



Wage Protection Movement for Cleaning Workers and Security Guards



Why the Wage Protection Movement (WPM)?

- ✍ Whilst views within the community and the Labour Advisory Board¹ on whether a statutory minimum wage should be introduced are diverse, taking into account the views of stakeholders and having carefully considered Hong Kong's socio-economic situation, the Government considers that the pragmatic approach at this stage is to provide wage protection through non-legislative means.
- ✍ The Government has decided to join hands with the business community and labour sector to launch the WPM for cleaning workers and security guards.

How is “wage protection” implemented?

- ✍ Enterprises should offer market wage rates to cleaning workers and security guards (both under their direct employ and outsourced service contracts) and these workers should be suitably compensated if they have to work beyond contractual working hours. Enterprises should also enter into written employment contracts with their direct employees and require their contractors to do so for their own workers.

What should enterprises do?

- ✍ Enterprises should, through entering into written employment contracts with cleaning workers and security guards under their direct employ, offer these workers wages not lower than the average market rate for similar posts as stipulated in the Census and Statistics Department's Quarterly Report of Wage and Payroll Statistics².
- ✍ Should enterprises outsource their cleansing and guarding services, they should require their contractors and subcontractors to follow the same practice by specifying the terms in the tender document and/or service agreement. If further subcontracting is allowed, the main/principal contractor would be responsible for handling any non-compliance of the sub-contractors in respect of the wage requirement and the use of written employment contract.
- ✍ For June 2008, the average market hourly rate for lavatory cleaners was \$22³ and that for general cleaners was \$25.5⁴. As for security guards, depending on the pattern of shift worked, the hourly rate ranged from \$24.7 to \$32⁵.

¹ The Board, comprising representatives of employees, employers and the Government, is an advisory body for labour-related matters.

² The relevant wage information of individual occupations under different industries are collected from 2000 randomly selected establishments through the department's quarterly Labour Earnings Survey. Statistics compiled are published in the Quarterly Report. The methodology and definition adopted in the survey are in accordance with international standards.

³ “Lavatory cleaners” under “sanitary and similar services” in the Quarterly Report. For June 2008, the average monthly rate (at \$5,151) corresponds to an average of nine hours of work per day and an average of 26 working days per month.

⁴ “General cleaners” under “sanitary and similar services” in the Quarterly Report. For June 2008, the average monthly rate (at \$5,304) corresponds to an average of eight hours of work per day and an average of 26 working days per month.

⁵ “Guards” under “security and detective services” in the Quarterly Report. For June 2008, the average monthly rates [at \$7,051 (two-shifts, an average of 11 hours of work per day), \$7,357 (overall average, an average of 10 hours of work per day) and \$6,651 (three-shifts, an average of 8 hours of work per day)] correspond to an average of 26 working days per month.

When should wage protection be implemented?

- ✍ Enterprises are encouraged to adopt the WPM terms for their direct employees as soon as possible. As for current service contracts, since it may be difficult to vary the conditions of existing contracts, it would be acceptable to apply the WPM terms to new or renewed contracts.

How will the Government assist?

- ✍ The Labour Department (LD) will provide model employment contracts for reference by enterprises/contractors. Through the use of written employment contracts, LD will be able to resolve labour disputes and take enforcement action more effectively.
- ✍ LD will promote wage protection through a package of measures including promotion, publicity, public education, contractual regulation and enforcement. As for cleaning worker and security guard vacancies, LD will only accept for free job placement purposes vacancies offering wages not lower than the average market rates with effect from 27 October 2006. All LD's employment programmes will also give priority to employers supporting the WPM.
- ✍ In recognition of the support of the WPM by socially responsible employers, LD has designed and will offer a logo for use by enterprises which join, and continue to comply with, the WPM.
- ✍ LD will also disseminate information on the WPM, including the list of participating enterprises, on its dedicated website (www.labour.gov.hk). For enquiries, members of the public may call the department's WPM hotline at 2852 3815 during office hours or its 24-hour hotline at 2717 1771 after office hours.

How many organisations have so far adopted a “wage protection” arrangement?

- ✍ This arrangement has been applied to all government departments and public bodies (including tertiary institutions, the Airport Authority, etc.) since 2004. We have also encouraged subvented organisations and subsidised schools with outsourced cleansing and guarding services contracts to follow suit.
- ✍ An increasing number of enterprises have already pledged to support the WPM.

What will happen if WPM fails to yield satisfactory results?

- ✍ A final review will be carried out in October 2008 (i.e. two years after implementation) to evaluate its overall effectiveness. If the final review finds that the WPM fails to yield satisfactory results, the Government will introduce a statutory minimum wage for cleaning workers and security guards.



“Wage Protection Movement” of the Labour Department



Pledges of Participating Entities

Participating Company / Organisation / Owners Corporation (OC) undertake :

1. to pay its cleaning workers and security guards wages not lower than the relevant average market rates as published in the Census and Statistics Department’s Quarterly Report of Wage and Payroll Statistics (Quarterly Report). If the contractual working hours per day and working days per month of the cleaning workers and security guards are different from those published in the Quarterly Report, the company/organisation/OC should pay these workers monthly wages calculated on a pro rata basis. Such wages should not include any overtime pay or any other allowances no matter how they are designated.
2. to suitably compensate cleaning workers and security guards who have to work beyond contractual working hours. The wage level for overtime work should be no less than the hourly rate of normal wages calculated on a pro-rata basis.
3. to immediately adopt the terms of the Wage Protection Movement (WPM) to its newly-employed cleaning workers and security guards; and apply the terms to its existing cleaning workers and security guards as soon as possible. It will also regularly (e.g. annually) review wages of these workers according to the market situation.
4. to enter into written employment contracts with the employees concerned:
 - ☞ before employment of cleaning workers and security guards; or
 - ☞ in any case not later than one month upon their employment.
 Main terms of employment including wages, wage period, working hours and calculation method of wages for overtime work, etc will be specified. Upon signing the employment contract, the company/organisation/OC will immediately provide a copy of the contract to the employee concerned.
5. to agree that the above requirements should also apply to its contractors and sub-contractors for cleansing and guarding services.
6. that if subcontracting arrangement involves tendering, the company/organisation/OC will require the contractors and sub-contractors to offer the cleaning workers and security guards concerned wages not lower than the average market wage rates prevailing at the time when tenders are invited. If subcontracting does not involve tendering, the company/organisation/OC will require the contractors and sub-contractors to offer the cleaning workers and security guards concerned wages not lower than the average market

wage rates prevailing at the time when the service contract is awarded.

7. that if further sub-contracting is allowed, the company/organisation/OC will require the main/principal contractors to be responsible for handling any non-compliance of the sub-contractors in respect of the wage requirement and the use of written employment contract.
8. that, if necessary, that company/organisation/OC will provide to the Labour Department (LD) relevant information for the purpose of verification in relation to the WPM.
9. to meet, and continue to comply with, all the requirements of the WPM in order to remain as a participating entity and to use the WPM logo.
10. to use the WPM logo for lawful purpose only. It would not pass the logo to any third party company or organisation for use in the absence of any written authorization from LD.
11. to agree that LD could upload the name of the company/organisation/OC on its webpage.
12. that if circumstances so warrant, the company/organisation/OC will consider requiring its contractors and sub-contractors to:
 - ✍ provide their conviction records under the Employment Ordinance;
 - ✍ agree that the company/organisation/OC may verify such records with LD; and
 - ✍ agree that LD may, at the request of the company/organisation/OC, inform it incidences under which the contractors and sub-contractors concerned fail to comply with the provisions of the Employment Ordinance and/or the WPM requirements.