File Ref: FSB EAD 15/3231/59 Pt.8

LEGISLATIVE COUNCIL BRIEF

CENSUS AND STATISTICS (LABOUR EARNINGS SURVEY) ORDER

INTRODUCTION

Under the Census and Statistics Ordinance, the Secretary for Financial Services is empowered to direct the conduct of statistical surveys. In exercise of this power, the Secretary directs that the Census and Statistics (Labour Earnings Survey) Order, as annexed, should be enacted.

<u>Annex</u>

BACKGROUND AND ARGUMENT

- 2. Payroll and wage statistics are important indicators of labour earnings. Having subscribed to IMF's Special Data Dissemination Standard, the SAR Government is committed to producing payroll and wage statistics regularly within a tight time-frame.
- 3. The Labour Earnings Survey (LES), which generates the required statistics, has also evolved from a half-yearly survey to a quarterly survey. It has been conducted as a voluntary survey under Section 11A of the Census and Statistics Ordinance.
- 4. The LES is an established survey operation, with data requirements having stabilised over the past years, and firms generally accept such requirements. In view of the developments mentioned in paragraphs 2 and 3 above, it is considered opportune to change the LES from a voluntary to a mandatory survey, in line with the general practice for similar surveys conducted by the C&SD on establishments. This will streamline work procedures and related

arrangements. It will also help secure continuing co-operation from firms selected to participate in the survey, thus enhancing the quality and timeliness of the wage and payroll statistics compiled.

5. To achieve the above objective, a Census and Statistics Order will have to be enacted to enable the change of the LES from a voluntary survey to a mandatory survey. This will only lead to a change in the legal status of the LES, without involving any change in the data to be collected or other requirements of the survey.

THE CENSUS AND STATISTICS ORDER

6. The Census and Statistics (Labour Earnings Survey) Order empowers the Commissioner for Census and Statistics to collect payroll and wage information via the mandatory Labour Earnings Survey.

FINANCIAL IMPLICATIONS

7. No additional financial and staffing resources will be required.

PUBLIC CONSULTATION

8. The Statistics Advisory Board discussed the proposal in its meeting of 18 November 1999 and expressed its support.

LEGISLATIVE TIMETABLE

9. The following legislative timetable is adopted:

Signing of the Census and Statistics Order 17 January 2000 by the Secretary for Financial Services

Publication in the Gazette 21 January 2000

Tabling in Legislative Council Sitting 26 January 2000

PUBLICITY

10. As the implications of the enactment of the order are considered minor in nature, no major publicity arrangement is deemed necessary. The Census and Statistics Department will issue a press release in February 2000 to announce this change in legal status of LES, after the Legislative Council has endorsed the enactment of the Survey Order.

Financial Services Bureau 18 January 2000

CENSUS AND STATISTICS (LABOUR EARNINGS SURVEY) ORDER

(Made under section 11 of the Census and Statistics Ordinance (Cap. 316))

1. Commencement

This Order shall come into operation on 15 March 2000.

2. Interpretation

In this Order, unless the context otherwise requires -

"business undertaking"(業務經營) means an undertaking carrying on business in Hong Kong, including profit-making bodies, non-profit-making bodies and statutory bodies;

"survey" (調査) means the statistical survey referred to in section 3;

"survey period" (調查期) means the survey period specified under section 6.

3. Survey of payroll and wages

The Commissioner shall carry out a statistical survey on the expiration of each survey period in respect of business undertakings for the purpose of compiling statistics relating to payroll and wages in the survey period.

4. Information required to be given

- (1) For the purpose of a survey, the Commissioner may require a person referred to in section 5 to give information in respect of the matters specified in the Schedule for the survey period covered by the survey.
 - (2) That person shall give the information to the Commissioner -

- (a) by completing such schedule as the Commissioner may issue for that purpose; and
- (b) within such period as the Commissioner may specify in that schedule.

5. Persons required to give information

The person required to give information under section 4 is -

- (a) in the case of the business undertaking being a body corporate, a director, secretary or other person concerned in the management of the body corporate;
- (b) in the case of the business undertaking being a partnership, any partner of the partnership;
- (c) in any other case, the proprietor of the business undertaking.

6. Survey period

For the purposes of this Order, the survey periods are -

- (a) for collecting information in relation to wages, March, June, September and December each year beginning from 2000;
- (b) for collecting information in relation to payroll, each period of 3 consecutive months beginning from the first 3 months of 2000.

7. Sampling methods may be used

The Commissioner may use sampling methods to collect information for the purpose of a survey.

8. Application of Order in certain cases

This Order applies to a business undertaking for the purpose of a survey notwithstanding that it commenced business or ceased to carry on business during the survey period covered by the survey.

9. Date for destruction of completed schedules

The Commissioner shall destroy all completed schedules collected or received for a survey and all copies of the schedules not later than 24 months after the end of the survey period covered by that survey.

SCHEDULE [s. 4]

MATTERS IN RESPECT OF WHICH INFORMATION IS TO BE GIVEN

- 1. Name and address of the business undertaking.
- 2. Business registration number.
- 3. Nature of business.
- 4. Number of persons engaged and payroll outlays.
- 5. Reasons for significant changes in the number of persons engaged and payroll outlays.
- 6. Number of standard working days per month and number of normal working hours per working day.
- 7. Number of employees, by selected occupation and by sex.

- 8. Wage information of selected occupations, by sex and by wage component.
- 9. Number of employees entitled to any fringe benefit.

Secretary for Financial Services

January 2000

Explanatory Note

This Order directs the Commissioner for Census and Statistics to carry out statistical surveys relating to payroll and wages in respect of business undertakings in Hong Kong. It sets out, inter alia, the purposes of the survey, the matters in respect of which information is to be given, the person required to give information and the time limit within which the schedules collected should be destroyed.