each tranche and the age distribution of the participating trainees;
- (b) whether there are any follow-up services under the Scheme, including facilitating reemployment of trainees or making referrals to employment agencies; if so, of the details; and
- (c) the types of courses offered under the Scheme and the details of the participating trainees, and which of such courses are tailor-made for the unemployed?

Asked by: Hon NGAN Man-yu (LegCo internal reference no.: 12)

Reply:

(a) The Employees Retraining Board (ERB) has launched 5 tranches of the "Love Upgrading Special Scheme" (the Special Scheme) from October 2019 to provide training and special allowance to employees affected by economic downturn. For trainees who have met the designated attendance requirement, the allowance is calculated based on the actual number of class sessions attended and disbursed upon completion of each course. ERB does not maintain a separate breakdown of the number of trainees by different levels of training allowance. As at end January 2022, the number of enrolled trainees, the number of completed trainees and the average amount of allowance disbursed to each trainee completing courses under the first to fourth tranches of the Special Scheme are as follows -

	First Tranche	Second Tranche	Third Tranche	Fourth Tranche
Number of Enrolled Trainees Note 1	20 234	41 297	48 256	35 017
Number of Completed Trainees attaining 80% Attendance	18 506	38 471	45 405	33 298
Completion Ratio	91%	93%	94%	95%
Average Amount of Allowance Disbursed to Each Trainee Note 2	\$3,243	\$2,879	\$2,713	\$2,427

Note 1 A trainee may enrol in more than 1 training course.

As at end January 2022, the number of trainees enrolled in courses under the first to fourth tranches of the Special Scheme by age is as follows -

	Number of Enrolled Trainees			
Age	First Tranche	Second Tranche	Third Tranche	Fourth Tranche
15 - 19	136	229	492	347
20 - 24	674	1 488	1 771	1 085
25 - 29	954	2 103	2 285	1 421
30 - 39	2 824	6 331	7 004	4 576
40 - 49	4 921	9 325	10 531	7 238
50 - 59	6 606	12 771	14 674	10 688
60 or above	4 119	9 050	11 499	9 662
Total	20 234	41 297	48 256	35 017

The fifth tranche of the Special Scheme commenced in January 2022, so relevant information is not yet available.

(b) The training bodies of ERB start the placement follow-up period of 3 to 6 months upon completion of classes of full-time "Vocational Skills" courses under the Special Scheme, during which placement officers will be arranged to provide employment information and referral services to trainees and facilitate employers to provide trainees with job opportunities.

As at end January 2022, the placement rates of trainees enrolled in full-time "Vocational Skills" courses under the first to third tranches of the Special Scheme were 83%, 86% and 87% respectively. Given that the fourth tranche of the Special Scheme ended in end December 2021 and the placement follow-up period for most classes has not yet

Note 2 Including trainees of full-time and part-time courses.

- completed, and that the fifth tranche of the Special Scheme commenced in January 2022, relevant information of the 2 tranches of the Special Scheme is not yet available.
- (c) The Special Scheme provides courses covering "Vocational Skills" in 28 trades, "Innovation and Technology" and "Generic Skills". As at end January 2022, the numbers of trainees enrolled in various categories of training courses under the first to fourth tranches of the Special Scheme are as follows -

	Number of Enrolled Trainees				
Course Category	First	Second	Third	Fourth	
	Tranche	Tranche	Tranche	Tranche	
Vocational Skills (Full-time)	13 868	20 625	23 627	15 271	
Vocational Skills (Part-time)	3 425	12 734	18 076	16 048	
Innovation and Technology	706	2 424	1 435	632	
Generic Skills	2 235	5 514	5 118	3 066	
Total	20 234	41 297	48 256	35 017	

Examination of Estimates of Expenditure 2022-23

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)029

(Question Serial No. 0339)

<u>Head</u>: (141) Government Secretariat: Labour and Welfare Bureau

Subhead (No. & title): ()

<u>Programme</u>: (4) Manpower Development

Controlling Officer: Permanent Secretary for Labour and Welfare (Ms Alice LAU)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

