Government strengthens support for construction sector under second round of Anti-epidemic Fund

The Development Bureau (DEVB) announced today (June 11) that the Antiepidemic Fund will provide further support to the construction sector.

The construction sector has been hit hard by the COVID-19 pandemic, with the latest unemployment rate escalating to 10 per cent. The second round of the Anti-epidemic Fund will strengthen the support for the sector by offering a one-off subsidy to employers in the sector who have employed casual employees on a long-term basis, in order to supplement the scope not covered by the Employment Support Scheme (ESS).

"Under the new measure, if an employer in the construction sector has made contributions for a 'casual employee' under the Mandatory Provident Fund (MPF) Industry Schemes for at least 15 days in the calendar month of March this year, the employee will be regarded as a 'qualified employee'. An employer may apply for a subsidy of \$36,000 per 'qualified employee'. Applicants have to undertake not to make their employees redundant for a period of six months on receipt of the subsidy and to spend the full amount of the subsidy on paying wages to their workers. Currently, there are some 40 000 'casual employees' being employed on a long-term basis in the sector and we expect that the measure will benefit about 3 500 employers, helping them and their workers tide over the current difficulties," a spokesman for the DEVB said.

The Construction Industry Council will handle applications and disburse the subsidies for the Government and will announce the details by late June.

Meanwhile, employers who wish to apply for wage subsidies under the ESS for their "regular employees" or employees aged 65 or above under their MPF schemes should do so before the deadline for the first tranche of subsidies (i.e. June 14). For details, please refer to the ESS website (www.ess.gov.hk).

The Government has launched two rounds of Anti-epidemic Fund so far. As of yesterday (June 10), a total of more than \$3.1 billion in subsidies had been disbursed to some 310 000 construction workers and some 10 000 construction-related enterprises.