

立法會 *Legislative Council*

LC Paper No. CB(2)986/2022

Ref : CB2/PL/MP

Report of the Panel on Manpower for submission to the Legislative Council

Purpose

This report gives an account of the work of the Panel on Manpower (“the Panel”) during the 2022 Legislative Council session. It will be tabled at the Council meeting of 14 December 2022 in accordance with Rule 77(14) of the Rules of Procedure.

The Panel

2. The Panel was formed by resolution of the Council on 8 July 1998 and as amended on 20 December 2000, 9 October 2002, 11 July 2007, 2 July 2008 and 26 October 2022 for the purpose of monitoring and examining Government policies and issues of public concern relating to labour, manpower planning, vocational training and education, and qualifications framework. The terms of reference of the Panel are in **Appendix 1**.

3. The Panel comprises 14 members, with Hon LUK Chung-hung and Hon LAM Chun-sing elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is in **Appendix 2**.

Major work

Safeguarding employees’ rights and benefits

Legislative proposal to abolish the offsetting arrangement

4. The Panel continued to follow up on the Administration’s work progress on legislating for the abolition of the use of accrued benefits derived from employers’ mandatory contributions under the Mandatory Provident Fund (“MPF”) System to offset severance payment (“SP”) and/or long service payment (“LSP”) (“the offsetting arrangement”). At the special meeting of the Panel on

4 February 2022, the Administration briefed members on its finalized proposal to abolish the offsetting arrangement. While members generally subscribed to the policy objective of the proposed abolition of the offsetting arrangement, concerns were raised on the impact of the policy change on employers, employees and the economy, the Government's supporting measures to facilitate the policy change and the reason why the implementation of the abolition had to tie in with the full implementation of the eMPF Platform in 2025.

5. The Administration emphasized that abolishing the offsetting arrangement would help improve employees' retirement protection and strengthen the function of MPF as an important pillar of Hong Kong's retirement protection system. In view of the wide implications of the proposed abolition of the offsetting arrangement, the Administration would enhance employers' and employees' understanding of the abolition through publicity and public education. To help employers adapt to the policy change, the Administration would introduce two supporting measures, namely the 25-year Government subsidy scheme and the Designated Savings Accounts ("DSA") Scheme. The implementation of the DSA Scheme, under which employers would be mandated to save up for meeting their future SP/LSP liabilities after the abolition of the offsetting arrangement, had to be supported by an advanced and well-developed information technology system. The proposal to enable employers to handle matters relating to MPF and DSA contributions on one single platform, i.e. the eMPF Platform, would help achieve better efficiency and cost-effectiveness.

6. The Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Bill 2022, which sought to abolish the offsetting arrangement, was gazetted on 11 February 2022 and received its First Reading at the Council meeting of 23 February 2022. Upon completion of scrutiny by the Bills Committee formed to study the Bill, the resumption of Second Reading debate on the Bill took place at the Council meeting of 8 June 2022; and the Bill was passed on 9 June 2022. According to the Administration, it would consult the Panel on the proposed introduction of the DSA Scheme in the first half of 2023.

Sickness allowance and employment protection under the epidemic

7. Against the backdrop of the severe impact of the Coronavirus Disease 2019 ("COVID-19") pandemic on Hong Kong's society, the Government had, since the fifth wave of the COVID-19 epidemic, introduced new public health emergency regulations under the Prevention and Control of Disease Ordinance (Cap. 599) for epidemic control to restrict people's movement to avoid the spread of the disease. While an increasing number of people were subjected to compulsory quarantine or other movement restrictions, there were media reports that many employees were dismissed by the employers or faced with salary deduction due to their compliance with the Cap. 599 requirement and absence from work. In response to members' strong calls for expedited actions to address the problem and to

protect employees' rights, the Administration advised at the special meeting of the Panel on 4 February 2022 that it would introduce amendments to the Employment Ordinance (Cap. 57) ("EO") to: (a) clarify the policy intent that the days on which an employee was unable to return to work by reason of his/her compliance with certain anti-epidemic requirements could be deemed as sickness days, which would entitle him/her to sickness allowance paid by the employer if relevant conditions were satisfied; and (b) make it explicit that dismissal of an employee by reason of his/her absence from work due to compliance with a movement restriction imposed under Cap. 599 would be considered as unreasonable dismissal.

