

Legislative Council Panel on Transport
MTR staff salary and benefits matters after the Merger

Foreword

At the request of the Legislative Council Panel on Transport, this paper aims to provide information on matters relating to staff salary and benefits of the MTR Corporation Limited (MTRCL) after the rail merger.

Protection for Staff and the Terms and Conditions of Employment Under the Merger Framework

2. MTRCL has provided job security to the more than 8,000 frontline staff and provided salary protection for all staff as committed in the context of the rail merger. Non-managerial staff enjoyed additional protection on salary scale. The 8 major terms and conditions of employment including retirement benefits, medical benefits, paid annual leave and free MTR travel were also announced in December 2006. With regard to working arrangements such as rosters, rest time, rest day and meal break as well as work-related allowances, the Corporation had to align them based on the operational needs after the rail merger.

3. To achieve the goal of "One Company, One Team", the Corporation has to align different work systems, including roster arrangement and work-related allowances to best utilise human resources and provide quality services to passengers. The system has been aligned taking into account the impact on staff as far as practicable. On the whole, the various arrangements after the merger are comparable to the arrangements before the merger.

Roster Alignment

4. After the rail merger, the contract working hours of all frontline staff has been aligned to 42 hours per week, in other words, the working hours of pre-Merger Kowloon Canton Railway Corporation (KCRC) staff has been reduced from 45 hours per week to the current 42 hours per week. After the implementation of the aligned roster, the working hours of pre-merger KCRC staff have been reduced from the previous 6 to 12 hours per shift to the current 6 to 10 hours per shift. The rest time between each shift has increased from the previous 8 to 10 hours to at least 12 hours. Consequential to the above changes in roster arrangement, the working days of MTRCL station staff after the rail merger are more than those of pre-merger KCRC, and the number of rest days has been

reduced from a maximum of 104 days per year to a maximum of 65 days per year. The practice of the pre-merger MTRC was adopted so that the number of working hours would be reduced and the rest time between shifts would be increased.

5. The contract working hours for all staff of the Corporation, regardless of their work nature or post, do not cover their meal hours. After the merger, operating staff and bus captains who work for long shifts of 9 hours or more, their additional paid rest break are all aligned to 15 minutes. This is a new rest break arrangement for East Rail Line and Ma On Shan Line station staff as well as bus captains.

6. For bus captains, the Corporation's roster arrangements are in compliance with the Roster Arrangement Guidelines issued by the Transport Department to franchised bus companies. Apart from the additional paid rest break for long shifts mentioned above, after listening to the views of staff, the Corporation has gradually introduced an additional 10-minute buffer time before and after the assigned meal time for bus captains. This has now been implemented on most bus routes.

Alignment of Work-related Allowances

7. Nowadays, most retail shops and restaurants stay open for business during the Lunar New Year period. Yet it is not a common market practice to offer additional Lunar New Year holiday allowances to employees. Nevertheless, to reward staff for working during the Lunar New Year to maintain MTR service, the Corporation offers a Lunar New Year Holiday Allowance to staff which is equivalent to 1.5 times their basic hourly rate. This allowance is in addition to staff's entitlement to time-off benefit for duty performed during statutory holidays. Before the Merger, the practice between KCRC and MTR differed. The eligible period to claim the allowance at KCRC included the first to the third day of the Lunar New Year plus the last 9 hours on Lunar New Year's Eve (total 81 hours); for MTR, the eligible period to claim the allowance included the first to the third day of the Lunar New Year (total 72 hours). After review, the Corporation decided to adopt the pre-Merger MTR practice.

8. As a mass transit service operator, the Corporation understands that there is demand for public transport service even during adverse weather conditions and therefore, the Corporation aims to continue providing service even when a black rainstorm warning signal is in effect. According to the Labour Department's recommendation, if the Black

Rainstorm Signal is issued before start of work, only "essential staff" as specified in relevant work arrangement are required to report for duty. After the Merger, the Corporation aligned the arrangement so that the Black Rainstorm Allowance is offered to "essential staff" who are required to return to the office to report for duty. MTRCL is one of the few public transport operators that offer Black Rainstorm Allowance to employees.

Communications with Staff

9. The Corporation has always maintained good communication with staff. On matters of staff concern, the Corporation will listen to the opinion of staff before making a final decision. In aligning working arrangements after the Merger, the Corporation has adhered to its usual practice, by holding meetings and briefings with staff and staff organisations as well as disseminating information to all staff to maintain communication with them.

10. In November 2008, the Corporation appointed an independent consultant to conduct a corporate-wide Staff Attitude Survey. The overall results are very favourable. The perception of MTR staff on salary, benefits and non-monetary recognition are more favourable when compared to the results from other organisations in Hong Kong.

MTR Corporation
May 2009