

SLW's speaking notes on labour policy areas tabled at LegCo Finance Committee special meeting

Following are the speaking notes of the Secretary for Labour and Welfare, Dr Law Chi-kwong, on labour policy areas tabled at the special meeting of the Legislative Council (LegCo) Finance Committee today (April 12):

Chairman and honorable members,

Recurrent spending on labour and manpower development in 2019-20 is estimated to be \$2,250 million, representing an increase of \$244 million (12.2 per cent) over the revised estimate of \$2,006 million last year. It accounts for 0.5 per cent 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.

Abolishing the "Offsetting" of Severance Payment and Long Service Payment with Employers' Mandatory Contributions under the Mandatory Provident Fund System

Abolishing the arrangement of "offsetting" severance payment and long service payment against the accrued benefits attributable to employers' mandatory contributions under the Mandatory Provident Fund System (i.e. abolishing "offsetting") is one of the priority tasks of the current-term Government. Having carefully considered the views of various stakeholders, the Chief Executive announced in last year's Policy Address the enhanced arrangements for abolishing "offsetting", and undertook to provide a two-tier subsidy to employers so as to help enterprises, in particular the micro, small and medium-sized enterprises, adapt to the policy change. The first-tier subsidy will last for 12 years while the period of the second-tier subsidy will be extended to 25 years. The Government's total financial commitment is estimated to be \$29.3 billion in the 25-year subsidy period.

The Government has embarked on the preparatory work for abolishing "offsetting" and is working with the Mandatory Provident Fund Schemes Authority and other stakeholders to sort out operational details for the abolition. It will then prepare the relevant enabling legislation and strive to introduce the bill into LegCo by 2020, with a view to securing its passage by 2022 and implementing the arrangements for abolishing "offsetting" two years after the enactment of the enabling legislation.

Extending Statutory Maternity Leave

We have commenced the drafting of the enabling legislation to extend the statutory maternity leave (ML) from the current 10 weeks to 14 weeks. The

extra expenditure for this additional four weeks' ML pay, subject to a cap of \$36,822 per employee, will be funded by Government. The employer shall first pay the employee the ML pay for the additional four weeks' ML together with the current 10-week ML pay, and may apply to the Government for reimbursement afterwards. The Government aims at introducing the enabling legislation into LegCo by the end of this year and implementing the proposal, including the reimbursement mechanism, in 2021.

Strengthening Employment Support for Ethnic Minority Job Seekers

On employment services, the Labour Department (LD) will strengthen its manpower for launching a pilot programme in conjunction with non-governmental organisations to provide employment services for ethnic minority job seekers through a case management approach.

Protecting Employees Injured at Work

LD is actively looking into a feasible way forward to strengthen the rehabilitation services for injured employees in need. Preliminary ideas include pairing an independent case manager with each participating injured employee to follow up on the case, co-ordinate the communication amongst relevant stakeholders and assist the injured worker to return to work. LD is also considering to engage the private sector to provide timely and highly-coordinated treatment and rehabilitation services for injured employees. LD will complete the study and come up with recommendations as soon as possible, and will consult different stakeholders in the process.

In parallel, LD will strengthen the processing of employees' compensation claims with the enhanced Claims Support Services to help resolve disputes between employers and employees through dedicated follow-up, early intervention, proactive contact and arrangement of meetings. LD will also implement a new screening process to improve follow-up procedures for sick leave relating to work injury to speed up case processing so that employees who do not require assessment by the Employees' Compensation Assessment Board will not have to attend the follow-up procedures at LD in person.

Enhancing Occupational Safety and Health

LD attaches great importance to safeguarding the occupational safety and health (OSH) of employees. To further enhance the OSH performance of the construction industry, LD will continue to adopt targeted measures to further improve the OSH performance of major infrastructure projects. These measures include conducting 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 give advice, and adjust the inspection strategy accordingly in a more focused manner. In addition, in view of the increasing number of old buildings due for large-scale maintenance works, LD will deploy new resources to improve the OSH of repair, maintenance, addition and alteration works through enhanced inspection and enforcement.

The numbers of occupational fatalities have remained at a high level in recent years. The public generally considers that the sentences for OSH offences failed to pose sufficient deterrent effect on duty holders violating the law. We agree that it is necessary to enhance the deterrent effect of OSH penalties. We have consulted relevant stakeholders on the preliminary amendment proposals of raising penalties in OSH legislation, including consultation with the LegCo Panel on Manpower on March 19, 2019. We are consolidating the views of stakeholders with a view to completing the legislative amendment exercise within the current-term Government.

Moreover, LD will continue to encourage workers to lodge complaints against unsafe operations and promote the newly-launched online complaint platform. LD will also make efforts to ensure the compliance of the Guidance Notes on Standing at Work and Service Counter Design issued at the end of last year through promotional visits and inspection work, so as to reduce employees' health risks associated with standing at work.

