

**For discussion
on 5 January 2011**

EC(2010-11)14

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 90 – LABOUR DEPARTMENT Subhead 000 Operational expenses

Members are invited to recommend to Finance Committee the creation of the following permanent posts in the Labour Department with immediate effect –

1 Assistant Commissioner for Labour
(D2) (\$117,950 - \$129,000)

1 Chief Labour Officer
(D1) (\$99,400 - \$108,650)

to be offset by deletion of the following supernumerary post –

1 Chief Labour Officer
(D1) (\$99,400 - \$108,650)

PROBLEM

We need to rationalise and strengthen support at the directorate level in the Labour Department (LD) to enhance our capacity in planning and implementing expanded and new portfolios and initiatives in labour administration and to spearhead the implementation of the statutory minimum wage (SMW) regime and the Work Incentive Transport Subsidy (WITS) Scheme.

/PROPOSAL

PROPOSAL

2. We propose to create one permanent post of Assistant Commissioner for Labour (ACL) (D2) and one permanent post of Chief Labour Officer (CLO) (D1) (to be offset by the deletion of one supernumerary CLO post created in the Labour Administration Branch (LA Branch) of LD for a period of three years from 9 January 2009 to 8 January 2012) in LD with immediate effect upon approval by the Finance Committee to take forward the planning and implementation of new and expanded portfolios and initiatives in labour administration, including, among others, the SMW regime and the WITS Scheme.

JUSTIFICATION

Proposed creation of a permanent ACL post and rationalisation of duties among ACLs in labour administration

3. LD is responsible for both the formulation and implementation of labour policies, and comprises the LA Branch and the Occupational Safety and Health Branch. The LA Branch is currently organised into four programme areas including Employment Services, Employee Rights and Benefits, Labour Relations as well as Policy Support and Strategic Planning, each headed by an ACL.

4. In the past few years, the four ACLs in the LA Branch have been stretched beyond their limits in handling policy, legislative and operational matters as well as new initiatives introduced in the light of growing community demand for employment, labour relations and other related services. Over the past three years, LD has been introducing new employment initiatives every year. We have devised and embarked on new employment programmes to provide training and employment opportunities for the vulnerable groups, adopted multi-pronged and proactive measures to promote labour market efficiency and disseminate employment and vacancy information, and also set up resource centres for youths and dedicated centres for employers and job-seekers in the catering and retail industries to meet their recruitment and employment needs in a user-friendly, effective and efficient manner. To help widen the horizon of our young people and provide an opportunity for them to gain first-hand international exposure, and to enable youths from signatory countries to experience the vibrancy and culture of Hong Kong as a cosmopolitan metropolis, we expanded the Working Holiday Schemes in 2009 and 2010 to four new countries, namely, Germany, Japan, Canada, and the latest, South Korea, on 12 November 2010.

5. LD also continues to roll out new employment initiatives. These include a special employment project to help those vulnerable youths with special employment difficulties, and the pilot Employment Navigator Programme to provide job-seekers with intensive employment counselling and financial incentives so as to address the problem of manpower mismatch. We will set up a pioneer one-stop employment and training centre in Tin Shui Wai in 2011 to provide employment and training support to needy job-seekers (including unemployed Comprehensive Social Security Assistance recipients) in a holistic manner with streamlined, integrated and enhanced employment and training/retraining services of LD, the Social Welfare Department and the Employees Retraining Board. To facilitate the successful operation of these new programmes, there must be close and dedicated involvement at the ACL level to steer and monitor the brand new model of employment service delivery with constant review and coordination with relevant bureaux/departments upon implementation.

6. LD's labour administration portfolios are also expanding in volume and complexity on other fronts. In 2010 alone, the Legislative Council (LegCo) has passed three Bills¹ for which the ACLs have to formulate and execute strategies for the implementation of the new provisions. In particular, the two milestone Ordinances, namely the Minimum Wage Ordinance (MWO) and the Employment (Amendment) Ordinance (E(A)O) 2010, will usher in major changes in the enforcement of employee rights and benefits, resolution of labour disputes and claims, and promotion of harmonious labour relations. The unprecedented implications of implementing the MWO will be explained in the paragraphs below. As for the E(A)O 2010 which is a legal breakthrough in creating a new criminal offence², we must strengthen our proactive preventive work to promote awareness and understanding among employers and employees of the content of the new provisions; provide speedy and efficacious consultation, conciliation and support services for the aggrieved workers; enforce the law rigorously as well as monitoring and evaluating the efficacy of the legislative amendment in combating the problem of wilful non-enforcement of certain Labour Tribunal (LT) awards.

7. In addition to implementing the employment initiatives and legislative amendments introduced in the past few years, the ACLs also need to take up upcoming new initiatives and duties. LD has to commence an in-depth policy study on standard working hours which will have far-reaching implications

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¹ Viz., the Minimum Wage Bill, the Employment (Amendment) Bill 2009 and the Occupational Deafness (Compensation) (Amendment) Bill 2009.

