

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 trade unions and their rules, organising courses and conducting inspections and visits to 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 EO sets the basic standard on the conditions of employment that establishments outside the government sector have to meet. MWO establishes a Statutory Minimum Wage regime. The procedures for settling labour disputes in establishments outside the government sector are provided for in LRO. MECABO establishes the machinery known as MECAB to adjudicate minor employment claims when settlement cannot be achieved by conciliation. For the regulation of trade unions, TUO provides a statutory framework for trade union registration and administration.

Our Work and Achievements in 2014

Key indicators of Work

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

Amendments to the Employment Ordinance

- 3.5** In 2014, we introduced an amendment bill into the Legislative Council to make three days' paid paternity leave a statutory benefit for working fathers under EO. The amendment bill was passed by the Legislative Council in December and came into operation in February 2015.

Conciliation and Consultation Services

- 3.6** Our consultation and conciliation services are conducive to the sound record of industrial relations in Hong Kong. In 2014, the labour relations scene remained generally stable. We held 64 083 consultation meetings, handled 15 764 claims and 68 labour disputes in the year. The number of labour disputes and claims that need to be handled in 2014 dropped by 10 per cent compared with the figure of 17 585 cases in 2013. Over 70% of cases with conciliation service rendered were settled in the year. In 2014, the Labour Department (LD) handled three strikes. The average number of working days lost due to strike per thousand salaried employees and wage earners was 0.04, which is among the lowest in the world. ([Figures 3.2 - 3.7](#))

Strengthening Tripartite Co-operation

- 3.7** To promote tripartite dialogue and 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. These tripartite committees provide effective forums for representatives of employers, employees and the government to discuss issues of common concern in the industries. Employment related matters such as family-friendly employment practices, strategies for attracting and retaining talent as well as latest development of Mandatory Provident Fund Schemes were deliberated in the year. We also arranged a company visit cum sharing session for representatives of employers' associations, employers and trade unions of various industries to enhance communication and understanding among the parties concerned.



Members of tripartite committees visited Cathay Pacific City

Promotion of Good Employer-Employee Relations

3.8 To enhance public understanding of EO and to promote good people management measures, we organised various promotional activities and published free publications covering different themes for employers, employees, human resources professionals and the public. Relevant information was also disseminated through LD's homepage and the media. In the year, six roving exhibitions on EO, good people management and family-friendly employment practices with new exhibition panels were organised over the territory. Furthermore, we widely publicised messages on good people management as well as statutory employees' rights and protection through extensive network of employers' associations and trade unions.



New panels displayed in roving exhibitions on the Employment Ordinance, good people management and family-friendly employment practices

3.9 We organised a number of experience-sharing sessions and briefings and published newsletters regularly for members of 18 human resources managers' clubs established in different trades to promote good people management measures. We also introduced a thematic leaflet on flexitime, published newspaper articles, and placed advertisements in public transport network and periodic journals of major employers' associations to encourage adoption of "employee-oriented" employment practices and cultivate a family-friendly working environment.



Publicity materials promoting the Employment Ordinance, good people management and family-friendly employment practices

Adjudication of Minor Employment Claims

3.10 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.

3.11 In 2014, MECAB recorded 1 162 claims amounting to \$4,968,744 and concluded 1 160 claims with a total award of \$2,505,492.

Administration of Trade Unions

- 3.12** The Registry of Trade Unions (RTU) is responsible for administering TUO and Trade Union Registration Regulations. Its major areas of work include registering trade unions and their rules, examining trade unions' annual statements of account and any other returns required by the law to be furnished to RTU, organising courses on trade union legislation and fundamental trade union account management for trade unions and conducting inspections and visits to trade unions to facilitate trade unions to manage union affairs in accordance with the law and their respective rules.
- 3.13** In 2014, 15 new trade unions and one trade union federation were registered, making up a cumulative total of 869 registered trade unions (comprising 819 employee unions, 17 employers' associations and 33 mixed organisations of employees and employers) and nine registered trade union federations. Please refer to the following webpage for the key trade union statistics:
www.labour.gov.hk/eng/labour/content3.htm.
- 3.14** In the year, RTU examined 713 annual statements of account and conducted 376 inspections and visits to trade unions with a view to promoting sound and responsible trade union administration. To facilitate trade union officers in acquiring knowledge of union legislation and management, RTU organised four courses on trade union bookkeeping, auditing and trade union management and legislation.