WOMEN'S COMMISSION

Wage Protection Movement for Cleaning Workers and Security Guards

Purpose

This paper summarises the background and the latest development of the Wage Protection Movement for Cleaning Workers and Security Guards ("WPM").

Background

2. The WPM¹ was launched in October 2006 with a mid-term review scheduled for October 2007 to gauge its progress and an overall review in October 2008 to evaluate its effectiveness. The Chief Executive ("CE") stated in his 2007-08 Policy Address that if the mid-term review shows that the progress is unsatisfactory, the Administration "will further promote the movement as well as proceed immediately with the preparatory legislative work on a statutory minimum wage". The CE also made it clear that if the overall review finds that the Movement has failed to yield satisfactory results, the Administration will introduce a bill on a statutory minimum wage for security guards and cleaning workers as early as possible in the 2008-09 legislative year.

(a)

(b)

Under the WPM, participating corporations/organisations undertake to:

Progress of the WPM

3. The outcome of the mid-term review has shown mixed results. On the one hand, there is much room to improve in terms of the *number of participating companies* (which stood at 1 060 as at mid-November 2007), as well as the *proportion of cleaning workers and security guards receiving wages not lower than the relevant market averages* (which stood at 87 800 or 46% of all 189 500 such workers in Q2 2007). On the other hand, the *average hourly rates for cleaning workers and security guards increased* by 3.7%² and 4.6%³ respectively during Q2 2006⁴ to Q2 2007⁵. In the mean time, there was an *increase in the number of cleaning workers and security guards* (by 8 100 or 4%) with *no evidence of displacement of the more vulnerable workers* (i.e. persons who are older and/or of lower educational attainment).

Way forward

- 4. Whilst a decision on whether to legislate for a minimum wage would be made only in the light of the outcome of the overall review of the WPM, from now till October 2008, the Labour Department ("LD") will step up the promotion of the WPM in order to garner more support from different sectors of the community as well as identify possible areas for improvement to enhance the effectiveness of the movement. A new publicity campaign including new TV and radio Announcements in the Public Interest has been launched in end-October this year. Furthermore, a WPM publicity flyer will be sent alongside the Demand for Rates and Government Rent in Q1 2008 so that all property owners/tenants (totalling over two million) would receive promotional materials directly. Publicity effort targeting owners' corporations ("OCs") would also be stepped up.
- 5. At the same time, the LD would study various issues which would be relevant to both the continue implementation of the WPM and the introduction of a statutory minimum wage for cleaning workers and security guards so that no time

During Q2 2006, the average hourly and monthly rates of cleaning workers were \$24.2 and \$5,042. The figures for Q2 2007 were \$25.1 and \$5,213 respectively.

_

For security guards, depending on their shift pattern, the average hourly rates ranged from \$23.2 to \$30.6 (average monthly salaries from \$6,358 to \$6,796) in Q2 2006. The corresponding wage levels were \$23.8 to \$30.8 and \$6,407 to \$7,094 in Q2 2007.

Wage level of the period to which reference is made when the WPM was launched in October 2006.

Latest available figures released in end-September 2007.

- 3 -

would be lost in case the overall review scheduled for October 2008 indicates that the WPM has not been effective and a bill on this will be introduced into LegCo in the 2008-09 legislative year. Such issues may include, amongst other things, the definition of cleaning workers and security guards, treatment of disadvantaged groups, determination and review of the wage level, and how best to deal with buildings which have yet to form OCs.

Labour Department November 2007