

Celebrate Labour Day together Protect Labour Rights and Promote Hong Kong's Development

Today is the Labour Day. This is also the last Labour Day that I celebrate with the labour sector in my capacity as Chief Executive of the Hong Kong Special Administrative Region (HKSAR). Had it not been for the epidemic, the Government would have organised a large-scale reception as in the past to celebrate this international festival together with different sectors of the community as well as people who care about labour affairs and took the occasion to salute our workers. Especially following the challenges posed by the COVID-19 epidemic in the last two years or so, workers of all trades have led a difficult life. Yet, workers in the frontline have held fast to their duties and co-operated with the HKSAR Government in its anti-epidemic work to safeguard people's health. On this important day dedicated to the labour sector, I would like to express my sincere gratitude to each and every worker on behalf of the HKSAR Government.

Being a capitalist economy and with the public sector accounting for only a quarter of the entire economy, the Government needs to be proactive to formulate practicable policy measures and necessary legislation in order to better safeguard labour rights. In taking forward this work, the Government inevitably encounters divergent stances and views of the employers and the employees, and where the majority of employers in Hong Kong are small and medium-sized enterprises, the impact on their business is a factor we have to give due consideration. Despite the unprecedented challenges that the current-term Government has faced, with the joint efforts of various parties, we have made exemplary achievements in respect of labour rights. I still remember when I conducted the consultation exercise for the 2021 Policy Address last year, a veteran union leader told me in private that they had never imagined that so many problems that had beset the labour sector for more than a decade could have been resolved within one term of Government. On this Labour Day, let us review these hard-earned results:

- (a) the five-day statutory paternity leave has been implemented since January 2019, enabling fathers to share the work of caring for the newborns and take care of their wives after childbirth;
- (b) the statutory maternity leave has been lengthened from 10 weeks to 14 weeks since December 2020 with the Government, under an

exceptional arrangement, reimbursing employers for the additional statutory maternity leave pay, subject to a cap of \$80,000 per employee;

- (c) a bill on the abolition of the “offsetting” arrangement under the Mandatory Provident Fund (MPF) System was introduced into the Legislative Council (LegCo) in February 2022 to strengthen retirement protection for employees. The Government has committed to allocating tens of billions of public funds to subsidise employers, in particular the micro, small and medium-sized enterprises, to help them adapt to the policy change;
- (d) to enhance retirement protection for employees, the HKMC Annuity Plan was launched in mid-2018. The Government has pledged to pay the five per cent MPF contributions for low-income workers who are exempted from MPF employee contributions when the eMPF Platform comes into full operation in 2025;
- (e) the Employment Ordinance was successfully amended in July 2021 to increase progressively the number of statutory holidays from 12 days to 17 days to be on par with the number of general holidays, enabling over 1 000 000 employees to enjoy the same holiday arrangement. The first newly added statutory holiday will be the Birthday of the Buddha on May 8 this year;
- (f) a new procurement policy for government service contracts has been implemented from April 2019. The new arrangements include increasing the weighting of wage levels of non-skilled workers during tender assessment, directly resulting in the wages of those workers of the awarded contracts being increased by over 20 per cent;
- (g) the Labour Department established a dedicated division in September 2020 to enhance protection of foreign domestic helpers and provide better support to their employers;
- (h) on enhancing occupational safety and health, the Labour Department has issued a number of guidelines, launched an online complaint platform and strengthened surprise inspections. It will also launch the Pilot Rehabilitation Programme for Employees Injured at Work for workers of the construction industry to facilitate the speedy recovery of injured employees;

- (i) on strengthening employment support, the Government has introduced various schemes to provide retention allowance for the elderly, young people and persons with disabilities, and increased the allowance for employers under the Work Orientation and Placement Scheme to encourage them to employ more persons with disabilities; and
- (j) the Government has provided employment support to ethnic minorities through the Employees Retraining Board, and injected \$2.5 billion into the Employees Retraining Fund in 2020 to increase the quotas of the “First-Hire-Then-Train” Scheme and Love Upgrading Special Scheme.

Although there are only two months to go before the end of the current-term Government, the work on support for labourers continues:

- (a) the Policy Innovation and Co-ordination Office will process at full steam applications received under the Temporary Unemployment Relief Scheme and the 2022 Employment Support Scheme;
- (b) we are making an all-out effort to have the bill on the abolition of the “offsetting” arrangement under the MPF System passed by LegCo before June 30 so as to enable the next stage preparatory work to proceed immediately thereafter;
- (c) we will introduce into LegCo legislative amendments to raise the ceilings of the ex gratia payment items under the Protection of Wages on Insolvency Fund and adjust the levy rate of the business registration certificate to make good use of the fund to benefit both employees and employers; and
- (d) we will introduce into LegCo a bill to raise the penalties of occupational safety and health breaches to enhance the deterrent effect against illegal acts.

With mutual respect and understanding between the employees and the employers on the Labour Advisory Board, the support of LegCo, and the unflagging efforts of the Secretary for Labour and Welfare and his team, the current-term Government’s work on labour affairs has borne fruit. Resilient and industrious, workers in Hong Kong have been rising to new challenges brought about by the city’s developments over the past decades. Looking ahead, I have every confidence that the labour sector will continue

to join hands with the Government to bolster the economic development of Hong Kong.

I wish all our workers a happy Labour Day!

Mrs Carrie Lam
Chief Executive
Hong Kong Special Administrative Region
May 1, 2022