LCQ3: Enhancing labour importation schemes

Following is a question by the Hon Shiu Ka-fai and a reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (July 10):

Question:

Under the Enhanced Supplementary Labour Scheme (ESLS), wages of imported workers should be at least the median monthly wages (median wages) of comparable positions in the market, and employers are required to pay the Employees Retraining Levy (ERL) of $9,600 in a lump-sum in respect of a two-year contract for each worker. The ERL paid is not refundable even if the contract is terminated prematurely. Many members of the industry have pointed out that with the median wages, ERL and accommodation costs, labour importation has become too costly, thus failing to help enterprises reduce operating costs and enhance competitiveness, and it is learnt that Singapore has not set the minimum wage for foreign workers in some industries. In this connection, will the Government inform this Council:

(1) whether it will review the requirement that wages of imported workers should be at least the median wages; if so, of the details; if not, the reasons for that;

(2) given that in the reply to my question on April 10 this year, the Government indicated that it did not have plans to include the retail and catering sectors in the sector-specific labour importation schemes for the time being, of the reasons for that; whether it will, in the light of the latest market situation, consider afresh including such sectors in the Schemes; and

(3) whether it will consider conducting an interim review of the ESLS one year after its implementation, including regularising the arrangement of accepting labour importation applications for the 26 job categories normally excluded from the Supplementary Labour Scheme, as well as revising the ERL as payable monthly and refunding employers for the overcharged ERL; if so, of the details; if not, the reasons for that?

Reply:

President,

To cope with the challenges brought about by manpower shortage, the Government has enhanced the mechanism for importation of workers. Apart from launching sector-specific labour importation schemes for the construction sector, transport sector, and residential care homes for the elderly and residential care homes for persons with disabilities, the Labour Department (LD) has also implemented the Enhanced Supplementary Labour Scheme (ESLS) since September 4, 2023, to enhance the coverage and operation of the Supplementary Labour Scheme (SLS) in the past, including suspending the general exclusion of the 26 job categories (set out at Annex) as well as unskilled or low-skilled posts from labour importation for two years, with a view to alleviating the manpower shortage of other sectors (including the retail industry and the food and beverage services industry). Nevertheless, any mechanism for labour importation must be operated on the premise of safeguarding the employment priority for local workers.

The reply to the Hon Shiu Ka-fai's question is as follows:

(1) For the purpose of upholding the employment priority for local workers, the applicant employer of the ESLS must undertake a four-week local open recruitment and give priority to employing suitable local workers to fill the vacancies at a salary not lower than the prevailing median monthly wage of a comparable position in the market. In parallel, employers approved to import workers under the ESLS are required to sign a Standard Employment Contract prescribed by the Government with the imported workers, and shall pay a salary not lower than the median monthly wage of a comparable position. These requirements are important measures to prevent the imported workers from becoming cheap labour and undermining the employment opportunities of local workers. As such, the Government has no plan to change the requirements at this stage.

(2) As compared with the SLS in the past, the ESLS provides employers (including establishments in the retail industry, and the food and beverage services industry) with more flexibility in applying for importation of workers. The ESLS sets no quota on imported workers and accepts applications year-round.

In addition, the LD has been continuously improving the workflow of case processing under the ESLS, including introducing an application form for common posts; deploying staff designated to vet applications submitted by employers to expedite the preliminary screening process; exercising flexibility in the handling of recruitment advertisements placed by employers during local recruitment and expediting the follow-up on interview results, and organising briefings for employment agencies involved in labour importation matters. With the implementation of the aforesaid measures, case processing has become more effective and efficient. From April to June 2024, the numbers of imported workers approved to take up posts in the retail industry, and the food and beverage services industry were 1 035 and 5 917 respectively, which were higher than the numbers of imported workers applied for in the same period (810 and 5 403 respectively). At present, if an employer uses the application form for common posts and provides all required information and documents at the same time, the application will normally be screened-in within a short period of time, after which the employer can proceed with the four-week local recruitment immediately. The Government sees no imminent need to launch sectorâ€‘specific labour importation schemes for the retail industry and the food and beverage services industry at this stage.

