

## Message

A well-trained and adaptable workforce underpins Hong Kong's present and future economic success. As a small, open and externally oriented economy with limited natural resources, nothing is more important for Hong Kong than continuing to invest in our human capital.

This booklet describes, in clear and concise terms, the Policy Objective of the Education and Manpower Bureau in the important area of manpower and employment. It aims to help members of the public understand our work and our commitments to high standards of public service and enables them to judge our performance against specific targets.

With Hong Kong currently undergoing painful economic adjustment triggered largely by the recent Asian financial turmoil, it is imperative that we have in place a well-trained, adaptable and versatile workforce to maintain our economic competitiveness and to seize any emerging opportunities. In this regard, we seek to identify the current and future manpower needs and meet these needs through training, retraining and upgrading the skills of our workforce. At a time of high unemployment, we will continue to provide a comprehensive and effective employment service to help the unemployed to re-enter the workforce as soon as possible and minimise the duration of unemployment. At the same time, we will not lose sight of the need to promote good employer and employee relations, enhance the rights and benefits of our employees in a way which is commensurate with Hong Kong's socio-economic development, and protect their safety and health at work.

I and my colleagues in the Education and Manpower Bureau and the Labour Department, with the support of the Vocational Training Council, the Construction Industry Training Authority, the Clothing Industry Training Authority, the Employees Retraining Board, the Occupational Safety and Health Council and all the relevant advisory boards and committees, are determined to meet the targets for the Key Result Areas set out in this document.

I welcome your comments and suggestions on this document.

A handwritten signature in black ink, appearing to read 'W P Wong'.

(Joseph W P Wong)  
Secretary for Education and Manpower

# Investing in Our Human Capital

Our Policy Objective is to develop and implement policies and strategies to ensure that Hong Kong has in place a well-trained and adaptable workforce, improve and safeguard employee rights and benefits, promote good employer and employee relations, provide an efficient employment service and ensure safety and health at work.

Our targets in pursuing this Policy Objective are –

- to upgrade the skills of our workforce to enhance Hong Kong's economic competitiveness, help the unemployed to re-enter the workforce as soon as possible, and to minimise the duration of unemployment
- to ensure that the level of training and adaptability of Hong Kong's workforce meets the needs of the local economy

## Key Result Areas (KRAs)

To ensure that this Policy Objective can be achieved, we must deliver results in a number of key areas, that is, we must –

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The following sections of this booklet explain the importance of these KRAs, describe the broad thrust of our efforts, and outline the indicators which we are using to assess progress. Each section lists the new key initiatives being taken to achieve our objectives and pinpoints the agency accountable for each initiative and the specific targets which we intend to meet.

# I

## Identify needs and review policies and standards

We can only work to ensure that Hong Kong's employment and workforce needs are met if we have a clear picture of current and future needs, and identify potential gaps.

Here the Education and Manpower Bureau (EMB) works in partnership with not only other policy bureaux but also statutory and advisory bodies, private sector groups and employers to assess the current and future demand for appropriately skilled people, both generally and for particular sectors. This picture of future need covers not only the volume of different skills needed, but also the requirements for safety and health standards, employee rights and benefits and other aspects of employment.

The results of this work underpin all the remaining activities under this Policy Objective to deliver a well-trained and adaptable workforce.

Our aim is to develop a thorough understanding of Hong Kong's skill and manpower needs and deliver what is required.

### Indicator

The indicator we will use to measure progress in this area is the extent to which Hong Kong's manpower and skill needs are met.

Initiatives	Targets
<p>To undertake a study of the best overseas practices in manpower forecasting and consider a manpower forecasting model best suited to Hong Kong for the next ten years</p> <p><i>(Education and Manpower Bureau (EMB))*</i></p>	<p>To complete the study within 1999</p>
<p>To review the Vocational Training Council's labour market analysis and apprenticeship systems</p> <p><i>(Vocational Training Council)</i></p>	<p>To complete the review by end 1999</p>
<p>To study the manpower and training needs of major service sector industries. A study on the travel and tourism industry is under way and one on information technology (IT) is being designed</p> <p><i>(EMB)</i></p>	<ul style="list-style-type: none"> <li>● To complete the travel and tourism study in the last quarter of 1998</li> <li>● To complete the IT study by mid-1999</li> </ul>

