

Labour and Welfare Bureau

Attachment 6

(a)

Funds established by the Government for specific purposes

	Name of Fund	Year of Establishment	Purpose	Establishment Instrument	Initial Injection at Establishment		Audited Net Asset Value as at 1.7.1997 (\$M)	Audited Net Asset Value as at 31.3.2011 (\$M)
					Government (\$M)	Other (\$M)		
1	Queen Elizabeth Foundation for the Mentally Handicapped	1988	To improve the welfare, education and training of persons with intellectual disabilities in Hong Kong, and the promotion of their employment prospects	The Queen Elizabeth Foundation for the Mentally Handicapped is established under the Queen Elizabeth Foundation for the Mentally Handicapped Ordinance (Chapter 399)	30	61	Not available	207.70
2	Elder Academy Development Foundation	2009	To support the sustainable development of the Elder Academy Scheme	Director of Social Welfare Incorporated Ordinance (Cap. 1096)	10	5	Not applicable	14.217
3	Employees Retraining Fund	1992	To make provision for the payment of retraining allowances in respect of trainees attending the relevant training of the Employees Retraining Board and the costs of the related courses and programmes	Set up under the Employees Retraining Ordinance	300	-	Not available	3,541

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Name of Fund	Year of Establishment	Purpose	Establishment Instrument	Initial Injection at Establishment		Audited Net Asset Value as at 1.7.1997 (\$M)	Audited Net Asset Value as at 31.3.2011 (\$M)
				Government (\$M)	Other (\$M)		
4 New Technology Training Fund	1992	To provide subsidy under the New Technology Training Scheme to local employers, with a view to encouraging them to have their staff trained in a new technology that will be useful to their businesses. Under the Scheme, new technologies refer to those which are not yet widely applied in Hong Kong, and the absorption and application of which will significantly benefit Hong Kong	The Finance Committee of the Legislative Council approved the Government's allocation of funding to the Vocational Training Council, which established the Fund and holds the money on trust.	55	-	Not available	112
5 Emergency Relief Fund	1962	Provide financial assistance to persons who are in need of urgent relief as a result of fire, flooding, tempest, landslide, typhoon or other natural disasters	Emergency Relief Fund Ordinance, Cap. 1103 of the Laws of Hong Kong	Not applicable	Not applicable	Not available	82.2
6 Traffic Accident Victims Assistance Fund	1979	Provide speedy financial assistance to road traffic accident victims (or to their surviving dependants in cases of death)	Traffic Accident Victims (Assistance Fund) Ordinance, Cap. 229 of the Laws of Hong Kong	15	-	Not available	1,176.5
7 Trust Fund for Severe Acute Respiratory Syndrome	2003	Provide special ex-gratia relief payment or financial assistance on compassionate grounds to families of	Director of Social Welfare Incorporation	150	-	Not applicable	25.2

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Name of Fund	Year of Establishment	Purpose	Establishment Instrument	Initial Injection at Establishment		Audited Net Asset Value as at 1.7.1997	Audited Net Asset Value as at 31.3.2011
				Government (\$M)	Other (\$M)	(\$M)	(\$M)
		deceased SARS patients, and recovered and suspected SARS patients. Specifically, the Trust Fund provides –	Ordinance, Cap. 1096				
		(a) special one-off ex-gratia relief payments for eligible family members of the deceased SARS patients; and					
		(b) special monthly ex-gratia financial assistance for recovered or suspected SARS patients treated with steroids suffering from longer term effects attributable to SARS, subject to proof of medical and financial needs					
8 Hong Kong Paralympians Fund	2001	The Fund disburses grants to the following categories of programmes with a view to providing different levels of financial support to athletes with disabilities during all stages of their sporting career and thereafter: (a) Development of target sports; (b) Subsistence grant to athletes with	The Director of Social Welfare Incorporation Ordinance, Cap. 1096	50	-	Not applicable	36.9

