

Chapter 3

Labour Relations



The Programme of Labour Relations

www.labour.gov.hk/eng/labour/content.htm

3.1 In Hong Kong, employer and employee relations are largely premised on the terms and conditions of employment agreed and entered into between the two parties. Employers and employees are free to form trade unions and participate in union activities. The objective of the Labour Relations Programme is to maintain and promote harmonious labour relations in establishments outside the government sector. We achieve this by:

- giving advice on matters relating to conditions of employment, requirements of relevant labour legislation, and good people management practices;
- providing voluntary conciliation service to help employers and employees resolve their employment claims and disputes;
- promoting understanding of labour laws and encouraging good people management practices;
- adjudicating minor employment claims speedily through the Minor Employment Claims Adjudication Board (MECAB); and
- registering and regulating trade unions to bring about sound and responsible trade union administration.

3.2 The principal legislation administered by this programme area includes the Employment Ordinance (EO), the Minimum Wage Ordinance (MWO), the Labour Relations Ordinance (LRO), the Minor Employment Claims Adjudication Board Ordinance (MECABO) and the Trade Unions Ordinance (TUO).

3.3 The EO provides a comprehensive set of employment standards and is the main piece of legislation governing conditions of employment in establishments outside the government sector. The MWO establishes a statutory minimum wage regime. The procedures for settling labour disputes in establishments outside the government sector are provided for in the LRO. The MECABO establishes the machinery known as the MECAB to adjudicate minor employment claims when settlement cannot be achieved by conciliation. For the regulation of trade unions, the TUO provides a statutory framework for trade union registration and administration.



Our Work and Achievements in 2012

Key indicators of Work

3.4 Some key indicators of work of the Labour Relations Programme Area are contained in [Figure 3.1](#).

Conciliation and Consultation Services

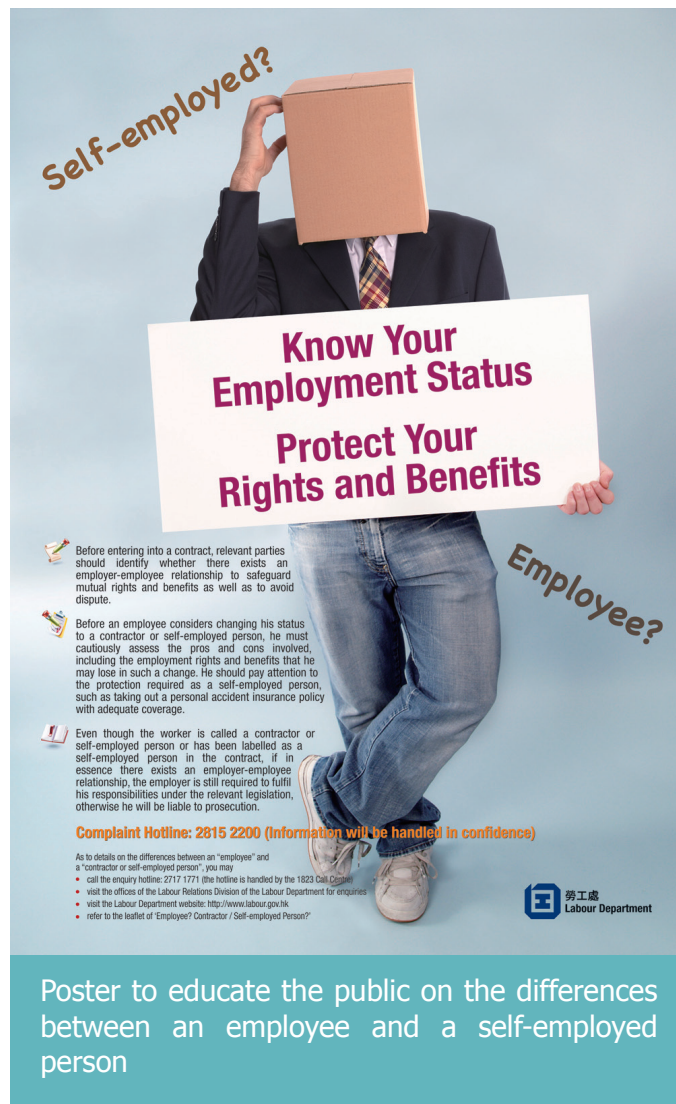
3.5 Our consultation and conciliation services have contributed to the maintenance of industrial peace. In 2012, the labour relations scene was generally stable. We held 68 594 consultations meetings, handled 18 920 claims and 79 labour disputes in the year. The number of labour disputes and claims handled in 2012 slightly increased by 4.6 per cent compared with the figure of 18 172 cases in 2011. In 2012, we attained a settlement rate of 73.2 per cent. One strike was recorded in the year. The number of working days lost per thousand salaried employees and wage earners was 0.12, among the lowest in the world. ([Figures 3.2 - 3.7](#))

