

# **立法會**

## ***Legislative Council***

LC Paper No. CB(2)1887/18-19

(These minutes have been seen  
by the Administration)

Ref : CB2/PL/MP

### **Panel on Manpower**

**Minutes of meeting  
held on Tuesday, 21 May 2019, at 4:30 pm  
in Conference Room 3 of the Legislative Council Complex**

- Members present**
- : Dr Hon Fernando CHEUNG Chiu-hung (Chairman)
  - Hon HO Kai-ming (Deputy Chairman)
  - Hon LEUNG Yiu-chung
  - Hon Starry LEE Wai-king, SBS, JP
  - Hon YIU Si-wing, BBS
  - Dr Hon KWOK Ka-ki
  - Hon KWOK Wai-keung, JP
  - Hon POON Siu-ping, BBS, MH
  - Dr Hon CHIANG Lai-wan, SBS, JP
  - Hon Andrew WAN Siu-kin
  - Hon CHU Hoi-dick
  - Hon Jimmy NG Wing-ka, JP
  - Hon SHIU Ka-fai
  - Dr Hon Pierre CHAN
  - Hon LUK Chung-hung, JP
  - Hon Jeremy TAM Man-ho
  - Hon AU Nok-hin
  - Hon Vincent CHENG Wing-shun, MH
- Members absent**
- : Hon WONG Kwok-kin, SBS, JP
  - Hon Frankie YICK Chi-ming, SBS, JP
  - Hon CHUNG Kwok-pan
  - Hon SHIU Ka-chun

**Public Officers attending : Item III**

Dr CHUI Tak-yi, JP  
Under Secretary for Food & Health

Miss Diane WONG Shuk-han  
Deputy Director (Environmental Hygiene)  
Food & Environmental Hygiene Department

Mr FORK Ping-lam  
Assistant Director (Operations) 3  
Food & Environmental Hygiene Department

Ms Tracy CHU Lai-fong  
Principal Assistant Secretary for Financial Services &  
the Treasury (Treasury) (E)

Dr Mandy HO Mang-yee, JP  
Occupational Health Consultant (1)  
Labour Department

Mr Simon LI Chi-chung  
Assistant Commissioner for Labour  
(Employees' Rights and Benefits)

**Item IV**

Ms Agnes LO Kit-mui  
Assistant Commissioner for Census and Statistics (Labour)

Ms Anmy CHEUNG Kit-man  
Senior Statistician (Labour)  
Census and Statistics Department

Ms Melody LUK Wai-ling, JP  
Assistant Commissioner for Labour (Labour Relations)

Mr Raymond HO Kam-biu  
Assistant Commissioner for Labour (Development)

Mr Desmond HOU Ka-chun  
Principal Economist, Office of the Government Economist  
of the Financial Secretary's Office

Item V

Dr LAW Chi-kwong, GBS, JP  
Secretary for Labour and Welfare

Miss Leonia TAI Shuk-yiu, JP  
Deputy Secretary for Labour and Welfare (Welfare) 1

Mr Daniel FONG Siu-wai  
Principal Assistant Secretary for Labour and Welfare  
(Manpower)

Ms Cecilia CHAN Mei-ping  
Senior Statistician (Manpower)  
Labour and Welfare Bureau

Mr Desmond HOU Ka-chun  
Principal Economist, Office of the Government Economist  
of the Financial Secretary's Office

Mr Jonathan NG Chi-chung  
Senior Statistician (Household and Income Statistics)  
Census and Statistics Department

**Attendance  
by invitation**

: Item III

Hong Kong Catholic Commission for Labour Affairs

Ms LAW Pui-shan  
Policy Research Officer

Mr 陳福明

**Clerk in  
attendance**

: Miss Betty MA  
Chief Council Secretary (2) 1

**Staff in  
attendance**

: Ms Rita LAI  
Senior Council Secretary (2) 1

Ms Kiwi NG  
Legislative Assistant (2) 1

Miss Lulu YEUNG  
Clerical Assistant (2) 1

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**I. Information papers issued since the last meeting**

(LC Paper Nos. CB(2)1291/18-19(01) and CB(2)1334/18-19(01))

Members noted that the following papers had been issued since the last meeting:

- (a) letter dated 23 April 2019 from Mr SHIU Ka-chun suggesting the Panel to discuss measures for promoting the employment of the elderly; and
- (b) Administration's response to a letter dated 2 April 2019 from Mr Jeremy TAM raising follow-up questions regarding the occupational safety of workers engaged in cleaning and maintenance of street lamps.