\* the brackets denote the agency with lead responsibility for the initiative

Initiatives	Targets
<p>Construction Industry Training Authority (CITA) to monitor closely the training needs of the industry and respond positively by increasing its flexibility to train more workers, and by collaborating with the Government, the Vocational Training Council (VTC), the Employees Retraining Board (ERB) and other tertiary/ educational institutions <i>(EMB)</i></p>	<p>During 1999, CITA will focus on meeting the short-term and long-term training needs of the construction industry through full-time courses lasting one year and shorter courses respectively. The Authority will also meet the needs of in-service construction personnel for continuing education training through professional development courses</p>

## II

### Foster a skilled and dynamic workforce

We must ensure that Hong Kong has a well-trained workforce equipped to meet the demands of a dynamic economy and to contribute to our overall economic competitiveness. The workforce must not only have the skills to meet current needs but also be versatile, able to respond as the Hong Kong economy evolves to seize emerging opportunities.

Employers have a significant role in training and developing their employees for the challenges of the future. While the education system prepares our young people for work, the Government invests significantly in technical education, vocational training, and retraining to support the efforts of employers.

The Vocational Training Council (VTC), which is funded by the Government, delivers a comprehensive system of technical education and vocational training. Its training schemes and centres provide pre-employment and upgrading training at the operative, craft, technician and technologist levels. These schemes are under review to ensure that they meet the changing needs of the economy.

The Employees Retraining Board (ERB) runs the Employees Retraining Scheme (ERS) to help workers adjust to changes in the labour market. Following a major review in 1997, changes are being implemented to enhance the effectiveness and flexibility of the ERS to meet changing market needs.



The construction industry is important to Hong Kong's continued development, not least in expanding flat production to provide adequate housing, but also in realising Hong Kong's infrastructural development. The Construction Industry Training Authority (CITA) provides, through its training centres, full and part-time courses for tradesmen, operators and supervisors in the construction field. CITA also carries out trade testing, with the aim of raising standards, and certificate tests for operators of certain construction equipment, with the aim of improving safety.

To ensure that Hong Kong's economic and infrastructural development is not hampered by any bottleneck in labour supply, we allow importation of labour under strict controls. This policy is based on two cardinal principles. First, local workers must be given priority in filling job vacancies in the labour market. Second, only employers who are genuinely unable to recruit local workers to fill their job vacancies are allowed to bring in imported workers for such vacancies.

### **Indicator**

The indicator we will use to measure progress in this area is the volume of training and retraining we provide.

Initiatives	Targets
<p>VTC's existing two Technical Colleges (TCs) and seven Technical Institutes (TIs) to be integrated into one coherent management, academic and training structure, to enhance VTC's cost-effectiveness and responsiveness</p> <p><i>(Vocational Training Council (VTC))</i></p>	<p>To complete the exercise by 2001-2002</p>
<p>To build a new wing at Shatin Technical Institute to meet future demands</p> <p><i>(VTC)</i></p>	<p>To complete the new wing by 2001-2002 to provide an additional 1 000 places</p>
<p>To enhance the VTC's Information Technology infrastructure and services by implementing a \$176 million-strategy</p> <p><i>(VTC)</i></p>	<p>To complete the exercise by 2001-2002</p>
<p>To enhance co-ordination amongst the VTC, ERB and the Local Employment Service of the Labour Department to maximise their resources for the benefit of job-seekers</p> <p><i>(Education and Manpower Bureau (EMB))</i></p>	<p>To commence by end 1998</p>

Initiatives	Targets
<p>To provide a grant of \$500 million to the Employees Retraining Board to enable it to expand its training capacity and improve the quality of its courses for the unemployed <i>(Employees Retraining Board (ERB))</i></p>	<p>To ensure that ERB is adequately funded to provide retraining for the unemployed over the next few years</p>
<p>To expand special tailor-made employees retraining courses under the ERS to retrain the unemployed in new and transferable skills <i>(ERB)</i></p>	<p>To implement a special promotion and marketing programme for these courses by end 1998.</p>
<p>To develop a qualifications framework for VTC's programme and ERB's retraining programme to provide an education training ladder for the employed and unemployed <i>(EMB)</i></p>	<p>To draw up a framework for the exercise by end 1999</p>



## Promote good employer/employee relations

Good employer and employee relations are essential to social stability, the broader prosperity of the community and the success of the Hong Kong economy.