8. The Employment (Amendment) Bill 2022, which sought to give effect to the above amendments, received its First Reading at the Council meeting of 16 March 2022. Upon completion of scrutiny by the Bills Committee formed to study the Bill, the resumption of Second Reading debate on the Bill took place at the Council meeting of 15 June 2022 and the Bill was duly passed. The enhanced arrangements in relation to sickness allowance and employment protection under the epidemic came into operation on 17 June 2022.

Implementation of the Reimbursement of Maternity Leave Pay Scheme

9. The Employment (Amendment) Ordinance 2020 ("the Amendment Ordinance") which sought to, among others, extend statutory maternity leave ("ML") from 10 weeks to 14 weeks, took effect on 11 December 2020. Upon the implementation of the Amendment Ordinance, employers are required to pay eligible employees 14 weeks' maternity leave pay ("MLP") calculated at the rate of four-fifths of the employee's average daily wages (subject to a cap of \$80,000 for the 11th to 14th week). In tandem, the Reimbursement of Maternity Leave Pay ("RMLP") Scheme was launched on 1 April 2021 under which employers may apply to the Government for reimbursement of the 11th to 14th weeks' statutory MLP paid, subject to a cap of \$80,000 per employee. While members were pleased to note the smooth implementation of the RMLP Scheme, there was a call for the Administration to seriously consider lifting the cap for the additional four weeks' statutory MLP since in so doing, the higher-paid female employees could be benefitted.

10. According to the Administration, it had drawn reference to research findings of the International Labour Organization ("ILO") and noted that MLP in many overseas countries/places was fully or partially financed by social insurance system with contributions from both employers and employees. The Administration stressed that the Government's long-term commitment to finance the cost of the additional four weeks' statutory MLP was a major and unprecedented change to the long-established employment benefits regime as public money was used to subsidize employers in providing employment benefits to their employees as required under EO on a perpetual basis. Given the wide spectrum of female employees' wages and the need to ensure prudent use

of public money, the Administration considered the existing cap of \$80,000 per employee reasonable. It was noteworthy that since the launch of the RMLP Scheme on 1 April 2021 and up till 30 September 2022, a total of 11 287 RMLP applications had been approved. Among them, the reimbursement amounts for 11 108 applications (98.4%) were below \$80,000, with only 179 applications (1.6%) reaching the cap of reimbursement (i.e. \$80,000).

Protection for imported workers

11. Members noted with concern from media reports that some of the care workers imported through the Supplementary Labour Scheme (“SLS”) were underpaid and/or required to carry out uncompensated overtime work. There was a view that the Administration should safeguard the statutory rights and benefits of imported workers and combat any unlawful practices through targeted and vigorous enforcement actions, say, by mounting decoy operations or collaborating with labour unions to gather information on those residential care homes that were suspected of contravening labour legislation. Some members considered that there was a lack of control over the services provided by labour service companies (“LSCs”) operating in the Mainland/overseas. The lack of a standard scale of service fees had given rise to the problem of overcharging by LSCs.

12. According to the Administration, the Labour Department (“LD”) had implemented various measures to safeguard the employment rights and benefits of imported workers. Under SLS, imported workers were required to be paid no less than the median monthly wages of local workers in comparable positions; and employers were required to enter into a Standard Employment Contract with their imported workers and to make wages payment to each imported worker by auto payment. Employers must arrange imported workers to attend a briefing organized by LD within eight weeks upon their arrival in Hong Kong, so as to facilitate imported workers’ understanding of their rights and benefits of working in Hong Kong. LD’s Labour Inspectors also carried out inspections to the workplaces of imported workers from time to time and conducted interviews with imported workers individually to ensure that the workers could, if necessary, lodge complaints on employment issues in the absence of interference of any third party. Suspected non-compliance with labour legislation or the SLS regime would be investigated. Subject to the evidence available, LD would consider taking out prosecution and/or imposing administrative sanction on the employers concerned, as and where appropriate.

