LCQ1: Protecting labour rights and interests of employees who work long hours or under high pressure

Following is a question by the Hon Shiu Ka-chun (Dr Hon Fernando Cheung to ask on his behalf) and a reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (May 29):

Ouestion:

It has been learnt that employees who are older in age generally work longer hours, and there are relatively more cases in which such employees died in the course of work not as a result of accidents. It has been heard from time to time in recent years about press reports and study findings that employees fell ill or even died as a result of long working hours or high work pressure. Regarding protection of the labour rights and interests of such kind of employees, will the Government inform this Council:

- (1) whether it will regard mental, emotional or physical illnesses triggered by long working hours or work pressure as occupational diseases covered by the Employees' Compensation Ordinance (the Ordinance), so that the employees concerned will be entitled to compensations by their employers; if so, of the details; if not, the reasons for that;
- (2) whether it will expeditiously set up an independent committee comprising representatives from trade unions, employers' organisations, civic bodies and the Government to conduct studies on formulating under the Ordinance a legal definition for "death from overexertion" and the relevant obligations of employers in respect of compensations; if so, of the details; if not, the reasons for that; and
- (3) given that the Government will roll out a total of 11 sets of sector-specific working hours guidelines in this year and the coming year, and that it will, three years from then, assess their effectiveness and further explore feasible ways for improving the working hours policy, whether the Government will commence preparatory work for establishing a statutory standard working hours regime so that the related legislative exercise could be launched immediately when those guidelines have been assessed as ineffective; if so, of the details; if not, the reasons for that?

Reply:

President,

My reply to the Member's question is as follows:

(1) According to the definition of the International Labour Organization

(ILO), occupational diseases are diseases having specific or strong relationship with occupations of the patients. As such, we normally see a specific pairing relationship between an occupational disease with a specific type of work. For example, occupational deafness is related to work in a noisy environment, silicosis is related to work with exposure to silica dust, tenosynovitis of the hand or forearm is related to work involving repeated movements. In considering whether a certain disease should be prescribed as an occupational disease under the Employees' Compensation Ordinance (ECO) (Cap 282), the Labour Department (LD) makes reference to the ILO criteria, and adopts an evidence-based approach to assess objectively whether a specific or strong causal relationship exists between a disease and a certain type of work. In doing so, LD will take into account whether there is sufficient medical evidence, as well as the relevant local research and disease data, etc.

There are no internationally-recognised criteria or medical evidence to establish that long working hours or the work stress so induced will directly cause a certain kind of mental, emotional or physical diseases such as cardiovascular and cerebrovascular diseases (CCVDs). In fact, these common diseases are not known to be attributed to certain specific work-related factors. To the contrary, mental diseases, emotional diseases or CCVDs may be associated with a multitude of complex personal, family and work-related factors, e.g. history of personal growth, health condition, family inheritance, family or life stresses, eating and living habits, work nature and environment, etc. Perhaps this also explains why a vast majority of countries do not categorise mental diseases, emotional diseases and CCVDs as occupational diseases. Nevertheless, we will continue to closely monitor developments in this area.

(2) As for "death from overexertion", there is also no internationallyaccepted definition and there is little experience among overseas jurisdictions in defining "death from overexertion" in terms of employees' compensation. This notwithstanding, as we reported to the Panel on Manpower in April 2018, LD commissioned the Occupational Safety and Health Council (OSHC) in October 2017 to conduct a study focusing on death of employees at workplace caused by CCVDs. OSHC objectively studies the working condition of such employees during employment, their personal health condition and living habits, etc through interviewing the deceased employees' relatives, employers and colleagues. The purpose is to try to analyse whether there is any possible relationship between the employees' death and their working condition as well as other personal factors, e.g. whether the working condition could have directly caused the death or whether there could be other relevant circumstances at the same time. OSHC started the interviewing work in the first quarter of 2018 and expects to collect necessary data and complete the study in about three years. LD will consider if we have a clear basis to include "death from overexertion" as an occupational disease under the ECO subject to OSHC's study outcome and developments in the international arena.

At the same time, if an employee dies (including the case of sudden death) as a result of an accident arising out of and in the course of the

employment, the existing ECO already requires the employer to take up the liability to pay employees' compensation in accordance with the Ordinance.

