

**For Discussion
on 7 February 2017**

**Legislative Council Subcommittee
To Follow up Issues Relating to the
Three-Runway System at the Hong Kong International Airport**

**Manpower Plan and Development
in relation to the Three-Runway System Development**

Purpose

This paper :

- (a) gives an overview of manpower situation at the Hong Kong International Airport (“HKIA”) and informs Members of the measures taken by the Airport Authority Hong Kong (“AAHK”) to attract people to work at the HKIA; and
- (b) sets out an overview of the efforts and measures taken by AAHK to improve work safety at HKIA.

Background

Overview of the Manpower Situation at the HKIA

2. AAHK conducts workforce surveys amongst the companies and organizations operating at the HKIA from time to time to update the manpower situation and projection to facilitate related planning of the HKIA. Target participants include organizations with employees working in the HKIA e.g. aviation/logistics operators, retailers, caterers, contractors, government bodies, etc.. The last survey was conducted in 2015; 413 companies responded to the survey¹.

¹ It should be noted that while 413 companies in HKIA participated in the 2015 HKIA Workforce Survey, not all companies responded to all questions asked in the survey. Information relating to remuneration and pay trend was not covered in the survey.

3. According to the 2015 HKIA Workforce Survey, as of June 2015, there were about 73,000 people working at the HKIA. In terms of job categories, of the companies which responded to the question, 33,673 (about 64%) of their employees were skilled employees while 11,692 employees (about 22%) were engaged in manual/low skilled positions. In terms of employment types, 48,927 (about 67%) employees of the responding companies were permanent employees; 6,214 (9%) employees were on contract terms; and 3,592 (5%) employees were on part-time and temporary terms². The demographic profiles of the employees from the responding companies are summarized in Figures 1 and 2 in **Annex A**.

4. 80% of the responding companies of the 2015 HKIA Workforce Survey provided information on vacancy situations³ in their companies. There were about 3,900 vacancies (6.9%) in the companies concerned. A breakdown is at Figure 3 in **Annex A**.

5. AAHK has been constantly in touch with its major business partners with a view to understanding their manpower situation, especially for companies that employ a significant number of frontline staff providing critical services that will impact on the efficient operation of the airport. A recent review carried out in January 2017 with 16 companies⁴ with a total workforce of 15,870, reveals that there are currently 1,016 vacancies (or 6.4%) in these companies as compared to the vacancy number of 1,182 (or 7.5%) in these same companies in 2015. While the next such full scale workforce survey is targeted for completion by mid-2017, the recent review indicates that the vacancy situation at HKIA for the critical frontline positions has improved.

Measures to Attract People to Work at HKIA

6. According to the Master Plan 2030, it is anticipated that the 3RS would create direct employment of around 123,000 jobs, as compared to 89,000 jobs under the existing two-runway system. In the run-up to the commissioning of the 3RS, AAHK will continue its efforts in planning and

² For the remaining 19% of employees, no breakdown by employment types was provided by the responding companies (see Figure 2 of **Annex A**).

³ AAHK does not have an official definition for manpower shortage. However, manpower shortage generally refers to a situation with a substantial number of job vacancies to an extent that the number of working staff is not able to match with operational needs and hence affecting the daily business operation.

⁴ The 16 companies concerned, which also participated in the 2015 HKIA Workforce Survey, employed workers such as porters, ramp workers, cleaners, toilet attendants, etc..

implementing measures to make working at HKIA attractive, through two fronts -

- (a) enhancing working conditions; and
- (b) attracting and retaining staff.

7. The following paragraphs outline the measures that have been taken by AAHK to attract people to work at HKIA.

Enhancing Working Conditions

(a) Enhancement of Transportation Services

8. With a view to improving transport arrangements for airport staff, in December 2012, AAHK, together with representatives from the Transport Department (“TD”), public transport operators and representatives from most business partners in the aviation industry at the HKIA, formed the Airport Transport Liaison Group (the “Liaison Group”).

