



IOM BEST PRACTICE GUIDE

For Employers of Migrant Workers in the Hospitality Sector in Hong Kong SAR, China

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IOM is committed to the principle that humane and orderly migration benefits migrants and society. As an intergovernmental organization, IOM acts with its partners in the international community to: assist in meeting the operational challenges of migration; advance understanding of migration issues; encourage social and economic development through migration; and uphold the human dignity and well-being of migrants.

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CONTENTS

	INTRODUCTION	1
	Purpose of the Guide	2
	• The Value Case for Ethical Recruitment & Employment	2
I.	HOSPITALITY SECTOR	3
	A. Defining the Hospitality Sector	4
	B. Hong Kong SAR, China Legal Framework	5
	C. Risk for Migrant Workers	6
II.	MANAGING LABOUR MIGRATION: BEST PRACTICES	9
		10
	A. Policy Commitment	10
	B. Due Diligence C. Remediation	12
	D. Empowering Migrant Workers	13
III.	BEST PRACTICES FOR EMPLOYERS OF MIGRANT WORKERS IN HOSPITALITY	15
	A. Recruitment and Deployment	16
	B. Employment	24
	ADDITIONAL RESOURCES	 35



PURPOSE OF THE GUIDE

This best practice guide has been developed by the International Organization for Migration (IOM) to support employers in the hospitality sector in Hong Kong Special Administrative Region, China (hereinafter Hong Kong SAR, China) to develop voluntary measures to promote safe, orderly and regular migration, particularly in relation to internationally recognised standards on ethical recruitment and employment of migrant workers. This guide provides a framework for designing and implementing sector-specific ethical recruitment and employment practices, by spotlighting industry best practices, making reference to case studies, recommended policies and practices and relevant resources for stakeholders. The guidance and resources in this guide are aligned with international human rights and labour standards and frameworks on international migration, and have been developed in consultation with migration experts, employers, ethical intermediaries and migrant workers.

THE VALUE CASE FOR ETHICAL RECRUITMENT & EMPLOYMENT

The recommendations in this guide are derived from IOM's Migrant Worker Guidelines for Employers (MWG), which is underpinned by the premise that all business enterprises and employers have a responsibility to organise and run their business or employment in a manner that respects human rights, and addresses and mitigates risks of harm. Ethical recruitment and employment, in addition to being morally advisable, is likely correlated with higher levels of workforce stability, quality and morale. Employers stand to gain by investing time in ethical hiring so that incoming employees migrate free from debt, and the significant mental stress associated with exploitative recruitment practice. As the demand for migrant labour increases, employers that offer a safe working environment, in compliance with human rights standards, are more likely to attract and retain quality talent in a competitive market. Further, integrating and adhering to labour standards leads to a more productive workplace, and lower rates of staff turnover. In addition to more productive employees, companies that invest in adherence to human rights standards, will meet the increasingly high expectations of consumers and international buyers around due diligence and in turn will build company brand and reputation. Addressing issues before they occur will prevent non-compliance issues from turning into gross violations, and as such ensure that employers avoid civil and criminal litigation, and the associated risk of penalties and financial costs.

 $^{^{1}\}mbox{LO},$ International labour standards on labour migration.

²For the purposes of this guide, migrant for employment is defined as a person who migrates from one country to another with a view to being employed otherwise than on his own account and includes any person regularly admitted as a migrant for employment. ILO Migration for Employment Convention (Revised), 1949 (No. 97), Article 11.

³NYU, When Paying More Pays Off – The Importance of Developing a Business Case for Ethical Recruitment in the GCC.

Walk Free Foundation, Harnessing the power of business to end modern slavery (2016).



A. DEFINING THE HOSPITALITY SECTOR

For the purposes of this guide, the hospitality sector includes accommodation and food services, including hotels, restaurants, bars and food delivery services.



WHY THIS MATTERS

Businesses in the hospitality industry stand to benefit from staying abreast of ethical recruitment and employment guidelines. Most notably, adhering to such standards strengthens a company's human rights profile.⁵ While clear and public commitment to ethical standards raises brand image, it may also protect from reputational damage occurring if a company is found to be implicated in instances of forced labour or modern slavery. Companies who miss the opportunity to tackle these issues face consumers and investors diverting their spending and funds from the brand. Global trends including greater regulation and legislation around modern slavery reporting, pose risks for companies with forced labour in their business and supply chains with enforcement ranging from civil fines and sanctions, customs restrictions and criminal sanctions, in some cases personal liability at the director level.⁶ While forced labour reporting is not currently a requirement for businesses with headquarters in Hong Kong SAR, China, overseas markets are pushing for better governance. For example, the Sustainable Hospitality Alliance has convened a human rights working group led by 18 hotel companies and engaged 60 hotels, to commit to raising awareness of human rights risks, embedding human rights into corporate governance and address risks arising in labour supply chains and during construction of hotels. This trend toward regulating commitments to anti-forced labour policy is only likely to become more visible and widespread in the industry in future. As such, businesses should consider relevant risks and take reasonable steps towards prevention. Furthermore, employers in the hospitality industry face a shortage of qualified workers in a competitive market. By offering attractive employment packages, including a safe and ethical workplace, employers can tap into migrant labour markets and build their pipeline of talent, while retaining their most qualified employees.

⁵IOM, Operational Guidelines for Businesses on Remediation of Migrant Worker Grievances (Geneva, 2022).

⁶Walk Free Foundation, Harnessing the Power of Business to End Modern Slavery (Perth, 2016).