(3) Since the launch of the ESLS, the Government has been closely monitoring

the implementation of the scheme. The LD will review the coverage and operation of the ESLS prior to the lapse of its two-year implementation period.

The Employees Retraining Ordinance (Cap. 423) (the Ordinance) sets out the current arrangement for the payment of the Employees Retraining Levy. Section 14(2) of the Ordinance stipulates that the amount of the levy payable in respect of each imported employee employed by an employer shall be the sum specified in Schedule 3 (i.e. $400) multiplied by the number of months specified in the employment contract between the employer and the imported employee. Section 15(2) of the Ordinance specifies clearly that under no circumstances will the levy paid be repaid or refunded to the employer.

The levy is transferred to the Employees Retraining Fund administered by the Employees Retraining Board for providing training and retraining to local workers. The Government has no plan to alter the levy arrangement which is in line with the policy objective of encouraging the training of local workers.

LCQ16: Monitoring of operation of international schools

â€‹Following is a question by the Hon Chan Hok-fung and a written reply by the Secretary for Education, Dr Choi Yuk-lin, in the Legislative Council today (July 10):

Question:

Regarding the monitoring of the operation of international schools, will the Government inform this Council:

(1) as it has been reported that the parents of students of an international kindergarten originally intended to cease operation at the end of July this year have been notified that the kindergarten may continue to operate with the current governing team in the next school year, whether any international schools and kindergartens, having applied for cessation of operation, have been approved by the authorities to continue operation in the past five years; if so, of the number, details and vetting and approval criteria of such cases;

(2) whether the Education Bureau (EDB) ultimately invoked section 14(1)(i) of the Education Ordinance (Cap. 279) in the past five years to refuse to register an international school due to the fact that the composition of the proposed management committee or incorporated management committee was such that the school might not be managed satisfactorily; if so, of the number and details of such cases;

(3) as it is reported that a number of international schools plan to increase tuition fees by four per cent to eight per cent in the next school year, of the specific role of the EDB in the determination of the rate of tuition fee adjustments and the financial arrangements by such schools and their sponsoring bodies; and

(4) as it has been reported that in January 2020, the Office of The Ombudsman issued a direct investigation report criticising the EDB for not setting up an approval mechanism in respect of the collection of charges other than tuition fees by international schools (e.g. construction fees and the requirement for parents to purchase debentures) over the years, and in June 2020, the then Secretary for Education indicated that international schools had to seek the EDB's approval for collection of such charges starting from the 2020/2021 school year, of the implementation situation and progress of the relevant measure?

Reply:

President,

The education system in Hong Kong provides parents with diversified and high-quality choices. Apart from publicly-funded schools, private schools (including international schools) in Hong Kong have been playing a unique role in offering local and non-local curricula according to their mission. In particular, the Government is committed to developing a vibrant international school sector to meet the demand for international school places from non-local families living in Hong Kong and families coming to Hong Kong for work or investment. In the 2023/24 school year, there are 54 international schools (including one special school) in Hong Kong which admit 42 100 students, accounting for 6.4 per cent of some 650 000 primary and secondary students in Hong Kong. Apart from international schools, there are about 100 other private schools (Note) in Hong Kong.

(1) According to the Education Ordinance (Cap. 279) (the Ordinance), all schools must be registered with the Education Bureau (EDB). To obtain the registration for offering education, schools must comply with the regulations prescribed in the Ordinance in respect of the premises, safety, management and teaching staff. In the event that a school has ceased operation and cancelled its registration, any relevant persons intending to reopen a school at the old premises must submit application to the EDB for registration of a new school according to the relevant regulations. On the contrary, if a school has not ceased operation or cancelled its registration, there is no need to apply for school registration again. However, applications for a change in the school name and management of the school such as the school supervisor, the school manager and/or the school principal, have to be submitted to the EDB and obtain approval in accordance with the Ordinance before commencing operation.

