

香港工業總會的信頭
Letterhead of Federation of Hong Kong Industries

31 May 1999

Mrs Constance Li
Clerk to the Bills Committee on the Factories
and Industrial Undertakings (Amendment)
Bill 1999
Legislative Council
Legislative Council Building
8 Jackson Road
Hong Kong

Dear Mrs Li,

**Factories and Industrial Undertakings (Amendment) Bill 1999 and
Factories And Industrial Undertakings (Safety Management) Regulation**

Thank you for your fax of 21 May 1999 inviting our further views on the above proposed legislation.

Having studied the Government's response to the comments of ours and other trade associations, we would like to put forward the following views for the consideration of the Bills Committee.

We are disappointed that the Government's response failed to address the many concerns of the industrial sector and give clear answers to some of the fundamental problems inherent in the implementation of the proposed safety management systems. Let us reiterate that systemic safety management is an entirely new concept to most employers in Hong Kong. So far, not much has been done by the Labour Department and the Occupational Health and Safety Council to assist employers in acquiring the knowledge and skills needed for setting up such systems in the workplace. Unless detailed practical guidance is provided by the Government before introducing the law, we fear that many employers would encounter difficulties in complying with the legislation.

As for the scope of control, we have already pointed out in our previous submission that we are in favour of a step-by-step approach in the introduction of a safety management regime in Hong Kong, beginning initially with the more accident-prone industries, like construction and container handling. We also wish to stress once again that since the safety performance of manufacturing industries on the whole has shown a steady and remarkable improvement in the last decade, it is neither

advisable nor necessary to introduce more stringent requirements to bolster the control. Moreover, existing laws are already rendering comprehensive protection to ensure the safety and health of workers in most hazardous trades and processes. The declining accident rate in manufacturing industries, as evidenced in recent statistics, is a convincing proof of the effectiveness of the existing control system. Therefore, we do not see any compelling reason why factories should be targeted for stricter control.

In addition, we also find that some of the requirements in the proposed legislation will give rise to a host of compliance problems in the actual implementation of systemic safety management. For example, the proposed Regulation requires that factories employing 100 or more workers should set up a safety committee in the workplace. This requirement fails to take into account of the fact that there are regular peak seasons and low seasons in the normal operation of manufacturing businesses. It is not uncommon that some factories may hire substantial number of temporary or casual workers during peak seasons to meet their production demand but retain only their core staff when their orders are completed. In most cases, a peak season only lasts one to two months. Given that the employment size of a factory may fluctuate significantly between peak and low seasons, the proposed requirement may create great administrative and financial problems for those factories which employs 100 or more workers only during peak seasons, for establishing a safety committee will involve huge amount of administrative work and considerable costs. Moreover, since the majority of these affected factories are SMEs, we are afraid that they generally do not have the manpower and resources to fulfil the requirement, particularly when it happens during peak production seasons. In view of these problems, we strongly urge the Government to rethink the appropriateness of using employment size as the sole criterion in determining the level of control.

Yours sincerely,

V. C. Davies
Director-General

c.c. Hon. Kenneth Ting