

For information on
20 May 2004

Legislative Council Panel on Manpower
Labour Department's Strategy
on Promoting Good Employer-employee Relations

Purpose

This paper briefs Members on the strategies adopted by LD to promote good employer-employee relations.

Current state of labour relations

2. Despite the difficulties that Hong Kong faced arising from the outbreak of SARS in early 2003, overall local labour relations remained stable. In 2003, the average number of working days lost due to strike was 0.05 per 1 000 salaried employees and wage earners. As for the three-year period from 2001 to 2003, the average figure was 0.1 per year, which was among the lowest in the world. No strike was recorded in the first quarter of 2004.

Strategy for promoting harmonious employer-employee relations

3. LD adopts a multi-pronged approach in promoting harmonious labour relations. Towards this end, the following measures are in place:

- (a) providing voluntary conciliation service to help employers and employees resolve their employment claims and disputes;
- (b) promoting partnership at work and fostering good people management practices;
- (c) promoting public understanding of labour laws; and
- (d) strengthening tripartite collaboration at the industry level.

Conciliation of labour disputes and claims

4. LD provides conciliation service to help employers and employees settle disputes and claims arising under the Employment Ordinance (EO) or their contracts of employment. We also render consultation service for enquiries on statutory and contractual obligations and entitlements in employment as well as labour relations problems in the workplace.

5. As the economy gradually recovers, the number of labour disputes and claims handled by LD has subsided since the fourth quarter of 2003. In 2003, we handled 34 116 cases, a decrease of 3% over the historic high figure of 35 254 cases in 2002. For the first quarter of 2004, the number of cases handled stood at 7 725, a decrease of 8% over 8 436 cases in the corresponding period in 2003.

6. Despite the continued economic downturn and the outbreak of SARS in early 2003, we achieved a settlement rate of 65.1% in 2003, an all-time high since the Asian financial crisis in 1997. This further rose to 67.1% for the first quarter of 2004.

7. The waiting time for conciliation meetings has also shortened. In 2003, our compliance rate of the performance pledge of arranging a conciliation meeting within five weeks from the date a claim is lodged was 97%. In the first quarter of 2004, 100% compliance was achieved. At present, the waiting time ranges from three to five weeks, depending on individual labour relations branch offices.

Promoting partnership at work

8. In 2004, our promotional activities will focus on the key message of "Partnership at work". This partnership spirit is crucial to effective communication and successful cooperation at the enterprise level.

9. To inculcate this partnership spirit in the community at large, we have recently launched a new television Announcement of Public Interest (API) on "Success Through Partnership". Our aim is to drive home the message that co-operation and unity at the workplace will result in a win-win situation in that employers and employees can, through working together, overcome adversities and explore new opportunities. This API has been well received.

Promoting good people management practices

10. LD is committed to promoting good people management practices. We have produced a series of publications and guidebooks on topics of interest to employers and human resources practitioners. Furthermore, we have put in place a network of 18 Human Resources Managers (HRM) Clubs with over 1,800 human management practitioners as members. Three of the clubs cater to the special needs of small and medium sized enterprises while the remaining 15 cover a wide cross-section of industries including banking, hotel and tourism, and community and social services. These HRM Clubs regularly organize seminars, workshops and discussion sessions to study and share experience on legal issues pertaining to labour legislation as well as good people management practices.

11. This year, LD will organize for the fourth time the Good People Management Award to promote and encourage the adoption of good people management practices in the workplace. Through this Award, we advocate the adoption of good people management practices that are employee-oriented, law-abiding as well as equal and fair. To give recognition to employers who have made notable achievements in the field of people management, we will organise an award presentation ceremony towards the end of the year. For the coming Award, LD will, in particular, encourage the participation of small and medium sized enterprises that make up the majority of business establishments in Hong Kong.

Promoting understanding of the Employment Ordinance and good habits of keeping employment records

12. For an enterprise to enjoy harmonious industrial relations, it is essential that employers and employees alike have a good understanding of their statutory obligations and entitlements. LD will launch a series of promotional activities on a territory-wide basis to enhance employees' understanding of the EO and advocate the importance of keeping comprehensive employment records. Apart from our schedule of seminars and workshops on the EO, we have also produced 20 000 copies of a handy reference kit to highlight the major EO provisions in an interesting manner. The kit adopts a “soft” approach and features a “cartoon series” supplemented by fact sheets. It is being distributed to employees, employers and the public through different channels. The content of the kit has been uploaded onto the LD’s Homepage.

13. In 2004, LD will also produce 20 000 sets of specially designed folders to facilitate systematic keeping of employment records by employees. These folders will be distributed to employees and members of the public free of charge. We shall work closely with trade unions to widely promote the benefits of keeping employment records by employees, and promulgate the message through our network of industry-based tripartite committees and HRM Clubs as well as the mass media.

Strengthening Tripartite Cooperation

14. LD is stepping up its efforts to promote tripartite collaboration at the industry level. In April 2004, the previous Tripartite Committee on Warehouse and Cargo Transport Industry was expanded to become the Tripartite Committee on Logistics Industry to reflect the growing importance of the logistics sector. We are actively promoting tripartite dialogue and cooperation through nine tripartite committees in the catering, construction, hotel and tourism, logistics, printing, property management, retail, cement and concrete, and theatre industries. We will work closely with the tripartite committees to develop industry-specific good people management practices. We will also, in light of the specific characteristics of individual industries, prepare special guidebooks highlighting the major EO provisions of special interest to the respective industry.

Labour Department
Economic Development and Labour Bureau
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