² The E(A)O 2010 introduces a new criminal offence against employers who wilfully fail to pay any sum under a LT/Minor Employment Claims Adjudication Board award comprising wages and entitlements under the Employment Ordinance (EO).

for Hong Kong's society, economy, competitiveness and employment. We must consult stakeholders and handle this complex and controversial issue with care to strike a balance between the interests of various sectors. To relieve the burden of transport expenses for home-work commuting for low-income earners and encourage them to stay in employment, LD will launch a territory-wide WITS Scheme. A new division to be supervised by an ACL will be set up to perform all operational functions on the WITS Scheme, including receiving and processing applications, handling appeals, effecting subsidy payments, launching publicity and promotional campaigns, identifying and investigating fraudulent cases, etc. In view of the significant financial implications and the new approach in assisting low-income families through the WITS Scheme, directorate input at the ACL level is necessary for planning, launching and monitoring the implementation. We are also undertaking preparatory work for the legislative amendment to extend the Protection of Wages on Insolvency Fund to cover pay for untaken annual leave and statutory holidays under the EO. There are other items in the pipeline as well. To name a few, we are, in consultation with the Labour Advisory Board (LAB), working on a draft bill under the EO to empower the LT to impose orders for compulsory reinstatement or re-engagement in cases of unreasonable and unlawful dismissal, an in-depth study of the definition of continuous employment under the EO based on the latest statistical data collected on employees not engaged under a continuous contract, and a detailed study of the existing arrangement for replacement holiday in the event that a Lunar New Year holiday falls on a Sunday. LD must strengthen the ACL establishment to enhance its capacity to undertake these initiatives with far-reaching implications.

8. We propose to create one additional permanent ACL post in the LA Branch to cope with the expanded portfolios of work and upcoming new initiatives by rationalising the division of duties among the ACLs such that coordination and alignment in policy formulation and strategic planning in different policy areas of labour administration can be enhanced. With the strengthened set-up, different areas of labour policies, operations and services of the LA Branch can be put under the charge of the responsible ACLs in a holistic and coordinated manner as follows –

- (a) ACL(Employment Services) will steer and monitor closely the design, implementation and constant review of existing and new employment services and initiatives to meet the employment and recruitment needs of job-seekers and employers in the ever-changing labour market;
- (b) ACL(Employee Rights and Benefits) will oversee policies, strategies and operations for employees' rights and benefits, and provide close directorate support for coordinated law enforcement in inspections, claim investigation and prosecution;

/(c)

- (c) ACL(Labour Relations) will formulate, implement and review policies and strategies on the EO and related legislation, oversee the maintenance and promotion of harmonious labour relations as well as the resolution of labour disputes and claims;
- (d) ACL(Policy Support and Strategic Planning)³ will, among others, oversee the regulation of employment agencies in relation to his purview on foreign domestic workers and importation of lower-skilled workers, and lead the important and highly complex policy study on standard working hours; and
- (e) the newly created ACL post will plan, launch, monitor and review the implementation of the territory-wide WITS Scheme, formulate, implement and review policies and strategies on SMW, and oversee support for the LAB, observance of international labour conventions and negotiations on labour issues in free trade agreements.

Encl. 1 The major responsibility areas of the new ACL post and the other ACLs upon the rationalisation of duties are at Enclosure 1.

Proposed creation of a permanent CLO post for SMW implementation

9. The MWO aims to establish an SMW regime which seeks to strike a reasonable balance between, on the one hand, forestalling excessively low wages, and on the other hand, safeguarding job opportunities for the disadvantaged as well as Hong Kong's labour market flexibility, economic growth and competitiveness. SMW is applicable across-the-board to all trades and industries which have different operational characteristics. Despite the intensive and extensive consultations during the deliberations on the MWO, there is still a considerable portion of employees and employers (most notably the less well-resourced small and medium sized enterprises (SMEs)) with inadequate understanding of the MWO. Promoting awareness and avoiding inadvertent non-compliance within a matter of months, as well as providing consultation/conciliation services to employers and employees who are at loggerheads and with little understanding of the legal requirements, would pose a great challenge to LD. Furthermore, since SMW is completely new to employers and employees in Hong Kong and will affect their obligations and benefits under their employment contracts, the EO and other labour legislation, there is a sustained need to educate employers and employees on the requirements under the MWO. Publicity and engagement of stakeholders should be an on-going process and would be particularly necessary whenever there are changes to the MWO, including the adjustments to the SMW rate in future.

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³ Upon the endorsement of this proposal, the post will be renamed as ACL(Policy Support).

10. In addition, the forthcoming implementation of the SMW regime will also have a fundamental impact on almost all aspects of LD's work, including publicity, consultation and conciliation, workplace inspection and investigation into suspected cases, prosecution, employees' compensation, etc. Apart from a thorough examination of the operational implications (e.g. refinements and constant reviews of various operational guidelines to meet the ever-changing employment patterns), internal education and change management is essential. The MWO is a highly important piece of legislation in protecting the well-being of our grassroots workers. We need to disseminate to staff in all LD Divisions an in-depth understanding of MWO provisions so that frontline colleagues involved in the provision of, say, conciliation and promotion services, can effectively handle disputes and address concerns with an SMW angle. Given the multifarious characteristics of various trades and industries, we also anticipate the need for intensive and iterative consultations with stakeholders to ensure the smooth implementation of the MWO. This process needs to be managed with sensitivity to avoid erosion of the generally harmonious labour relations in Hong Kong.