**II. Date of next meeting and items for discussion**

(LC Paper Nos. CB(2)1441/18-19(01) and (02))

Regular meeting in June 2019

2. Members agreed to discuss "Review of the jurisdictional limit of the Minor Employment Claims Adjudication Board" at the next regular meeting at 4:30 pm on 18 June 2019 as proposed by the Administration.

3. The Chairman suggested and members agreed that the Panel would discuss manpower shortage for elderly care services and importation of labour at the next meeting. Members further agreed to discuss Mr LUK Chung-hung's proposed Member's Bill entitled "Arrangements for Suspension of Work During Natural Disasters and Emergency Situation Bill" at the next meeting.

*(Post-meeting note: The Panel's June meeting was subsequently rescheduled for 25 June 2019.)*

Items proposed for discussion at future meetings

4. Members agreed that the Panel would discuss the subject of "Strengthening rehabilitation services for injured employees" at the July meeting.

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5. Dr CHIANG Lai-wan suggested that the Panel should discuss the attainment of recognized qualifications under the Hong Kong Qualifications Framework in career development and advancement in various trades and industries. The Chairman advised that the subject had been included in the Panel's list of outstanding items for discussion.

**III. Working arrangements and labour benefits for government outsourced workers performing cleansing duties in public toilets**  
(LC Paper Nos. CB(2)1444/18-19(03) to (05), CB(2)1467/18-19(01) and CB(2)1479/18-19(01))

6. The Chairman advised that as agreed at the last meeting, the Hong Kong Catholic Commission for Labour Affairs ("HKCCLA") was invited to brief members on its survey findings on the working conditions and arrangements of attendants of public toilets ("PTs") engaged under the government service contracts of the Food and Environmental Hygiene Department ("FEHD") ("the Survey").

7. With the aid of powerpoint presentation, Ms LAW Pui-shan, Policy Research Officer of HKCCLA highlighted to members the major findings of the Survey and recommendations for making improvement to the attendant rooms in PTs as well as the employment terms and conditions of outsourced toilet attendants and cleansing workers. Mr CHAN, who was an outsourced toilet attendant of FEHD, shared with members the adverse conditions of his working environment in PTs.

8. Under Secretary for Food & Health briefly took members through the measures adopted by the Government for improving the employment terms and conditions as well as working arrangements for the outsourced toilet attendants of FEHD, as detailed in the Administration's paper.

9. Members noted an information note entitled "Working arrangements and labour benefits for government outsourced workers performing cleansing duties in public toilets" prepared by the Legislative Council ("LegCo") Secretariat.

Refurbishment or facelifting works for public toilets

10. Mr Jeremy TAM held a strong view that the Administration should, in carrying out the refurbishment works for FEHD-managed PTs, improve the overall cleanliness and hygiene thereof. Mr CHU Hoi-dick said that the Administration should formulate short-, medium- and

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long-term improvement measures for all PTs and the attendant rooms. Mr Andrew WAN enquired about the completion timetable for the refurbishment or facelifting works for about 240 FEHD-managed PTs as promulgated in the 2019-2020 Budget, in particular making improvement to the facilities in attendant rooms.

11. Deputy Director (Environmental Hygiene) of FEHD ("DD(EH)/FEHD") responded that planning for the refurbishment or facelifting works for about 240 PTs of FEHD would commence progressively in the coming five years (i.e. 2019-2020 to 2023-2024). The projects would enhance the cleanliness and hygiene conditions of the PTs and improve the facilities in attendant rooms, such as exhaust fans, oscillating fans, lighting, power sockets, lockers and shelves.

