

Chapter 1

Highlights of Year 2014

- 1.1** The labour market remained stable in 2014. Both total employment and the labour force attained further growth, with the former reaching a new annual high of 3 749 200 in 2014. The annual unemployment rate edged down by 0.1 percentage point from 3.4 per cent in 2013 to 3.3 per cent in 2014, 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 19 large-scale job fairs and 959 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 2014, the free recruitment service provided for employers by LD recorded 1 222 323 vacancies from the private and public sectors; and 151 536 placements were secured.
- 1.4** To strengthen employment support to residents living in the remote districts, LD set up a new job centre in Tung Chung in October 2014. Job seekers on Lantau Island, including Mui Wo and Tai O, may seek employment support at Tung Chung Job Centre, thus reducing their time and travelling expenses incurred in obtaining employment services from other job centres.

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 by administering the Youth Employment and Training Programme (YETP) and operating two youth employment resource centres. In 2014, LD furthered its collaboration with employers and various organisations to launch pilot employment projects under YETP. We also conducted the fourth 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 suitable economies to establish new Working Holiday Scheme (WHS) arrangements while at the same time sought to expand our existing bilateral arrangements. WHS with the United Kingdom commenced operation in January 2014. Furthermore, we agreed with Germany in August to double the reciprocal annual quota under the Hong Kong/ Germany WHS from 150 to 300 with immediate effect.

Promoting Harmonious Labour Relations

- 1.7** To foster harmonious labour relations, LD continued to adopt a proactive and pragmatic approach in helping employers and employees resolve their conflicts through communication, mutual understanding and flexible adjustments. In 2014, we handled a total of 68 labour disputes and 15 764 claims. Over 70% of cases with conciliation service rendered were resolved. The average waiting time for conciliation meetings was 2.4 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

- 1.8** In 2014, 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.
- 1.9** 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.
- 1.10** Since 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 have become liable to criminal prosecution. This has further strengthened the deterrent against law-defying employers.

Enhancing Good People Management Practices and Harmonious Labour Relations

1.11 LD organised a wide range of promotional activities including exhibitions, seminars and talks to promote employer-employee communication and “employee-oriented” good people management measures. In 2014, a series of seminars on employer-employee communication and dialogue were staged for over 300 human resources managers and corporate executives to foster communication and constructive interaction between employers, employees and trade unions. Promotional activities were also organised in collaboration with industry-based tripartite committees to encourage wider adoption of family-friendly employment practices in different industries.



Seminar on employer-employee communication and dialogue

Employees' Rights and Benefits

Statutory Minimum Wage (SMW)

1.12 Since the introduction of SMW in May 2011, the overall employment market has remained stable and the earnings of grassroots employees have continued to improve. In 2014, LD organised various publicity activities to promote the SMW legislation. A multi-pronged strategy was also 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.

1.13 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. On October 31, 2014, after completing a new round of review of the SMW rate, MWC submitted its report to the Government and recommended by unanimous consensus that the SMW rate be raised from \$30 to \$32.5 per hour. The Government has subsequently adopted MWC's recommendation, and relevant subsidiary legislation has been approved by the Legislative Council for bringing the new SMW rate into force on May 1, 2015.

Safeguarding the Rights of Employees of Government Service Contractors

1.14 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 improved.

Protection of Wages on Insolvency Fund (PWIF)

1.15 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

1.16 LD collaborated with the Police and the Immigration Department to clamp down on illegal employment activities. A total of 178 joint operations were mounted in the year.

Standard Working Hours Committee (SWHC)

- 1.17** 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.
- 1.18** SWHC has since its establishment worked at full steam to undertake an enormous amount of work, including completion of wide public consultation and the first ever territory-wide comprehensive working hours survey in 2014. With reference to the findings in these two exercises, SWHC is now exploring further the issue of working hours policy with a view to building consensus and identifying working hours policy options suitable for Hong Kong.