It is mentioned in paragraph 143 of this year's Budget Speech under "Encourage Continuing Education" that "the Government will raise the subsidy ceiling of the Continuing Education Fund (CEF) from \$20,000 to \$25,000 per applicant and remove the upper age limit". Would the Government please inform this Committee of the following:

- 1. Under Programme (4) Manpower Development of Head 141, this year's estimate in relation to the CEF is \$37.9 million, which is 3.6% higher than the revised estimate of \$36.6 million for last year. The Government has stated that this is mainly due to "the increased provision for specific adult education courses". What is the specific reason for the increase in the relevant provision and what is meant by "specific adult education courses"?
- 2. It is stated in the Budget that to keep on promoting continuing education and encouraging members of the public to pursue self-enhancement, the Government will raise the subsidy ceiling of the CEF from \$20,000 to \$25,000 per applicant and remove the upper age limit, and that this new initiative will benefit 760 000 more eligible persons as well as those who have opened a CEF account. According to the Government's estimation, to what extent will the expenditure of and funding provision for the CEF be increased after the relaxation of the subsidy ceiling and upper age limit?
- 3. Would the Government please provide information on the fund balance, funding provision, investment or other income as well as total expenditure of the CEF in the past 3 years?

Year	Fund Balance	Government Funding Provision	Investment or Other Income	Total Expenditure
2019-20		TTOVISION		
2020-21				
2021-22				

- 4. Please set out the numbers of successful applications for and amounts of subsidies provided by the CEF in the past 3 years, broken down by the age group of the applicants and by the year.
- 5. Please set out the numbers of applicants for the CEF for courses related to the textile and clothing industry and the amounts of subsidies involved in the past 3 years.
- 6. The Clothing Industry Training Authority (CITA) has a long history in Hong Kong and has nurtured many talents for the textile and clothing industry. The Permanent Secretary for Labour and Welfare is a member of CITA. With "re-industrialisation" and the reorganisation of the Innovation, Technology and Industry Bureau, will the Government review the role and functions of CITA so that its work can keep pace with the latest industrial development?

<u>Asked by</u>: Hon TAN Sunny (LegCo internal reference no.: 10) Reply:

- (1) The estimated provision for 2022-23 under Programme (4) is \$1.3 million (3.6%) higher than the revised estimate for 2021-22, mainly to meet the required provision for the Adult Education Subvention Scheme (AESS) with continually increased enrolment rate over the past 2 years. The AESS equips adults with daily living skills by subventing organisations to operate various adult education programmes including courses on basic computer, basic Putonghua, reorientation for new arrivals and ethnic minorities, etc. Participating students only have to pay nominal course fee.
- (2) & (3) The Government injected \$10 billion into the Continuing Education Fund (CEF) in 2018. The balance of approved commitment and the total expenditure of CEF in the past 3 years are tabulated below:

Year	Balance of Approved Commitment (\$ billion)	Total Expenditure (\$ million)
2019-20	11.5	191
2020-21	11.2	273
2021-22	10.8	417
(As at 31 January 2022)		

The Government increases the approved commitment of CEF by allocating funding to it annually in accordance with the actual expenditure requirements. The injection into CEF will not be drawn down for investment, hence no investment income will be derived therefrom.

Since the last injection, CEF still has a balance of \$10.8 billion as at end January 2022, which is expected to sufficiently meet the additional expenditure arising from the relaxation of subsidy ceiling to \$25,000 and lifting of upper age limit. We will closely monitor the changes in the balance of approved commitment and the total expenditure following the implementation of the new measures.

(4) The numbers of subsidy recipients under CEF by age group in the past 3 years (2019/20 to 2021/22) are as follows –

Voor	Age group				T-4-1
Year	18-29	30-39	40-49	50-70	Total
2019-20	11 326	6 102	3 085	2 477	22 990
2020-21	16 912	10 720	5 821	4 507	37 960
2021-22 (As at 31 January 2022)	21 505	15 454	8 738	6 863	52 560