12. At the invitation of Mr CHU Hoi-dick, Mr CHAN of HKCCLA gave a brief account of the flushing and ventilation problems in PTs. Mr Andrew WAN echoed a similar concern about the flushing facilities in PTs. DD(EH)/FEHD advised that FEHD was working closely with the relevant departments on the scope of refurbishment or facelifting projects of PTs, including ventilation systems, having regard to the actual circumstances of individual toilets. FEHD would proactively follow up on the overall refurbishment or facelifting works for PTs of FEHD, and bid for additional resources as necessary if the situation warranted. Assistant Director (Operations) 3 of FEHD ("AD(O)3/FEHD") then elaborated on how the flushing systems in PTs could technically be improved upon completion of the refurbishment works.

*Attendant rooms of public toilets*

13. Mr LUK Chung-hung and Mr POON Siu-ping were concerned about the criteria for provision of toilet attendant services. DD(EH)/FEHD and AD(O)3/FEHD responded that generally speaking, toilet attendant services were provided in PTs with high utilization rates, i.e. a daily usage of at least 300 persons, and attendant rooms were made available in most of the PTs provided with toilet attendant services.

14. Mr LUK Chung-hung and Mr LEUNG Yiu-chung expressed grave concern about a recent media report that a cleansing worker of government service contractor ("GSC") had to take meal inside the PT where he worked. Mr LEUNG called on FEHD to review and improve the provision of basic facilities for toilet attendants. Mr LUK further suggested that separate entrances for PTs and attendant rooms should be provided as far as practicable.

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15. Noting that as at 30 April 2019, 264 PTs managed by FEHD were provided with attendant services and 231 of them were provided with attendant rooms, Mr POON Siu-ping asked whether consideration would be given to setting up attendant rooms for the remaining 33 PTs when they were reprovisioned or refurbished. He further sought information on the standard of provision for PTs and attendant rooms. Mr Andrew WAN echoed a similar concern. Mr LEUNG Yiu-chung expressed concern about lack of facilities in existing FEHD-managed PTs for toilet attendants or cleansing workers to take rest or store personal belongings, in particular those in remote area, given that the relevant refurbishment or facelifting works to be carried out progressively were yet to commence.

16. DD(EH)/FEHD and AD(O)3/FEHD referred to the media report and responded that the cleansing worker concerned could take the meal in the attendant room or at FEHD's roll call point nearby. FEHD would as far as possible make available attendant rooms and improve facilities for toilet attendants in new PTs or when PTs were refurbished. Attendant rooms, normally at a size of around three square metres, could provide a place for toilet attendants to take rest. If circumstances permitted, FEHD would install oscillating fans, exhaust fans, power sockets, etc. in existing attendant rooms to improve the environment. FEHD was reviewing facilities in attendant rooms of PTs and would proceed with improvement works for certain facilities as far as practicable.

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17. At the request of the Chairman and Mr Andrew WAN, the Administration agreed to provide after the meeting the standards of provision for PTs and attendant rooms when refurbishing FEHD-managed PTs, and written response to issues raised in the respective letters dated 17 May 2019 from the Chairman and Mr SHIU Ka-chun.

Protection of employment right and benefits of toilet attendants

*Wage level and workload*

18. Mr YIU Si-wing was concerned that "the lowest bid wins" approach had adversely affected the employment rights and benefits of government outsourced workers. Pointing out that the management of toilets in shopping malls was in general better than that of PTs, Mr YIU asked whether the Administration had ever conducted a comparison study

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on the respective modes of management and wage levels of toilet attendants. Mr YIU further asked whether manpower for PT attendant services would be deployed according to the workload and utilization rates of PTs.