Stepping up Enforcement Against Offences under the Employees' Compensation Ordinance

- 1.19** To expedite investigation and prosecution against offences under the Employees' Compensation Ordinance (ECO), a new investigation team was set up in May 2014 to conduct speedy and in-depth investigation of suspected contravention of ECO by employers.

Safety and Health at Work

Safety of Major Works Projects (MWPs)

- 1.20** In the light of the commencement of MWPs, LD established dedicated teams 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 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. LD also launched enforcement operations with the Marine Department on sea-based construction works to deter work practices contravening safety requirements.

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 step up inspection and enforcement efforts to deter contractors from adopting unsafe work practices. Territory-wide special enforcement operations on RMAA works with emphasis on work-at-height, truss-out scaffolding works, lifting operations, electrical work, etc. were also launched. During the special operations, 443 suspension/improvement notices were issued and 266 prosecutions were taken out.
- 1.23** On the educational and promotional front, we organised in 2014 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 launching a two-year publicity campaign in 2014 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. We produced a new Radio Announcement in the Public Interest (API) and a TV API on unsafe use of ladder for broadcast in 2014.
- 1.24** We organised in collaboration with OSHC a RMAA Safety Conference in February 2014 and a series of thematic safety seminars including mobile crane operation, tunnelling works, working-at-height and electrical work to engage industry stakeholders in exploring means to further enhance the construction safety standard. 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 in 2013. As at end of 2014, over 1 700 applications were received with 1 582 approved, benefiting over 17 000 workers.



RMAA Safety Conference

- 1.25** LD and OSHC continued the scheme on RMAA safety accreditation in 2014. 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 APIs 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) by enriching its content with case analysis of serious construction accidents and requiring course tutors to adopt interactive teaching in 2012, similar revision of the course contents for the Mandatory Basic Safety Training Full Course (Construction Work) 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 28, 2014, Secretary for Labour and Welfare, Matthew Cheung Kin Chung, hosted a reception at the Hong Kong Convention and Exhibition Centre to pay tribute to the workforce. Acting Chief Executive, Carrie Lam, officiated at the reception, with guests from trade unions, employer associations and other organisations attending.



The Acting Chief Executive Carrie Lam (2nd from left) 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), Byron Ng Kwok Keung, attended the 103rd 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), Byron Ng Kwok Keung (6th from left), and members of the tripartite team attending the 103rd Session of the International Labour Conference in Geneva, Switzerland

- 1.32** In September, the Commissioner for Labour, Donald Tong Chi Keung, led a delegation to attend the 7th China International Forum on Work Safety in Beijing and delivered a talk on enhancing occupational safety and health through collaboration with the industry in Hong Kong.
- 1.33** In November, Mr Yoshiteru Uramoto, Regional Director of the International Labour Organisation (ILO) Regional Office for Asia and the Pacific, and Mr Tim De Meyer, Director of the ILO Country Office for China and Mongolia, were invited by the Government to visit Hong Kong. They met with Secretary for Labour and Welfare, Matthew Cheung Kin Chung, and other senior officials from the Labour and Welfare Bureau and LD, and shared with the Labour Advisory Board the latest development of international labour affairs.

- 1.34** In the same month, Mr Zhou Libin, Consultant of the Labour Inspection Bureau, Department of Human Resource and Social Security of Guangdong Province and Ms Ng Wai Han Dora, Head of the Labour Rights Division, Labour Affairs Bureau of Macao, led their respective delegations to visit Hong Kong to attend the “Guangdong-Hong Kong-Macao Training Programme on Labour Inspection and Enforcement”.
- 1.35** In December, Mr Lv Yulin, Deputy Director-General, Department of International Cooperation, Ministry of Human Resources and Social Security of the State Council, led a delegation to visit Hong Kong under the Reciprocal Visit Programme. The delegation exchanged views on labour issues with the Commissioner for Labour, Donald Tong Chi Keung, and LD officers.