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Name of Fund	Year of Establishment	Purpose	Establishment Instrument	Initial Injection at Establishment		Audited Net Asset Value as at 1.7.1997 (\$M)	Audited Net Asset Value as at 31.3.2011 (\$M)
				Government (\$M)	Other (\$M)		
		disabilities; (c) Employment facilitating grant for retired athletes with disabilities					
9 Occupational Deafness Compensation Fund	1995	To provide compensation for persons employed in specified noisy occupations who suffer hearing loss as a result of prolonged exposure to excessive noise at work, the reimbursement of expenses on hearing assistive devices, and for conducting and financing of relevant educational, publicity and rehabilitation programmes.	Occupational Deafness (Compensation) Ordinance (Cap. 469)	100	-	Not available	569.0
10 Pneumoconiosis Ex Gratia Fund	1993	To provide compensation for persons who were diagnosed before 1 January 1981 to have contracted pneumoconiosis	An administrative scheme introduced by the Government ¹	175	-	Not available	63.8 (not yet audited)

¹ The Government set up the Pneumoconiosis Ex Gratia Fund in 1993 to provide enhanced benefits to persons who were diagnosed before 1 January 1981 to have contracted pneumoconiosis, in line with the improvements made to the then Pneumoconiosis (Compensation) Ordinance (Cap. 360) in the compensation package for persons who were diagnosed on or after 1 January 1981 to be suffering from pneumoconiosis.

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Funds established by the Government for specific purposes – Revenue and expenditure from 1997-98 to 2010-11

Name of Fund	2010-11 (\$M)	2009-10 (\$M)	2008-09 (\$M)	2007-08 (\$M)	2006-07 (\$M)	2005-06 (\$M)	2004-05 (\$M)	2003-04 (\$M)	2002-03 (\$M)	2001-02 (\$M)	2000-01 (\$M)	1999- 2000 (\$M)	1998-99 (\$M)	1997-98 (\$M)
1 Queen Elizabeth Foundation for the Mentally Handicapped														
Government injection	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other revenue	21.29	43.18	3.32	22.00	22.42	20.62	10.51	37.64	3.61	6.12	8.35	40.83	24.12	22.15
Total expenditure	8.57	5.38	51.17	6.74	6.57	4.54	4.37	3.75	15.76	13.46	44.39	8.29	6.21	12.28
2 Elder Academy Development Foundation														
Government injection	0	10.00	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other revenue	0.07	5.007												
Total expenditure	0.86	0												
3 Employees Retraining Fund														
Government injection	0	0	0	384	379	379	374	385	396	400	0	0	500	0
Other revenue	43	256	888	4,391	15	15	12	12	16	27	46	62	84	100
Total expenditure	758	784	571	393	378	398	393	418	483	453	388	385	365	232
4 New Technology Training Fund														
Government injection	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other revenue	1.0	1.8	2.2	4.7	5.0	3.4	0.7	0.9	2.1	5.3	7.3	7.9	10.9	10.6
Total expenditure	1.9	3.0	3.5	2.8	1.1	0.5	0.5	4.2	10.6	8.1	5.2	7.4	16.1	16.6
5 Emergency Relief Fund														
Government injection	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	27.00	9.00
Other revenue	0.30	0.18	0.98	2.53	2.47	1.99	0.22	0.36	0.58	0.71	1.19	1.03	1.01	0.60
Total expenditure	4.69	3.91	9.22	7.41	4.83	4.30	0.92	5.62	1.14	6.74	6.55	10.52	18.76	6.43
6 Traffic Accident Victims Assistance Fund														
Government injection	29.95	73.51	50.87	52.61	24.37	20.71	20.93	23.01	24.17	15.20	43.49	58.63	83.07	22.02
Other revenue	240.47	283.86	301.18	310.44	167.06	154.53	145.68	144.85	149.94	157.02	190.05	275.42	268.59	276.34
Total expenditure	203.81	209.15	192.52	184.98	173.24	182.42	170.06	175.08	168.83	158.79	145.86	149.15	181.22	153.51

Labour and Welfare Bureau – Queen Elizabeth Foundation for the Mentally Handicapped

(b) Since the setting up of this Fund, the Government has not made additional injection to the Queen Elizabeth Foundation for the Mentally Handicapped (QEFMH).