Strengthening Tripartite Co-operation

3.6 To promote tripartite collaboration at the industry level with a view to fostering harmonious labour relations, nine industry-based tripartite committees have been set up in the catering, construction, theatre, logistics, property management, printing, hotel and tourism, cement and concrete as well as retail industries. The tripartite committees provide effective forums for representatives of employers, employees and the Government to discuss issues of common concern in the industries. Matters such as statutory minimum wage, latest legislative amendments to the EO, paternity leave and other employment related issues were deliberated in the year. Industry-based publications were also produced to promote good people management and effective labour management communication.

Promotion of Good Employer-Employee Relations

3.7 To promote better public understanding of the EO and good people management, we organised various promotional activities such as seminars, talks and exhibitions for employers, employees, human resources professionals and the public. Free publications covering different themes were produced and relevant information was disseminated through the department’s website and the media. To strengthen public understanding on the differences in the rights and benefits between an employee and a self-employed person, we embarked on activities such as television and radio Announcements in the Public Interest, advertisements in public transport, posters and leaflets to alert the public of the trap of false self-employment. We have published a thematic leaflet on paternity leave, newspaper advertisements and feature articles on family-friendly employment practices in the year to encourage more employers to provide their employees with a family-friendly working environment.





Publications and promotional material on family-friendly employment practices

3.8 We organised a number of experience-sharing sessions and briefings for human resources practitioners through our network of 18 Human Resources Managers Clubs. In the year, six exhibitions on the EO and good people management measures were also organised over the territory attracting some 16 500 visitors.

Adjudication of Minor Employment Claims

3.9 The MECAB provides a speedy, informal and inexpensive adjudication service to members of the public. It is empowered to determine employment claims involving not more than 10 claimants for a sum not exceeding \$8,000 per claimant.

3.10 In 2012, the board recorded 1 556 claims amounting to \$6,722,592 and concluded 1 561 claims with a total award of \$3,075,806.

Regulation of Trade Unions

3.11 The Registry of Trade Unions is responsible for the promotion of sound and responsible trade union administration, and is entrusted with the statutory duty to register trade unions, process and register their rules, examine their annual audited statements of account, and conduct inspection visits to trade unions to ensure that they comply with the TUO.

3.12 In 2012, 15 new trade unions were registered, making up a cumulative total of eight registered trade union federations and 849 registered trade unions (comprising 800 employee unions, 18 employers' associations and 31 mixed organisations of employees and employers). Please refer to the following webpage for the key trade union statistics: www.labour.gov.hk/eng/labour/content3.htm

3.13 In the year, the Registry of Trade Unions examined 620 statements of account and conducted 377 inspection visits to trade unions to ensure that their administration and financial management were in compliance with the TUO. To facilitate trade union officers in acquiring knowledge of union law and management, the Registry organised four courses on trade union bookkeeping, auditing and provisions of the TUO.