(2) Schools have to comply with the relevant statutory requirements upon school registration. From our record, the EDB did not exercise the power

under the concerned provision of the Ordinance to refuse applications for school registration in the past five years.

(3) In accordance with Regulation 65 of the Education Regulations (Cap. 279A), no change in fees shall be made by all schools (including international schools) without the prior written approval of the EDB. Schools which plan to adjust their school fees in the new school year are required to apply to the EDB. Private schools (including international schools) are self-financing and market-driven in their operation. The EDB will critically consider justifications provided by the schools (e.g. rent increase, salary adjustment of school staff, employment of additional teachers, purchase of teaching materials and major repair works, etc), the schools' financial position, as well as the schools' communication with parents on the relevant issues and response to parents' concerns when examining the applications.

(4) The EDB had been actively following up on the recommendations made in the Ombudsman (OMB)'s report of January 2020 about establishing the more comprehensive application and approval mechanism regarding other charges (such as debentures, capital levies and fees for nomination rights) collected by private schools (including international schools). As it took time to establish a more comprehensive mechanism, the EDB had first introduced the transitional arrangement in the 2020/21 school year, allowing private schools which wished to continue collecting other charges for the 2020/21 school year to submit applications to the EDB. The EDB would examine the information submitted by the schools before granting the time-limited approval.

In the meantime, the EDB established the "Advisory Committee on Processing Applications for Collection of Capital Levies/Debentures/Nomination Rights" (the Committee), with members who were professional accountants, to formulate the more comprehensive application and approval mechanism to regulate the collection of other charges by private schools for long-term school development. The EDB also met with representatives of private schools with a view to understanding their operations. Following the recommendations of the Committee, the EDB issued the circular to private schools on August 22, 2023, to promulgate the implementation details of the application and approval mechanism for collection of other charges by private schools and started handling applications according to the new mechanism with effect from that date. On August 29, 2023, the EDB conducted a briefing session to give details of the mechanism to school representatives. Furthermore, after being informed of our work progress, the OMB concluded that the EDB had implemented the recommendations made in its investigation report.

Note: "Other private schools" refer to private ordinary primary and secondary day schools registered with the Education Bureau. They include day schools offering local or non-local curriculum day courses but not special schools and primary and secondary day courses operated by private schools offering tutorial, vocational and adult education courses.

LCQ15: Traffic light control system

Following is a question by the Hon Chan Siu-hung and a written reply by the Secretary for Transport and Logistics, Mr Lam Sai-hung, in the Legislative Council today (July 10):

Question:

The Transport Department (TD) has installed a new type of pedestrian traffic light countdown device at the signalised junction of Tat Tung Road/Mei Tung Street in Tung Chung, with the countdown starting to display when the "green man" light is on, so as to assist pedestrians to gauge the total time remained for the "green man" light for crossing the junction, thereby enhancing pedestrian safety. The device has started operating and testing since December 2023, and the TD has engaged a local university to conduct survey and study on the impact of the device on pedestrian crossing behaviour. It is expected that the entire test scheme will be completed in the middle of this year. In this connection, will the Government inform this Council:

(1) whether the aforesaid test scheme has been completed; if so, of the timetable for announcing the test results (including the effectiveness of the aforesaid device);

(2) of the respective relevant expenditures involved in the aforesaid test scheme (including but not limited to the fees for the design of the system, procurement of components, and engagement of the university to conduct survey and study);

(3) of the differences between the new type of pedestrian traffic light countdown device under the aforesaid test scheme and the pedestrian traffic light countdown device tested by the TD in 2006 and 2018; given that the two studies conducted in 2006 and 2018 concluded that the device concerned brought no material improvement and benefit to pedestrian safety and was therefore not further applied extensively, of the reasons for the TD to relaunch the test scheme of the countdown device last year;

(4) how it assesses the effectiveness of the new type of pedestrian traffic light countdown device under the aforesaid test scheme, and of the criteria to be adopted for determining the installation of the device at other locations; and

(5) whether it will consider, by drawing reference from the experience of other places in the world, conducting a trial on the "vehicular traffic light countdown device" for motorists, or studying the feasibility of applying such device in Hong Kong; if so, of the details; if not, the reasons for that?

