



JOHN SWIRE & SONS

28 September 2009

Clerk to Bills Committee,  
Legislative Council Secretariat,  
3/F Citibank Tower,  
3 Garden Road,  
Central,  
Hong Kong.

Dear Sirs,

### **Minimum Wage Bill**

We are writing to set out our brief comments on the Minimum Wage Bill which is shortly to be considered by the Legislative Council. We would be grateful if you could bring this letter to the attention of the appropriate Bills Committee.

The Swire Group is supportive of any initiative which will reduce poverty in Hong Kong. It recognises the need for every employer in Hong Kong to act responsibly in relation to the manner in which it treats its employees. However, we are also aware of the increasing regulation in the workplace and the resulting increase in cost. We are concerned that this may impact the competitiveness of Hong Kong in the future.


The Minimum Wage Bill includes certain provisions which will serve to increase the operating costs of employers unnecessarily. In particular, the need for every employer to keep records of the hours worked of every employee seems entirely unnecessary. Whilst it is understood that for lower paid employees (where the minimum wage legislation could be applicable) there is a clear need to track the hours worked in order to ensure compliance with the legislation, for higher paid employees the minimum wage legislation is irrelevant and, therefore, there should be no need for an employer to incur the additional cost of tracking and retaining the hours worked.

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The second concern we have relates to the lack of clarity of the meaning of "hours worked". In particular, we suggest that the Bill should include express wording limiting "hours worked" to contractual hours or hours agreed with the employer. In addition, there appears to be an argument that the entirety of time an employee spends out of Hong Kong on business could be included as "hours worked". We suggest that this cannot be the intention of the draftsman and, therefore, it should be clarified. The last point is particularly relevant for cabin crew and cockpit crew working on aircraft.

Should you have any questions please do not hesitate to contact me on 2840 8840.

Yours sincerely,  
For JOHN SWIRE & SONS (HK) LTD



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Hunter A.S. Crawford  
Staff Director

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