

Report of the Standard Working Hours Committee



January 2017

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Chairperson's Foreword

I have always shared with young people my belief that “setting goals and keeping abreast with the times” is the key to progress in life. With this belief in mind, I have planned and taken forward the work of the Standard Working Hours Committee (SWHC) since assuming its chairpersonship. SWHC has unanimously held the view that there is a need for Hong Kong to formulate an appropriate working hours policy. We have therefore worked in this direction with a view to taking forward working hours policy for the common good of the society.

Over the years, employers and employees have expressed divergent views on working hours issues. Yet, labour relations have never been a “zero-sum game”. Through mutual understanding, compromise, cooperation and rational discussions, social and economic development has been sustained in tandem with continuous improvements to employees' benefits. Notwithstanding the divergent views, we should strive to put aside differences, seek common ground and forge a consensus in the spirit of labour-management cooperation.

In view of the complex and contentious nature of working hours issues, SWHC has agreed that every effort should be made to extensively gather the views of the community, collect relevant statistics and make reference to various data in order to facilitate objective and comprehensive discussions. Thanks to the concerted efforts of members, SWHC has accomplished many tasks during its term of office, including, among others, conducting two rounds of extensive public consultation and Hong Kong's first large-scale working hours survey, examining the social and economic factors relevant to working hours policy, and conducting impact assessments on the working hours policy directions under exploration by SWHC.

SWHC recognised the community's concern over the problem of long working hours and uncompensated overtime work faced by employees. In particular, some lower-income employees need to work overtime but they are either compensated at a rate lower than their existing wage rate or do not receive any compensation at all. SWHC shared that lower-income employees' entitlement to overtime compensation is a fundamental right, and thus it agreed that suitable measures should be adopted to further protect these employees. After prudent deliberation and carefully balancing various factors based on the data and views collected, SWHC considered that working hours policy should focus on affording protection to lower-income employees and thus recommended the adoption of a legislative approach to mandate employers to enter into written employment contracts with lower-income employees which shall include the specified working hours terms, and that these employees shall receive overtime compensation at a rate no less than the rate of the agreed wages¹ or equivalent time-off in lieu. SWHC considered that these two recommendations could help alleviate the problem of long working hours and uncompensated overtime work, thereby promoting harmonious employer-employee relations without undue impact on the overall business environment. I hope that the above recommendations would make the first and foremost step in taking forward working hours policy, and facilitate the discussion of suitable working hours regulatory measures by the community in future.

Having been involved in community and public service for more than three decades, I reckon that the mission this time has turned out to be a very challenging one. I would like to express my heartfelt gratitude to various sectors of the community for their guidance and support, which has made it possible for SWHC to accomplish its tasks. In particular, I would like to thank members of SWHC for their active participation and valuable inputs. They have upheld the spirit of forging common grounds

¹ It refers to the wage rate calculated based on the agreed wages. For the definition of agreed wages, please see paragraph 6.6 for details.

while allowing differences in exploring the feasible working hours policy directions in a professional and pragmatic manner.

Since the end of 2015, the employee members of the Labour Advisory Board (LAB) in SWHC considered that SWHC could not give a commitment on legislating for standard working hours and thus decided not to continue to participate in SWHC's work. They also appealed to the labour sector not to take part in SWHC's Second-stage Consultation. The employee members of the LAB term commencing in January 2017 also refused to accept their appointment as SWHC members. These developments are a great pity. This notwithstanding, SWHC had the opportunity to subsequently peruse the "Consultation Report on Legislating for Standard Working Hours" submitted by the aforementioned members and the labour-sector Legislative Council members to the Chief Executive direct, which helped us gain a better understanding of the labour sector's views.

I would like to take this opportunity to commend the staff of the Labour Department, the Economic Analysis and Business Facilitation Unit and the Census and Statistics Department for their timely and quality support, as well as their assistance in collecting and analysing voluminous data throughout SWHC's term of office. I also wish to express my gratitude to the Hong Kong Police Force and the concerned security companies for assisting SWHC to smoothly organise various activities.

During the term, it is most saddening to see the passing of two close members, Mr Chung Kwok-sing, the employee member of LAB and Mr Stanley Lau Chin-ho, the employer member of LAB. Although Mr Chung's involvement in SWHC's work was relatively short, he showed great enthusiasm and was proactive in offering his views on SWHC's work plan. Mr Lau, as the Convenor of the Working Group on Working Hours Study under SWHC, had fervently reflected the views of stakeholders. He was extremely passionate about the work of SWHC

and had attended nearly 50 consultation sessions of SWHC. They will always be remembered for their contributions made to SWHC in charting a path for the development of working hours policy.

The submission of this report by SWHC marks the beginning of a new phase of working hours policy. I earnestly hope that the report can provide a sound basis to take forward working hours policy that suits Hong Kong as well as the detailed specific arrangements.



Dr Hon Leong Che-hung, GBM, GBS, JP
Chairperson of SWHC

Executive Summary

Chapter 1: Standard Working Hours Committee's Organisation Structure and Work Focus

- ES.1 The Standard Working Hours Committee (SWHC) was set up by the Chief Executive in April 2013 with the following terms of reference:
- (a) to follow up on the Government's policy study on standard working hours (SWH) and conduct further in-depth studies, as necessary, on the key issues identified therein;
 - (b) to promote understanding of SWH and related issues including, among others, employees' overtime work conditions and arrangements; to engage the public in informed discussion on the relevant issues; and to gauge the views of stakeholding groups; and
 - (c) to report to the Chief Executive and advise on the working hours situation in Hong Kong, including whether a statutory SWH regime or any other alternatives should be considered.
- ES.2 Since its formation, SWHC had taken forward its work in four strategic areas, namely (a) enhancing public understanding; (b) collecting working hours statistics and relevant information on working hours regimes; (c) promoting public engagement; and (d) identifying a range of factors relevant to working hours policy, with a view to promoting objective and evidence-based discussions, gathering different views of the community and jointly exploring working hours policy directions suitable for Hong Kong.
- ES.3 Underpinned by its two working groups and Task Force, SWHC completed many tasks, including conducting an in-depth working

hours survey and two rounds of extensive public consultation, and examining a range of social and economic factors relevant to working hours policy.

Chapter 2: Existing Regime(s) for Regulating Working Hours and Issues to be Considered

- ES.4 At present, there is no legislation regulating SWH, maximum working hours (MWH), overtime work and overtime compensation arrangements of employees in general². Employers and employees can negotiate and agree on the terms and conditions of employment, including the hours of work and overtime compensation arrangements, provided that such terms and conditions meet the relevant requirements of the Employment Ordinance (Cap. 57) (EO), Minimum Wage Ordinance (Cap. 608) (MWO) and such other relevant legislation as the Occupational Safety and Health Ordinance (Cap. 509).
- ES.5 SWHC was tasked, among others, to follow up on the Government's "Report of the Policy Study on Standard Working Hours" (hereinafter "the 2012 Report"). The 2012 Report studied the experience of 12 selected places in implementing working hours regimes, preliminarily examined Hong Kong's working hours situation, pointed out the positive and negative implications of a working hours regime for the labour market, work culture and economic development, etc., and set out the important issues requiring consideration in exploring working hours policy directions which included:

² There are regulations under the Employment Ordinance (Cap. 57) regulating the working hours of children (persons under the age of 15 years) and young persons (persons who have attained the age of 15 years but under the age of 18 years) working in industrial undertakings, including daily working hours, daily rest breaks, etc. Moreover, employees of certain sectors are subject to working hours regulation in the form of specific regulations (e.g. employees of aviation and seagoing navigation), licensing requirements (e.g. security personnel) or administrative guidelines on the working hours arrangements issued by the Government (e.g. franchised bus captains and green minibus drivers).

- (a) Objective of working hours policy in Hong Kong;
- (b) Impacts of working hours policy on the society and economy of Hong Kong;
- (c) Whether working hours policy would lead to an increase in part-time jobs and fragmentation of work;
- (d) The affordability of the business sector particularly small and medium-sized enterprises (SMEs);
- (e) Whether a working hours regime should apply across-the-board, or should be introduced to specific sectors or occupations only; and
- (f) Whether legislation is the best way forward.

ES.6 Working hours policy is extremely complex and controversial, and carries widespread and far-reaching implications for the community and economy. To facilitate an in-depth exploration of various working hours issues, SWHC resolved to adopt an evidence-based approach for conducting objective, rational and informed discussions based on the relevant data and information.

Chapter 3: Major Findings of the Working Hours Survey and the First-stage Consultation

ES.7 In 2014, SWHC conducted the first ever territory-wide comprehensive working hours survey, which included the Household Survey (10 275 employed persons were successfully enumerated) and Survey on Selected Professions/ Occupations (2 277 self-administered questionnaires were received) to collect working hours data and opinions on working hours arrangements/ working hours policy from persons interviewed. SWHC also conducted the extensive Public Engagement and Consultation on

Working Hours (First-stage Consultation), which included organising and participating in various types of consultation activities and conducting the Opinion Survey for members of trade associations and labour unions (altogether 1 507 opinion collection forms were received, comprising 750 from members of trade associations and 757 from members of labour unions), to collect public views on working hours issues.

ES.8 SWHC came up with the following overall observations having regard to the findings of the working hours survey and the First-stage Consultation:

- (a) The two major working hours policy objectives acknowledged by most employees and employers were work-life balance, and occupational safety and health. Besides, employees were also concerned about overtime compensation while employers placed more emphasis on the possible impacts of working hours policy on Hong Kong's overall competitiveness and business environment.
- (b) Employees generally expressed their aspirations for legislating for working hours regulation. Both employers and employees agreed that a uniform ("across-the-board") working hours regulation for all sectors could result in serious impacts on individual sectors or even the society and the economy at large.
- (c) The working hours of employees with lower income and engaged in lower-skilled occupations were comparatively longer in general. Meanwhile, employers tended to accept working hours policy which focuses on helping grassroots employees with lower income, less bargaining power and who were required to work overtime without compensation.

- (d) The Household Survey showed that while more employees had signed written employment contracts (82.7%), some employees still did not have written employment contracts (17.2%) or their weekly working hours were not specified in contracts/ agreements (11.0%), and relatively more employees (61.1%) did not have the method of overtime compensation stipulated in contracts/ agreements.
- (e) According to the statistics of the Household Survey, of the employees who considered their working hours “too long”, 69.9% did not wish to have their working hours reduced if their income would also decrease. Among all employees, 41.8% were willing to work more overtime if the overtime work would be reasonably compensated.
- (f) The Household Survey and the Opinion Survey revealed that 93.7% of employees and 55% of labour union members agreed with “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts”; 81.9% of employers and 38% of trade association members also agreed with this working hours policy approach. Besides, 67.1% of employees and 49% of labour union members agreed with “setting standard working hours”, while the corresponding figures for employers and trade association members were 56.1% and 11%.

Chapter 4: Range of Factors Relevant to Working Hours Policy

ES.9 Apart from conducting working hours survey and public consultations, SWHC also identified and examined a range of factors relevant to working hours policy for discussions from four perspectives, including the society, employees, enterprises and the overall economy:

- (a) **Perspective of the Society:** employees and employers generally recognised the importance of work-life balance, and occupational safety and health. A suitable working hours policy may help employees achieve better work-life balance and reduce potential health problem, enhance productivity and performance of employees, and foster labour relations and social harmony. In addition, working hours policy may increase employees' income, but it may push up inflation and the general public could be affected. At the same time, some employees may also face a decrease in income brought about by shorter working hours.
- (b) **Perspective of Employees:** income is an important consideration for employees in weighing whether to accept longer working hours. The working hours situation varies vastly among employees of different wage levels/ sectors/ skill sets. Hence, it is difficult to have a unique solution to completely eradicate the problem of long working hours and uncompensated overtime work for different sectors/ occupations. Employees generally agreed that setting SWH and MWH could improve "staff morale" and "productivity of employees". However, some employees considered that "flexibility in operation" and "competitiveness of the company" may be hampered. Therefore, the design of working hours policy should strike a balance among its possible impacts on different aspects.
- (c) **Perspective of Enterprises:** a majority of the employers tended to adopt more flexible means to arrange hours of work with employees. As the manpower and cost structures, mode of operation and profit situation of individual sectors are different, working hours policy should take into account the various operational practices and complexities of different sectors. In the short term,

working hours policy involves additional labour costs. Enterprises would adopt different mitigation measures, including passing additional costs on to consumers or adjusting their staffing structure to save costs. Yet sectors which are less capable of passing on the increased costs would face a reduction in their profits. In the medium to long term, care must be taken in respect of whether working hours policy would thwart Hong Kong's business development and jeopardise Hong Kong's competitiveness as a global commercial centre.

- (d) **Perspective of the Overall Economy:** hours of work play a part in labour market adjustment to help maintain the flexibility and resilience of the labour market, which is in turn vital to economic development. If working hours policy imposes further constraints to the adjustment capability of working hours amid the evolving economic environment, it may result in greater fluctuations in the labour market. The local economy may also take longer time to fully recover. Over-regulation of labour supply may further constrain potential for economic growth, thereby undermining Hong Kong's competitiveness. The short-term impacts of working hours policy on our economy and labour market hinge on the policy design and the economic situation at the time of implementation. Its long-term implications to economic development and to what extent the labour market would stay resilient are indeed even more important.

Chapter 5: Basic Principles in Exploring Working Hours Policy Directions

ES.10 With reference to the findings of the above work, members of SWHC agreed to the following principles in exploring working hours policy directions:

- (a) a legislative approach to implement a policy to regulate working hours of employees;
- (b) owing to the varied circumstances of different trades and occupations, working hours policy should provide the necessary flexibility, hence an “across-the-board” legislative approach would be inappropriate;
- (c) an in-principle agreement to explore a legislative approach to mandate employers and employees to enter into written employment contracts, which shall include the specified working hours terms, such as overtime compensation arrangement (the “big frame”); and
- (d) to explore, on the premise of the “big frame”, whether there is a need for other suitable measures (e.g. setting a working hours standard and an overtime pay rate) to further protect grassroots employees with lower income, lower skills and less bargaining power (the “small frame”).

ES.11 SWHC conducted the Consultation on Working Hours Policy Directions (Second-stage Consultation)³ from 25 April to 24 July 2016 to collect views of the public and stakeholding organisations on its preliminary discussion outcomes and the working hours policy directions under exploration, which included the four directions of whether to implement the “big frame” and/ or the “small frame”.

³ The six employee members of the Labour Advisory Board considered that SWHC could not give a commitment on legislating for SWH, and therefore declined to attend the meetings of SWHC since the end of 2015. Together with the three labour-sector Legislative Council members at the time, they appealed to labour organisations and employee unions not to take part in SWHC’s Second-stage Consultation.

Chapter 6: “Big Frame” under the Second-stage Consultation

- ES.12 SWHC raised the idea of adopting a legislative approach, on the premise of EO, to mandate employers and employees to enter into written employment contracts, which shall include the specified working hours terms, such as the number of working hours, overtime work arrangements and overtime compensation methods. Employers and employees may work out and agree on the details of these terms (i.e. the “big frame”).
- ES.13 With reference to some existing sample employment contracts and standard employment contracts, SWHC preliminarily identified the following seven specified working hours terms and three relevant issues in respect of the design of the “big frame”:

Specified Working Hours Terms	Relevant issues
(1) Agreed working hours (2) Overtime situation (3) Overtime compensation arrangement (4) Agreed wages (5) Meal breaks and rest periods (6) Rest days (7) Records of hours worked	(1) Coverage (2) Flexibility arrangements (3) Consequences and liability

Chapter 7: “Small Frame” under the Second-stage Consultation

- ES.14 SWHC in parallel explored if there would be a need for other suitable measures (e.g. setting a working hours standard and an overtime pay rate) to further protect grassroots employees with lower income, lower skills and less bargaining power (i.e. the “small frame”) on the premise of the “big frame”.

ES.15 In exploring the “small frame”, SWHC conducted data analyses and assessments of the potential impacts of the 28 parameter combinations on employees, enterprises and the overall economy. The parameter combinations included:

- (a) the first 27 parameter combinations:
 - (i) Employees with total monthly wages: Not exceeding \$10,000, \$12,000, \$15,000;
 - (ii) Weekly working hours: Over 44, 48, 52 hours;
 - (iii) Overtime pay rates (i.e. the rates of original hourly pay to hourly overtime pay): 1:1.0, 1:1.3, 1:1.5; and
- (b) an additional 28th parameter combination agreed by SWHC for analysis in response to the proposal raised by employee members of the Labour Advisory Board (LAB) in SWHC: Employees with total monthly wages not exceeding \$25,000, weekly working hours exceeding 44 hours and the overtime pay rate of 1:1.5.

ES.16 For the Second-stage Consultation, SWHC published the assessment results of relevant data in full to facilitate the community to have objective and informed consideration of the pros and cons of different scenarios and provide views on the basis of solid data.

Chapter 8: Major Findings of the Second-stage Consultation

ES.17 The issues under consultation in SWHC’s Second-stage Consultation included the ideas and contents of the “big frame” and “small frame”, as well as the following four working hours policy directions:

- (a) only implementing the “big frame”;
- (b) only implementing the “small frame”;

- (c) on the premise of implementing the “big frame”, to implement the “small frame” as well; and
- (d) not to implement the “big frame” nor “small frame”, but recommend implementing other policies/ measures pertaining to working hours (e.g. formulating voluntary guidelines according to the needs of individual sectors).

ES.18 During the consultation period, SWHC widely collected public views through different consultation activities and written submissions.

ES.19 Major views collected in the Second-stage Consultation are summarised as follows:

“Big Frame”

- ♦ Some employers preferred maintaining the status quo and considered it unnecessary to adopt a legislative approach to regulate the working hours of employees. Some employers’ associations suggested encouraging the relevant sectors to draw up voluntary guidelines having regard to their own operational circumstances.
- ♦ On the premise that SWH legislation would not be pursued, employers in general supported in principle the “big frame” as a compromise. Some employees also supported the “big frame”. However, employees generally considered that the “big frame” could not substitute SWH legislation, and worried that they do not have sufficient bargaining power to negotiate with employers about the terms of the employment contracts. As a result, they could only reluctantly accept the conditions set by employers, which in turn would legitimise long working hours and uncompensated overtime work.

“Big Frame”

- ◆ Employers and employees were both concerned about the coverage of the “big frame”. Some employers and employees considered that the “big frame” should apply to all existing and future employees of enterprises. However, some employers’ associations were concerned about the possible impacts on business operations, administrative costs and labour relations, etc. should employers be required to review and draw up employment contracts in accordance with the “big frame”.
- ◆ Employers and employees generally considered that working hours policy should not cover persons to whom EO and MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance (Cap. 78), etc.). However, organisations of foreign domestic helpers considered that live-in domestic workers should be covered.
- ◆ Some employers (including SMEs) reflected the difficulties in defining and calculating the working hours and overtime compensation of employees in some sectors (e.g. catering and tourism sectors), some higher-skilled occupations (e.g. doctors, accountants, teachers, managerial personnel, etc.), and certain occupations (e.g. tourist guides, agents, and those remunerated on a piece-rated basis, etc.).
- ◆ It was generally considered that there would be a need to provide for a suitable transitional period for preparation and the “big frame” should have legal effect to ensure employers’ and employees’ compliance with the relevant requirements. The Labour Department should provide ample reference materials and consultation services to

“Big Frame”

assist employers and employees to set out the details of written employment contracts. The Labour Department should follow up on the implementation of the “big frame”.

“Small Frame”

- ◆ The views of employers and employees on legislating for SWH were much more divided. Employers generally opposed to any form of legislation of SWH.
- ◆ Some employers considered that non-legislative measures could be adopted, e.g. voluntary guidelines with suggested working hours standards and overtime compensation methods could be issued for enterprises’ reference and adoption. To cater for the operational circumstances of different sectors, some employers’ associations considered that the Government could through consultation draw up suitable sector-specific guidelines jointly with employers’ associations and labour organisations.
- ◆ Some employers considered that a review could be conducted some time after the implementation of the “big frame”, before contemplating whether the implementation of “small frame” would be required.
- ◆ On the other hand, employees and relevant organisations generally supported SWH legislation for most sectors/occupations. They considered that legislating for a working hours standard and an overtime pay rate is the only effective means to improve the remuneration and working hours situation of employees, safeguard employees’ health, reduce occupational accidents caused by long working hours, and ensure compensation for employees’ overtime work.

“Small Frame”

- ◆ Individual employers shared the ideas of the “small frame”, and considered that, if necessary, first exploring a direction with smaller impact on employees, enterprises and the overall economy would be more appropriate (such as covering only employees with monthly wages slightly above \$10,000).
- ◆ Employees and relevant organisations had divergent views on the coverage and parameter combinations of an SWH regime, ranging from uniform protection for most employees (with a weekly working hours standard of 40 hours or 44 hours and an overtime pay rate of 1:1.5, 1:2, or 1:3) to covering employees with monthly wages not exceeding \$10,000 or \$12,000 (with a weekly working hours standard of 48 hours and an overtime pay rate of 1:1 or 1:1.3).

Chapter 9: Labour Sector’s “Consultation Report on Legislating for Standard Working Hours”

ES.20 The labour-sector Legislative Council members and LAB employee members on 16 November 2016 submitted the “Consultation Report on Legislating for Standard Working Hours” (hereinafter “the Labour Sector Report”) to the Chief Executive direct. The Labour Sector Report noted that long working hours and uncompensated overtime work are problems generally faced by employees in Hong Kong, and considered it necessary to legislate for SWH to safeguard the rights of employees.

ES.21 Chapter 4 of the Labour Sector Report puts forward the labour sector’s proposed legislative framework for SWH, which includes: the working hours standard to be set at 44 hours per week with an overtime pay premium of 1:1.5; and, as a matter of principle, SWH should protect all sectors but consideration may

be given to providing certain exemptions and implementing SWH in phases based on the total number of working hours; and details of the reference period and exemptions should be worked out by a tripartite standing committee comprising employees, employers and government officials, etc.

ES.22 The Chief Executive subsequently referred the Labour Sector Report to SWHC. SWHC perused and deliberated on the Labour Sector Report.

Chapter 10: Overall Observations on Working Hours Policy Directions

ES.23 With reference to the information and opinions collected through various tasks completed by SWHC, the major aspirations and concerns of employers and employees on working hours policy directions are summarised below:

Employees	Employers
<ul style="list-style-type: none"> ♦ Demanded SWH legislation (with a working hours standard of 44 hours per week and an overtime pay rate of 1:1.5) to solve the problem of long working hours and uncompensated overtime work. 	<ul style="list-style-type: none"> ♦ Opposed SWH legislation which would increase the operational costs of enterprises, aggravate the problem of manpower shortage, affect the flexibility of the labour market and undermine Hong Kong's competitiveness.
<ul style="list-style-type: none"> ♦ SWH should cover employees of most sectors/ occupations but providing certain exemptions could be considered. 	<ul style="list-style-type: none"> ♦ Opposed an "across-the-board" working hours regulation since different working hours arrangements were already in place in respective sectors or occupations on account of their work nature and requirements.
<ul style="list-style-type: none"> ♦ Consideration might be given to implementing SWH in phases 	<ul style="list-style-type: none"> ♦ On the premise of not legislating for SWH, specification of working

Employees	Employers
<p>based on the total number of working hours. Details of the reference period and exemptions should be worked out by a tripartite standing committee comprising employees, employers and government officials.</p>	<p>hours arrangements through written employment contracts and/or formulation of voluntary guidelines for different sectors was generally supported.</p>
<p>♦ Specification of working hours arrangements through written employment contracts could not help solve the problem of long working hours and uncompensated overtime work. It could not be a substitute for SWH legislation either.</p>	<p>♦ While the requirement of entering into written employment contract could be accepted as a compromise, there were concerns about the possible impacts on labour relations and business operations, etc. brought about by specification of working hours arrangements through written employment contracts. They considered it difficult to define and calculate the working hours of some higher-skilled occupations and certain occupations.</p>
<p>♦ Concerned that the written employment contract arrangement would formalise uncompensated overtime work and demanded legislating for overtime pay rate to protect employees' entitlement to overtime compensation.</p>	<p>♦ Considered that the Government could pay heed to the working hours situation of employees and encourage employers and employees to draw up appropriate sector-specific guidelines. They tended to accept working hours policy targeting at helping grassroots employees with lower income, less bargaining power and who were required to work overtime without compensation.</p>

ES.24 Overall speaking, the ideas and approach of the “big frame” have commanded a relatively higher degree of support, though the contents and details like the definition of working hours and coverage of the “big frame”, would require further exploration. Furthermore, in respect of some sectors and occupations (particularly occupations with remuneration calculated according to revenue or on a project basis), the applicability of such legislation mandating written employment contract is questionable. On legislating for SWH, the views in the community are widely divided, though there are views reckoning that the Government’s working hours policy could focus on helping grassroots employees with lower income, lower skills and less bargaining power.

Chapter 11: Recommendations

ES.25 SWHC had completed many tasks outlined above over the period of more than three years. It had discussed various working hours issues objectively and thoroughly in the exploration of working hours policy directions suitable for Hong Kong.

ES.26 Working hours issues are highly complex and carry far-reaching implications. When formulating the working hours policy direction, SWHC needed to consider the problems that should be pinpointed or addressed. Furthermore, any legislative measure on working hours policy would possibly bring about a certain degree of impact on the community, employees, enterprises and the overall economy. In contemplating working hours policy, SWHC should weigh the pros and cons of the policy that may bring to different parties, and strike a proper balance between employees’ interests and the affordability of enterprises with a view to maintaining sustainable socio-economic development in the long run.

- ES.27 SWHC noted the expectation of some people in the community for working hours policy that could address the problem of long working hours and uncompensated overtime work, so as to help achieve better work-life balance for employees and safeguard occupational safety and health. Nonetheless, there are also views in the community that due consideration should be given to the possible impacts on Hong Kong's overall competitiveness and business environment in the process of formulating the working hours policy direction. SWHC considered that working hours policy should be implemented progressively to facilitate the community to gradually cope with its possible impacts. Furthermore, owing to the varied circumstances of different trades and occupations, working hours policy should allow certain flexibility and thus any "across-the-board" legislation would be inappropriate.
- ES.28 At the same time, SWHC noted the general views expressed during the Second-stage Consultation that working hours policy should not cover persons to whom EO and MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance, etc.). Also, some stakeholders were concerned about the difficulties in defining and calculating the working hours of employees in some sectors (e.g. catering and tourism sectors), some higher-skilled occupations (e.g. doctors, accountants, teachers, managerial personnel, etc.), and certain occupations (e.g. tourist guides, agents, and those remunerated on a piece-rated basis, etc.). SWHC also noted that the community was more amenable to focusing working hours policy on assisting the grassroots employees.

Legislating for Written Specification of Working Hours Terms

- ES.29 At present, employers and employees can agree on employment terms, including the working hours arrangements, orally or in writing, provided that such terms do not violate relevant legislation. According to the findings of the Household Survey, 17.2% of employees (540 600) did not enter into written employment contracts with their employers whereas 61.1% of employees (1 919 800) did not have overtime compensation methods specified in their employment contracts/ agreements. The survey findings further revealed that among those employees (1 546 000) who had entered into written employment contracts with their employers without overtime compensation methods specified therein, 444 100 had engaged in overtime work during the seven days before enumeration. Uncompensated overtime work was prevalent among them (99.7%).
- ES.30 SWHC noted that some grassroots employees either did not have written employment contracts or did not have the method of overtime compensation specified in contracts/ agreements. According to the findings of the Household Survey, among the 540 600 employees who had not entered into written employment contracts with their employers, 88.4% (478 000) were engaged in lower-skilled occupations (11.4% (61 700) were engaged in higher-skilled occupations). Among the 1 919 800 employees who did not have the method of overtime compensation specified in contracts/ agreements, 61.5% (1 181 100) were engaged in lower-skilled occupations (38.2% (733 200) were engaged in higher-skilled occupations). Overall, among the employees engaged in lower-skilled occupations, only 33.9% (706 700) had entered into written employment contracts with their employers with method of overtime compensation specified therein.

- ES.31 Having regard to the above survey findings as well as the community's views on working hours policy, SWHC considered that the approach of legislating for mandatory written employment contracts, which shall include the specified working hours terms, should focus on the grassroots employees with lower income. As a first and foremost step in taking forward working hours policy, SWHC was of the view that the approach of legislating for mandatory written employment contracts could provide an important working hours management framework to avoid ambiguities arising from oral agreements so that employers and grassroots employees can enter into appropriate agreements on working hours terms in a legally binding, transparent and fair manner. In addition, SWHC considered that the mandatory requirement of specifying the terms of working hours in writing will further enhance the transparency of working hours terms. In the long run, this approach would help drive the culture of enterprises providing reasonable working hours arrangements.
- ES.32 Based on the above observations and considerations, SWHC recommends that the Government may consider adopting a legislative approach to mandate employers to enter into written employment contracts with the lower-income grassroots employees which shall include terms on working hours and overtime compensation arrangements. Having regard to the operational needs of different sectors and occupations, employers and employees may work out the agreed contents of these terms on the premise that the relevant legal requirements are satisfied. As to the difficulties in defining and calculating the working hours for employees in some sectors (e.g. catering and tourism sectors) and certain occupations (e.g. tourist guides, agents, and those remunerated on a piece-rated basis, etc.), SWHC appreciated that the actual effectiveness would be in doubt if the concerned employers and employees specify "not applicable" and/ or "not fixed" in most of the written working hours terms owing to the circumstances of the sectors/ occupations.

