

Applications for second tranche of Employment Support Scheme from two supermarket chains approved

A Government spokesman today (September 22) said, applications for the second tranche of the Employment Support Scheme (ESS) from the two supermarket chains, Wellcome and ParknShop, have been approved. The two chains will receive wage subsidies of \$184.5 million and \$161.96 million to maintain a paid headcount of 10 149 and 8 215, respectively.

"Having considered the first tranche of ESS and views of our society, the Government introduced new requirements under the second tranche whereby the Government will first consider the give-back proposals from the two chains' parent groups before we approve their applications for the second tranche of ESS. The give-back proposals submitted to the Policy Innovation and Co-ordination Office (PICO) and the relevant ESS applications have been approved," the spokesman said.

The give-back proposals from the two supermarket chains must meet the following three principles laid down by the Government—

- (a) the rebate should not be less than 50 per cent of the ESS subsidies approved under the second tranche;
- (b) the initiatives in the give-back proposals should be quantifiable and transparent. The initiatives should also be on top of what the two supermarket chains have been doing without the ESS subsidies; and
- (c) the types of beneficiaries of the rebate may include, in order of priority, the underprivileged groups, customers and their frontline staff. The amount attributable to the underprivileged groups should be no less than 50 per cent of the minimum rebate amount (i.e. the rebate referred in (a)) while that for staff should not be more than 10 per cent of the minimum rebate amount.

According to the above principles, Wellcome and ParknShop will return about \$100 million and \$81 million to the community, respectively, through their give-back proposals. The rebate amounts represent 54 per cent and 50 per cent of the wage subsidies the two supermarket chains will receive under the second tranche. Rebates to be given to the underprivileged groups also represent 50 per cent of the minimum rebate amount set for the two supermarket chains.

The spokesman said, "The two supermarket chains will hand out cash coupons and/or meal vouchers to people in need. They will also launch initiatives for the general public/customers and reward their staff. Details shall be separately announced by the two parent groups of the supermarket

chains."

In addition, Wellcome and ParknShop commit to execute the give-back proposals before the end of December 2020. The Government has requested that they publish at an appropriate time the list of partner NGOs, the number of beneficiaries and the amount involved, for monitoring by the public.

The spokesman added that the Government is appreciative of the two supermarket chain's commitment to meet the additional undertaking of the second tranche of ESS. Their commitment will benefit the community and help people tide over these trying times.