11. Added to this would be the need to execute the special arrangement for persons with disabilities under which employees with productivity impaired by their disabilities are given the right to opt to have their productivity assessed by an assessor of their own choice, in order to help determine whether they should be remunerated at not lower than the SMW level or at a rate commensurate with their productivity. Eligible assessors with the requisite experience in providing vocational rehabilitation or other employment services for persons with disabilities will be approved and provided with training and guidelines in conducting the productivity assessment at the workplace of persons with disabilities. The team would also need to undertake, as promised during the Bills Committee process of the MWO, a holistic review of this arrangement for persons with disabilities within two years after implementation. Given the controversies and diverse interests of stakeholders concerning the special arrangement for persons with disabilities, the proposed permanent CLO must closely monitor the operations of the special arrangement in order to safeguard the rights of persons with disabilities. As for the review of the special arrangement, he will have to maintain close dialogue with various bodies of persons with disabilities, parents groups, rehabilitation organisations, professional bodies of practitioners involved in the assessments, etc with a view to fine-tuning the arrangement constantly to meet the changing needs of persons with disabilities and the employment market.

12. In parallel, strong secretariat support is also needed to underpin the statutory Minimum Wage Commission (MWC). The MWC is required to adopt an evidence-based approach to review and recommend the appropriate level of the SMW rate. In practical terms, such an approach will necessitate a thorough analysis of a massive amount of quantitative data relevant to the basket of

/indicators

indicators and consultations with the general public as well as employers and employees in various trades, especially the low-paying sectors. Given the significant socio-economic implications of SMW, we need to critically assess the impact of SMW on the economy as a whole as well as on individual low-paying sectors and SMEs after the implementation of SMW, by conducting new and enhanced statistical surveys on a longitudinal basis.

13. Since Hong Kong has no experience in implementing SMW, the exact impact is difficult to gauge precisely before its implementation. The economy and the labour market are constantly evolving and there are many interactive factors involved in the impact assessment. Experience elsewhere suggests that it will take a couple of years for the impact of SMW, which permeates the economy in a series of chain reactions, to become apparent. It is therefore of utmost importance to gauge, through a number of surveys and studies, the impact of SMW on Hong Kong's economy, business costs and labour market in the short and long term through longitudinal studies.

14. The proposed permanent CLO will take charge of, and coordinate, the implementation of SMW, including the preparation for the commencement of the MWO, publicity and education campaign. The protection to employees under the MWO would become empty words if the new legislation were not properly enforced. Since the SMW rate would also affect the statutory benefits of employees under various labour legislation, including the EO, Employees' Compensation Ordinance, Occupational Deafness Compensation Ordinance, Protection of Wages on Insolvency Ordinance, Mandatory Provident Fund Schemes Ordinance, the CLO will take the lead and collaborate with various enforcement units within and outside LD in combating non-compliance of these ordinances so as to uphold the rights conferred on employees under the MWO. Given the high expectations of the Government to crack down on unscrupulous employers who seek to evade the MWO, the CLO will handle operational issues actively with trade unions and employers' associations in order to gather intelligence and help map out effective enforcement strategies targeting in particular low-paying sectors prone to MWO breaches. The CLO will also be responsible for leading the team in providing secretariat support to the MWC in reviewing the SMW rate and, in particular, in consultation with the Economic Analysis and Business Facilitation Unit and the Census and Statistics Department, map out and coordinate these efforts to monitor and evaluate the impact of SMW generally on vulnerable workers and on enterprises in the low-paying sectors and SMEs specifically. The CLO will also maintain liaison with various stakeholders, such as LAB, District Councils, Panels/Committees of the LegCo etc. and explain relevant policy at their meetings where necessary.

15. Given the significant and far-reaching effects of SMW on employers and employees as well as the regular thorough reviews of the SMW rate, accomplishing the above tasks would require the dedicated leadership of a sufficiently senior officer in the Labour Officer Grade with broad and in-depth experience in labour and related issues and the requisite competence to handle politically sensitive and complex issues. We have set up a dedicated team in LD since late 2008 to take forward the SMW legislative exercise and a supernumerary post of CLO was created for a period of three years from 9 January 2009 to lead the team. With the passage of the MWO, SMW requirements will become a permanent feature of our employment policy. From the policy and enforcement perspectives, we see a need to provide on a permanent basis the directorate resources necessary to ensure the proper implementation of the MWO. The proposed additional permanent ACL post will, among the other responsibilities set out in paragraph 8 above, steer and formulate the SMW policies and focus on the setting of direction and strategies for the continuous review and development of the SMW system that will have far-reaching implications on the labour market, the economy and the well-being of the lower echelons of our society. The proposed permanent CLO will take full responsibilities in detailed planning and implementation of this ground-breaking SMW and attend to the huge amount of operational issues for the effective and smooth execution of the system. We therefore propose to convert the supernumerary CLO post into a permanent post for the implementation of SMW.

