

**Speaking Notes for the Secretary for Labour and Welfare
at the Special Meeting of the Finance Committee
on 16 April 2021**

Labour

Chairman and Honourable Members,

Recurrent spending on labour and manpower development in 2021-22 is estimated to be \$2,990 million, representing an increase of \$750 million (33.2%) over the revised estimate of \$2,250 million last year. It accounts for 0.6% of the total recurrent government expenditure. I will briefly highlight the key areas of work in respect of labour and manpower development in the coming year.

Greater Bay Area Youth Employment Scheme

2. To encourage and assist young people to leverage the opportunities for career advancement in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), the Government launched the GBA Youth Employment Scheme on 8 January this year. The scheme provides 2 000 places remunerated at no less than \$18,000 per month for university graduates to work in the Mainland cities of GBA. As of 7 April, 275 enterprises have offered a total of 2 005 job vacancies for the scheme, including 940 general posts and 1 065 innovation and technology posts, for eligible graduates to apply.

Racial Diversity Employment Programme

3. The Labour Department (LD) launched the Racial Diversity Employment Programme in November last year, commissioning non-governmental organisations to strengthen employment support for ethnic minority job seekers. As of 31 March, 307 ethnic minority job seekers have participated in the programme.

Increasing Progressively the Number of Statutory Holidays

4. The Government introduced the Employment (Amendment) Bill 2021 into the Legislative Council (LegCo) on 17 March this year to increase progressively the number of statutory holidays (SHs) under the Employment Ordinance (EO) from 12 days until it reaches 17 days, so that it is on par with

the number of general holidays other than Sundays. The Bill is currently under LegCo's scrutiny. Subject to smooth passage of the Bill, the Government aims to designate the first additional SH in 2022.

Abolishing the “Offsetting” of Severance Payment and Long Service Payment by Employers’ Mandatory Contributions under the Mandatory Provident Fund System

5. The Government continues to press ahead with the preparatory work for the abolition of the arrangement of “offsetting” severance payment and long service payment with employers’ mandatory contributions under the Mandatory Provident Fund (MPF) System, including drafting the bills and thrashing out the implementation details of the support measures. The Government plans to introduce the bills into LegCo in the 2021-22 legislative year, and implement the abolition of the “offsetting” arrangement in tandem with the full implementation of the eMPF Platform of the Mandatory Provident Fund Schemes Authority in 2025.

Extending Statutory Maternity Leave and Implementing the Reimbursement of Maternity Leave Pay Scheme

6. The statutory maternity leave (ML) has been increased from 10 weeks to 14 weeks with effect from 11 December last year. With reference to the 2019 statistics, it is estimated that about 27 000 female employees will benefit from the extension of ML every year. Employers may apply to the Government for full reimbursement of the additional ML pay effected in accordance with EO, subject to a cap of \$80,000 per employee. After all-out efforts of LD, the new Reimbursement of Maternity Leave Pay Scheme started receiving reimbursement applications from employers on 1 April this year.

Streamlining Licence Renewal Process for Employment Agencies and Rolling Out E-Service System

7. To support the Government’s objectives of facilitating business and developing a Smart City, LD streamlined the licence renewal process for employment agencies (EAs) in January this year on the basis that its regulatory and enforcement work would not be affected. Also, LD will roll out “e-Services for EAs” in early 2022 to allow EAs to submit licence applications and check their application status easily and conveniently, etc. It is estimated that about 3 300 EAs will benefit.

Enhancing Occupational Safety and Health

8. The Government attaches great importance to occupational safety and health (OSH) of employees and keeps close tabs on the OSH risk levels of various industries and their changes. Adopting the risk-based principle, LD formulates and adjusts the strategies of inspection and enforcement, publicity and promotion, as well as education and training in a timely manner in order to foster the OSH culture and enhance OSH performance.

9. As the number of fatal industrial accidents in the construction industry and its accident rate per 1 000 workers have been the highest of all industries, apart from strengthening the impact of our regular enforcement inspections, LD will continue to undertake a series of targeted measures to improve the OSH performance of the industry. These measures include conducting Special Enforcement Operations targeting high-risk processes, such as work-at-height, lifting operations and electrical work, etc.; conducting comprehensive and in-depth surprise inspections of construction sites involving high-risk processes or with poor safety performance; and stepping up participation in site safety management committee meetings of public work projects so that LD will be apprised of their latest risk situation, and will give advice and adjust the inspection strategy accordingly.

10. Besides, LD plans to refine the statutory notification mechanism of construction works to cover those with shorter durations or engaging fewer workers but involving a relatively high risk, so as to facilitate LD in conducting targeted safety inspections early.

11. LD will continue to launch large-scale promotional programmes and produce “Work Safety Alerts” in the form of animation videos to enhance OSH awareness of industry stakeholders.

12. In respect of OSH education, LD is reviewing the operation code and guidance notes of the “Approval Conditions for Operating Mandatory Safety Training Courses” to enhance the quality of these safety training programmes.

Pilot Rehabilitation Programme for Employees Injured at Work

13. LD is preparing for the launch of a three-year Pilot Rehabilitation Programme for Employees Injured at Work (Pilot Programme) targeting injured employees in the construction industry. The Pilot Programme will be funded mainly by the Government, while employers are to shoulder part of the rehabilitation treatment expenses to fulfill their statutory responsibility under the Employees’ Compensation Ordinance. The total non-recurrent

expenditure of the Pilot Programme is estimated to be around \$434 million.

14. LD has consulted various stakeholders on the design framework of the Pilot Programme, including the LegCo Panel on Manpower, the Labour Advisory Board, as well as rehabilitation professional bodies, relevant employer and employee groups, etc. The Government is drawing up the service protocols and operational details of the Pilot Programme. Subject to the time required for the preparatory work, the Government targets to launch the Pilot Programme as soon as possible in 2022.

Training Support for Employees

15. The Employees Retraining Board (ERB) launched the “Love Upgrading Special Scheme” (“Special Scheme”) in October 2019 to provide training and allowance for trainees affected by the economic situation; since then 40 000 training places have been provided. Following the completion of the third tranche of the “Special Scheme” in June 2021, ERB will launch the fourth tranche in July 2021 for six months until the end of this year, benefiting an additional 20 000 trainees. ERB will continue to provide more training options under the “Special Scheme” and more online courses for trainees to engage in distance learning during the epidemic.

Continuing Education

16. To cater for advancement in technology and changes in learning mode, the Government plans to recognise online courses under the Continuing Education Fund, and is formulating a framework to provide learners with more diversified ways of continuing learning whilst ensuring effective supervision over the quality of courses and teaching. The Government has consulted the sector with a view to promulgation in September 2021.

17. Chairman, this concludes my opening remarks. Members are welcome to raise questions.

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