

Chapter 1

Highlights of Year 2013

- 1.1** In 2013, Hong Kong's overall labour demand remained sturdy, with total employment rising by 1.8 per cent following the respectable increases of 2.9 per cent and 2.4 per cent in 2011 and 2012 respectively. The annual average unemployment rate remained at a low level of 3.4 per cent in 2013, broadly on par with the 3.3% in 2012, signifying another year of full employment. We will continue to closely monitor the employment market situation and enhance our employment services on all fronts, especially in netting suitable vacancies from the market and rendering assistance to job seekers.

Employment Services

Enhanced Employment Services

- 1.2** To help job seekers enter the labour market and respond speedily to the recruitment needs of employers, the Labour Department (LD) organises employment promotion activities at various locations across the territory. A total of 14 large-scale job fairs and 492 district-based job fairs were organised in the year.



Large-scale job fairs organised by the Labour Department well-received by job seekers

- 1.3** LD adopts a proactive approach in providing employment assistance. For example, in major business closure or redundancy cases, we set up enquiry hotlines and special counters at our job centres to provide special employment services to affected employees. In 2013, the free recruitment service provided for employers by LD recorded 1 218 885 vacancies from the private and public sectors; and 156 727 placements were secured.
- 1.4** To enhance the employability of and employment opportunities for the young people, middle-aged persons and persons with disabilities, LD increased the allowance payable to employers under the Youth Employment and Training Programme (YETP) (formerly known as the Youth Pre-employment Training Programme and Youth Work Experience and Training Scheme), the Employment Programme for the Middle-aged, and the Work Orientation and Placement Scheme with effect from June 2013 so as to encourage employers to offer them more openings and provide them with on-the-job training. Moreover, LD increased the attachment allowance and training allowance payable to YETP trainees with effect from June and September 2013 respectively so as to encourage young persons to participate in workplace attachment training and pre-employment training under YETP.

Strengthening Employment and Training Support for the Youth

- 1.5** LD spared no efforts in enhancing the employability of young people through the provision of comprehensive youth employment and training support services. Apart from administering YETP and operating two youth employment resource centres, we continued in 2013 the implementation of the third phase of "Action S5", a special employment project which rendered assistance to vulnerable young people aged 15 to 24 with acute employment difficulties.

Broadening Horizons of our Youths

- 1.6** LD continued to explore with potential economies to establish new Working Holiday Schemes (WHS) while at the same time sought to expand our existing bilateral arrangements. We signed an agreement with France in May 2013 for commencing WHS in July. In December, we also reached an agreement with the United Kingdom to have a scheme in place starting from January 2014. Furthermore, we also agreed with Korea in 2013 to increase the quota for Hong Kong youths from 200 to 500 per year starting from 2014.

Enhanced Work Incentive Transport Subsidy (WITS) Scheme

- 1.7** The enhancement measures of the WITS Scheme have taken effect since 2013 to allow applicants to choose to apply on an individual or household basis. The income and asset limits for the subsidy also went up under the annual adjustment mechanism. As at the end of 2013, LD granted subsidy payment to 63 974 applicants.

Labour Relations

Promoting Harmonious Labour Relations

- 1.8** In 2013, LD continued to foster harmonious labour relations by proactively and pragmatically helping employers and employees resolve their conflicts through dialogue, mutual understanding and flexible adjustments. In the year, we handled a total of 70 labour disputes and 17 515 claims. Over 70% of cases with conciliation service rendered were settled. The average waiting time for conciliation meetings was 2.5 weeks in the year. Besides, the number of working days lost in Hong Kong as a result of strike remained among the lowest in the world.

Stepping Up Enforcement Against Wage Offences

- 1.9** In 2013, LD sustained its all-out efforts to combat wage offences, including breaches of the Statutory Minimum Wage provisions. Territory-wide inspection campaigns targeted at offence-prone trades were launched. Apart from proactive inspections to check compliance, we widely publicised our complaint hotline (2815 2200) and collected intelligence on non-payment of wages in various industries through an early warning system in collaboration with trade unions. LD conducted prompt investigation into suspected wage offences and employed veteran ex-police officers to strengthen the investigative work and collection of intelligence so as to facilitate speedy prosecution.
- 1.10** We continued to step up the prosecution against employers and responsible persons of companies for wage offences. We also strengthened our educational and promotional efforts to remind employers of their statutory obligation to pay wages on time and to encourage employees to lodge claims promptly and come forward as prosecution witnesses.

1.11 Following the implementation of the Employment (Amendment) Ordinance 2010 from October 29, 2010, employers who wilfully and without reasonable excuse defaulted awards for wages or some other entitlements made by the Labour Tribunal or Minor Employment Claims Adjudication Board are liable to criminal prosecution. This has further strengthened the deterrent against law-defying employers.