OTHER MANPOWER RESOURCES

16. To implement the SMW regime, the team providing support to the supernumerary CLO post will be strengthened by about a dozen non-directorate civil service posts comprising Labour Officer, Information Officer and Clerical Officer grade staff. For the WITS Scheme, a dedicated division will be set up in LD comprising over 160 posts of various grades, including Executive Officer, IT, accounting, secretarial and clerical staff to perform all the operational functions of implementation.

Encls. 2 & 3
Annexes 2 & 3 of
Encl. 1

17. The job descriptions of the proposed ACL and CLO posts are respectively at Enclosures 2 and 3. The existing and proposed organisation charts of the LA Branch of LD are respectively at Annexes 2 and 3 to Enclosure 1.

/ALTERNATIVES

ALTERNATIVES CONSIDERED

18. At present, there are six directorate officers, comprising four ACLs and two CLOs (including the supernumerary CLO post proposed to be converted into a permanent post), supporting the Deputy Commissioner for Labour (Labour Administration) in the LA Branch. We have critically examined the possibility of redeployment to absorb the duties of the proposed permanent posts. However, all the four existing ACLs in the LA Branch have already been fully stretched in their schedule of work and are in dire need of reinforcement. There is only one permanent CLO post in the Branch, namely CLO(Labour Relations), who needs to be closely and personally involved in the resolution of labour disputes and claims, maintaining industrial peace and performing the statutory functions as Registrar of Trade Unions. It is also operationally not possible for the directorate staff in the Occupational Safety and Health Branch to share the duties, given that they are already fully engaged in their own schedule of work and that the two Branches have distinctly different professional specialisations.

FINANCIAL IMPLICATIONS

19. The proposed creation of the permanent ACL post will bring about an additional notional annual salary cost at mid-point of \$1,503,000. The full annual average staff cost, including salaries and staff on-cost, is \$1,906,000. As for the proposed permanent CLO post, it will bring about an additional notional annual salary cost at mid-point of \$1,265,400, with the full annual average staff cost, including salaries and staff on-cost, at \$1,540,000. However, this will be offset by the deletion of the supernumerary CLO post.

20. We will absorb the additional expenditure from within the existing provision in 2010-11 and will include the necessary provision in the Estimates of subsequent years to meet the cost of this proposal.

PUBLIC CONSULTATION

21. We consulted the LegCo Panel on Manpower on 18 November 2010 on the proposed creation of the ACL and the CLO posts to be offset by the deletion of a supernumerary CLO post. Members supported the staffing proposal.

/BACKGROUND

BACKGROUND

22. The MWO was passed by LegCo on 17 July 2010 and gazetted on 23 July 2010. Subject to LegCo's approval of the subsidiary legislation, including those on the initial SMW rate and the commencement of the MWO, SMW will come into force on 1 May 2011.

23. To relieve the burden of transport costs for home-work commuting for employed persons from low-income families and encourage them to stay in employment, the Administration will launch a territory-wide WITS Scheme to subsidise employed members of low-income families in meeting their travelling expenses commuting to and from work. The target is to start receiving WITS applications in the third quarter of 2011.

ESTABLISHMENT CHANGES

24. The establishment changes in LD for the past two years are as follows –

Establishment (Note)	Number of posts			
	Existing (as at 1 December 2010)	As at 1 April 2010	As at 1 April 2009	As at 1 April 2008
A [^]	13 + (1)#	13 + (1)	13+(1)	14
B	330	323	327	316
C	1 516	1 509	1 495	1 512
Total	1 860	1 846	1 835	1 842

Note:

A - ranks in the directorate pay scale or equivalent

B - non-directorate ranks the maximum pay point of which is above MPS Point 33 or equivalent

C - non-directorate ranks the maximum pay point of which is at or below MPS Point 33 or equivalent

[^] - excluding supernumerary post created under delegated authority

- as at 1 December 2010, there was no unfilled directorate post in LD.

CIVIL SERVICE BUREAU COMMENTS

25. The Civil Service Bureau supports the proposed creation of two permanent posts of one ACL and one CLO to provide dedicated directorate support in the LA Branch. The grading and ranking of the proposed posts are considered appropriate having regard to the level and scope of the responsibilities required.

/ADVICE

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

26. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the posts would be appropriate if the proposal were to be implemented.

Labour and Welfare Bureau
December 2010

**Proposed major responsibility areas of
the Assistant Commissioners for Labour
upon the rationalisation of duties**

Assistant Commissioners for Labour (ACL)(Employment Services) will formulate, implement and review policies and strategies on employment services in general and for particular groups. These include: overseeing the operation of employment services for able-bodied and disabled job-seekers, career advisory service for youths, pre-employment and on-the-job training programme for youths, employment programmes for middle-aged job-seekers, Work Orientation and Placement Scheme for disabled job-seekers, Work Trial Scheme for job-seekers with difficulties in finding employment and the Transport Support Scheme (which will continue to operate for two more years after the implementation of the Work Incentive Transport Subsidy (WITS) Scheme); launching the pioneer one-stop employment and training centre, the pilot Employment Navigator Programme and the special employment project for vulnerable youths; taking up the overall responsibilities for the management of the inter-departmental electronic portal on employment- and vocational training related matters; and designing and implementing other employment initiatives to assist vulnerable job-seekers upon implementation of the Statutory Minimum Wage (SMW) and change in the economy.