During the period from 2006-07 to 2010-11, the Fund approved a total of 422 projects, involving \$35 million. The 10 projects approved in 2010-11 with the highest amount are listed as follows:

Name of Projects Approved

- 1 Interactive teaching and learning resources on sexuality education for the mentally challenged
- 2 Multi-Functional Rehabilitation Bathroom
- 3 Community College for the Mentally Handicapped Adult – Lifelong Learning Courses and Development Activities
- 4 Mobile Combined Clinic (MCC) for ageing persons with intellectual disabilities
- 5 Hands on my own task – Hand Function Training Programme for severe grade mentally handicapped students
- 6 Sunny Smiles – The Dental and Oral Hygiene Project for Adults with Intellectual Disabilities
- 7 Sensory-Motor Development Scheme
- 8 <Hand in Hand> Project
- 9 “The Dance Moves Life” Life Ambassador Promotion Scheme
- 10 Sensory Integration Room for Mentally Handicapped Students

Labour and Welfare Bureau – Queen Elizabeth Foundation for the Mentally Handicapped

(c) The Council of the QEFMH regularly reviews the effectiveness of the Fund in accordance with the QEFMH Ordinance (Cap. 399), including monitoring its operation, applying its income and assets, scrutinising applications for grants, and determining and performing all matters in this regard. The purpose of the QEFMH under the Ordinance is still valid and adequately covers the welfare needs of persons with mental disabilities. Therefore, the purpose of the QEFMH has not been updated since its establishment.

Labour and Welfare Bureau – Elder Academy Development Foundation

(b) Since the establishment of the Fund in 2009, there has not been any further injection by the Government. The Fund was granted for the first time in the 2010-11 financial year to subsidise a total of 9 projects, involving \$860,000. The names of these projects are set out below :

Name of Projects Approved

- 1 Establishment of the M&H Elder Academy
- 2 Establishment of the Kiangsu-Chekiang (Shatin) Elder Academy
- 3 Establishment of the Buddhist Yip Kei Nam Memorial College Elder Academy
- 4 Establishment of the San Wui Commercial Society Secondary School Elder Academy
- 5 Establishment of the Lok Yi Elder Academy
- 6 Establishment of the Pui Shing Elder Academy
- 7 Establishment of the Sik Sik Yuen Ho Dao Elder Academy
- 8 Establishment of the YLCSS Caritas Elder Academy
- 9 Elder Academy Athletics Meet 2010

(c) We have regularly reviewed the effectiveness of the Fund. To monitor the operation of the approved funding and evaluate the effectiveness of the projects, all funded organisations are required to submit reports on the work and financial position of their projects during the funding period and/or upon completion of the projects for the Committee on Elder Academy Development Foundation's perusal.

Labour and Welfare Bureau – Employees Retraining Fund

(b) The Fund receives income in accordance with the Employees Retraining Ordinance (the Ordinance). Besides, since the Fund's establishment, the Government has also made necessary injections on four occasions to the Fund which amounted to a total of \$1.6 billion. Furthermore, between 2001-02 and 2007-08, an annual recurrent subvention of about \$400 million was granted to the Employees Retraining Board (ERB) to support its expenses. The Fund has ceased to receive Government subvention since 2008-09.

Operationally, the Fund does not approve the projects of individual organisations. ERB provides retraining services under its "Manpower Development Scheme" (or "Employees Retraining Scheme" before July 2008). This includes the allocation of necessary training places and funding to its appointed training bodies to facilitate their provision of ERB courses and services, instead of granting different projects to individual organisations.

(c) The Fund is established under the Ordinance to make provision for the payment of retraining allowances in respect of trainees attending the relevant training of ERB and the costs of the related courses and programmes. The Fund is administered by ERB in accordance with the requirements of the Ordinance. ERB will plan the number and allocation of training places, as well as the courses, etc. annually having regard to the prevailing market situation.

