

立法會
Legislative Council

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Subcommittee on
Minimum Wage Ordinance (Amendment of Schedule 3) Notice 2015 and
Employment Ordinance (Amendment of Ninth Schedule) Notice 2015

Minutes of meeting
held on Monday, 16 February 2015, at 11:00 am
in Conference Room 2B of the Legislative Council Complex

Members present : Dr Hon CHIANG Lai-wan, JP (Chairman)
Hon LEE Cheuk-yan
Hon LEUNG Yiu-chung
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon YIU Si-wing
Hon CHAN Chi-chuen
Hon LEUNG Che-cheung, BBS, MH, JP
Dr Hon KWOK Ka-ki
Dr Hon Fernando CHEUNG Chiu-hung
Hon TANG Ka-piu, JP

Members absent : Hon Cyd HO Sau-lan, JP
Hon IP Kwok-him, GBS, JP
Hon Frankie YICK Chi-ming
Hon KWOK Wai-keung
Hon SIN Chung-kai, SBS, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Hon CHUNG Kwok-pan

**Public Officers : Item I
attending**

Miss Mabel LI Po-yi, JP
Assistant Commissioner for Labour (Development)

Mr Desmond HOU Ka-chun
Principal Economist, Economic Analysis and
Business Facilitation Unit
Financial Secretary's Office

Mr William MAK Chi-tung
Chief Labour Officer (Statutory Minimum Wage)
Labour Department

Mr Jonathan LUK King-hang
Government Counsel
Department of Justice

**Clerk in : Miss Betty MA
attendance Chief Council Secretary (2) 1**

**Staff in : Mr YICK Wing-kin
attendance Assistant Legal Adviser 8**

Mr Raymond LAM
Senior Council Secretary (2) 7

Miss Lulu YEUNG
Clerical Assistant (2) 1

I. Meeting with the Administration

The Subcommittee deliberated (index of proceedings attached at Annex).

II. Any other business

2. The Chairman concluded that the Subcommittee had completed scrutiny of the Minimum Wage Ordinance (Amendment of Schedule 3) Notice 2015 and the Employment Ordinance (Amendment of Ninth Schedule) Notice 2015 ("the Notices"). Members noted that the Subcommittee would report its deliberations on the Notices to the House Committee on 27 February 2015. The deadline for giving notice of a motion to amend the Notices, if any, at the Council meeting of 18 March 2015 was 11 March 2015.

3. There being no other business, the meeting ended at 11:40 am.

Council Business Division 2
Legislative Council Secretariat
10 March 2015

**Proceedings of meeting of the Subcommittee on
Minimum Wage Ordinance (Amendment of Schedule 3) Notice 2015 and
Employment Ordinance (Amendment of Ninth Schedule) Notice 2015
held on Monday, 16 February 2015, at 11:00 am
in Conference Room 2B of the Legislative Council Complex**

Time marker	Speaker(s)	Subject(s)	Action Required
000000 - 000608	Chairman	Opening remarks	
000609 - 000836	Chairman Admin	<p>Administration's response to issues raised by members at the last meeting on 11 February 2015 -</p> <p>(a) according to the Annual Earnings and Hours Survey ("AEHS") conducted by the Census and Statistics Department ("C&SD"), there were 1 319 800 employees earning less than \$13,300 per month in May to June 2013; and</p> <p>(b) the wage levels of employees in the second quarter of a year were comparatively more stable and thus more suitable for year-on-year comparisons. Mr Tommy CHEUNG's suggestion of adopting September to November as the survey reference period of AEHS had been conveyed to C&SD for consideration.</p>	
000837 - 001418	Chairman Mr Tommy CHEUNG	<p>Mr Tommy CHEUNG's view that -</p> <p>(a) May to June of a year should not be adopted as the survey reference period of AEHS;</p> <p>(b) the Minimum Wage Commission ("MWC") should consider the latest statistics in its review of the Statutory Minimum Wage ("SMW") rate; and</p> <p>(c) the Government should carry out assessments on the accuracy of its previous estimates on additional wage bill arising from the revision of the SMW rate.</p>	

