立法會 Legislative Council

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Panel on Manpower

Updated background brief prepared by the Legislative Council Secretariat for the meeting on 17 March 2015

Standard working hours

Purpose

This paper gives an account of the past discussions by the Panel on Manpower ("the Panel") on standard working hours ("SWH") in the Fifth Legislative Council ("LegCo").

Background

- 2. The Chief Executive ("CE") announced in his 2010-2011 and 2011-2012 Policy Addresses that the Government would embark on a policy study on SWH so as to lay a solid and objective foundation for the public discussion on the issue. The Labour Department ("LD") was assigned the task and released the Report of the Policy Study on Standard Working Hours ("the SWH Report") in late November 2012.
- 3. The Government announced in April 2013 the formation of the Standard Working Hours Committee ("SWHC"), which was tasked to follow up on the Government's policy study on SWH, promote understanding of this subject and related issues, and advise CE on the working hours situation in Hong Kong including whether a statutory SWH regime or any other alternatives should be introduced. SWHC has subsequently formed two working groups on "Working Hours Consultation" ("the Consultation Group") and "Working Hours Study" ("the Study Group") in July 2013 to specifically take charge of wide public consultation and comprehensive working hours surveys respectively.

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Deliberations of the Panel

Policy direction on SWH

- 4. On whether the issue of long working hours would be addressed by legislative means, members were advised that SWHC had not yet come to a view on the policy direction on SWH, including whether legislative means was the way forward. SWHC would deliberate thoroughly on SWH which was highly complex and involved a myriad of interrelated and controversial social and economic issues, and identify the way forward. The Administration kept an open mind on the matter which would be further studied by SWHC.
- 5. Expressing disappointment at the Administration's lack of stance on legislating for SWH, some members took a strong view that SWHC should focus its work on addressing the phenomenon of long working hours by legislative means instead of merely studying whether a statutory SWH regime should be established.
- Some members pointed out that employers expressed stronger 6. reservations towards the introduction of SWH in Hong Kong than the introduction of statutory minimum wage. Apart from the potential increase in the wage bill, employers were particularly concerned about the need and flexibility to maintain adequate manpower to accomplish urgent and important tasks if working hours limits were set. members considered that the Administration should fully address the concerns of the employers and deliberate relevant issues thoroughly before taking forward the matter. Some other members called on the Administration to handle the matter prudently, having regard to the complexity of the issue and the divergent views of the labour sector and employers. In the light of an ageing workforce and the problem of labour shortage in some specific trades and industries, these members cautioned that SWHC should take into account the possible impact on the labour market structure in its deliberation on legislating for SWH.
- 7. Members were assured that the Administration was mindful of the complexity of the working time regime which involved a wide range of complex issues with widespread and far-reaching implications for the overall labour market, manpower demand, employment relations, work culture, family life, employees' health at work, business environment, economic development and business competitiveness. The Administration recognised fully the need to examine the subject of SWH in-depth before deciding on the way forward. SWHC would study and

discuss the various issues of concern thoroughly and objectively in the deliberation of the policy direction.

Work progress of SWHC

- 8. According to the Administration, SWHC was taking forward its work in four areas, including enhancing public understanding; engaging the public and building consensus on various options; collecting comprehensive working hours statistics and relevant information; and adoption of an evidence-based approach for discussion on the basis of a range of relevant factors.
- 9. Some members expressed grave concern about the work progress of SWHC and the timeframe for legislating for SWH and cast doubt as to whether the Administration could complete the legislative exercise within the term of the Fifth LegCo and the tenure of the current Government, which would expire in September 2016 and June 2017 respectively. Members also enquired whether SWHC's work schedule could be compressed, for instance, holding more frequent meetings while LD expediting its work on data collection, compilation and analysis, so as to expedite the introduction of the relevant legislative proposal for SWH as Acknowledging the various complicated and early as practicable. difficult issues to be dealt with by SWHC relating to the introduction of a working hours policy, including the policy design and the parameters involved, some members held the view that consideration should be given to establishing an SWH regime in phases. Some members strongly urged the Administration to provide an interim report on the work progress of SWHC by the end of the 2013-2014 session.
- 10. The Administration advised that upon receipt of the reports from its two working groups by end of 2014, SWHC would further deliberate and formulate proposals on the direction of a working hours policy suitable for the circumstances and future development of Hong Kong, and submit an endorsed report to the Government by the first quarter of 2016. Should a consensus on establishing a statutory SWH regime be reached in the community, the Administration would proceed with the legislative work and strive to introduce a bill on SWH within the tenure of the current Government.