Continuing Education Fund

The Government has injected additional funding of \$10 billion to the Continuing Education Fund (CEF) to implement a series of enhancement measures, which have just been effective from April 1 this year, to further encourage the public to better equip themselves through continuing education. The enhancement measures include doubling the subsidy ceiling to \$20,000 per applicant, relaxing the upper age limit for applicants from 65 to 70, expanding the scope of CEF courses to all eligible courses registered in the Qualifications Register, and enhancing the quality assurance monitoring of CEF courses, etc. All those who once opened a CEF account are eligible for the enhancement measures. We have launched the promotion of CEF and the enhancement measures since early 2019, and will closely monitor the implementation progress.

Talent List

Upon the promulgation of the first Talent List of Hong Kong containing 11 professions in August 2018, the bureaux and departments concerned have been actively publicising the List locally, on the Mainland and overseas to attract targeted quality talent from all over the world in a more effective and focused manner, so as to support Hong Kong's development as a high value-added and diversified economy.

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

Meetings of Legislative Council and its Committees

The following is issued on behalf of the Legislative Council Secretariat:

The Legislative Council (LegCo) and its Committees will hold 15 open meetings and two closed meetings during the week from April 15 to 19 in the LegCo Complex. Details of the meetings are available in the meeting schedule attached.

The information in the meeting schedule is subject to change. Please refer to the "LegCo Calendar" on the LegCo Website (www.legco.gov.hk) for the latest details of meetings.

Members of the public are welcome to observe open meetings of LegCo and its Committees. Interested individuals and groups are advised to make advance booking of seats by calling the LegCo Secretariat at 3919 3399 during office hours. Members of the public can also listen to or watch all open meetings via the "Webcast" system on the LegCo Website.

Special traffic arrangements on Hong Kong Island

Police will implement special traffic arrangements this Sunday (April 14) to facilitate a sports event to be held on Hong Kong Island.

From 12am to 10.30am

The western general pick-up/drop-off and loading/unloading area on Lung Wo Road north of Star Ferry Multi-Storey Car Park will be closed.

From 4am to 10.30am

A. Road closure

- Part of the fast lane of Man Po Street;
- Part of the slow lane of southbound Man Yiu Street;
- Yiu Sing Street;
- Lung Wo Road between Man Yiu Street and Expo Drive;
- Eastbound Expo Drive between Lung Wo Road and southbound Expo Drive;
- Northbound Lung Hop Street, except the fast lane;

- Legislative Council Road, except for vehicles heading to Legislative Council Complex;
- The slow lane of eastbound Lung Wui Road; and
- All lay-bys along Tim Wa Avenue.

B. Traffic diversions

- Traffic along southbound Man Yiu Street or eastbound Man Cheung Street heading for Wan Chai North will be diverted via southbound Man Yiu Street, eastbound Connaught Place, southbound Connaught Place, eastbound Connaught Road Central and eastbound Harcourt Road; and
- Traffic along northbound Edinburgh Place east of City Hall and westbound Expo Drive heading for Central District will be diverted via eastbound Connaught Road Central or southbound Fenwick Pier Street, eastbound Harcourt Road, eastbound Gloucester Road, northbound Fenwick Street, westbound Fenwick Pier Street, flyover, westbound Harcourt Road, westbound Connaught Road Central and northbound Man Yiu Street.

From 6am to 8.30am

A. Road closure

- Northbound Tim Mei Avenue;
- Eastbound Harcourt Road between Cotton Tree Drive and Tim Mei Avenue, except for vehicles heading to Central Barracks;
- Part of the lanes of Harcourt Road between Cotton Tree Drive and Edinburgh Place;
- Eastbound Harcourt Road flyover;
- The fast lane of westbound Harcourt Road flyover;
- The fast lane of westbound Harcourt Road between Arsenal Street and Harcourt Road flyover;
- Northbound Cotton Tree Drive between Lambeth Walk and Harcourt Road;
- Eastbound Connaught Road Central between Gilman Street and Edinburgh Place, except the slow lane and the second leftmost lane;
- The fast lane of westbound Connaught Road Central between Murray Road and Jubilee Street;
- Eastbound Connaught Road Central underpass;
- The fast lane of westbound Connaught Road Central underpass; and
- The fast lane of westbound Gloucester Road between Fenwick Street and Arsenal Street.

B. Traffic diversions

- Traffic along eastbound Connaught Road Central heading for Wan Chai North will be diverted via eastbound Harcourt Road, southbound Cotton Tree Drive, eastbound Queensway, northbound Arsenal Street and eastbound Gloucester Road; and
- Traffic along northbound Cotton Tree Drive heading for Wan Chai North will be diverted via Lambeth Walk, southbound Murray Road, eastbound Queensway, northbound Arsenal Street and eastbound Gloucester Road.