B. HONG KONG SAR, CHINA LEGAL FRAMEWORK

The hospitality sector in Hong Kong SAR, China includes individuals working in accommodation and food services, including hotels, restaurants and bars. However, hospitality supply chains are complex and secondtiers of migrants contracted by employers in the hospitality industry may include workers in construction, delivery services, cleaning and waste-management, security services and other related jobs. Migrant workers in the hospitality industry include individuals on dependent visas and permanent residents that were born outside of Hong Kong SAR, China and migrated for the purpose of work, as well as international migrants recruited to Hong Kong SAR, China by the companies that employ them. Migrant workers recruited into the sector gain entry to Hong Kong SAR, China under the Supplementary Labour Scheme (SLS) for lowerskilled workers or those at technician level, the general employment policy (GEP) for professionals, and via the quality migrant admission scheme (QMAS), for highly skilled or talented persons, as deemed by the Immigration Department. Migrants on a dependent visa are also commonly hired in this sector. There are also some irregular migrant workers employed in this industry that do not have permission to work in Hong Kong SAR, China. According to section 38AA of the Immigration Ordinance, an illegal immigrant, or person who is the subject of a removal order, an overstayer, or a person refused permission to land is prohibited from engaging in employment, with offenders liable to a maximum fine of HKD 50,000 and up to three years' imprisonment.

Regular migrant workers are afforded the same protections as local workers under the Employment Ordinance in Hong Kong SAR, China.

- Migrant workers are entitled to receive the full protection of Hong Kong SAR, China law including the Employment Ordinance (Cap. 57) and discrimination ordinances covering Race (Cap. 602), Disability (Cap. 487), Sex (Cap. 480), and Family Status (Cap. 527).
- Under a continuous employment contract, migrant workers are entitled to not less than one day of rest in every period of seven days. One rest day is a continuous period of not less than 24 hours.
- Migrant workers are entitled to a total of 12 statutory holidays per year, regardless of the length of their employment period. When this takes place on the same day as a rest day, the employer should appoint an alternative holiday on the next day.
- Migrant workers shall not be compelled to work on their granted rest days.
- Migrant workers should be granted 7 days of paid annual leave after 12 months of service, and are entitled to enjoy 14 days after 9 years of service. This should be consumed within 12 months after the entitlement, and dates should be agreed with the employer at least 14 days in advance.
- For sickness lasting longer than four days, migrant workers are entitled to paid sickness days, or payment counted per day of sickness, at a daily rate of not less than four-fifths of the average daily full wages.

- Migrant workers under continuous employment are also entitled to paid sickness days. These amount to 2 paid sickness days for each month of the employee's employment during the first 12 months, and 4 days per month for the next 12 months.
- Women migrant workers under a continuous contract are entitled to maternity leave, prohibition of assignment of heavy work and protection from dismissal from the moment they present a certificate of pregnancy.
- Maternity leave should be a continuous period of not less than 10 weeks.
- Women migrant workers are eligible for maternity leave pay, if the period of service is not less than 40 weeks before the commencement of the scheduled leave. In cases where the employee has a period of service less than 40 weeks, before the commencement of scheduled maternity leave she is eligible for 14 weeks leave without pay.
- Migrant workers are entitled to either long service payment, or severance payment. Severance
 payment is granted to employees that have been employed for a period of not less than 24
 months. While long service payment is granted to employees that have been in employment for
 not less than five years.
- Either the employer or employee may terminate the continuous contract of employment, by giving "due notice" in advance to its required length or "wages in lieu of notice" instead.
- Unlike migrant domestic workers in Hong Kong SAR, China, migrant workers in the hospitality industry are entitled to receive the Statutory Minimum Wage of at least HKD 40 per hour.
- Failure to honour the obligations under the Employment Ordinance can be a criminal offence.

C. RISKS FOR MIGRANT WORKERS

Individuals migrating to Hong Kong SAR, China for the purpose of work in the hospitality industry may be at risk of exploitation during recruitment, including unequal, discriminatory, and abusive recruitment practices. In taking up employment in this sector, migrant workers are exposed to a unique set of vulnerabilities owing to their migration and in some cases visa status. By familiarising with the intersecting risks and vulnerabilities that migrant workers are exposed to during recruitment and employment, employers will be empowered to take appropriate measures to prevent, mitigate and address the risks, to create a safer and more productive working environment.

⁷Seefar, Making migration work: Understanding forced labour amongst migrant domestic workers in Asia (2019).

Risks and Vulnerabilities for Migrant Workers During Recruitment



Fees and costs charged to workers such as recruitment fees, training fees and medical fees



Contract substitution where the original contract is replaced with one less favourable on arrival



Predatory lending or financial loans with high interest rates



Restrictions on freedom of movement during the recruitment and deployment phases



Debt bondage or the pledge of labour as security for a debt



Wrong visa or no visa upon arrival rendering individuals in irregular situations⁸



Deception including in the form of obscuring true salaries, working conditions, or job responsibilities



Recruitment carried out by **unlicensed** or **unauthorized** subagents and/or labour recruiters



Inadequate or no employment contracts



Privacy breaching, including the disclosure of personal information without consent



Inadequate information about destination country or job conditions



Unsafe transportation conditions and/ or lodging during migration/ deployment



Passport retention by recruitment agencies leading to potential unfree recruitment



Discrimination during the screening and interview process

⁸Some migrants may enter Hong Kong SAR, China on a Tourist visa only to learn that they will not receive a full working visa upon arrival, meaning that any work engaged in will be illegal. The irregular migrant status of these workers prevents them from accessing social security services in Hong Kong SAR, China.

Risks and Vulnerabilities for Migrant Workers During Employment



Unlawful wage deductions or non payment of wages by an employer or employment agency



Limited or no access to grievance mechanisms



Excessive working hours or lack of adequate rest



Barriers to accessing justice



Precarious visa status or **undocumented** status leading to increased risk of forced labour



Limited information about workplace rights and lack of cultural knowledge in destination countries



Isolated working environment



No or **limited access** to freedom of association or collective bargaining



Exclusion from social life and lack of access to community



Exclusion of migrant workers from standard company health and safety training



Discrimination and **racism** both at work or in society



Unsafe, unhygienic and overcrowded accommodation



Physical or sexual abuse and gender-based violence



No or unequal access to health services and/ or social protection



Restricted access to personal items such as travel documents or mobile phones



In incorporating ethical standards during the labour migration process, employers can make reference to the following guidelines around best practices in the recruitment, deployment and employment phases. Implementation of the guidelines will reduce risks and alleviate vulnerabilities for migrant workers and ensure a safe and productive working environment for both employer and employee.

