

Head 157 — GOVERNMENT SECRETARIAT: ECONOMIC DEVELOPMENT AND LABOUR BUREAU (LABOUR BRANCH)

Controlling officer: the Permanent Secretary for Economic Development and Labour (Labour) will account for expenditure under this Head.

Estimate 2003–04 **\$34.3m**

Establishment ceiling 2003–04 (notional annual mid-point salary value) representing an estimated eight non-directorate posts as at 31 March 2004 **\$3.4m**

In addition there will be an estimated two directorate posts as at 31 March 2004.

Controlling Officer's Report

Programme

Employment and Labour

This programme contributes to Policy Area 8: Employment and Labour (Secretary for Economic Development and Labour).

Detail

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	11.8	10.9 (–7.6%)	11.0 (+0.9%)	34.3 (+211.8%)

Aim

2 The aim is to coordinate, and monitor the progress on, the implementation of initiatives to facilitate and create employment; provide an efficient employment service; improve and safeguard employee rights and benefits; promote and maintain harmonious employer and employee relations and regulate safety and health at work.

Brief Description

3 With the introduction of the Accountability System, the Labour Branch of the Economic Development and Labour Bureau was set up on 1 July 2002 to formulate and oversee employment and labour-related policies and strategies, as well as monitor their implementation. The branch previously formed part of the Education and Manpower Bureau (EMB). Expenses of the branch in 2002–03 are absorbed mainly by EMB.

4 In the face of high unemployment, the prime task of the branch has been to draw up and implement a multi-pronged approach to maximise employment opportunities for the local workforce. In 2002–03, the branch:

- provided secretariat support to the revamped Task Force on Employment led by the Financial Secretary;
- devised and steered the Youth Work Experience and Training Scheme undertaken by the Labour Department;
- collaborated with the Employees' Retraining Board in launching the Integrated Scheme for Local Domestic Helpers (LDHs) designed to boost the employment opportunities of LDHs;
- helped to complete a review of the policies on foreign domestic helpers;
- assisted the Youth Commission in devising an overall strategy in helping non-engaged youths;
- secured a government loan of \$695 million to enable the Protection of Wages on Insolvency Fund to tide over its cash flow problem and spearheaded an inter-departmental task force comprising the Labour Department, Police Force, Official Receiver's Office and Legal Aid Department to devise measures to further prevent possible abuse of the Fund;
- steered the Labour Department in launching the Voluntary Rehabilitation Programme for work injuries in the construction industry; and
- worked with the Labour Department in resolving several major labour disputes.

Matters Requiring Special Attention in 2003–04

5 During 2003–04, the branch will focus on devising effective strategies to facilitate job creation; ensuring the timely and effective implementation of employment-related initiatives; and reinforcing good employer-employee relations. It will also seek to improve the welfare and benefits of employees at a pace commensurate with Hong Kong's socio-economic development and which can strike a reasonable balance between the interests of employers and employees. In particular, it will:

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- continue to develop initiatives to help the unemployed, especially those in their middle ages, to re-enter the workforce as soon as possible;
- press ahead with enforcement efforts to combat illegal employment;
- step up, through the Labour Department, prosecution of and public education on offences relating to wages and other benefits under the Employment Ordinance;
- assist the Youth Commission in implementing its employment-related recommendations on helping non-engaged youths;
- implement the recommendations arising from the review of the policies on foreign domestic helpers;
- strengthen, through the respective industry-specific tripartite committees, tripartite efforts amongst the Government, employers and employees to maintain harmonious labour relations and resolve employment issues expeditiously;
- continue to liaise with the construction and insurance industries for a new industry-specific insurance policy to protect self-employed workers against work accidents in construction sites; and
- introduce legislative amendments and administrative measures to recognise certification by registered Chinese medicine practitioners for entitlement to employee benefits under labour legislation and administrative scheme.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2001-02 (Actual) (\$m)	2002-03 (Approved) (\$m)	2002-03 (Revised) (\$m)	2003-04 (Estimate) (\$m)
Employment and Labour.....	11.8	10.9 (-7.6%)	11.0 (+0.9%)	34.3 (+211.8%)

Note: Provision for the Labour Branch in 2002-03 is primarily included under the "Employment" programme of Head 146—Government Secretariat: Education and Manpower Bureau and Economic Development and Labour Bureau (Labour). The provision will be transferred to a new programme "Employment and Labour" under this new Head on 1 April 2003. For the purpose of comparability, the actual expenses for 2001-02 and the notional approved provision and revised estimate for 2002-03 under the old "Employment" programme are included.

Analysis of Financial and Staffing Provision

Provision for 2003-04 is \$23.3 million (211.8%) higher than the revised estimate for 2002-03. This is mainly due to the additional provision for the implementation of employment and labour-related initiatives in 2003-04, including new measures to help place the middle-aged unemployed in jobs.

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Sub-head (Code)	Actual expenditure 2001-02	Approved estimate 2002-03	Revised estimate 2002-03	Estimate 2003-04
	\$'000	\$'000	\$'000	\$'000
Recurrent Account				
000 Operational expenses.....	—	—	—	34,348
Total, Recurrent Account.....	—	—	—	34,348
Total Expenditure.....	—	—	—	34,348

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Details of Expenditure by Subhead

The estimate of the amount required in 2003–04 for the salaries and expenses of the Labour Branch is \$34,348,000.

Recurrent Account

2 Provision of \$34,348,000 under *Subhead 000 Operational expenses* is for the salaries and allowances of staff of the Labour Branch and its other operating expenses.

3 The establishment as at 1 April 2003 will be nine permanent posts and one supernumerary post. Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2003–04, but the notional annual mid-point salary value of all such posts must not exceed \$3,401,000.

4 An analysis of financial provision under *Subhead 000 Operational expenses* is as follows:

	2001–02 (Actual) (\$'000)	2002–03 (Original Estimate) (\$'000)	2002–03 (Revised Estimate) (\$'000)	2003–04 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	—	—	—	5,886
- Allowances.....	—	—	—	1,017
- Job-related allowances	—	—	—	7
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	—	—	—	12
Departmental Expenses				
- Hire of services and professional fees.....	—	—	—	168
- General departmental expenses.....	—	—	—	391
Other Charges				
- Expenses for employment and labour- related initiatives.....	—	—	—	23,253
- Expenses for improved occupational safety and health standards	—	—	—	3,614
	—	—	—	34,348
	—	—	—	34,348