The primary responsibility for good relations rests with employers and employees themselves. They need to work together in effective partnership to secure the continued success of their enterprises.

The Government seeks to facilitate good employer/employee relations and provides a framework for resolving disputes. This includes:

- providing conciliation services to assist employers and employees to resolve disputes
- promoting public understanding of labour laws and encouraging good labour management practices and communication together with good human resource management
- adjudicating employment claims promptly and efficiently
- registering and regulating trade unions to bring about sound administration and responsible trade unionism

We seek to promote harmonious employer and employee relations, with a view to minimising labour disputes, employee claims and work stoppages.

## Indicators

The indicators we will use to measure progress in this area are –

- the number of labour disputes and claims handled
- the percentage of labour disputes and claims resolved amicably
- the number of days lost through work stoppage

## Initiatives

## Targets

Improve the Labour Department's consultation and conciliation services by:

- deploying more professional staff to man the enquiry counter
- cross-district registration of employment claims
- providing express service for clients with particular needs

*(Labour Department (LD))*

Effect the improvement by mid-1999

To compile a comprehensive practical guide about labour laws and good management practices

*(LD)*

Completion within 1999

Initiatives	Targets
<p>To prepare practical guidelines for employers on how to handle retrenchment and wage reduction (LD)</p>	<p>Completion by end 1998</p>
<p>To promote the use of written employment contract and to prepare a sample contract for reference by employers and employees (LD)</p>	<p>Completion by end 1998</p>

# IV

## Enforce employee rights and benefits

Employees will only give their best if their employment and working conditions are fair, having regard to market conditions. Protecting the rights of employees includes ensuring equal protection for local and imported workers under the labour laws.

The aim is to progressively improve employees' rights and benefits in a way which is commensurate with the pace of Hong Kong's economic and social development, and to strike a reasonable balance between the interests of employers and employees. We aim to ensure that our labour standards are comparable to those of neighbouring economies at a similar level of development.

The Government's role is to set, promote and, where necessary, ensure enforcement of rights and standards. We provide customer-oriented information service to ensure that employees and employers know their rights and obligations, and enforce compliance by vigorous inspections, investigations of complaints and prosecutions. The Government adheres firmly to the system of tripartism or tripartite co-operation amongst employers, employees and the Government, mainly through the role of the Labour Advisory Board (LAB). The LAB, comprising an equal number of employer and employee representatives, has long been the most important consultative forum on labour matters. As a general practice, the Government consults LAB on all legislative proposals on labour laws before introducing them into the legislature. Over recent decades, the success of this tripartite structure has led to significant improvements in employee welfare and benefits.

## Indicators

The indicators we will use to measure progress in this area are –

- the major improvements in employee benefits and rights introduced
- the number of inspections/prosecutions conducted to safeguard rights and benefits

## Initiatives

## Targets

To review the provisions on wages and reinstatement under the Employment Ordinance to assess whether any improvement should be made

*(Labour Department (LD))*

To complete review by end 1998

To improve our public information service by setting up an Intelligent Call Centre to provide callers with efficient and user-friendly access to information on labour laws and services of the Labour Department

*(LD)*

Completion by end 1999



Initiatives	Targets
<p>To review the Employees Compensation Assistance Scheme (ECAS) to ensure the fund meets current and future demands</p> <p><i>(Education and Manpower Bureau (EMB))</i></p>	<p>To complete review by end 1999</p>
<p>To introduce legislation to improve the system of settlement of compensation claims in work-related fatal accidents</p> <p><i>(EMB)</i></p>	<p>To introduce legislation into the Legislative Council in the 1998-1999 session</p>
<p>To conduct vigorous inspections of workplaces to ensure compliance with the requirement laid down in employment legislation and to assist in combating illegal employment</p> <p><i>(LD)</i></p>	<p>We will conduct 150 000 inspections in 1999</p>



## Deliver an efficient employment service

Employment service contributes to employment by helping job-seekers to find jobs, helping employers to find workers, and ensuring that employment opportunities for local workers are not affected by illegal employment or abuse of the labour importation scheme.