Labour relations

Strengthening the guidance, supervision and regulation over trade unions

13. As advised by the Administration, from November 2019 to March 2022, the Registry of Trade Unions (“RTU”) of LD had received 4 427 applications for

registration of trade unions. As at end-March 2022, the number of applications pending registration stood at 1 519. The number of registered trade unions recorded a drastic increase of 65% from 917 (as at end-2019) to 1 517 (as at end-March 2022). RTU was responsible for administering the Trade Unions Ordinance (Cap. 332) (“TUO”), with a view to fostering sound trade union management and trade unionism as well as ensuring trade unions’ compliance with TUO in respect of administration and conduct of activities. In recent years, RTU discerned that the activities of some trade unions were suspected to be inconsistent with TUO and their constitutions, thereby requiring RTU’s indepth and intensive follow-up actions. For this reason, the Administration proposed to create a supernumerary post of Chief Labour Officer (“CLO”) for three years to lead RTU to strengthen the guidance, supervision and regulation over trade unions.

14. While no objection was raised on the proposed creation of the supernumerary CLO post, some members enquired whether the Administration had any plan to require officials of trade unions to take an oath to uphold the Basic Law of the Hong Kong Special Administrative Region of the People’s Republic of China (“HKSAR”) and to bear allegiance to HKSAR. The Administration advised that to ensure effective supervision and regulation of registered trade unions, RTU planned to amend TUO to strengthen the regulatory power of the Registrar of Trade Unions and to prohibit persons who had been convicted of offences endangering national security from becoming officials of trade unions. This would enable RTU to meet its obligation under the Law of the People’s Republic of China on Safeguarding National Security in HKSAR. The above staffing proposal was subsequently endorsed and approved by the Establishment Subcommittee and the Finance Committee on 15 June and 8 July 2022 respectively.

Wage issues

Implementation of Statutory Minimum Wage

15. Ever since the enactment of the Minimum Wage Ordinance (Cap. 608) (“MWO”) and the establishment of the Statutory Minimum Wage (“SMW”) regime, the Administration regularly updated the Panel on the implementation of SMW. In this session, when receiving the Administration’s briefing on the subject, many members cast serious doubts over the effectiveness of the SMW regime in safeguarding low-income employees against low wages and alleviating the problem of wealth disparity. Members expressed dismay that the Gini Coefficient in Hong Kong had remained at a high level and that after 11 years of implementation, the SMW rate had only increased cumulatively by 33.9% (i.e. from the initial rate of \$28 per hour to the current rate of \$37.5 per hour) which could barely catch up with inflation over the corresponding period. Furthermore, such percentage increase in the SMW rate was less than the

percentage increases in both the nominal wage index and the median monthly wage of employees for the same period, which, in members' views, was indeed a wage reduction in disguise as employees earning the SMW rate were worse off when compared with an ordinary employee in terms of the percentage of pay rise. There was a strong view among members that the practice of reviewing the SMW rate once in every two years was unfair to those employees earning the SMW rate since there was a time lag in wage adjustment. Some members called on the Administration to shorten the review cycle of the SMW rate to an annual basis, so as to address the problem of time lag between data collection/analysis and implementation of the adjusted SMW rate. Some other members, however, considered that there had been improvements to the employment earnings of low-income workers in real terms (after discounting inflation) after the implementation of the SMW regime. Uprating the prevailing SMW rate amid the current economic downturn would not only impact on enterprises but might also exacerbate job loss for low-wage workers.

