

立法會
Legislative Council

LC Paper No. CB(2)1015/16-17(07)

Ref : CB2/PL/MP

Panel on Manpower

**Background brief prepared by the Legislative Council Secretariat
for the meeting on 21 March 2017**

Good people management and family-friendly employment practices

Purpose

This paper summarizes the past discussions by the Panel on Manpower ("the Panel") on the Administration's effort in promoting family-friendly employment practices ("FFEP").

Background

2. According to the Administration, FFEP are good people management measures voluntarily adopted by employers to help employees fulfil their work and family responsibilities simultaneously, thereby balancing their work and family lives. While the Employment Ordinance (Cap. 57) ("EO") already provides for various kinds of statutory leaves so as to allow employees to take rest, the Labour Department ("LD") has been encouraging employers to offer their employees with benefits that are more favourable than the statutory requirements and provide them with flexible and varied work arrangements and support to cater for individual employees' special needs at their different stages of life. Generally speaking, FFEP may comprise the following measures:

- (a) family leave benefits, such as marriage leave, parental leave and compassionate leave;
- (b) flexible work arrangements, such as five-day work week, flexible working hours, work from home and providing part-time alternative; and
- (c) support for employees and their families, such as medical protection, child care services, counselling services on stress or

emotional management, setting up nursery room in the workplace for lactating employees and organizing family recreational activities.

Past discussions by the Panel

Adoption of FFEP by employers

3. Some members expressed grave reservations about the adoption of FFEP by employers on their own accord. These members held the view that FFEP could only be cultivated through legislative means, and called on the Administration to play a more proactive role in introducing labour legislation on family-friendly initiatives.

4. The Administration advised that direct and candid communication between employers and employees in their discussion of employment conditions and work arrangements was important in promoting good people management. In this connection, LD had organized a number of seminars and talks over the years for employers, employees and human resources practitioners to understand the merits of enlightened attitude towards FFEP. The Administration further advised that LD had all along been adopting a three-pronged strategy to foster a family-friendly culture, including public education, publicity measures and promotion of effective FFEP measures, and would not rule out the possibility of implementing such measures through legislative means if so warranted. It was the Government's policy to gradually improve employees' benefits and protection in a way commensurate with the pace of Hong Kong's socio-economic development.

5. Some members took the view that the Administration should take the lead in promoting FFEP so that the private sector would follow suit. Specifically, the Administration should formulate a comprehensive policy for the promotion of FFEP by setting up a dedicated cross-departmental task force to foster FFEP as well as provision of financial incentive for employers to put FFEP in place.

6. The Administration advised that it had been striving to provide a family-friendly working environment for its employees. As part of the effort to promote FFEP, the Administration had introduced the Employment (Amendment) Bill 2014 to legislate for three days of paternity leave to eligible male employees. On the suggestion of providing financial incentive to encourage employers to implement FFEP, the Administration took the view that in light of the prevailing low unemployment rate, there was sufficient incentive for employers to adopt FFEP with a view to attracting and retaining staff. Nonetheless, LD had since September 2015 extended the Employment Programme for the Middle-aged, under which an on-the-job training allowance

of \$3,000 per month was provided to employers, to cover part-time jobs so as to give employers financial incentive to engage people aged 40 or above who might prefer part-time jobs.

Effectiveness of promotional effort

7. Some members noted with concern that only 2 700 companies and organizations had enrolled in the 2015-2016 Family-Friendly Employers Award Scheme¹, of which 2 555 companies and organizations were recognized as family-friendly employers. They queried about the effectiveness of the Administration's publicity and public education efforts in encouraging employers to adopt FFEP. It was suggested that the Administration should formulate performance indicators to assess the effectiveness of its effort in FFEP promotion and the adoption of FFEP by employers.

8. The Administration explained that it was difficult to formulate specific indicators for assessing the implementation of FFEP by employers, having regard to individual circumstances and affordability of the enterprises, as well as the unique business environment and operations of specific industries. Notwithstanding this, LD had been sharing effective means in implementing various kinds of FFEP through regular meetings with nine industry-based Tripartite Committees and 18 Human Resources Managers' Clubs ("HRMCs"). According to HRMCs, an increasing number of employers of different sizes had recognized that the implementation of FFEP could boost staff morale, enhance employer-employee relationship as well as improve productivity and competitiveness for employers. The Administration further advised that although quite a number of enterprises had not enrolled in the Award Scheme, they had indeed put FFEP in place at workplaces. LD had since 2006 promoted FFEP through various channels, and would continue to collect feedback from various stakeholders to assess the effectiveness of its effort in promoting and implementing FFEP.