9. The Liaison Group and AAHK (through its consultant MVA) conducted surveys⁵ between January 2013 and January 2015 to understand the place of residence as well as the mode of transportation to work by employees working at HKIA. The results of the surveys revealed that -

- (a) about 71% of airport staff resided in the New Territories (of which 25% in Tuen Mun and Yuen Long); and
- (b) about 73% of airport staff travelled to/from the airport by bus.

10. With the concerted efforts of all parties concerned, there have been continuous improvements to the franchised bus services for the airport island. Improvements made⁶ since the formation of the Liaison Group are summarized below -

- (a) about 3,900 bus trips to/from the airport are currently being provided daily, including over 670 bus trips which have been added since 2013;

⁵ The Liaison Group conducted three surveys in January 2013, October 2013 and January 2015 respectively, while MVA conducted two surveys in June and August 2014 respectively.

⁶ Except for (e), the improvement measures benefit both airport staff and other passengers.

- (b) in 2016, bus services to Tuen Mun, Yuen Long, Tin Shui Wai, Tsuen Wan, Kwai Chung, Tai Po and Tung Chung, etc. have been further enhanced, with some 540 bus trips a day added to these routes;
- (c) in addition to the original 12 “A” (airport) bus routes, five new ones were introduced in 2015 and four new ones were introduced in 2016, making total of 21 “A” bus routes, providing service between the airport and Tseung Kwan O (A29P), Tsuen Wan (A31P), Kwai Chung (A32), Tuen Mun (A33P), Yuen Long (A36), Hung Shui Kiu (A37), Fanling (A43P) and Tai Po (A47 and A47X) respectively⁷;
- (d) to encourage the provision of overnight express bus services serving the Airport, in 2015, AAHK has worked closely with the franchised bus operators concerned and a total of eight overnight express bus routes⁸ (i.e. “NA” routes) have been introduced since July 2015. Specifically, AAHK and the franchised bus operators have come up with a subsidy arrangement whereby AAHK will top up the difference between the actual fare revenues received and the costs agreed to be underwritten by the operators. The arrangement has proven to be effective. With the gradual increase in patronage, the number of “NA” routes subsidised by AAHK under the aforesaid subsidy arrangement has reduced from five to two starting from January 2017; and
- (e) in connection with (d) above, AAHK has been providing a free overnight staff shuttle service to pick up airport staff at locations and time agreed with companies requiring the service. The shuttle bus will then take the staff for them to be connected to the overnight express bus stops leaving the airport.

11. The Liaison Group proves to be an effective platform for stakeholders to raise and discuss issues related to staff transport and to spearhead enhancement measures. AAHK, TD and operators may continue to make use of the platform to discuss proposals for strengthening franchised

⁷ Compared with “E” (external) routes to similar destinations, these new “A” routes provide more direct services with shorter journey time.

⁸ The eight overnight express bus routes are: NA21 (to Mongkok), NA29 (to Tseung Kwan O), NA33 (to Tuen Mun), NA34 (to Yuen Long), NA11 (to North Point), NA40 (to Ma On Shan), NA41 (to Shatin) and NA43 (to Fanling). Among them, routes NA21, NA33, NA34, NA40 and NA41 had received subsidies under the aforementioned subsidy arrangement.

bus services having regard to the increase in demand from airport staff and other passengers arising from airport development.

(b) Improvements to Working Conditions

12. Apart from the enhancement of transport services, AAHK has been making continuous improvements to the working environment at HKIA. Examples of enhancement measures implemented or to be rolled out include -