The Government and ERB review and enhance the operation of ERB from time to time. For instance, ERB completed a strategic review on its future directions in 2009, the recommendations of which were endorsed by the Government. ERB is in the process of implementing the recommendations in phases, endeavouring to provide more comprehensive and diversified training and retraining services for the local labour force through enhancing course contents, promoting certification to fortify recognition of its courses and improving course quality. This in turn strengthens the employability and competitiveness of ERB's trainees.

Labour and Welfare Bureau – New Technology Training Fund

(b) The Fund was established in 1992 with a capital injection of \$55 million by the Government. Subsequently, the Government injected an additional amount of \$50 million to the Fund in 1993 with a view to raising the interest income of the Fund in order to provide more training opportunities under NTTS.

During the period from 2006-07 to 2010-11, a total of 2 775 training places amounting to a total of \$13.1 million in subsidies were approved for employers under NTTS.

For example, the 10 training courses with the highest amount of subsidy approved in 2010-11 are listed as follows –

- 1 Advanced Mould Automated Manufacturing Technology and Flexible Manufacturing Cell
- 2 Process Validation
- 3 Certified Lean Manager Training Program
- 4 Advanced Technologies of Manufacturing, Processing and Chronometer Quality Control for Watch
- 5 Advanced Liquid Silicone Rubber Injection Moulding
- 6 ISO 14064 Carbon Auditor Training
- 7 Plastics Recycling Technology
- 8 Good Distribution Practices for Pharmaceutical Industry
- 9 Advanced 3D Interactive Technologies
- 10 B777 Aircraft Maintenance

Labour and Welfare Bureau – New Technology Training Fund

(c) The New Technology Training Scheme (NTTS) aims to provide subsidy annually to local employers who wish to have their staff trained in a new technology that will be useful to their businesses. The operation of NTTS is supported by the interest income of the New Technology Training Fund. The amount of subsidy that may be provided for the year depends on the prevailing amount of usable funds. In the context of NTTS, new technologies refer to those which are not yet widely applied in Hong Kong, and the absorption and application of which will significantly benefit Hong Kong.

NTTS is administered by the Vocational Training Council (VTC). VTC's Committee on Technologist Training and its Sub-Committee on Training in New Technologies review the progress of NTTS annually, usually after the end of each financial year. Based on the operating conditions of NTTS, its targets, including the number of training places and the amount of subsidies to be provided, in the following year will be devised.

Labour and Welfare Bureau – Emergency Relief Fund

(b) Since 1973, the Government has made contribution every year to provide financial assistance to persons who are in need of urgent relief as a result of fire, flooding, tempest, landslide, typhoon or other natural disasters.

During the period from 2006-07 to 2010-11, payments totalling \$30.05 million were made from the Fund.

(c) We have regularly reviewed the effectiveness of the Fund. The objects of the fund are set out in section 4 of the Emergency Relief Fund Ordinance (Cap. 1103). Emergency Relief Fund Committee (including non-official members appointed by the Chief Executive) advises the Trustee on matters relating to the administration of the Fund and the attainment of the objects thereof.

Labour and Welfare Bureau – Traffic Accident Victims Assistance Fund

(b) Since the setting up of this Fund, the Government has made contribution every year to assist road traffic accident victims and their dependants.

During the period from 2006-07 to 2010-11, payments totalling \$875.3 million were made from the Fund.

(c) We have regularly reviewed the effectiveness of the Fund. The objects of the fund are set out in section 4 of the Traffic Accident Victims (Assistance Fund) Ordinance (Cap. 229). Traffic Accident Victims Assistance (TAVA) Advisory Committee (including non-official members appointed by the Chief Executive) holds two regular meetings each year to advise the Director of Social Welfare on all matters connected with the administration of the TAVA Scheme and the administration of the TAVA Fund.

Labour and Welfare Bureau – Trust Fund for Severe Acute Respiratory Syndrome

(b) Since the setting up of this Fund, the Government injected twice into the Fund in 2007 and 2011 for \$50 million each time so that it can continue to provide financial assistance to patients who have not yet recovered from SARS-related dysfunctions and are still in need of assistance from the Fund. Starting from the set up of this Fund in November 2003 up to the end of March 2011, a total of 890 applications for Fund assistance had been approved, involving 822 patients at \$187 million.