Reply:

President,

Having consulted the Transport Department (TD) in respect of traffic light countdown device, my reply to the various parts of the question raised by the Hon Chan Siu-hung is as follows:

(1) and (4) TD has installed a new type of pedestrian traffic light countdown device (the new pedestrian countdown device) at the pedestrian crossing of Tat Tung Road/Mei Tung Street in Tung Chung in 2023 for testing. Unlike the pedestrian countdown device tested in 2006 and 2018 (which started counting down when the "green man" light began to flash), the new pedestrian countdown device starts counting down when the "green man" light is on, such that pedestrians can gauge the total green time remained. The aforementioned new pedestrian countdown device has started operating since mid-December 2023. To objectively evaluate the effectiveness of the countdown device at the above crossing, the TD engaged a local university to conduct study and surveys on its impact on pedestrian crossing behavior. The research team collected data on pedestrian crossing behavior using sensors and conducted on-site questionnaires at the end of 2023 (before the device started operating) and early 2024 (after the device started operating). Preliminary data shows that after the installation of the countdown device, there is an improvement in pedestrians completing crossing the road before the flashing "green man" light ends, showing that it is more effective than the tests conducted in 2006 and 2018. The research team is currently conducting detailed analysis and compiling report based on the collected data from the surveys, so as to summarise the results of the trial in Tung Chung and explore how to further validate the effectiveness of the new pedestrian countdown device.

If the detailed study confirms the positive effects of the new pedestrian countdown device, such as its effectiveness to reduce the proportion of pedestrians who cannot completely cross the road before the flashing "green man" light ends and improve pedestrian safety, the TD will consider selecting further pedestrian crossings with different site conditions (such as pedestrian flow, road width as well as crossing time required, and characteristics of the local population, etc) to test the new pedestrian countdown device for a more comprehensive understanding of its application and performance at other locations in Hong Kong with different characteristics, which will facilitate the setting of direction of the next phase.

(2) The expenditure of the trial on new pedestrian countdown device was about $1.14 million. The breakdown of expenditure is as follows:

Items	Expenditure ($'000)
1. Software and hardware for the countdown device (including the development/design, procurement, installation and testing of equipment, temporary traffic arrangements, etc)	573

2. Study on the effects on pedestrian crossing behavior (including installation of sensors for collecting pedestrian crossing data, conducting analysis and statistics, detailed study, etc)	571
Total	1,144

(3) To enhance traffic safety, the TD continually monitors technological advancements, arrange trials and introduces new traffic signal technologies for providing better protection for road users. In 2006 and 2018, the TD selected some signalised pedestrian crossings for trials by installing pedestrian countdown devices at the traffic lights which started counting down when the "green man" light began to flash, and studied if the pedestrians could adjust their walking speed appropriately and complete crossing the roads before the lapse of flashing "green man" light. Based on the surveys respectively conducted by two local universities, it was in general revealed that after the installation of the device, overall more pedestrians were unable to complete crossing the roads before the lapse of the flashing "green man" light. In 2023, the TD was aware of the development and application of the new countdown device technology, and hence arranged the tests in Tung Chung to obtain preliminary understandings on its impact on the crossing behavior of pedestrians.

(5) As for the effectiveness of vehicular traffic light countdown device, there is no worldwide general consensus on its merits. The TD considers that motorists' responses to the remaining green time displayed on the device could be very diverse. For instance, some drivers might decide to slow down and stop when they notice the green time is coming to an end whilst some other drivers might choose to rush through the junction, resulting in a higher risk of head-rear collision between vehicles. With the view to uphold road safety, vehicular traffic light countdown devices were not implemented in Hong Kong. The TD will continue to closely monitor the development and application of these devices in other regions.