Therefore, SWHC recommends that the Government may further listen to the views of the community and make reference to relevant information so as to consider whether these sectors and occupations should be included in the coverage of this recommendation. Taking account of the views of the community, SWHC considers that this recommendation should not cover persons to whom EO and MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance, etc.).

Legislating for Specification of Overtime Compensation

ES.33 The Household Survey revealed that the median total working hours during the seven days before enumeration for all employees (excluding live-in domestic workers) (3 142 500) in Hong Kong was 44.0. The figures for employees engaged in higher-skilled occupations and lower-skilled occupations were 42.0 and 45.0 respectively. Besides, of all employees, 18.4% (578 300) had engaged in uncompensated overtime work, and the median uncompensated overtime hours concerned was 5.0. Among the employees engaged in lower-skilled occupations, 10.5% (218 700) had engaged in uncompensated overtime work, and the median uncompensated overtime hours concerned was 3.5. For employees engaged in higher-skilled occupations, the corresponding figure was 34.1% (358 400), and the median uncompensated overtime hours concerned was 6.0.

ES.34 SWHC noted that there is currently no legislation in Hong Kong mandating employers to pay their employees overtime compensation. Some employers have requested their lower-income grassroots employees to undertake overtime work and yet either compensated them at a rate lower than their existing wage rate (e.g. employees receiving only overtime

compensation based on the SMW rate or basic wage rate) or even did not give any compensation. SWHC considered this situation undesirable and unfair, and agreed that suitable measures should be formulated to tackle the problem of uncompensated overtime work of these employees.

ES.35 According to the findings of the Household Survey, among the 621 300 employees engaged in lower-skilled occupations who had overtime compensation specified in their contracts/ agreements, 76.1% (473 000) of their specified overtime rate (relative to basic wage rate) was at 1:1; and 94.8% (588 700) at the rate of not less than 1:1. These revealed that overtime compensation rate of not less than 1:1 was a common arrangement of overtime compensation. Having fully considered the findings of the working hours survey and two rounds of public consultation, the views of the community, the principle of upholding the evidence-based approach and striving to forge common grounds, SWHC recommends that the Government may consider adopting a legislative approach to prescribe that these lower-income grassroots employees should be entitled to overtime compensation by way of overtime pay at a rate no less than the rate of the agreed wages⁴ or equivalent time-off in lieu, so as to further protect these lower-income employees. SWHC considers that mandating overtime compensation rate no less than the rate of the agreed wages for the grassroots employees is appropriate and fair. SWHC envisaged that this approach would not bring about any serious impacts on enterprises and the overall economy.

ES.36 Based on the views of the community and in line with the above recommendation of a legislative approach to specify working hours employment terms in writing, SWHC considers that this recommendation should not cover persons to whom EO and

⁴ It refers to the wage rate calculated based on the agreed wages. For the definition of agreed wages, please see paragraph 6.6 for details.

MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance, etc.). SWHC recommends that the Government may conduct detailed examination and impact assessment taking account of the affordability of enterprises and the need to maintain economic competitiveness, with a view to determining the scope of lower-income employees requiring protection. It is further recommended that the Government may, through a tripartite platform comprising representatives of employers, employees and the Government or other appropriate channels, further gather the views of the community and make reference to relevant information for drawing up the contents and detailed arrangements of this recommendation.

ES.37 SWHC considered that this recommendation can further protect grassroots employees and ensure their entitlement to overtime compensation, thereby effectively addressing the problem of uncompensated overtime work of the grassroots employees. It would also provide a reasonable and fair legal basis for employers and employees to sort out the overtime work arrangements. Through mandating compensation for overtime work, SWHC believed that the long working hours situation of the grassroots employees would be gradually ameliorated.

Formulating Sectoral Working Hours Standards

ES.38 SWHC noted that the Labour Department has currently set up nine industry-based tripartite committees (covering catering, construction, theatre, logistics, property management, printing, hotel and tourism, cement and concrete, and retail industries), to promote tripartite dialogue and collaboration at the industry level with a view to fostering harmonious labour relations. SWHC recommends that the Government may, through the existing

industry-based tripartite committees and setting up new ones for other sectors with relatively long working hours (such as cleaning services and elderly homes), engage in continued dialogue with stakeholders in sectors where long working hours and/ or uncompensated overtime work are relatively more common, with a view to identifying and formulating sector-specific guidelines with suggested working hours standards, overtime compensation methods and good working hours management measures for employers' reference and adoption so as to improve employees' working hours arrangements.

Review

ES.39 SWHC understood the aspiration of the labour sector for SWH legislation. Nevertheless, the two rounds of extensive public consultation conducted by SWHC revealed that the views of the community on this direction are widely divided, and further deliberation will be required. SWHC also found it difficult to discuss and map out a concrete direction on SWH in the absence of LAB employee members' participation in SWHC's work since end-2015. This notwithstanding, SWHC considered that the above recommendations represent a positive step in taking forward working hours policy. Legislating for mandatory written employment contracts between employers and lower-income grassroots employees with specified working hours terms will help change the culture of enterprises regarding working hours; and legislating for overtime compensation for lower-income grassroots employees at a rate no less than the rate of the agreed wages or equivalent time-off in lieu will render further protection to these grassroots employees. Focusing the protection on grassroots employees could avoid unduly affecting the businesses and the overall economy which might otherwise be brought about by an "across-the-board" working hours regulation. SWHC recommends that the Government should monitor the implementation of the above recommendations (e.g.

collecting relevant information and statistics through enforcement action and statistical surveys) and review their effectiveness after two years of implementation, and continue to discuss and study through an appropriate tripartite platform whether there is a need for SWH legislation and, if so, its contents and relevant arrangements.

Other Measures

- ES.40 In tandem with the implementation of the above recommendations and the follow-up on the development of the working hours policy, SWHC recommends that the Government should explore the necessary supportive measures, e.g. launching education and publicity activities, promoting family-friendly employment practices, and regularly conducting household survey on working hours situation.
- ES.41 SWHC hopes that the above recommendations could help take forward Hong Kong's working hours policy and strengthen the protection of employees' rights and benefits, while taking full account of the affordability of enterprises and the sustainable development of the community and economy.

Chapter 1

Standard Working Hours Committee's Organisation Structure and Work Focus

Background

Setting up of the Standard Working Hours Committee

- 1.1 Acknowledging the concerns of the community about the subject of working hours, the Chief Executive set up the Standard Working Hours Committee (SWHC) in April 2013 to follow up on the “Report of the Policy Study on Standard Working Hours”⁵ (hereinafter “the 2012 Report”) published by the Labour Department in November 2012. Chaired by Dr Leong Che-hung, SWHC comprises members drawn from the labour and business sectors, academia, the community and the Government. The membership of SWHC is set out in **Appendix 1**.

Terms of Reference of SWHC

- 1.2 The terms of reference of SWHC are:
- (a) to follow up on the Government’s policy study on standard working hours (SWH) and conduct further in-depth studies, as necessary, on the key issues identified therein;
 - (b) to promote understanding of SWH and related issues including, among others, employees’ overtime work conditions and arrangements; to engage the public in informed discussion on the relevant issues; and to gauge the views of stakeholding groups; and

⁵ The “Report of the Policy Study on Standard Working Hours” has been uploaded to the SWHC website (www.swhc.org.hk/en/resources/index.html).

- (c) to report to the Chief Executive and advise on the working hours situation in Hong Kong, including whether a statutory SWH regime or any other alternatives should be considered.
- 1.3 SWHC is an advisory body with no pre-conceived stance on the subject of working hours. Adopting an evidence-based approach for discussion, SWHC strives to offer appropriate advice to the Government on the formulation of Hong Kong's working hours policy directions.

Work of SWHC

- 1.4 Since its formation, SWHC held 26 meetings to plan, roll out, and follow up on its work. An overview of the meetings held and items discussed is set out in **Appendix 2**. SWHC had taken forward its work in four strategic areas, namely (a) enhancing public understanding; (b) collecting working hours statistics and relevant information on working hours regimes; (c) promoting public engagement; and (d) identifying a range of factors relevant to working hours policy, with a view to promoting objective and evidence-based discussions, gathering different views of the community and jointly exploring working hours policy directions suitable for Hong Kong. The various tasks undertaken are summarised in paragraphs 1.5 to 1.8 below.

(a) Enhancing Public Understanding

- 1.5 SWHC launched various public education and promotional activities to enhance public understanding of working hours issues (for example, differences between SWH and maximum working hours (MWH), different policy objectives of working hours regimes as well as the possible multifarious implications of working hours regulation, etc.). These activities included :

- (i) **Dedicated website:** Launched in November 2013, SWHC's website (www.swhc.org.hk) provides a convenient platform for disseminating and browsing information on working hours issues and work of SWHC (such as summaries of its discussions and details of public engagement activities).
- (ii) **TV promotional programme:** To drive home the key features of a working hours regime, SWHC produced and broadcast in March 2014 a series of the bilingual TV promotional programme entitled "Get to Know Standard Working Hours" through a TV broadcaster. The programme introduced the work focus of SWHC, essential components of a working hours regime and major issues to be considered in exploring working hours policy. The programme was also screened at SWHC's consultation sessions, exhibitions on working hours issues and on the SWHC website. DVDs of the programme were distributed through different channels to members of the public for viewing.
- (iii) **Exhibitions on working hours issues:** SWHC produced a set of exhibition panels entitled "Touring around the World of Working Hours" to introduce the work focus of SWHC, essential components of a working hours regime, and major issues to be considered in exploring working hours policy, etc. From March 2014 to April 2016, SWHC staged and participated in 23 exhibitions on working hours issues in various districts. Apart from district-based exhibitions, pull-up exhibition banners were produced for free lending to organisations for publicity and educational purposes.
- (iv) **Comic Book entitled "Touring around the World of Working Hours":** SWHC published the comic book entitled "Touring around the World of Working Hours" for wide distribution to the public through channels including SWHC's consultation sessions, community and workplace visits, roving exhibitions and the working hours survey, etc.

Diagram 1.1 : Promotional Activities of SWHC



SWHC website

TV promotional programme



Exhibition on working hours issues



Comic book entitled "Touring around the World of Working Hours"

(b) Collecting Working Hours Statistics and Relevant Information on Working Hours Regimes

1.6 SWHC adopted an evidence-based approach for conducting objective and impartial discussions on relevant working hours issues. To this end, SWHC conducted the first ever territory-wide comprehensive working hours survey in 2014 to collect working hours data and opinions on working hours arrangements/ working hours policy (see Chapter 3 for details).

(c) Promoting Public Engagement

1.7 To collect public views and promote more informed discussions, SWHC conducted the extensive Public Engagement and Consultation on Working Hours (First-stage Consultation) in 2014 to gauge the views of the community on working hours issues (see Chapter 3 for details). Based on its preliminary discussion

outcomes, SWHC staged the Consultation on Working Hours Policy Directions (Second-stage Consultation) in 2016 to consult the public on working hours policy directions under exploration (see Chapters 6 to 8 for details).

(d) Identifying a Range of Factors Relevant to Working Hours Policy

- 1.8 Working hours policy involves a wide range of complex issues with widespread and far-reaching implications for the overall labour market, manpower demand, employment relations, work culture, business environment, economic development and business competitiveness, etc. Apart from conducting the public consultations and working hours survey, SWHC considered that a range of social and economic factors relevant to working hours policy should be identified for analysing the potential implications of working hours policy for the society, employees, enterprises and the overall economy, so as to facilitate informed and objective discussions by SWHC and the community (see Chapter 4 for details).

Working Groups under SWHC

- 1.9 SWHC in July 2013 formed two working groups respectively on “Working Hours Consultation” and “Working Hours Study” to assist SWHC in the preparation, conduct and monitoring of the above work.
- 1.10 The Working Group on Working Hours Consultation (Consultation Group) was tasked to conduct the First-stage Consultation and the public education and promotional activities, with a view to understanding the views of the community on working hours issues and promoting informed and objective discussions. Convened by member Mr Ng Chau-pei, the Consultation Group during August 2013 to December 2014 held eight meetings to

carry out its work, including planning the education and promotional activities, and drawing up the targets, formats as well as contents of the First-stage Consultation for SWHC's consideration.

- 1.11 The Working Group on Working Hours Study (Study Group) oversaw the conduct of the working hours survey and identified a range of factors relevant to working hours policy to facilitate evidence-based discussions. Convened by the late member Mr Stanley Lau Chin-ho, the Study Group during September 2013 to December 2014 held eight meetings to carry out its work. With a view to collecting comprehensive working hours data for SWHC's reference, the Study Group thoroughly deliberated on the methodology, sample size, coverage, questionnaire design and draft questionnaire of the working hours survey. Besides, the Study Group drew up the analytical framework of a range of factors, including various social and economic factors, to help SWHC understand the potential implications of working hours policy for employees, employers, the society and economy.
- 1.12 Upon completion of the First-stage Consultation and the working hours survey, SWHC in early 2015 formed a Task Force led by the SWHC Chairperson, and with the Convenors of the two Working Groups and members from the academia (Professors Raymond So Wai-man, Joe Leung Cho-bun and Chong Tai-leung) as members. During February to December 2015, the Task Force held 13 meetings to help SWHC explore working hours policy directions and launch the Second-stage Consultation, so as to collect public views on working hours policy directions under exploration for SWHC's reference in drawing up recommendations and preparing its report.
- 1.13 The memberships of the respective working groups are set out in **Appendix 3**.

Chapter 2

Existing Regime(s) for Regulating Working Hours and Issues to be Considered

Existing Regime(s) for Regulating Working Hours

Relevant Legislation

- 2.1 At present, there is no legislation regulating SWH, MWH, overtime work and overtime compensation arrangements of employees in general. Employers and employees can negotiate and agree on the terms and conditions of employment, including the hours of work and overtime compensation arrangements, provided that such terms and conditions meet the relevant requirements of the Employment Ordinance (Cap. 57) (EO)⁶, Minimum Wage Ordinance (Cap. 608) (MWO)⁷ and such other relevant legislation as the Occupational Safety and Health Ordinance (Cap. 509).
- 2.2 According to EO, an employee whose employment contract provides for overtime pay is protected by EO against unlawful deduction or defaults, and overtime pay should also be included in calculating various employee's entitlements if the specified

⁶ EO is the main piece of legislation governing conditions of employment in Hong Kong. It covers a comprehensive range of employment protection and benefits for employees, including wage protection, maternity protection, paternity leave, protection against anti-union discrimination, rest days, holidays with pay, paid annual leave, sickness allowance, severance payment and long service payment, etc. To allow employees days off for taking rest, EO has specifically provided for rest days, statutory holidays and paid annual leave such that: (a) an employee employed under a continuous contract (i.e. employee who has been employed continuously by the same employer for four weeks or more, with at least 18 hours worked in each week) is entitled to not less than one rest day every seven days; (b) an employee, irrespective of his length of service or number of working hours, is entitled to 12 days of statutory holidays; and (c) an employee is entitled to annual leave with pay after having been employed under a continuous contract for every 12 months, and his entitlement to paid annual leave increases progressively from 7 to a maximum of 14 days according to his length of service.

⁷ MWO establishes the Statutory Minimum Wage regime aimed at striking an appropriate balance between forestalling excessively low wages and minimising the loss of low-paid jobs while sustaining Hong Kong's economic growth and competitiveness.

condition is fulfilled⁸. Likewise, any overtime hour which falls within the definition of “hours worked” as stated in MWO, or is regarded as hours worked by the employee under his employment contract or with the agreement of the employer, should be included in computing the minimum wage for a wage period⁹.

- 2.3 The Employment of Children Regulations (Cap. 57B) and the Employment of Young Persons (Industry) Regulations (Cap. 57C) under EO respectively regulate the working hours of children (persons under the age of 15 years) and young persons (persons who have attained the age of 15 years but under the age of 18 years) working in industrial undertakings, including daily working hours, daily rest breaks, etc.
- 2.4 The Occupational Safety and Health Ordinance is the major legislation affording safety and health protection to employees in workplaces. It requires that an employer shall ensure, so far as reasonably practicable, the safety and health of their employees at work.

Relevant Guidelines

- 2.5 To protect employees from working prolonged hours without rest, the Labour Department has published a “Guide on Rest Breaks” to promote the importance of providing appropriate rest breaks for employees and encourage employers and employees to work out the rest break arrangements which meet their specific needs through consultation.

⁸ Overtime pay should be included in calculating end of year payment, maternity leave pay, paternity leave pay, severance payment, long service payment, sickness allowance, holiday pay, annual leave pay and payment in lieu of notice if: (a) it is of a constant character; or (b) its monthly average over the past 12 months is not less than 20% of the average monthly wages of the employee during the same period.

⁹ MWO aims to provide for a minimum wage at an hourly rate for employees. In essence, wages payable to an employee in respect of any wage period, when averaged over the total number of hours worked in that wage period, the minimum hourly wage rate should be no less than the Statutory Minimum Wage rate.

2.6 The Labour Department has also made reference to the occupational health protection measures widely adopted internationally for shift arrangements involving overnight work and issued the “Guide on Shift Work” to employers and employees specifying the health and social problem that may arise from overnight shift work, as well as preventive measures¹⁰ which could be taken by employers and employees to minimise the adverse impact of overnight work on employees’ health.

Regulations and Guidelines for Employees of Certain Sectors

2.7 Employees of certain sectors (such as aviation and seagoing navigation) are subject to specific regulations on working hours¹¹ due to their operational characteristics and safety requirements.

2.8 To ensure that employees engaged in certain types of work or occupations have enough rest time, the Government has specified working hours limits in the licensing requirements (e.g. security personnel), and issued administrative guidelines on the working hours arrangements for some occupations (e.g. franchised bus captains and green minibuses drivers).¹²

¹⁰ These measures include issues to which employers should pay attention in respect of work arrangement and working environment; and the advice that employees should sleep in a dark and quiet environment as soon as possible after working night shift to create a favourable environment for sleeping; that employees should avoid drinking coffee, tea or alcoholic beverages before sleep; and that employers are encouraged to involve employees in working out the most suitable shift arrangements.

¹¹ Air Navigation (Hong Kong) Order 1995 (Cap. 448C) and Merchant Shipping (Seafarers) (Hours of Work) Regulation (Cap. 478D).

¹² For details, please refer to Chapter 2 of the 2012 Report published by the Labour Department in November 2012.

Policy Study on SWH

Design of a Working Hours Regime

2.9 SWHC was tasked, among others, to follow up on the 2012 Report. The 2012 Report has provided useful information for SWHC by making reference to the experience of 12 selected places¹³ and collating the relevant concepts for designing a working hours regime, which include:

- (a) **Definition of “Working Hours”:** Central to the design of a working hours regime, “working hours” generally comprises the key element of “the time during which the employee is at the disposal of the employer”. With an ever-changing business environment, the work patterns of different sectors could be widely varied. Disputes may arise if “working hours” is not clearly defined.
- (b) **Objectives of Working Hours Policy:** Working hours policy may serve different policy objectives, such as occupational safety and health, job creation and sharing, work-life balance and fair compensation for overtime. Different objectives may lead to different regime designs.
- (c) **SWH vs MWH:** SWH means that an employee is entitled to overtime compensation for hours worked beyond a specified working hours standard within a period, while the total working hours are not capped. MWH refers to the specified upper limit that an employee’s total working hours (including normal working hours and overtime hours) within a period cannot exceed.

¹³ These places are Singapore, South Korea, Japan, the Mainland, Macao, Taiwan, Australia, the European Union (with particular reference to the United Kingdom and Belgium), the United States and Canada.

- (d) **Coverage:** The work patterns of employees are complex and diversified, which make it difficult to design a working hours regime applicable to all sectors and forms of work. Other places may, having regard to their own social, economic, political and cultural factors etc., adopt such criteria as salary level, occupation/ job responsibility and industry/ sector for specifying the coverage of a working hours regime. Some jobs or occupations such as managerial, supervisory or professional work, government employees, domestic workers and those providing essential public or emergency services, may be exempted from working hours regulation.
- (e) **Flexibility Arrangements:** Flexibility arrangements allow for variations in hours of work to cater for the operational needs of different sectors. For example, employees may voluntarily opt-out from the regulation of working hours. A reference period (e.g. one week, one month, and one quarter) may be used to calculate employees' total working hours and overtime compensation, etc. over a certain period of time.

Components of Working Hours

2.10 "Working hours" is a key concept for designing a working hours regime. The 2012 Report has attempted to examine Hong Kong's working hours situation and analyse the major components of working hours, including:

- (a) **Contractual Working Hours:** The number of hours which an employee is required to work according to the terms of his/ her employment contract. It can be interpreted as a regular working hours component that reflects the working hours of an employee under normal circumstances;

- (b) **Compensated Overtime Hours:** The number of hours which an employee works outside contractual working hours and is compensated with overtime pay and/ or time-off in lieu. Commonly existed in many economic sectors in Hong Kong, overtime work is generally regarded as a fairly flexible and low-cost method (as compared to new recruitment) for firms to temporarily increase labour inputs when business needs arise; and
- (c) **Uncompensated Overtime Hours:** The number of hours which an employee works outside contractual working hours without compensation of overtime pay and/ or time-off in lieu.

Working Hours Regime: Pros and Cons

2.11 Drawing reference from other places' experience, the 2012 Report has pointed out that a working hours regime may carry the following implications for the labour market, work culture and economic development, etc.:

	Pros	Cons
1.	<p><u>Safeguarding occupational safety and health</u></p> <p>Setting up of a reasonable SWH regulation and/ or a MWH limit may safeguard employees' occupational safety and health by reducing the risk of accidents arising from fatigue due to long working hours.</p>	<p><u>Affecting labour supply</u></p> <p>Restricting the labour market may weaken the overall competitiveness. In face of labour shortage and an ageing population, working hours regulation may reduce labour supply, aggravate the labour shortage situation and affect the long-term economic development.</p>
2.	<p><u>Reducing uncompensated overtime work</u></p> <p>Providing reasonable compensation for employees' overtime work may</p>	<p><u>Affecting some employees' income</u></p> <p>Facing increased costs, employers may reduce the overtime work of</p>

	Pros	Cons
	help enhance staff morale.	employees, hire more part-time workers or substitute labour with mechanisation. Some employees may find themselves working shorter hours with less income, particularly for lower-skilled workers in grassroots jobs.
3.	<p><u>Promoting work-life balance</u></p> <p>Employees may have more time for taking care of family, social gatherings and leisure activities, etc. This will help employees achieve work-life balance, reduce family and social problem, and foster social harmony.</p>	<p><u>Long working hours situation may not substantially improve</u></p> <p>The issue of long working hours is related to the economic structure, labour market, and social and cultural factors; hence regulating working hours may not substantially reduce employees' actual working hours. Moreover, some employees may choose to work longer for higher income.</p>
4.	<p><u>Enhancing employees' sense of belonging and job satisfaction</u></p> <p>By addressing seasonal workload fluctuations, flexibility arrangements help employees reduce work pressure and meet their needs for flexible working, thereby enhancing their autonomy, sense of belonging and job satisfaction.</p>	<p><u>Working hours legislation is prone to disputes</u></p> <p>In view of the diversified work patterns and arrangements, working hours legislation (e.g. definition of working hours and exemption criteria) can be contentious, leading to increased labour disputes.</p>
5.	<p><u>Facilitating employees' pursuit of further education</u></p> <p>Employees may make better use of their time for further education, raising their skills and work competencies. This will be conducive to the growth of employers' businesses, and enhance Hong Kong's overall competitiveness and development of a</p>	<p><u>Increasing businesses' operational costs</u></p> <p>Majority of enterprises in Hong Kong are small and medium-sized enterprises (SMEs) and their employees account for about half of Hong Kong's total employment. Owing to their limited financial and manpower resources, regulating</p>

	Pros	Cons
	knowledge-based economy.	working hours may increase the labour costs of SMEs. Some of them may be forced to close down, thereby affecting Hong Kong's overall economy and employment opportunities.
6.	<p><u>Creating employment opportunities</u></p> <p>Following regulation of working hours, employers may need to raise their headcounts, in particular part-time and temporary posts. Given their generally shorter and more flexible working hours and durations, these posts may attract more housewives and the elderly to join/ re-join the labour market, thereby increasing the labour force participation rate and labour supply.</p>	<p><u>Fragmentation of work</u></p> <p>In a bid to lower the wage bill, employers may reduce full-time posts of longer working hours and resort to employment of more part-timers or casual workers, resulting in fragmentation of work.</p>
7.	<p><u>Improving living standard</u></p> <p>Increased income brought about by remuneration for overtime work may raise employees' purchasing power and living standard.</p>	<p><u>Affecting operational flexibility of businesses</u></p> <p>The services sector is a core sector of Hong Kong and some of its employees need to work longer hours for operational needs. Regulating working hours may affect the operational flexibility of businesses, in particular those of the services sector.</p>
8.	<p><u>Boosting local consumption</u></p> <p>More leisure time of employees for spending may help boost the businesses of retail, catering and services sectors, etc.</p>	<p><u>Inducing inflation</u></p> <p>As employers may transfer additional costs arising from working hours regulation to consumers, inflation may increase and hence affect the purchasing power of the grassroots.</p>

Issues to be Considered in Exploring Working Hours Policy

2.12 Taking account of Hong Kong's situation and experience of other places, the 2012 Report sets out the following important issues that require in-depth and objective discussions in exploring working hours policy directions:

- (a) **Objective of working hours policy in Hong Kong:** Adopting different objectives of working hours policy would entail different policy considerations and regime designs. We should build consensus on the policy objectives in the light of the socio-economic situation of Hong Kong before deciding on the regulatory approach and framework.
- (b) **Impacts of working hours policy on the society and economy of Hong Kong:** We need to consider carefully how implementation of working hours policy would affect the society and economy of Hong Kong in different aspects, such as employees' health, quality of life, family life, labour relations, labour market, business environment and competitiveness.
- (c) **Whether working hours policy would lead to an increase in part-time jobs and fragmentation of work:** Implementation of working hours policy may give rise to more part-time and casual jobs, and employees may have to involuntarily work fewer hours, resulting in fragmentation of work and employment. We have to consider how an increase in part-time jobs and fragmentation of work would further affect working hours, employment and business environment.
- (d) **The affordability of the business sector particularly SMEs:** Enterprises in Hong Kong are predominately SMEs. Owing to the varying operational needs among different

sectors, we should assess the overall affordability of employers, particularly SMEs, in exploring working hours policy.

- (e) **Whether a working hours regime should apply across-the-board, or should be introduced to specific sectors or occupations only:** It is challenging to devise simple working hours measures to cater for the multifarious needs of different sectors and occupations. We need to consider whether a working hours regime should have universal application, or apply only to certain sectors or occupations.
- (f) **Whether legislation is the best way forward:** Working hours policy should fit Hong Kong's socio-economic circumstances on the one hand, and balance the interests of employers and employees as well as the broader social concerns on the other. We need to build consensus on whether legislation is the best way forward.

An Evidence-Based Approach for Exploring Working Hours Policy Directions

- 2.13 Working hours policy is extremely complex and controversial, and carries widespread and far-reaching implications for the community and economy. To facilitate an in-depth exploration of various working hours issues, SWHC resolved to adopt an evidence-based approach for conducting objective, rational and informed discussions based on the relevant data and information.
- 2.14 Apart from a large-scale working hours survey for collecting working hours data and opinions on working hours policy, SWHC made reference to the working hours statistics of the Annual Earnings and Hours Survey conducted by the Census and Statistics Department (C&SD). Besides, SWHC conducted two

rounds of extensive public engagement and consultation exercises to collect the community's views on various working hours issues and working hours policy directions.

- 2.15 In the course of deliberating on a range of factors relevant to working hours policy, SWHC examined the relevant data and research materials, including research reports of the International Labour Organisation (ILO), various survey reports of C&SD (such as the Annual Survey of Economic Activities and the Labour Earnings Survey), etc. The information studied helped SWHC appreciate the potential impacts of working hours policy on employees, employers, the community and economy.

Chapter 3

Major Findings of the Working Hours Survey and the First-stage Consultation

Working Hours Survey

- 3.1 Upholding an evidence-based approach for discussion, SWHC conducted the first ever territory-wide “2014 Household Survey on Working Hours Situation” (Household Survey) between June and August 2014 to collect comprehensive working hours data. The survey made use of the frame of quarters maintained by C&SD as the sampling frame and randomly selected quarters using a scientific sampling method. Working hours data and opinions on working hours arrangements/ working hours policy were collected through successful enumeration of 10 275 employed persons (including 9 027 employees, 296 employers and 952 self-employed persons).
- 3.2 Besides, SWHC during mid-July to September 2014 collected 2 277 self-administered questionnaires from randomly sampled employees of 10 professions/ occupations¹⁴ identified by SWHC as having relatively long working hours or distinctive working hours patterns (selected professions/ occupations), with a view to understanding the working hours situation of these employees and supplementing the findings of the Household Survey.
- 3.3 The relevant consultancy report has been uploaded to the SWHC website (see “Standard Working Hours Committee Report of the Study on the Working Hours Situation in Hong Kong” (Report of the Working Hours Survey) by the MOV Data Collection Center Limited (www.swhc.org.hk/filemanager/doc/report/MOV_Report_FULL.pdf)). The report’s executive summary is in **Appendix 4.1**.