Time marker	Speaker(s)	Subject(s)	Action Required
001419 - 002000	Mr LEE Cheuk-yan Mr Tommy CHEUNG Admin	<p>Mr LEE Cheuk-yan's view that -</p> <ul style="list-style-type: none"> (a) the SMW rate should be reviewed on an annual basis; (b) the Government should carry out a survey on the wage adjustment cycles of employees of government outsourced service contractors; and (c) C&SD should compress the time between data collection and publication of findings in AEHS. <p>Administration's response that -</p> <ul style="list-style-type: none"> (a) it would convey Mr LEE's view regarding carrying out a survey on the wage adjustment cycles of employees of government outsourced service contractors to the relevant policy bureau; and (b) in previous AEHS, the findings of AEHS for May to June of a year were published in March of the following year, representing a time period of about eight months between the survey reference period and publication of findings. Mr LEE's view on compressing the time between data collection and publication of findings in AEHS would be conveyed to C&SD. 	
002001 - 002514	Mr TANG Ka-piu Admin	<p>Mr TANG Ka-piu's view that the Administration should carry out a study of the impact of annual review of the SMW rate on employment and the economy of Hong Kong.</p> <p>Administration's response that since SMW had been implemented for only a few years with limited experience, the existing flexible arrangement of reviewing the SMW rate at least once in every two years should be maintained.</p> <p>Mr TANG Ka-piu's question regarding -</p> <ul style="list-style-type: none"> (a) the mechanism for initiating a review on the SMW rate; and 	

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		<p>(b) whether the tenure of any members of MWC had exceeded six years, thus in breach of the Government's "six-year rule" for appointment to advisory and statutory bodies.</p> <p>Administration's response that -</p> <p>(a) the Minimum Wage Ordinance (Cap. 608) ("MWO") stipulated that it was the Chief Executive who required MWC to review the SMW rate at least once in every two years; and</p> <p>(b) appointment of members to MWC had complied with the "six-year rule". As the Provisional Minimum Wage Commission ("PMWC") and MWC were separate bodies, service on PMWC was not counted in the service period in MWC.</p>	
002515 - 003030	Dr KWOK Ka-ki Chairman Admin	<p>Dr KWOK Ka-ki's view that the SMW rate should be reviewed annually, given that the salaries of the civil service were reviewed annually.</p> <p>Administration's response that MWO required that MWC, in performing its functions, must have regard to the need to maintain an appropriate balance between the objectives of forestalling excessively low wages and minimising the loss of low-paid jobs while sustaining Hong Kong's economic growth and competitiveness. The Government was the sole employer of the civil service, whereas the SMW rate would have impact on various stakeholders in the community such as low pay sectors and small and medium enterprises ("SMEs").</p> <p>Dr KWOK Ka-ki's question on whether increases in rent had a much greater impact on the operating costs of SMEs than increases in the SMW rate.</p> <p>Administration's response that the key factors underlying the increase in total operating costs of enterprises during 2010 to 2012 had been</p>	

Time marker	Speaker(s)	Subject(s)	Action Required
		set out in Figure 4.12 of the 2014 Report of MWC.	
003031 - 003844	Dr Fernando CHEUNG Admin Chairman	<p>Dr Fernando CHEUNG's view that the Government should top up the difference between the wage rates of employees with disabilities whose productivity was assessed to be less than 100% and the SMW rate.</p> <p>Dr CHEUNG's question regarding the number of employees with disabilities whose productivity had been assessed under the special arrangement of the SMW regime.</p> <p>Administration's response that as at the end of January 2015, 426 assessment cases had been completed under the special arrangement.</p> <p>Dr CHEUNG's view that the Administration should conduct a survey on the number of employees with disabilities earning wages below the SMW rate.</p> <p>Administration's response that it would convey Dr CHEUNG's view on conducting a survey on the number of employees with disabilities earning wages below the SMW rate to C&SD.</p>	
003845 - 003921	Chairman ALA8	Chairman's question and ALA8's advice regarding whether there was any issue requiring follow-up in the Chinese and English texts of the Minimum Wage Ordinance (Amendment of Schedule 3) Notice 2015 and the Employment Ordinance (Amendment of Ninth Schedule) Notice 2015.	
003922 - 004025	Chairman	Legislative timetable	