19. DD(EH)/FEHD advised that around 40% of FEHD's street cleansing services contracts were not awarded to the lowest bids in the past three years. As regards enhancing protection for non-skilled workers (including toilet attendants) employed by GSCs, FEHD had adopted the Government's improvement measures from April 2019, including increasing the weighting of technical assessment of the marking scheme from 30% to 50% and increasing the weighting of the wage level of non-skilled workers to 25% in the technical assessment. DD(EH)/FEHD further advised that to improve the manpower arrangement for PT service and alleviate the workload of toilet attendants, FEHD would keep under review the utilization rates of its PTs and adjust the arrangement and workload of toilet attendants accordingly, including considering deployment of additional toilet attendants during peak hours.

20. The Deputy Chairman enquired about the wage level of toilet attendants following the implementation of the Government's improvement measures from April 2019. The Administration agreed to provide the requisite information when it was available.

*Meal break arrangements*

21. Mr Andrew WAN, Mr Jeremy TAM, Mr LEUNG Yiu-chung and Mr LUK Chung-hung were concerned about meal break arrangements for toilet attendants. Mr LEUNG called on the Administration to include paid meal break in the standard employment contract ("SEC") for government outsourced workers without further delay. Mr LUK suggested that a one-hour paid meal break should be provided in an eight-hour work shift.

22. DD(EH)/FEHD said that according to the terms of service contract that relied heavily on the deployment of non-skilled workers, there should be a meal break of one hour on a work shift of eight hours or longer for toilet attendants who might take meal at any locations within the prescribed time. Toilet attendants working in work shifts of less than 8 hours might have a brief refreshment break of a reasonable duration.



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23. Principal Assistant Secretary for Financial Services & the Treasury (Treasury) (E) advised that the Administration was fully aware of the call for inclusion of a paid meal break in SEC. On whether paid meal breaks should be provided, different policy implications should be considered by the Government, having regard to the complexities involved. That said, the Government would keep in view the improvement of the labour rights and benefits as appropriate. DD(EH)/FEHD added that FEHD would act in accordance with any further enhancement measures to be taken by the Government.

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24. At Mr Jeremy TAM's request, the Administration agreed to provide after the meeting information on the additional annual cost for inclusion of paid meal break in SEC for all non-skilled employees engaged under FEHD's GSCs performing street cleansing duties.

*Occupational health of toilet attendants and cleansing workers*

25. Mr Andrew WAN considered that the Administration should enhance the employment rights and benefits of toilet attendants while improving facilities of PTs and facilities of attendant rooms. He was particularly concerned that some toilet attendants were not provided with sufficient drinkable water as there were no water dispensers in some attendant rooms.

26. DD(EH)/FEHD said that under the Occupational Safety and Health Ordinance (Cap. 509) ("OSHO") and its subsidiary regulation, it was the responsibility of the street cleansing services contractors of FEHD to provide their employees with sufficient drinking water.

27. The Deputy Chairman expressed concern that some toilet attendants were not provided with appropriate and necessary items when performing cleansing duties in PTs. The Chairman enquired whether consideration would be given to stipulating in the tender documents facilities to be provided in attendant rooms. Mr CHU Hoi-dick shared a similar concern.

28. DD(EH)/FEHD advised that a new provision was included in the government service contracts from 2018, which specified that cleansing service contractors had to provide their employees with uniform and special protective clothing/items and submit the relevant list to FEHD within two weeks after the commencement date of the service contract. Thereafter, street cleansing services contractors needed to keep records

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detailing the provision of equipment/clothing and acknowledgment receipt by the employees. Such records should be produced for inspection upon request by the Government representative.

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29. Expressing concern about occupational safety and health of toilet attendants and cleansing workers, Mr POON Siu-ping sought information on the number of referrals to the Labour Department ("LD") for follow-up actions in the past years regarding non-compliance with OSHO and SEC by street cleansing services contractors of FEHD (which also provided cleansing services for PTs) and the level of penalties imposed. The Administration agreed to provide the requisite information after the meeting.

Motions proposed by members

30. The Chairman said that Mr LUK Chung-hung and Mr Jeremy TAM had indicated their respective intention to propose motions under this agenda item. He ruled that the two motions were directly related to the agenda item, and the motions would be voted in the order they were presented. Members agreed that the motions should be proceeded with.