2. ACL(Employee Rights and Benefits) will formulate, implement and review policies and strategies on five employees' compensation-related ordinances. He will be responsible for: monitoring and ensuring effective and efficient processing of employees' compensation cases; and overseeing the work of four related statutory boards; formulating and reviewing inspection policies and strategies and supervising labour inspection work for labour and immigration laws; formulating and reviewing complaint investigation and offence detection policies, and strategies for suspected breaches against labour laws; formulating and reviewing prosecution policies and strategies and supervise prosecution work in labour legislation; overseeing the working group of the study on recognition of sick leave certificates issued by registered chiropractors as valid sick leave certificates under labour legislation; formulating policies on, reviewing and administering the Protection of Wages on Insolvency (PWI) Ordinance; overseeing the provision of secretariat support to the PWI Fund Board for administration of the PWI Fund, processing and approving applications for ex gratia payments under the PWI Fund; and preparing for the legislative amendment to expand the scope of the PWI Fund to cover pay for untaken statutory annual leave and holidays.

3. ACL(Labour Relations) will formulate, implement and review policies and strategies on the Employment Ordinance (EO), Trade Unions Ordinance, Labour Relations Ordinance and Minor Employment Claims Adjudication Board Ordinance. He will be responsible for: monitoring and fostering a harmonious labour relations scene; overseeing the consultation and conciliation services to resolve employment disputes, referral of unsettled disputes and claims to Labour Tribunal and the Minor Employment Claims Adjudication Board (MECAB), and adjudication of minor employment claims by MECAB; overseeing the registration of trade unions; promoting effective communication and voluntary negotiation between employers and employees, enhancing public awareness of the EO and encouraging adoption of good people management and family-friendly employment practices; working on a draft bill to amend the EO provisions relating to compulsory reinstatement or re-engagement orders in unreasonable and unlawful dismissals; conducting the studies of the definition of continuous employment under the EO and the existing arrangement for replacement holiday upon a Lunar New Year holiday falling on Sunday; and overseeing the measures against false self-employment.

4. ACL(Policy Support and Strategic Planning)¹ will formulate, implement and review policies and strategies on the importation of foreign domestic helpers (including the Minimum Allowable Wage and food allowance). He will be responsible for: overseeing the importation of lower-skilled workers under the Supplementary Labour Scheme; providing inputs and support to the Quality Migrants Admission Scheme; overseeing the regulation of employment agencies; coordinating Labour Department's (LD's) input to LegCo and undertaking related liaison, particularly with regard to the Panel on Manpower and District Councils; overseeing the information technology management in LD; formulating and coordinating LD's input on international conventions (e.g. the Convention on the Elimination of All Forms of Discrimination Against Women, International Covenant on Economic, Social and Cultural Rights, International Covenant on Civil and Political Rights etc.); formulating and coordinating LD's policy input in respect of various policy matters (e.g. employment-related trade and discrimination issues); overseeing the elimination of age discrimination in employment; formulating policies on the Working Holiday Scheme and exploring the possibility of new schemes with advanced economies; overseeing the General Holidays Ordinance; and studying the subject of standard working hours.

5. The newly created ACL post will plan, launch, monitor and review the implementation of the territory-wide WITS Scheme. The tasks involved will include, among others; steering publicity and promotional plans, overseeing the development of management information system, designing and reviewing the

