

立法會
Legislative Council

LC Paper No. LS61/19-20

**Legal Service Division Report on
Subsidiary Legislation Gazetted on 27 March 2020**

Tabling in LegCo : Council meeting of 22 April 2020

Amendment to be made by : Council meeting of 20 May 2020 (or that of 10 June 2020 if extended by resolution)

**Employees Retraining Ordinance (Amendment of
Schedule 4) Notice 2020 (L.N. 29)**

Under sections 20, 21 and 22 of the Employees Retraining Ordinance (Cap. 423), an eligible trainee may apply to the Employees Retraining Board ("ERB") for payment of a retraining allowance in respect of his attendance or intended attendance at a retraining course or supplementary retraining programme provided or conducted by a training body or training provider under Cap. 423 for the purpose of training or retraining trainees to acquire new or enhanced vocational skills or to facilitate their employment ("Retraining Courses"). The maximum amount of retraining allowance payable monthly in respect of an eligible trainee attending specific Retraining Courses, as specified in Schedule 4 to Cap. 423, is \$4,000. Under section 31(2) of Cap. 423, ERB may, by notice in the Gazette, amend the Schedule.

2. L.N. 29, made by ERB under section 31(2) of Cap. 423, amends Schedule 4 to Cap. 423 to increase the maximum amount of monthly retraining allowance from \$4,000 to \$5,800.

3. According to paragraphs 2 and 7 of the Legislative Council ("LegCo") Brief (File Ref.: ERB/D/LEGAL/400) issued by the ERB Executive Office dated 25 March 2020, trainees who have completed Retraining Courses with duration of seven days or more and attained an attendance rate of at least 80% are at present eligible for a monthly retraining allowance of up to \$4,000 per trainee. Taking into account the inflation rate since the current maximum amount of retraining allowance was adjusted in July 1995, ERB has resolved that the maximum amount should be increased to \$5,800. According to the LegCo Brief, this increase, as part of the measures to support enterprises and employment announced by the Financial Secretary on 4 December 2019, is

also applicable to the special training allowance payable to eligible trainees enrolled in the one-off "Love Upgrading Special Scheme" ("Special Scheme") launched by ERB in October 2019.¹ As stated in paragraph 5 of the LegCo Brief, the anticipated financial commitment arising from the increase in the maximum amount of monthly retraining allowance will be met by the Government's injection of \$2.5 billion into the Employees Retraining Fund, subject to the passage of the Appropriation Bill 2020.

4. Upon enquiry by the Legal Service Division, ERB has clarified that it has consulted relevant stakeholders (i.e. training bodies, trainees and trade unions) and the consensus is that the proposed increase in the monthly retraining allowance should be implemented as soon as possible.

5. As advised by the Clerk to the Panel on Manpower, at its meeting on 17 December 2019, the Panel was briefed on the Administration's initiatives for supporting employment, including the proposal to increase the maximum amount of retraining allowance under the Special Scheme. While Panel members in general supported the proposal, the Administration was requested to consider offering more training places and further increasing the maximum amount of retraining allowance under the Special Scheme.

6. L.N. 29 comes into operation on 25 May 2020.

7. No difficulties have been identified in relation to the legal and drafting aspects of L.N. 29.

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¹ ERB was entrusted by the Government to launch the "Love Upgrading Special Scheme" in October 2019 to assist those who are unemployed, required to take no pay leave or under-employed as a result of the recent economic downturn to upgrade their skills for self-enhancement, with a view to re-entering the employment market as early as possible. For further details, please see the press release issued by ERB on 27 September 2019. Available at: https://www.erb.org/corporate_information/detail/000000282/en/.