*Motion moved by Mr LUK Chung-hung*

31. Mr LUK Chung-hung moved the following motion:

"儘管政府已就如何改善政府外判服務制度進行檢討，並提出了一系列措施，以加強保障受僱於政府服務承辦商的非技術員工的待遇及勞工權益，可是新措施並未能徹底解決現有制度的漏洞。就此，本事務委員會促請政府繼續優化政府服務外判制度，包括：

- (a) 評分制度下技術審核的比重由 50%增至 70%；
- (b) 只要非技術員工在其「標準僱傭合約」屆滿或終止時，即享有合約酬金；
- (c) 擴大扣分失責通知書的適用範圍至「勞資糾紛」及涉違反職業安全健康個案；
- (d) 在標書列明，承辦商在提供不同外判服務範圍時，所需服務人手數目的最低標準，並為非技術員工提供必須及合適

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的物品、衣物、裝備、飲用水、休息室，以及休息時間和有薪用膳時間；

- (e) 為因惡劣天氣而增加額外工作的非技術員工，提供不少於原本享有工資的 150% 的辛勞津貼；及
- (f) 設立假期補償制度，為轉換合約的非技術員工保留累積年假及法定勞工假期等。

長遠則應縮窄服務外判的範疇和規模，並改以公務員合約條款逐步聘用僱員擔任有長期服務需求的工作崗位。"

(Translation)

"Notwithstanding that the Government has already conducted a review on ways to improve the government outsourcing system and come up with a set of measures for strengthening the protection of the employment terms and conditions as well as labour benefits of non-skilled employees engaged by government service contractors, the new measures fail to fully address the loopholes in the existing system. In this connection, this Panel urges the Government to continue to enhance its outsourcing system by:

- (a) increasing the weighting of technical assessment of the marking scheme from 50% to 70%;
- (b) entitling any non-skilled employees to contractual gratuity upon completion or termination of their Standard Employment Contract;
- (c) expanding the scope of default notices to include labour disputes and cases involving non-compliance with occupational safety and health;
- (d) specifying in the tender documents the minimum standards for the numbers of workers for the required services in the delivery of outsourced services in different areas by contractors, together with the provision of necessary and suitable items, clothing, equipment, drinking water, rest rooms as well as rest time and paid meal breaks to non-skilled employees;

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- (e) providing hardship allowance of no less than 150% of the wages that non-skilled employees are originally entitled to for their additional work arising from inclement weather; and
- (f) setting up a leave compensation system for non-skilled employees to retain their cumulative annual leave and statutory holidays at the change of contracts, etc.

In the long term, the scope and scale of service outsourcing should be narrowed and progressively replaced by recruiting employees on civil service agreement terms to fill positions with long-term service needs."

32. The Chairman put Mr LUK Chung-hung's motion to vote. The Chairman said that all members present unanimously voted for the motion and declared that the motion was carried.

*Motion moved by Mr Jeremy TAM*

33. Mr Jeremy TAM moved the following motion:

"本事務委員會要求政府透過投標條款及服務合約，要求提供公廁清潔服務的外判服務承辦商必須為僱員提供有薪用膳時間（「飯鐘錢」）。"

(Translation)

"This Panel requests the Government to require outsourced service contractors providing public toilet cleansing services, through the terms of tender and service contracts, to provide employees with paid meal breaks."

34. The Chairman put Mr Jeremy TAM's motion to vote. The Chairman said that all members present unanimously voted for the motion and declared that the motion was carried.

35. The Chairman appealed to the Administration to improve the working arrangements and labour benefits for government outsourced workers performing cleansing duties in PTs. The Chairman further urged the Administration to expedite the review on the facilities in attendant

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rooms of PTs. At the Chairman's request, DD(EH)/FEHD agreed to revert to the Panel on the findings of the review on the facilities in attendant rooms of PTs in due course.