- (a) AAHK, through its licensee, is providing three canteens to airport staff⁹. Two of them are located in Terminal 1 while the third one is in Midfield Concourse. The canteens offer special staff meals of \$15 for breakfast and \$20 for lunch and dinner;
- (b) for airport staff working on the apron, apart from the provision of seating and drinking fountains, starting 2017/18, chilled and hot water will be delivered by a water distribution truck in summer and winter respectively;
- (c) two resting lounges and one rest area for airport staff were opened in Terminal 1 on 1 August 2015. Another two resting lounges were opened at the Midfield Concourse on 29 April 2016. An additional resting lounge will be established in Terminal 1 within the third quarter of 2017. Starting February 2017, free coffee will be provided in all resting lounges. In addition, most of the resting lounges are also equipped with WiFi, television sets, vending machines, etc.. Photos of staff resting lounges are at **Annex B**;
- (d) an Airport Preschool, currently under construction by AAHK, is targeted to commence operation in March 2017. The preschool will be temporarily located in the Airport World Trade Centre and provide education and care services for 46 children of airport staff below the age of three. A permanent site will be made available in 2019; and
- (e) to enhance further our caring support to airport staff, AAHK has plan to provide additional staff amenities, examples of which include -

⁹ Airport Staff means employees of AAHK, the HKSAR Government or other organizations with operations at the HKIA and who work at the HKIA on a regular basis.

- (i) another staff canteen; and
- (ii) a community centre with a multi-purpose sports hall, a gym, a quiet room, a co-operative shop, etc..

13. AAHK also works closely with its business partners to encourage them to provide good working environment for their staff. For example, for staff working on the apron (such as ramp handling operators and line maintenance service providers), the operators will provide rest areas and shower facilities for their staff. There are also dedicated staff canteens provided by base maintenance service providers and cargo terminal operators for their staff working in these areas.

(c) Staff Discounts

14. AAHK encourages its licensees and the business operators to offer discounts/ concessionary services to airport staff -

- (a) eligible airport staff may also enjoy concessionary fares¹⁰ for journeys on the Airport Express and several airport bus routes;
- (b) most food outlets at the HKIA offer staff menus and/or staff discounts between 10% and 30% on a la carte items. Some fast food outlets have dedicated counters to serve airport staff;
- (c) about 80% of the shops in the two passenger terminals offer discounts to airport staff; and
- (d) the Airport Medical Centre, located in Terminal 1, also offers discounts to airport staff.

Retaining and Attracting Staff

15. Apart from the measures outlined above in enhancing the working environment, AAHK and its business partners spare no effort in retaining and attracting people to work at HKIA through various means.

¹⁰ For franchised bus services, depending on the bus route, bus operator and journey type, the concessionary rate ranges around 11% to 44% discount off of normal fares or same-day return fares of the applicable bus routes. As regards Airport Express, eligible airport staff can enjoy a concessionary rate of around 57% discount off of normal fares.

(d) Job Security and Reasonable Salary Package

16. AAHK, as with most comparable organizations in Hong Kong, provides reasonable remuneration packages for its employees, which are reviewed regularly. In addition, different training programmes are provided to staff to enhance their professional skills where and when necessary.

17. For services that AAHK outsources, it is stipulated in the operators' contracts that when there is a change of contractor, the incoming contractor is required to employ at least 50% of the staff employed by the outgoing contractor for the provision of the services concerned, so as to ensure job security for the staff concerned.

18. It is also stipulated in such contracts that the wages of the staff employed by the contractors for the provision of the services concerned are subject to an annual increment according to the Composite Consumer Price Index, and in compliance with the adjustment of the Statutory Minimum Wage, whichever is higher.

19. In addition, to fulfil their commitments under their contracts, all service contractors are required to make back-to-back salary payment¹¹ for the staff employed as well as to commit that the take-home wages shall include paid meal break as well as paid rest day.

20. Furthermore, in tendering any service contracts, bidders are required to include in their tender submission a staff welfare plan, which will be evaluated as part of the tender assessment process. Examples of elements in a welfare plan include staff medical plans, transportation service at night-time, recreational provisions, etc..

(e) Attracting New Workers and Talents

21. AAHK is in close and active discussion with its business partners on the implementation of appropriate measures to facilitate recruitment. In this regard, AAHK regularly organizes job fairs with the Labour Department and/or business partners. It also regularly organizes talks and visits to the airport for students from secondary schools and higher education institutes and offer summer internship to undergraduates and

¹¹ Back-to-back salary payment means that the AAHK service contractors have to pay in full the salary components as per the contracts awarded by AAHK to their staff. This measure aims to remove potential malpractice by contractors and leaves no room for the contractors not to pay in full to their employees that have been paid by AAHK for salary purpose.

students on vocational education. These activities and the internship programme help students and other potential employees know more about the job opportunities available in the aviation industry, as well as the operation and development plans of the HKIA, so as to encourage them to join the industry.