LCQ7: External secondment and exchange of public servants

Following is a question by the Hon Sunny Tan and a written reply by the Secretary for the Civil Service, Mrs Ingrid Yeung, in the Legislative Council today (July 10):

Question:

Regarding the external secondment and exchange of public servants, will the Government inform this Council:

(1) as it is learnt that some Asian countries such as Singapore and Japan have put in place mechanisms whereby civil servants are seconded to work in public organisations and quasi-government organisations for a period of time, so that the civil servants can have a better grasp of the frontline work of these organisations, policy implementation and public opinion, whether the Government has put in place a mechanism for external secondment of civil servants to take up temporary positions in public organisations, statutory bodies and quasi-government organisations; if so, of the specific details and examples; if not, whether it will study the establishment of such mechanism for external secondment of civil servants to public organisations, statutory bodies or quasi-government organisations within the scope of their work (e.g. the Hospital Authority, the MTR Corporation Limited, post-secondary education institutions, research and development centres and scientific research institutions, as well as social welfare organisations), so that the work of civil servants will be more down-to-earth, feel the pulse of society and connect with people's real lives; and

(2) given that as indicated in the paper submitted by the Government to the Panel on Public Service of this Council in April this year, the Civil Service Bureau jointly organised a civil service staff exchange programme with the Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) last year, and with the first phase of the exchange programme having been completed earlier, the authorities will consolidate the experience gained and discuss the arrangements for the next phase of the programme with the receiving units in Guangdong Province and Shenzhen Municipality, while at the same time the authorities are also actively preparing for exchange programmes with other Mainland cities beyond the GBA, of the details and progress of the preparatory work for the next phase of the exchange programme, and what further measures will be taken in the future to enable more civil servants to enhance their understanding of the systems, policies and government operations in the Mainland, so as to deepen co-operation between Hong Kong and the Mainland in the future?

Reply:

President,

The Government places a high priority on communication and interaction between civil servants and citizens, seeking to understand the citizens' actual living conditions and public sentiment. In addition, as Hong Kong is an international city with an externally-oriented economy, we emphasise cultivating international perspectives in civil servants. To this end, we encourage civil servants from all departments to reach out to the community and various sectors to gain first-hand understanding of social issues and the operation of various sectors. In terms of civil service training, the Government organises a variety of training and exchange activities for civil servants to broaden their horizons and exposure, as well as enhance their overall abilities, so as to continuously improve the quality of public services.

The Government's consolidated reply to the two parts of the question is as follows:

The Civil Service College of the Civil Service Bureau (CSB) arranges for promising departmental officers to attach to policy bureaux for a period of six months, acquiring hands-on experience in handling different areas of policy work, including handling of Legislative Council business, assisting with public consultations and policy promotion, co-ordinating the work of taskforces. The Secretariat Attachment Scheme helps enhance departmental officers' understanding of policy implementation outside of their own professions, provides more opportunities for them to engage with different sectors of the community, and fosters a culture of mutual learning and collaboration in the civil service.

To further widen the exposure of civil servants, various departments collaborate with international organisations to second civil servants to work in the relevant organisations (e.g. the International Criminal Police Organization, the United Nations Commission On International Trade Law Secretariat, the Financial Action Task Force Secretariat, the Asia-Pacific Economic Cooperation Secretariat, etc) for a limited period of time in order to facilitate exchanges and collaboration between the two sides, and cultivate an international perspective in the civil service.

With the support of the Central People's Government and the Office of the Commissioner of the Ministry of Foreign Affairs in the Hong Kong Special Administrative Region (HKSAR), the first two batches comprising 17 young public officers have been recommended by the Ministry of Foreign Affairs to participate in the United Nations (UN) Junior Professional Officer Programme as Chinese personnel and work in the UN headquarters or its affiliated bodies (e.g. the UN Secretariat, the UN Environment Programme, the UN Conference on Trade and Development, the World Intellectual Property Organization and the UN Economic Commission for Europe, etc). We will continue to explore opportunities for our civil servants to enrich their experience in the international arena, give play to their strengths, tell good stories of Hong Kong and contribute to the country.

