

# CE's speech in delivering "The Chief Executive's 2024 Policy Address" to LegCo (11)

## (F) Strengthen Labour Support

### Reform the Employees Retraining Board and Vigorously Strengthen the Training of Local Workers

208. In the last Policy Address, I announced a comprehensive review on the Employees Retraining Board (ERB), which has been completed. I accept the recommendations on reforming the ERB, enhancing its role and positioning, from providing employment-related training targeted at low-skilled workers to devising skills-based training programmes and strategies for the entire workforce. In face of intense market competition, rapid industry development and widespread use of technology application, it is particularly important for the workforce to engage in life-time learning and acquire new skills. Near-term reform measures include, from early next year, removing from the eligibility criteria the cap on education level of service recipients, and increasing the annual number of training places by at least 15,000, targeting at the entire workforce; strengthening collaboration with higher education institutions and leading enterprises; as well as enhancing the ERB's career planning and job-matching services for service recipients. In addition, the ERB will map out other medium to long-term measures, such as how it could gauge and anticipate future skill requirements, how to reposition itself and build a new branding, how its structure and staff should be adjusted, and how the Employees Retraining Ordinance should be amended. The ERB will work out the details and timetable, with proposals expected by the end of next year.

209. To support vocational training for local workers, the Government will put up two vacant school premises for application by established and experienced trade unions for providing training courses for different industries (particularly construction industry).

### Implement Full Portability of the Mandatory Provident Fund

210. The Mandatory Provident Fund Schemes Authority will work out the details for implementing the "Full Portability" proposal, under which employees will be able to, making use of the eMPF Platform launched in June, transfer the accrued benefits derived from their employers' mandatory contributions to a scheme at their choice. This will help encourage the employees to proactively manage their Mandatory Provident Fund (MPF) investments, promote market competition, and create room for fee reductions.

### Enhance the Protection of Wages on Insolvency Fund and Protect Employees

211. The Government will take forward various measures to enhance employee

protection, including:

(i) abolishing the arrangement of using the accrued benefits of employers' mandatory contributions under the MPF System to offset severance payment and long service payment on 1 May next year. The Government will launch a 25-year subsidy scheme exceeding \$33 billion to share out employers' expenses upon the abolition of the offsetting arrangement;

(ii) reviewing the coverage of ex-gratia severance payments under the Protection of Wages on Insolvency Fund, and exploring an increase in the ceiling of ex-gratia payments to enhance employee protection;

(iii) implementing the new annual review mechanism of the Statutory Minimum Wage; and

(iv) amending the continuous contract requirement under the Employment Ordinance by relaxing the threshold from working 18 hours in a week for four consecutive weeks (i.e. 72 hours in total) to an aggregate of 68 hours in four weeks, making it easier for employees to enjoy comprehensive employment rights.

#### Encourage Employment among Middle-aged and Elderly Persons

212. The three-year Re-employment Allowance Pilot Scheme was launched in July, with more than 20,000 participants to date. The Labour Department will continue the scheme and, through the Good Employer Charter 2024, encourage employers to adopt family-friendly employment practices such as flexible work arrangements.

#### Promote Occupational Safety and Health

213. The Government has been encouraging the industry to provide a safer working environment. Among other things, it mandated, in July, the adoption of the Smart Site Safety System (4S) for mobile plants in designated private building works, and issued the first batch of 4S labelling. We will strengthen the protection of workers' safety under a three-pronged approach, formulating safety guidelines, promoting optimal use of robotic technology and enhancing industry training.

#### (G) Promote a Green and Low-carbon Lifestyle

##### Continue to Promote Waste Reduction and Recycling

214. The Government will continue to promote waste reduction and recycling. Initiatives include reinforcing publicity and education on waste reduction and recycling in the community and schools; expanding the community recycling network by increasing public collection points from about 500 at present to 800; optimising service hours of the GREEN@COMMUNITY recycling facilities to provide better service; setting up self-service recycling stores or smart recycling facilities in PRH estates; doubling the number of residential food waste collection facilities across the city; as well as reviewing the tender arrangements and requirements for GREEN@COMMUNITY facilities to enhance cost-effectiveness and improve service quality. I-PARK 1, the first

waste-to-energy facility for treating municipal solid waste, is expected to begin operation next year. We will also take forward the construction of I-PARK 2, working towards the goal of "zero landfill". The Government will continue to assess public views on, and participation in, waste reduction, and report to the LegCo by mid-2025.

215. The Government will establish a common legislative framework for the producer responsibility schemes applicable to different products, facilitating the future inclusion of such products as plastic beverage containers and beverage cartons progressively, expanding our waste-resources capacities.

