



香港人力資源管理學會

Hong Kong Institute of Human Resource Management

*Operated by Hong Kong Institute of Human Resource Management Limited*

*Units 1810-15, 18/F, Millennium City 2, 378 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong*

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7 September 2020

The Hon Paul Chan Mo Po, GBM, GBS, MH, JP  
Financial Secretary  
Government Secretariat  
25/F, Central Government Offices  
2 Tim Mei Avenue, Tamar  
Hong Kong

Dear Financial Secretary,

### **Consultation on 2020 Policy Address**

The Hong Kong Institute of Human Resource Management (“HKIHRM”; “The Institute”) would like to express our gratitude for giving us the opportunity to provide our views on the 2020 Policy Address Consultation.

#### **1. Alleviate unemployment under COVID-19**

1.1 As Hong Kong is still battling COVID-19, the city’s unemployment rate stands at a record high in over 15 years. The HKIHRM welcomes the \$81 billion Employment Support Scheme (“ESS”; “The Scheme”) launched by the HKSAR Government (“The Government”) to offer time-limited financial support to employers for the purpose of retaining employees.

1.2 According to the HKIHRM’s “HR Pulse Check: Employment Support Scheme”, conducted in July, almost 80% of the responding organisations said they have applied for wage subsidies under the ESS. Among respondents who answered the question, “Will your organisation consider applying for the 2<sup>nd</sup> round of wage subsidies under the ESS?”, almost 80% said they will. The HR Pulse Check demonstrated the popularity of the Scheme across the sectors.



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1.3 While the ESS has proved effective in reducing mass redundancy, evident in the unemployment rate's dip to 6.1% in July after nine consecutive months of increase, the employment landscape's recovery remains poignantly slow. The Institute recommends launching further assistance to employers after the ESS second tranche's disbursement of wage subsidies wraps in November. We recommend paying special attention to industries most affected by the financial downturn, from hospitality and tourism to construction, retail to transportation.

1.4 The Government can consider widening the scope of social security, to cover unemployment and provide temporary/emergency relief to those made redundant.

1.5 As rising youth unemployment poses major social challenges, incentives can be given to employers to offer jobs to fresh and recent university graduates.

1.6 To ensure the workforce's employability, the Government is advised to continue investing in retraining and reskilling. Another possible approach is to encourage employers to follow suit via tax relief provided for organisations which dedicate their resources in human capital training and retraining.

## **2. Safeguard the gig economy and education**

2.1 The ESS allows self-employed persons to apply for a one-off subsidy of \$7,500 only once whilst workers made redundant from COVID-19 are seeking self-employment. The HKIHRM suggests including gig workers in future iterations of the ESS, by offering them subsidy to help sustain the gig economy.

2.2 To address skills mismatch in our society we encourage the Government and various tertiary institutions to invest and refocus on vocational training. We also recommend further training, support and guidance to develop entrepreneurial skills of our youths.



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2.3 As virtual education has become popularised amid the public health situation, support/subsidies should be provided to students, especially those from grassroots families. It is also important to support schools and teachers with retraining, for them to adapt to the new normal.

### **3. Protect public health and enterprises**

3.1 As COVID-19 has yet to be listed as an occupational hazard under the Employees' Compensation Ordinance, we advocate for its timely inclusion in order to promote a safe and healthy workplace.

3.2 To ease the financial pressure on the elderly population and their family members in the midst of COVID-19, we advise increasing the amount of healthcare vouchers.

3.3 Furthermore, to ease staff shortage in public hospitals, accelerating the recruitment of qualified overseas trained doctors is recommended.

3.4 From the launch of a concessionary and low-interest loan under the SME Financing Guarantee Scheme to the waiving of business registration fees from 2020 to 2021, the \$120 billion relief measures under the 2020-21 Budget are welcomed by the Institute as encouraging and necessary in helping SMEs sail through the economic storm.

3.5 Furthermore, enhanced support should be provided to employers, especially SMEs, to help maintain the current workforce in these unprecedented times.



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#### **4. Advance fairness in the workplace and revitalise Hong Kong's competitiveness**

4.1 Due to the suspension of the special status of Hong Kong by the U.S., the city's business environment has been dealt yet another blow. This raises the critical question of how to revive Hong Kong's competitive edge, with the answer lying potentially in more seamless business collaboration across the Great Bay Area and the APAC region.

4.2 To create better workforce planning, the Government can take these recommendations into consideration – i) elevate the mandatory retirement age to 65 years old; ii) delay the implementation of minimum working hours; iii) remove MPF offset.

4.3 The HKIHRM trusts that the updates, made on 11 June, to the Sex Discrimination Ordinance (SDO), Disability Discrimination Ordinance (DDO), Family Status Discrimination Ordinance (FSDO) and Race Discrimination Ordinance (RDO) are crucial to rectify loopholes and help champion greater equality at work.

4.4 As social norms will not stop evolving, we hold the belief that employment laws should be subjected to continuous review, to ensure they mirror the times we work and live in.

We hope the above insights and views will prove useful in the Government's formulation of the 2020 Policy Address.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Margaret Cheng', written in a cursive style.

Margaret Cheng

President