

For information  
on 15 December 2020

## **Legislative Council Panel on Manpower**

### **The Chief Executive's 2020 Policy Address Policy Initiatives of the Labour and Welfare Bureau**

#### **Purpose**

This paper elaborates on the major initiatives pertaining to the labour and manpower portfolio as set out in the Chief Executive's 2020 Policy Address and Policy Address Supplement.

#### **Policy Priorities / New Initiatives**

2. The Government accords high priority to promoting the employment of local workers and protecting the rights and benefits of workers. The Labour and Welfare Bureau (LWB) and Labour Department (LD) will continue to pursue suitable measures to combat unemployment and improve protection and benefits of employees. We will also enhance our e-service systems to provide more efficient services to the public. To deliver these objectives, we will take forward the new initiatives set out in paragraphs 3 to 9 below.

#### ***Greater Bay Area Youth Employment Scheme***

3. The Guangdong-Hong Kong-Macao Greater Bay Area (GBA) has tremendous development potential. Apart from providing new impetus to Hong Kong's economic development in the future, it also offers a critical opportunity for our post-epidemic economic recovery. To encourage and assist Hong Kong young people to seize the opportunities for career development in the GBA, and to ease the worsening youth employment problem, the Government will launch the Greater Bay Area Youth Employment Scheme that offers 2 000 places to graduates who obtained their bachelor degrees or above in 2019 to 2021. Participating enterprises shall engage the target graduates in Hong Kong under Hong Kong law, offer them a monthly salary of not less than HK\$18,000 (HK\$26,000 for innovation and technology posts) and station them in the Mainland cities of the GBA to work and receive on-the-job training. To encourage enterprises to participate in the scheme and to subsidise their extra expenses for training the graduates, the Government will grant a monthly allowance of HK\$10,000 (HK\$18,000 for posts in innovation and technology field) to the enterprises for each graduate engaged up to 18 months.

### ***Employees Retraining***

4. In light of challenges of the employment market in the foreseeable future, the Government and the Employees Retraining Board (ERB) will further enhance the support to employees affected by the economic downturn. Immediately after the completion of the second tranche of the Love Upgrading Special Scheme (Special Scheme) at the end of this year, ERB will launch the third tranche of the Special Scheme in January 2021 for six months until mid-2021. The new tranche will double the 10 000 training places under the second tranche, enabling 20 000 trainees to receive retraining and an allowance during the training period. The Special Scheme does not impose any academic qualification requirements on trainees and encourages them to participate in cross-industry training, with the aim of assisting them to rejoin the employment market as early as possible.

5. While the unemployment rate remains high, some sectors are facing staff shortage. We will step up our efforts to encourage employers of sectors facing persistent manpower shortage (including the caring sector) to participate in ERB's "First-Hire-Then-Train" Scheme, and consider adjusting the training and working hour arrangements under the scheme to attract employees to join the sector and address the manpower need of the sector more effectively. We will also make arrangements for employers to join the Employment Programme for the Elderly and Middle-aged of LD to apply for on-the-job training (OJT) allowance. LD will also strengthen its liaison with employers with recruitment needs to enhance job matching and organise more thematic job fairs to help job seekers secure employment.

### ***Increasing Progressively the Number of Statutory Holidays under the Employment Ordinance***

6. The proposal to increase the number of statutory holidays (SHs) to bring it on par with that of general holidays (GHs)<sup>1</sup> has formally entered the discussion stage at the Labour Advisory Board (LAB). The Chief Executive (CE) earnestly hopes that an implementation plan acceptable to both employees and employers can be agreed in order to conclude this controversial labour welfare issue which has lingered on for years, so that we may strive to introduce the enabling bill into the Legislative Council (LegCo) for scrutiny within the term of the current Government. We have worked out a proposal along the following –

---

<sup>1</sup> GHs, which include 17 designated days and every Sunday, are specified in the Schedule to the General Holidays Ordinance. For the purpose of this paper, GHs are referred to as the 17 designated days only with all Sundays excluded.

- (a) SHs should be increased by one day in every two years such that in eight years time the total number of SHs matches that of GHs;
- (b) the five additional days of SHs should fall on GHs that are currently not SHs, and, subject to the actual legislative programme and the timing of passage of the proposed Bill, we preliminarily recommend that the additional SHs could be increased in the following sequence –

<b>Proposed sequence of SH to be added</b>	<b>Corresponding month</b>
1. The Birthday of the Buddha	April / May
2. The first weekday after Christmas Day	December
3. Easter Monday	March / April
4. Good Friday	March / April
5. The day following Good Friday	March / April

- (c) the Employment Ordinance should be amended in one legislative exercise to give effect to (a) and (b) above.

