



HKRMA

15 June, 2020

The Hon Mrs. Carrie Lam Cheng Yuet Ngor, GBM, GBS
Chief Executive
Hong Kong Special Administrative Region
Chief Executive's Office
Tamar, Hong Kong

Dear Mrs. Lam,

**Request for Excluding Retail Sector from
the Proposed Sector-specific Working Hours Guidelines**

On behalf of Hong Kong Retail Management Association, I would like to request the Government to exclude retail sector from the proposed formulation of sector-specific working hours guidelines (the Guidelines) for 11 industries as recommended by the Standard Working Hours Committee in June 2017.

In light of the prolonged social unrest since June 2019, the Association had written to the Labour Department's Retail Tripartite Committee on 11 December, 2019 requesting for an immediate exclusion from the Guidelines, and the intent was also made known to the Secretary for Labour and Welfare, and the Legislative Council's Panel on Manpower at the same time.

The retail industry took another severe hit since the COVID-19 outbreak in late January 2020, which makes the business environment of retail trade extremely difficult. Against this backdrop, I would like to reiterate our request of exclusion in the following deliberations.

Considerations for Exclusion

1. All along we do not agree to the formulation of the Guidelines as it is an artificial manipulation of employment terms for certain segments of the labour force, and once adopted, it would reduce businesses' flexibility and capability to swiftly adapting to evolving economic challenges.
2. We believe human resources are mobile, and skills are transferable between sectors, the Guidelines would bring imbalanced treatments among different sectors, and exacerbate unfairness and discrimination of talents in Hong Kong.
3. Amidst the lingering social unrest and the pandemic, retailers are undergoing fundamental changes in their operation as well as arrangements on staff working hours. Before any new paradigm emerges and takes over this unsettled situation, it is practically difficult for the retail sector to make a right judgment on the Guidelines now or even in near future.



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4. Despite retailers were given some temporary relief via the Retail Sector Subsidy Scheme and Employment Support Scheme under the Government's Anti-epidemic Fund recently, they are very pessimistic about survival prospect as the city's total retail sales value had continuously plunged for 15 months and there were almost zero tourist arrivals in the immediate past months.
5. This dismal sentiment is well reflected by a recent survey of the Association which projected that around 15,200 retailers, representing about a quarter of total retail establishments in Hong Kong, would collapse between May and December this year. (Please refer to a summary of survey findings per attachment.)
6. If the Government persists to impose the Guidelines, it will only hasten the decision for more retailers to close their shops, especially for those who are considering this option. As a result, it would be counterproductive to the Government's objective to sustain business and protect employment via the subsidy schemes.
7. As Hong Kong is now facing tremendous pressure on all fronts, we deem that the foremost task for the Government is to sustain retail businesses and preserve employment instead of heeding the Guidelines, which would likely bring conflicts and even confrontations between employers and employees during these turbulent times.

We understand it is challenging for the Government as there is a planned working schedule on the Guidelines. In order not to disturb the progress of this initiative, we would like to reiterate our earnest request to the Government that the retail sector should be excluded from the Guidelines with immediate effect.

Thank you very much for your kind attention and consideration.

Yours sincerely,

Annie Yau Tse
Chairman

c.c. Members of Panel on Manpower, LegCo
Mr. Peter Shui, LegCo Councillor of Wholesale and Retail
Dr. Law Chi Kwong, GBS, JP, Secretary for Labour and Welfare

Encl.