(3) Since the labour sector had strong views on the "contractual working hours" legislative proposal put up by the last-term Government and the business sector opposed legislating for standard working hours, the currentterm Government, having regard to the diverse views among different sectors of the community and the absence of a broad-based consensus on any working hours legislative proposal, has decided to focus efforts on formulating working hours guidelines for 11 designated sectors, so as to improve employees' working hours arrangements as soon as practicable. LD has been engaging its 11 industry-based tripartite committees, comprising representatives of LD, employers and employees, to formulate for these designated sectors guidelines with suggested sector-specific working hours arrangements, overtime compensation arrangements and good working hours management measures for reference and adoption of employers and their employees. The Government will review and assess the effectiveness of the sector-specific working hours guidelines and further explore feasible ways for improving the working hours policy three years after the release of all the 11 guidelines.

LCQ10: Quarters provided for civil servants

Following is a question by the Hon Tony Tse and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (May 29):

Question:

In his Reports No. 51 and 62 published in October 2008 and April 2014 respectively, the Director of Audit conducted reviews one after another on the Government's work of managing its quarters provided for eligible civil servants, and he recommended that the relevant government departments should expedite their actions of putting surplus quarters and their sites into gainful use through various means, such as disposal or conversion of uses. There are views that such actions have become increasingly pressing amid the current acute shortage of land and housing supply in Hong Kong. In this connection, will the Government inform this Council:

(1) of the respective (i) numbers and (ii) vacancy rates of the units of the various types of quarters (including non-departmental quarters (NDQs), departmental quarters and operational quarters, excluding surplus quarters) at present;

- (2) whether it has adopted any mechanisms and criteria (e.g. period of vacancy) for determining whether certain quarters should be classified as surplus; if so, of the details;
- (3) of the current number of government-owned surplus quarters, as well as the following details of such quarters: (i) managing departments, (ii) whether they are located on government sites or in private developments, (iii) since when they were classified as surplus, and (iv) their current and future uses;
- (4) of its plans to put surplus quarters and the sites concerned into further gainful use;
- (5) of the current usage of the 498 surplus quarters under the management of five government departments (namely, the Water Supplies Department, the Correctional Services Department, the Electrical and Mechanical Services Department, the Food and Environmental Hygiene Department and the Leisure and Cultural Services Department) referred to in Chapter 1 of Report No. 62 of the Director of Audit;
- (6) apart from the two sites at Mansfield Road, the Peak and 135 Tai Hang Road which have been included in the Land Sale Programme, whether it has plans to sell other existing or former quarters sites;
- (7) whether it has adopted the proposal of selling nine NDQ sites as put forward by the Working Group on Long-Term Fiscal Planning in 2015; if so, of the progress of land sale work; if not, the reasons for that, as well as the usage of these nine sites and the quarters concerned at present; and
- (8) of the current number of NDQ units that are owned by the Financial Secretary Incorporated and located in private developments; the number of such type of units sold in the past five years, and whether it has plans to dispose of such units in a progressive manner?

Reply:

President,

Having consulted relevant bureaux/departments including the Civil Service Bureau (CSB), the Development Bureau (DEVB), the Security Bureau (SB) and the Government Property Agency (GPA), the consolidated reply of the Government is as follows:

(1) As at April 30, 2019, the number of quarters units is as follows:

Type of quarters	Number of units
Non-departmental quarters (NDQs)	493

Departmental quarters (including disciplined services quarters (DSQs))	22 891
Post-tied quarters (PTQs)	167
Total	23 551

About 0.1 per cent of the government quarters units to be allocated to eligible officers are temporarily vacant and pending allocation.

(2) to (4) Under the existing mechanism, the CSB or the Quarters Allocation Committee set up under the Civil Service Regulations is responsible for the allocation of NDQs. Individual departments are responsible for the allocation of quarters under their purview (for example, DSQs are allocated by the corresponding disciplined services departments (DSDs)). If the bureau/departments, after considering their operational needs, confirm that the quarters units under their allocation responsibility are no longer required for quarters use, these quarters units would become surplus. The GPA will then assist in identifying alternative users within the Government, or put the properties up for lease or sale in the market. If lands or planning issues are involved in the handling of surplus quarters, the GPA will assist the owner department to consult the Planning Department and the Lands Department (LandsD), etc.