¹⁴ The 10 selected professions/ occupations are: accountants, solicitors, engineers, doctors, employees of the educational profession, employees of the banking sector, information technology employees, journalists, estate agents, and tourist guides/ outbound tour escorts (listed in no particular order).

First-stage Consultation

- 3.4 To gauge public views on working hours issues, SWHC also conducted the extensive First-stage Consultation between January and July 2014 targeting at the six relatively long-working-hours sectors¹⁵ mentioned in the 2012 Report, specific occupations/ professions, the general public, and other major industries and organisations. During the consultation period, SWHC organised and participated in 40 consultation activities (see **Appendix 5.1**), and received some 4 800 written submissions, including 4 300 pro-forma submissions in various forms expressing mostly the same views and suggestions.
- 3.5 In addition to the consultation activities, SWHC conducted the “2014 Opinion Survey on Working Hours Regimes” (Opinion Survey) on randomly sampled members of trade associations and labour unions. Completed in end-September 2014, the Opinion Survey received a total of 1 507 opinion collection forms (750 from members of trade associations and 757 from members of labour unions) with a view to understanding their views on working hours issues.
- 3.6 The relevant consultancy report has been uploaded to the SWHC website (see “Standard Working Hours Committee Report of the Public Engagement and Consultation on Working Hours” (Report of the First-stage Consultation) by the SEE Network Limited (www.swhc.org.hk/filemanager/doc/report/SEE_Report_FULL.pdf)). The report’s executive summary is in **Appendix 5.2**.

¹⁵ The relatively long-working-hours sectors identified in the 2012 Report are: retail, estate management and security, restaurants, land transport, elderly homes, as well as laundry and dry cleaning services.

Diagram 3.1 : First-stage Consultation Activities



3.7 The salient points of the two consultancy reports are provided in paragraphs 3.8 to 3.24.

Working Hours Situation of Hong Kong Employees in 2014

3.8 Based on the findings of the Household Survey, it was estimated that:

- (a) the average and median total working hours during the seven days before enumeration¹⁶ for all employees (excluding live-in domestic workers) (3 142 500) in Hong Kong were 43.5 and 44.0 respectively. Working hours of employees of different sectors varied significantly with median weekly working hours ranging from 40.0 to 54.0. The median working hours of employees engaged in lower-skilled occupations¹⁷ and higher-skilled occupations¹⁸ were 45.0 and 42.0 respectively (Table 1 of Appendix 4.2).

¹⁶ Total working hours refer to employees' actual working hours during the seven days before enumeration, comprising hours of work specified in contracts, and compensated (with pay and/ or time-off in lieu) and uncompensated (without pay or time-off in lieu) overtime hours.

¹⁷ Lower-skilled occupations refer to elementary occupations, service and sales workers, craft and related workers, plant and machine operators and assemblers, and clerical support workers.

¹⁸ Higher-skilled occupations refer to managers and administrators, professionals and associate professionals.

- (b) of all employees, 25.2% (790 700) had performed overtime work during the seven days before enumeration. 7.3% (228 300) had overtime work with pay and/ or time-off in lieu (i.e. compensated), and the median compensated overtime hours concerned was 5.0 (Table 2 of Appendix 4.2); while 18.4% (578 300) had engaged in overtime work without pay or time-off in lieu (i.e. uncompensated)¹⁹, and the median uncompensated overtime hours concerned was also 5.0. Among employees engaged in lower-skilled occupations, 10.5% (218 700) had engaged in uncompensated overtime work, and the median uncompensated overtime hours concerned was 3.5. For employees engaged in higher-skilled occupations, the corresponding figure was 34.1% (358 400), and the median uncompensated overtime hours concerned was 6.0 (Table 3 of Appendix 4.2).

Contractual/ Agreed Terms Relating to Working Hours and Overtime Compensation

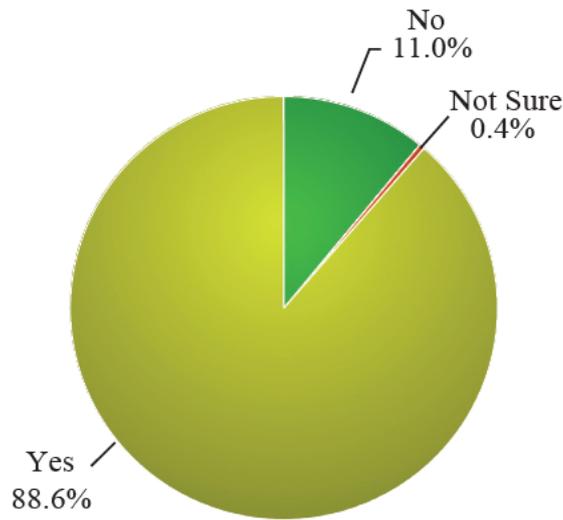
3.9 The findings of the Household Survey revealed that, of all employees:

- (a) 88.6% (2 785 100) had their weekly working hours specified in contracts/ agreements²⁰ (Diagram 3.2). 82.7% (2 598 700) had signed written employment contracts with their employers, while 17.2% (540 600) had not (Diagram 3.3). Among the 540 600 employees who had not signed written employment contracts, 88.4% (478 000) engaged in lower-skilled occupations while 11.4% (61 700) engaged in higher-skilled occupations (Table 4 of Appendix 4.2).

¹⁹ Since employees with compensated overtime work and those with uncompensated overtime work are not mutually exclusive, the sum of the numbers and percentages of these two groups of employees are slightly higher than the corresponding figures of those with overtime work.

²⁰ Contracts/ agreements include written contracts/ oral agreements.

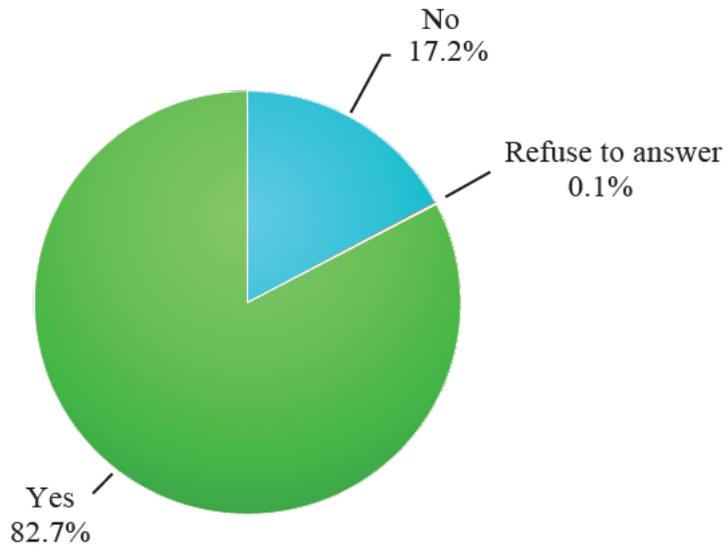
Diagram 3.2 : Whether Contracts/ Agreements Specified the Weekly Working Hours



Base: Employees aged 15 and above (3 142 500)

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Diagram 3.3: Whether Written Employment Contracts Had Been Signed with the Employers

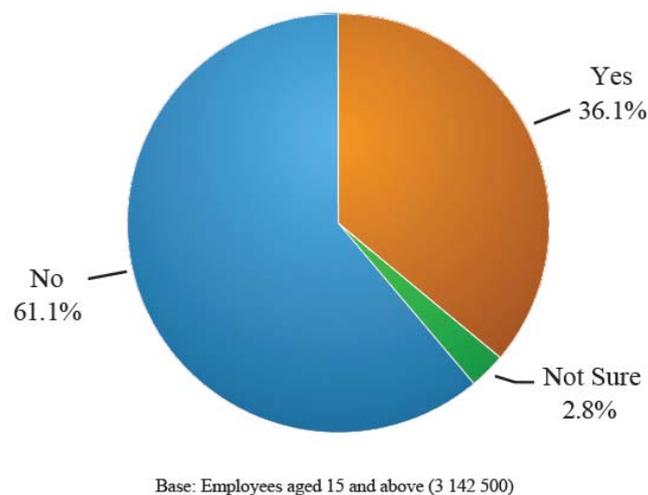


Base: Employees aged 15 and above (3 142 500)

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

(b) 36.1% (1 135 900) had the method of overtime compensation specified in contracts/ agreements while 61.1% (1 919 800) did not have it specified (Diagram 3.4). Among the 1 919 800 employees who did not have the method of overtime compensation specified in their contracts/ agreements, 61.5% (1 181 100) engaged in lower-skilled occupations while 38.2% (733 200) engaged in higher-skilled occupations (Table 5 of Appendix 4.2).

Diagram 3.4: Whether Contracts/ Agreements Specified the Method of Overtime Compensation

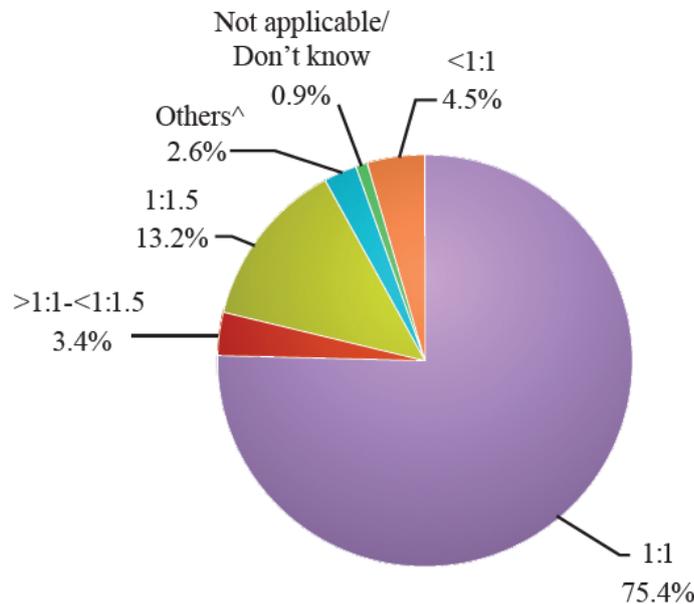


Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

(c) among employees with contracts/ agreements specifying overtime pay as overtime compensation (775 400), the commonest overtime pay rate was 1:1 (75.4%) (584 300) (Diagram 3.5). For employees with contracts/ agreements specifying time-off in lieu as overtime compensation (554 300), the rate of 1:1 (95.4%) (528 600) was also the commonest²¹ (Diagram 3.6).

²¹ Since the contracts/ agreements of some employees had specified both overtime pay and time-off in lieu as overtime compensation, the above two groups of employees are not mutually exclusive and hence their sum is larger than the number of employees with the method of overtime compensation specified in contracts/ agreements.

Diagram 3.5: Overtime Pay Rate* Specified in Contracts/ Agreements



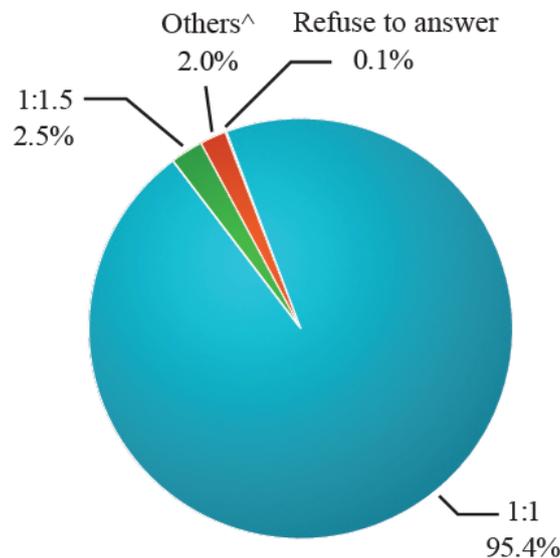
Base: Employees aged 15 and above with contracts/ agreements specifying overtime pay as overtime compensation (775 400)

* Relative to the basic wage rate

^ Others include >1:1.5, and information provided insufficient for calculating the overtime pay rate

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Diagram 3.6: Rate of Time-off in Lieu Specified in Contracts/ Agreements



Base: Employees aged 15 and above with contracts/ agreements specifying time-off in lieu as overtime compensation (554 300)

^ Others include <1:1, >1:1-<1:1.5 and 1:2

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

The above findings showed that although more employees had signed written employment contracts with their employers (82.7%) (2 598 700), and more employees had their weekly working hours specified in contracts/ agreements (88.6%) (2 785 100), some employees still did not have written employment contracts (17.2%) (540 600) or their weekly working hours specified in contracts/ agreements (11.0%) (345 500), and relatively more employees (61.1%) (1 919 800) did not have the method of overtime compensation specified in contracts/ agreements. Overall speaking, only 31.4% (988 100) of employees having entered into written employment contracts with employers had the method of overtime compensation specified. Among those employees (1 546 000) who had entered into written employment contracts with their employers without overtime compensation methods specified therein, 444 100 had engaged in overtime work during the seven days before enumeration. Uncompensated overtime work was prevalent among them (99.7%).

Objectives of Working Hours Policy

3.10 According to the findings of the Household Survey (Diagram 3.7 and Tables 6 and 7 of Appendix 4.2):

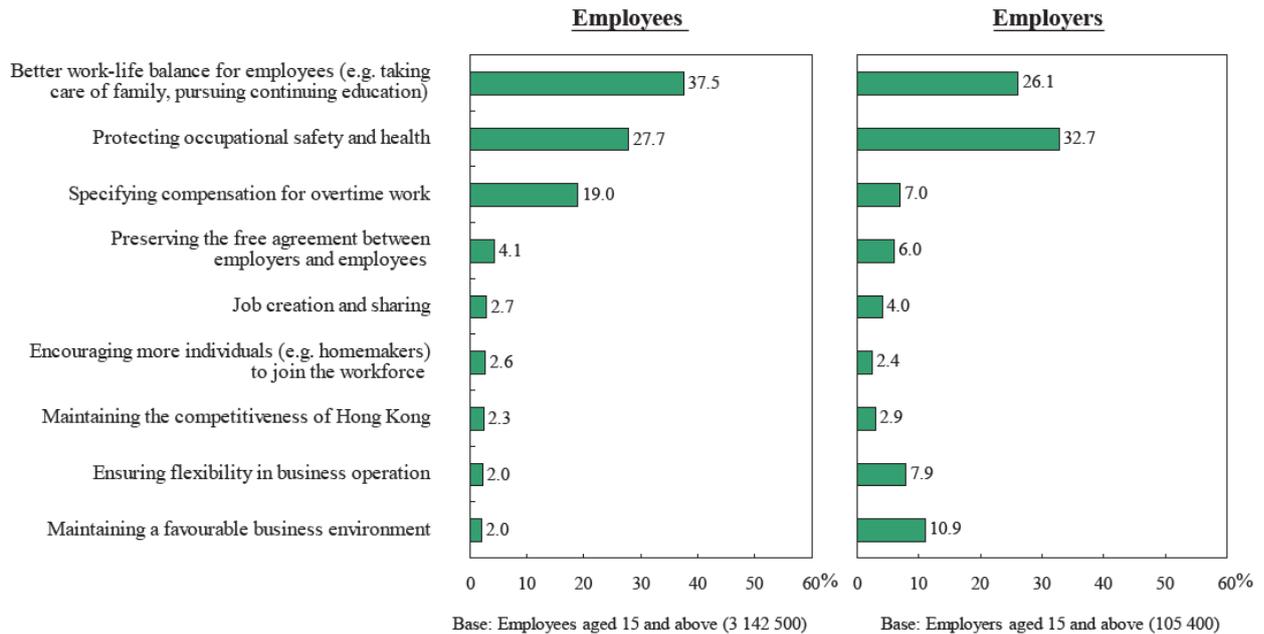
(a) the top three working hours policy objectives recognised by employees were:

- ♦ “better work-life balance for employees” (37.5%);
- ♦ “protecting occupational safety and health” (27.7%); and
- ♦ “specifying compensation for overtime work” (19.0%).

(b) the top three working hours policy objectives recognised by employers were:

- ♦ “protecting occupational safety and health” (32.7%);
- ♦ “better work-life balance for employees” (26.1%); and
- ♦ “maintaining a favourable business environment” (10.9%).

Diagram 3.7: Household Survey – Objectives of Working Hours Policy



Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

3.11 The findings of the Opinion Survey revealed that (Diagram 3.8 and Tables 2 and 6 of Appendix 5.3):

(a) the top three working hours policy objectives chosen by labour union members were:

- ♦ “enabling employees to attain a better work-life balance” (30%);
- ♦ “protecting occupational safety and health” (23%); and
- ♦ “specifying compensation for overtime work” (16%).

(b) the top three working hours policy objectives chosen by trade association members were:

- ♦ “enabling employees to attain a better work-life balance” (17%);
- ♦ “protecting occupational safety and health” (17%); and
- ♦ “maintaining Hong Kong’s competitiveness” (14%).

Diagram 3.8: Opinion Survey – Objectives of Working Hours Policy

Options	Labour Union Members (%)	Trade Association Members (%)
Protecting occupational safety and health	23	17
Specifying compensation for overtime work	16	4
Job creation and sharing	1	5
Enabling employees to attain a better work-life balance	30	17
Facilitating employees to take care of family	5	1
Facilitating employees to pursue continuing education	1	0
Encouraging more individuals (such as homemakers) to join the workforce	0	0
Ensuring flexibility in business operations	0	12
Maintaining a good business environment	1	7
Maintaining Hong Kong’s competitiveness	1	14
Maintaining the freedom of agreement between employers and employees	3	10
Others	0	0
No reply	19	12

Source: 2014 Opinion Survey on Working Hours Regimes, Standard Working Hours Committee.

3.12 The views collected from the consultation activities revealed that both employees and employers also recognised “protecting occupational safety and health” and “achieving work-life balance” as the major working hours policy objectives. Employees also hoped that their overtime work would entitle them to additional compensation. Some employers opined that employees expecting reduction in working hours on the one hand but wishing to have increases in overtime pay on the other would lead to inconsistent results; and the pay, fringe benefits and year-end bonus, etc., agreed by employers and employees already reflected the spirit of more pay for more work.

Coverage of a Working Hours Regime

3.13 According to the Opinion Survey, both members of labour unions and trade associations opined that in formulating working hours policy, the “modes of operation of different sectors” and “work arrangement flexibility and Hong Kong’s competitiveness” were the two major factors that needed to be considered. Should an SWH regime with exemptions be implemented, the exemption criteria (multiple options allowed) chosen by members of labour unions and trade associations were both in the order of:

- ♦ “industry/ sector” (49% for labour union members and 71% for trade association members);
- ♦ “occupation/ job responsibility” (42% for labour union members and 62% for trade association members); and
- ♦ “salary level” (30% for labour union members and 40% for trade association members).

Besides, 19% of labour union members and 5% of trade association members opined that no exemption should be provided (Diagram 3.9 and Tables 3 and 7 of Appendix 5.3).

Diagram 3.9: Views on Exemption Criteria

Options	Labour Union Members (%)	Trade Association Members (%)
Industry/ sector	49	71
Occupation/ job responsibility	42	62
Salary level	30	40
Size or sales volume of an enterprise	7	18
Other exemption criteria	2	3
No exemption should be provided	19	5
No comment	14	9

Source: 2014 Opinion Survey on Working Hours Regimes, Standard Working Hours Committee.

3.14 The major views collected from the consultation activities reflected that:

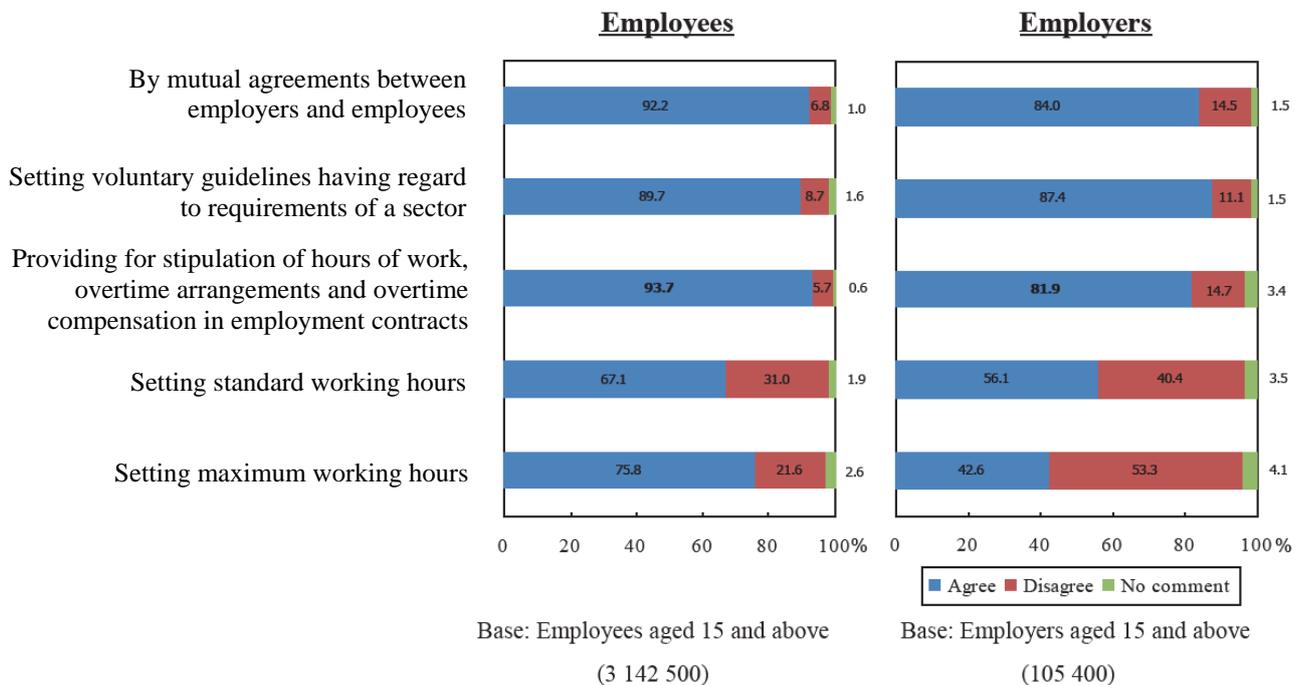
- (a) employees expressed that working hours legislation not applying to all sectors and occupations would likely result in loopholes, weakening the protection for employees. Nevertheless, they agreed that implementation of a working hours regime should take into account the operational circumstances of various sectors.
- (b) employers objected to implementation of a uniform working hours standard and considered that different working hours arrangements were already in place in response to the work nature and requirements of different sectors or occupations. For example, the deliverables of some posts could readily be measured by time and overtime work could clearly be identified (e.g. manual work). However, there were also posts involving working hours which could not be readily calculated (e.g. management, creative or customer-oriented in nature) and their remuneration included revenue- or performance-based elements such as commission. Some employers worried that working hours regulation would aggravate the prevailing severe manpower shortage in the labour market, weaken enterprises' flexibility in manpower deployment and their ability to adapt to economic downturn. While generally employers were of the view that it would be difficult to apply a one-size-fits-all model of working hours regulation, some of them tended to accept working hours policy targeting at helping grassroots employees with lower income, less bargaining power and who were required to work overtime without compensation.

Views on Working Hours Policy Directions

Household Survey

3.15 In the Household Survey, employees and employers interviewed were invited to answer “agree”, “disagree” or “no comment” to each working hours policy approach listed in the survey question. The survey findings revealed that 93.7% of employees agreed with the approach of “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts”, and 81.9% of employers also agreed with this approach. The percentages of employees and employers agreeing with “setting standard working hours” were 67.1% and 56.1% respectively; and the corresponding figures for “setting maximum working hours” were 75.8% and 42.6% (Diagram 3.10 and Tables 8 and 9 of Appendix 4.2).

Diagram 3.10: Household Survey – Views on Working Hours Policy Directions



Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

- 3.16 Of all employees, 74.3% (2 335 100) considered their total working hours during the seven days before enumeration “just right”; 24.4% (767 200) considered them “too long”. 69.9% (535 900) of the latter group did not wish to have their working hours reduced if their income would also decrease. Among all employees, 41.8% (1 313 600) were willing to work more overtime if the overtime work would be reasonably compensated.

Survey on Selected Professions/ Occupations

- 3.17 The views of employees of selected professions/ occupations on working hours policy directions were generally consistent with those of overall employees in the Household Survey. The survey findings revealed that, on the whole, higher percentages of employees of the 10 selected professions/ occupations agreed with the approaches of “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts” (58.4% to 86.6%); “by mutual agreements between employers and employees” (60.8% to 77.9%), and “setting voluntary guidelines having regard to requirements of a sector” (52.4% to 70.9%). In comparison, lower percentages of employees agreed with the approaches of “setting maximum working hours” (44.8% to 75.7%) and “setting standard working hours” (44.2% to 67.9%).

Opinion Survey

- 3.18 The respondent members of labour unions and trade associations were invited to choose whether and, if so, how the current working hours regime should be changed (multiple options allowed). The survey findings revealed that 55% of labour union members preferred “requiring employers and employees to specify hours of work, overtime arrangements and overtime compensation in employment contracts”; and 38% of trade association members also supported this approach. Besides, 31% of labour union

members and 51% of trade association members preferred “individual sectors setting their own voluntary guidelines” (Diagram 3.11 and Tables 4 and 8 of Appendix 5.3).

Diagram 3.11: Opinion Survey – Views on Working Hours Policy Directions

Options	Labour Union Members (%)	Trade Association Members (%)
No need to change the existing regime under which employers and employees are at liberty to agree on working hours arrangements	14	62
Individual sectors setting their own voluntary guidelines	31	51
Requiring employers and employees to specify hours of work, overtime arrangements and overtime compensation in employment contracts	55	38
Legislating for standard working hours	49	11
Legislating for maximum working hours	34	8
No comment	11	9

Source: 2014 Opinion Survey on Working Hours Regimes, Standard Working Hours Committee.

3.19 In the Opinion Survey, compared with SWH, the respondent members of labour unions and trade associations expressed lower degree of support for and stronger opposition to MWH:

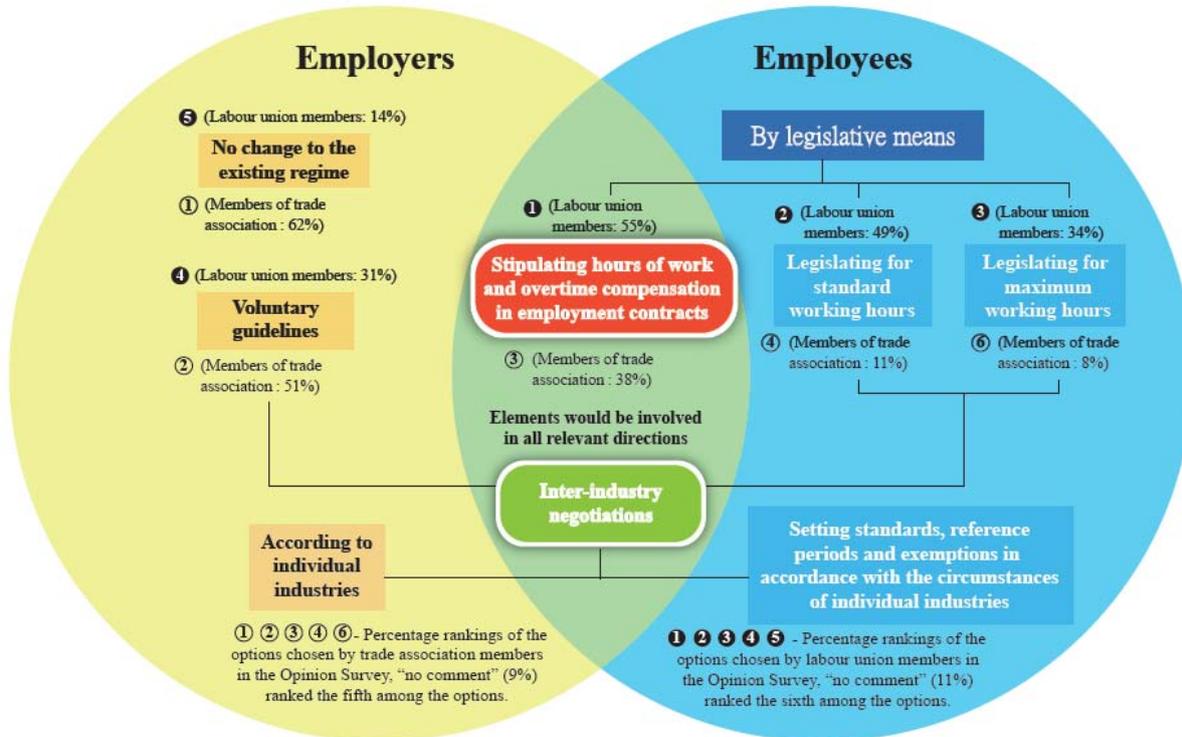
- (a) 75% of labour union members and 48% of trade association members opined that SWH was suitable for Hong Kong, but 14% of labour union members and 42% of trade association members opined that SWH was not suitable; and
- (b) 46% of labour union members and 22% of trade association members opined that MWH was suitable for Hong Kong, but

37% of labour union members and 67% of trade association members opined that MWH was not suitable.