#### Speed up Green Transformation of Manufacturing Production

216. The Government has been supporting local development of green technology through the Green Tech Fund and the Innovation and Technology Fund, transforming R&D projects with application potential into commercially valuable technologies or products and facilitating their production locally. The Environment and Ecology Bureau (EEB) is assisting two local companies in setting up production lines to upcycle local waste materials into high-value products, namely core materials for electricity-free cooling products and acoustic metamaterial products, promoting development of Hong Kong's green industry.

217. The EEB has extended the usable area and lease terms of about 20 short-term tenancy sites currently designated for recycling operation in Hong Kong, giving the recycling industry more room for further development and upgrading.

218. The Government will inject \$100 million for a new round of the Cleaner Production Partnership Programme to expedite green transformation, renovation and the upgrading of local factories and Hong Kong-owned factories in the Guangdong Province, bringing Hong Kong closer to its carbon neutrality targets.

#### Continue to Promote Ecological Conservation

219. The Government will continue to enhance the facilities of our country parks, integrating cultural characteristics of villages, to provide better eco-tourism experience for the public and visitors. It will also continue to develop the Sam Po Shue Wetland Conservation Park.

#### Expand the Charging Network for Electric Vehicles

220. The Government has stepped up efforts to promote green transport. Through the EV-charging at Home Subsidy Scheme and the gross floor area concession arrangement, about 200,000 EV-charging parking spaces are expected to be available by mid-2027. The Government will earmark \$300 million for a new scheme, providing subsidies to the private sector for installing quick-charging facilities. The target is to have a total of 3,000 quick chargers installed by 2030.

221. The Government granted two vacant petrol-filling station sites for

conversion into quick-charging stations earlier this year. It plans to invite expressions of interest from the industry next year to repurpose existing petrol-filling station sites as charging stations, with topside development for other purposes under the "single site, multiple use" model.

## IX. Closing Remarks

222. Since taking up office, I have pushed ahead with many reform measures to transform government culture, strengthen the systems and improved various regimes. Our goal is to keep Hong Kong going, and make it a city in which people live in better homes, enjoy better education and cherish their lives. We strive for this goal.

223. I always take time to reflect and listen to views of others to ensure that our policies are working and our measures are effective. I take a close look into the daily needs of our people while staying abreast from a global perspective of the world trend, our nation's strategic outlook and the societal interests. While keeping our principles and being innovative when taking forward reforms, we have to look at the flip sides that a measure may bring other than its benefits. Reform is essential, but we should always be mindful that it is a means and not an end, that it should never undermine success factors that are well established and work effectively.

224. Having regard to various objective facts, I do believe that our overall policy directions are on the right course. Over the past two years or so, median monthly household income has risen by about \$2,800, up over 10%, while over 100,000 jobs have been added. The waiting time for public housing has been shortened by six months, and the first batch of LPH will soon be completed for intake, filling the gap in the supply of public housing. District governance and Care Team services are firmly in place in all 18 districts across the territory. Outcomes of our efforts to trawl for talents and enterprises are also well-recognised.

225. Thanks to the concerted efforts of all concerned, Hong Kong's status as an international financial centre has climbed up one place to restore the global third position, putting an end to the negative narratives of our city's future. We moved up two places to rank fifth in world competitiveness, and rose seven places in talent competitiveness, to stand among the world's top 10 once again. Hong Kong also retains the top spots in global ranking in investment environment, international trade, business legislation, air-cargo throughput, etc.

226. That said, past performance is no guarantee of future success. We must not be complacent, but keep up our momentum for advancement and reforms. We must remain confident in ourselves and uphold our morale, standing firm against any efforts to downplay our success story.

227. This Policy Address deepens the reforms that I have introduced since I became Chief Executive. It presents enhanced measures to boost the economy and improve people's livelihood. It seeks to address the prevailing needs of our people, while mapping our vision and long-term goals for building a brighter future for Hong Kong.

228. Amid the accelerating global changes not seen in a century and complex geopolitics, the uncertainties surrounding the Sino-United States relations have exposed Hong Kong to frontline external political forces. But while we are facing many challenges, they are outweighed by the opportunities available to us. Global economic gravity continues to shift eastward and investment is also shifting the same direction to balance geopolitical risks. Hong Kong boasts a secure and stable investment environment, enjoys a favourable location at the heart of Asia, and is the only city in the world where China's advantages and international advantages converge. Blessed with our linkage with our motherland and close connection to the world, as well as the solid backing of our country including the Central Government's support and measures benefitting our city, Hong Kong stands to prosper. We must seize every opportunity to make progress and renew ourselves. Indeed, with the wisdom and experiences of Hong Kong people, coupled with the dare-to-fight and win spirit in us, I am confident that Hong Kong will continue to go from strength to strength and attain new heights. Through our united efforts to reform and innovate, our economy will go even stronger and our people will lead a better life, making Hong Kong a shining city.