

Transcript of remarks by SLW on anti-epidemic measures and Employment Support Scheme

Following is the transcript of remarks by the Secretary for Labour and Welfare, Dr Law Chi-kwong, on anti-epidemic measures and the Employment Support Scheme (ESS) after attending a radio programme this morning (April 9):

Reporter: Dr Law, can you explain what sort of measures will be put in place to make sure employers won't lay off staff after they get the subsidy for salary?

Secretary for Labour and Welfare: The two conditions for the wage subsidy under the ESS are basically, one, they have to maintain the same headcount; secondly, all the fund that they receive for the wage subsidy should be given to the staff. So, if they have redundancy, which basically means they have a reduction in headcount, then the money will be clawed back and there will be some penalties. The details will be announced later.

Reporter: But does it involve a lot of manpower to actually check the companies?

Secretary for Labour and Welfare: We are not checking on individual employee. We are checking on the headcount. Headcount is just counting the numbers and that should not be an enormous amount of administration work.

Reporter: In this round of assistance, why didn't the Government decide to assist all businesses, instead of just businesses which have been forced to make their employees go on unpaid leave? According to lawmaker the Dr Hon Fernando Cheung, that will actually help save a lot of money for the Government.

Secretary for Labour and Welfare: If we are to examine the conditions of a particular company or employer before we provide the wage subsidy, that will take a lot of administration work and actually, we have to employ a lot of people to look at each individual transaction history of each employer. That will take a very long time and very heavy administration cost. Looking at the epidemic right now – its impact on almost all industries with some exceptions, it is very important for us to launch the programme as soon as possible. It is key to make it quickly so it must be quite simple. Otherwise, a very complex system requiring a long time to set up would not serve our present purpose.

(Please also refer to the Chinese portion of the transcript.)