**IV. Major findings of the 2018 Annual Earnings and Hours Survey**  
(2018 Report on Annual Earnings and Hours Survey, LC Paper Nos. CB(2)1444/18-19(06) and (07))

36. With the aid of powerpoint presentation, Assistant Commissioner for Census and Statistics (Labour) ("AC/C&S") highlighted to members the major findings in the 2018 Report on Annual Earnings and Hours Survey ("AEHS").

37. Assistant Commissioner for Labour (Labour Relations) ("AC for L(LR)") added that LD and the Census and Statistics Department ("C&SD") had conducted in 2009 a Special Topic Enquiry via the General Household Survey ("GHS") on the employment benefits of employees. To understand the latest characteristics and employment patterns of employees, in particular those engaged under employment contracts with short duration or working hours, LD and C&SD would conduct a Thematic Household Survey. In response to the Chairman's enquiry, AC for L(LR) said that the survey would be conducted around end of 2019 and data collection would last for around three months. It was expected that the survey findings would be made available towards end of 2020. The Chairman called on the Administration to expedite the relevant work process so as to facilitate early discussion on the review of the continuous contract requirement under the Employment Ordinance (Cap. 57).

*(Post-meeting note: The softcopy of the powerpoint presentation materials was issued to members vide LC Paper Nos. CB(2)1512/18-19(01) and (02) on 22 May 2019.)*

38. Members noted an updated background brief entitled "Annual Earnings and Hours Survey" prepared by the LegCo Secretariat.

Working hours issues

39. Mr POON Siu-ping said that the labour sector had all along called for legislating for standard working hours and expressed regrets at the Administration's decision of not to pursue the matter. Expressing

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concern about the long working hours of employees in the low-paid industries, Mr POON asked whether the working hours situation in the relevant industries had been improved.

40. AC/C&S responded that the median weekly working hours for all employees (excluding government employees as well as student interns, work experience students and live-in domestic workers as exempted by the Minimum Wage Ordinance (Cap. 608)) ("MWO") in the estate management, security and cleaning services industry decreased from 49 hours in May-June 2017 to 48 hours in May-June 2018. The change implied a general decrease in the working hours of employees in this industry section. That said, it could not rule out the possibility that the weekly working hours of some employees in this industry section exceeded 48 or 49 hours in 2018.

41. Mr POON Siu-ping pointed out that some employees were assigned with jobs without physical contact with their employers, for instance, through the Internet, and hence their working hours were not specified in the employment contracts and the wages were calculated at piece-rate. He asked whether such employees were covered in AEHS.

42. AC/C&S explained that AEHS covered employees of all business undertakings in Hong Kong, irrespective of the working locations. The working hours statistics published in the reports of AEHS covered contractual/agreed working hours and overtime hours worked at the direction of employers.

43. Mr LUK Chung-hung was concerned about the accuracy of the median weekly working hours for all employees in the AEHS findings. He pointed out that for those employees who had taken up several part-time jobs with different employers would have lower recorded weekly working hours in AEHS because individual employers could only provide their own part of working hours information. Moreover, overtime hours not worked at the direction of employers were not included in AEHS. Mr LUK called on the Administration to improve the data collection methodology for the working hours statistics in order to reflect accurately the working hours situation. To this end, the Administration should also collect the actual working hours from employees so as to have comprehensive statistics on the long working hours situation in various trades and industries. The Deputy Chairman shared a similar view and concern, in particular the long working hours situation in the restaurants sector.

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44. AC/C&S advised that overtime hours not worked with the agreement or at the direction of employers were not available from the employers, therefore such statistics were not available in AEHS. AC/C&S further advised that C&SD also collected information on the actual number of hours worked during the seven days before enumeration, comprising contractual hours, compensated overtime hours and uncompensated overtime hours but excluding meal breaks and non-working hours due to public holidays, paid annual leave, etc. from employees through another regular survey, namely, GHS. According to GHS, the median weekly working hours for employees was 40 during the reference period of April to June 2018.

45. Mr LUK Chung-hung was concerned about whether employees working for long hours would have been covered in GHS. Mr SHIU Ka-fai asked how data were collected under GHS.