16. The Administration emphasized that the SMW regime provided a wage floor which forestalled excessively low wages, without unduly jeopardizing Hong Kong's labour market flexibility, economic growth and competitiveness, and minimizing the loss of low-paid jobs. The implementation of SMW should not be perceived as the only means for resolving the complex issue of "working poverty". As a matter of fact, the Administration had, with a view to improving the distribution of wealth in society, implemented various targeted measures (e.g. the Working Family Allowance Scheme, the Short-term Food Assistance Service etc.) to support needy persons.

17. In response to some members' suggestion that the Administration should consider adopting a formula-based approach (viz. adjusting the SMW rate according to a pre-determined formula linked to appropriate indicator(s) such as Consumer Price Indices), so as to enhance the objectivity, predictability and transparency in the review mechanism of the SMW rate, the Administration advised that both the current review mechanism and the proposed formula-based approach had their respective pros and cons. The current review mechanism took into account an array of indicators covering the data on the overall economic conditions, labour market conditions, competitiveness and social inclusion as well as the views of the public and stakeholders; while the formula-based approach was purely an arithmetic method based on pre-determined indices without paying heed to non-quantifiable factors. That said, the Administration assured members that it would explore if improvements could be made to the existing review mechanism. Members noted that pursuant to MWO, the Minimum Wage Commission ("MWC") was conducting a new round of review on the SMW rate and would submit a report on its recommendation to the Chief Executive in Council by end-October 2022. The Panel will discuss with the Administration the mechanism for reviewing the SMW rate at the meeting in December 2022.

Ex gratia payment under the Protection of Wages on Insolvency Fund

18. As a follow-up to relevant discussions held by the Panel in the last session, the Administration reported to the Panel in April 2022 on the results of the latest review of the coverage of ex gratia payment items under the Protection of Wages on Insolvency Fund (“PWIF”). Members were pleased to note that the PWIF Board had reached a unanimous agreement to raise the maximum amounts of ex gratia payment items payable under PWIF. They generally supported the proposed increases in the payment ceilings and hoped that the relevant legislative amendments could be completed expeditiously, so as to accord better protection to employees affected by the closure of business of their insolvent employers. Nevertheless, there was concern that the time spent on reviewing the payment items and finalizing the adjustment proposal was overly long. Members strongly considered that the payment ceilings of the ex gratia payment items should be reviewed regularly so that appropriate adjustment could be made in a timely manner in the future. They suggested that the PWIF Board should be requested to conduct a review, say, once every five years and the Labour Advisory Board (“LAB”) be consulted at regular intervals on the need for commencing a review.

19. In response, the Administration explained that the timing for carrying out the current review was affected by a number of events, the development of which would have significant implications on the amount of ex gratia payments to be made out of PWIF in respect of SP owed to employees by employers. Those events included a relevant judicial review case and the proposed abolition of the offsetting arrangement. The Administration stressed that it fully appreciated the functions of PWIF as a safety net for employees aggrieved by their insolvent employers. The PWIF Board would keep close watch on changes in the factors pertinent to the setting of the relevant payment ceilings and would carry out a review as and when necessary. LAB would also be consulted where appropriate. To address members’ concern over the cumbersome procedures associated with the processing of payment applications, the Administration undertook to review and explore whether there was room for enhancing and streamlining the existing workflow on the premise that all statutory requirements would still be complied with and the changes to the work procedures, if any, would not increase the risk of abuse of PWIF.

20. Subsequently, the Secretary for Labour and Welfare (“SLW”) moved a resolution under the Protection of Wages on Insolvency Ordinance (Cap. 380) to raise the maximum amounts of ex gratia payment items under PWIF. The resolution was passed at the Council meeting of 15 June 2022 and came into operation on 17 June 2022.

Occupational safety and health

Occupational safety in construction industry

21. The Administration's efforts in enhancing the occupational safety and health ("OSH") performance in all sectors of employment, in particular the construction industry, continued to be a major focus of the Panel's work. Members were gravely concerned that the numbers of industrial accidents and fatalities in the construction industry had maintained at a relatively high level over the past few years despite tremendous efforts made by the Administration to improve the overall OSH performance. Noting that a number of industrial accidents in the construction industry were related to minor works projects, members urged the Administration to step up inspection of accident-prone work processes (e.g. those involving truss-out scaffolds ("TOS")) and to take vigorous enforcement actions against contraventions of OSH legislation. There was also a suggestion that the Administration should expand the scope of the statutory notification mechanism for construction works, so as to facilitate the identification of higher-risk workplaces for early and timely inspections.

