

Key Points of Presentation by Chamber of Security Industry(CSI)  
to Manpower Panel of the Legislative Council on 20 November 2012

- CSI opines \$28 should remain but reluctantly accepts the \$30 SMW proposed by the MW Commission
- Other than the new SMW level, many pertinent aspects probably have more profound impact on SME employers
- Legislative consideration on grave financial impact on service providers : (a) right of voiding or (b) mandatory adjustment clause about service charge levels affected by new SMW level
- Especially Govt service contracts – pre-SMW with CPI-linked adjustment mechanism, post-SMW contract period of 3 years without any service charge adjustment
- Sufficient & reasonable advance announcement of new SMW for contract negotiation & budget preparation of Estate Management Fees
- SMW level NOT to be revised more frequent than once every 2 years
- Regional actual wage differentials fully exemplify the law of supply-and-demand, SMW revision is an undesirable “Visible Hand” in the World's Freest Economy
- SMW level is strictly correlated to the likelihood of lesser quality workers being displaced from the workforce
- Most important : a dire need to revise the statutory LSP provision to relieve employers from the sudden and substantial increase in liability when SMW is arbitrarily set(eg at its inauguration).