A. POLICY COMMITMENT

Employers of migrant workers should consider adopting a public policy that respects migrant workers' human and labour rights, in line with international standards on ethical recruitment and employment, as well as applicable national laws in Hong Kong SAR, China, and countries of origin. Companies may refer to global guidelines on ethical recruitment, for example IOM's Migrant Worker Guidelines for Employers, IOM's International Recruitment Integrity System (IRIS) Standard on Ethical Recruitment and ILO's General principles and operational guidelines for fair recruitment, when developing company policy. Global frameworks and policy recommendations should be translated to the local context, taking into account potential risks for workers in Hong Kong SAR, China. Policy should be integrated into management systems to ensure consistent implementation, for example by incorporating policy training into staff onboarding, or holding yearly refreshers for staff. Employers should ensure that policies are communicated to internal and external stakeholders, including migrant workers, in languages they can understand, and display policies on the company's website and at the workplace. In addition, policies should be applied to the business enterprise's business relationships, including labour recruiters, employment agencies, suppliers and service providers (such as transport, logistics, accommodation). This also includes integrating the policies into existing and new business contracts. Local organizations in Hong Kong SAR, China, such as IOM and the Mekong Club, provide guidance and assistance to companies seeking to integrate ethical migration policies into their business operations. Employers can also undertake training on ethical employment of migrant workers, online via IOM's Introduction to the Management of Fair and Ethical Recruitment and Employment of Migrant Workers.

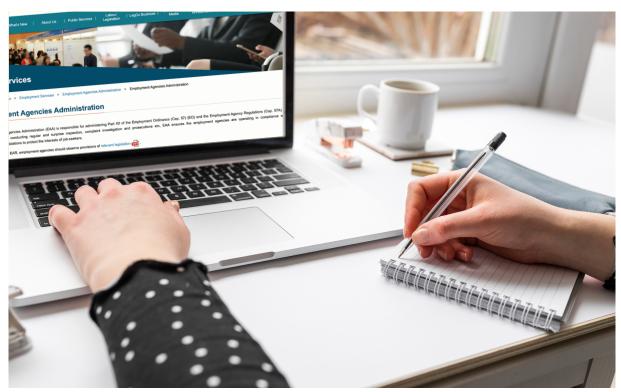


Employers should adopt policies that respect migrant workers rights. © Drazen Zigic/Freepik

B. DUE DILIGENCE

Employers in the hospitality industry should carry out human rights due diligence on their business operations, services and supply chain using tools such as the IOM's Fair and Ethical Recruitment Due Diligence toolkit. Employers should consider risks to migrant workers at all stages of recruitment and employment, by consulting migrants and seeking their feedback on whether they have paid recruitment fees, experienced passport withholding, coercion, deception or other indicators of forced labour outlined in this guide. Employers can also use the search function of the Employment Agencies Administration portal of the Labour Department, to check if local employment agencies have a valid licence. Employers can create action plans around important indicators, such as ensuring recruitment fees are not borne by workers, conducting legal rights orientations for migrant workers, and ensuring a safe working environment, to mitigate risk in their operations. Where businesses rely upon the services of external partners, such as recruitment agencies or suppliers, they should hold external partners to the same standards, encouraging them to implement similar action plans. Employers should monitor the implementation of due diligence efforts keep records and engage workers (through verification of their migration experience upon their arrival and throughout their employment or use technology to collect regular worker feedback) to monitor compliance and ensure that risks are addressed.

It is best practice for employers across all sectors to commit to the Employer Pays Principle, whereby all costs of recruitment should be borne by the employer, not the worker. The principle is a commitment to ensure that no worker should pay for a job, which is increasingly being adopted by companies. The principle guides companies committed to responsible recruitment to pay the full cost of recruitment. In implementing such a policy, employers should assess the risks of workers being charged recruitment fees, integrate and act on risk assessments and track progress, while integrating learnings and remedying recruitment impacts. By adhering to internationally recognized guidelines and principles such as the IOM's IRIS Standard on Ethical Recruitment, the IOM's Migrant Worker Guidelines for Employers, and the Dhaka Principles, employers can ensure that recruitment practice is fair and ethical.



An employer carries out human rights due diligence on their business operations. © Yanalya/Freepik

C. REMEDIATION

Employers in the hospitality industry should provide avenues for reporting grievances; and where harm has occurred, workers must be provided with fair and effective remedy. The first step is for companies to establish operational-level grievance mechanisms that are accessible to migrant workers and their representatives in a language that they understand; drawing from international best practices such as the IOM's Operational guidelines for Businesses on Remediation of Migrant-worker Grievances. Companies should also provide workers with other means to lodge complaints such as conducting anonymous worker' surveys, providing workers with information on internal and external grievance reporting channels and hotlines, and keeping several communication channels open for workers to report concerns to multiple levels of management. Avenues for reporting grievances should be included in onboarding training or inductions, posted in public places and disseminated to workers broadly or during individual check-ins. Employers should promptly follow up on grievances by conducting investigations, ensuring complaints remain confidential or anonymous where possible. Appropriate remediation should be provided where harm is done, such as in the form of apology, restitution, compensation or punitive sanctions. Where harm done is outside the scope of employer responsibility, employers may assist migrants to access local redress mechanisms via the Hong Kong SAR, China Labour Department, Police Force, or Legal Aid Department. Managers of migrant workers should reflect upon grievance reports, capturing learnings and implementing changes where necessary to improve organizational or workplace culture. It is recommended that employers, conduct regular check-ins with workers, and provide workers with local contacts of supporting networks such as HELP for Domestic Workers, Mission for Migrant Workers or the Hong Kong Federation of Asian Domestic Workers Unions (FADWU) and external grievance channels, such as consular services or the Labour Department.