22. According to the Administration, LD had been adjusting its strategies in the light of the changing risk situation and would continue to strengthen inspection and enforcement so as to curb unsafe work activities. In 2021, LD had stepped up area patrols to carry out inspections of repair, maintenance, alteration and addition works in order to combat high-risk unsafe work-above-ground activities. If violation of OSH legislation was detected, LD would issue suspension notices or improvement notices and initiate prosecutions as and when necessary. Also, LD had revised various codes of practice, guidance notes and the contents of the mandatory training courses to keep duty holders abreast of the latest OSH requirements and risk conditions. Upon examining the fatal accidents that had happened at construction sites from 2009 to 2018, the Administration found that a number of cases involved work duration of less than six weeks or employment of not more than 10 workers. As the findings indicated that construction works with shorter duration or engaging fewer workers might involve operations carrying relatively higher potential risks, the Administration planned to propose refinements, by way of amending the Construction Sites (Safety) Regulations (Cap. 59I), to the statutory notification mechanism for construction works by expanding the scope of notification to include: (a) construction works involving erection, substantial addition, alteration or dismantling of TOS at external wall of a building; (b) construction of a tunnel of 2.5 meter or above in length; (c) construction or demolition of any storey of a building; and (d) excavation or earthwork requiring any worker to work in a space over 1.2 meter deep.

23. Members firmly believed that innovative technologies could help enhance construction safety and, therefore, urged the Administration to promote the wider adoption of smart safety solutions in both public and private works projects, irrespective of the project scale. Members also considered it necessary for LD

to take a more active role in coordinating with the Development Bureau (“DEVB”) and relevant bureaux/departments on promoting the use of innovative technologies to enhance OSH at construction sites.

24. The Administration advised that the Construction Industry Council (“CIC”) had implemented various initiatives to promote the application of new technologies for improving work safety at construction sites, and LD would collaborate with CIC in the relevant work as appropriate. In addition, DEVB would continue to promote the Smart Site Safety System (under which smart devices were used to monitor the work processes at construction sites for prevention of accidents) for adoption in both public and private works projects. DEVB had also established the Construction Innovation and Technology Fund to provide subsidies for, among others, the adoption of safety-related technologies in the construction industry.

Raising penalties of occupational safety and health legislation

25. Members noted with deep concern that although the overall OSH situation of Hong Kong had been improving over the years, the improvement trend had tapered in recent years. The number of fatal occupational accidents had been hovering at some 20 cases per year for the past decade with no sign of going down. According to the Administration, a small number of the fatal cases involved very high culpability or serious negligence, and there were views in the community that a major reason attributing to such phenomenon was that the sentences imposed by the courts for cases of contravention of OSH legislation had been on the low side and unable to pose adequate deterrent effect.

26. A majority of members welcomed the Administration’s introduction of the Occupational Safety and Occupational Health Legislation (Miscellaneous Amendments) Bill 2022 for better protection of workers’ OSH by enhancing the deterrence on duty holders, in particular those who blatantly disregarded the OSH requirements. However, some other members were of the view that pitching the maximum fine for indictable serious OSH offences at \$10 million was excessively high. The Bill, which received its First Reading at the Council meeting of 25 May 2022, sought to amend the Factories and Industrial Undertakings Ordinance (Cap. 59) and the Occupational Safety and Health Ordinance (Cap. 509) as well as their subsidiary legislation to, among others, make offences under the general duty provisions for employers, proprietors and occupiers of premises of the relevant legislation triable as indictable offences so that extremely serious OSH offences could be tried at higher levels of court. The maximum fines and imprisonment terms of such extremely serious offences were proposed to be pitched at \$10 million and two years respectively. The Bill also proposed to require the courts to take into account the turnover of the convicted entities in determining the levels of fines. A Bills Committee has been formed to scrutinize the Bill and as of the date of this report, the Bills Committee is still in action.