The CSB regularly assesses the demand and supply of NDQs. Any surplus NDQs would be transferred to the GPA for assistance and handling. Normally, the GPA would put up the quarters units for sale. If the quarters en bloc become surplus, the GPA would transfer the quarters site to the LandsD for alternative development. As an interim arrangement before the disposal of the quarters units or the site, the GPA would consider leasing out the properties at market rent in the open market for better use of public resources. According to the information provided by the GPA, the number of surplus former NDQs units transferred from the CSB to the GPA as at April 30, 2019 was 147. Amongst these 147 units, 33 units were located in private developments while the remaining units were on government sites. The majority of these units were transferred to the GPA in the recent five years. About 80 per cent of the units had been leased out, with the rest being prepared for sale or lease.

According to the information provided by the DSDs, as at April 30, 2019, there were no surplus DSQs units.

According to the information gathered by the GPA from relevant departments, there are 90 surplus departmental quarters and PTQs. These quarters units, all situated on government sites, are either planned for other long term use, open for application for use by non-governmental organisations (NGOs) or being considered for alternative uses since they became surplus in 2013 and 2014.

Starting from February 2019, NGOs that lease surplus government accommodation (including quarters) with the policy support of the relevant bureaux/departments may apply for subsidies from the DEVB to support one-off,

basic and essential restoration works required to make such properties fit for other short-term community uses.

(5) According to the information gathered by the GPA from relevant departments, the latest position of the 498 surplus quarters units mentioned in the Director of Audit's Report No. 62 is as follows:

	Number of units
Re-used for quarters purpose or for alternative uses	318
The quarters sites have been included in the Land Sale Programme or sold	90
In search for tenant or being considered for alternative uses	90

- (6) According to the information provided by the DEVB, the former NDQs sites at Mansfield Road, the Peak and 135 Tai Hang Road have been included in the 2019-20 Land Sale Programme. If other former NDQs sites are planned to be put up for sale, following the established practice, the Government would include the sites into the annual Land Sale Programme and announce all the sites planned for sale in one go before the commencement of the new financial year.
- (7) The Phase Two Report of the Working Group on Long-Term Fiscal Planning in 2015 pointed out that nine NDQs sites were expected to become surplus in the coming two decades upon the retirement of eligible civil servants who joined the Government before October 1, 1990. The Working Group recommended that the Government should continue with the established policy of disposing of NDQs sites and units by sale as and when they become available, and adopt a pragmatic approach to allow flexibility in the disposal mechanism and to avoid "fire sale". The disposal priority should be guided by the status of the NDQs decanting programme, the potential revenue to be captured, the site utilisation to be enhanced through redevelopment, and the sentiment of the market. As an interim arrangement pending permanent disposal, the existing practice of leasing out surplus NDQs units should continue.

According to the information provided by the DEVB, seven among the nine NDQs sites mentioned in the Report are still being used as NDQs. The DEVB is considering the appropriate options for the handling of the remaining two sites, including disposal by land sale.

(8) According to the information provided by the GPA, as at April 30, 2019, there were 148 NDQs units owned by the Financial Secretary Incorporated and located within private developments. A total of 47 surplus quarters units of this category were sold in the past five years. If CSB confirms that there are other surplus NDQs units, the GPA will follow the mechanism described above in handling the surplus accommodation, including disposal by sale in the market where appropriate and feasible.

Hong Kong ranked as world's second most competitive economy

Hong Kong has continued to rank second globally in the latest World Competitiveness Yearbook (WCY) 2019 as published by the International Institute for Management Development (IMD). A Government spokesperson said today (May 29), "The Government is committed to enhancing the competitiveness and vibrancy of our economy. The WCY once again recognised Hong Kong as one of the most competitive economies in the world."

Analysed by the WCY's four competitiveness factors, Hong Kong maintained the top rank in "Government efficiency", and was ranked second in "Business efficiency" and 10th in "Economic performance". Benefiting from the Government's increased investment in areas such as infrastructure and innovation and technology, as well as education, Hong Kong's ranking edged up to 22nd in "Infrastructure".

The spokesperson further commented, "Amid the keen competition among global economies, we must keep up the effort in consolidating our prevailing competitive advantages, including an open and free market, an efficient public sector and a favourable business environment with a level playing field."

