For information on 18 January 2007

# LegCo Panel on Manpower

## **Progress of the Wage Protection Movement for Cleaning Workers and Security Guards**

#### Introduction

This note provides an update on the progress of the Wage Protection Movement (WPM).

#### Progress

2. In his Policy Address on 11 October 2006, the Chief Executive announced the launching of the WPM for cleaning workers and security guards. Since then, the Economic Development and Labour Bureau and the Labour Department (LD) have made every effort to promote and publicise the movement. Our aim is to enlist the support of enterprises, employers and owners' corporations (OCs) for this worthy cause. To this end, we have put in place a full-fledged strategy.

3. In addition to setting up a dedicated website (http://www.labour.gov.hk/eng/service/protection/index.htm) to provide information on the WPM and a dedicated enquiry hotline (2852 3815), LD has:

- (a) designed a logo as a token of recognition and for use by enterprises/organisations which join, and continue to comply, with the WPM;
- (b) begun to screen TV and radio Announcements in the Public Interest (APIs) through various media channels, including screening the TV API on public buses and trains as well as at lift lobbies of commercial buildings;
- (c) arranged to screen a short segment of promotional messages on Radio and Television Hong Kong;

- (d) distributed publicity materials such as leaflets and posters on the WPM to different stakeholders, including writing to all the 10 000-plus OCs and mutual aid committees across the territory to solicit their support; and
- (e) liaised with groups of different sectors of the community, chambers of commerce, groups of small and medium-sized enterprises, employer groups and OCs to promote the WPM. Briefings at district-based building management events have been, and will continue to be, conducted.

To tie in with the WPM, LD's free employment service for vacancies 4. for cleaning workers and security guards will only be extended to those vacancies offering wages not lower than the average market rates as published in the Census and Statistics Department's Quarterly Report of Wage and Payroll Statistics with effect from 27 October 2006. Since then, the wage level of some 800 vacancies had been increased to at least the relevant market averages upon persuasion by LD. Indeed, about 20% of vacancies posted by the Department in November and December of 2006 came from employers who were willing to increase the wage level. This shows that the advent of the WPM has brought immediate benefits to some workers. It is also noteworthy that the mandatory wage arrangement for government outsourced service contracts introduced by the Hong Kong Special Administrative Region Government since May 2004 on which the WPM is modeled, as well as the adoption of the practice by public bodies and related organisations, have already benefited some 30,000 workers.

5. Some 700 employers/enterprises from a wide cross-section of the business community have already pledged their support for the WPM. More are expected to join in the months ahead as public awareness of the movement increases.

6. It should be noted that apart from private companies, OCs and other residents' organisations also employ a considerable number of cleaners and security guards to provide cleansing and security service. Specifically, there are currently some 39 000 private buildings in Hong Kong. Of these, about 28 000 have OCs and there are close to 8 000 OCs and some 2 000 resident organisations. These OCs/residents organisations normally engage their cleaners and security guards through the property management companies which service them. It is thus important for us to reach out to the OCs. To this end, we are also liaising closely with the Hong Kong Association of Property Management Companies, the Real Estate Developers Association of Hong Kong and other related bodies.

7. In taking forward the WPM, our message is that voluntary support for the movement would result in an all-win situation. First, it would boost the morale of cleaners and security guards, thus making them more committed to work, upgrading their service quality, as well as attracting and retaining good employees. Second, it would contribute to amicable labour relations and foster social harmony. Third, it would obviate the need for putting in place a statutory minimum wage if the voluntary compliance approach proves effective. Our campaign slogan is "Wage Protection Movement: Working together, making it better".

### Way Forward

8. LD will continue to make strenuous efforts to promote and publicise the movement so as to secure the support of the business community, OCs and other stakeholders.

9. LD will consult the Labour Advisory Board shortly on the mechanism and objective criteria for assessing the overall effectiveness of the WPM. A mid-term review of the WPM will be conducted in October 2007 (i.e. one year after implementation) and an overall review will be carried out in October 2008 (i.e. two years after implementation). If the review finds that the WPM fails to yield satisfactory results, the Administration will introduce legislation for a minimum wage in the cleansing and guarding services sectors.

## **Concluding Remarks**

10. Members are invited to note the content of this paper.

Economic Development and Labour Bureau Labour Department January 2007