

LCQ16: Provision of assistance for people not covered by relief measures

Following is a question by the Hon Elizabeth Quat and a written reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (Jun 3):

Question:

The coronavirus disease 2019 epidemic has caused a substantial drop in the income of quite a number of industries and their practitioners, and pushed up the unemployment rate to a record high in 10 years. Although the Government has implemented two rounds of relief measures, quite a number of employers and employees affected by the epidemic have relayed that they are unable to benefit from such measures. In this connection, will the Government inform this Council:

(1) given that taxi drivers have to hold a valid taxi driver identity card any time during the period between January 1 and March 31 this year for them to be eligible for applying for a subsidy under the relief measures, but it is learnt that currently more than 10 000 taxi drivers are ineligible for making application as their taxi driver identity cards have expired, whether the Government will relax the eligibility requirements so that such drivers may apply for the subsidy as long as they are able to produce (i) a valid rental agreement and proof of work in respect of the aforesaid period and (ii) a valid taxi driver identity card replaced after April this year;

(2) as the trade of rental/hire of pleasure vessels, whose business has been hard hit by the epidemic, is unable to benefit from the relief measures, whether the Government will provide a subsidy for this trade;

(3) given that the amounts of subsidy that beauty parlours may receive under the relief measures are divided into three tiers according to the number of employees, but quite a number of beauticians are self-employed persons instead of the employees of beauty parlours, resulting in many relatively large-scale beauty parlours being eligible for applying for a subsidy of a lower amount only, whether the Government will determine the levels of subsidy for which beauty parlours are eligible by the floor areas of their shops;

(4) given that the wage subsidies provided for employers under the Employment Support Scheme (ESS) are calculated on the basis of their numbers of employees with Mandatory Provident Fund (MPF) accounts, but quite a number of employees of certain trades are aged 65 or above and without MPF accounts (e.g. each restaurant having two employees of such type on average, and around 30 000 to 40 000 security guards in the territory being such type of employees), whether the Government will enhance ESS to cover this type of employees;

(5) given that as operators of suspended working platforms are not construction workers registered under the relevant legislation, they are unable to benefit from the subsidies disbursed to construction workers under the two rounds of relief measures, of the Government's measures in place to fill the gaps, so as to assist operators of suspended working platforms; and

(6) given that no targeted assistance has been provided under the two rounds of relief measures for employees with intellectual disabilities, of the Government's measures to help this type of employees, so that they will not be dismissed or their income will not be reduced as a result of suspension of work, wage cut or reduction in working hours?

Reply:

President,

Having consulted the relevant policy bureaux and departments, my consolidated response to the Member's question is set out below:

(1) According to the Transport and Housing Bureau, regulation 51 of the Road Traffic (Public Service Vehicles) Regulation (Cap 374D) requires a taxi driver to display a valid taxi driver identity plate when providing services in order to validate such person's legal identity as a taxi driver. To facilitate the operation of the taxi trade, the Transport Department (TD) has extended the validity period of the taxi driver identity plate from one year to 10 years since October 6, 2018. Through different channels, including TD's regularly published Taxi Newsletter and trade conference etc., TD has reminded taxi drivers to replace their driver identity plate in time in order to comply with the legal requirement.

The subsidy provided to taxi drivers under the Anti-epidemic Fund aims to provide financial assistance to frontline drivers impacted by the coronavirus disease 2019 (COVID-19) epidemic. Therefore, the eligibility for such subsidy includes the requirement that the applicant must hold a valid taxi driver identity plate any time during the three-month period between January 1 and March 31, 2020. TD will continue to communicate with the trade on the details of the scheme, and will flexibly handle the issues raised by the trade on the specific details while ensuring the proper use of public funds.

(2) According to the Transport and Housing Bureau, the Government has provided a one-off non-accountable subsidy of \$10,000 and a one-off survey fee subsidy for owners of each eligible local commercial vessel, including pleasure vessels let for hire or reward, under the first round of Anti-epidemic Fund. The subsidy has already been paid out starting from mid-March 2020. As at mid-May, over 80 per cent of the eligible vessel owners have received the subsidies.

