



June 27, 2016

Dear Doris,

In light of your grievance, the AMRC board opened the door for an official dialogue with you on May 17 to hear your concerns. After meeting with you on May 17, the board met to discuss the complaints that you have raised about your termination in 2011. In our discussions, we felt that there were two main areas for us to examine: the first area focuses on the issues that you raised about your termination, and the second area deals with changes that can be made to the AMRC staff policy to hopefully alleviate or minimize the reoccurrence of a similar case in the future.

As you know, what created the context that led to your dismissal was the announcement by a core donor of AMRC in March 2011 that they would have to cut all of their funding to the organization within a short period of several months. The decision on dismissal was not made on grounds of work performance but was rather because of the unfortunate and sudden financial crisis in which the organization abruptly found itself.

As we stated in our earlier response to you on May 1, AMRC underwent an intensive and consultative, albeit painful, process that involved the staff, the board and the regional council to find a sustainable way to respond to the crisis without sacrificing the programs at the grassroots level. The staff members then made a collective decision on the course that the organization would take, mainly taking into careful consideration the continuity of the three-year plan and the support to national movements as well as the limited available resources.

When you met with the board on May 17, we felt that a major thrust of your complaint was that not all options were explored to avoid losing staff members in the process.

One option that was proposed was to move to another office that was smaller or that was located in another part of Hong Kong where the rents would be cheaper in order to reduce the organization's expenses. After investigating this possibility, it was found that it was difficult to find office space that was significantly less expensive than the current space. Moreover, the

cost of relocation, renovations and other related expenses would not offset the savings acquired through the rent reduction.

Other options that were explored included identifying a list of individuals who would make regular financial contributions to the organization and the creation of a funding platform that was initially called the Asia Labor Foundation. It was felt, however, that the staff at the time did not possess the fund-raising skills and the time required to pursue this area of work. Because of AMRC's financial constraints, hiring new staff to focus solely on fund-raising was also deemed to be not feasible.

Several proposals that were implemented at that time include asking AMRC's partners to financially cover local expenses when AMRC holds a program in their area and charging others for AMRC's services. These efforts saved and generated some funds, but it was not sufficient to alleviate the financial shortfall that AMRC was experiencing.

In short, the board feels that other options were explored at that time; but for the reasons highlighted above, they were not seen as viable to significantly resolve the financial crisis.

Another issue you raised when you met the board on May 17 was your desire to receive a long service payment; for when you were terminated in 2011, the long service payment you received was from the funds that AMRC contributed to your mandatory provident fund, or MPF, during the time of your employment. We would like to reiterate that, in principle, AMRC agrees with the demands of the Hong Kong labor organizations that the long service payment should not be offset from the MPF. However, as we noted in the first letter, AMRC had no capacity to pay you at that time because of the difficult financial crisis that we were facing. We would like to add that, instead of the legally required 5 percent contribution from the employer to the MPF, AMRC has been contributing an additional 2.5 percent to ensure that funds will be available for the staff's long service payment.

As you know, AMRC still largely relies on funds from its donors to financially support the organization. All of these funds are earmarked for specific purposes for the organization's programs, salaries, office rent, etc. Thus, there are presently not any extra funds for long service payments for you or anyone else. The board did discuss this point further though, and I will explain this discussion in more detail below.

As I mentioned at the beginning of this letter, the other major area discussed by the board was how to improve AMRC's staff policies based on your experience. We have thus decided to make a number of changes.

First, in the section of the staff policy related to grievances, we have strengthened the language regarding discrimination, including discrimination based on sexual orientation (the types of discrimination already listed in the staff policy relate to gender, race and disability).

Secondly, we have added a paragraph under the termination of staff in which each staff member who resigns or is dismissed will have the opportunity to have an exit interview with a board member of their choice. If there are issues, like those you have raised, this procedure will allow the staff member to directly share them with a board member when their relationship with the organization ends, which can then lead to further discussion by the full board.

Thirdly, as noted above, the board is unhappy that the organization is still in a position where it must use its contribution to an employee's MPF account to pay their long service payment when they leave the organization. The board discussed a number of proposals to alleviate this practice, but, for a variety of reasons, they were all deemed unviable. The board, however, will continue to explore this question and hopefully will devise a system that responds to the board's desire to give a departing employee both their long service payment and their full MPF funds.

In closing, the board is very sorry that circumstances back in 2011 did not allow us room for alternative decisions. We understand that this episode has created so much emotional and psychological pain for you over such a long period of time, and we hence have attempted to offer a platform during the May 17 meeting for your voice to be heard and for you to raise these important issues. While from your point of view we may not have adequately responded to all of the issues that you have raised, they have pressed the board to revisit the organization's staff policies and to amend them in a way that hopefully will provide a stronger grievance process and overall a better working environment for the staff.

Sincerely,



Bruce Van Voorhis

AMRC Board Chairperson