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

7. In support of the Government's objectives to provide a business-friendly environment and develop a Smart City, LD will, without affecting its regulatory and enforcement work, streamline the licence renewal process for employment agencies (EAs) as far as possible. Currently, when EAs apply for a licence, they are required to submit the particulars of their management and employees. LD will implement a streamlined process in early 2021 such that unless EAs are applying for a new licence, they will not be required to submit their employees' particulars during licence renewal. If an EA is unable to provide relevant supporting documents and can provide reasonable explanations for such (e.g. the applicant is outside Hong Kong), LD will exercise flexibility, such as issuing a renewal licence to the applicant after obtaining his/her declaration on the relevant facts. If the applicant subsequently fails to provide the required information or documents or the declaration is later found to be false, LD will consider revoking the licence.

8. In addition, LD will roll out "e-Services for EAs" in early 2022. Through the Government's "iAM Smart" (formerly known as eID) and Cloud Infrastructure Services, the e-Services will allow EAs to easily and conveniently

submit licence applications, change their contact information and enquire about their application status, etc.

### ***Integration of Job-search Websites***

9. The Higher Education Employment Information e-Platform (HEEIP) is an on-line platform operated by LD to provide employment information for job seekers with higher education. LD will integrate HEEIP into the most popular government job-search website (i.e. the Interactive Employment Service Website) to achieve synergy in serving job seekers with higher education both within and outside Hong Kong.

### **Other Initiatives**

10. Apart from the abovementioned policy priorities/ new initiatives, LWB and LD will continue to carry out the following tasks and initiatives set out in paragraphs 11 to 24 below to, among other things, promote employment, improve employment benefits, enhance protection of employees, and promote occupational safety and health (OSH).

### ***Promoting Employment***

#### **Employment Support for Job Seekers**

11. In light of the deteriorating employment situation, LD raised the ceiling of OJT allowance payable to employers under the Employment Programme for the Elderly and Middle-aged, the Youth Employment and Training Programme and the Work Orientation and Placement Scheme in September 2020, with a view to further encouraging employers to hire the elderly and middle-aged, young people and persons with disabilities and provide them with OJT. After the implementation of the enhancement measure, the maximum amount of allowance payable to employers engaging job seekers under these three employment programmes is \$60,000 per employee. LD also launched a pilot scheme in September 2020 to encourage eligible elderly persons, young people and persons with disabilities to undergo and complete OJT under these employment programmes through the provision of a retention allowance, thereby stabilising employment. Subject to the length of OJT period, the maximum amount of retention allowance that a full-time employee may receive is \$12,000.

12. At the same time, LD will continue to provide comprehensive and free employment services through its job centres, industry-based recruitment centres and on-line platforms etc., to offer employment support for job seekers. LD

liaises with employers in various industries to canvass vacancies for job seekers with different educational backgrounds and working experience, and organises large-scale and on-line job fairs as well as industry-based and district-based job fairs to expedite the dissemination of employment information, striving its best to help job seekers with different backgrounds secure employment.

### ***Improving Employment Benefits***

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

13. The Employment (Amendment) Ordinance 2020 (Amendment Ordinance) which increased statutory maternity leave (ML) by four weeks took effect on 11 December this year. The statutory rate of ML pay (i.e. four-fifths of the employee's average daily wages) is maintained for calculating the additional ML pay in respect of the extension of ML, subject to a cap of \$80,000 per employee. With reference to the 2019 statistics, it is estimated that about 27 000 female employees and their families would benefit from the extension of ML. Employers may, by way of reimbursement, apply to the Government for full reimbursement of the additional ML pay that is required to be paid and has been paid under the Amendment Ordinance.

14. In tandem with the implementation of the Amendment Ordinance, we need to formulate a new Reimbursement of Maternity Leave Pay (RMLP) Scheme. The Government has decided to outsource the administration of the RMLP Scheme to a private sector processing agent so as to speed up the implementation process. LD set up the Preparatory Office for Reimbursement of Maternity Leave Pay (PORMLP) in the second quarter of this year to coordinate and commence the preparatory work for the RMLP Scheme. PORMLP has completed the evaluation of the tender proposals received in accordance with the procurement procedures of the Government, with a view to appointing the processing agent by the end of this year and implementing the RMLP Scheme as soon as practicable within the first half of 2021.

### ***Enhancing the Protection of Employees***

#### **Abolition of Using Employers' Mandatory Contributions under the Mandatory Provident Fund System to Offset Severance Payment and Long Service Payment**

15. CE announced in the 2018 Policy Address the enhanced arrangements for the abolition of using employers' mandatory contributions under the Mandatory Provident Fund (MPF) System to "offset" severance payment and long service payment (the "offsetting" arrangement). The Government is

working at full steam in taking forward the preparatory work for implementing the abolition of the “offsetting” arrangement and has commenced the drafting of the bill. Since the abolition of the “offsetting” arrangement cuts across different policy areas and involves complex issues, we are currently reviewing the design of the proposal to examine whether there is room to simplify the implementation and administration of the proposal, and to facilitate better understanding by the public. We are currently pressing ahead with the relevant work with a view to completing the drafting of the bill as soon as possible.