Consultation Activities

- 3.20 According to the major views collected from the consultation activities, employees and labour organisations generally expressed their aspirations for working hours legislation, and considered that in view of the unequal status between employers and employees, as well as insufficient bargaining power of grassroots employees, legislation was the only effective means to protect employees' rights. Labour organisations generally suggested a weekly SWH at 44 hours, overtime compensation at 1.5 times of the basic pay rate and conferring on employees the right to choose to work overtime, while some organisations expressed that MWH should be set at 50 to 72 hours per week.
- 3.21 Employers and employers' associations in general objected to the introduction of uniform working hours legislation in Hong Kong, as employees of different sectors, occupations and skill levels, etc. could hardly follow a single model of working hours regulation owing to their widely varied working hours situations. Employers considered that employment contracts with clear stipulation would be sufficient for the purpose of achieving working hours arrangements as mutually agreed by employers and employees. They also tended to accept formulation of voluntary working hours guidelines according to the circumstances of different sectors.
- 3.22 Diagram 3.12 summarises the views on working hours policy directions in the Opinion Survey and the consultation activities.

Diagram 3.12: Opinion Survey and Consultation Activities – Summary of the Views on Working Hours Policy Directions

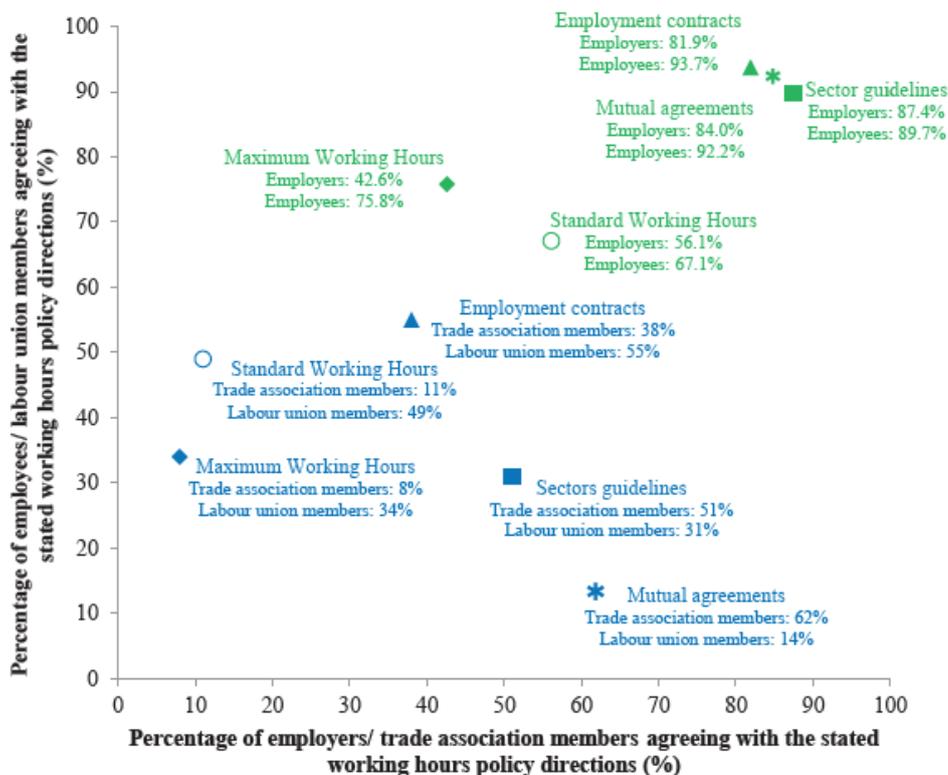


Source: 2014 Opinion Survey on Working Hours Regimes, Standard Working Hours Committee.

Synopsis of the Views on Working Hours Policy Directions in the Household Survey and the Opinion Survey

3.23 Diagram 3.13 presents a synopsis of the percentages of employers and employees agreeing with working hours policy directions stated in the Household Survey, and those of trade association members and labour union members agreeing with the working hours policy directions stated in the Opinion Survey.

Diagram 3.13: Household Survey and Opinion Survey – Synopsis of the Views on Working Hours Policy Directions



Notes: Green represents the percentages of employers and employees in the Household Survey agreeing with the stated working hours policy directions; blue represents the percentages of trade association members and labour union members in the Opinion Survey agreeing with the stated working hours policy directions.

- * By mutual agreements between employers and employees
- Setting standard working hours
- Setting voluntary guidelines having regard to requirements of a sector
- ◆ Setting maximum working hours
- ▲ Providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts

Sources: 2014 Household Survey on Working Hours Situation and 2014 Opinion Survey on Working Hours Regimes, Standard Working Hours Committee.

Overall Observations of the Working Hours Survey and the First-stage Consultation

3.24 Having regard to the major common areas emerging from the findings of the working hours survey and the First-stage Consultation, SWHC generally came up with the following overall observations:

- (a) The findings of both the Household Survey and the Opinion Survey revealed that the two major working hours policy

objectives acknowledged by most employees and employers were work-life balance, and occupational safety and health. Besides, employees were also concerned about overtime compensation while employers placed more emphasis on the possible impacts of working hours policy on Hong Kong's overall competitiveness and business environment (see Diagrams 3.7 and 3.8 for details).

- (b) Employees generally expressed their aspirations for legislating for working hours regulation. Employers and employees expressed through the First-stage Consultation the views that because of the widely varied work nature, working hours and overtime situation among employees at different wage levels and in different sectors or occupations, working hours policy had to take full account of the operational circumstances and practical needs of different sectors and occupations. A uniform ("across-the-board") working hours regulation for all sectors could result in serious impacts on individual sectors or even the society and the economy at large (see paragraphs 3.14, 3.20 and 3.21 for details).
- (c) The Household Survey revealed that the working hours of employees with lower income and engaged in lower-skilled occupations were comparatively longer in general. Meanwhile, the views collected during the First-stage Consultation indicated that employers tended to accept working hours policy which focuses on helping grassroots employees with lower income, less bargaining power and who were required to work overtime without compensation (see paragraphs 3.8 and 3.14 for details).
- (d) The Household Survey showed that while more employees had signed written employment contracts (82.7%), some employees still did not have written employment contracts

(17.2%) or their weekly working hours were not specified in contracts/ agreements (11.0%), and relatively more employees (61.1%) did not have the method of overtime compensation stipulated in contracts/ agreements (see Diagrams 3.2 to 3.4 for details).

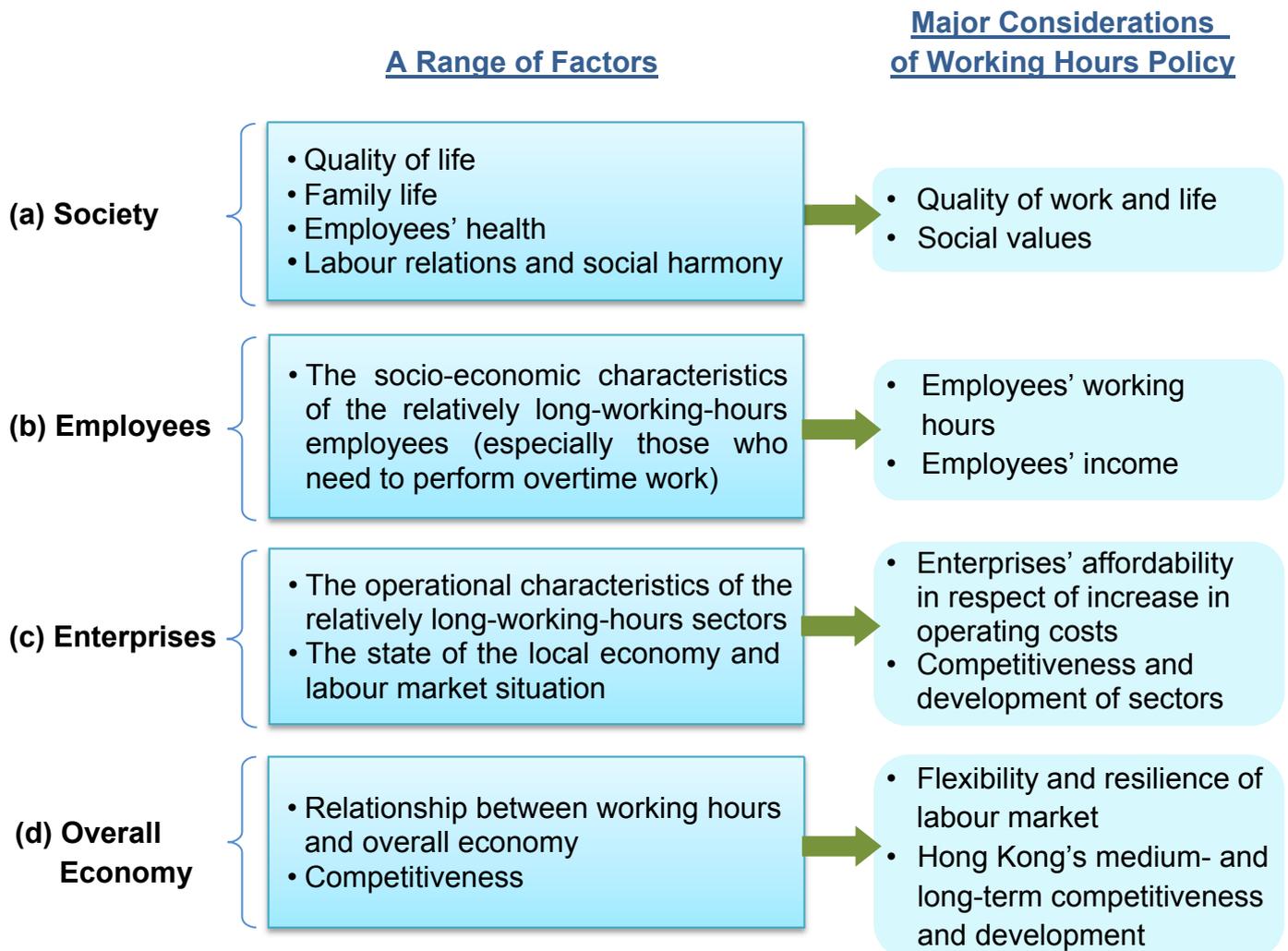
- (e) According to the statistics of the Household Survey, of the employees who considered their working hours “too long”, 69.9% did not wish to have their working hours reduced if their income would also decrease. Among all employees, 41.8% were willing to work more overtime if the overtime work would be reasonably compensated (see paragraph 3.16 for details).
- (f) The Household Survey and the Opinion Survey revealed that 93.7% of employees and 55% of labour union members agreed with “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts”; 81.9% of employers and 38% of trade association members also agreed with this working hours policy approach. Besides, 67.1% of employees and 49% of labour union members agreed with “setting standard working hours”, while the corresponding figures for employers and trade association members were 56.1% and 11% (see Diagrams 3.10 and 3.11 for details).

Chapter 4

Range of Factors Relevant to Working Hours Policy

4.1 Working hours policy involves a wide range of complex issues with widespread and far-reaching implications for employees and employers of various trades, the overall economy, labour market, business environment, and long-term competitiveness, etc. Hence, SWHC identified and examined a range of factors for discussions on issues relevant to working hours policy from four perspectives, including the society, employees, enterprises and the overall economy (Diagram 4.1).

Diagram 4.1: SWHC Deliberated on Issues Relevant to Working Hours Policy from Four Perspectives



Perspective of the Society

Considerations

4.2 There are views in the community that the relatively long working hours of employees in Hong Kong have affected their health and life. Working hours regulation may ease the long working hours situation, improve employees' health, and help employees achieve work-life balance and better quality of life. Enterprises may also be prompted to review their mode of operation and manpower arrangements to enhance efficiency. Besides, clear specification of working hours and overtime compensation arrangements may foster labour relations and social harmony, thereby benefiting both employees and employers. Therefore, in exploring working hours policy directions, SWHC considered the relevant social factors, including quality of life, family life, employees' health, as well as labour relations and social harmony.

(1) Quality of Life

4.3 Quality of life involves the level of personal satisfaction towards material and non-material life (e.g. family life), which is affected by factors such as subjective personal feelings, and the prevailing social and economic conditions.

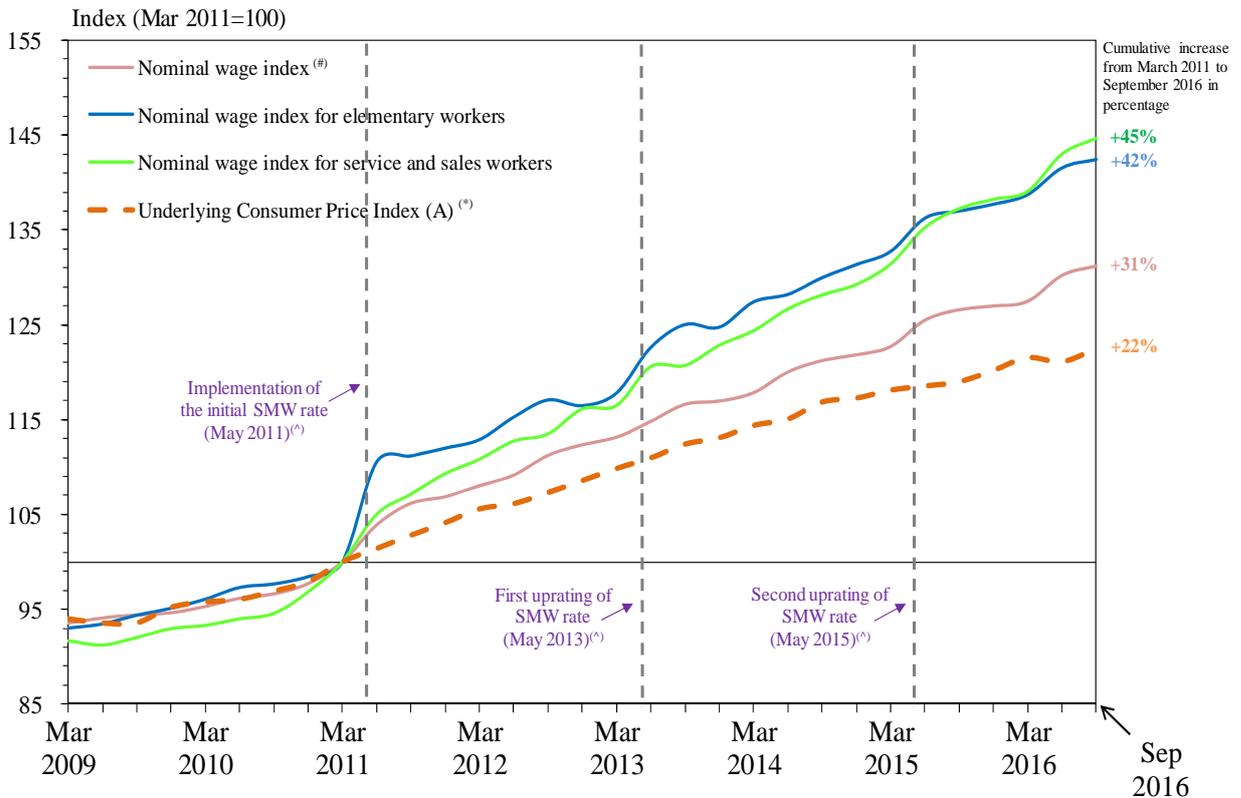
4.4 A well-devised working hours policy may bring about income rises for some employees, but an aggressive policy may lead to a decrease in income for some employees who may then have to take up two jobs to make ends meet, resulting in deterioration in quality of life.

4.5 Real wages (referring to wages after discounting the effect of inflation) are commonly used as an income indicator to reflect employees' purchasing power and quality of life. If the wage increase lags behind inflation, the purchasing power of employees'

income will decline and, to a certain extent, their quality of life will be adversely affected.

- 4.6 Depending on the policy design and the socio-economic circumstances at the time of policy implementation, working hours policy may improve employees' income but may also push up labour costs. If enterprises pass on the additional costs to consumers, it may indirectly lead to a rise in inflation. If the two cannot maintain a proper balance, ultimately the real wage increase for employees may fall short of expected levels estimated before the implementation of the policy.
- 4.7 Using income as a crude indicator to measure quality of life, increases in employees' earnings were seen over the past few years. Real wage growth of low-paid employees who had benefited from the Statutory Minimum Wage (SMW) was notable. Specifically, the nominal wage index increased by 31% in cumulative terms from March 2011 to September 2016, while the corresponding wage indices for the generally lower-paid elementary workers, and service and sales workers went up even more by 42% and 45% respectively, far exceeding the cumulative increase in the underlying Consumer Price Index (CPI)(A) (22%) over the same period. This in turn signified an appreciable improvement in the real wages of these employees (Diagram 4.2).

Diagram 4.2: Trends of Wages and Inflation



- Notes:
- (#) Nominal Wage Index measures the pure changes in wage rates of employees up to supervisory level (i.e. managerial and professional employees are not included).
 - (*) The Consumer Price Index (CPI) measures the changes in the price level of consumer goods and services generally purchased by households over time. Its year-on-year rate of change is widely used as an indicator of the inflation faced by consumers. The underlying CPI(A) is compiled with reference to the expenditure patterns of households with lower average expenditure in the Household Expenditure Survey, netting out the effects of the Government's one-off relief measures.
 - (^) The SMW has been implemented since 1 May 2011 with the initial SMW rate at \$28 per hour. The SMW rate was first upwardly adjusted to \$30 per hour from 1 May 2013, and then to \$32.5 per hour from 1 May 2015.

Sources: Labour Earnings Survey and Monthly Retail Price Survey, Census and Statistics Department.

(2) Family Life

4.8 The community generally recognises the importance of work-life balance for employees, families and the society. According to the findings of the Household Survey, most employees (37.5%) chose "better work-life balance for employees" as the most important objective of working hours policy, while 26.1% of employers shared the same views (see Diagram 3.7 for details).

- 4.9 Working long hours would reduce the time that employees could spend on family and personal life. The findings of the Household Survey showed that 74.3% of employees considered their total working hours during the seven days before enumeration “just right”; 24.4% of employees considered them “too long” (see paragraph 3.16 for details), of which 51.9% would like to arrange more family activities and 42.7% would like to have more personal activities (e.g. entertainment, sports).
- 4.10 According to a review report on the influence of working time on work-life balance²² published by ILO, employees having worked longer weekly hours are more likely to report incompatibility between work and family life. Moreover, work-life nexus is subject to influence from personal, situational and social considerations. Employees of different sectors, ages and family backgrounds also have different expectations towards work and life.
- 4.11 Another study²³ has revealed a multi-faceted relationship between work and family life: the two can be mutually facilitating, but also in conflict with each other. In deliberating on working hours policy, the public has to appreciate the multi-faceted relationship between work and family life and what effects would be achieved by working hours policy.

(3) Employees' Health

- 4.12 In many places, the objective of working hours policy is to protect employees' health. The findings of the Household Survey indicated that most employers (32.7%) chose “protecting

²² Fagan, C. et al. (2012): *The influence of working-time arrangements on work-life integration or 'balance': A review of the international evidence*, Conditions of Work and Employment Series No. 32. Geneva: ILO.

²³ Lau, Yuk-king et al. (2012): *The Work-Family Balance of Hong Kong Full-time Workers*, Occasional Paper Series No. 224. Hong Kong: Hong Kong Institute of Asia-Pacific Studies, The Chinese University of Hong Kong.

occupational safety and health” as the most important objective of working hours policy and 27.7% of employees shared the same views (see Diagram 3.7 for details).

- 4.13 According to an ILO review report on the study of working hours and employees’ health²⁴, the effects of daily and weekly working hours on the health of employees are different, while the effects of the same number of working hours on different employees also vary. For employees who work longer daily hours but fewer working days, the impacts on health may be relatively mild. Compared with long daily working hours, long weekly working hours would affect employees’ health more by hindering their recovery.
- 4.14 The report also points out that while longer working hours may affect employees’ occupational safety and health, such factors as work environment, occupational or job requirements, workload and rest breaks would also have a direct or indirect bearing on their health.
- 4.15 The findings of the Household Survey showed that among employees who considered their working hours “too long”, 63.7% would like to spend more time on rest. Larger proportions of the elder employees (e.g. 74.0% for employees aged between 55 and 64), employees with lower income (e.g. 73.0% for employees with total monthly wage less than \$8,000) and employees engaged in lower-skilled occupations (65.8%) would like to have more rest, indicating that employees’ concern over rest time is affected by such factors as age and job nature (e.g. involving manual work or not).
- 4.16 Shorter working hours may improve employees’ health, which may help reduce the government’s healthcare expenditure and extend employees’ retirement age.

²⁴ Tucker, P. and Folkard, S. (2012): *Working Time, Health, and Safety: a Research Synthesis Paper*, Conditions of Work and Employment Series No. 31. Geneva: ILO.

(4) Labour Relations and Social Harmony

- 4.17 According to an ILO report on the effects of working time on productivity and firm performance²⁵, excessive hours worked often lead to less than proportionate gains in outputs. Shortening the excessive working hours may increase output per hour and bring about productivity improvement. Besides, working hours policies and better work-life balance practices would improve employees' self-reported work performance, reduce the rate of absenteeism and accidents, and help retain employees, recruit talents, as well as increase employees' satisfaction and commitment, thereby fostering harmonious labour relations.
- 4.18 In this connection, the impacts of working hours policy on labour relations also hinge on the primary design of the working hours regime, including whether the definition of working hours and the exemptions, etc. are clearly set out, and whether the regime requirements can balance and cater for the needs of employers and employees of different sectors/ occupations.
- 4.19 As revealed by the findings of the Household Survey, 92.2% of employees and 84.0% of employers agreed with the approach of arranging employees' working hours "by mutual agreements between employers and employees" (see Diagram 3.10 for details).
- 4.20 Consensus among employers, employees and the community at large is imperative for effective implementation of working hours policy. In exploring Hong Kong's working hours policy, we should, in addition to the relevant experience of other places, take into account the socio-economic circumstances of Hong Kong and different views of the community so as to map out the suitable way forward.

²⁵ Golden, L. (2012): *The Effects of Working Time on Productivity and Firm Performance: a research synthesis paper*, Conditions of Work and Employment Series No. 33. Geneva: ILO.

Major Observations

- 4.21 Through examination of the above social factors, SWHC noted that employees and employers generally recognised the importance of work-life balance, and occupational safety and health. If prolonged working hours can be alleviated by a suitable working hours policy, it may help employees achieve better work-life balance and reduce potential health problem, enhance productivity and performance of employees, and foster labour relations and social harmony.
- 4.22 In this connection, working hours policy may increase employees' income. However, it may push up inflation and the general public could be affected. Some employees may also face a decrease in income brought about by shorter working hours.
- 4.23 In contemplating working hours policy for Hong Kong, SWHC needed to strike a balance of its impacts on various aspects and take into account the preferences of both employees and employers as well as views of the community, with a view to building consensus through forging common grounds and allowing differences.
- 4.24 SWHC noted that there were views in the community suggesting SWHC to include quantitative analyses when assessing the potential benefits of working hours policy on family life, employees' health and labour relations. In addition to reviewing the relevant international and local research reports as mentioned above, SWHC had examined some quantitative analytical studies conducted in other places on the social impacts of certain policies, and recognised that these studies, which served as one of the indicators for assessing the effectiveness of the policies, were in general conducted after the relevant policies had been implemented for some time, and very often involved observations

and data collection over a long period of time²⁶.

- 4.25 Apart from examining the relevant international and local researches, SWHC conducted two rounds of extensive public engagement and consultation exercises to gauge public views on the potential impacts of working hours policy from the perspective of the society.

Perspective of Employees

Considerations

- 4.26 Whether working hours policy would ultimately be conducive to work-life balance, fostering a work culture that values physical and psychological fitness for protecting employees' health, or providing employees with fair compensation to enhance their commitment to jobs and in turn improving their morale and productivity depends on the objectives, design and targets of the policy.
- 4.27 For grassroots employees, if overtime work is compensated reasonably, this may avoid uncompensated overtime work and help improve their income. Nevertheless, if their hours of work are reduced, some employees may face an involuntary pay cut.
- 4.28 For higher-paid individuals, owing to the nature of higher-skilled jobs, it is generally more difficult to clearly define working hours and their tasks can hardly be delineated. Assuming that the original agreed wages remain unchanged and overtime work is compensated, these individuals may enjoy a pay rise in the short term. In the medium to long term, if working hours policy triggers

²⁶ One study used quantitative regression models to assess the impact of working hours reduction from 39 hours to 35 hours per week in France from 2000 to 2002, with a few other studies on working hours policies (such as Germany, Portugal, Brazil, etc.) quoted therein. The relevant analyses were in general conducted after the implementation of the working hours policies for some time (for details, see Estevão, M. and Sá, F. (2008): *The 35-hour Workweek in France: Straightjacket or Welfare Improvement?*, Economic Policy, Vol. 23, No. 55, 418-463).

some structural changes in these sectors to mitigate its impacts (e.g. enterprises relocate the operations to other places or adjust the employees' employment terms, etc.), the employment and earnings conditions of these individuals may also be affected.

- 4.29 Hence, in formulating working hours policy directions, the key is to consider how to strike an appropriate balance between respecting employees' freedom to choose their working hours and minimising the risks of reducing their working hours and wages.

Major Observations

- 4.30 Based on the findings of the Household Survey, even though some employees considered their current working hours "too long", the majority of them did not wish to reduce their working hours if their income would as a result decrease. Some of them would even be willing to undertake more overtime work if they were compensated reasonably (see paragraph 3.16 for details). It can then be shown that income is a more important consideration for employees in weighing whether to accept longer working hours.
- 4.31 The working hours situation (including the hours of work specified in contracts, actual working hours, amount of overtime work, proportion of compensated and uncompensated working hours, etc.) varies vastly among employees of different wage levels/ sectors/ skill sets. This may also involve calculation of remunerations by different job nature. Hence, it is difficult to have a unique solution to completely eradicate the problem of long working hours and uncompensated overtime work for different sectors/ occupations.
- 4.32 Most employees agreed that setting SWH and MWH could improve "staff morale" (67.5% and 71.5% respectively) and "productivity of employees" (59.9% and 60.1% respectively). Meanwhile, some employees considered that "flexibility in

operation” (21.0% and 32.8% respectively) and “competitiveness of the company” (18.7% and 24.0% respectively) may be hampered. Therefore, the design of working hours policy should strike a balance among its impacts on various aspects (see paragraphs 3.99 and 3.104 of the Report of the Working Hours Survey for details).

Perspective of Enterprises

Considerations

- 4.33 At the micro level, the immediate impact of working hours policy would be an increase in the wage bill of enterprises. In addition, while it may not be easy to clearly define working hours for some sectors or trades, employees and employers should clarify relevant details before policy implementation to minimise disputes that may arise in the future.
- 4.34 In the medium to long term, regulation of employees’ working hours may bring structural changes to individual enterprises and the ecology of the relevant sectors, as well as impose some restrictions on their operations. We should thus be cautious about the systematic impacts so arising.
- 4.35 In this regard, it is imperative to consider the mode of operation and take into account the affordability of various sectors in face of extra costs while formulating working hours policy, with an aim to strike a proper balance between improving employees’ benefits and maintaining Hong Kong’s favourable business environment and competitiveness.

Major Observations

- 4.36 Based on the findings of the Household Survey, half of the employers recognised that setting SWH/ MWH would help

enhance “staff morale” (53.0% and 49.9% respectively). At the same time, half of the employers were worried that MWH would impair “flexibility in operation” (55.9%) and “competitiveness of the company” (46.2%) (see paragraphs 4.26 and 4.30 of the Report of the Working Hours Survey for details). In fact, a majority of the employers tended to adopt more flexible means to arrange hours of work with employees (see Diagram 3.10 for details).

- 4.37 The manpower and cost structures (e.g. degree of labour intensity), mode of operation (e.g. whether work can be delineated) and profit situation of individual sectors are different. If the design of working hours policy does not suit the operational needs of various sectors, over-regulation would then affect their flexibility, long-term development, and growth potential. Hence, working hours policy should take into account the various operational practices and complexities of different sectors.
- 4.38 In the short term, working hours policy involves additional labour costs, which may be passed on to consumers by enterprises. Some other enterprises may adjust their staffing structure to save costs. As for those which are less capable to pass on, they may have to face a reduction in their profits. As different sectors have their unique operating environment and mode of operation, the mitigation measures adopted would also be different.
- 4.39 In the medium to long term, care must be taken in respect of whether further regulation of the business environment in Hong Kong by working hours policy would thwart business development and jeopardise Hong Kong’s competitiveness as a global commercial centre.

Perspective of the Overall Economy

Considerations

4.40 Short-term impacts of working hours policy on the overall economy:

- (a) apart from the policy design, its impact also hinges on the economic cycle that Hong Kong is facing. Hence, the timing of policy implementation is crucial.
- (b) hours of work play a part in labour market adjustment under different economic cycles. Maintaining the flexibility and resilience of hours of work for responding to different paces of economic growth and labour demand are of utmost importance. Over-regulation of hours of work would hinder the effectiveness of their adjustment to economic cycles and labour market fluctuations.

4.41 Medium- to long-term impacts of working hours policy on the overall economy:

- (a) in face of ageing population, Hong Kong's labour force will continue to shrink. Manpower shortage has already posed constraints to our economic growth potential.
- (b) further regulation of employees' hours of work may aggravate the problem of labour shortage, boost labour costs further and exert upward pressure on wages. If a wage-inflation spiral is triggered, Hong Kong's long-term competitiveness may be affected.