(3) According to the Chief Secretary for Administration's Office, under the Subsidy Scheme for Beauty Parlours, Massage Establishments and Party Rooms (the BMP Scheme), each eligible beauty parlour and massage establishment will receive a one-off tiered subsidy of \$30,000, \$60,000 or \$100,000, depending

on their scale of operation based on the number of workers as evidenced by the applicant's Mandatory Provident Fund (MPF) remittance statement. Taking into account the fact that some beauty parlours/ massage establishments may not need to make MPF contributions for their workers, a practising accountant's certification of the number of workers on payroll is also accepted as proof of number of workers under the BMP Scheme. The application period of the BMP Scheme ended on May 17, 2020.

When devising the BMP Scheme, the Government has considered adopting shop area as the basis of determining the tiered levels of subsidies. However, as opposed to licensed premises such as catering premises where the licensing authority possesses information on shop area, the Government cannot rely on any existing administrative record to determine the shop area of beauty parlours and massage establishments. Neither do lease documents (such as lease agreements, Demands for Rates and/or Government Rent) contain such information. As such, to ensure that public money is used properly, unless an applicant produces a report by an independent third party professional as evidence of its shop area, it would be difficult for the Government to disburse subsidies solely on the basis of information reported by the applicant. Taking into account the need to expediently implement the BMP Scheme in a manner that would facilitate the sector to apply for the subsidy while enabling efficient and effective vetting of applications, the Government considers that requiring an applicant to submit an MPF remittance statement or a practising accountant's certification as evidence of the number of workers is a more prudent and feasible option.

(4) The Government announced on May 12 adjustments to the Employment Support Scheme (ESS), including the extension of coverage of ESS to around 60 000 employees aged 65 or above whose employers have made voluntary contributions for them under the MPF Schemes. Employers may apply for wage subsidies for these employees with a view to encouraging employers to retain mature employees.

Apart from the 60 000 employees aged 65 or above covered by the ESS, together with around 40 000 employees aged 65 or above under the various sector schemes covering land transportation (i.e. taxi, Red minibuses, Green minibuses and local ferries), laundry, catering and construction sectors which have been, or will be launched under the two rounds of Anti-epidemic Fund, as well as around 10 000 employees aged 65 or above employed by government outsourced contracts whose wages are not affected by the epidemic, the various measures as referred above will altogether cover more than 110 000 employees aged 65 or above.

Besides, the Government has put in place a host of social security schemes, which include the Comprehensive Social Security Assistance, Old Age Living Allowance, Old Age Allowance, etc. Eligible elderly persons may apply for assistance according to their needs and circumstances. Labour Department (LD) provides comprehensive and free employment services for job seekers (including elderly persons aged 65 or above). LD will enhance the Employment Programme for the Elderly and Middle-aged in the second half of 2020 to improve the employability of the elderly and help them stay longer in their jobs.

(5) The second-round measures of the Anti-epidemic Fund include the \$81 billion ESS, which provides wage subsidy to eligible employers through the MPF system such that job retention can be achieved and redundancy can be avoided within the shortest timeframe. Operators of suspended working platforms who are eligible self-employed persons under the MPF Scheme may benefit from the ESS.

(6) The Selective Placement Division (SPD) of LD provides personalised employment counselling, job matching and follow-up services for persons with disabilities (including persons with intellectual disabilities). SPD also administers the Work Orientation and Placement Scheme (WOPS) which provides allowances to incentivise employers to employ, coach and support persons with disabilities. In view of the current employment situation, LD will enhance WOPS in the second half of 2020 by increasing the maximum amount of allowance from \$51,000 to \$60,000 payable to employers for employing a person with disabilities.

The Social Welfare Department's "Enhancing Employment of People with Disabilities through Small Enterprise" Project has since end December 2019 launched two relief measures for social enterprises subsidised by the Project, including advancing the payment of the next two operating grant instalments to social enterprises within the funding period to aid their cashflow arrangements; and allowing social enterprises within the contract period which have financial difficulties to apply for supplementary grants to support their operation expenses, thus safeguarding the employment opportunities of employees (especially persons with disabilities).