

THE HONG KONG HOUSING AUTHORITY

Memorandum for the Human Resources Committee

Strategic Review of Communication and Relations with Staff Unions

PURPOSE

To inform members of the findings of a strategic review of communication and relations with staff unions (SUs), and to seek Members' views on the proposed strategies and action plan.

BACKGROUND

2. To conduct a strategic review of staff relations with a view to drawing up a strategic plan on consultation with staff and SUs in the Department is one of the initiatives of the HRM Plan. Staff relations (SR) has four interlocking blocks under it, namely, (i) communication and relations with staff unions (Note¹), (ii) staff consultation (Note²), (iii) staff communication (Note³), and (iv) staff welfare (Note⁴).

Staff Relations Principles

3. Hong Kong Government adopts the following principles to govern SR, where possible -

Note ¹ : This item refers to the contacts and dealings with departmental staff associations / unions with a view to fostering a better mutual understanding and building up a continuous dialogue to gaining a first-hand knowledge of staff's resentment, aspiration and views/move.

Note ² : Staff consultation aims at achieving higher levels of efficiency and service by co-operation from staff through formal (Departmental Consultative Committee) and informal discussions with staff/staff representatives about decisions affecting their work and well-being.

Note ³ : Staff communication is a two-way process between the management and staff for flow of ideas, information for greater productivity, satisfaction and commitment from staff.

Note ⁴ : Staff welfare includes social, recreational, charitable and sports activities provided to staff in maintaining staff morale, enhancing their loyalty and esprit de corps.

- a) management should communicate regularly and openly with staff,
- b) staff should be consulted on matters that affect them,
- c) problems and disputes should be resolved through discussion and consultation,
- d) the Government should uphold the resolution of the International Labour Organisation Conventions (**Annex A**), and
- e) management should devise and encourage activities that contribute to staff's well being.

4. In order to enable us to take a more focused view on the subjects, the review is divided into four parts. The findings are presented in four separate papers for submission to HRC. This paper covers communication and relations with SUs. The other three papers on staff consultation, staff communication and staff welfare are also presented in the same meeting.

REVIEW FINDINGS

Communication and Relations with SUs at Central Level

5. The establishment of the Senior Civil Service Council in 1968 has laid the foundation for institutionalising SR in the civil service. At present, there are four central consultative councils (Note⁵) established to provide a forum for discussion between the Administration and representatives of civil servants on matters affecting the well-being of the latter, and to attain the greatest measure of co-operation between the Hong Kong Government, in its capacity as an employer, and the staff. Matters discussed include the general principles governing conditions of service, methods of enhancing the proficiency of staff, staff welfare and the provision of recreational facilities and activities, and suggestions for improving office organisation and methods etc. The four central councils are also consulted on the annual pay revision. The roles of staff associations/unions (SUs) are fully recognised as reflected by the

Note ⁵ : The four central consultative councils are the Senior Civil Service Council, Model Scale I Staff Consultative Council, Police Force Council and Disciplined Services Consultative Council.

election/nomination of representatives from respective SUs to sit in these councils as staff side members.

6. The Staff Relations Division of Civil Service Bureau (CSB) is responsible for formulating and implementing SR policies at central level, liaising and maintaining close contact with member associations to the central councils.

7. The following special features relating to SUs are found in the civil service -

- a) no collective bargaining (we have consultation);
- b) no closed shop arrangement;
- c) all staff are under a single employer; and
- d) sanctions against officers taking industrial actions only apply as a last resort.

Communication and Relations with SUs at Departmental Level

8. Hong Kong Government fully recognises the value of staff associations. Departments are advised to ensure that staff/staff association representatives are not prevented by their official duties from carrying out their responsibilities on the Councils/Committees or in their staff associations, provided that this is without detriment to the public interest or to the officer's own career. Examples of CSB Circulars/Civil Service Regulations involving staff associations are given at **Annex B**.

Objectives and Functions of SUs

9. It is common that SUs are established to perform trade union functions such as recruitment of members, collection of dues, communication with members, and organising welfare activities. They also carry out industrial relations duties, e.g. to promote and protect the interests of members in relation to the conditions of employment, to regulate relations and settle disputes between members and management, to promote better understanding between the association and management on matters affecting the well-being of the members in connection with their employment, etc.

Staff Associations/Unions in HD

10. As at 1.9.1997, there are 14,529 staff from 91 grades working in HD. There are 25 departmental SUs with a total of about 7,900 paid-up members (multiple membership allowed), and 20 of them have union density exceeding 50%. All unions are vertical in structure except two which are open to all HD staff. Of these SUs, 17 of them are registered under the Trade Unions Ordinance. They can be broadly classified into the following groups -

- a) Housing Management Professional grade (2 associations);
- b) Works Professional grades (7 associations);
- c) Technical and Site Supervisory grades (6 associations); and
- d) Junior Staff grades (10 associations).

..... (Details of these SUs are at **Annex C.**)

11. Since there are 25 SUs in HD, some of their aims and objectives would differ while others coincide. The Department has been on the alert to monitor and render assistance to resolve conflicts arising from clash of interests among SUs.