Suspension of parking spaces

All motorcycle parking spaces at the western general pick-up/drop-off and loading/unloading area on Lung Wo Road north of Star Ferry Multi-Storey Car Park will be suspended between 12am and 10.30am.

Any vehicles found illegally parked within the precincts mentioned above will be towed away without prior warning.

Actual implementation of the traffic arrangements will be made depending on traffic and crowd conditions in the area. Motorists are advised to exercise tolerance and patience and take heed of instructions of the Police on site.

Developers and estate agents should comply with relevant ordinances and guidelines in tender process of first-hand residential developments

The Secretary for Transport and Housing, Mr Frank Chan Fan, has earlier pointed out that there were some individual first-hand residential properties offered to be sold by way of tender where the sales process was undesirable and not transparent enough. In this connection, the Sales of First-hand Residential Properties Authority (SRPA) under the Transport and Housing Bureau (THB) has proactively monitored the sales process of developments on the market and has spotted cases with insufficient transparency in the sales process and the transaction information, which might have contravened the Residential Properties (First-hand Sales) Ordinance. The SRPA is investigating the cases and will strictly enforce the Ordinance based on evidence. The SRPA does not rule out the possibility of taking prosecution action. Meanwhile, the Estate Agents Authority (EAA) is looking into cases to ensure that estate agents are strictly observing the Estate Agents Ordinance and EAA's guidelines when participating in the sales of residential properties by tender.

Mr Chan also mentioned that the SRPA would issue a Reminder for the Trade and EAA would also issue a reminding letter to estate agents.

The SRPA today (April 12) issued a Reminder for the Trade and Frequently Asked Questions and Answers (FAQ) requiring vendors to set out full details of the terms of payment in the Register of Transactions of first-hand residential developments. Meanwhile, the EAA also issued a Letter to Licensees reminding them to strictly comply with the relevant ordinances

and guidelines when participating in the sales of first-hand residential properties by tender.

According to Section 61 of the Residential Properties (First-hand Sales) Ordinance, the purpose of the Register of Transactions of a development is to provide a member of the public with the transaction information relating to the development for understanding the market conditions. Prospective purchasers can thus get accurate market information and make an informed decision when purchasing first-hand residential properties.

"The main purpose of the Reminder for the Trade and the FAQ issued by the SRPA is to remind vendors that in the sales of first-hand residential properties, if they have offered any discount, gift, financial advantage or benefit (no matter in term of cash or not) to the purchasers, they should set out the full details of the terms of payment as agreed between vendor and purchaser for the purchase of each specified residential property. Moreover, the Register of Transactions should be self-contained so that prospective purchasers do not have to refer to other documents or materials for details of the terms of payment.

"The Residential Properties (First-hand Sales) Ordinance has clearly stipulated the sales arrangements of first-hand residential properties. These arrangements, particularly those about transaction information, should meet the requirements of the Ordinance regardless of the method of sales. This is to ensure the fairness and transparency of the sales arrangements and the transaction information of first-hand residential properties for the protection of the rights of consumers," a spokesman for the THB said.

Meanwhile, the EAA also issued a Letter to Licensees today to remind all licensees participating in the sales of first-hand residential properties to comply with the Estate Agents Ordinance and the relevant guidelines set out in the Practice Circular issued by the EAA, regardless of the method of sales adopted by developers for selling their properties. In particular, the EAA reminded the licensees that without obtaining a vendor's written endorsement, they must not issue any materials promoting the sales of any first-hand residential properties by tender, including the materials containing information on the suggested bidding price.

The trade must strictly comply with the Residential Properties (First-hand Sales) Ordinance, the Estate Agents Ordinance and relevant guidelines. The Government will continue to monitor closely the sales of first-hand residential properties by tender and will take any possible measures when necessary to ensure the level of transparency of the sales of first-hand residential properties by tender is the same as that for open sales with price lists.

[Hong Kong Customs seizes suspected counterfeit and smuggled goods \(with photo\)](#)

Hong Kong Customs yesterday (April 11) seized about 150 cartons of suspected counterfeit mobile phone accessories and glasses and 410 cartons of suspected smuggled clothing with an estimated market value of about \$3.8 million from a container at the Customs Cargo Examination Compound, River Trade Terminal, Tuen Mun.

Through risk assessment, Customs officers inspected a 40-foot container arriving in Hong Kong from Nansha, Guangdong, destined for Uruguay. Upon inspection, Customs officers seized the batch of suspected counterfeit and smuggled goods in the container.

Investigation is ongoing.

Under the Trade Descriptions Ordinance, any person who imports or exports any goods to which a forged trade mark is applied commits an offence. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for five years.

Under the Import and Export Ordinance, any person found guilty of importing or exporting unmanifested cargo is liable to a maximum fine of \$2 million and imprisonment for seven years.

Members of the public may report any suspected counterfeiting and smuggling activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).

