### 立法會 Legislative Council

LC Paper No. CB(2)1186/18-19(06)

Ref: CB2/PL/MP

#### Panel on Manpower

## Updated background brief prepared by the Legislative Council Secretariat for the meeting on 16 April 2019

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 ("FFEPs") since the Fifth Legislative Council ("LegCo").

#### **Background**

- 2. According to the Administration, FFEPs 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, FFEPs 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 FFEPs by employers

- 3. Some members expressed grave reservations about the adoption of FFEPs by employers on their own accord. These members held the view that FFEPs 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 FFEPs. The Administration further advised that LD had all along been adopting a three-pronged strategy at the community, enterprise and industry levels to foster a family-friendly culture, including public education, publicity measures and promotion of effective FFEPs 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 FFEPs so that the private sector would follow suit. Specifically, the Administration should formulate a comprehensive policy for the promotion of FFEPs by setting up a dedicated cross-departmental task force to foster FFEPs as well as provision of financial incentive for employers to put FFEPs in place.
- 6. The Administration advised that it had been striving to provide a family-friendly working environment. As part of the efforts to promote FFEPs, the Administration had introduced the Employment (Amendment) Bill 2018 to further increase the statutory paternity leave from three days to five days. It also proposed to extend the statutory maternity leave under EO from the current 10 weeks to 14 weeks. On the suggestion of providing financial incentive to encourage employers to implement FFEPs, the Administration took the view that in light of the prevailing low unemployment rate, there was

sufficient incentive for employers to adopt FFEPs with a view to attracting and retaining staff.

#### Effectiveness of promotional effort

- 7. Some members noted with concern that the number of companies and organizations participated in the Family-Friendly Employers Award Scheme<sup>1</sup> represented only a small proportion of the total number of companies in Hong Kong. They queried about the effectiveness of the Administration's publicity and public education efforts in encouraging employers to adopt FFEPs. It was suggested that the Administration should formulate performance indicators to assess the effectiveness of its effort in FFEP promotion and the adoption of FFEPs by employers.
- 8. The Administration explained that it was difficult to formulate specific indicators for assessing the implementation of FFEPs 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 closely cooperating with nine industry-based Tripartite Committees and 18 Human Resources Managers' Clubs to discuss and share views with employers' associations, trade unions and human resources executives on the effective means to implement various aspects of good people management practices and FFEPs. Relevant industry-based guidelines and publications had also been compiled to facilitate employers' understanding of their statutory responsibilities and their adoption of good people management practices. The Administration further advised that although quite a number of enterprises had not enrolled in the Award Scheme, they had indeed put FFEPs in place at workplaces. LD had since 2006 promoted FFEPs through various channels, and would continue to collect feedback from various stakeholders to assess the effectiveness of its effort in promoting and implementing FFEPs.

#### 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

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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 FFEPs.

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

According to the Administration, the issue of working hours policy 10. involved complicated work culture, economic and legal issues affecting a wide spectrum of employees. In the absence of broad-based support for SWH legislation, it decided to focus efforts on formulating the 11 sector-specific working hours guidelines for the time being. Most members expressed disappointment at the Administration's decision of not to pursue the two legislative proposals on contractual working hours and mandatory overtime compensation as recommended by the Standard Working Hours Committee,<sup>2</sup> but to formulate 11 sector-specific working hours guidelines for employers' reference only. These members maintained that legislation for SWH was the only way to resolve the problems of long working hours and uncompensated overtime work faced by employees. Some other members. however. considered that the proposed sector-specific working hours guidelines was a practical first step to take forward the working hours policy in Hong Kong. These members opposed an across-the-board working hours regulation or SWH legislation, which would undermine the flexibility of operation and increase the manpower cost of enterprises, particularly the small-to-medium The Administration stressed that it would assess the effectiveness of the 11 sector-specific working hours guidelines and further explore feasible ways for improving the working hours policy three years after the release of all the guidelines.

#### Alignment of statutory holidays with general holidays

11. 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 FFEPs. 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

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<sup>&</sup>lt;sup>2</sup> The Standard Working Hours Committee, which was tasked to study the working hours policy, submitted its report on the working hours policy direction to the Government in January 2017.

and employee concerned and not governed by law. The Administration stressed that it was necessary to handle the suggestion of legislating for additional holidays with care having regard to its read-across implications and employers' affordability. LD would continue to facilitate the further deliberation of the Labour Advisory Board on the issue.

#### Support measures for female employees

- 12. Some members took the view that the Administration should provide more subsidized child care services in order to unleash female workforce and foster a family-friendly culture in employment. In the light of the difficulties faced by lactating employees in their workplace, some members also urged the Administration to consider setting up an inter-departmental working group for the promotion and support for breastfeeding.
- 13. The Administration advised that with a view to helping working mothers balance family and work commitments, it would continue to launch measures to enhance child care services. Notably, it was stated in the Chief Executive's 2018 Policy Address that the Government would enhance child care services from 2019-2020 onwards with measures, including formulating planning ratio for the provision of child care centre places and increasing the level of subsidy for child care centre service. The Administration would update the Panel on Welfare Services on the development progress.
- 14. The Administration further advised that the Food and Health Bureau had set up the Committee on Promotion of Breastfeeding in April 2014 to enhance the sustainability of breastfeeding and promote breastfeeding as the norm for babycare widely accepted by the general public. In addition, LD had published a casebook on successful experience of enterprises in implementing FFEPs, including measures facilitating their employees' breastfeeding, for extensive distribution to employers and human resources executives with a view to inspiring them to integrate these good people management practices into their corporate employment policies.

#### **Relevant papers**

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

Council Business Division 2
<u>Legislative Council Secretariat</u>
12 April 2019

#### Appendix

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

Meeting	Date of meeting	Paper
Panel on Manpower	18.12.2012	Agenda
	(Item III)	Minutes
	25.1.2013	Agenda
	(Item V and VI)	<u>Minutes</u>
	28.5.2013	Agenda Agenda
	(Item IV)	Minutes
	31.7.2013	Agenda
	(Item IV)	<u>Minutes</u>
	20.7.2014	
	20.5.2014	Agenda
	(Item IV)	Minutes
	10.2.2015	Agenda
	(Item IV)	Minutes
	17.3.2015	Agenda
	(Item V)	<u>Minutes</u>
	14.7.2015	Aganda
	(Item III)	Agenda Minutes
	(Item III)	<u>willucs</u>
	21.3.2017	Agenda
	(Item V)	Minutes

Council Business Division 2 <u>Legislative Council Secretariat</u> 12 April 2019