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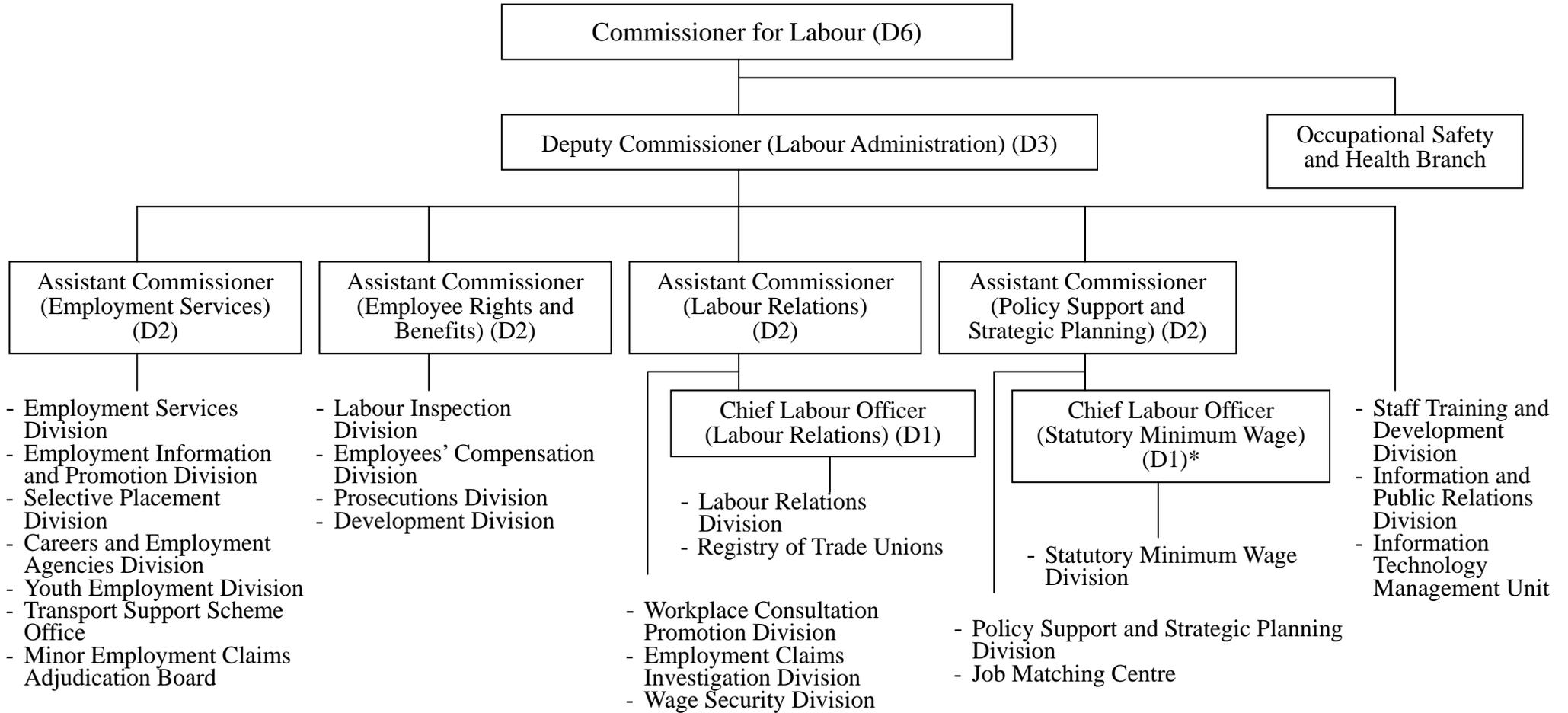
¹ Upon the endorsement of this proposal, the post will be renamed as ACL(Policy Support).

vetting, monitoring and investigating mechanisms to prevent and detect abuses. On the SMW front, the new ACL will be responsible for policy formulation on SMW; and overseeing the implementation and review of the Minimum Wage Ordinance, as well as the special arrangement for persons with disabilities within two years after implementation. In addition, the ACL will be: overseeing the secretariat support provided to the tripartite LAB; monitoring observance of international labour conventions applied to Hong Kong, and formulating and coordinating input to reports on compliance with international labour standards; overseeing Hong Kong's participation in International Labour Organisation activities; overseeing negotiations on free trade agreements where provisions and/or side agreements on labour issues are involved; and liaising with labour administration counterparts on the Mainland and other jurisdictions through visits and participation in relevant activities.

6. To kick start the preparatory work of the WITS Scheme and to devise the implementation details of SMW, one supernumerary post of ACL, designated as ACL(Special Duties), was created under delegated authority in LD on 23 November 2010 for a period of six months or until the proposed permanent post of ACL is created. The responsibilities of ACLs of LA Branch were temporarily re-organised on 1 December 2010 pending the Establishment Subcommittee's and Finance Committee's endorsement of our proposal. The organisation charts of the LA Branch of LD before and after the temporary re-organisation are respectively at Annexes 1 and 2. The proposed organisation chart showing the proposed permanent ACL and CLO posts is at Annex 3.