Enhancing Good People Management Practices and Harmonious Labour Relations

1.12 LD organised various promotional activities including exhibitions, seminars and talks to promote “employee-oriented” good people management measures. A large-scale seminar was staged in September to encourage employers to strengthen communication with employees and to implement family-friendly employment practices with a view to fostering harmonious labour relations. We also made use of various channels to appeal to employers and employees to make prior work arrangements for typhoons and rainstorms, and to encourage the wider use of written employment contract as well as the adoption of fair and reasonable employment terms.



Employees' Rights and Benefits

Statutory Minimum Wage (SMW)

- 1.13** The SMW rate was adjusted upwards by 7.1 per cent to \$30 on May 1, 2013. The overall employment market remained stable and the earnings of grassroots employees continued to improve. LD organised various publicity activities to promote the revised SMW rate and the SMW legislation. A multi-pronged strategy was adopted to safeguard employees' entitlement to SMW through conducting proactive workplace inspections to establishments of various trades and mounting targeted enforcement campaigns in low-paying sectors.
- 1.14** The Minimum Wage Commission (MWC) is an independent statutory body established under the Minimum Wage Ordinance with the main function of reporting to the Chief Executive in Council its recommendation about the SMW rate at least once in every two years. The Chief Executive has appointed its Chairperson and 12 Members drawn from the labour sector, business community, academia and Government. The new two-year term of MWC started on March 1, 2013. LD and the Economic Analysis and Business Facilitation Unit of the Financial Secretary's Office are responsible for providing secretariat support to MWC.

Safeguarding the Rights of Employees of Government Service Contractors

- 1.15** To protect the statutory rights and benefits of non-skilled workers employed by government service contractors, we conduct inspections to their workplaces to check employers' compliance with legal and contractual requirements. With the concerted efforts of LD and procuring departments in stepping up monitoring and enforcement, the situation of contractors abiding by the labour laws had greatly improved.

Protection of Wages on Insolvency Fund (PWIF)

- 1.16** PWIF provides assistance in the form of ex gratia payment to eligible employees affected by insolvency of their employer. LD continued its efforts in clamping down at source on employers evading their wage liabilities, thus preventing wage defaults from developing into claims on the Fund.

Vigorous Enforcement against Illegal Employment

- 1.17** LD collaborated with the Police and the Immigration Department to clamp down on illegal employment activities. A total of 210 joint operations were mounted in the year.

Standard Working Hours Committee (SWHC)

- 1.18** In April 2013, the Government set up SWHC, comprising members drawn from the labour and business sectors, academia, community and Government. SWHC, appointed for a term of three years, is tasked to follow up on the Government's completed policy study on standard working hours, promote informed and in-depth discussions of the community on the subject of working hours, and assist the Government to identify the way forward.
- 1.19** In accordance with its terms of reference and workplan, SWHC has been taking forward its work in four major areas, namely: (i) enhancing public understanding; (ii) collection of relevant information, including working hours statistics and further research into the working hours regimes of other places; (iii) adoption of an evidence-based approach for discussion on the basis of a range of relevant factors; and (iv) launching public engagement and building community consensus on different options. Two working groups were formed to take charge of wide public consultation and comprehensive working hours surveys. These two working groups strive to submit their reports to SWHC by the end of 2014 for deliberation and formulation of its ensuing work.

Safety and Health at Work

Safety of Major Works Projects (MWPs)

- 1.20** In the light of the commencement of MWPs, LD established a dedicated team to urge contractors to implement safety management systems on construction sites for the prevention of accidents through stepping up inspection and enforcement, publicity and promotion, as well as participating in the project preparatory meetings and site safety management meetings. LD also strengthened the coordination with the Development Bureau, relevant works departments and other public works project clients to enhance MWP site safety measures, with a view to ensuring more effective control of risks by contractors.

Safety of Repair, Maintenance, Alteration and Addition (RMAA) Works

- 1.21** There has been a rising trend in industrial accidents related to RMAA works in recent years and the volume of such works are expected to grow further with the ageing of our buildings and the implementation of mandatory requirements for inspection of buildings and windows by the Government.
- 1.22** To enhance the safety condition of RMAA works, LD continued to intensify enforcement actions by stepping up area patrols and inspections of RMAA works during office and non-office hours to deter contractors from adopting unsafe work practices. Territory-wide special enforcement operations on RMAA works with emphasis on work-at-height and electrical work were also launched. During the special operations, 642 suspension/improvement notices were issued and 353 prosecutions were taken out.
- 1.23** On the educational and promotional front, we organised in 2013 a series of intensive promotion and publicity campaigns, targeting RMAA works, work-at-height and electrical work to arouse the safety awareness of all parties involved. These included continuing the two-year publicity campaign launched in 2012 in collaboration with the Occupational Safety and Health Council (OSHC) with new initiatives seeking to reach contractors and workers engaged in RMAA works more directly and impress upon them the importance of work safety. We also partnered with District Councils/District Offices, Safe and Healthy Communities in various districts and the property management sector to organise publicity and promotional activities to promulgate work safety at the district level.
- 1.24** We organised in collaboration with OSHC a Work-at-Height Safety Forum in April 2013 to engage industry stakeholders in exploring means to further enhance the construction safety standard. The Forum attracted over 550 participants. Besides, LD and OSHC jointly launched a mobile working platform sponsorship scheme for small and medium-sized enterprises (SMEs) to enhance the OSH standard of the industry. As at end of 2013, over 1 000 applications were received with 820 approved, benefiting over 9 700 workers.