Labour Department provides a comprehensive range of free employment assistance and counselling to job-seekers through its Local Employment Service, and the Selective Placement Service helps people with disabilities to find open employment. The Job Matching Programme and the Outreaching Placement Service provide employment service for people of all ages who have lost their jobs.

### Indicators

The indicators we will use to measure progress in this area are –

- the number of job-seekers registered with the Local Employment Service
- the number of job-seekers with disabilities registered with the Selective Placement Service
- the number of able-bodied job-seekers placed
- the number of job-seekers with disabilities placed

Initiatives	Targets
<p>To complete the planning of one more employment and guidance centre in 1998-1999 to further improve our employment service for the new arrivals <i>(Labour Department (LD))</i></p>	<p>Guidance centre to open by end 1998</p>
<p>To strengthen the service capacity of the Job Matching Programme in 11 Local Employment Service (LES) Branch offices and Employment and Guidance Centres for New Arrivals by adding a team of 22 staff <i>(LD)</i></p>	<ul style="list-style-type: none"> <li>● To complete by end 1998</li> <li>● To serve 15 000 unemployed job-seekers a year</li> </ul>
<p>To launch the Employment Information and Promotion Programme to strengthen rapport with employers, to canvass vacancies actively and provide analysis of labour market information <i>(LD)</i></p>	<ul style="list-style-type: none"> <li>● To launch the programme before end 1998</li> <li>● To establish close links with major employers and employer associations and to expand the vacancy database to increase the chance of finding suitable jobs for job-seekers</li> <li>● To hold a series of promotional activities to reach out to 22 000 employers and job-seekers by end 1999</li> </ul>

Initiatives	Targets
<p>To install touch-screen computers in all LES offices and the Labour Relations Service offices to enable more job-seekers to access job vacancies (LD)</p>	<p>To install 34 touch-screen computers in stages before end 1998</p>
<p>To establish one new employment office to provide a telephone referral service for job-seekers (LD)</p>	<ul style="list-style-type: none"> <li>● To commence by end 1998</li> <li>● To handle 80 000 requests for telephone referral service a year</li> </ul>
<p>To re-provision and integrate eight LES Branch offices with eight LRS offices of the Labour Department, and to integrate two careers information centres with the LES offices. This seeks to expand the office premises to meet operational needs, and to improve the overall effectiveness of the employment and labour relations services for job-seekers and employees through the provision of one-stop front-line service (LD)</p>	<ul style="list-style-type: none"> <li>● To complete in stages over next three years</li> <li>● To benefit each year 175 000 people seeking employment services, career information and advice, and labour relations service</li> </ul>

Initiatives	Targets
<p>To improve the efficiency of the placement service to job-seekers with disabilities by fully computerising all four offices of the Selective Placement Division (LD)</p>	<p>To complete by end 1999</p>
<p>To disseminate career information on the Internet (LD)</p>	<p>To start from March 1999</p>

# VI

## Promote and enforce safety and health at work

The aim is to protect the safety and health of employees at work, and to safeguard others who may be exposed to safety and health hazards arising from work-related activities.

The primary responsibility for workplace safety and health rests with employers and employees. Employees have an important duty to ensure both their own safety and the safety of their fellow workers.

Safety and health at work are protected under the Occupational Safety and Health Ordinance, the Factories and Industrial Undertakings Ordinance and the Boilers and Pressure Vessels Ordinance. The Government helps employers and employees control their risks at work by enforcing these legislations and promoting safety management through advice, training and publicity. The Government's attention is targeted at more accident-prone industrial undertakings, such as construction sites.

## Indicators

The indicators we will use to measure progress in this area are –

- the number of fatal accidents
- the number of non-fatal accidents
- the accident rate per 1 000 employees
- the number of inspections made
- the number of investigations conducted
- the number of warnings issued by occupational safety officers
- the number of prosecutions conducted
- the number of suspension or improvement notices issued
- the number of promotional visits made
- the number of talks, lectures, seminars organised