The spokesperson added, "The Government will continue to assume the role of a 'facilitator' and 'promoter', and strive to enhance government-to-government co-operation, so as to explore more opportunities for Hong Kong. At the same time, the Government will also step up investment in infrastructure, innovation and technology, nurturing talents and increasing land supply, in order to provide a favourable environment for Hong Kong's long-term economic development."

The WCY 2019 released by the IMD in Switzerland yesterday (May 28, Switzerland time) assessed 63 economies worldwide. Singapore was ranked first and Hong Kong second, followed by the US, Switzerland and the United Arab Emirates.

LCQ13: Manpower situation of

accounting profession

Following is a question by the Hon Kenneth Leung and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (May 29):

Question:

Quite a number of the persons-in-charge of accounting firms have relayed to me that in recent years, they have continuously encountered difficulties in recruiting accounting professionals. In respect of the manpower situation of the accounting profession, will the Government inform this Council:

- (1) whether it knows the respective numbers of (i) graduates of postsecondary programmes in accounting and finance-related disciplines offered by the various tertiary institutions, and (ii) persons who obtained professional qualifications in accountancy through other routes, in each of the past five years in Hong Kong;
- (2) whether it knows the number of private organisations providing accounting, auditing, book-keeping or tax consulting services in Hong Kong, and the number of accounting professionals they hired, in each of the past five years;
- (3) whether it conducted, in the past five years, any comprehensive study on the future development as well as the manpower demand and supply situation of the accounting profession; if so, of the outcome; if not, the reasons for that; and
- (4) whether it has plans, in the coming year, to gain an understanding from the various stakeholders of the accounting profession (including the persons-in-charge of accounting firms, the Hong Kong Institute of Certified Public Accountants and other professional bodies in the sector) about the current manpower demand and supply situation of the profession, so as to plan for the medium and long term human resources of the accounting profession, as well as promote the profession's healthy development in the long run; if so, of the details; if not, the reasons for that?

Reply:

President.

(1) According to the information provided by the Hong Kong Institute of Certified Public Accountants (HKICPA), the number of persons who obtained professional qualifications in accountancy in Hong Kong through bachelors' degrees in accounting and finance-related disciplines offered by tertiary institutions, as well as other routes, in the past five years are set out in Table 1 of the Annex.

- (2) According to the "Quarterly Survey of Employment and Vacancies" of the Census and Statistics Department (C&SD), the number of establishments engaged in accounting, auditing, bookkeeping or tax consultancy services of the private sector in Hong Kong and their total number of persons engaged in the past five years are set out in Table 2 of the Annex.
- (3) and (4) The Government conducts manpower projection from time to time to project the broad trends of Hong Kong's manpower supply and requirements of our economy at the macro level for the medium term. Amongst others, manpower requirements are projected for various economic sectors which include "accounting, auditing and bookkeeping services". In addition, the Vocational Training Council conducts manpower surveys for the accountancy sector regularly. These exercises provide valuable information for the tertiary institutions in planning programmes on accountancy.

In addition to making reference to various sources of information, the Government has all along maintained close liaison with the accounting sector to discuss various initiatives relevant to the development of the accounting profession. As for the manpower development of the accounting sector, the HKICPA has set up an Advisory Panel to study the manpower situation of the accounting sector since 2015. Annual surveys have been conducted with the HKICPA members and students covering different aspects to understand the dynamics of the accounting profession such as the employment prospects, trend in employment change, work-life balance, earning power, training and development, etc. The HKICPA has also conducted in-depth employer interviews with accounting firms in 2018 on issues relating to their recruitment plans, difficulties in recruitment and retaining staff, and attractiveness of the accounting profession, etc.

High-quality professional accounting services are an integral part of Hong Kong's status as an international financial centre. The Government will continue to maintain close liaison with the HKICPA and other relevant stakeholders, with a view to facilitating the healthy development of the accounting sector in the long run.

Fraudulent website related to Credit Suisse AG

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) wishes to alert members of the public to a press release issued by Credit Suisse AG on fraudulent website, which has been reported to the HKMA. Hyperlink to the press release is available on the HKMA website for ease of reference by members of the public.

Anyone who has provided his or her personal information to the website concerned or has conducted any financial transactions through the website should contact the bank concerned using the contact information provided in the press release, and report to the Police or contact the Cyber Security and Technology Crime Bureau of the Hong Kong Police Force at 2860 5012.