Major Observations

- 4.42 Hong Kong is a small and open economy with a linked exchange rate system. Maintaining a free labour market and keeping prices and wages flexible are most crucial for responding to economic shocks and reacting to fierce globalised competition. Over the past ten years or so, hours of work played a part in labour market adjustment under different economic cycles to help maintain the flexibility and resilience of the labour market, which was in turn vital to economic development.
- 4.43 The implementation of SMW since May 2011 has already set a wage floor to the market. If working hours policy imposes further constraints to the adjustment capability of working hours amid the evolving economic environment, it may result in greater fluctuations in the labour market. The local economy may also take longer time to fully recover.
- 4.44 On top of the medium- to long-term challenges brought about by ageing population and shrinking labour force in Hong Kong, over-regulation of labour supply may further constrain potential for economic growth, thereby undermining Hong Kong's competitiveness.
- 4.45 The short-term impacts of working hours policy on our economy and labour market hinge on the policy design and the economic situation at the time of implementation. Its long-term implications to economic development and to what extent the labour market would stay resilient are indeed even more important. Working hours policy should thus be designed properly, with due regard to its economic impacts.

Chapter 5

Basic Principles in Exploring Working Hours Policy Directions

- 5.1 As mentioned in Chapters 3 and 4, SWHC in 2014 completed the extensive First-stage Consultation and the in-depth working hours survey, and examined a range of social and economic factors relevant to working hours policy. Voluminous data and information of reference value as well as the views of the community on working hours arrangements and working hours issues were collected. With reference to the findings of the above work, members of SWHC agreed to the following principles in exploring working hours policy directions:
- (a) a legislative approach to implement a policy to regulate working hours of employees;
 - (b) owing to the varied circumstances of different trades and occupations, working hours policy should provide the necessary flexibility, hence an “across-the-board” legislative approach would be inappropriate;
 - (c) an in-principle agreement to explore a legislative approach to mandate employers and employees to enter into written employment contracts, which shall include the specified working hours terms, such as overtime compensation arrangement (the “big frame”); and
 - (d) to explore, on the premise of the “big frame”, whether there is a need for other suitable measures (e.g. setting a working hours standard and an overtime pay rate) to further protect grassroots employees with lower income, lower skills and less bargaining power (the “small frame”).

- 5.2 The “big frame” explored by SWHC may entail a legislative approach to mandate employers and employees to enter into written employment contracts, which shall include the specified working hours terms, such as overtime compensation arrangement. This seeks to facilitate employers and employees to clarify working hours arrangements and protect their rights and benefits, as well as to provide a more solid legal basis for handling labour disputes and claims in relation to EO and employment contracts. Details of the ideas and design of the “big frame” are set out in Chapter 6.
- 5.3 SWHC also explored whether there would be a need for other suitable measures to provide further protection for grassroots employees with lower income, lower skills and less bargaining power. Details of the ideas and impact assessment of the “small frame” are set out in Chapter 7.
- 5.4 Based on the above work and discussions, SWHC conducted the Second-stage Consultation from 25 April to 24 July 2016. Differing from the First-stage Consultation held in 2014 which was of a general nature on working hours issues, the Second-stage Consultation aimed to collect further views of the public and stakeholding organisations on the preliminary discussion outcomes of SWHC and the working hours policy directions under exploration for SWHC’s reference in drawing up recommendations and preparing its report. Details are set out in Chapters 6 to 8.

Chapter 6

“Big Frame” under the Second-stage Consultation

Background

- 6.1 Upholding an evidence-based approach, SWHC considered the findings of the Household Survey, among which most employees (93.7%) agreed with the approach of “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts”, and quite a number of employers (81.9%) also agreed with this approach (see Diagram 3.10 for details). The findings of the Opinion Survey also revealed that 55% of the labour union members preferred “requiring employers and employees to specify hours of work, overtime arrangements and overtime compensation in employment contracts”, and 38% of the trade association members also supported this approach (see Diagram 3.11 for details).
- 6.2 SWHC also noted that EO currently does not oblige employers and employees to sign written employment contracts²⁷, nor to specify employees’ working hours arrangements. The findings of the Household Survey also showed that some employees did not have written employment contracts (17.2%) or their weekly working hours specified in contracts/ agreements (11.0%), and a larger portion of employees (61.1%) did not have the method of overtime compensation specified in contracts/ agreements (see Diagrams 3.2 to 3.4 for details). To strengthen the protection of rights and benefits of employers and employees, SWHC agreed to explore a legislative approach to mandate written employment contracts specifying working hours arrangements of employees in general (i.e. the “big frame”).

²⁷ Under Section 2 of EO, a contract of employment means any agreement, whether in writing or oral, express or implied, whereby one person agrees to employ another and that other agrees to serve his employer as an employee.

Ideas of the “Big Frame”

Concept

6.3 During the Second-stage Consultation, SWHC raised the idea of implementing the “big frame” on the premise of EO through a legislative approach, i.e. mandating employers and employees to enter into written employment contracts, which shall include the specified working hours terms, such as the number of working hours, overtime work arrangements and overtime compensation methods. Given the operational situations of different sectors and occupations, employers and employees may work out the agreed contents of these terms, including any numbers of working hours and overtime pay rates or not filling in any numbers.

Features

- 6.4 The “big frame” provides a useful framework for a working hours regime and its features include:
- (a) at present, a contract of employment can be made orally or in writing, and some contracts do not specify the weekly working hours and overtime compensation arrangements. The “big frame” proposes, for the first time, a legislative approach to mandate employers and employees to enter into written employment contracts, which shall include the specified working hours terms of: agreed working hours, overtime situation, overtime compensation arrangement, agreed wages, meal breaks and rest periods, rest days and records of hours worked.
 - (b) specification of such terms as the number of working hours, overtime work arrangements and overtime compensation methods in written employment contracts helps employers and employees clarify working hours arrangements, protects

their contractual rights and benefits, and enhances their awareness of reviewing and agreeing on these arrangements.

- (c) contemplating for the first time the introduction of statutory definitions of “agreed working hours” and “overtime work”, thereby providing a useful framework for a working hours regime.
- (d) providing a more solid legal basis for handling labour disputes and claims in relation to EO and employment contracts.
- (e) contemplating the specification of legal liability, underpinned by enforcement actions, to strengthen employment protection and the legal effect of the “big frame”.
- (f) design and promotion of the relevant sample employment contract(s) and formulation of the relevant supporting measures (e.g. educational promotion, provision of reference information, etc.) to enhance understanding of employers and employees of and their compliance with the relevant regulations.

Design of the “Big Frame”

6.5 With reference to some existing sample employment contracts and standard employment contracts, SWHC preliminarily identified seven specified working hours terms and three relevant issues. A draft sample employment contract (see **Appendix 6.1**) was designed to facilitate public understanding of the relevant arrangements and expression of views during the Second-stage Consultation.

Employment Terms: Interpretation

6.6 The “big frame” contemplates the provision of statutory definitions of “agreed working hours”, “agreed wages” and “overtime work”, so that employers and employees can have a clearer and consistent understanding of the concept of working hours and compensation arrangement when formulating the relevant contractual terms. The preliminary proposed definitions are:

- ♦ “Agreed working hours” means the hours to be worked by an employee in accordance with the contract of employment, including any time during which the employee is:
 - (a) in attendance at a place of employment, irrespective of whether he/ she is provided with work or training at that time; and
 - (b) travelling in connection with his/ her employment excluding travelling (in either direction) between his/ her place of residence and his/ her place of employment other than a place of employment that is outside Hong Kong and is not his/ her usual place of employment.
- ♦ “Agreed wages” means all remuneration, earnings, allowances (including travelling allowances, attendance allowances and commission), tips and service charges payable in terms of money to an employee in respect of his/ her work under his/ her contract of employment, but does not include:
 - (a) overtime pay;
 - (b) the value of any accommodation, education, food, fuel, light, medical care or water provided by the employer;
 - (c) any contribution paid by the employer on his/ her own account to any retirement scheme;

- (d) any commission which is of a gratuitous nature or which is payable only at the discretion of the employer;
 - (e) any attendance allowance or attendance bonus which is of a gratuitous nature or which is payable only at the discretion of the employer;
 - (f) any travelling allowance which is of a non-recurrent nature;
 - (g) any travelling allowance payable to the employee to defray actual expenses incurred by him/ her by the nature of his/ her employment;
 - (h) the value of any travelling concession;
 - (i) any sum payable to the employee to defray special expenses incurred by him/ her by the nature of his/ her employment;
 - (j) any end of year payment which is payable under Part IIA of EO;
 - (k) any gratuity payable on completion or termination of a contract of employment; and
 - (l) any annual bonus which is of a gratuitous nature or which is payable only at the discretion of the employer.
- ♦ “Overtime work” means the work done by an employee outside the agreed working hours at the request or with the agreement of his/ her employer.

Employment Terms Relating to Working Hours

6.7 The seven specified working hours terms preliminarily identified include: agreed working hours, overtime situation, overtime compensation arrangement, agreed wages, meal breaks and rest periods, rest days and records of hours worked. Further information and the sample working hours terms are set out in paragraphs 6.8 to 6.14 below.

(1) Agreed Working Hours

6.8 “Agreed working hours” means the hours to be worked by an employee in accordance with the contract of employment, which can be in regular or irregular pattern, and are usually calculated on a daily, weekly or monthly basis. To cater for the needs of different sectors/ enterprises, the following sample provides various options of working hours arrangements for reference by employers and employees (Diagram 6.1).

Diagram 6.1: Sample Employment Term of Agreed Working Hours

• **Agreed Working Hours**

Fixed, at _____ days per week
 _____ hours per day, from _____ *a.m./p.m. to _____ *a.m./p.m.
 and _____ *a.m./p.m. to _____ *a.m./p.m.

Shift work required, at _____ hours per day
 from _____ *a.m./p.m. to _____ *a.m./p.m.
 or _____ *a.m./p.m. to _____ *a.m./p.m.
 or _____ *a.m./p.m. to _____ *a.m./p.m.

Not fixed, at _____ working day(s) per *week/month, totalling _____ hour(s)

Others _____

 (Please specify details of working hours arrangements)

* Delete whichever is inapplicable

(2) Overtime Situation

6.9 Specifying the expected overtime situation in written employment contracts will facilitate employers’ and employees’ understanding of whether and under what circumstances the posts will involve overtime work (Diagram 6.2).

Diagram 6.2: Sample Employment Term of Overtime Situation

• **Overtime Situation**

Overtime work is not required

Overtime work is required at the request of the employer

Overtime work is to be performed with the mutual agreement of the employer and employee

Others _____

 (Please specify details of overtime work)

(3) Overtime Compensation Arrangement

6.10 Specifying whether overtime work will be compensated, the compensation methods (e.g. in the form of overtime pay or time-off in lieu, and the rate of compensation) and relevant arrangements in written employment contracts will facilitate the compliance of employers and employees (Diagram 6.3).

Diagram 6.3: Sample Employment Term of Overtime Compensation Arrangement

• **Overtime Compensation Arrangement** Overtime compensation arrangement that is applicable to working days (i.e. not rest days or other holidays):

Compensated by overtime pay:

At the rate of \$ _____ per hour

At the rate of _____ % of _____²⁸

Others _____

(Please specify details of payment criteria and calculation method, etc.)

Compensated by time-off in lieu: _____

(Please specify details of granting criteria and calculation method, etc.)

Others: _____

(Please specify details of relevant criteria and calculation method, etc.)

The overtime compensation arrangement on rest days and other holidays **is/is not* the same as that on working days. If they are not the same, please specify in detail the overtime compensation arrangement on rest days and other holidays²⁹: _____

Not applicable

* Delete whichever is inapplicable

²⁸ Please fill in the basis for calculating the overtime pay (such as the total wages). For example, if the overtime pay is calculated at the rate of 100% of the total hourly wages of \$50, the overtime pay will be \$50 per hour (\$50 x 100%).

²⁹ Under EO, an employer should obtain the prior consent from his/ her employee should he/ she request him/ her to work on rest days. Furthermore, regardless of whether an employee is entitled to statutory holiday pay, an employer should still grant his/ her employee a statutory holiday, or arrange an “alternative holiday” or a “substituted holiday” for him/ her. An employer must not make any form of payment to the employee in lieu of granting a holiday.

(4) Agreed Wages

6.11 Setting out the amount of agreed wages, mode of payment (e.g. remunerated on a monthly, daily, hourly or piece-rated basis) and wage components (e.g. basic wages, allowances or commission) in written employment contracts will enhance employers’ and employees’ understanding of the calculation of agreed wages. Agreed wages may serve as the basis for calculating overtime compensation if appropriate (Diagram 6.4).

Diagram 6.4: Sample Employment Term of Agreed Wages

<ul style="list-style-type: none"> • Agreed Wages 	<p>Basic wages of \$ _____ per *hour/day/week/month</p> <p>plus the following allowance(s):</p> <p><input type="checkbox"/> Meal allowance of \$ _____ per *day/week/month</p> <p><input type="checkbox"/> Travelling allowance of \$ _____ per *day/week/month</p> <p><input type="checkbox"/> Attendance allowance of \$ _____</p> <hr/> <p style="text-align: center;">(Please specify details of payment criteria and calculation method, etc.)</p> <p><input type="checkbox"/> Others (e.g. commission and tips) \$ _____</p> <hr/> <p style="text-align: center;">(Please specify details of payment criteria, calculation method and date of payment etc.)</p> <p>If the agreed wages are paid and calculated by other means, please specify in detail:</p> <p>_____</p>
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* Delete whichever is inapplicable

(5) Meal Breaks and Rest Periods

6.12 In addition to arrangements of meal breaks/ rest periods, setting out whether meal breaks/ rest periods will be counted as agreed working hours and with pay in written employment contracts will facilitate the calculation of agreed working hours, overtime work and relevant compensation by both employers and employees (Diagram 6.5).

**Diagram 6.5: Sample Employment Term of
Meal Breaks and Rest Periods**

- **Meal Breaks**
 - Fixed, from _____ **a.m./p.m.* to _____ **a.m./p.m.*, **with/without pay*
 - Not fixed, at _____ **minutes/hour(s)* per day, **with/without pay*

Meal breaks **are/are not* counted as agreed working hour(s).

 - Not applicable
-
- **Rest Periods**
 - Fixed, from _____ **a.m./p.m.* to _____ **a.m./p.m.*, **with/without pay*
 - Not fixed, at _____ **minutes/hour(s)* per day, **with/without pay*

Rest periods **are/are not* counted as agreed working hour(s).

 - Not applicable

* Delete whichever is inapplicable

(6) Rest Days

6.13 According to EO, an employee employed under a continuous contract (i.e. employee who has been employed continuously by the same employer for four weeks or more, with at least 18 hours worked in each week) shall be granted not less than one rest day in every seven days. Written employment contracts may set out the arrangements of rest days and whether rest days are with pay (Diagram 6.6).

Diagram 6.6: Sample Employment Term of Rest Days

- **Rest Days**
 - Fixed, on every _____, **with/without pay*
 - Not fixed, at _____ day(s) per **week/month*, **with/without pay*

* Delete whichever is inapplicable

(7) Records of Hours Worked³⁰

6.14 Keeping comprehensive and clear records of employees’ working hours will help employers and employees calculate working hours and any overtime compensation involved. Employers and employees may discuss and agree on the arrangements for keeping records of working hours provided that the existing legal requirements are complied with (Diagram 6.7).

Diagram 6.7: Sample Employment Term of Records of Hours Worked

- **Keeping Records of Hours Worked**
 - The employer shall keep records of the hours worked (including overtime hours) for handling employees’ wages, overtime compensation, etc.
 - Such records will not be kept as the nature of work involved renders it difficult to calculate the hours worked
 - Others_____

Relevant Issues

6.15 In addition to the above seven specified working hours terms, SWHC in the Second-stage Consultation pointed out that implementation of the “big frame” involves three relevant issues, including coverage, flexibility arrangements as well as consequences and liability. Further information is provided in paragraphs 6.16 to 6.23 below.

(1) Coverage

6.16 The “big frame” through a legislative approach mandates employers and employees to enter into written employment contracts, which shall include the specified working hours terms, such as overtime compensation arrangement, so as to help

³⁰ Under EO, every employer shall maintain the wage and employment records of each employee covering the preceding 12 months. If the wages payable to the employee in respect of any wage period are less than the amount specified in the Ninth Schedule to EO (\$13,300 per month with effect from 1 May 2015), and the employee is an employee within the meaning of MWO, the employer shall keep a record of the total number of hours worked by the employee in that wage period.

employers and employees clarify working hours arrangements and compensation issues, as well as protect their contractual rights and benefits. The “big frame” should widely apply to employers and employees to afford them better protection.

6.17 With reference to the experience in other places, certain categories of employees, e.g. employees expected to have a short employment duration, may be exempted from the regulation of working hours. At present, EO and MWO do not apply to the following persons, including:

Persons to Whom EO Does Not Apply	Persons to Whom MWO Does Not Apply
<ul style="list-style-type: none"> • a family member of the employer who lives in the same dwelling as the employer; • an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance (Cap. 78); • a person serving under a crew agreement under the Merchant Shipping (Seafarers) Ordinance (Cap. 478), or on board a ship which is not registered in Hong Kong; • an apprentice whose contract of apprenticeship has been registered under the Apprenticeship Ordinance (Cap. 47), other than certain provisions of EO. 	<ul style="list-style-type: none"> • persons to whom EO does not apply; • live-in domestic workers³¹; • specified student interns as well as work experience students during a period of exempt student employment.

6.18 When contemplating the coverage of the “big frame”, other than the exempted employees, consideration may be given to whether the “big frame” should apply to:

³¹ It refers to domestic workers (including domestic helpers, carers, chauffeurs, gardeners, boat-boys or other personal helpers) who dwell free of charge in their employing household, irrespective of their sex, race or nationality.

- ♦ all employees (i.e. upon the implementation of the “big frame”, employers must ensure signing of written employment contracts with all existing and future employees in compliance with the “big frame” requirements); or
- ♦ employment contracts entered into after the implementation of the “big frame” (i.e. employment contracts newly entered into or renewed after the implementation of the “big frame”).

6.19 If the “big frame” is to be implemented, consideration may be given to whether a transitional period is required for preparation by employers and employees.

(2) Flexibility Arrangements

6.20 As employers and employees can agree on the contents of the specified working hours terms according to the actual circumstances, the design of the “big frame” has already provided certain flexibility.

6.21 According to the experience in other places, employees may voluntarily opt-out from the regulation of working hours; or a reference period (e.g. one week, one month, and one quarter) can be adopted to calculate employees’ total working hours and overtime compensation, etc. over a certain period of time.

(3) Consequences and Liability

6.22 In contrast to the current arrangement allowing employers and employees to reach oral agreements on employment terms, non-compliance with the requirement of entering into written employment contracts under the “big frame” may involve:

- (a) both parties to the employment failing to enter into a written employment contract;

- (b) the signed written employment contract not including all the working hours terms specified by the “big frame”; and/ or
- (c) an employer/ employee failing to observe or having unilaterally varied the specified working hours terms.

6.23 With legal effect, the “big frame” will stipulate the consequences of non-compliance. As for the proposed penalties, reference may be made to the existing provisions of the labour legislation.

Chapter 7

“Small Frame” under the Second-stage Consultation

Background

- 7.1 With reference to the findings of the Household Survey, SWHC found that the working hours of employees with lower income and engaged in lower-skilled occupations were comparatively longer in general. As also suggested by the opinions collected in the First-stage Consultation, employers tended to accept that working hours policy should focus on assisting grassroots employees with lower income, less bargaining power and who were required to work overtime without compensation (see paragraphs 3.8 and 3.14 for details).
- 7.2 In this regard, SWHC in parallel explored if there would be a need for other suitable measures (e.g. setting a working hours standard and an overtime pay rate) to further protect grassroots employees with lower income, lower skills and less bargaining power (i.e. the “small frame”) on the premise of the “big frame”.

Ideas of the “Small Frame”

- 7.3 In the Second-stage Consultation, SWHC invited the community to consider whether there would be a need to set a working hours standard and an overtime pay rate for employees with lower income and less bargaining power, i.e. employees would be entitled to overtime compensation for their working hours above the specified working hours standard within a period.
- 7.4 The “small frame” will not impose an upper limit on total working hours of employees (i.e. no regulation on setting MWH).

Parameters Used for Studying the “Small Frame”

7.5 Upholding an evidence-based approach for discussion, SWHC conducted data analyses and assessments of the 28 parameter combinations (Diagram 7.1) comprising different total monthly wages of employees, weekly working hours and overtime pay rates, including:

- (a) the first 27 parameter combinations:
 - (i) **Employees with total monthly wages:** Not exceeding \$10,000, \$12,000, \$15,000;
 - (ii) **Weekly working hours:** Over 44, 48, 52 hours;
 - (iii) **Overtime pay rates (i.e. the rates of original hourly pay to hourly overtime pay):** 1:1.0, 1:1.3, 1:1.5; and
- (b) an additional 28th parameter combination agreed by SWHC for analysis in response to the proposal raised by employee members of the Labour Advisory Board (LAB) in SWHC: Employees with total monthly wages not exceeding \$25,000, weekly working hours exceeding 44 hours and the overtime pay rate of 1:1.5.

**Diagram 7.1: Ideas of the “Small Frame” –
Parameters Used for Studying the “Small Frame”**



Note: * Total monthly wages of employees are estimated based on the sum of employees’ basic wages specified in the contracts/ agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

[^] Excluding government employees and live-in domestic workers.

Objectives of Conducting Impact Assessments

- 7.6 Working hours policy involves a wide range of complex issues with widespread and far-reaching implications for the overall labour market, manpower demand, employment relations, work culture, business environment, economic development and business competitiveness, etc.
- 7.7 Upholding an evidence-based approach for discussion, SWHC conducted data analyses and assessments of the potential impacts of the above 28 parameter combinations on three aspects: employees, enterprises and the overall economy.
- 7.8 Conducting impact assessments aimed at exploring the affordability of various segments of the community from different perspectives. SWHC published the following assessment results in full in the Second-stage Consultation to facilitate the community to consider the pros and cons of different scenarios impartially on the basis of solid data, so as to promote informed and objective discussions.
- 7.9 It should be noted that the impact assessments were made based on a series of assumptions, in an attempt to perform stress tests on scenarios as and when a working hours standard had been set up. Hence, the assessment results should not be regarded as a forecast. Furthermore, the analyses were only for SWHC’s reference. SWHC did not have any stance on these parameter combinations, nor was SWHC obliged to make any recommendation on these combinations.
- 7.10 The ensuing paragraphs 7.11 to 7.30 set out the considerations pertinent to the exploration and study of the “small frame”, as well as the impact assessment results of the 28 parameter combinations.

Potential Impacts on Employees

Identify the Involved Employees

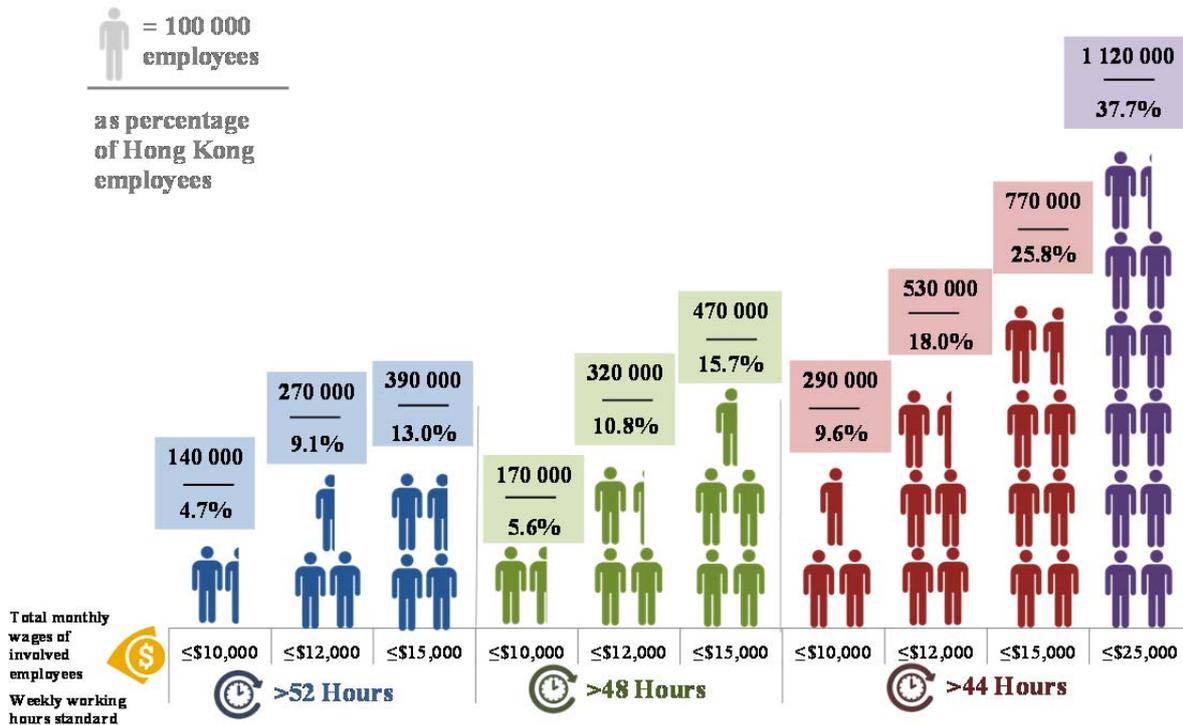
7.11 Before assessing the impacts, there is a need to identify the involved employees under the selected parameters, i.e. weekly working hours over 44, 48, 52 hours, and employees with total monthly wages not exceeding \$10,000, \$12,000, \$15,000 and \$25,000.

Numbers of the Involved Employees in Hong Kong

7.12 Based on the findings of the Household Survey, in 2014, employees with total monthly wages not exceeding \$10,000, \$12,000, \$15,000 or \$25,000 accounted for 19.0%, 33.0%, 47.5% and 72.4% of all employees (excluding government employees and live-in domestic workers) (2 972 200) in Hong Kong respectively.

7.13 Among them, the numbers of employees with weekly working hours over 44, 48 or 52 hours ranged from 140 000 to 1 120 000, or 4.7% to 37.7% of all employees in Hong Kong (Diagram 7.2).

Diagram 7.2: Numbers of the Involved Employees in Hong Kong



Note: The numbers of employees in the diagram excludes government employees and live-in domestic workers.
 Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Potential Changes in the Wages of the Involved Employees

7.14 The “small frame” stipulates that overtime work will be compensated. On the one hand, working hours regulation may shorten working hours. Employees may thus have better work-life balance and less potential health problem, and some employees’ income would improve. On the other hand, some employees may face an involuntary pay cut as working hours are reduced. Whether the wages of individual involved employees would increase or decrease depends on the mitigation measures adopted by employers, e.g. whether enterprises would adjust the working hours of the involved employees, etc. Hence, not all the involved employees can benefit from a pay rise.

7.15 The following illustration (Diagram 7.3) depicts the potential changes in wages and working hours of four involved employees under the parameter combination of a weekly working hours standard of 44 hours and an overtime pay rate of 1:1.5.

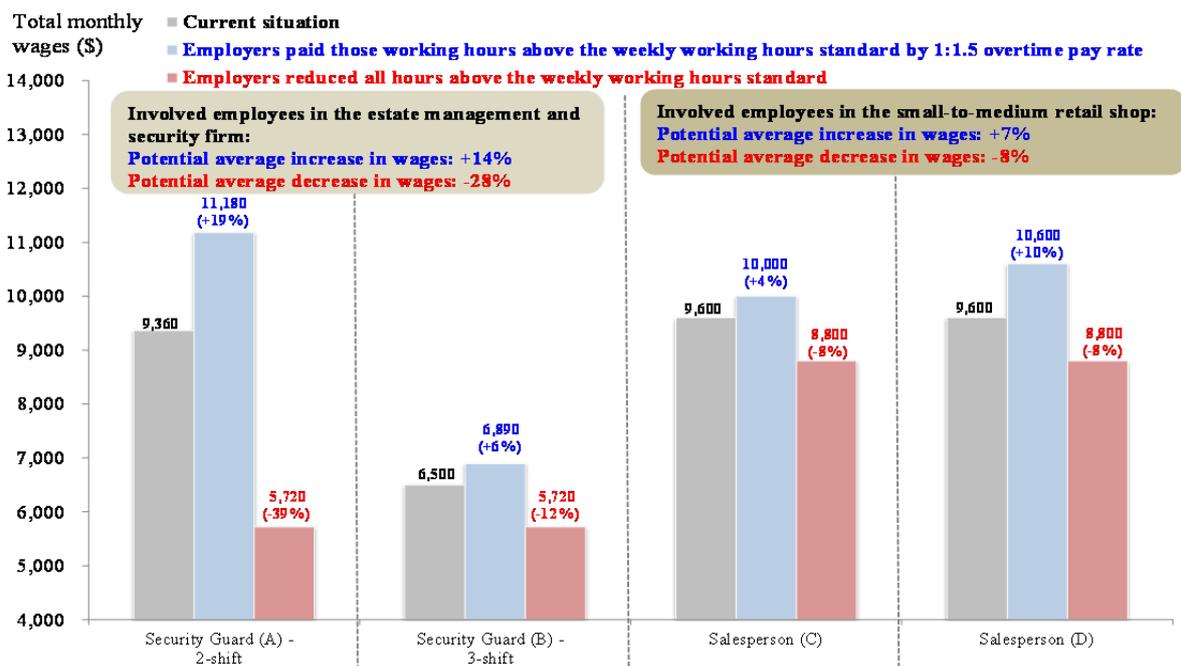
Diagram 7.3: Illustration – Potential Changes in Wages and Working Hours of Four Employees

Take four employees with current weekly total hours of work over 44 hours and total monthly wages not exceeding the levels under study → All four of them are involved employees under the “small frame”

		Total weekly hours of work ^(*) (Agreed working hours/ compensated overtime/ uncompensated overtime)	Hourly wages	Total monthly wages ^(^)
Estate management and security firm	Security guard (A) – 2-shift	72 (72 / 0 / 0)	\$32.5	\$9,360
	Security guard (B) – 3-shift	50 (48 / 2 / 0)	\$32.5	\$6,500
Small-to-medium retail shop	Salesperson (C)	48 (44 / 4 / 0)	\$50.0	\$9,600
	Salesperson (D)	50 (44 / 4 / 2)	\$50.0	\$9,600

Notes: (*) For illustration, all compensated overtime work is assumed to be compensated at overtime pay rate of 1:1.0.
(^) For illustration, assuming four weeks of work every month, employees’ rest days and meal breaks which are not regarded as working hours are assumed not to be paid.