- (5) The scope of CEF courses currently covers all eligible courses registered in the Qualifications Register, including courses under the 14 Areas of Study and Training, Specification of Competency Standards-based courses and Specification of Generic (Foundation) Competencies-based courses. A number of CEF courses containing elements of the textile and clothing industry such as "Fashion Product Development", "Fashion Accessory Design", "Fashion Design and Technology", "Fashion Retail Buying" and "Garment Import/Export Practices" are distributed among different areas of Study and Training. Given that CEF courses are not categorised by industry, we do not maintain the information on the numbers of enrolments in courses related to the textile and clothing industry and the amounts of subsidies involved.
- (6) The Clothing Industry Training Authority (CITA) proactively provides training courses for the clothing industry and assists in the placement of trainees who have completed training courses. The Government oversees the work of CITA and reviews its functions and performance from time to time. Members of CITA also hold meetings regularly to discuss the functions and work plans of CITA so as to dovetail with the Government's development strategies and direction of the industry's development.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)030

(Question Serial No. 0907)

<u>Head</u>: (141) Government Secretariat: Labour and Welfare Bureau

Subhead (No. & title): ()

<u>Programme</u>: (4) Manpower Development

<u>Controlling Officer</u>: Permanent Secretary for Labour and Welfare (Ms Alice LAU)

<u>Director of Bureau</u>: Secretary for Labour and Welfare

Question:

In the 2020-21 financial year, the Government allocated an additional funding of about \$2.5 billion to the Employees Retraining Board to enhance the Love Upgrading Special Scheme. Would the Government advise this Committee of the use of the funding and the expenditure incurred? How long will the funding last?

Asked by: Hon WONG Yuen-shan (LegCo internal reference no.: 5)

Reply:

In 2020, the Government made an injection of \$2.5 billion into the Employees Retraining Fund (ERF) for the Employees Retraining Board (ERB) to continue performing its statutory functions of providing retraining courses for eligible persons, including the implementation of the Love Upgrading Special Scheme and disbursement of training allowance to trainees. The actual expenditure of the ERF in 2020-21 was about \$630 million. As at end February 2022, the balance of the ERF was about \$14.9 billion, which would be sufficient to meet ERB's operating expenses in the medium to long term.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)031

(Question Serial No. 0562)

<u>Head</u>: (173) Working Family and Student Financial Assistance Agency

Subhead (No. & title): (700) General non-recurrent

Item 508 Continuing Education Fund

Programme: (1) Student Assistance Scheme

Controlling Officer: Head, Working Family and Student Financial Assistance Agency

(Mr Andrew TSANG)

Director of Bureau: Secretary for Labour and Welfare

Question:

It is mentioned in the latest Budget that the subsidy ceiling of the Continuing Education Fund (CEF) will be raised to \$25,000. In view of the increasing number of applications in recent years, please provide the average time for processing CEF applications at present and the numbers of staff for processing applications in 2019-20, 2020-21, 2021-22 and 2022-23. In addition, please set out in tabular form the top 30 CEF courses with the highest number of applications, with a breakdown by course title and number of applicants approved, among the total number of applications approved in 2021-22.

Asked by: Hon LAM Chun-sing (LegCo internal reference no.: 4)

Reply:

In general, if the information provided by an applicant is complete, the Office of the Continuing Education Fund (CEF) will issue the application result within 6 weeks from the date of receipt of application for an existing CEF account holder or 8 weeks for an applicant who submits application for the first time. We do not keep a record of the processing time for each application.

In the past 3 years (2019-20 to 2021-22), the Working Family and Student Financial Assistance Agency deployed about 100, 90 and 110 staff to process applications respectively. Regarding the relevant manpower for 2022-23, adjustments will be made according to the number of applications.

The course titles of the top 30 CEF courses and the number of subsidy recipients approved in 2021-22 (as of 31 January 2022) are set out at **Annex**.