### Protecting the Employment Rights of Foreign Domestic Helpers

16. Foreign domestic helpers (FDHs) assist local families in performing household chores and taking care of their children and elderly members, thereby unleashing the potential of our local labour force and contributing significantly to Hong Kong’s economic development. LD has set up a dedicated FDH Division in September 2020 to strengthen support for FDHs and protection of their labour rights. The FDH Division’s major responsibilities include: enhancing promotion and education for FDHs and employers to deepen FDHs’ and employers’ understanding of their respective rights and obligations; providing support services for FDHs and employers; supporting the implementation of FDH policy measures; and exploring new source countries of FDHs. Through such work, we hope to strengthen protection of FDHs and support for FDH employers, so as to promote more cordial employment relationships and maintain Hong Kong as an attractive place for FDHs to work.

### ***Promoting OSH***

#### Pilot Rehabilitation Programme for Employees Injured at Work

17. LD is actively preparing for the launch of a three-year Pilot Rehabilitation Programme for Employees Injured at Work targeting injured employees from the construction industry. A case management approach will be adopted to provide private out-patient rehabilitation treatment services for the participating injured employees in a timely and well-coordinated manner to facilitate their early recovery and return to work. LD is preparing an amendment bill for introduction into LegCo for scrutiny in the 2020-2021 legislative session to empower the Occupational Safety and Health Council (OSHC) to administer the Programme.

#### Raising Penalties of OSH Legislation

18. With a view to raising the deterrent effect of penalties for OSH offences, LD consulted key stakeholders on our preliminary legislative amendment proposal in 2019, including LAB, the Panel on Manpower as well as

several key employer and employee organisations from the construction industry, etc. Having analysed and considered all the views received, we have come up with a revised amendment proposal. We are conducting another round of consultation. Subject to the views of the stakeholders and progress of law drafting, we will submit the amendment bill to LegCo as soon as possible. We are working towards completing the amendment exercise within the current term of Government for immediate commencement.

### Risk-based OSH Strategies

19. The Government attaches great importance to the OSH of employees. In order to generate the best impact of our OSH work, OSH strategies should evolve with the time and should be in keeping with the risk situation. LD will closely monitor the OSH performance of different industries and the changing risk situations of different work processes, so as to adjust our OSH strategies, including adjusting the approach, focus and intensity of our work in a timely manner, and formulating targeted promotion and education as well as enforcement efforts to enhance the overall OSH performance of Hong Kong.

20. As the number of fatal industrial accidents in the construction industry and its accident rate per 1 000 workers have been the highest among all industries, LD will continue to undertake a series of targeted measures to improve construction workers' OSH. These measures include conducting special enforcement operations, safety audit inspections and in-depth surprise inspections of construction sites involving high-risk processes or with poor safety performance, as well as 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 in a more focused manner.

21. The construction of a number of major works projects, such as the railway projects, Kai Tak Development, West Kowloon Cultural District and Three-Runway System Project, etc. is in full-swing. As these projects sometimes involve complex or advanced construction technologies, extensive use of heavy machinery, or employment of a large number of construction workers, the OSH of these projects has always been a major concern of LD. Apart from strengthening our inspection and enforcement, LD continues to step up liaison with the project proponents of major works projects, including public works departments, to urge the contractors concerned to enhance their site safety management systems in respect of high-risk processes.

22. In addition, LD will continue to collaborate with the OSHC, major trade associations and workers' unions as well as concerned organisations to organise promotional campaigns to enhance the OSH awareness of employers

and employees of different industries. LD will continue to produce Work Safety Alerts in the form of animation videos to enable the industries to better comprehend how accidents happened and the necessary preventive measures to avoid recurrence of similar accidents. 17 animation videos in different themes such as work-at-height safety and lifting operation safety have been produced and uploaded to LD's website. They will continue to be broadcast through various channels.

23. LD has launched an online OSH complaint platform to facilitate employees and the public to report unsafe working conditions using mobile electronic devices so that LD could conduct prompt follow-up actions. The online platform has been well received since its launch. LD will continue to publicise and promote the platform. Upon receipt of complaints, LD will, having regard to their nature and details, continue to arrange inspections to the workplaces concerned as soon as possible for targeted investigations and follow-up actions.

24. According to OSH legislation, persons engaged in specific high-risk sectors / processes / machine operations have to complete mandatory safety training organised by training course providers before they can carry out the relevant work in order to safeguard employees' OSH. LD will continue to conduct different types of inspections and review the approval conditions of these safety training courses so as to ensure their quality.

## **Conclusion**

25. The Government will continue working closely with employers and employees as well as different sectors of the community in implementing the various labour and manpower initiatives.

Labour and Welfare Bureau  
Labour Department  
December 2020