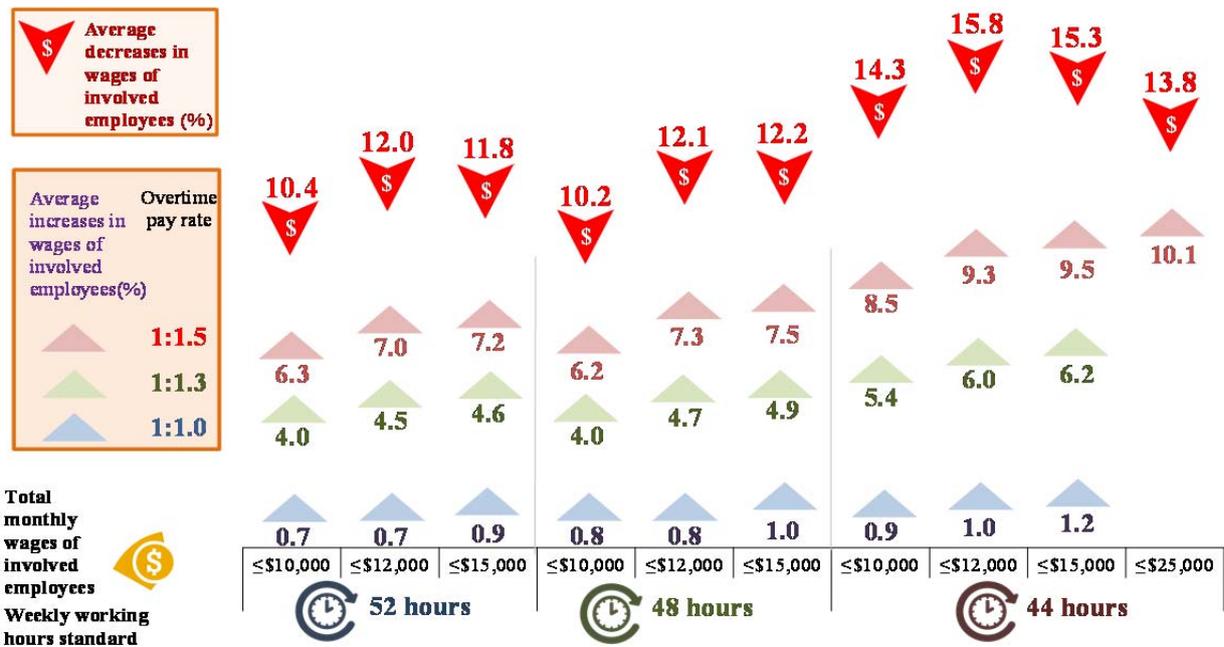
Under the parameter combination of a weekly working hours standard of 44 hours and an overtime pay rate of 1:1.5, wages of the four involved employees may have different changes



Note: The estimates are made based on the assumption that employees’ hourly wages remain unchanged. Changes in employees’ wages would be different if different parameter combinations are adopted.

7.16 If the total working hours of all the involved employees remained unchanged, and assuming that those working hours above the working hours standards would be compensated at overtime pay rates of 1:1.0, 1:1.3 and 1:1.5 respectively, the average wages of the involved employees would increase (ranging from 0.7% to 10.1%). If their working hours were reduced to the working hours standards, i.e. 44, 48 or 52 hours per week, and their wage rates remain unchanged, the average wages of the involved employees would decrease (ranging from 10.2% to 15.8%) (Diagram 7.4).

Diagram 7.4: Potential Changes in Wages



Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Potential Impacts on Enterprises

7.17 Under the design of the “small frame”, enterprises need to pay compensation for overtime work if they request employees to work more than the working hours standard. This may lead to increases in the wage bill of enterprises and may involve other administrative costs (such as costs to clarify and verify the working hours of employees).

7.18 However, enterprises operate for profits. When their costs increase, they would usually adopt different measures to mitigate the impact. As the mode of operation of each sector/ enterprise is different, the strategy adopted will also be different depending on the overall economic situation, for example:

- (a) **Raise prices:** If the economic situation is favourable, enterprises are generally more capable to raise prices, resulting in higher inflation. Once the economy goes into recession, enterprises would be less able to do so. Employees may thus face higher risks of reduction of their working hours or even being laid off.
- (b) **Reduce profits:** For enterprises which cannot fully pass on the costs to customers by raising prices, additional costs would lead to narrower profit margins, thereby affecting the sustainability of the affected sectors, as well as the diversity of Hong Kong’s industrial structure and its economic vitality.
- (c) **Reorganise staff structure:** Enterprises can reorganise the modes of operation and review manpower arrangements to improve operational efficiency and cut down the wage bill (such as reducing the hours of operation and employees’ working hours). However, it may in turn affect the income and employment prospects of employees. Amidst the challenges of a dwindling labour force in Hong Kong in the medium to long term, a further jump in wage bill may magnify the wage-inflation spiral.

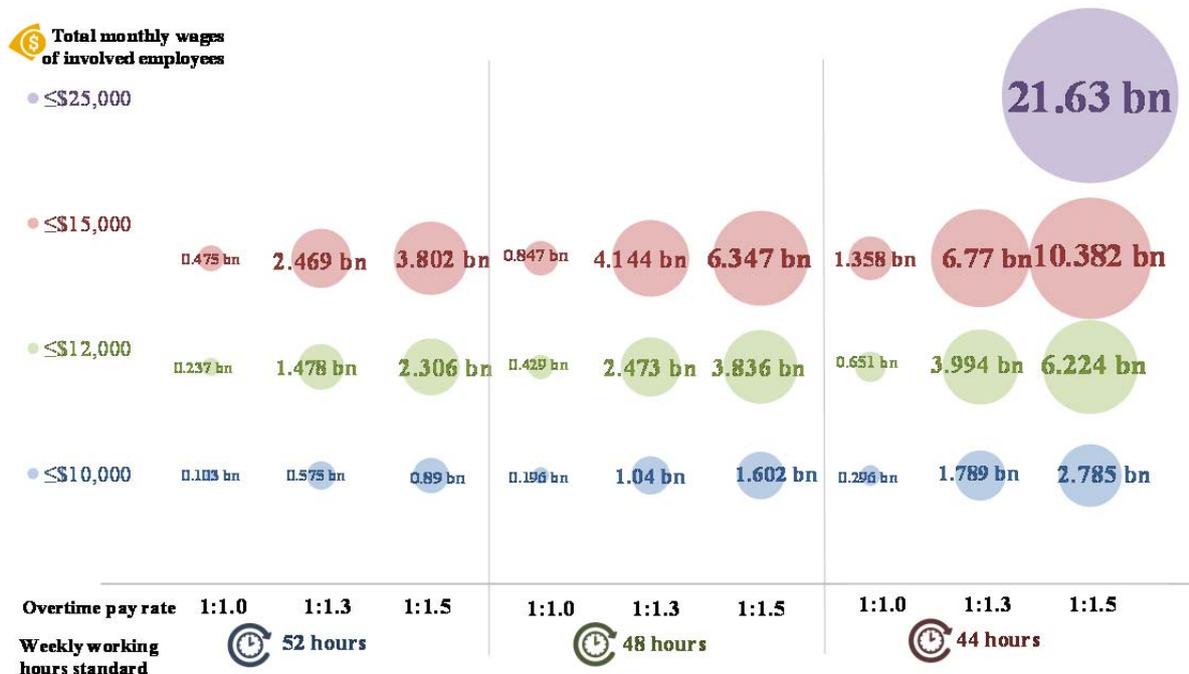
7.19 It is noteworthy that all mitigation measures mentioned above may take place concurrently and bring impacts to different realms. Also, as the business situation varies across different sectors/ enterprises, their abilities to bear cost increases would also be different, especially for SMEs which constitute over 98% of enterprises in Hong Kong and provide almost 50% of jobs in the

private sector³². As SMEs are usually less flexible to rearrange manpower, raise price and control costs, particular caution is required as to how further regulation of employees’ working hours may affect their business environment. In fact, the various parameters studied under the “small frame” would potentially impact on individual sectors and SMEs therein to a varying degree. The related assessment results are set out in **Appendix 6.2**.

Immediate Increases in Wage Bill

7.20 Under different parameter combinations of the “small frame”, enterprises would face, before adopting any mitigation measures, immediate increases in the annual wage bill, ranging from 103 million to 21.63 billion, equivalent to 0.02% to 3.84% of the total annual wage bill (Diagram 7.5).

Diagram 7.5: Increases in the Annual Wage Bill of All Sectors (\$) (Assuming Working Hours of the Involved Employees Remain Unchanged)



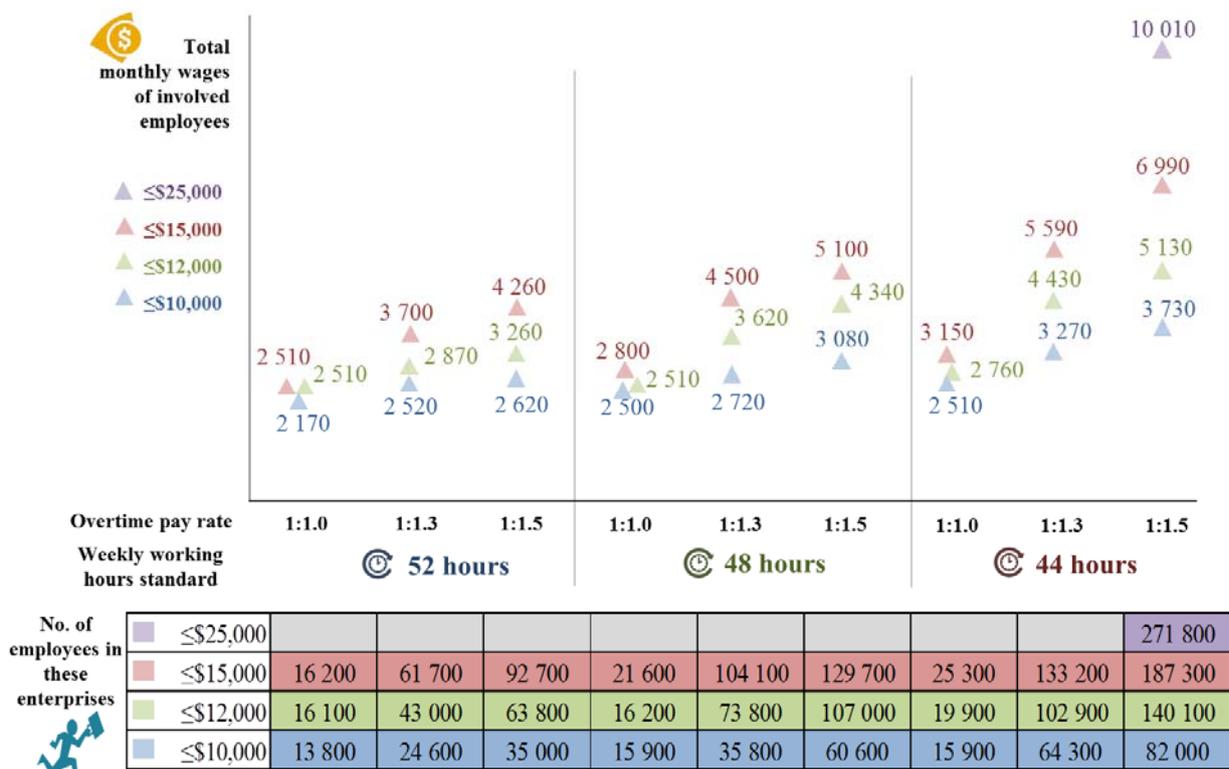
Note: The wage bill shown in the diagram is computed in accordance with the definition of wages as set out in MWO, excluding the payments related to rest days and meal breaks which are not regarded as working hours.

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

³² Data source: Quarterly Survey of Employment and Vacancies, Census and Statistics Department.

7.21 If enterprises offset the increases in payroll expenses³³ by profit, some of them would turn from profits to losses, thereby affecting the employment stability of employees engaged therein. Under different parameter combinations, if enterprises offset the increases in payroll expenses in full by profit, the numbers of enterprises turning from profits to losses would range from 2 200 to 10 000, in which 13 800 to 271 800 employees were engaged (Diagram 7.6).

Diagram 7.6: Results of Stress Tests – Numbers of Enterprises Turning from Profits to Losses and Numbers of Employees Engaged in These Enterprises (Assuming Enterprises Would Offset the Increases in Payroll Expenses in Full by Profit^(*))



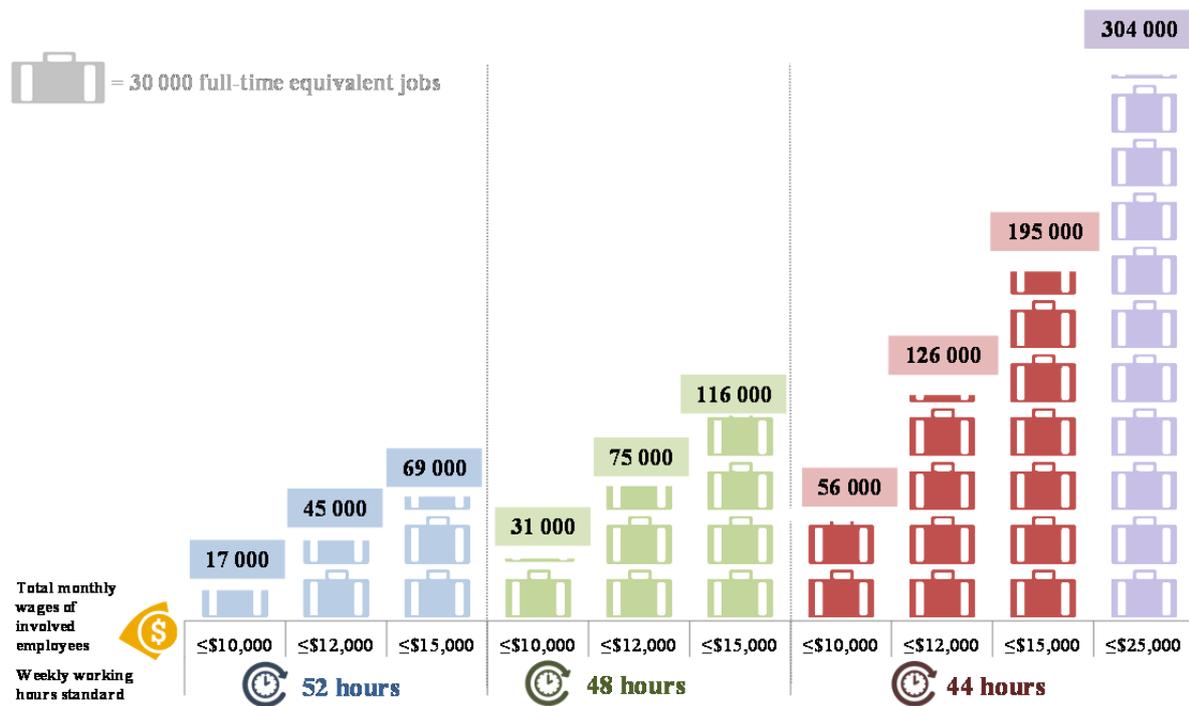
Note: (*) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/ loss on disposal of property, machinery and equipment; bad debts/ write-off and provisions, etc. Payroll expenses include wages and salaries, employers' contributions to MPF, provident funds and pensions. When estimating the numbers of enterprises turning from profits to losses, only enterprises with employees are included, but not those without business receipts (including local representative offices of overseas companies). The numbers of enterprises are rounded to the nearest ten.

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

³³ Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions.

7.22 If enterprises reduced the hours of work of the involved employees to the working hours standards but separately hire additional hands to maintain operation, the numbers of full-time equivalent jobs entailed would range from 17 000 to 304 000, equivalent to around 20% to 363% of the average number of vacancies in 2015 (i.e. around 83 800) (Diagram 7.7).

**Diagram 7.7: Results of Stress Tests –
Numbers of Full-time Equivalent Jobs Entailed to Maintain Operation
(Assuming the Hours of Work of the Involved Employees
are Reduced to the Working Hours Standards)**



Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

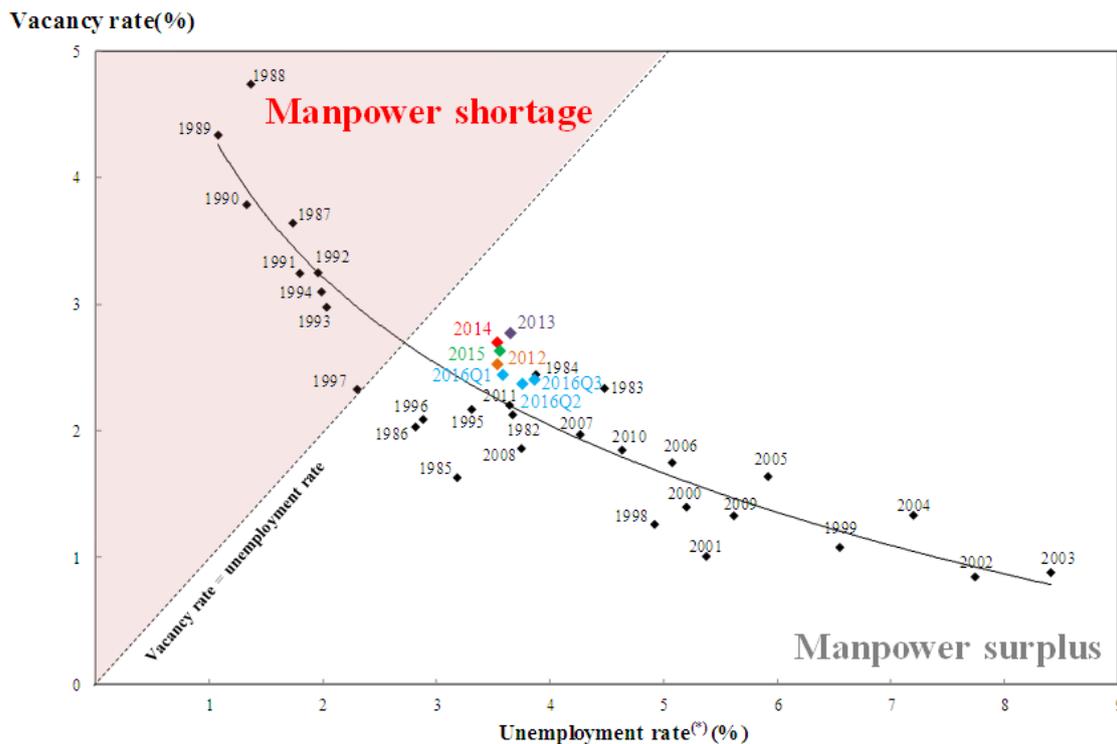
Potential Impacts on the Overall Economy

7.23 From the perspective of the overall economy, hours of work play a part in labour market adjustment. Maintaining the flexibility and resilience of hours of work has enabled Hong Kong to respond to different paces of economic growth and labour demand. In the short term, over-regulating hours of work would hinder the effectiveness of their role in adjusting to economic cycles and

labour market fluctuations.

7.24 Furthermore, Hong Kong’s labour market is currently rather tight. Enterprises may encounter some difficulties if they need to hire additional staff to maintain operation (Diagram 7.8).

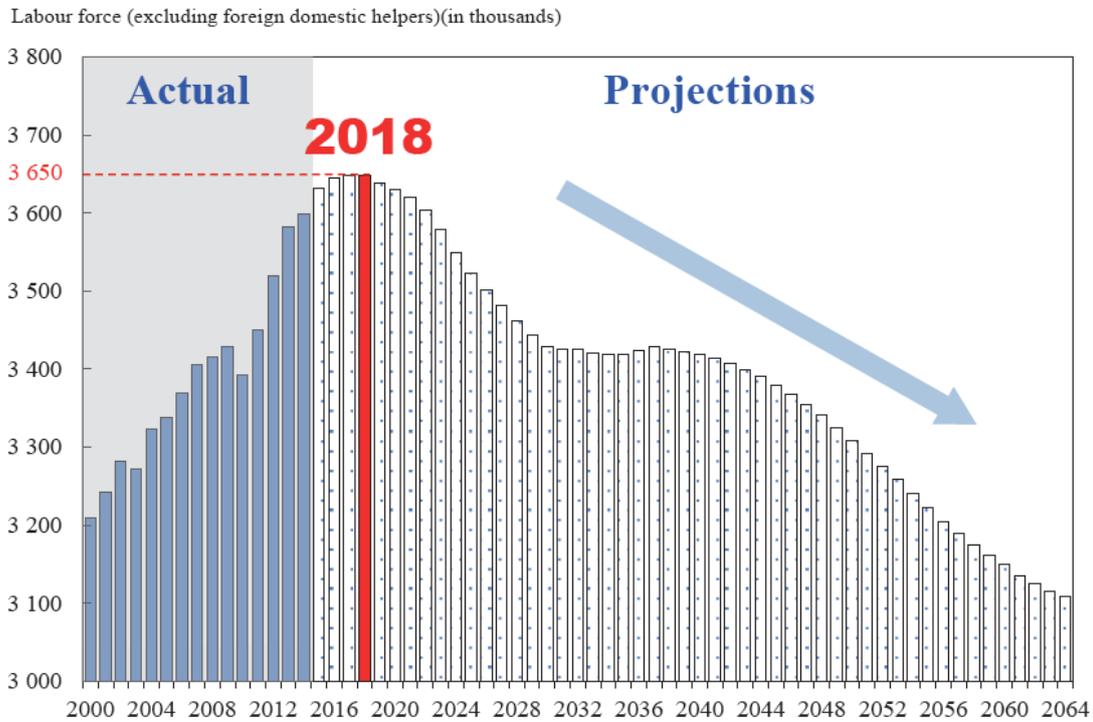
Diagram 7.8: Manpower Situation of Hong Kong’s Labour Market (1982 - Q3 2016)



Note: (*) Figures for 1993 onwards exclude foreign domestic helpers.
Sources: General Household Survey and Quarterly Survey of Employment and Vacancies, Census and Statistics Department.

7.25 In the medium to long term, in face of ageing population, our labour force will continue to decline. Based on the latest projection of C&SD, the labour force will shrink after peaking out in 2018. Further regulation of employees’ working hours may aggravate the problem of manpower shortage. Enterprises may see further upward pressure on labour costs, thereby undermining the long-term economic development (Diagram 7.9).

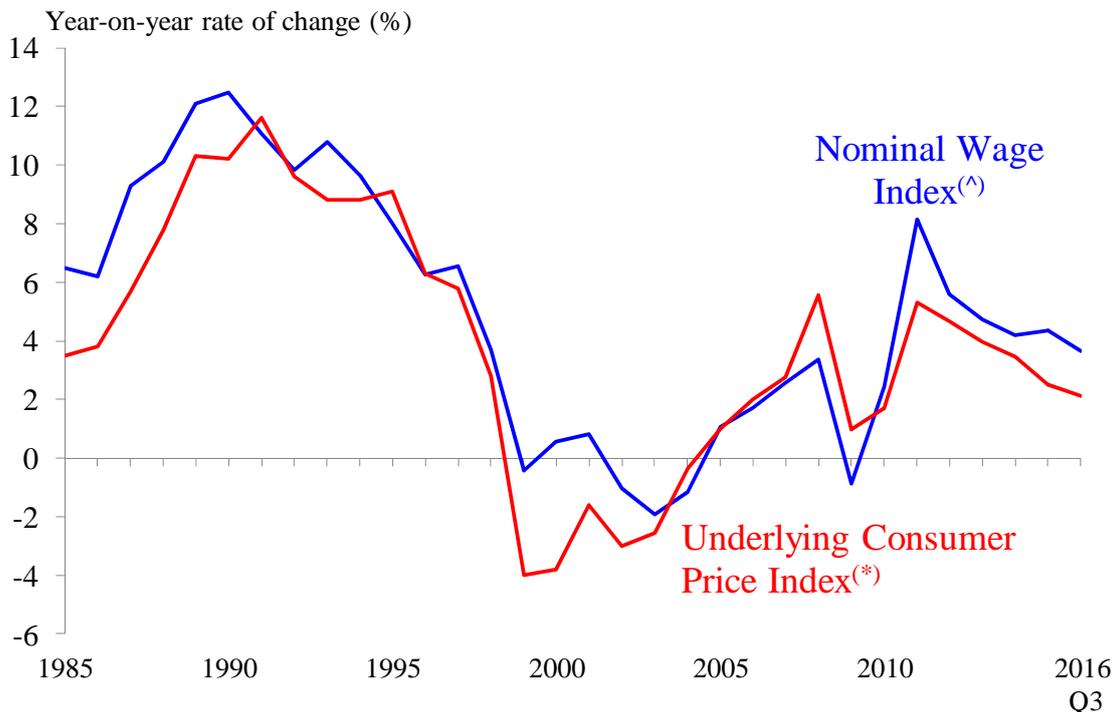
Diagram 7.9: Hong Kong’s Labour Force will Continue to Shrink after Peaking out in 2018



Sources: General Household Survey and Hong Kong Labour Force Projections for 2015 to 2064, Census and Statistics Department.

7.26 Past data indicated that the trends of labour costs and inflation are closely related (Diagram 7.10). If the wage bill increases significantly, it may induce a wage-inflation spiral and in turn lead to adverse impact on the Hong Kong economy and competitiveness, which would eventually undermine employment and earnings prospects. In deliberating on working hours policy, we should consider how to maintain economic vitality and stabilise employment, the adjustment capability of the economy as well as competitiveness.

Diagram 7.10: Trends of Labour Costs and Inflation are Closely Related



Notes: (^) Nominal Wage Index measures the pure changes in wage rates of employees up to supervisory level (i.e. managerial and professional employees are not included).

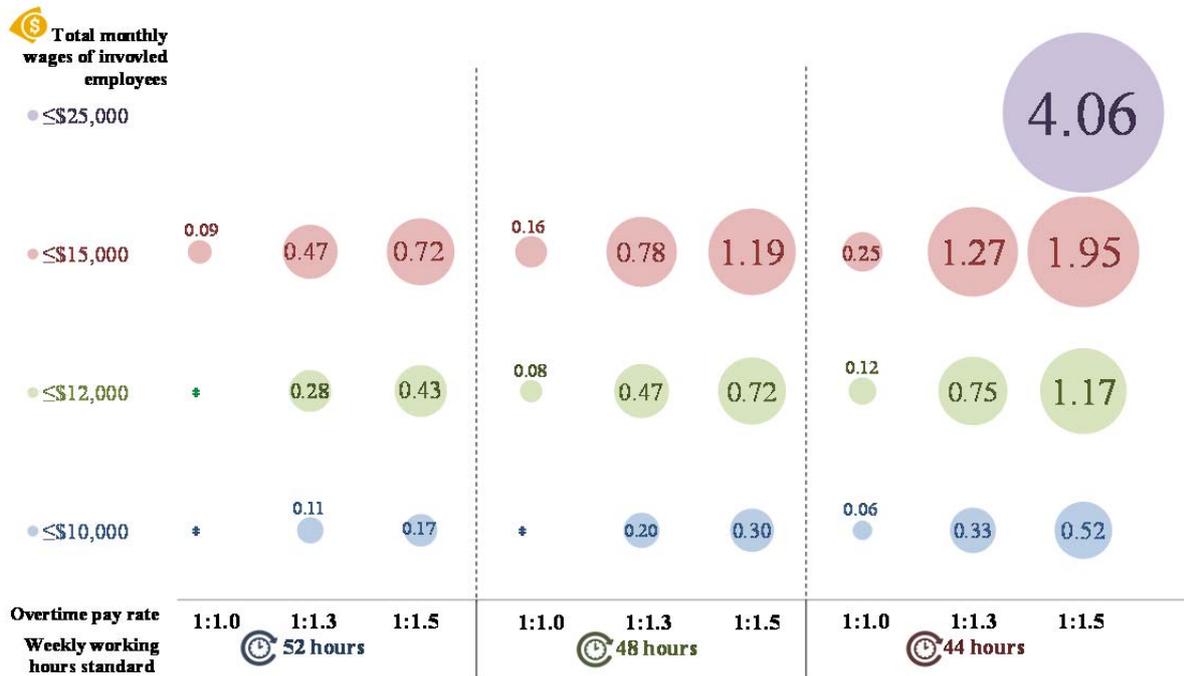
(*) The Consumer Price Index (CPI) measures the changes over time in the price level of consumer goods and services generally purchased by households. Its year-on-year rate of change is widely used as an indicator of the inflation affecting consumers. The underlying CPI has netted out the effects of the Government's one-off relief measures.