In terms of fostering exchange and collaboration with civil servants from the Mainland, since 2002, the CSB has organised the Civil Service Staff Exchange Programme jointly with a number of Mainland municipalities. Under the programme, officers from Hong Kong and the Mainland are attached to each other's side to share experience and expertise so as to better understand each other's structure, regulations, policy, operation, etc, foster co-operation and communication, and gain first-hand experience of the host city's latest developments. The exchange programme was suspended during the epidemic.

In 2023, the Government resumed civil service exchange with the Mainland, starting with the launch of an exchange programme with the Mainland municipalities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA). The first batch comprising 10 participants from Hong Kong went to Shenzhen in December 2023. They were assigned to different government departments in

Futian and Qianhai to perform specific duties and to have in-depth exchanges with officers from Shenzhen. The participating middle and senior-ranking civil servants came from eight departments and grades, including the Administrative Officer Grade, the Executive Officer Grade, the Environmental Protection Department, the Highways Department, the Innovation and Technology Commission, the Office of the Government Chief Information Officer, the Planning Department and the Transport Department. The CSB is discussing arrangements for the next phase of the programme with the Guangdong Provincial Government, including the arrangements for selecting civil servants of Guangdong Province for exchanges with HKSAR government departments. We are also preparing for resumption of exchange programmes with other major Mainland cities beyond the GBA and plan to sign exchange agreements with them in the second half of 2024. Specific arrangements have yet to be finalised.

In addition to the exchanges co-ordinated by the CSB for civil servants to perform specific tasks in Mainland cities, bureaux/departments will make their own arrangements for training and study tours related to their business to strengthen liaison with their Mainland counterparts, thereby fostering mutual exchanges and co-operation.

Result of tenders of RMB Sovereign Bonds held on July 10, 2024

The following is issued on behalf of the Hong Kong Monetary Authority:

Result of the tenders of RMB Sovereign Bonds held on July 10, 2024:

Tender Result
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Tender Date	:	July 10, 2024
Bonds available for Tender	:	2-year RMB Bonds
Issuer	:	The Ministry of Finance of the People's Republic of China
Issue Number	:	BCMKFB24001 (Further Issuance)
Issue and Settlement Date	:	July 12, 2024
Maturity Date	:	March 15, 2026 (or the closest coupon payment date)
Coupon Rate	:	2.20 per cent
Application Amount	:	RMB 9,417 million
Issue Amount	:	RMB 3,000 million
Average Accepted Price	:	100.14

Lowest Accepted Price	:	100.08
Highest Accepted Price	:	100.66
Allocation Ratio (At Lowest Accepted Price)	:	Approximately 22.21 per cent

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Tender Date	:	July 10, 2024
Bonds available for Tender	:	3-year RMB Bonds
Issuer	:	The Ministry of Finance of the People's Republic of China
Issue Number	:	BCMKFB24002 (Further Issuance)
Issue and Settlement Date	:	July 12, 2024
Maturity Date	:	March 15, 2027 (or the closest coupon payment date)
Coupon Rate	:	2.28 per cent
Application Amount	:	RMB 9,479 million
Issue Amount	:	RMB 3,000 million
Average Accepted Price	:	100.34
Lowest Accepted Price	:	100.21
Highest Accepted Price	:	101.12
Allocation Ratio (At Lowest Accepted Price)	:	Approximately 24.20 per cent

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Tender Date	:	July 10, 2024
Bonds available for Tender	:	5-year RMB Bonds
Issuer	:	The Ministry of Finance of the People's Republic of China
Issue Number	:	BCMKFB24003 (Further Issuance)
Issue and Settlement Date	:	July 12, 2024
Maturity Date	:	March 15, 2029 (or the closest coupon payment date)
Coupon Rate	:	2.39 per cent
Application Amount	:	RMB 10,039 million
Issue Amount	:	RMB 3,000 million
Average Accepted Price	:	100.70
Lowest Accepted Price	:	100.41
Highest Accepted Price	:	102.19
Allocation Ratio (At Lowest Accepted Price)	:	Approximately 80.00 per cent