Legislating for standard working hours

9. Some members considered it imperative that standard working hours ("SWH") be introduced to help create a family-friendly working environment conducive to maintaining a work-life balance. They called on the Administration to expedite legislating for SWH. Some other members, however, held the view that instead of legislating for SWH, the Administration should consider revising EO to the effect that the number of contractual working hours and overtime pay rates should be spelt out expressly in the employment contracts. These members pointed out that most employers objected to the implementation of a uniform working hours standard and

¹ The Family-Friendly Employers Award Scheme is launched by the Family Council and the Home Affairs Bureau on a biennial basis to give recognition to employers who attach importance to the family-friendly spirit and adoption of FFEP.

considered that different working hours arrangements were already in place in response to the work nature and requirements of different sectors or occupations.

10. On the suggestion of stipulating explicitly the number of contractual working hours and overtime pay rates in the employment contracts, the Administration pointed out that while employers could not unilaterally change the conditions of employment including the working hours, overtime work and its pay rates, the arrangements were subject to mutual agreements between employers and employees on individual employment terms.

11. The Administration further pointed out that the issue of working hours policy involved complicated work culture, economic and legal issues affecting a wide spectrum of employees. The Standard Working Hours Committee ("SWHC") was tasked to study the working hours policy. Members noted that SWHC submitted its report to the Chief Executive on 27 January 2017. SWHC recommended that, among others, the Government might consider adopting a legislative approach to mandate employers to enter into written employment contracts with the lower-income grassroots employees which should include terms on working hours and overtime compensation arrangements. According to the Administration, it would take full account of SWHC's report and the views of various sectors of the community, and strive to map out within the term of the current Government the working hours policy direction that would suit the socio-economic situation of Hong Kong

Alignment of statutory holidays with general holidays

12. Some members had strongly called on the alignment of number of the statutory holidays ("SHs") with that of the general holidays ("GHs") with a view to promoting FFEP. The Administration explained that SHs and GHs were two types of holidays with different nature and backgrounds. GHs, as provided for under the General Holiday Ordinance (Cap. 149), were days on which banks, educational establishments, public offices and government departments needed not open and they were primarily holidays for the relevant establishments. SHs were benefits accorded to employees which employers had to provide under EO. According to the Administration, employers were encouraged to offer their employees' benefits over and above the statutory minimum set by EO, having regard to their operational needs and individual circumstances. Whether an employee had day-offs on GHs and whether these day-offs were with pay or not were matters agreed between the employer and employee concerned and not governed by law.

13. Members were advised that for the purpose of understanding the proportions and characteristics of employees taking SHs and GHs in Hong Kong, LD commissioned the Census and Statistics Department ("C&SD") to collect relevant data through a supplementary questionnaire to the General

Household Survey conducted in the second quarter of 2011. The Panel was subsequently briefed on the findings of C&SD's survey at its meeting on 10 February 2015. Members noted that employees taking SHs worked 5.9 days a week on average while those taking GHs worked 5.3 days a week on average. Some members called on the Administration to seriously consider increasing the number of SHs from 12 days to 17 days in a year to align with that of GHs. Some other members, however, expressed grave concern about the impact of enhancing the existing holiday benefits under EO on the operation of businesses, especially the small and medium enterprises which represented 98% of the companies in Hong Kong.

14. According to the Administration, the Labour Advisory Board ("LAB") was also briefed on the findings of C&SD's survey at its meeting in May 2015. As there were divergent views between employer and employee representatives on the subject of increasing the number of SHs to align with GHs, LAB was still deliberating on the matter. The Administration assured members that LD would continue to facilitate LAB's further deliberation on the issue, and would revert to the Panel on the matter in due course.

Relevant papers

15. A list of the relevant papers on the Legislative Council website is in the **Appendix**.

Council Business Division 2
Legislative Council Secretariat
17 March 2017

Relevant papers on good people management and family-friendly employment practices

| Meeting | Date of meeting | Paper |
|-------------------|------------------------------|---|
| Panel on Manpower | 18.12.2012 (Item III) | Agenda Minutes |
| | 25.1.2013 (Item V and VI) | Agenda Minutes |
| | 28.5.2013 (Item IV) | Agenda Minutes |
| | 31.7.2013 (Item IV) | Agenda Minutes |
| | 20.5.2014 (Item IV) | Agenda Minutes |
| | 10.2.2015 (Item IV) | Agenda Minutes |
| | 17.3.2015 (Item V) | Agenda Minutes |
| | 14.7.2015 (Item III) | Agenda Minutes |