Sources: Labour Earnings Survey and Monthly Retail Price Survey, Census and Statistics Department.

7.27 Depending on the actual mitigation measures adopted by enterprises, the rise in labour costs arising from working hours policy may affect inflation, as well as the demand and supply of the labour market. On the one hand, enterprises would pass on part of the increases in wage bill to consumers, thereby pushing up inflation and affecting the general public including the retired elderly and housewives.

7.28 Crude estimations from an econometric model show that, under the scenario of a 2% real economic growth, the increases in wage bill under different parameter combinations would push up the Composite Consumer Price Index, to the extent of less than 0.05 percentage point up to around 4 percentage points. It should be noted that these results have not taken into account the knock-on effect that may be incurred by the increases in wage bill (Diagram 7.11).

Diagram 7.11: Impact of Increases in Wage Bill on Inflation – Increases in Composite Consumer Price Index (Percentage Points)



Notes: Estimations in the diagram are made based on the historical data collected for the period of 1997 to 2015.

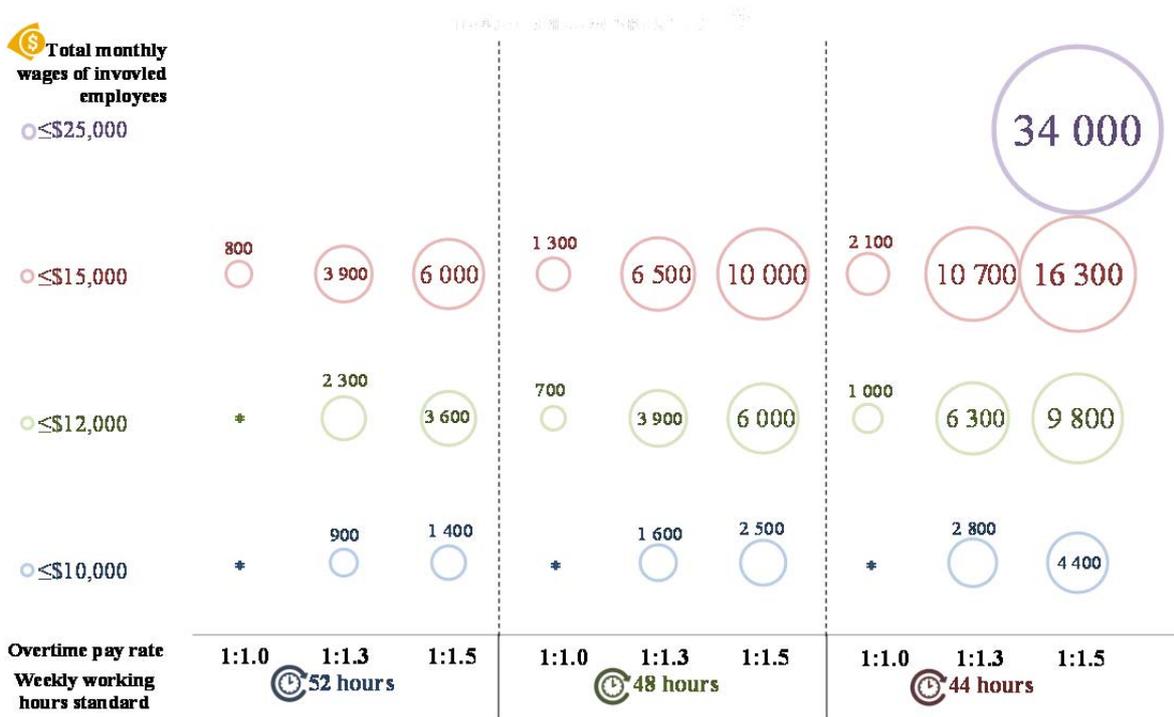
* Less than 0.05 percentage point.

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department; Estimates of the Secretariat to the Standard Working Hours Committee.

7.29 On the other hand, in face of the increases in wage bill, enterprises (including SMEs) would also review their manpower/ working hours arrangements with a view to saving costs. This may in turn pose unemployment risks to certain employees.

7.30 Crude estimations from the econometric model show that, under the scenario of a 2% real economic growth, manpower reorganisation undertaken by enterprises as a result of the increases in wage bill under different parameter combinations would lead to job losses, ranging from less than 500 to 34 000 (Diagram 7.12).

Diagram 7.12: Numbers of Potential Job Losses Arising from Manpower Reorganisation as a Result of the Increases in Wage Bill (No.)



Notes: Estimations in the diagram are made based on the historical data collected for the period of 1997 to 2015.

* Less than 500 jobs.

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department; Estimates of the Secretariat to the Standard Working Hours Committee.

Chapter 8

Major Findings of the Second-stage Consultation

Overview

Consultation Objectives

8.1 SWHC from 25 April to 24 July 2016 conducted the Second-stage Consultation to consult the public on working hours policy directions under exploration (including the “big frame” and “small frame” as set out in Chapters 6 and 7) and collect views for SWHC’s reference in drawing up recommendations and preparing its report.

Consultation Issues

8.2 The consultation issues of the Second-stage Consultation are in **Appendix 6.3**, which included the ideas and contents of the “big frame” and “small frame”, as well as the following four working hours policy directions:

- (a) only implementing the “big frame”;
- (b) only implementing the “small frame”;
- (c) on the premise of implementing the “big frame”, to implement the “small frame” as well; and
- (d) not to implement the “big frame” nor “small frame”, but recommend implementing other policies/ measures pertaining to working hours (e.g. formulating voluntary guidelines according to the needs of individual sectors).

Channels of Collecting Views

8.3 During the consultation period, SWHC organised different consultation activities to widely collect public views. These activities included:

- (a) inviting major employers' associations and major labour organisations to attend consultation meetings; and
- (b) organising consultation forums for employers and employees engaged in the relatively long-working-hours sectors and other sectors, stakeholding organisations and the general public.

In addition, SWHC attended consultation activities organised by other organisations at their invitation.

8.4 Apart from consultation activities, members of the public could send in written submissions by letter, fax, email or the SWHC website. Participants of consultation forums could also fill in and submit opinion forms on the spot.

8.5 The six LAB employee members considered that SWHC could not give a commitment on legislating for SWH, and therefore declined to attend the meetings of SWHC since the end of 2015. Together with the three labour-sector Legislative Council (LegCo) members at the time, they appealed to labour organisations and employee unions not to take part in SWHC's Second-stage Consultation. The employee members of the LAB term commencing in January 2017 also refused to accept their appointment as SWHC members.

Publicity

8.6 During the consultation period, SWHC widely publicised the Second-stage Consultation through various channels, such as

press releases, radio announcement in the public interest, newspaper advertisements, newspaper apps, public transport advertisements (including bus and MTR), Hongkong Post circulars, various websites, social media, government poster sites, wall-mounted banners at government buildings, various public housing estate offices and all owners' corporations in Hong Kong.

Diagram 8.1 : SWHC Publicised the Second-stage Consultation through Various Channels



Collection of Views

(1) Consultation activities

8.7 SWHC organised and participated in 19 consultation activities in various forms, including 5 consultation meetings with major employers' associations³⁴, 9 consultation forums for the public at the district level, different sectors, and stakeholding organisations, as well as 5 consultation activities at the invitation of other organisations (a list of consultation activities is provided in **Appendix 6.4**).

³⁴ Major labour organisations declined to attend the consultation meetings arranged.

Diagram 8.2 : Second-stage Consultation Activities**(2) Written submissions**

8.8 During the Second-stage Consultation, SWHC received in total 398 written submissions, including 44 pro-forma submissions in various forms expressing mostly the same views and suggestions³⁵. On the whole, written submissions were sent in by individuals and organisations of different backgrounds, including labour organisations/ employees (165), employers' associations/ enterprises (92) and other organisations/ individuals/ unclassified (141).

Analysis of Views

8.9 SWHC through its Secretariat appointed the Business, Economic and Public Policy Research Centre of Hong Kong Shue Yan University as an independent consultant to collate and analyse the views received during the Second-stage Consultation. In view that the purpose of the Second-stage Consultation was to collect public views on working hours policy directions rather than conducting a statistical survey, a qualitative research method supplemented with simple relative quantifiers (e.g. general, some, individual) was adopted to facilitate the understanding of views.

³⁵ SWHC received some 4 800 written submissions, including some 4 300 pro-forma submissions during the First-stage Consultation.

- 8.10 The collected views were objectively and systematically analysed and described by the research method of content analysis. The researchers encoded the contents of various computer text files, marked the important phrases or sentences and classified them into different categories so as to differentiate views and to understand the meanings behind.
- 8.11 The inter-coder reliability coefficient (Krippendorff's α) examined by the researchers at different stages of coding indicated that the coding results were reliable as all the coefficients were greater than 0.80³⁶. The consultant team then fine-tuned the results based on the researchers' coding to enhance the validity and accuracy.
- 8.12 The triangulation method was applied to further avoid bias and enhance the accuracy and reliability of the results. It first compared the similarities and differences of various views (for example, according to the channels of collecting views and the consultation issues, etc.) and then classified them into different categories.

Results of Analysis

“Big Frame”

(1) Ideas of the “Big Frame”

- 8.13 On the premise that SWH legislation would not be pursued, employers in general supported in principle the specification of working hours arrangements through the “big frame” as a compromise. They considered that the “big frame” could more clearly reflect the working hours arrangements of different sectors/

³⁶ The inter-coder reliability coefficient ranges from 0 to 1, where a larger value reflects a higher reliability. Academics commonly rely on data with reliabilities $\alpha \geq 0.80$, consider data with $0.67 \leq \alpha < 0.80$, and discard data with $\alpha < 0.67$.

enterprises and enhance the transparency of the relevant working hours terms (including working hours and overtime compensation arrangement), and would be more adaptable to the needs of different sectors and conducive to achieving a balance.

- 8.14 Some employers (particularly those in the catering and tourism sectors) preferred maintaining the status quo and considered it unnecessary to adopt a legislative approach to regulate the working hours of employees, as working hours of some occupations could not be easily calculated. They also considered that working hours regulation would aggravate the problem of manpower shortage, and affect the operations of enterprises and increase their operating costs. Some employers' associations suggested encouraging the relevant sectors to draw up voluntary guidelines having regard to their own operational circumstances. Employees of the tourism sector generally considered that it was difficult to calculate the working hours of the occupations in the sector and therefore preferred maintaining the status quo.
- 8.15 Some professional and human resource management organisations also supported the implementation of the "big frame" and expressed that many sectors/ enterprises had already adopted different forms of written employment contracts. Thus, it should be easier for employers to comply with the requirements of the "big frame".
- 8.16 Some employees agreed with the ideas of the "big frame", which could cater for the unique characteristics and mode of operations of each sector, and achieve a balance more readily.
- 8.17 Employees and relevant organisations³⁷ generally considered that the "big frame" could not substitute SWH legislation. They also queried the effectiveness of the "big frame" and opined that many

³⁷ Relevant organisations include labour organisations, non-government organisations and other organisations which are concerned about labour rights and benefits.

employees were facing long working hours and uncompensated overtime work, despite that they had already signed employment contracts. They were concerned that owing to their weak bargaining power, employees would have difficulties in negotiating the working hours arrangements with employers, and that the “big frame” would legitimise rather than solving the problem of long working hours and uncompensated overtime work.

- 8.18 Some employees and relevant organisations proposed to implement the “big frame” and “small frame” at the same time, so as to ensure that employees would receive compensation for overtime work.

(2) Contents of the “Big Frame”

- 8.19 Employers in general and some employees agreed that the seven specified working hours terms of the “big frame” were appropriate. However, some employers indicated that some terms such as “meal breaks and rest periods” were difficult to define. They suggested that the relevant authorities should provide guidelines for reference, and formulate clear definitions of such key concepts as “working hours” and “overtime work”, to facilitate effective discussion of employers with employees on working hours.
- 8.20 There were views from employers’ associations and some employees that the “big frame” should cover all existing and future employees of enterprises. However, some employers’ associations were concerned about the requirement on employers to review and draw up employment contracts in accordance with the “big frame”, and hence considered that the “big frame” should only apply to employment contracts entered into after the implementation of the policy, so as to reduce the possible impacts on business operations, administrative costs and labour relations, etc. There were also views that the “big frame” could first apply to employment contracts signed after the implementation of the

policy and then be later extended to those contracts signed before.

- 8.21 Some employers' associations considered that the "big frame" should not cover employees who were expected to be employed for a short duration. On the other hand, some employees considered that the "big frame" should cover temporary and part-time employees to ensure that these employees would also be protected.
- 8.22 Employers and employees generally considered that working hours policy should not cover persons to whom EO and MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance, etc.).
- 8.23 Some employers (including SMEs) reflected the difficulties in defining and calculating the working hours and overtime compensation of employees engaged in some higher-skilled occupations (e.g. doctors, accountants, teachers, managerial personnel, etc.) and certain occupations (e.g. tourist guides, agents, and those remunerated on a piece-rated basis, etc.). Therefore, they suggested that these occupations should be exempted from the regulation of working hours policy.
- 8.24 Owing to the unique work nature and the concern over public safety, employers and employees were more receptive to exempting certain occupations, such as firefighters and doctors, from working hours policy. Besides, there were views that live-in domestic workers should be exempted from working hour policy so as to avoid affecting the daily life of families and those persons in need of care. However, some organisations of foreign domestic helpers reflected the problem of long working hours of live-in domestic workers, and considered that they should be covered.

- 8.25 Employers and employees generally considered that there would be a need to provide a suitable transitional period for preparation. Some employers also considered that if the “big frame” would be applicable to existing employees of enterprises, the transitional period should be longer, e.g. no less than one year, for reviewing any need for revising the existing contracts/ preparing new written employment contracts.
- 8.26 Employers and employees generally agreed in principle that the “big frame” should have legal effect. Employees also requested the relevant authorities to strictly enforce the relevant legislation to protect the rights and benefits of employees.

(3) Other Views on the “Big Frame”

- 8.27 Employers and employees generally supported the Labour Department to implement measures, such as public education, guidelines, reference materials and consultation services, to assist employers and employees to set out the details of written employment contracts. The Labour Department should follow up on the implementation of the “big frame”. Some employees suggested setting up a complaint mechanism to enhance employers’ compliance with the relevant requirements.
- 8.28 Some of the views indicated that the public was unclear about the differences between the “big frame” and the current arrangement of signing employment contracts.

“Small Frame”

(1) Ideas of the “Small Frame”

- 8.29 Employers generally opposed SWH, including any form of the “small frame”. They considered that the “small frame” would be difficult to operate, and would increase the operational costs of

enterprises, aggravate the problem of manpower shortage and affect the flexibility of the labour market, thereby affecting Hong Kong's competitiveness and the survival of SMEs. Some employers also reflected that a higher overtime pay rate might entice employees to work overtime and, as a result, the "small frame" would fuel pressure on employees' life, rather than helping to reduce their working hours.

- 8.30 Some employers indicated that the increased costs brought about by the "small frame" would eventually be passed onto consumers and would affect the livelihood of the general public. There were also views that if the "small frame" was adopted, employers might slash employees' benefits, such as allowances and bonuses, so as to reduce the labour costs. As a result, employees' total income might be lower than the current level.
- 8.31 Some employers considered that a review could be conducted some time after the implementation of the "big frame", before contemplating whether the implementation of "small frame" would be required. At the same time, individual employers shared the ideas of the "small frame" and considered that, if necessary, a "small frame" parameter combination with smaller impact on employees, enterprises and the overall economy could first be explored.
- 8.32 Some employers considered that non-legislative measures could be adopted, e.g. voluntary guidelines with suggested working hours standards and overtime compensation methods could be issued for enterprises' reference and adoption. To cater for the operational circumstances of different sectors, some employers' associations considered that the Government could through consultation draw up suitable sector-specific guidelines jointly with employers' associations and labour organisations.

- 8.33 Employees and relevant organisations (including those from the catering sector in general and individual employees from the tourism sector) generally supported SWH legislation for most sectors/ occupations. They considered that legislating for a working hours standard and an overtime pay rate is the only effective means to improve the remuneration and working hours situation of employees, safeguard employees' health, reduce occupational accidents caused by long working hours, and ensure compensation for employees' overtime work.
- 8.34 Individual employees expressed reservation about implementing the "small frame" by legislation and worried that it might affect their income, as employers could hire more staff instead of defraying overtime pay. Individual employees worried that the "small frame" would increase the risk of unemployment, since employers might replace the required manpower with machines, cut down their businesses and even go bankrupt, resulting in unemployment.

(2) Contents of the "Small Frame"

- 8.35 Employers generally considered all parameter combinations inappropriate. Individual employers considered that if implementation of the "small frame" would be required, the direction for discussion should be confined to employees with relatively low monthly wages (such as slightly above \$10,000).
- 8.36 Employees and relevant organisations had divergent views on the coverage and parameter combinations of an SWH regime. For example:
- (a) On the principle of fairness, the working hours of most employees (regardless of rank, monthly salary and occupations) should be regulated; or the monthly wages of the "small frame" should be raised to say \$45,000 to cover

the majority of employees. A weekly working hours standard should be 40 hours or 44 hours and an overtime pay rate should be 1:1.5, 1:2, or 1:3.

- (b) The “small frame” should apply to employees with monthly wages not exceeding \$25,000, with a weekly working hours standard of 44 hours and an overtime pay rate of 1:1.5.
- (c) Starting from a lower point, say covering employees whose monthly wages not exceeding \$10,000 or \$12,000, with a weekly working hours standard of 48 hours and an overtime pay rate of 1:1 or 1:1.3.

8.37 Individual employees and relevant organisations considered that compensating overtime work with pay might not solve the problem of long working hours. They suggested that employees could be granted time-off in lieu to increase their rest time, as an alternative to overtime pay, so as to improve the work-life balance and health of employees. Besides, employees could choose whether to work overtime.

8.38 Individual employees and relevant organisations suggested incremental overtime pay rates, having regard to the numbers of overtime hours worked. Some suggested that the overtime pay rate for holidays and rest days should be higher than that for working days.

8.39 Some employees and relevant organisations considered that the “small frame” could provide exemptions and flexible arrangements for different sectors/ occupations, such as allowing working hours to be averaged over a reference period.

8.40 Some individuals pointed out that the “small frame” should at the same time apply to all existing and future employees of enterprises.

(3) Other Views on the “Small Frame”

- 8.41 Employers generally did not agree that employees’ bargaining power was low. As information about various sectors was highly transparent in the market, it was easy for employees to acquire the information about wages and benefits. Employers were required to adjust their remuneration packages in the light of market conditions in order to retain staff, thus the “small frame” would not be able to further protect employees with less bargaining power.
- 8.42 Some employers indicated that the “small frame” might lead to a more restrictive regulation of employees’ working hours, and thus would be detrimental to labour relations.
- 8.43 Some employers indicated that SMW already protected employees’ wages, thus there would be no need to introduce SWH. Some employees believed that SWH was closely related to SMW and thus the relevant authorities should examine the current implementation of SMW.

Other Views on Working Hours Policy

- 8.44 Some employers considered that labour shortage was one of the main reasons for long working hours. To solve the problem of labour shortage and long working hours, they proposed to relax the importation of labour and dispense with implementation of the “small frame”.
- 8.45 Some employers suggested that the Government could provide subsidies for SMEs to alleviate the cost increases resulting from the implementation of working hours policy.
- 8.46 Some views showed that the public had different understanding of “working hours”, such as whether meal breaks, “non-peak off-duty

hours” (i.e. the break time between lunch and dinner service in the catering sector), stand-by time, and handling of private matters during working hours or dealing with companies’ business during off-duty hours, etc., should be counted as working hours.

- 8.47 Some employees considered that a rest break would enhance productivity, for example, a 15-minute break for every two hours. Some employees also suggested that the time spent on travelling between home and workplaces should be counted as working hours.
- 8.48 Some employees confused the concept of SWH with MWH, and thought that setting SWH could achieve the effect of MWH.
- 8.49 Some employees proposed to set MWH to ensure the work-life balance of employees. However, individual employees were also concerned about the impacts on their income resulting from setting of MWH.

Overall Observations

“Big Frame”

- 8.50 Some employers preferred maintaining the status quo and considered it unnecessary to adopt a legislative approach to regulate the working hours of employees. Some employers’ associations suggested encouraging the relevant sectors to draw up voluntary guidelines having regard to their own operational circumstances.
- 8.51 On the premise that SWH legislation would not be pursued, employers in general supported in principle the “big frame” as a compromise. Some employees also supported the “big frame”. However, employees generally considered that the “big frame” could not substitute SWH legislation, and worried that they do not

have sufficient bargaining power to negotiate with employers about the terms of the employment contracts. As a result, they could only reluctantly accept the conditions set by employers, which in turn would legitimise long working hours and uncompensated overtime work.

- 8.52 Employers and employees were both concerned about the coverage of the “big frame”. Some employers and employees considered that the “big frame” should apply to all existing and future employees of enterprises. However, some employers’ associations were concerned about the possible impacts on business operations, administrative costs and labour relations, etc., should employers be required to review and draw up employment contracts in accordance with the “big frame”.
- 8.53 Employers and employees generally considered that working hours policy should not cover persons to whom EO and MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance, etc.). However, organisations of foreign domestic helpers considered that live-in domestic workers should be covered.
- 8.54 Some employers (including SMEs) reflected the difficulties in defining and calculating the working hours and overtime compensation of employees in some sectors (e.g. catering and tourism sectors), some higher-skilled occupations (e.g. doctors, accountants, teachers, managerial personnel, etc.), and certain occupations (e.g. tourist guides, agents, and those remunerated on a piece-rated basis, etc.).
- 8.55 It was generally considered that there would be a need to provide a suitable transitional period for preparation. Some employers also considered that if the “big frame” would be applicable to

existing employees of enterprises, the transitional period should be longer, e.g. no less than one year, for reviewing any need for revising the existing contracts/ preparing new written employment contracts.

- 8.56 There were general views that the “big frame” should have legal effect, underpinned by enforcement actions, to ensure employers’ and employees’ compliance with the relevant requirements.
- 8.57 There were general views suggesting that the Labour Department should provide ample reference materials, such as employment contract templates, different sector-specific guidelines, as well as consultation services, to assist employers and employees to set out the details of written employment contracts. The Labour Department should follow up on the implementation of the “big frame”.

“Small Frame”

- 8.58 Some employers considered that a review could be conducted some time after the implementation of the “big frame”, before contemplating whether the implementation of “small frame” would be required.
- 8.59 The views of employers and employees on legislating for SWH were much more divided. Employers generally opposed to any form of legislation of SWH.
- 8.60 Some employers considered that non-legislative measures could be adopted, e.g. voluntary guidelines with suggested working hours standards and overtime compensation methods could be issued for enterprises’ reference and adoption. To cater for the operational circumstances of different sectors, some employers’ associations considered that the Government could through consultation draw up suitable sector-specific guidelines jointly with

employers' associations and labour organisations.

- 8.61 On the other hand, employees and relevant organisations generally supported SWH legislation for most sectors/occupations. They considered that legislating for a working hours standard and an overtime pay rate is the only effective means to improve the remuneration and working hours situation of employees, safeguard employees' health, reduce occupational accidents caused by long working hours, and ensure compensation for employees' overtime work.
- 8.62 Individual employers shared the ideas of the "small frame", and considered that, if necessary, first exploring a direction with smaller impact on employees, enterprises and the overall economy would be more appropriate (such as covering only employees with monthly wages slightly above \$10,000).
- 8.63 Employees and relevant organisations had divergent views on the coverage and parameter combinations of an SWH regime, ranging from uniform protection for most employees (with a weekly working hours standard of 40 hours or 44 hours and an overtime pay rate of 1:1.5, 1:2, or 1:3) to covering employees with monthly wages not exceeding \$10,000 or \$12,000 (with a weekly working hours standard of 48 hours and an overtime pay rate of 1:1 or 1:1.3).

Chapter 9

Labour Sector's "Consultation Report on Legislating for Standard Working Hours"

- 9.1 The labour-sector LegCo members and LAB employee members on 16 November 2016 submitted the "Consultation Report on Legislating for Standard Working Hours" (hereinafter "the Labour Sector Report") (see **Appendix 7** for details) to the Chief Executive direct. The Labour Sector Report noted that long working hours and uncompensated overtime work are problems generally faced by employees in Hong Kong have adversely impacted on their physical and mental health as well as their family and social life. Uncompensated overtime work also goes against the principles of fairness and justice. Legislating for SWH is therefore necessary to safeguard the rights of employees and ensure their work-rest balance. Chapter 4 of the Labour Sector Report puts forward the labour sector's proposed legislative framework for SWH which shall include the following elements:
- (a) formulation of SWH by legislative means. "Contractual working hours" is by no means SWH and a substitute for SWH;
 - (b) the working hours standard has to be set at 44 hours per week; and the overtime pay rate at 1:1.5. Employees working beyond the working hours standard shall be compensated;
 - (c) the average working hours of a month can be used as the basis for determining compliance with the statutory working hours limit;
 - (d) as a matter of principle, SWH should protect all sectors. However, consideration may be given to providing certain exemptions (e.g. by job responsibility or sector) and

implementing special measures for the exempted groups so that the SWH proposal could suit their unique circumstances; and

- (e) details of the reference period and exemptions should be worked out by a tripartite standing committee comprising employees, employers and government officials.

9.2 As stated in the Labour Sector Report, the labour sector has strove to forge a consensus on how SWH is implemented having regard to the community's views, particularly the concerns of the business sector on SWH legislation. Hence, with great sincerity and understanding, the labour sector finally agreed to consider implementing SWH in phases based on the total number of working hours so as to cater for the actual socio-economic situation of Hong Kong and facilitate gradual adjustment by the society.

9.3 The Chief Executive subsequently referred the Labour Sector Report to SWHC. SWHC perused and deliberated on the Labour Sector Report.

Chapter 10

Overall Observations on Working Hours Policy Directions

- 10.1 As elaborated from Chapters 3 to 8, SWHC examined the analyses on a range of factors relevant to working hours policy, as well as the findings of two rounds of public consultations and the working hours survey. Moreover, as mentioned in Chapter 9, SWHC also perused the Labour Sector Report submitted by the labour sector to the Chief Executive direct.
- 10.2 In exploring working hours policy directions, SWHC noted that employees and employers in Hong Kong generally recognise the importance of work-life balance, and occupational safety and health. A suitable working hours policy can help employees achieve better work-life balance, reduce potential health problem, and increase some employees' income. However, SWHC was aware that working hours regulation may lead to an increase in operating costs of enterprises, push up inflation and affect Hong Kong's long-term competitiveness, while some employees may also face an involuntary pay cut.

Overall Observations on the “Big Frame” Approach

- 10.3 With reference to the findings of the working hours survey and the First-stage Consultation, the “big frame” explored by SWHC entails a legislative approach to mandate employers and employees to enter into written employment contracts³⁸, which shall include the specified working hours terms, such as overtime compensation arrangement. Given the operational situations of different sectors and occupations, employers and employees may work out the agreed contents of these terms.

³⁸ It differs from the current practice where employment contracts can be made orally.

- 10.4 The findings of the Household Survey and the Opinion Survey revealed that 93.7% of employees and 55% of labour union members agreed with “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts”; 81.9% of employers and 38% of trade association members also agreed with this working hours policy approach (see Diagrams 3.10 and 3.11 for details).
- 10.5 The findings of the Household Survey also showed that although 82.7% of employees had signed written employment contracts with their employers, 11.0% did not have their weekly working hours specified in contracts/ agreements, and 61.1% did not have the method of overtime compensation specified in contracts/ agreements. Overall speaking, only 31.4% (988 100) of employees having entered into written employment contracts with employers had the method of overtime compensation specified. Among employees who had signed written employment contracts without specification of the overtime compensation method (1 546 000), 444 100 had engaged in overtime work during the seven days before enumeration. Uncompensated overtime work was prevalent among them (99.7%) (see paragraph 3.9 for details).
- 10.6 Employers and employees expressed through the First-stage Consultation the views that because of the widely varied work nature, working hours and overtime situation among employees at different wage levels and in different sectors or occupations, working hours policy had to take full account of the operational circumstances and practical needs of different sectors and occupations. An “across-the-board” working hours regulation for all sectors could result in serious impacts on individual sectors or even the society and the economy at large. Some employers tended to accept working hours policy targeting at helping grassroots employees with lower income, less bargaining power and who were required to work overtime without compensation.

- 10.7 Employers considered that working hours policy should provide the necessary flexibility since different working hours arrangements were already in place in response to the work nature and requirements of different sectors or occupations. For example, the output of some posts could readily be measured by time and overtime work could clearly be identified (e.g. manual work). However, there were also posts involving working hours which could not be readily calculated (e.g. management, creative or customer-oriented in nature) and their remuneration included revenue- or performance-based elements such as commission.
- 10.8 The views collected from the Second-stage Consultation³⁹ revealed that:
- (a) on the premise that SWH legislation would not be pursued, employers in general supported in principle the specification of working hours arrangements through the “big frame” as a compromise. They considered that the “big frame” could more clearly reflect the working hours arrangements of different sectors/ enterprises and enhance the transparency of the relevant working hours terms; and would be more adaptable to the needs of different sectors and conducive to achieving a balance.
 - (b) some employers preferred maintaining the status quo, while some employers’ associations suggested encouraging the relevant sectors to draw up voluntary guidelines having regard to their own operational circumstances.

