



Sharing on Possible Impacts of the Minimum Wage Ordinance to Welfare Services in Practice

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Central Item Posts

- Program Assistant, Program Worker and Care Assistant
 - stipulated monthly basis of \$5,000 to \$7,115
 - with paid meal hours
 - weekly rest days and public holidays
 - Daily working hours from 8 hours to 9 hours per day included the meal hour
 - 5 to 6 days work (include 5 ½ days) per week [calculation](#)



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Services Required 24 hours operation

- All residential services require 24 hours with staff on site
- Certain homes required staff to stay on site to be on call when needed.
- No working duty is required and staff on site is allowed to sleep.
- At present, each on site on call work mode are not counted as full working hours. They are counted either as one-fourth or one-fifth of the normal working hours.
- Would these “on site on call” hours be treated as full working hours and NGOs have to pay these extra ‘working hours’?
- Could the Department clarify the calculation with the Labor Department for the Sector?



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(1) Small Group Home

- One House Parent (notional establishment -welfare worker)
- Working 24 hours a day in a normal 5.5 days per week at the home taking care of the children living there
- If all hours of stay at the home are counted as work hours, what should be the minimum monthly salary to well comply with the \$28 minimum hourly wage requirement?
- The Department is requested to consider granting additional subsidy to the NGO service operators in order to cover the raised salary level of house parents to a level that is complying with the Ordinance or change of the operation mode of the service

[Min Wage](#)



(2) Residential Services operating with “on site on call” mode

- Keep using the mode but paying extra for the additional hours
- The alternative is to arrange staff in active work shift for less hours each shift.
- Incur higher operation costs or tighten manpower.
- Need of the Department to work together with NGOs in sorting out the hurdles to the change and review the subvention level to accommodate the change where necessary.

Other Operation Concerns

- Overtime compensation – such as CY service has a lot of overtime work during summer
- Overnight camping activities – work hours calculation
- Employment status of ex-drug abusers serving at non-medical drug treatment and rehabilitation services
- Foster care parents and carers of neighborhood support child care projects are not treated as employees with allowance lower than minimum wages

- Financial implication to bidding projects that budgeted staff with hourly payment below minimum wages, were granted before the legislation of the ordinance
- Social enterprises, self financing projects of subvented or non-subvented NGOs that budgeted staff with hourly payment below minimum wages, operated before the legislation of the ordinance
- Agencies with staff and remuneration structure change under the flexibility of Lump Sum Grant subvention

Follow Up Action

- Bring up related concerns to social welfare department in early March 2011 [Letter](#)
- Clarification with Labor Department of the calculation of on site on call working hours, the interpretation of domicile stay versus residence provision and etc
- Promote communication between SWD with concerned NGOs to develop protocol of operation that can accommodate with staff on site on call operation or convert to on shift operation
- Encourage NGOs to discuss with their vendors of bidding projects of the viability of the project sums in fulfillment of the ordinance