Top 30 CEF Courses in 2021-22 in terms of the Number of Subsidy Recipients

	CEF Course title Note 1	Number of subsidy recipients
1	CERTIFICATE IN SECURITY GUARD TRAINING	1 579
2	DIPLOMA IN BUSINESS FINANCE	754
3	CERTIFICATE IN ELECTRICAL WIREMAN	666
4	CERTIFICATE IN NAIL TECHNOLOGY (QF LEVEL 3)	618
5	ENGLISH IMPROVEMENT COURSE	600
6	CERTIFICATE IN PROJECT MANAGEMENT AND DATA ANALYSIS USING MICROSOFT EXCEL	506
7	PROJECT MANAGEMENT PROFESSIONAL (PMP(R)) PREPARATION COURSE	486
8	PROFESSIONAL COURSE IN PRACTICAL TECHNICAL ANALYSIS	485
9	CERTIFICATE IN ELEMENTARY ENGLISH	465
10	CERTIFICATE IN LIGHT GOODS VEHICLE DRIVING	409
11	CERTIFICATE IN INTERMEDIATE ENGLISH	402
12	CERTIFICATE IN ADVANCED ENGLISH LANGUAGE EXAMINATION SKILLS	397
13	CERTIFICATE IN BEGINNER ENGLISH	393
14	CERTIFICATE IN PRIVATE CAR DRIVING	389
15	CERTIFICATE IN PIPING INSTALLATION	349
16	CPA QUALIFICATION PROGRAMME	333
17	CERTIFICATE IN DIGITAL VIDEO PRODUCTION	326

	CEF Course title Note 1	Number of subsidy recipients
18	JAPANESE LANGUAGE PROFICIENCY TEST (N5) COURSE (MODULE 1-6)	325
19	CERTIFICATE IN STYLE DESIGN AND HAIR CUTTING (QF LEVEL 1)	319
20	CERTIFICATE IN CARE-RELATED SUPPORT WORKERS TRAINING	302
21	CERTIFICATE IN WEALTH PLANNING	299
22	CERTIFICATE IN PROPERTY MANAGEMENT FOR PROVISIONAL PROPERTY MANAGEMENT PRACTITIONER (TIER 1) LICENCE	294
23	ELEMENTARY AND INTERMEDIATE JAPANESE COURSE	292
24	CERTIFICATE FOR ADOBE ILLUSTRATOR, PHOTOSHOP & INDESIGN	272
25	CERTIFICATE IN ADVANCED PERSONAL FITNESS TRAINER	258
26	CERTIFICATE FOR MODULE (MASTER OF JAPANESE SAKE)	256
27	CERTIFICATE IN SECURITIES ANALYSIS	240
28	CERTIFICATE IN STYLE DESIGN AND HAIR CUTTING (QF LEVEL 2)	229
29	CERTIFICATE IN INTEGRATED TREE CLIMBING (QF LEVEL 3)	228
30	PSC PUTONGHUA PROFICIENCY TEST COURSE	223
	PROFESSIONAL DIPLOMA IN SPECIAL CHILD CARE WORK	223

Note 1: Some courses were only provided with an English title when the course provider sought registration under CEF.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)032

(Question Serial No. 0811)

<u>Head</u>: (173) Working Family and Student Financial Assistance Agency

Subhead (No. & title): (700) General non-recurrent

Item 508 Continuing Education Fund

<u>Programme</u>: (1) Student Assistance Scheme

<u>Controlling Officer</u>: Head, Working Family and Student Financial Assistance Agency

(Mr Andrew TSANG)

Director of Bureau: Secretary for Labour and Welfare

Question:

It is stated in the Budget that the Government will raise the subsidy ceiling of the Continuing Education Fund (CEF) from \$20,000 to \$25,000 per applicant and remove the upper age limit. In this connection, please respond to the following:

- 1. the numbers of subsidy recipients under the CEF and the expenditures involved in the past 3 years, with a breakdown by age group and academic qualification awarded per year;
- 2. the course titles, names of course providers, Qualifications Framework Levels, tuition fees and numbers of participants of the top 5 courses with the highest number of reimbursement applications;
- 3. the number of online courses included and the scopes involved since the announcement of the measure to include online courses under the CEF in the 2021-22 Budget; the course titles, names of course providers, tuition fees and numbers of participants of the top 3 online courses; the amount of reimbursement granted and the effectiveness of the measure; and
- 4. the respective measures taken by the Government to supervise face-to-face and online courses.