(c) This Fund was established in November 2003 with a commitment of \$150 million for approving the applications of special ex-gratia financial assistance for recovered and suspected SARS patients, with no specific target and time schedule set. The objective of this Fund remains the same all these years. We have regularly reviewed the effectiveness of the Fund. This Fund has been operating smoothly since its establishment. All the existing arrangements under the Fund, including the requirement of periodic financial reviews and medical assessments for the beneficiaries will remain the same.

Labour and Welfare Bureau - Hong Kong Paralympians Fund

(b) The Fund was set up in 2001 with a \$50M grant from the General Revenue. It is stated at the Fund's set up that a reserve of \$30M is to be maintained at all times. Since the setting up of this Fund, the Government has injected \$3.5M to the Fund in 2009 through deploying Departmental internal saving with a view to providing sufficient resources for meeting the funding demand in the following two years, i.e. 2010-11 and 2011-12.

The Fund disburses grants to the following categories :

- (i) development of target sports;
- (ii) subsistence grant to athletes with disabilities;
- (iii) employment facilitating grant for retired athletes with disabilities

with a view to providing different levels of financial support to athletes with disabilities during all stages of their sporting career and thereafter. In the past five years, the Fund had approved 53 applications from four sporting associations for their development of 17 target sports, with grants amounting to \$10.5M. Moreover, the Fund has also approved 476 applications for the subsistence grant to athletes with disabilities and four retired athletes with disabilities for the employment facilitating grant, involving a total grant amount of \$8.4M.

(c) The Fund does not have pre-set specific indicator and time-table. It has all along maintained its objectives. The Social Welfare Department (SWD) has formed a Management Committee and Grants Sub-committee for the Fund which advise on the Fund's allocation amount and usage while these two committees also assess and approve the applications. In addition, with a view to ensuring the effective mobilisation of the Fund resources for supporting the sporting career of the athletes with disabilities, SWD has set up a Working Group in 2010 to review the Fund's usage.

Labour and Welfare Bureau — Occupational Deafness Compensation Fund

(b) Immediately after the commencement of the Occupational Deafness (Compensation) Ordinance (Cap. 469) (ODCO) in 1995, the Government provided a grant of \$100 million to set up the Occupational Deafness Compensation Scheme.

During the period from 2006/07 to 2010/11, the Fund approved 936 compensation applications and paid out \$53 million. In 2010/11, 695 compensation applications were approved, amounting to \$27 million.

(c) We have regularly reviewed the effectiveness of the Fund. The Government has all along been improving the protection to persons employed in specified noisy occupations who suffer hearing loss as a result of prolonged exposure to excessive noise at work through the ODCO. Because of this, since the commencement of the ODCO in 1995, the Government has reviewed and amended the ODCO in 1996, 1998, 2003 and 2010 in order to enhance its scope of protection and compensation level. In future, the Government will conduct a biennial review of the compensation items under the ODCO so as to maintain their values in line with the wage movement during the intervening period.

Labour and Welfare Bureau —Pneumoconiosis Ex Gratia Fund

(b) Since its inception, the Government has made 4 capital injections into the Fund in 1993, 1997, 2006 and 2007, amounting to a total of \$300.8 million, in order to maintain the operation of the Fund.

The Pneumoconiosis Ex Gratia Fund only provides benefits to pneumoconiotics who were diagnosed before 1981 as suffering from pneumoconiosis. During the period from 2006/07 to 2010/11, no item outside the scope of the Pneumoconiosis Ex Gratia Fund has been approved.

(c) We have regularly reviewed the effectiveness of the Fund. While no target and schedule for the attainment of any goal are set for the Pneumoconiosis Ex Gratia Fund, the Government has reviewed and enhanced the scope and levels of benefits of the Fund on numerous occasions over the years. The Government will continue to conduct regular review of the benefit items provided under the Fund so as to maintain their values in line with the price movement during the intervening period.