46. In reply, AC/C&S advised that field officers of C&SD visited the randomly selected households at least four times between 9:00 am and 10:00 pm of the survey period to collect the required information by face-to-face interviews. If the respondents were not at home, their family members could provide their telephone numbers to the field officers, who would contact the respondents accordingly to enquire for the required information. In addition, online questionnaire was available for sampled households to provide their information via the Internet. The Chairman, however, considered it not practical to ask employees who might be exhausted after having worked for long hours to complete the online questionnaire. He called on the Administration to review the methodology of the survey. Moreover, the Chairman considered that the number of weekly working hours under GHS might be underestimated because of the exclusion of the leave/holiday during the seven-day period before enumeration.

47. Referring to the overtime work hours in the 2016 AEHS findings, which accounted for around 2% of the total working hours, the Deputy Chairman asked about the corresponding figure in 2018 AEHS findings. AC/C&S said that according to the 2018 AEHS findings, 448 300 employees had worked overtime at the direction of employers and the median weekly overtime hours of these employees was 2.8 hours.

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48. The Deputy Chairman sought an update of the latest position of the working hours policy. Assistant Commissioner for Labour (Development) ("AC for L (D)") said that as the Government had stated earlier, in the light of the community's diverse views on the legislative proposals on working hours policy, the Government had decided to focus efforts on formulating the 11 sector-specific working hours guidelines through the industry-based tripartite committees of LD for reference by employers and employees.

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49. At the Chairman's request, the Administration agreed to provide information on the maximum and minimum numbers of weekly working hours for employees covered under the 2018 AEHS after the meeting.

Wage issues

50. Mr AU Nok-hin noted that the median monthly wage of employees in Hong Kong (excluding government employees as well as student interns, work experience students, and live-in domestic workers as exempted by MWO) was \$17,500 in May to June 2018, which was 4.0% higher than the median of \$16,800 in May to June 2017. Mr AU asked about the real increase in the wage level after discounting the impact of inflation and increase in price level. In particular, there was no significant improvement in the real wage levels in the restaurants sector, security and cleaning services and miscellaneous activities, which remained on the low side as compared with the overall median monthly wage of employees in Hong Kong. He called on the Administration to take this into consideration when conducting review of the Statutory Minimum Wage ("SMW") rate.

51. AC for L (D) pointed out that the Minimum Wage Commission made reference to an Array of Indicators, including the inflation rate, when conducting review of the SMW rate. Notably, the recent uprating of SMW from \$34.5 per hour to \$37.5 per hour represented an increase of 8.7%, which was higher than the 4.8% increase in the underlying Composite Consumer Price Index from May 2017 to March 2019.

Other issues

52. Drawing reference to international analysis on the reducing number of middle-income occupations, Mr AU Nok-hin expressed concern about the situation in Hong Kong. Mr AU asked whether the Administration would conduct a similar local study.



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53. AC/C&S advised that C&SD had all along been keeping track of changes in the number of employed persons by occupational groups over the years. Principal Economist, Office of the Government Economist of the Financial Secretary's Office further pointed out that the education attainment of the labour force had improved over the past several decades as Hong Kong continued to move towards a high value-added economy. He added that the proportion of workers in higher-skilled occupation groups had increased significantly in the past 20 years. Relevant analyses were subsumed in some feature articles in the Economic Reports published quarterly by the Office of the Government Economist.

*[The Chairman directed that the meeting would be extended by 15 minutes.]*

**V. Key findings of manpower projection to 2027**  
(LC Paper Nos. CB(2)1444/18-19(08) and (09))

54. Members noted an updated background brief entitled "Manpower projection" prepared by the LegCo Secretariat.

55. Mr POON Siu-ping expressed concern about the reliability of the manpower resource balance projection. He was also concerned about the projected manpower requirements from 2017 to 2027 for the pillar industries of trading and logistics, which would be substantially reduced by 69 600 persons. Mr LUK Chung-hung expressed grave concern that the projected manpower requirements for the economic sector of import, export, wholesale and retail trades would significantly be reduced by 53 400 persons from 2017 to 2027. Both members sought explanation for the projected shrinkage in manpower requirements in the respective industries and asked how the Administration would tackle the situation.