Asked by: Hon LEUNG Man-kwong (LegCo internal reference no.: 6)

Reply:

1. The numbers of subsidy recipients and the amount of subsidy disbursed under the Continuing Education Fund (CEF) in the past 3 years (2019-20 to 2021-22), broken down by age group and academic qualification awarded per year, are set out at **Annex 1**.

- 2. Details of the top 5 CEF courses in terms of the number of subsidy recipients, including the course title, name of course provider, Qualifications Framework (QF) Level and tuition fee, in the past 3 years (2019-20 to 2021-22) are set out at **Annex 2**.
- 3. The CEF began accepting applications from course providers for registration of eligible online courses as CEF courses since October 2021. As at the end of February 2022, there were no eligible online courses registered as CEF courses.
- 4. The Government has put in place requirements on the mode of operation, sales and promotion, fees and quality assurance of courses provided by CEF course providers. Course providers must comply with the terms and conditions of approval for CEF registration (CEF terms). The Office of the CEF will conduct inspections and surprise visits. If any course provider is found to have violated the CEF terms or a report of non-compliance is received, the case will be followed up immediately and corresponding actions will be taken according to the seriousness of the case, including issue of a written warning to the course provider and suspension or cancellation of registration of the CEF course concerned from the course list. The measures are applicable to face-to-face and online CEF courses.

Number of subsidy recipients under the CEF by age group and academic qualification awarded and the amount of subsidy disbursed

<u>2019-20</u>

			/D 4 1		
	18-29	30-39	40-49	50-70	Total
Academic qualification awarded	Number of subsidy recipients	Number of subsidy recipients	Number of subsidy recipients	Number of subsidy recipients	Number of subsidy recipients
Doctorate	_	_	_	_	_
Master Degree	54	25	7	4	90
Postgraduate Diploma	5	8	1	_	14
Bachelor Degree	20	24	_	_	44
Postgraduate Certificate/ Postgraduate Award	1	4	_	_	5
Associate Degree	1	_	_	_	1
Advanced Diploma/ Professional Diploma/ Post-diploma Certificate	143	146	64	34	387
Higher Diploma	-	-	_	_	_
Diploma/ Executive Diploma/ Graduate Diploma	858	299	230	138	1 525
Associate Diploma	_	1	1	_	2
Advanced/ Professional/ Higher Certificate	279	180	153	245	857
Certificate/ Executive Certificate/ Graduate Certificate	3 100	2 149	1 310	1 256	7 815
Others (e.g. certificate of completion/attendance)	6 865	3 266	1 319	800	12 250
Total	11 326	6 102	3 085	2 477	22 990
Amount of subsidy disbursed (\$m)	79.5	41.1	21.4	16.7	158.7

<u>2020-21</u>

	Age group				Total
	18-29	30-39	40-49	50-70	Total
Academic qualification awarded	Number of subsidy recipients				
Doctorate	_		_		_
Master Degree	43	12	8	2	65
Postgraduate Diploma	1	_	1	1	3
Bachelor Degree	11	14	3	1	29
Postgraduate Certificate/ Postgraduate Award	2	3	_	1	6
Associate Degree	3	-	_	-	3
Advanced Diploma/ Professional Diploma/ Post-diploma Certificate	154	191	149	81	575
Higher Diploma	_	-	_	_	_
Diploma/ Executive Diploma/ Graduate Diploma	795	336	223	184	1 538
Associate Diploma	_	_	_	_	_
Advanced/ Professional/ Higher Certificate	301	321	185	201	1 008
Certificate/ Executive Certificate/ Graduate Certificate	3 227	2 907	2 313	2 706	11 153
Others (e.g. certificate of completion/attendance)	12 375	6 936	2 939	1 330	23 580
Total	16 912	10 720	5 821	4 507	37 960
Amount of subsidy disbursed (\$m)	110.3	69.9	37.5	24.4	242.1

2021-22 (as at 31 January 2022)