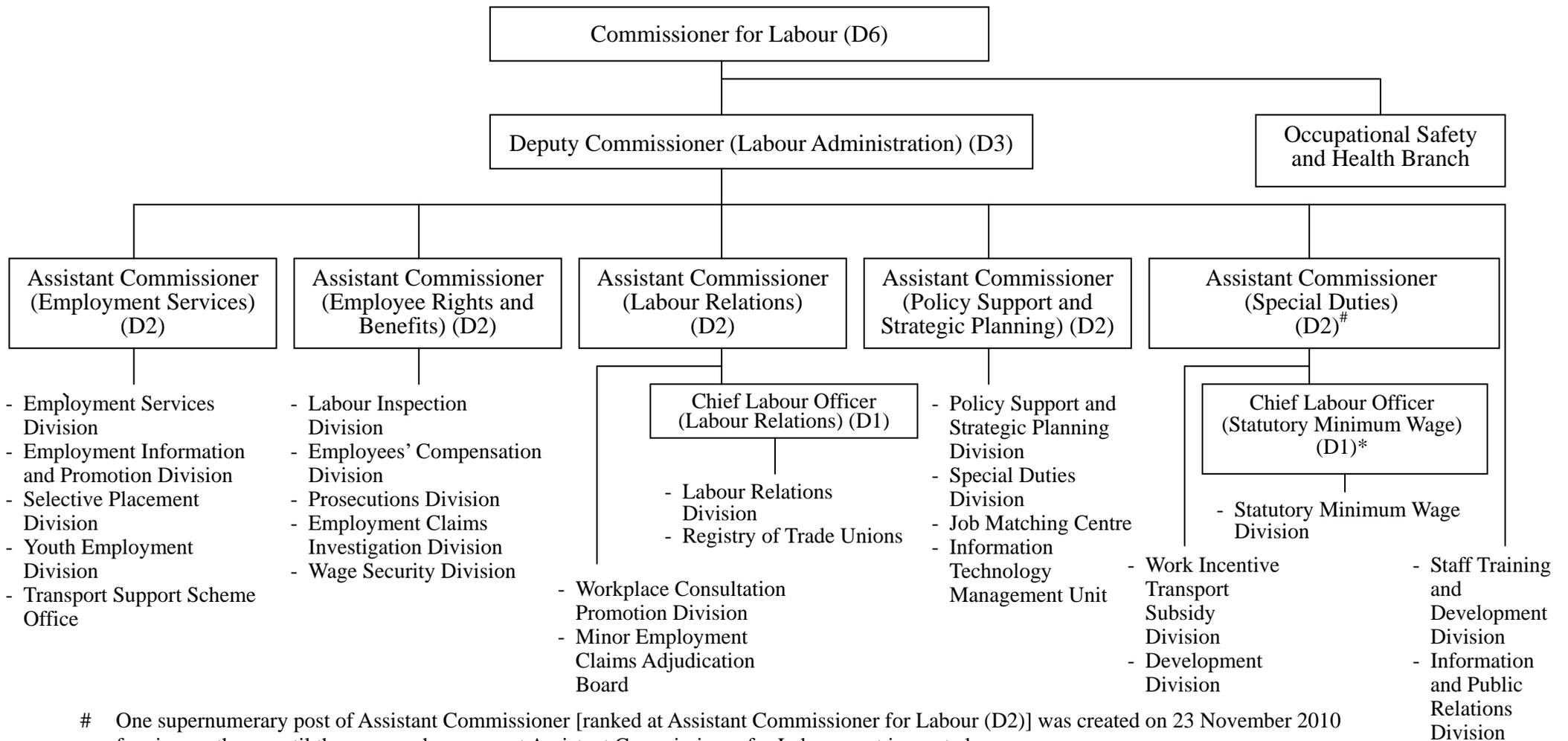
Annexes
1 - 3

**Organisation Chart of the Labour Administration Branch of the Labour Department
before the Creation of the Supernumerary Assistant Commissioner (Special Duties) Post
and the Temporary Re-organisation of the Labour Administration Branch**



* One supernumerary post of Chief Labour Officer

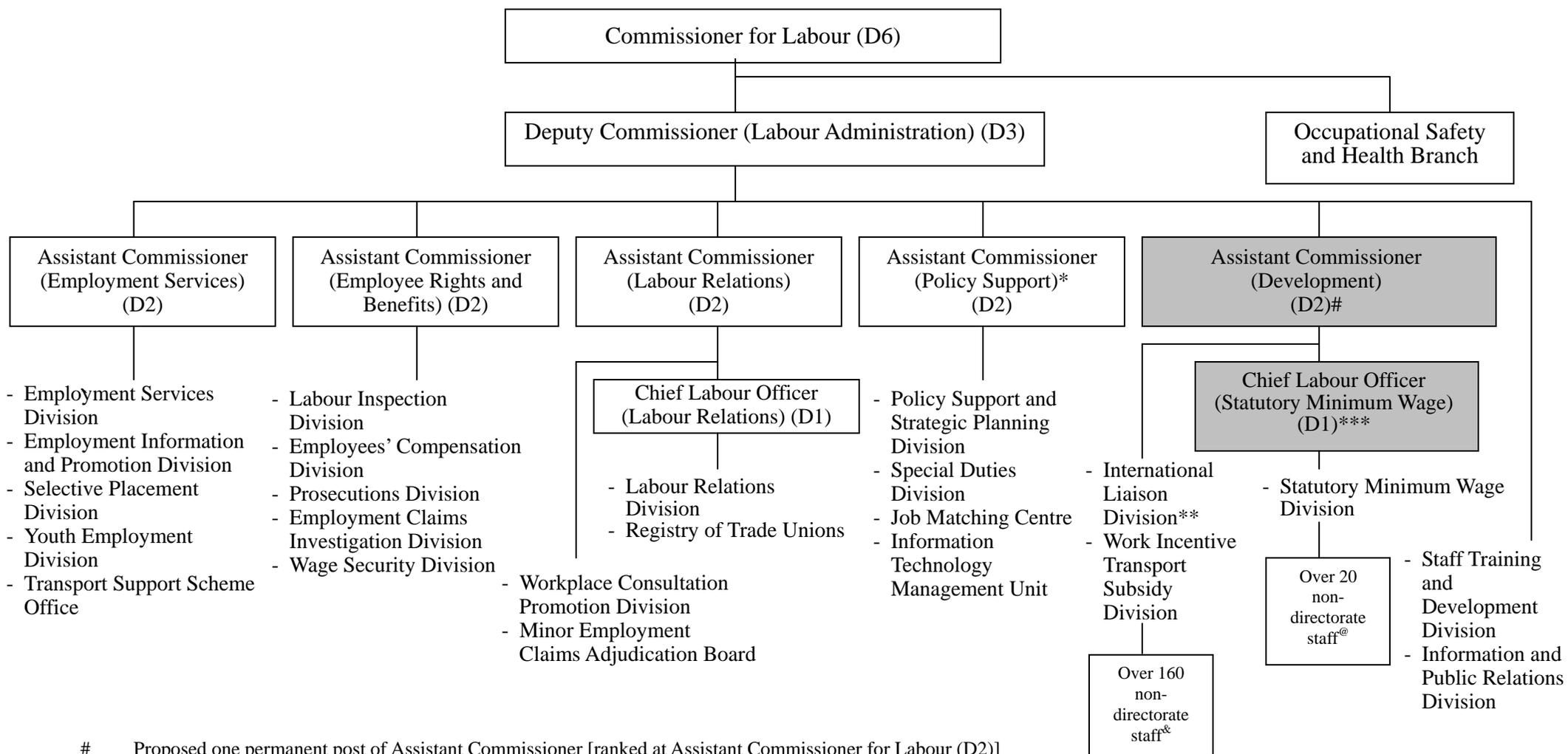
**Organisation Chart of the Labour Administration Branch of the Labour Department
after the Creation of the Supernumerary Assistant Commissioner (Special Duties) Post
and the Temporary Re-organisation of the Labour Administration Branch**