(f) Civil Aviation Academy

22. The Chief Executive announced his support to study the feasibility of establishing the civil aviation academy in his 2014 Policy Address. The academy aims to attract and nurture talent for the continuous development of the aviation industry and to establish Hong Kong as a civil aviation training hub. The institute being set up and managed by AAHK is now formally named as the Hong Kong International Aviation Academy (the “Academy”).

23. After the completion of a feasibility study in 2015, training scopes, curriculum design and operational details of the Academy had been developed during 2016. The Academy will partner with local educational and vocational training institutions, the AAHK’s business partners and other organisations to offer a wide range of courses – from summer youth and internship programmes, to on-the-job training for airport employees, professional certificate courses and more advanced programmes. The first batch of courses is expected to be rolled out in April 2017.

24. In addition, a Memorandum of Understanding was signed in December 2016 with Ecole Nationale de l’Aviation Civile (“ENAC”¹², or National School of Civil Aviation of France) to jointly develop a master’s degree programme at the Academy leading to the award of a master degree in air transport management by ENAC.

Measures to Improve Work Safety¹³

25. Ensuring the safest possible environment for HKIA’s passengers and airport workers is a responsibility AAHK takes very seriously. Continued investment in systems, technology, and most importantly, the awareness, knowledge and skills of airport staff are critical to upholding high

¹² Located in Toulouse, ENAC is the largest aeronautics and civil aviation college in Europe and is the only university in France dedicated to aviation studies.

¹³ This section addresses concerns raised in the letter referenced CB(4)359/16-17(01) from Hon Luk Chung Hung dated 21 December 2016.

standards of safety and security. In collaboration with our airport business partners, continuous improvements have been made to improve work safety at HKIA over the years.

26. Examples of major initiatives introduced recently to enhance the Aerodrome Safety Management System include -

- (a) a new web-based Electronic Safety Management System that enables timely notification, reporting, analysis and tracking of injuries, hazards and risks;
- (b) a Live Operational Risk Assessment Register in the Aerodrome Safety Management System Manual that provides a safety overview of development projects and airport facilities; and
- (c) a new mandatory safety and security awareness test as a prerequisite for the personnel who have access to areas that require specific safety and security knowledge. The test will be gradually introduced to all employees and airport permit holders.

27. Head injuries are a significant risk for ramp personnel. In order to reduce the number of incidents, AAHK collaborated with the line maintenance and ramp handling operators to carry out trials on the mandatory use of 'bump caps' when carrying out certain on-ramp tasks.

28. Furthermore, AAHK conducts the following campaigns at quarterly intervals to promote safety awareness across the airport community -

- (a) retail shops and catering outlets safety campaign;
- (b) aviation logistics franchises safety campaign;
- (c) airfield and baggage hall safety campaign; and
- (d) airport safety recognition scheme.

29. In addition to the above campaigns, regular safety trainings/briefings on various topics are conducted to arouse the safety awareness of airport staff. In 2016, a total of 62 safety trainings/briefings were conducted.

30. Airport operation is highly complex, time critical and labour intensive. That said, as a result of the concerted efforts of all airport business partners and employees, the number of staff injuries at HKIA has

decreased over the years. The number of staff injuries¹⁴ recorded at HKIA in 2015/16 was 229, representing an annual injury rate of 4.4 per 1,000 employees, as against an injury rate of 12.1 per 1,000 employees in all sectors in Hong Kong recorded by the Labour Department in 2015¹⁵. The number and causes of staff injuries at HKIA from 2011/12 to 2015/16 are set out in **Annex C**.