	Age group				T-4-1
	18-29	30-39	40-49	50-70	Total
Academic qualification awarded	Number of subsidy recipients				
Doctorate	_	_	_	_	_
Master Degree	58	25	15	2	100
Postgraduate Diploma	21	15	5	15	56
Bachelor Degree	24	56	19	_	99
Postgraduate Certificate/ Postgraduate Award	27	26	9	19	81
Associate Degree	_	_	_	_	_
Advanced Diploma/ Professional Diploma/ Post-diploma Certificate	311	420	269	166	1 166
Higher Diploma	74	4	3	_	81
Diploma/ Executive Diploma/ Graduate Diploma	1 309	504	360	332	2 505
Associate Diploma	_	_	_	_	_
Advanced/ Professional/ Higher Certificate	693	790	544	559	2 586
Certificate/ Executive Certificate/ Graduate Certificate	4 979	5 283	4 217	4 068	18 547
Others (e.g. certificate of completion/attendance)	14 009	8 331	3 297	1 702	27 339
Total	21 505	15 454	8 738	6 863	52 560
Amount of subsidy disbursed (\$m)	168.3	115.6	65.8	44.7	394.4

Top 5 CEF Courses by the Number of Subsidy Recipients

<u>2019-20</u>

	CEF Course title Note 1	Name of course provider Note 1	QF level Note 2	Number of subsidy recipients	Tuition fee Note 3 (\$)
1	CPA Qualification Programme	Hong Kong Institute of Certified Public Accountants	Not applicable (N.A.)	598	17,600
2	Certificate in Electrical Wireman	The Association of Electrical and Mechanical Engineering (Hong Kong) Limited	2	559	12,500
3	Project Management Professional (PMP(R)) Preparation Course	Informatics Education (HK) Limited	N.A.	375	13,800
4	English Improvement Course	Wall Street English	N.A.	374	25,950
5	Japanese Language Proficiency Test (N5) Course (Module 1-6)	Nikkei Japanese Language School	N.A.	338	9,400

<u>2020-21</u>

	CEF Course title Note 1	Name of course provider Note 1	QF level	Number of subsidy recipients	Tuition fee Note 3 (\$)
1	Certificate in Security Guard Training	FTU Employment Development Service Ltd	1	2 056	550
2	English Improvement Course	Wall Street English	N.A.	506	48,375
3	Certificate in Beginner English	EF Language Solutions Hong Kong Limited	N.A.	487	16,800
4	Project Management Professional (PMP(R)) Preparation Course	Informatics Education (HK) Limited	N.A.	473	13,800
5	Certificate in Elementary English	EF Language Solutions Hong Kong Limited	N.A.	459	16,800

2021-22 (as at 31 January 2022)

	CEF Course title Note 1	Name of course provider Note 1	QF level Note 2	Number of subsidy recipients	Tuition fee Note 3 (\$)
1	Certificate in Security Guard Training	FTU Employment Development Service Ltd	1	1 579	550
2	Diploma in Business Finance	Advanced Contemporary Education Centre	N.A.	754	19,800
3	Certificate in Electrical Wireman	The Association of Electrical and Mechanical Engineering (Hong Kong) Limited	2	666	13,500
4	Certificate in Nail Technology (QF Level 3)	CMM Monita Academy Limited	3	618	14,800
5	English Improvement Course	Wall Street English	N.A.	600	48,375

Note 1 Some courses were only provided with an English title when the course provider sought registration under CEF.

Note 3 The registered tuition fee as at the end of that financial year.

Note 2 All new courses seeking registration under CEF since 2008 are required to be recognised under the QF and registered in the Qualifications Register (QR). Since the implementation of enhancement measures on 1 April 2019, all CEF courses that were registered by non-self-accrediting institutions before the launch of the QF in 2008 have to go through accreditation for registration under the QR before they can continue to be registered as CEF courses within a transitional period of 4 years (i.e. by 31 March 2023).

Reply Serial No.