12. Apart from joining departmental SUs, staff in HD are also free to join service-wide staff associations/unions, e.g. the Hong Kong Chinese Civil Servants' Association. In the past decade, the forms of industrial action taken by these departmental SUs to support their claims for better benefits/working conditions are relatively mild, e.g. taking leave on same day, slogan campaign, peaceful petition to HQ etc.

Communication and Relations with SUs in HD

13. The Staff Relations Section maintains close contacts with the SUs and acts as buffer/bridge between the SUs and the management. Apart from the Staff Relations Section, the Grade Management (GM) Section also has frequent contacts with Housing Class SUs. Staff of these two sections often arrange and join the meetings between the management and SUs.

14. The management hold regular meetings with SUs to promote goodwill and discuss matters of general concern. Upon request from the

management or SUs, ad hoc meetings are arranged to exchange views on special issues and resolve problems/disputes. Welcomed by both the management and SUs, these meetings/contacts are considered as effective means in promoting goodwill and 2-way communications. However, the current mode of activities with SUs is considered to be passive and the link between the SR and GM Sections needs strengthening. The line managers can take up a more active role in meeting SUs and staff representatives.

Unitary and Pluralistic Approaches

15. Two views are taken as frames of reference (Note⁶) for analysing the management philosophies on staff unions. The *unitary approach* views the organisation as a team, all owing allegiance to an organisation and where all share the same objectives. The assumption here is that there is no genuine, significant differences in the interests, objectives or values of people at work. SUs are treated as “the enemy within”. The *pluralistic approach* sees the organisation as a coalition of groups whose interests in some respect may differ and need to be reconciled. Managerial techniques affect how interests are perceived and expressed, but do not eliminate problems of conflict at work. The SUs are regarded as “partners”.

The HD Perspective

16. The perspectives mentioned in paragraph 15 above are reference points only and the two approaches are not mutually exclusive. The recognition of SUs and the existence of staff from various disciplines in HD, and thus different interests under the same organisation, follow the pluralistic approach. On the other hand, the cultivation of shared vision, mission and core values by all staff in the department resembles the unitary view. SUs in HD are recognised, but the Department’s relation and activities with them are seen as primarily fire-fighting and assumed to be non-problematic unless events prove otherwise. Consequently, the significance of management/SUs relationship waxes and wanes in the light of changing circumstances. It is considered necessary to formulate suitable strategies in handling SUs in HD.

PROPOSAL

Proposed Strategies on Communication and Relations with SUs

Note ⁶ : The use of these two approaches, instead of other ideal patterns of industrial relations, is for simplicity and easy reference.

17. In developing these strategies, we fully recognise the value and role of our staff associations in representing the views of the respective staff grades and the necessity to maintain regular dialogue and contact with them. More importantly, management would make use of effective communication systems and methods to gain their support and commitment. Taking the above into account, the following strategies are proposed -

- a) following central government's line, continue to recognise the important role of staff unions/associations in representing the views of staff members;
- b) practise good HRM such that the employees' need for the union as a protective device against poor management can be reduced;
- c) break down inter-grade rivalries among the Sus;
- d) be proactive to reach out to meet the SUs and to ensure that close contact and good relationship are maintained;
- e) consult staff (Note ⁷)/SUs on major changes to existing policies/practices or new proposals affecting them ;
- f) be prepared to communicate directly with the service-wide SUs if approached on issues affecting their members in the department;
- g) arrange better co-ordination between SR and GM Sections in dealing with Sus;
- h) strengthen the liaison with staff unions on grade management issues;
- i) promote a partnership approach with line managers in meeting SUs and their representatives;
- j) SR Section to keep track of the department's SU activities and give input on matters arising from such activities; and

Note ⁷ : This should include staff without a departmental staff union e.g. HA employees and general and common staff. Discussion on consultation with staff generally is covered in another paper on staff consultation.

- k) ensure officers responsible for SR matters are equipped with appropriate training in this field and be adequately informed of the relevant policies and practices in the civil service.

Proposed Action Plan

18. With the above strategies, the following action plan is recommended -

	Time-table
a) work out time-tables for regular meetings with SUs to discuss matters of mutual concern	Immediate and annual
b) strengthen current GM Section and expand to cover grades other than the Housing Class	October 97
c) organise more inter-SU activities to promote communication and understanding among them	Immediate
d) provide training to line managers to strengthen their communication skills in dealing with staff and SUs	October 97 (start)
e) provide training to staff of SR/GM Sections in handling SR matters	October 97 (start)
f) SR Section to develop a system to keep track of SU activities in the Department and to give advice as necessary	October 97
g) include in proposals on major changes an assessment on staff's reaction, and recommendation on staff consultation strategy and process	Immediate
h) develop and establish SR indicators (Note ⁸) to measure and monitor the Department's efforts in the liaison with SUs and conduct a review on	Immediate, Review in October 98

Note ⁸ : Examples of SR indicators are number of meetings held with SUs, number of briefings/seminars held for staff association/union representatives, number of requests/problems/disputes handled through efforts of SR/GM Sections, etc.

the strategies in a year's time

PRESENTATION

19. This paper is presented for Members' views on paragraphs 17 and 18 on 9 October 1997.

---0---0---0---

File Ref. : HD(SR) 1/1 II

Date : 30 September 1997