One supernumerary post of Assistant Commissioner [ranked at Assistant Commissioner for Labour (D2)] was created on 23 November 2010 for six months or until the proposed permanent Assistant Commissioner for Labour post is created

* One supernumerary post of Chief Labour Officer (D1)

Proposed Organisation Chart of the Labour Administration Branch of the Labour Department



Proposed one permanent post of Assistant Commissioner [ranked at Assistant Commissioner for Labour (D2)]
 * Post to be renamed from Assistant Commissioner (Policy Support and Strategic Planning) upon the endorsement of this proposal
 ** Division to be renamed from Development Division upon the endorsement of this proposal
 *** The current supernumerary post of Chief Labour Officer [designated as CLO(SMW)] (D1) is proposed to be converted into a permanent post
 @ comprising Labour Officer, Information Officer and Clerical Officer grade staff
 & comprising Executive Officer, IT, accounting, secretarial and clerical staff

**Proposed Job Description for
Assistant Commissioner for Labour
(Development)**

Rank : Assistant Commissioner for Labour (D2)

Responsible to : Deputy Commissioner for Labour (Labour Administration)

Main Duties and Responsibilities –

1. To plan, launch, monitor and review the implementation of the territory-wide Work Incentive Transport Subsidy Scheme. The tasks include steering publicity and promotional plans, overseeing the development of management information system, designing and reviewing the vetting, monitoring and investigating mechanisms to prevent and detect abuses;
2. To formulate the policy on statutory minimum wage, oversee the implementation and review of the Minimum Wage Ordinance, take forward legislative exercises concerning the Ordinance, in particular the adjustments of the statutory minimum wage rate as well as the special arrangement for persons with disabilities within two years after implementation of the special arrangement;
3. To oversee the secretariat support provided to the tripartite Labour Advisory Board;
4. To monitor observance of obligations under international labour convention applied to Hong Kong, and formulate and coordinate input to reports on compliance with international labour standards, and oversee Hong Kong's participation in International Labour Organisation activities;
5. To attend to negotiations on free trade agreements where provisions and/or side agreements on labour issues are involved; and
6. To liaise with labour administration counterparts on the Mainland and other jurisdictions through visits and participation in relevant activities.

**Proposed Job Description for
Chief Labour Officer (Statutory Minimum Wage)**

Rank : Chief Labour Officer (D1)

Responsible to : Assistant Commissioner for Labour (Development)

Main Duties and Responsibilities –

1. To spearhead and coordinate the implementation of the statutory minimum wage (SMW) regime involving operations and services on various fronts of the Labour Department, public education-cum-promotion campaigns, and operation and review of the special arrangement for persons with disabilities;
2. To support the statutory Minimum Wage Commission responsible for the SMW rate reviews on the basis of the evidence-based approach and extensive consultations with stakeholders;
3. To map out and coordinate critical and longitudinal assessments of the implications of the SMW implementation on the overall economy and labour market as well as low-paying sectors and small and medium sized enterprises which are more susceptible to wage fluctuations;
4. To assist in the formulation of policies and strategies on the implementation of SMW to safeguard employees' entitlements and forestall breaches including keeping in close touch with relevant stakeholders in different trades and sectors; and
5. To attend meetings of the Labour Advisory Board, District Councils, relevant Panels/Committees of the Legislative Council and with stakeholder groups, and to prepare relevant papers and documents.