Use of Technologies

31. AAHK firmly believes that the application of technologies and automation can improve operational efficiency; reduce the reliance on labour; and also enhance work safety. At the meeting of the former Subcommittee on 15 March 2016, Members were briefed on the use of technology at HKIA in increasing automation. The AAHK collaborates with the airport community to identify automation tools and equipment that can help reduce the number of work processes as well as manual handling so as to facilitate the work of the airport workers.

32. With the help of local research laboratories and universities, equipment such as “Baggage tagging robot”, “trolley counting system” and “Airport Ground Lighting inspection system” etc. were developed. Amongst all operating procedures, the tool-assisted baggage loading system, Stack@Ease (**Figure 1**), which was successfully tried out at HKIA in 2015, is planned for full implementation in phases by 2018. This loading aid solution takes the heavy lifting condition out of the baggage handling environment. It helps operators load containers and carts efficiently, and minimises their physical workload. This greatly reduces the risk of strain and injury caused by heavy lifting tasks and makes such working environment more amenable to female workers.

¹⁴ The definition of the number of staff injuries is the same as that defined by the Labour Department, i.e. “occupational injuries (including industrial accidents) are injury cases arising from work incidents, resulting in death or incapacity for work of over three days, and reported under the Employees’ Compensation Ordinance, Cap 282”.

¹⁵ Source : Occupational Safety and Health Statistics 2015, Labour Department.



Figure 1 : STACK@EASE

Advice Sought

33. Members are invited to note and comment on the issues discussed in this paper.

**Airport Authority Hong Kong
February 2017**

2015 HKIA Workforce Survey
Demographic Profiles of Employees by
Job Categories and Employment Types of Responding Companies