- 1.25** LD and OSHC continued the scheme on RMAA safety accreditation in 2013. It enhanced the OSH standard of the industry through the auditing of safety management system, training and subsidising purchase of fall arresting equipment and related facilities.

Safety Award Schemes

- 1.26** Two safety award schemes were organised for the catering and construction industries in the year to inculcate a safety culture and to enhance the safety awareness of employers, employees and their families. The schemes featured a variety of activities which included organising safety performance competitions, roving exhibitions, safety quizzes and award presentation ceremonies cum fun days; conducting site visits; producing radio programmes and DVD-ROMs; as well as broadcasting Announcements in the Public Interest and promotional films on television/radio and buses.

Review of the System of Recognition and Monitoring of Mandatory Safety Training Courses

- 1.27** LD continued the improvement measures to enhance the system of recognition and monitoring of mandatory safety training courses. With the completion of the revision of course contents for the Mandatory Basic Safety Training Revalidation Course (Construction Work) in 2012, we were conducting similar revision of the course contents for the Mandatory Basic Safety Training Full Course (Construction Work) by enriching its content with case analysis of serious construction accidents together with interactive teaching of course tutors. The revision was rolled out in mid-2014.

Prevention of Heat Stroke at Work

- 1.28** To ensure adequate protection of workers from heat stroke at work in summer, we stepped up enforcement and publicity from April to September. Apart from promoting the awareness of employers and employees of heat stroke prevention, we also distributed a guide on “Prevention of Heat Stroke at Work in a Hot Environment” and a general checklist on “Risk Assessment for the Prevention of Heat Stroke at Work”. In the year, we also collaborated with OSHC and relevant workers’ unions to promote prevention of heat stroke at work among professional drivers. Besides, we stepped up our inspections of workplaces with a higher risk of heat stroke. The inspections covered matters such as the provision of adequate drinking water by employers; the provision of sheltered work and rest areas; ventilation facilities; and the provision of appropriate information, instruction and training to workers.

Strengthening Local and International Partnerships

Labour Day Reception

- 1.29** On April 26, 2013, Secretary for Labour and Welfare, Mr Matthew Cheung Kin Chung, hosted a reception at the Hong Kong Convention and Exhibition Centre to pay tribute to the workforce. Acting Chief Executive, Mrs Carrie Lam, officiated at the reception, with guests from trade unions, employer associations and other organisations attending.



The Acting Chief Executive Mrs. Carrie Lam officiating at the Labour Day Reception

Contacts with Other Labour Administrations

- 1.30** We maintained active liaison and interflows with other labour administrations through visits and participation in various activities.
- 1.31** In June, a tripartite team comprising the Government, employer and employee representatives, led by the Deputy Commissioner for Labour (Labour Administration), Mr Byron Ng Kwok Keung, attended the 102nd Session of the International Labour Conference in Geneva, Switzerland as part of the delegation of the People's Republic of China.



Deputy Commissioner for Labour (Labour Administration), Mr Byron Ng Kwok Keung (5th from right), and members of the tripartite team attending the 102nd Session of the International Labour Conference in Geneva, Switzerland

1.32 In October, a delegation led by the Commissioner for Labour, Mr Cheuk Wing Hing, visited the Ministry of Human Resources and Social Security of the State Council and met with Minister Yin Weimin in Beijing under the Reciprocal Visit Programme. The delegation also met with senior representatives of the China Enterprise Confederation and the All-China Federation of Trade Unions to exchange views on various labour issues.



Commissioner for Labour, Mr Cheuk Wing Hing (1st from left), meeting Minister Yin Weimin, Ministry of Human Resources and Social Security (2nd from left)

1.33 In December, Mr Xie Shuxing, Deputy Director General of the Department of Human Resource and Social Security of Guangdong Province and Mr Wong Chi Hong, Director of the Labour Affairs Bureau of Macao, led their respective delegations to visit the Hong Kong Special Administrative Region to attend the "Guangdong-Hong Kong-Macao Exchange Meeting on Labour Inspection and Law Enforcement". The delegations exchanged views on labour inspection and law enforcement with the Commissioner for Labour, Mr Cheuk Wing Hing, and LD officers.