Communication channels should be open for workers to report concerns. © DCstudios/Freepik

D. EMPOWERING MIGRANT WORKERS

Employers in the hospitality sector should include the voices of migrant workers in managing the labour migration process, by maintaining close communication and conducting frequent consultations. Migrant workers should also be engaged in the design, implementation and continuous improvement of policies, procedures, due diligence processes and grievance mechanisms. Employers are encouraged to provide support to directly address challenges faced by migrant workers, including providing information in relevant languages, providing access to informational resources and orientation and allowing migrant workers access to internet and communications platforms, making use of social media and communications technologies. Employers may also encourage migrant workers to participate in social activities in their time off, share migration-related resources, such as those found on the Labour Department website, and facilitate access to further education, such as online learning or financial literacy. This includes connecting migrant workers with local support networks such as service providers, trade unions, and civil society organizations in Hong Kong SAR, China, to benefit from resources, training, and support available for migrant workers.



An HR officer shares information resources with a staff member. © Pressfoto/Freepik



A. RECRUITMENT AND DEPLOYMENT

1.1. Screening, Contracting and Monitoring of Employment Agencies

- Direct hire where possible, or work with licensed recruitment agencies in countries of origin and in Hong Kong SAR, China. Licences of labour employment agencies can be checked via the Employment Agencies Portal.
- Conduct due diligence on employment agencies periodically, including checking licence validity and ensure agencies are adhering to ethical standards in line with international human rights and labour instruments, such as the IOM's IRIS Ethical Recruitment Standards.
- Conduct background checks for allegations of forced labour or court proceedings when selecting an agency.⁹
- Seek feedback from migrant workers during recruitment and deployment as well as stakeholders in the industry, and reach out to the Labour Department via access to information requests about the recruitment record and potential violations of agencies.
- Sign service agreements with employment agencies, which outlines requirements for recruiters to comply with ethical recruitment standards and relevant national law.
- It is recommended to require employment agencies based in Hong Kong SAR, China to also carry out their own due diligence on their business partners, for example recruitment agencies in countries of origin.

1.2. Recruitment Fees & Related Costs

- Adopt the Employer Pays Principle, in accordance with ILO definition of recruitment fees and related costs, in which all the costs of recruitment are borne by the employer.
- Communicate the requirement for Employer Pays Principle with employment agencies, with a clear itemised list of all recruitment fees and related costs in the service agreement with the employment agency in Hong Kong SAR, China.
- Carry out risk assessments to identify risks to migrant workers during the recruitment process, by interviewing migrants about payment of fees, costs, loans taken, and other forms of exploitation, coercion, deception experienced during recruitment.¹⁰
- Check in with the worker as soon as possible to ensure that they have not paid excessive placement fees, medical fees or training fees.
- Where possible, pay recruitment fees and costs directly and avoid that migrant workers fall into financial debt to secure their employment, or reimburse workers for fees that they have paid.

⁹IOM, Establishing Ethical Recruitment Practices in the Hospitality Industry (Geneva, 2022).

¹⁰ Ibid.

• For workers that have been overcharged recruitment fees in Hong Kong SAR, China, support them to file a complaint with the Labour Department or the Employment Agencies Administration. In cases of being overcharged in home countries, assist them to contact their consulate or local NGOs that offer assistance.

1.3. Transparency & Access to Accurate Information

- Ensure transparency in vacancy announcement and information being provided to candidates through employment agencies, by providing clear and accurate employment terms and conditions written in a language that is understood by migrant workers.
- Provide candidates with information in relation to their working terms and conditions and migration related procedures before the interview and selection process. Companies can make use of multimedia, such as videos, to inform candidates about their daily tasks, working and living conditions, rights and entitlements, in a language they can understand.
- In accordance with the Employment Ordinance, employees must be informed of the conditions of employment before employment begins, including: wages, wage period, length of notice, overtime rate, and entitlement to end of year payment/bonus.

1.4. Selection of Candidates

- Participate in an online interview with the employment agency to monitor the recruitment process in countries of origin, and select candidates based on the required skills and necessary qualifications.
- Treat candidates equally during the selection process, and avoid discrimination on the basis of gender, race, religion, and political views, in keeping with the discrimination ordinances.
- Manage candidate expectations around the application steps, progress and communicate timeframes on final selection decisions.
- Brief candidates on the requirements of the job and migration process, including recruitment steps. Ensure that the information is well understood, and candidates have channels available to ask questions.

1.5. Employment Contracts

- Provide clear information to workers around the conditions of employment with regards to: wages (including rate of wages, overtime rate and any allowance, whether calculated by piece, job, hour, day, week, or otherwise), wage period, length of notice required to terminate the contract, and entitlement to an end year of payment, and the payment period.
- Establish a clear procedure for the selected candidates to accept the employment offer and sign their employment contract well in advance of their departure. Workers are free to withdraw from the recruitment process at any point.