Safety training for workers engaging in high-risk industries/activities

27. Members considered that sufficient safety training should be provided to workers engaging in high-risk industries or activities. In their views, the content of certain mandatory training courses (such as the 8-hour mandatory Safety Training Course for Certified Workers of Confined Spaces Operation and the 1-day Mandatory Basic Safety Training Course (commonly known as “Green Card Course”)) should be enhanced to reinforce workers’ knowledge of common risks in the workplaces concerned and their abilities to effectively control such risks. In addition, given a number of ethnic minorities (“EMs”) were working in the construction industry, more training courses in English or EM languages should be made available to EMs in relation to construction site safety for workers at supervisory level (i.e. Certificate in Safety and Health for Supervisors (Construction)). In response, the Administration advised that LD revised from time to time the content of mandatory training courses. In light of a couple of manhole accidents happened in the first half of 2022, LD had consulted key stakeholders working in confined spaces to explore, among others, how to further improve safety training. Based on stakeholders’ views, LD would consider making appropriate adjustment to the relevant mandatory training course which currently covered requirements of relevant OSH legislation, common confined space hazards and emergency procedures etc. LD was also reviewing the content and the necessity of expanding the course duration of the Green Card Course with a view to ensuring that the course would meet the needs of the construction industry. In respect of EM construction workers, LD had been collaborating with relevant groups to co-organize lunchtime safety talks at constructions sites for workers. LD would also arrange to translate various OSH publications and promotional leaflets into different EM languages progressively.

Pilot Rehabilitation Programme for Employees Injured at Work

28. Members in general welcomed the launch of the three-year Pilot Rehabilitation Programme for Employees Injured at Work (“the Pilot Programme”) to provide timely and co-ordinated private out-patient rehabilitation treatment services for participating injured employees from the construction industry to facilitate their early recovery and return to work. However, there was a strong view among members that the Pilot Programme should also cover injured employees in other industries, especially those which had also recorded a large number of industrial accidents each year (e.g. the catering industry). The Administration advised that the three-year Pilot Programme was proposed in the 2019 Policy Address to deal with the situation that injured employees seeking public rehabilitation services, like other members of the public, had to wait for a long period of time and, consequently, might miss the golden recovery period. Injured employees from the construction industry were selected as the exclusive service targets of the Pilot Programme because construction employees, owing to the nature of their work, were more prone to musculoskeletal injuries which could easily turn into chronic conditions in the absence of timely and co-ordinated

rehabilitation. Besides, according to statistics of work injury cases in recent years, the percentages of injured construction employees involving sick leave in excess of six weeks or six months respectively were the highest among all industries. It was therefore considered pragmatic for this initiative to target construction employees on a pilot basis.

29. Members called on the Administration to conduct interim review(s) on the Pilot Programme in about six months' to one year's time after its launch so that appropriate adjustment to the eligibility criteria and/or implementation details could be made in good time. The Administration undertook to closely monitor the operation and service utilization of the Pilot Programme and evaluate the effectiveness of the programme from time to time. Subject to the effectiveness of the Pilot Programme and the experience gained, it would consult relevant stakeholders and explore the feasibility of expanding the scope of the Pilot Programme to cover injured employees in other industries.

Occupational disease and occupational health situation

List of compensable occupational diseases

30. When receiving the Administration's regular update on the latest occupational disease and occupational health situation, members expressed concern that the list of compensable occupational diseases specified in the Second Schedule of the Employees' Compensation Ordinance (Cap. 282) ("ECO") had not been amended for more than a decade. There was a view that the Administration should comprehensively review the scope and coverage of the list, so as to accord better protection to workers. In particular, consideration should be given to prescribing lower limb musculoskeletal disorders ("MSD") and COVID-19 as compensable occupational diseases.