Enhancing public understanding and public engagement and consultation

11. In respect of the public engagement and consultation campaign to be launched by SWHC, some members considered it a prerequisite to enhance the public's understanding on the crux of the issues and let the

public know as to whether legislating for SWH would be the policy direction so as to facilitate an informed discussion of the community.

Members were advised that SWHC had launched various education and promotional activities to enhance public understanding of various working hours issues (such as standard versus maximum working hours, and different objectives of working hours regimes) as well as the possible multifarious implications of working time regulation for employees' wage levels and working hours, employees' health at work, labour market flexibility and overall economic competitiveness. This apart, SWHC would meet with major employers' associations and labour organisations, symposia organisations for occupations/professions, and hold public forums for the sectors with relatively longer working hours mentioned in the SWH Report, other major industries, members of employers' associations and labour organisations, and the general public to collect the views of the community on working hours. The Administration would continue to promote informed and in-depth discussions of the community on the subject of SWH which was a complex issue, and would revert to the Panel on major views collected during the public consultation on working hours when available.

Study on working hours

- 13. When being briefed on the findings of the SWH Report, members noted that the average and median weekly total working hours for all employees in Hong Kong in 2011 were estimated at 47.0 and 46.6 hours respectively whilst those for full-time employees were slightly longer, at 49.0 and 48.0 respectively. Most employees worked more than 40 hours a week, and nearly a quarter had to perform overtime work. Among them, about half had their overtime work compensated.
- 14. Noting that the SWH Report identified six long-working-hours sectors ("LWHS") with a much higher proportion of employees having long working hours (i.e. average estimated weekly working hours at 54.6 hours for full-time employees), some members expressed concern about the impact of long working hours on employees in these sectors. The Administration advised that most employees in the six LWHS were lower-skilled workers with lower educational attainment and were engaged in labour-intensive service sectors, and had their overtime work compensated. On the other hand, workers with higher skills such as professionals had shorter contractual working hours, but many of them worked overtime without compensation which considerably prolonged their total working hours. Members were further advised that the

phenomenon of relatively long working hours in Hong Kong and overtime work arrangements would be areas to be further studied under the subject of SWH.

- 15. Some members pointed out that overtime hours not worked under the direction of employers were not recognised and covered in the survey on working hours because such data were not available from the employers. The Administration was urged to improve the methodology in data collection such that raw data on working hours would also be obtained from employees and the actual working hours situation in specific industries could be reflected accurately for conducting an in-depth study to better understand the extent of the problem.
- 16. The Administration explained that with a view to obtaining a more comprehensive picture of employees' total working hours, statistics on compensated and uncompensated overtime hours were collected from individual employers and employees via the Annual Earnings and Hours Survey and a supplementary enquiry of the General Household Survey (with the latter collecting information from households) respectively to build up a merged micro-dataset. However, with the limitations of this micro-dataset, working hours data could only be broken down by major economic sectors or broad occupation categories, which were inadequate for revealing the working hours situation of certain individual professions spreading over different industries. Therefore, to facilitate an objective discussion, SWHC would commission a research consultant to conduct a dedicated working hours survey to collect more comprehensive statistical data on working hours and overtime work arrangement for further It would collect comprehensive working hours data and views on a working hours policy from at least 10 000 employed persons through face-to-face interviews and at least 1500 persons engaged in occupations/professions with relatively long working hours or distinctive working hours patterns through self-administered questionnaires.

Relevant papers

17. A list of the relevant papers on LegCo website is in the **Appendix**.

Council Business Division 2
<u>Legislative Council Secretariat</u>
13 March 2015

Appendix

Relevant papers on standard working hours

Committee	Date of meeting	Paper
Panel on Manpower	15.12.2011 (Item IV)	Agenda Minutes
	18.12.2012 (Item III)	Agenda Minutes
	31.7.2013 (Item IV)	Agenda Minutes
	20.5.2014 (Item IV)	Agenda Minutes
Council meeting	23.6.2010	Motion on "Legislating for standard working hours"
	1.12.2010	Official Record of Proceedings (Question 3)
	15.2.2012	Motion on "That this Council notes the Report of the delegation of the Panel on Manpower to study the experience in the implementation of standard working hours in the Republic of Korea"
	17.10.2012	Motion on "Legislating for the regulation of working hours"

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