- Provide employees with at least one copy of the written contract for retention and reference, in accordance with the Employment Ordinance. Contracts should be provided in local languages in advance of departure.
- Ensure that initial employment contracts are not substituted at a later date for contracts with less favourable terms and conditions to migrant workers.
- Whenever there is any change in the conditions of service, make sure to inform the worker in an intelligible manner.
- Ensure that all employment contracts for migrant worker include early termination clauses. 11

1.6. Pre-Departure and Travel

- Ensure the costs and logistics of travel for migrant workers from their countries of origin to Hong Kong SAR, China, ensuring safety and security standards are met.
- Conduct a pre-departure orientation program to facilitate understanding of the work and living environment in Hong Kong SAR, China.
- Coordinate with third parties such as civil society organizations, and trade unions to provide supplementary pre-departure training to migrant workers including information about their rights, obligations, travel, working and living conditions and accessing grievance mechanisms.
- Ensure any required medical examinations are carried out in accordance with applicable laws and regulations in the country of origin.
- Support migrant workers to secure the right type of visa, exit, and entry permits prior to their departure.
- If the pre-departure is arranged by an employment agency, ensure that all documents of migrant workers used for visa processing are returned to them promptly.
- Make all necessary arrangements for safe travel and lodging from their community in the country of origin to Hong Kong SAR, China.
- If recruitment is conducted by a third party or employment agency, ensure that ethical recruitment standards are followed. Where breaches are found, take prompt follow-up actions.

¹¹IOM, Establishing Ethical Recruitment Practices in the Hospitality Industry (Geneva, 2022).



Employer Case Study: St. Regis Hotel, Marriott International

Direct hiring and oversight of recruitment process for migrant workers

St. Regis Hotel of the Marriott International in Hong Kong SAR, China employs migrant workers from across the world via a transparent process of direct hiring and oversight of recruitment procedures. By eliminating the usage of intermediaries in the sourcing and hiring of candidates, Marriott International is able to maintain oversight of the recruitment process to ensure that the risk of unethical hiring in their labour force is minimised, in compliance with global policy. The internal human resources team is directly responsible for conducting recruitment of prospective staff members, and they communicate and engage directly with migrant workers during the hiring and onboarding process, to ensure that new staff understand the terms of their contracts, their working arrangements and salary agreements. During the course of employment, adherence to agreed working hours, as stated in contract, is monitored via a check-in/out system, staff are compensated for overtime and are prevented from working over a certain number of hours per week.¹²



¹²Interview with St. Regis Hotel representative (29 August 2022).



Employer Case Study: The Peninsula Hotel

Strengthening the pipeline of employees by hiring migrant populations

The Peninsula managerial team are acutely aware of the shortage of labour in the hospitality sector in Hong Kong SAR, China and are focused on strengthening the pipeline of future staff to their hotels by expanding their talent pool. To this end the Peninsula has explored hiring diverse migrant groups in Hong Kong SAR, China including refugees that have exceptional permission to work. The company collaborates with law firms to support individuals that are recognised refugees as determined by UNHCR, to apply for work permits. The process may take up to three months and involves continued administrative support, though the initiative is of benefit to both the organization and the broader community. The Peninsula staff are proud to be contributing to social impact in Hong Kong SAR, China, by providing opportunities to refugees that have faced persecution in their home countries, many of whom are well-qualified but face barriers to accessing work in the city owing to their immigration status. Faced with labour shortages in the sector, the Peninsula staff sought to tap into different types of talent pools and to build an inclusive community for migrant worker staff members, by piloting a refugee hiring programme. In doing so, they are building a sustainable pipeline of workers while increasing staff diversity and inclusion to reflect that of their client base. ¹³



¹³Interview with Peninsula Hotel representative (14 October 2022).



Case Study: The Mekong Club

Access toolkits, resources and tailored guidance on addressing modern slavery and trafficking risk

The Mekong Club convenes working groups of industry stakeholders to problem solve around risks of modern slavery and trafficking for businesses in the hospitality sector, and to share good practices. The organization offers toolkits aimed at empowering stakeholders in the industry to better respond to and mitigate risks associated with modern slavery. The organization offers tailored individualised assistance to employers in the hospitality sector, to assist with mainstreaming modern slavery risk mitigation into company policies and practices. Assistance begins with a baseline assessment to determine strengths, weaknesses and areas for improvement in existing adherence to ethical recruitment and employment standards. Forced labour is a complex issue that intersects with hospitality employers in a multitude of ways. The Mekong Club seeks to meet hospitality partners where they are in understanding how forced labour affects their operations, providing training for procurement and human resources teams, conducting awareness raising, mainstreaming clauses into supplier contracts and agreements, and providing education, checklists and resources to equip businesses with the necessary tools to run ethically compliant business enterprises.¹⁴



¹⁴Interview with The Mekong Club representative (4 July 2022).

Employer Case Study: The Peninsula Hotel

Conducting human rights due diligence on suppliers and partners

Recognising that hospitality is a high-risk sector for forced labour, owing to its complex supply chains, the Peninsula considers issues of forced labour in its operations. The hotel has published a Modern Slavery statement, citing a commitment to eradicating forced labour and trafficking in its supply chains. The hotel investigates the adherence of its partners and suppliers to modern slavery commitments, through mandatory due diligence. The hotel has also conducted primary research on risks in the hospitality sector in the local context to aid policy implementation. The legal and human resources team have worked with the Mekong Club, which provides guidance to support industries in minimising forced labour risks in operations and supply chains. The Peninsula staff conduct interviews with recruitment partners and food suppliers to assess forced labour risk in operations and ensure partners are compliant with internal standards before agreeing to any formal engagement. If requirements are not met, the hotel takes steps to rectify the issue, encouraging partners to improve forced labour due diligence. The Peninsula staff are trained on policy implementation, with hiring managers and procurement teams taught to interview suppliers to identify forced labour risk and suspicious indicators. 15 When hiring subcontracted workers via local recruitment agencies, the hotel conducts interviews with the agency, reviews worker contracts and understands how workers are being paid before determining which partners are high risk. Due diligence is also conducted on cleaning and waste service providers, and documentation is reviewed before engagement. In practice, the Peninsula has found that the due diligence approach needs to be adapted or modified to suit the resources and understanding of the particular supplier. For example, informal recruiters in Hong Kong SAR, China that connect the company with contract staff for one-off events likely have fewer resources committed to addressing forced labour risks than an established company with formalised internal recruitment policies. Notwithstanding the level of understanding and resources, Peninsula encourages all partners and suppliers to hotel conduct human rights due diligence on their operations and set achievable targets to make real progress.¹⁶



¹⁵Interview with Peninsula Hotel representative (28 September 2022).