31. According to the Administration, LD reviewed and updated the list of compensable occupational diseases from time to time in the light of international standards and local situation. In considering whether a particular disease should be prescribed as a statutory occupational disease or whether the coverage of certain occupational diseases should be expanded, LD would generally make reference to the criteria adopted by ILO and adopt an evidence-based approach to assess whether a definite causal relationship existed between a disease and specific hazard exposure at work, and whether the risk of the exposed workers contracting the disease was significantly higher than that among the general public. While relevant data did not support prescribing lower limb MSD and COVID-19 as new occupational diseases, section 36 of ECO stipulated that if an employee contracted a disease not prescribed as an occupational disease and it was an injury or death by accident arising out of and in the course of employment, the employer was still liable to pay employees' compensation under ECO.

Employment support services

32. In this session, the Panel continued to follow up with the Administration on various support services provided for job seekers with employment difficulties, including able-bodied recipients of Comprehensive Social Security Assistance (“CSSA”), women, youth and the elderly and middle-aged. While acknowledging that the function of CSSA was to provide a safety net for those who could not support themselves financially, some members considered it undesirable if able-bodied CSSA recipients were left out of the workforce and remained in the CSSA net for a long time. Concern was raised that between January 2013 and November 2018, only 21% of the CSSA recipients who had participated in the Social Welfare Department (“SWD”)’s Integrated Employment Assistance Programme for Self-reliance (“IEAPS”) had successfully secured employment or returned to mainstream schooling. Members considered that the Administration should allocate more resources to enhance the effectiveness of IEAPS.

33. According to the Administration, SWD had commissioned 26 non-government organizations (“NGOs”) to operate various projects under IEAPS since 2013. As one of the measures to improve the CSSA Scheme, SWD had launched the enhanced Employment Support Services in April 2020 to improve the effectiveness of NGOs in enhancing the employability of CSSA recipients. Besides, with a view to further encouraging able-bodied CSSA recipients to find jobs and remain in employment, the Administration had, starting from February 2021, substantially increased the maximum level of monthly disregarded earnings (i.e. earnings from employment that were disregarded when assessing the amount of assistance payable to a CSSA recipient) by 60% (i.e. from \$2,500 per month to \$4,000 per month) and increased the maximum level of earnings to be totally disregarded from a new job from the first month’s income to the first two months’ income every two years. The Administration assured members that it would review the employment support services for able-bodied CSSA recipients regularly, with a view to facilitating their self-reliance in the long run.

34. Concern was raised by members that the labour force participation rate for women was relatively low and consistently lower than that for men. The Administration was called on to strengthen its support for women employment. As advised by the Administration, factors affecting women’s participation in the workforce were multifarious. The provision of services to support women employment straddled across various bureaux/departments. On the part of LD, it had implemented a number of schemes and employment programmes to encourage and facilitate job seekers with special employment needs or difficulties (e.g. the elderly and middle-aged, EMs and persons with disabilities) to pursue employment. Eligible women within these vulnerable groups could also benefit from those schemes and employment programmes.

Manpower planning and vocational training

Rationalizing the policy work in relation to manpower development under the proposal for reorganizing the Government structure

35. When receiving SLW's briefing on the Chief Executive's 2021 Policy Address at the meeting on 10 February 2022, the Panel was informed of the Administration's plan to transfer the portfolio on human resources planning (formerly under the purview of the Human Resources Planning and Poverty Co-ordination Unit of the Chief Secretary for Administration's Private Office) as well as the policy matters on admission of talents and professionals (formerly under the purview of the Security Bureau) to the Labour and Welfare Bureau ("LWB"). Members in general supported the proposal and hoped that after the implementation of the proposed reshuffling of policy functions/duties, LWB could better address the problem of manpower mismatch. The Administration responded that if the reorganization proposal was approved, policy portfolios on manpower development would be put under LWB with effect from the sixth-term Government (i.e. 1 July 2022); and LWB would then coordinate relevant efforts of various bureaux/departments to enhance the efficiency in policy formulation and implementation. The proposed reshuffling of policy functions/duties was implemented in tandem with the changes to the Government structure, the latter of which was effected by the passing of a resolution made under section 54A of the Interpretation and General Clauses Ordinance (Cap. 1) at the Council meeting of 15 June 2022.