56. Mr SHIU Ka-fai was concerned about the reliability of the periodic Manpower Projection ("MP") exercises. He was gravely concerned about the recruitment difficulties in various trades and industries, in particular the food services and retail sectors and the construction industry. To address the manpower shortage problem, he urged the Administration to seriously consider expanding the Supplementary Labour Scheme to bring in more workers from outside Hong Kong.

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57. The Deputy Chairman expressed concern that there was a sizeable mismatch between job requirements and the qualifications of workers in the labour market. To unleash more potential workforce including female homemakers and elderly persons, the Deputy Chairman called on the Administration to introduce appropriate employment support measures for these potential workforce. For instance, the provision of more child care services to release the female homemakers to join the labour force.

58. To facilitate policy formulation to address the projected manpower shortage of 169 700 persons in 2027, Mr AU Nok-hin sought information on the factors relating to the different growth rates of the projected manpower requirements by economic sectors and industries. With reference to the global experience of reduction in middle-income occupations and manpower requirements for specific trades and industries, Mr AU enquired about the situation in Hong Kong.

59. In response to members' views and concerns, Secretary for Labour and Welfare ("SLW") said that the Government had been conducting, at the macro level, periodic (currently every five years) MP exercises with a view to assessing the broad trends of Hong Kong's future manpower supply and requirements for the medium term. The Government had made, on the basis of certain assumptions, including the demographic changes in the next decade, its best efforts to conduct the MP exercise and compile the findings of MP2027. The local manpower supply was projected to increase from 3.64 million in 2017 to reach a plateau in 2019 to 2022 at 3.67 million to 3.68 million, and then decrease to 3.57 million in 2027. It was noteworthy that the projected manpower requirements were based on a set of static assumptions and qualitative information, with a view to providing a broad indication on future manpower needs, and the results were subject to certain degrees of limitation. That said, the difference between the projected manpower requirements in the MP2018 and the situation in 2018 was estimated at around 0.7%. SLW pointed out that while the findings of the MP exercise was static analysis, it was expected that businesses would respond dynamically and flexibly over time to meet their operating needs.

*[The Chairman suggested and members agreed that the meeting be further extended by 10 minutes.]*

Action

60. Citing the results of two MP-related statistical surveys that some 66 600 persons, including 50 100 female homemakers aged 30-59 and 16 500 early retirees aged 50-64, indicated that they would be willing to work if they were offered "suitable" employment meeting their specific needs, Mr POON Siu-ping asked whether these potential workforce were included in MP2027. SLW replied in the negative.

61. As regards the projected manpower requirements for specific economic sectors and industries, SLW said that during the MP exercise, the Government had gathered views from businesses, trade associations and public organizations, in particular those from employers regarding their current and future manpower needs. A list of the social and economic factors that might affect the outlook for future manpower needs, such as the use of automation and artificial intelligence, was provided to stakeholders to facilitate their responses on their envisaged future manpower requirements. In the light of the projected manpower requirements, relevant bureaux/departments might consider conducting further sector-specific manpower planning/studies, having regard to the future development and characteristics of the manpower supply and demand of the specific sectors concerned, the policy direction and other practical considerations. For instance, the Labour and Welfare Bureau would, having regard to the projected shrinkage in labour force, strive to enhance the child care services so as to release more homemakers to join the labour force as well as to strengthen the employment support services for the middle-aged and elderly job seekers. SLW added that it would be difficult to make projections on the manpower supply of specific sectors and occupations and to categorize occupations by income group.

62. In response to Mr LUK Chung-hung's follow-up enquiry about the Government's policies and measures to encourage and facilitate the use of artificial intelligence and automation in business operation, SLW said that as one of the priority tasks announced in the 2018 Policy Address and 2019-2020 Budget, the Government would allocate more resources in this regard.

63. There being no other business, the meeting ended at 6:55 pm.