Figure 1 : Breakdown by Job Categories

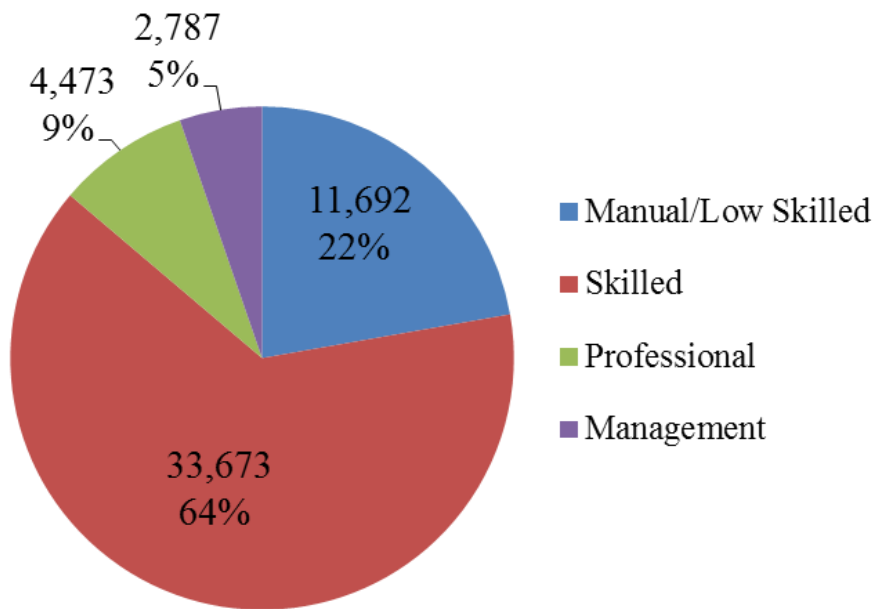


Figure 2 : Breakdown by Employment Types

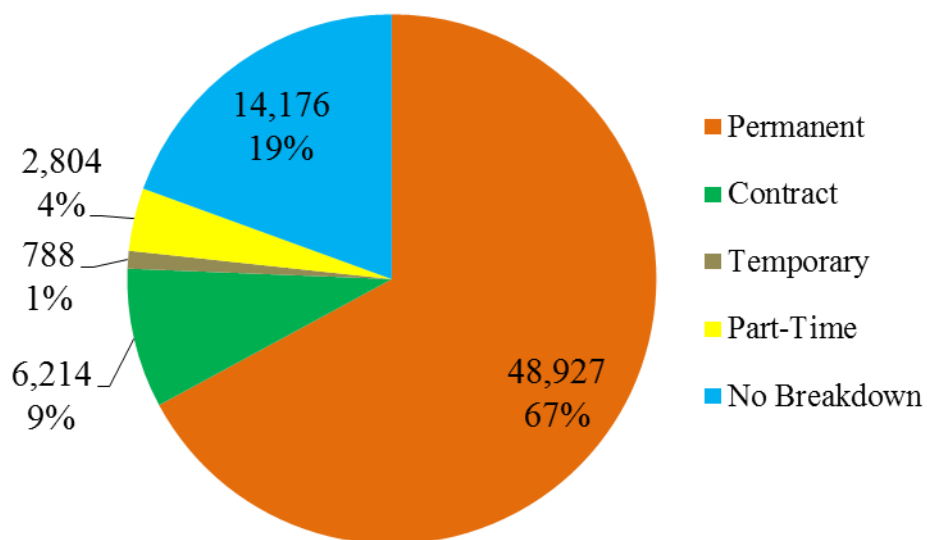
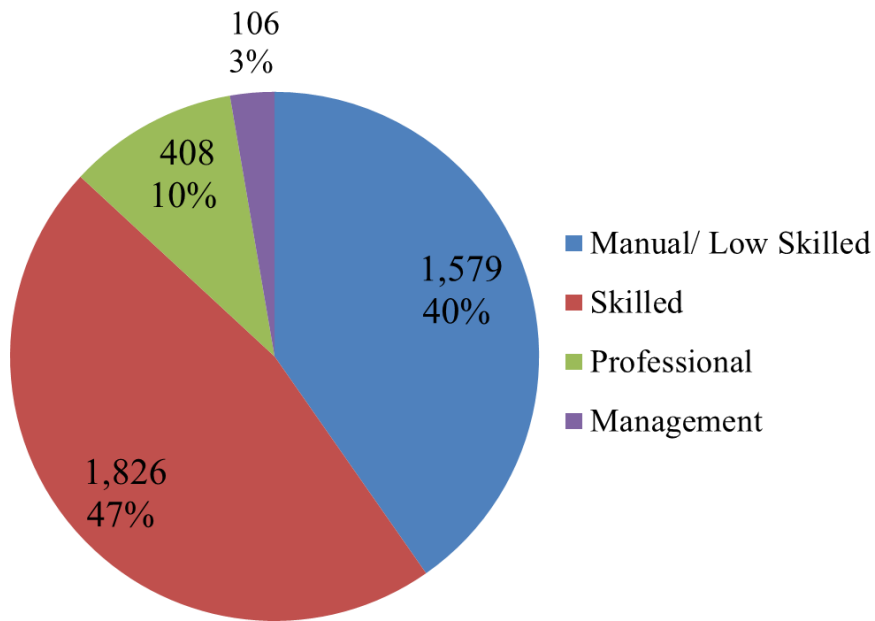


Figure 3 : Breakdown of Vacancies by Job Categories



Note: Further breakdowns of employment types by job categories and vice versa were not covered in the Survey.

Photos of Airport Staff Resting Lounges



**Number and Causes of Staff¹⁶ Injuries at HKIA
between FY2011/12 and FY2015/16**

Causes of Injury	Financial Year				
	2011/12	2012/13	2013/14	2014/15	2015/16
Cutting/ Hitting by tool or equipment	106	94	99	97	76
Manual handling	38	34	36	44	45
Slip and trip	39	31	29	33	36
Traffic accident	38	32	25	39	31
Loss of balance	31	43	41	30	35
Others	6	7	3	6	6
Total number of injury cases	258	241	233	249	229

¹⁶ “Staff” here refers to direct employees of airport-based operators, including AAHK, who voluntarily participated in the airport safety index and provided the information. Some 63,000 direct employees are covered in the FY2015/16 exercise. Information about fatalities involving workers employed by sub-contractors was separately recorded.