¹⁶ Ibid



Employer Case Study: St. Regis Hotel, Marriott International

Conducting due diligence on suppliers and partners

A part of the Marriott International, in line with their modern slavery statement, conducts due diligence on partners and suppliers that they work with. The hotel engages with vendors and suppliers that are dedicated to similar principles and hold their own suppliers and subcontractors to the same standards. The hotel works with companies that share their values and maintain a supply chain of businesses that respect human rights and follow all applicable laws and principles. Marriott's Global Procurement Supplier Conduct Guidelines is intended to promote the highest standards for human rights throughout their supply chain. The Supplier Guidelines set forth the principles, standards, and guidelines that suppliers, vendors, and contractors are expected to adhere to, and business partners are encouraged to hold their own suppliers to the same standards and practices. In 2019, the Supplier Guidelines were updated to include expectations that suppliers prevent unethical recruitment, child labour, forced labour, and human trafficking, including respecting freedom of movement of employees and refraining from document withholding. In ensuring that suppliers maintain standards, the hotel conducts reference checks on suppliers before agreeing to collaborate. They also conduct site visits to suppliers' workplace and office premises, verifying their identity and documents, and conducting audits annually. And conducting audits annually.



¹⁷Marriott International, Marriott's Global Procurement Supplier Conduct Guidelines.

¹⁸Interview with St Regis Hotel representative (29 August 2022).

B. EMPLOYMENT

2.1. Safe, Decent & Respectful Working Environment

- Establish clear and robust company management to ensure a healthy and respectful working environment, including zero tolerance towards various forms of violence, discrimination, and harassment in the workplace.
- Apply non-discrimination principles between standard and non-standard workers. Fixed-term or short-term employees should not be treated less favourably than permanent employees.
- Provide comprehensive occupational safety and health training to migrant workers in a language that they understand.
- Follow up to date guidance of local health authorities regarding mitigating communicable disease transmission risks in the workplace, including for COVID-19.
- Support the integration of migrant workers in the workplace and local community.
- Respect migrant workers' religious and cultural identities, and make appropriate facilities available
 for religious observance, such as by observing cultural holidays and appointing migrant worker
 representatives of large migrant populations, such as Nepalese workers in the Hospitality sector
 as implemented by Pizza Express. Training on the principles of a respectful and intercultural work
 environment should be given to supervisors, managers, and business partners, where possible.
- Staff members, particularly those working in human resources, should undertake training on human trafficking and forced labour, as implemented by The Peninsula Hotel, St. Regis Hotel, and Pizza Express.
- Conduct internal and external company audits regularly.
- Monitor the physical conditions of your workers, such as pregnant women or persons with disabilities. Do not allocate work to workers if it exacerbates their physical condition in compliance with the employment ordinance.
- Create an inclusive and safe space for a diverse range of genders. If necessary establish committees
 and safe spaces for women, non-binary or LGBTQ+ groups and provide staff or professionals to
 deal with gender-based violence and sexual harassment in the workplace.

2.2. Monitoring of Business Partners, Suppliers, and Contractors

• Create a supplier/business partners code of conduct, including the minimum standards to which suppliers and contractors should be expected to adhere to, and sign prior to engagement.¹⁹

¹⁹ILO, Promoting Fair Recruitment and Employment: A Guidance Tool for Hotels in Qatar (Geneva, 2020).

• Conduct periodical checks and due diligence before engaging with new suppliers, as well as existing suppliers (using a risk-based approach by prioritising suppliers that the company engages with frequently or those that pose a high risk), to ensure their products and services adhere to ethical standards.

• Where possible, train suppliers on management issues related to migrant workers and support their efforts to adhere to ethical standards. Provide training and share knowledge with suppliers to ensure worker protection in supply chains.

2.3. Payment of Wages and Benefits

- Migrant workers are entitled to be paid the Statutory Minimum Wage of HKD 40 per hour, in accordance with the Minimum Wage Ordinance, excluding employer contributions to accommodation, food, medical care, travel allowance, retirement scheme or bonuses.
- Communicate with workers in regard to their wages in a fair and transparent manner so they understand how they are paid.
- Workers' wages should be paid before or on the last day of the wage period. Pay wages as soon as practicable but no later than 7 days after the end of the wage period. Failing to pay within this period may result in interest payment by the employer on the outstanding amount of wages.
- Wages should be adequate to meet the needs of workers and their families, and take into account local wage standards, such as average wages in the industry, the cost of living, social security benefits, and economic factors.²⁰
- Only permit wage deductions of workers that are allowed by law (refer to Page 8. of A Concise Guide to the Employment Ordinance), and where they occur, be sure to communicate these in advance to workers and obtain their written consent.²¹
- Prohibit the use of wage deductions or monetary fines as disciplinary measures, or direct or indirect payment for recouping recruitment fees or costs, or retaining employment.
- Deductions of wages are prohibited by law, except in exceptional cases such as absence for work; damage to or loss of the employers' goods or equipment due to workers' neglect; recovery of any advanced or overpaid wages; the value of food and accommodation the employer supplies; deductions in respect of contributions to be paid by the employee for medical, superannuation, retirement, or thrift schemes etc.
- Workers should be compensated for overtime work outside of normal working hours if: it is of constant character or its monthly average over the past 12 months is not less than 20 per cent of the average monthly wages of the employee during the same period.
- Workers' salaries should be paid directly to workers, recommended through their nominated bank account.

²⁰ILO, Q&As on Business, Wages and Benefits.