Initiatives	Targets
<p>To further enhance the general safety and health standards at work and reduce the risk of occupational injuries by introducing legislative provisions. These new provisions will lead to less time lost, fewer compensation claims and higher productivity as a result of better safety knowledge and awareness</p> <p><i>(Education and Manpower Bureau)</i></p>	<ul style="list-style-type: none"> <li>● To introduce new legislation, in the 1998-1999 legislative session to provide for: <ul style="list-style-type: none"> <li>– mandatory safety training for those working in the construction and container handling industries</li> <li>– safety management system in designated factories and industrial undertakings, employing 100 or more employees</li> <li>– better protection for those working at height on construction sites and in confined spaces</li> <li>– training and certification for operators of fork-lift trucks and earth-moving equipment</li> <li>– introduce a new regulation to require workers engaged in hazardous occupations to undergo pre-employment and periodic medical examinations by Appointed Medical Practitioners</li> </ul> </li> <li>● To give early health warnings to 110 000 workers exposed to high health risks in hazardous trades</li> </ul>



Initiatives	Targets
<p>In co-operation with the Works Bureau, to require public works contractors to provide specific induction safety training to all construction workers <i>(Labour Department (LD))</i></p>	<p>To enhance safety awareness whilst at work so as to bring down further the number of accidents in the construction industry</p>
<p>To adopt a new multi-disciplinary inspection approach to tackle the inter-related occupational safety and health issues for large organisations <i>(LD)</i></p>	<p>To inspect 30 hospitals and nine tertiary educational institutions by March 1999</p>
<p>To help the Education Department introduce occupational safety and health elements in the secondary school curriculum with effect from the 1999-2000 school year <i>(LD)</i></p>	<p>To increase awareness in the prospective workforce about occupational safety and health and prepare them better before they take up employment</p>
<p>In co-operation with the Occupational Safety and Health Council, produce publications in CD-ROM format for distribution to the general public and place such information on the Internet by March 1999 <i>(LD)</i></p>	<ul style="list-style-type: none"> <li>● To distribute codes of practice, guidance and other educational materials more widely and cost-effectively</li> <li>● To distribute 10 000 CD-ROMs by March 1999</li> </ul>

Initiatives	Targets
<p>To set up an Occupational Safety and Health Service Centre to provide health and safety advice to workers and their employers and conduct initial medical screening for workers (LD)</p>	<ul style="list-style-type: none"> <li>● To set up the Centre by early 1999</li> <li>● To provide consultations or initial medical screening to 30 000 workers a year</li> <li>● To provide employers and employees with workplace safety and health information via a direct enquiry counter service, exhibition area, library service and multi-media information booths</li> </ul>
<p>To set up a second Occupational Health Clinic to provide clinical consultation and health counselling services to workers (LD)</p>	<ul style="list-style-type: none"> <li>● To set up the clinic by early 1999</li> <li>● To provide up to 3 500 consultations a year at the new clinic and 2 700 consultations in both 1998 and 1999 at the existing clinic to workers likely to have contracted occupational diseases</li> </ul>

Initiatives	Targets
<p>To conduct medical examinations and assessments for radiation workers, aviation personnel and government employees exposed to special occupational hazards (LD)</p>	<ul style="list-style-type: none"> <li>● To conduct 2 000 medical examinations and assessments in 1999 to ensure that workers are physically fit for their jobs and give early warnings and treatment to them</li> <li>● To ensure that our air traffic control officers, professional air crew and private plane pilots comply with international aviation medical standards</li> </ul>
<p>To arrange medical assessment for injured employees and employees contracting prescribed occupational diseases in the context of assessing employees' compensation claims (LD)</p>	<p>To arrange 75 000 medical clearance interviews in 1999 for workers suffering from occupational injuries or prescribed occupational diseases to facilitate their claims for compensation</p>
<p>To investigate notified occupational diseases and potential occupational health hazards (LD)</p>	<p>To conduct prompt and detailed investigation into cases of occupational diseases within 24 hours upon notification</p>

Initiatives	Targets
<p>To conduct surveys on various industries and epidemiological studies on health and hygiene conditions in the workplace to –</p> <ul style="list-style-type: none"> <li>● identify physical, chemical and biological hazards in the work environment</li> <li>● evaluate the adequacy of preventive measures and recommend improvements measures</li> <li>● advise employers on compliance with legislative requirements and occupational hygiene standards</li> </ul> <p><i>(LD)</i></p>	<p>To conduct 4 000 field surveys at workplaces in 1999</p>