CONTROLLING OFFICER'S REPLY

LWB(L)033

(Question Serial No. 0616)

<u>Head</u>: (173) Working Family and Student Financial Assistance Agency

Subhead (No. & title): (700) General non-recurrent

Item 508 Continuing Education Fund

<u>Programme</u>: (1) Student Assistance Scheme

Controlling Officer: Head, Working Family and Student Financial Assistance Agency

(Mr Andrew TSANG)

Director of Bureau: Secretary for Labour and Welfare

Question:

Under the Matters Requiring Special Attention, it is mentioned that the Bureau will continue to monitor the recognition of eligible online courses under the Continuing Education Fund (CEF). In this connection, please inform this Committee of:

- 1. the number of applications received and approved for the CEF's reimbursement of course fees and the amount of subsidy granted in each of the past 5 years; and
- 2. a breakdown of the types of courses with the most applications for enrolment (including master's, bachelor's and associate degree programmes) for the past 5 years.

<u>Asked by</u>: Hon LUK Hon-man, Benson (LegCo internal reference no.: 4) <u>Reply</u>:

1 & 2. Breakdown of the number of subsidy recipients by academic qualification awarded and the total amount of subsidy disbursed under the Continuing Education Fund (CEF) in the past 5 years (2017-18 to 2021-22) are set out at the **Annex**.

Breakdown of the number of subsidy recipients by academic qualification awarded and the total amount of subsidy disbursed under the CEF

	2017-18	2018-19	2019-20	2020-21	2021-22 (as at 31 January 2022)
Academic qualification awarded	Number of subsidy recipients				
Master Degree	87	85	90	65	100
Postgraduate Diploma	20	9	14	3	56
Bachelor Degree	67	47	44	29	99
Postgraduate Certificate / Postgraduate Award	3	3	5	6	81
Associate Degree	3	_	1	3	_
Advanced Diploma / Professional Diploma / Post-diploma Certificate	425	311	387	575	1 166
Higher Diploma	_	_	_	_	81
Diploma / Executive Diploma / Graduate Diploma	1 734	1 227	1 525	1 538	2 505
Associate Diploma	18	4	2	_	_
Advanced / Professional / Higher Certificate	584	562	857	1 008	2 586
Certificate / Executive Certificate / Graduate Certificate	6 015	6 498	7 815	11 153	18 547
Others (e.g. certificate of completion / attendance)	11 635	10 586	12 250	23 580	27 339
Total	20 591	19 332	22 990	37 960	52 560
Total amount of subsidy disbursed (\$ million)	136.6	124.3	158.7	242.1	394.4

CONTROLLING OFFICER'S REPLY

LWB(L)034

(Question Serial No. 0548)

<u>Head</u>: (173) Working Family And Student Financial Assistance Agency

Subhead (No. & title): (700) General non-recurrent

Item 508 Continuing Education Fund

Programme: (1) Student Assistance Scheme

<u>Controlling Officer</u>: Head, Working Family and Student Financial Assistance Agency

(Mr Andrew TSANG)

Director of Bureau: Secretary for Labour and Welfare

Question:

The Government will raise the subsidy ceiling of the Continuing Education Fund from \$20,000 to \$25,000 per applicant and remove the upper age limit. Would the Government advise this Committee of the details of the change in expenditure of the initiative and the estimated increase in the number of participants? Would the Government consider making reference to Singapore's practice of setting an expiry date for the injected funds in order to provide an incentive and raise the participation rate, as well as providing more technology-related programmes to promote skills upgrading of the whole community? If yes, what are the details? If not, what are the reasons?

Asked by: Hon WONG Yuen-shan (LegCo internal reference no.: 5)

Reply:

Following a funding injection in 2018, the Continuing Education Fund (CEF) maintained a balance of \$10.8 billion as at the end of January this year, which is expected to be sufficient for meeting the additional expenditure following the relaxation of the subsidy ceiling to \$25,000 and the removal of the upper age limit. We will closely monitor the changes in the commitment balance and the total expenditure after the implementation of the new initiatives.

The CEF courses currently cover all eligible courses registered under the Qualifications Register, including courses under 14 Areas of Study and Training, Specification of Competency Standards-based courses and Specification of Generic (Foundation) Competencies-based courses. Technology-related sectors such as Computer Science and Information Technology, Engineering and Technology, Information and Communications Industry and Manufacturing Technology Industry have been covered. Course providers may design and offer new courses and apply for registration as CEF courses to meet market demand. The Government will continue to keep in view the utilisation of funds under the CEF.