Promotion of vocational and professional education and training

36. When receiving the Administration's briefing on the latest development of vocational and professional education and training ("VPET") in Hong Kong, members expressed concern that given the social atmosphere of emphasizing academic studies over technical skills, the local education system had been academically inclined and higher education had been homogeneous. This had resulted in a serious mismatch of manpower resources. In members' views, more resources should be allocated to enhance the employability of VPET students and to change the public's perception of VPET as an inferior choice relative to academic articulation pathways. Also, the Administration should draw reference from the successful experience of overseas countries (e.g. Germany) in formulating and implementing a dual-track academic system with equal emphasis on academic and vocational skills training; and consider establishing a government-funded university of applied sciences for offering applied degree programmes, such that the positioning of vocational education could be on par with traditional academic pursuits, thereby increasing the attractiveness of vocational education.

37. According to the Administration, it had taken on board the recommendations of the Task Force on Promotion of VPET that secondary

education was a crucial starting point to arouse young people's interest in VPET and that promotion of VPET in secondary education could be enhanced through the existing platforms, including Applied Learning ("ApL"). It was believed that through offering ApL courses to secondary students, the public as a whole could appreciate the diverse career opportunities available through VPET. In order to facilitate students to make early planning on their future studies and career choices, ApL courses were allowed to be offered as early as in Secondary 4 and these courses should cover a wider range to cater for students' diverse abilities, interests and career aspiration. On the higher education front, the Education Bureau would seek advice from various bureaux/departments on key trends in the sectors under their purview with a view to facilitating the University Grants Committee-funded universities' planning of relevant programmes in each triennium for nurturing talents to cater for the latest socioeconomic needs of Hong Kong. The Technological and Higher Education Institute of Hong Kong, a member institution of the Vocational Training Council ("VTC"), had also been offering degree programmes with strong professional/vocational elements through industry collaborations. VTC would engage industry stakeholders through different means to ensure that its VPET programmes stayed relevant to the latest developments of the industries and their training demands for skills and knowledge.

Meetings held

38. During the period between January and November 2022, the Panel held a total of eight meetings. The Panel has scheduled another meeting on 16 December 2022 to discuss (a) the mechanism for reviewing the SMW rate; and (b) the Administration's review of the levels of compensation under ECO, the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Cap. 360) and the Occupational Deafness (Compensation) Ordinance (Cap. 469).

Council Business Division 2
Legislative Council Secretariat
2 December 2022

Legislative Council

Panel on Manpower

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to labour, manpower planning, vocational training and education, and qualifications framework.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

Panel on Manpower

Membership list for the 2022 session*

Chairman	Hon LUK Chung-hung, JP
Deputy Chairman	Hon LAM Chun-sing
Members	Hon Steven HO Chun-yin, BBS, JP Hon KWOK Wai-keung, JP Hon SHIU Ka-fai, JP Hon CHU Kwok-keung Hon CHAU Siu-chung Hon YIU Pak-leung, MH Hon Dennis LEUNG Tsz-wing, MH Hon Sunny TAN Hon Lillian KWOK Ling-lai Dr Hon Stephen WONG Yuen-shan Hon Kingsley WONG Kwok, BBS, JP Dr Hon NGAN Man-yu (Total : 14 members)
Clerk	Miss Josephine SO
Legal adviser	Mr Alvin CHUI

* Changes in membership are shown in Annex to Appendix 2.

Annex to Appendix 2

Panel on Manpower

Changes in membership

Member	Relevant date
Hon CHEUNG Kwok-kwan, JP	Up to 18 June 2022

For **changes in the Membership of the Legislative Council**, please refer to the link below:

(<https://www.legco.gov.hk/en/members/legco-members/changes-in-legco-membership.html>)