²¹ Ibid

- In the case when you are no longer able to pay your workers' wages, you should terminate the contract of employment in accordance with its terms.
- Women migrant workers are entitled to maternity leave pay if she has been employed under a continuous contract for not less than 40 weeks before the commencement of scheduled maternity leave.
- Men migrant workers under a continuous contract are entitled to five days paternity leave for each confinement of his spouse / partner if he is the father of a new born child or a father to be.
- Ensure that all contracts with business partners, including employment agencies and subcontractors include provisions for paying employees on a regular, timely and fair basis that is consistent with the enterprise's policy on payment of wages and benefits.
- Principal contractors are liable to pay the wages of subcontractors employees for the first two months of unpaid wages of a migrant worker employed by a subcontractor, according to the Employment Ordinance.

2.4. Working Hours

- Ensure workers always work on a voluntary basis.
- Monitor the working hours of workers, and take precautions against workers working overtime. Take extra precautions during peak seasons.
- Workers under continuous contract are entitled to not less than one rest day in every period of seven days.
- No worker should be compelled to work on a rest day except in unforeseen emergencies. If the worker is required to work on any rest day, another rest day should be substituted within 30 days after the original rest day.
- Working hours could be monitored via a check in and check out system to ensure limited overtime work.
- For contract, part-time or temporary workers, agree upon working times and provide employment within the agreed timeframe.
- Refrain from asking subcontractors to engage in work or other than that outlined in the employment agreement.
- Security staff may be trained to monitor working hours and to alert management in cases of excessive overtime work.
- Integrate religious and cultural practices into a working schedule will help to build trust between both parties.

- Workers, irrespective of length of service, are entitled to 13 statutory holidays.
- Workers are entitled to annual leave with pay after having been employed under a continuous contract for every 12 months.

2.5. Access to Personal Documents

- Ensure workers have access to their personal documents at all time.
- Do not retain passports or any kind of personal documents of migrant workers during their employment period. Workers must be able to access their personal documents directly and immediately without restrictions.
- Only request workers' personal identity documents when required by law for administrative purposes, for example for processing resident permits.
- Obtain written consent from the workers when taking their personal documents and provide them with a receipt.

2.6. Freedom of Movement

- Inform migrant workers that they can move freely within the workplace, and during their free time during onboarding.
- Ensure workers are free to return to their country of origin during annual or personal leave periods.
- If accommodation is provided, ensure that the workers can enter and exit the accommodation freely.

2.7. Living Conditions

- Give support to new employees on how to find an apartment, rent, accommodation standards, location and other relevant considerations to facilitate a smooth transition to Hong Kong SAR, China.
- If accommodation is provided for migrant workers: ensure that migrant workers live in a safe and gender-segregated environment with hygienic and suitable living conditions in line with IOM's Migrant Workers' Accommodation Guidelines.
- Provide regular maintenance and on-site monitoring of accommodation to ensure that the accommodation is clean, decently habitable and maintained in a good state of repair.
- Seek ongoing feedback from migrant workers about the quality of accommodation and how to improve living conditions. Promptly follow up on any difficulties or complaints reported by migrant workers, paying attention to any differences based on gender, age, disability or other characteristics.

2.8. Health Care and Social Protection

- Provide workers with access to medical services, including mental health and psychosocial support services, and applicable social security schemes and benefits. Workers aged 18 to 64 employed in any industry for a continuous period of 60 days or more are entitled to the MPF scheme, excluding domestic workers residing in an employer's house, self employed hawkers, or exempt persons.
- Where possible, provide migrant workers with health insurance, or refer them to public government facilities that can be accessed. Part-time workers should enjoy conditions equivalent to those employed full-time, including social security schemes, maternity protection, termination of employment, paid annual leave, public holidays, and sick leave.
- Pay for the cost of pre-departure, post-arrival and regular medical examinations that are required by law.
- Grant the same paid sick leave entitlements and occupational protection to migrant workers as local workers in case of illness, pregnancy or to care for dependents, without penalty or dismissal. No migrant worker should be dismissed because of temporary illness.
- Ensure migrant workers are provided with free access to emergency treatment covered with appropriate compensation in case of occupational accident or injury.
- Treat women migrant workers who become pregnant with dignity, and fairness and provide
 access to adequate reproductive health services. Provide full entitlement to 10 weeks maternity
 leave in compliance with local laws.
- If the work entails a significant risk to the health of the mother or her unborn child, take measures to eliminate the risk or to adapt the conditions of work. If this is not possible, transfer to lighter work at no reduction in pay or provide paid leave. No pregnant woman should be dismissed or forced to return to her country of origin unless required by applicable law.
- Provide referrals to psychosocial support and counselling programmes to promote mental health and well-being of migrant workers who may suffer from mental distress and anxiety because of separation from home, family and support networks.
- Assist migrant workers in maintaining close communication with their families
- Ensure that grievance mechanisms are available in migrant workers' languages, and publicise the availability of multiple grievance channels in induction training, orientation, and in public places. Remind workers of its availability at regular intervals.
- Ensure that access to relevant local protection services, including the police, legal aid, labour department is provided to migrant workers.
- Connect migrant workers with civil society, international organizations, labour unions, government and support networks to address their rights.

2.9. Freedom of Association and Collective Bargaining

- Inform migrant workers of their rights to join any associations and rights to collective bargaining. Encourage them to join trade unions, such as the Thai Migrant Workers Union and Filipino Migrant Workers' Union. Enable trade unions to engage with migrant workers during the recruitment (if possible), upon their arrival, and during employment (without the presence of management).
- Where possible, nominate representatives of large migrant worker groups, and seek feedback from them on a regular basis to understand the needs of migrant workers from different sending countries.
- Consult migrant workers, to understand if any barriers are restricting them from joining associations. Organise meaningful and collective dialogue with migrants to problem solve, allowing them to express their concerns.



