

Introduction of labour importation schemes for construction and transport sectors and enhancement of Supplementary Labour Scheme

A Government spokesman today (June 13) said that in order to address acute manpower shortages across various sectors, the Chief Executive in Council had endorsed the introduction of sector-specific labour importation schemes for the construction and transport sectors under section 14(3) of the Employees Retraining Ordinance (Cap. 423) that afford greater flexibility and adopt more streamlined procedures than those of the existing Supplementary Labour Scheme (SLS), and the enhancement of the coverage and operation of the SLS.

The spokesman said, "Hong Kong faces a structural labour force shrinkage owing to population ageing. The local labour force (excluding foreign domestic helpers) decreased from the peak of 3.68 million in 2018 to 3.46 million in 2022. The low-skilled workforce shrank by about 160 000. To alleviate the manpower shortage problem, the Government has strengthened training and employment services. To encourage and support more employees to receive training so as to enhance their employability, we also plan to increase the maximum monthly amount of retraining allowance for trainees of specific courses of the Employees Retraining Board. Nonetheless, we still need to take other relevant measures to ensure that the labour supply can support Hong Kong's long-term development."

The Chief Executive mentioned in the 2022 Policy Address that many sectors in Hong Kong are facing manpower shortages, and relevant bureaux will listen to the views of the sectors and put forward solutions having regard to the situation of individual sectors. Apart from the special scheme to import care workers for residential care homes to be launched by the Labour and Welfare Bureau this June, the Development Bureau and the Transport and Logistics Bureau will implement sector-specific labour importation schemes with key features and parameters as follows:

(1) Subject to fulfilment of the specified parameters, the sector-specific labour importation schemes should allow employers of the construction and transport sectors to apply for quotas for importation of labour. The total quota for the two sector-specific labour importation schemes is 20 000, comprising 12 000 for the construction sector and 8 000 for the transport sector, of which 6 300 are for the aviation industry and 1 700 for the public light bus/coach trade. The total quota number of imported labour approved under each sector-specific labour importation scheme should not exceed the respective quota;

(2) The Labour Advisory Board (LAB) will be engaged periodically on the implementation of the sector-specific labour importation schemes;

- (3) Applications should be decided by the designated officers of the concerned bureaux/department(s) according to the specified approval parameters;
- (4) Employers must engage the imported labour under a Standard Employment Contract, and pay the Employees Retraining Levy at the start of the contract period;
- (5) The manning ratio in general is on a par with that of the SLS, i.e. 1:2 (one imported labour to two full-time local staff);
- (6) The wage levels of imported labour must be no less than the median monthly wages of relevant posts in Hong Kong;
- (7) Requirement of local recruitment is deemed fulfilled if the applicants submit proof of recruitment conducted within four months preceding an application through channel(s) specified by the concerned bureaux/department(s);
- (8) Employers are allowed to (i) arrange for the imported labour accommodation in Hong Kong, (ii) provide accommodation for the imported labour on the Mainland; or (iii) let the imported labour reside in their residential premises on the Mainland; and
- (9) If the prospective imported workers are Mainland residents, employers must recruit the imported workers through the foreign labour service co-operation enterprises approved by the relevant Mainland authorities.

Apart from introducing the sector-specific labour importation schemes, the Government will also enhance the coverage and operation of the SLS, including:

- (1) Suspending the general exclusion of the 26 job categories and unskilled/low-skilled posts from the SLS for two years; and
- (2) Enhancing dissemination of application information to employers, streamlining verification of application information and fine-tuning the workflow of consultation with the LAB.

The other key requirements of the SLS will remain unchanged. The Labour Department will promulgate a key performance indicator of completing the processing of an application to the SLS within three months after the screening of the application. The SLS will be renamed as the Enhanced Supplementary Labour Scheme (ESLS).

The Government will consult the LAB, the Legislative Council Panel on Manpower, and relevant sectors on the implementation aspects of the sector-specific labour importation schemes and the ESLS. The feedback gathered will be taken into consideration as appropriate in finalising the implementation and operational details of the sector-specific labour importation schemes and the ESLS.

The spokesman said that the target is to launch the sector-specific

labour importation schemes for the construction and transport sectors in July 2023, and commence the receipt and processing of applications by then. Relevant bureaux/department(s) will review the implementation of these schemes within six months after their launch, i.e. in around the first quarter of 2024. The Government also plans to launch the ESLS in the third quarter of 2023 and will review the enhanced scheme in good time prior to lapse of the two-year period of the enhancements.

The spokesman reiterated that the Government will continue to adopt multipronged strategies to address the manpower shortage problem, including training and retraining, provision of appropriate employment support and driving technology adoption for productivity uplifting, etc. On the premise of ensuring employment priority for local employees, the Government will formulate appropriate measures having regard to the supply and demand of manpower.