The employer should organise a dialogue with workers to solve problem. © user18755897/Freepik

Employer Case Study: Marriot International

Conducting training for staff members on identification of human trafficking in partnership with local civil society organizations

Marriott International has mainstreamed training on identification of human trafficking in the hospitality sector across its locations. In collaboration with leading civil society organizations that specialise in combating human trafficking, Marriott has developed a human trafficking awareness training which is mandatory for all on-property staff in managed and franchised properties globally. The 6-day training programme is aimed at equipping staff with the skills to recognise and respond to indicators of trafficking in their hotels. The hotel then appoints employee associates to monitor signs of trafficking at their locations, and mitigate risks to prevent instances of exploitation and associated reputational damage. The training, which has been delivered to over 850,000 associates globally has helped to identify instances of human trafficking, protect employees and guests, and support victims and survivors. In applying the global training to the Hong Kong SAR, China context, Marriott plans to partner with local civil society organizations to deliver training and where necessary to adapt content to fit the context in Hong Kong SAR, China.



²² Marriott International, Marriott International Launches Enhanced Human Trafficking Awareness Training (28 July 2021).



Case Study: IOM and Sustainable Hospitality Alliance

Cooperation between organizations to enhance safe and orderly migration

IOM has partnered with hospitality sector stakeholders in signing a cooperation agreement with the Sustainable Hospitality Alliance to promote safe migration. The partners, recognising the vital contribution of migrant workers to the sector, which is only expected to rapidly grow, aim to address risks faced by migrant workers in the sector and enhance protection of workers. The partnership aims to combat the primary risks of unethical labour practice and forced labour exploitation perpetrated against migrant workers, occurring at a disproportionate rate in the hospitality sector when compared with other industries. The organizations have collaborated to develop trainings and resources for hospitality employers and stakeholders, including a Guidance Note on Establishing Ethical Recruitment Practice in the Hospitality Industry, which is designed to provide practical steps and advice for hotel brands and companies on recruiting international migrant workers ethically within business enterprise operations and supply chains. It is applicable to both multinational enterprises (MNEs) and small- to medium-sized enterprises (SMEs). It can also serve as a resource for other tourism-related industries as the principles of ethical recruitment are universal.





Employer Case Study: PizzaExpress

Integrating policies on vetting forced labour in supply chains

PizzaExpress internal policy includes a Modern Slavery Statement in compliance with EU and UK legislation including the Modern Slavery Act 2015. The policy is a commitment to trading ethically and ensuring that supply chains are free from slavery and trafficking. Principles committed to include ensuring employment is freely chosen, freedom of association respected, working conditions safe and hygienic, child labour is not used, fair wages are paid, working hours are not excessive, discrimination is not practiced, regular employment is provided, harsh or inhumane treatment is not permitted, accommodation conditions are acceptable, rights of migrant workers are respected and business is conducted to a high ethical standard. The company audits suppliers for their commitment to Modern Slavery legislation via a Supplier Management System, and ceases trade with non-compliant partners. The system may help to identify and assess risks of trafficking in supply chains, mitigate risks and monitor potential risk areas. Training is delivered to employees upon joining the business and is refreshed annually. Key performance indicators are also used to measure how effective the system is in ensuring that modern slavery does not occur.²³ The company has found policies most effective when indicators are localised to the Hong Kong SAR, China context, and staff provided with specific and tangible examples of risks. Further, adherence to policies has been most effective when staff take ownership over compliance, including record-keeping of indicators and incidents, conducting training refreshers and reminding employees why policies are important.24



²³PizzaExpress, PizzaExpress Group Modern Slavery Statement 2022.

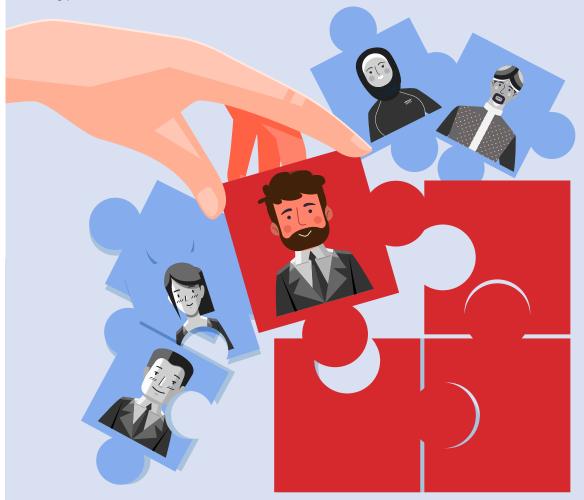
²⁴Interview with PizzaExpress representative (19 October 2022).



Case Study: YMCA

Strengthening the pipeline of employees by hiring diverse migrant populations

In the last quarter of 2022, when the COVID-19 pandemic subsided and traveling resumed, it was anticipated that the hospitality industry would bottom out, thus hiring for frontline operative staff had become imminent amidst a severe shortage of labour supply. Partnered with Christian Action's Refugee Centre, a total of four job offers were made to the Centre's refugees clients, who had expressed keen interest in joining the YMCA of Hong Kong SAR, China after meeting with their Human Resources personnel. The job applications were handled by two law firms which facilitated the necessary legal procedures on a pro-bono basis, including YMCA's successful application as legal employer for refugees. All job applicants were evaluated by the Centre's volunteer medical doctors and psychologists to ensure they are fit for work. Three of the four staff will be successfully completing the three-month probation and will officially become full-time staff. The inclusive hiring not only helps to alleviate manpower pressure, but also aligns with the global YMCA's Vision 2030, of which Community Wellbeing, Meaningful Work, Just World and Sustainable Planet are the four leading pillars.







A Concise Guide to the Employment Ordinance, Labour Department



Establishing Ethical Recruitment Practices in the Hospitality Industry, The Sustainable Hospitality Alliance



How Hospitality Harbours Modern Slavery, The Mekong Club



Anti-Slavery Scorecard, The Mekong Club