³⁹ The six LAB employee members considered that SWHC could not give a commitment on legislating for SWH, and therefore declined to attend the meetings of SWHC since the end of 2015. Together with the three labour-sector LegCo members at the time, they appealed to labour organisations and employee unions not to take part in SWHC’s Second-stage Consultation.

- (c) employers and employees were both concerned about the coverage of the “big frame”. Some employers and employees considered that the “big frame” should apply to existing and future employees. However, some employers’ associations were concerned about the possible impacts on business operations and labour relations, etc. should employers be required to review and draw up employment contracts in accordance with the “big frame”.
- (d) employers and employees generally considered that working hours policy should not cover persons to whom EO and MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance, etc.). However, organisations of foreign domestic helpers considered that live-in domestic workers should be covered.
- (e) some employers considered that the contents and detailed arrangements of the “big frame”(e.g. definition of working hours and coverage) should be further explored due to the difficulties in defining and calculating the working hours and overtime compensation of employees in some sectors (e.g. catering and tourism sectors), some higher-skilled occupations (e.g. doctors, accountants, teachers, managerial personnel, etc.), and certain occupations (e.g. tourist guides, agents, and those remunerated on a piece-rated basis, etc.).
- (f) some employees agreed with the ideas of the “big frame”, which could cater for the unique characteristics and mode of operations of each sector. Some professional and human resource management organisations also supported the implementation of the “big frame”.

- (g) employees and relevant organisations generally considered that the “big frame” could not substitute SWH legislation. They also queried the effectiveness of the “big frame” and opined that many employees were facing long working hours and uncompensated overtime work, despite that they had already signed employment contracts. They were concerned that owing to their weak bargaining power, employees would have difficulties in negotiating the working hours arrangements with employers, and that the “big frame” would legitimise rather than solving the problem of long working hours and uncompensated overtime work.

Overall Observations on the “Small Frame” Approach

- 10.9 On the premise of the “big frame”, SWHC explored, by way of the “small frame”, whether there is a need for other suitable measures (e.g. setting a working hours standard and an overtime pay rate) to further protect grassroots employees with lower income, lower skills and less bargaining power.
- 10.10 According to the findings of the Household Survey and the Opinion Survey, 67.1% of employees and 49% of labour union members agreed with the working hours policy approach of “setting standard working hours”, while the corresponding figures for employers and trade association members were 56.1% and 11% (see Diagrams 3.10 and 3.11 for details).
- 10.11 During the First-stage Consultation, employees and labour organisations generally expressed their aspirations for working hours legislation. Labour organisations generally suggested a weekly SWH at 44 hours and overtime compensation at 1.5 times of the basic pay rate. Employers and employers’ associations in general objected to the introduction of uniform working hours legislation in Hong Kong. However, some employers tended to accept working hours policy targeting at helping grassroots

employees with lower income, less bargaining power and who were required to work overtime without compensation, while some employers and employees considered that voluntary working hours guidelines could be formulated according to the circumstances of different sectors.

10.12 The views collected from the Second-stage Consultation revealed that:

- (a) employers generally opposed to any form of legislation of SWH. They opined that an SWH regime would be difficult to operate, and would increase the operational costs of enterprises, aggravate the problem of manpower shortage and affect the flexibility of the labour market, thereby affecting Hong Kong's competitiveness and the survival of SMEs.
- (b) some employers were of the view that a review could be conducted some time after the implementation of the "big frame", before contemplating whether the implementation of "small frame" would be required. Individual employers shared the ideas of the "small frame" and considered that, if necessary, a "small frame" parameter combination with smaller impact on employees, enterprises and the overall economy (such as covering only employees with monthly wages slightly above \$10,000) could first be explored.
- (c) some employers considered that non-legislative measures could be adopted, e.g. voluntary guidelines with suggested working hours standards and overtime compensation methods could be issued for enterprises' reference and adoption. To cater for the operational circumstances of different sectors, some employers' associations considered that the Government could through consultation draw up suitable sector-specific guidelines jointly with employers' associations and labour organisations.

- (d) employees and relevant organisations generally supported SWH legislation for most sectors/ occupations. They considered that legislating for a working hours standard and an overtime pay rate is the only effective means to improve the remuneration and working hours situation of employees, safeguard employees' health, reduce occupational accidents caused by long working hours, and ensure compensation for employees' overtime work.
- (e) employees and relevant organisations had divergent views on the coverage and parameter combinations of an SWH regime, ranging from uniform protection for most employees (with a weekly working hours standard of 40 hours or 44 hours and an overtime pay rate of 1:1.5, 1:2, or 1:3) to covering employees with monthly wages not exceeding \$10,000 or \$12,000 (with a weekly working hours standard of 48 hours and an overtime pay rate of 1:1 or 1:1.3).
- (f) individual employees expressed reservation about implementing the "small frame" by legislation and worried that it might affect their income and employment adversely.

10.13 The Labour Sector Report submitted by the labour sector to the Chief Executive direct categorically suggested that SWH should be formulated by legislative means with a working hours standard of 44 hours per week and an overtime pay rate of 1:1.5; SWH should, in principle, protect all sectors but consideration may be given to providing certain exemptions and implementing SWH in phases based on the total number of working hours; and details of the reference period and exemptions should be worked out by a tripartite standing committee comprising employees, employers and government officials.

General Observations

10.14 With reference to the above information and opinions collected through various tasks completed by SWHC, the major aspirations and concerns of employers and employees on working hours policy directions are summarised below:

Employees	Employers
<ul style="list-style-type: none"> ♦ Demanded SWH legislation (with a working hours standard of 44 hours per week and an overtime pay rate of 1:1.5) to solve the problem of long working hours and uncompensated overtime work. 	<ul style="list-style-type: none"> ♦ Opposed SWH legislation which would increase the operational costs of enterprises, aggravate the problem of manpower shortage, affect the flexibility of the labour market and undermine Hong Kong's competitiveness.
<ul style="list-style-type: none"> ♦ SWH should cover employees of most sectors/ occupations but providing certain exemptions could be considered. 	<ul style="list-style-type: none"> ♦ Opposed an "across-the-board" working hours regulation since different working hours arrangements were already in place in respective sectors or occupations on account of their work nature and requirements.
<ul style="list-style-type: none"> ♦ Consideration might be given to implementing SWH in phases based on the total number of working hours. Details of the reference period and exemptions should be worked out by a tripartite standing committee comprising employees, employers and government officials. 	<ul style="list-style-type: none"> ♦ On the premise of not legislating for SWH, specification of working hours arrangements through written employment contracts and/ or formulation of voluntary guidelines for different sectors was generally supported.

Employees	Employers
<p>♦ Specification of working hours arrangements through written employment contracts could not help solve the problem of long working hours and uncompensated overtime work. It could not be a substitute for SWH legislation either.</p>	<p>♦ While the requirement of entering into written employment contract could be accepted as a compromise, there were concerns about the possible impacts on labour relations and business operations, etc. brought about by specification of working hours arrangements through written employment contracts. They considered it difficult to define and calculate the working hours of some higher-skilled occupations and certain occupations.</p>
<p>♦ Concerned that the written employment contract arrangement would formalise uncompensated overtime work and demanded legislating for overtime pay rate to protect employees' entitlement to overtime compensation.</p>	<p>♦ Considered that the Government could pay heed to the working hours situation of employees and encourage employers and employees to draw up appropriate sector-specific guidelines. They tended to accept working hours policy targeting at helping grassroots employees with lower income, less bargaining power and who were required to work overtime without compensation.</p>

10.15 Overall speaking, the ideas and approach of the “big frame” have commanded a relatively higher degree of support, though the contents and details like the definition of working hours and coverage of the “big frame”, would require further exploration.

Furthermore, in respect of some sectors and occupations (particularly occupations with remuneration calculated according to revenue or on a project basis), the applicability of such legislation mandating written employment contract is questionable. On legislating for SWH, the views in the community are widely divided, though there are views reckoning that the Government's working hours policy could focus on helping grassroots employees with lower income, lower skills and less bargaining power.

Chapter 11

Recommendations

- 11.1 Over the period of more than three years, SWHC had completed many tasks, which included, among others, the in-depth working hours survey and two rounds of extensive public consultation, as well as examination of a range of factors relevant to working hours policy and other information, including the Labour Sector Report, with a view to holding objective and comprehensive discussions on various working hours issues, and exploring working hours policy directions suitable for Hong Kong.
- 11.2 Working hours issues are highly complex and carry far-reaching implications. When formulating the working hours policy direction, SWHC needed to consider the problems that should be pinpointed or addressed. Furthermore, any legislative measure on working hours policy would possibly bring about a certain degree of impact on the community, employees, enterprises and the overall economy. In contemplating working hours policy, SWHC should weigh the pros and cons of the policy that may bring to different parties, and strike a proper balance between employees' interests and the affordability of enterprises with a view to maintaining sustainable socio-economic development in the long run.
- 11.3 SWHC noted the expectation of some people in the community for working hours policy that could address the problem of long working hours and uncompensated overtime work so as to help achieve better work-life balance for employees and safeguard occupational safety and health. Nonetheless, there are also views in the community that due consideration should be given to the possible impacts on Hong Kong's overall competitiveness and business environment in the process of formulating the working hours policy direction. SWHC considered that working hours policy should be implemented progressively to facilitate the

community to gradually cope with its possible impacts. Furthermore, owing to the varied circumstances of different trades and occupations, working hours policy should allow certain flexibility and thus any “across-the-board” legislation would be inappropriate.

- 11.4 At the same time, SWHC noted the general views expressed during the Second-stage Consultation that working hours policy should not cover persons to whom EO and MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance, etc.). Also, some stakeholders were concerned about the difficulties in defining and calculating the working hours of employees in some sectors (e.g. catering and tourism sectors), some higher-skilled occupations (e.g. doctors, accountants, teachers, managerial personnel, etc.), and certain occupations (e.g. tourist guides, agents, and those remunerated on a piece-rated basis, etc.). SWHC also noted that the society was more amenable to focusing working hours policy on assisting the grassroots employees.

Legislating for Written Specification of Working Hours Terms

- 11.5 According to the findings of the working hours survey and two rounds of public consultation conducted by SWHC:
- (a) The Household Survey showed that most employees (93.7%) agreed with the approach of “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts”; and quite a number of employers (81.9%) also agreed with this approach (see Diagram 3.10 for details).

- (b) In the Opinion Survey, most labour union members (55%) preferred “requiring employers and employees to specify hours of work, overtime arrangements and overtime compensation in employment contracts”; and 38% of trade association members also supported this approach (see Diagram 3.11 for details).
- (c) The findings of the Second-stage Consultation reflected that the ideas and direction of the “big frame” (a legislative approach to mandate employers and employees to enter into written employment contracts, which shall include the specified working hours terms, such as overtime compensation arrangement) generally received a relatively higher degree of support (see paragraphs 8.13, 8.15 and 8.16 for details).

11.6 At present, employers and employees can agree on employment terms, including the working hours arrangements, orally or in writing, provided that such terms do not violate the relevant legislation. According to the findings of the Household Survey, 17.2% of employees (540 600) did not enter into written employment contracts with their employers whereas 61.1% of employees (1 919 800) did not have overtime compensation methods specified in their employment contracts/ agreements. The survey findings further revealed that among those employees (1 546 000) who had entered into written employment contracts with their employers without overtime compensation methods specified therein, 444 100 had engaged in overtime work during the seven days before enumeration. Uncompensated overtime work was prevalent among them (99.7%) (see paragraph 3.9 for details).

11.7 SWHC noted that some grassroots employees either did not have written employment contracts or did not have the method of overtime compensation specified in contracts/ agreements.

According to the findings of the Household Survey, among the 540 600 employees who had not entered into written employment contracts with their employers, 88.4% (478 000) were engaged in lower-skilled occupations (11.4% (61 700) were engaged in higher-skilled occupations). Among the 1 919 800 employees who did not have the method of overtime compensation specified in contracts/ agreements, 61.5% (1 181 100) were engaged in lower-skilled occupations (38.2% (733 200) were engaged in higher-skilled occupations). Overall, among the employees engaged in lower-skilled occupations, only 33.9% (706 700) had entered into written employment contracts with their employers with method of overtime compensation specified therein (see paragraph 3.9 for details).

- 11.8 Having regard to the above survey findings as well as the community's views on working hours policy, SWHC considered that the approach of legislating for mandatory written employment contracts, which shall include the specified working hours terms, should focus on the grassroots employees with lower income. As a first and foremost step in taking forward working hours policy, SWHC was of the view that the approach of legislating for mandatory written employment contracts could provide an important working hours management framework to avoid ambiguities arising from oral agreements so that employers and grassroots employees can enter into appropriate agreements on working hours terms in a legally binding, transparent and fair manner. In addition, SWHC considered that the mandatory requirement of specifying the terms of working hours in writing will further enhance the transparency of working hours terms. In the long run, this approach would help drive the culture of enterprises providing reasonable working hours arrangements.
- 11.9 Based on the above observations and considerations, SWHC recommends that the Government may consider adopting a legislative approach to mandate employers to enter into written

employment contracts with the lower-income grassroots employees which shall include terms on working hours and overtime compensation arrangements. Having regard to the operational needs of different sectors and occupations, employers and employees may work out the agreed contents of these terms on the premise that the relevant legal requirements are satisfied. As to the difficulties in defining and calculating the working hours for employees in some sectors (e.g. catering and tourism sectors) and certain occupations (e.g. tourist guides, agents, and those remunerated on a piece-rated basis, etc.), SWHC appreciated that the actual effectiveness would be in doubt if the concerned employers and employees specify “not applicable” and/ or “not fixed” in most of the written working hours terms owing to the circumstances of the sectors/ occupations. Therefore, SWHC recommends that the Government may further listen to the views of the community and make reference to relevant information so as to consider whether these sectors and occupations should be included in the coverage of this recommendation. Taking account of the views of the community, SWHC considers that this recommendation should not cover persons to whom EO and MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance, etc.).

Legislating for Specification of Overtime Compensation

- 11.10 On the premise of the “big frame”, SWHC in parallel explored if there would be a need for other suitable measures (e.g. setting a working hours standard and an overtime pay rate) to further protect grassroots employees. On legislating for SWH, the views in the community are widely divided. Overall speaking, employees generally supported a legislative approach to specify a working hours standard and an overtime pay rate, but expressed different views on its coverage and contents (see paragraphs 8.33

and 8.36 for details). The Labour Sector Report categorically suggested that SWH should be formulated by legislative means, and considered that the problem of long working hours and uncompensated overtime work generally faced by employees should be addressed (see paragraph 9.1 for details). Employers, on the other hand, generally opposed legislating for SWH, and considered all parameter combinations of SWH inappropriate (see paragraphs 8.29 and 8.35 for details).

- 11.11 Although the society still requires continued discussion to narrow the differences in whether a legislative approach to regulate working hours, particularly the setting of a statutory working hours standard, should be adopted, both employers and employees expressed that working hours policy should take full account of the operational needs of different sectors and occupations. A uniform working hours regulation for all sectors could result in serious impacts on individual sectors or even the society and the economy at large. Employers also tended to accept working hours policy concentrating on helping grassroots employees (see paragraphs 3.24(b) and (c) for details).
- 11.12 The Household Survey revealed that the median total working hours during the seven days before enumeration for all employees (excluding live-in domestic workers) (3 142 500) in Hong Kong was 44.0. The figures for employees engaged in higher-skilled occupations and lower-skilled occupations were 42.0 and 45.0 respectively. Besides, of all employees, 18.4% (578 300) had engaged in uncompensated overtime work, and the median uncompensated overtime hours concerned was 5.0. Among the employees engaged in lower-skilled occupations, 10.5% (218 700) had engaged in uncompensated overtime work, and the median uncompensated overtime hours concerned was 3.5. For employees engaged in higher-skilled occupations, the corresponding figure was 34.1% (358 400), and the median uncompensated overtime hours concerned was 6.0 (see

paragraph 3.8 for details).

- 11.13 SWHC noted that there is currently no legislation in Hong Kong mandating employers to pay their employees overtime compensation. Some employers have requested their lower-income grassroots employees to undertake overtime work and yet either compensated them at a rate lower than their existing wage rate (e.g. employees receiving only overtime compensation based on the SMW rate or basic wage rate) or even did not give any compensation. SWHC considered this situation undesirable and unfair, and agreed that suitable measures should be formulated to tackle the problem of uncompensated overtime work of these employees.
- 11.14 According to the findings of the Household Survey, among the 621 300 employees engaged in lower-skilled occupations who had overtime compensation specified in their contracts/ agreements, 76.1% (473 000) of their specified overtime rate (relative to basic wage rate) was at 1:1; and 94.8% (588 700) at the rate of not less than 1:1. These revealed that overtime compensation rate of not less than 1:1 was a common arrangement of overtime compensation. Having fully considered the findings of the working hours survey and two rounds of public consultation, the views of the community, the principle of upholding the evidence-based approach and striving to forge common grounds, SWHC recommends that the Government may consider adopting a legislative approach to prescribe that these lower-income grassroots employees should be entitled to overtime compensation by way of overtime pay at a rate no less than the rate of the agreed wages⁴⁰ or equivalent time-off in lieu, so as to further protect these lower-income employees. SWHC considers that mandating overtime compensation rate no less than the rate of the agreed wages for the grassroots employees is appropriate

⁴⁰ It refers to the wage rate calculated based on the agreed wages. For the definition of agreed wages, please see paragraph 6.6 for details.

and fair. SWHC envisaged that this approach would not bring about any serious impacts on enterprises and the overall economy.

- 11.15 Based on the views of the community and in line with the above recommendation of a legislative approach to specify working hours employment terms in writing, SWHC considers that this recommendation should not cover persons to whom EO and MWO do not apply (e.g. a live-in domestic worker, a family member of the employer who lives in the same dwelling as the employer, an employee as defined in the Contracts for Employment Outside Hong Kong Ordinance, etc.). SWHC recommends that the Government may conduct detailed examination and impact assessment taking account of the affordability of enterprises and the need to maintain economic competitiveness, with a view to determining the scope of lower-income employees requiring protection. It is further recommended that the Government may, through a tripartite platform comprising representatives of employers, employees and the Government or other appropriate channels, further gather the views of the community and make reference to relevant information for drawing up the contents and detailed arrangements of this recommendation.
- 11.16 SWHC considered that this recommendation can further protect grassroots employees and ensure their entitlement to overtime compensation, thereby effectively addressing the problem of uncompensated overtime work of the grassroots employees. It would also provide a reasonable and fair legal basis for employers and employees to sort out the overtime work arrangements. Through mandating compensation for overtime work, SWHC believed that the long working hours situation of the grassroots employees would be gradually ameliorated.

Formulating Sectoral Working Hours Standards

11.17 According to the findings of the working hours survey and two rounds of public consultation:

- (a) The Household Survey showed that most employers (87.4%) agreed with the approach of “setting voluntary guidelines having regard to requirements of a sector”; and quite a number of employees (89.7%) also agreed with this approach (see Diagram 3.10 for details).
- (b) In the Opinion Survey, over half of trade association members (51%) agreed with the approach of “individual sectors setting their own voluntary guidelines”; 31% of labour union members also agreed with this approach (see Diagram 3.11 for details).
- (c) The findings of the First-stage and Second-stage Consultations both reflected that most employers’ associations suggested encouraging relevant sectors to draw up voluntary guidelines having regard to their own operational circumstances (see paragraphs 3.21 and 8.14 for details).

11.18 SWHC noted that the Labour Department has currently set up nine industry-based tripartite committees (covering catering, construction, theatre, logistics, property management, printing, hotel and tourism, cement and concrete, and retail industries), to promote tripartite dialogue and collaboration at the industry level with a view to fostering harmonious labour relations. SWHC recommends that the Government may, through the existing industry-based tripartite committees and setting up new ones for other sectors with relatively long working hours (such as cleaning services and elderly homes), engage in continued dialogue with stakeholders in sectors where long working hours and/ or

uncompensated overtime work are relatively more common, with a view to identifying and formulating sector-specific guidelines with suggested working hours standards, overtime compensation methods and good working hours management measures for employers' reference and adoption so as to improve employees' working hours arrangements.

Review

11.19 SWHC understood the aspiration of the labour sector for SWH legislation. Nevertheless, the two rounds of extensive public consultation conducted by SWHC revealed that the views of the community on this direction are widely divided, and further deliberation will be required. SWHC also found it difficult to discuss and map out a concrete direction on SWH in the absence of LAB employee members' participation in SWHC's work since end-2015. This notwithstanding, SWHC considered that the above recommendations represent a positive step in taking forward working hours policy. Legislating for mandatory written employment contracts between employers and lower-income grassroots employees with specified working hours terms will help change the culture of enterprises regarding working hours; and legislating for overtime compensation for lower-income grassroots employees at a rate no less than the rate of the agreed wages or equivalent time-off in lieu will render further protection to these grassroots employees. Focusing the protection on grassroots employees could avoid unduly affecting the businesses and the overall economy which might otherwise be brought about by an "across-the-board" working hours regulation. SWHC recommends that the Government should monitor the implementation of the above recommendations (e.g. collecting relevant information and statistics through enforcement action and statistical surveys) and review their effectiveness after two years of implementation, and continue to discuss and study through an appropriate tripartite platform whether there is a need for SWH

legislation and, if so, its contents and relevant arrangements.

Other Measures

11.20 In tandem with the implementation of the above recommendations and the follow-up on the development of the working hours policy, SWHC recommends that the Government should explore the necessary supportive measures, for example:

- (a) to require/ encourage employers to disclose the working hours terms of relevant vacancies when recruiting staff, so as to prompt employers to provide appropriate working hours arrangements in line with the market situation;
- (b) to launch education and publicity activities so as to enhance public understanding of the benefits of working hours policy and measures as well as the relevant considerations; promote family-friendly employment practices; and provide consultation services with a view to facilitating employers and employees to adopt good working hours management measures and comply with the relevant regulation;
- (c) to ensure employers' and employees' compliance with the relevant regulation through enforcement action;
- (d) to regularly conduct household survey on working hours situation so as to update the working hours data of Hong Kong employees and relevant information with a view to keeping track of the working hours situation of employees, reviewing the effectiveness of the measures, and following up the development of working hours policy; and
- (e) to consider, in the course of reviewing working hours policy, the related labour policies and measures so as to examine and follow up on the development of working hours policy

from various perspectives including the society and the economy at large.

Concluding Remarks

11.21 SWH is a very complex and highly controversial issue. In view of the widely divided views of the community on the working hours subject despite years of discussions, SWHC recognised that building community consensus and proposing a working hours policy option which is acceptable to all parties may not be reached in one stride. Nonetheless, upholding the spirit of “forging common grounds while allowing differences” and acknowledging working hours policy should first focus on the lower-income grassroots employees, SWHC puts forward the direction of legislating for written employment contracts which shall include specified terms on working hours and overtime compensation arrangements, and legislating for overtime compensation by way of overtime pay at a rate no less than the rate of the agreed wages or equivalent time-off in lieu for protecting employees with lower-income. SWHC hopes that this direction could help take forward Hong Kong’s working hours policy and strengthen the protection of employees’ rights and benefits, while taking full account of the affordability of enterprises and the sustainable development of the community and the economy.

Membership of the Standard Working Hours Committee

(Tenure: 9 April 2013 to 31 January 2017)

Chairperson	Dr Hon Leong Che-hung, GBM, GBS, JP
Non-official members	Dr Jane Lee Ching-yee, JP
	Mr Ma Ho-fai, SBS, JP
	Prof Chong Tai-leung
	Prof Joe Leung Cho-bun, MH, JP
	Ms Susanna Chiu Lai-kuen, MH
	Mr Lau Chin-shek, JP
	Dr Kevin Lau Kin-wah, JP
	Prof Raymond So Wai-man, BBS, JP
Members of LAB as ex-officio members	Mr Emil Yu Chen-on
	Ms Wong Siu-han ¹ <i>(from 1 January 2015 to 24 November 2016)</i>
	Hon Ho Sai-chu, GBM, GBS, JP
	Mr Thomas Ho On-sing, JP <i>(until 31 December 2014)</i>
	Mr Ng Chau-pei ¹ <i>(until 24 November 2016)</i>
	Mr Lee Tak-ming <i>(until 31 December 2014)</i>
	Mr Chau Siu-chung ¹ <i>(until 24 November 2016)</i>
	Mr Irons Sze, BBS, JP
	Mr Cheung Sing-hung, BBS <i>(since 1 January 2015)</i>
	Dr Kim Mak Kin-wah, BBS, JP
	Ms Chan So-hing ¹ <i>(until 24 November 2016)</i>
	Mr Charles Chan Yiu-kwong ¹ <i>(from 16 March 2015 to 24 November 2016)</i>
	Mr Jimmy Kwok Chun-wah, BBS, MH, JP <i>(since 8 July 2016)</i>
	Mr Leung Chau-ting ¹ <i>(until 24 November 2016)</i>
	The Late Mr Stanley Lau Chin-ho, SBS, MH, JP <i>(until 12 June 2016)</i>
The Late Mr Chung Kwok-sing, MH <i>(until 4 December 2014)</i>	
Members who are public officers	Permanent Secretary for Labour & Welfare
	Commissioner for Labour
	Government Economist

¹ LAB employee members declined to attend the meetings of SWHC since the end of 2015 and on 24 November 2016 reiterated their decision of quitting SWHC in writing.

Overview of Meetings of the Standard Working Hours Committee and Items Discussed

Date	Items Discussed and Focus of Meetings
2013	
7 May	<ul style="list-style-type: none"> ◆ Convened the first meeting; discussed and endorsed the house rules of SWHC; briefed by the Secretariat on the major contents of the 2012 Report; and preliminarily exchanged views on SWHC's work focus.
24 July	<ul style="list-style-type: none"> ◆ Discussed the working hours statistics of Hong Kong published in the 2012 Report and the methodology of collecting the working hours data therein. ◆ Discussed and endorsed the workplan of SWHC. ◆ Agreed to form two working groups on "Working Hours Consultation" and "Working Hours Study", which would respectively be convened by Mr Ng Chau-pei and the late Mr Stanley Lau Chin-ho, to assist in and follow up on the work of SWHC.
25 September	<ul style="list-style-type: none"> ◆ Briefed by C&SD on and discussed the latest Hong Kong Labour Force Projections. ◆ Discussed and endorsed the workplans of the two working groups.
27 November	<ul style="list-style-type: none"> ◆ Discussed the preliminary work progress of the two working groups on preparation of the public education and promotional work, as well as the First-stage Consultation and the working hours survey (including the Household Survey and the survey on selected professions/ occupations). ◆ Discussed the proposed arrangements and schedules of selecting the Consultation Consultant and the Study Consultant to conduct the First-stage Consultation and the working hours survey.

Date	Items Discussed and Focus of Meetings
2014	
24 January	<ul style="list-style-type: none"> ♦ Discussed the work progress of the two working groups, including the selection of the Consultation Consultant and the Study Consultant. ♦ Confirmed the launch of the First-stage Consultation and the schedule of meetings with major employers' associations and labour organisations. ♦ Reviewed the progress of producing TV promotional programmes and staging roving exhibitions. ♦ Briefed by the Secretariat on and discussed a range of factors relating to the working hours policy with data analyses (the relationship between working hours and the overall economy, as well as the socio-economic characteristics of the relatively long-working-hours employees).
25 March	<ul style="list-style-type: none"> ♦ Briefed by C&SD on and discussed the major findings of the 2013 Annual Earnings and Hours Survey. ♦ Discussed and endorsed the rundown and arrangements of symposia as proposed by the Consultation Consultant. ♦ Discussed the design and progress of preparation of the working hours survey as reported by the Study Consultant. ♦ Confirmed the arrangements of broadcasting TV promotional programmes and staging roving exhibitions.
23 May	<ul style="list-style-type: none"> ♦ Briefed by the Consultation Consultant on and discussed the symposia held. ♦ Endorsed the rundown and arrangements of consultation forums, as well as the methodology and content of the questionnaire of the Opinion Survey as

Date	Items Discussed and Focus of Meetings
	<p>proposed by the Consultation Consultant.</p> <ul style="list-style-type: none"> ♦ Briefed by the Study Consultant on and discussed the pilot survey results and the revised questionnaire of the Household Survey, and endorsed the targets and collaborating organisations of the survey on selected professions/ occupations as proposed by the Study Consultant. ♦ Briefed by the Secretariat on and discussed a range of factors relating to the working hours policy with data analyses (the state of the local economy and labour market situation, as well as analyses of social factors such as family life and employees' health).
30 July	<ul style="list-style-type: none"> ♦ Briefed by the Secretariat on and discussed the key findings of the Manpower Projection to 2022. ♦ Reviewed the progress of the Opinion Survey as reported by the Consultation Consultant. ♦ Reviewed the progress of the Household Survey and the survey on selected professions/ occupations as reported by the Study Consultant. ♦ Briefed by the Secretariat on and discussed a range of factors relating to the working hours policy with data analyses (the operational characteristics of the relatively long-working-hours sectors).
26 September	<ul style="list-style-type: none"> ♦ Reviewed the Consultation Consultant's progress of collating and analysing the views collected from the consultation activities and the Opinion Survey. ♦ Reviewed the Study Consultant's progress of conducting the Household Survey and the survey on selected professions/ occupations.

Date	Items Discussed and Focus of Meetings
2015	
23 January	<ul style="list-style-type: none"> ♦ Discussed the major findings and analyses of the First-stage Consultation, various surveys and a range of factors as reported by the Consultation Consultant, the Study Consultant and the Secretariat. ♦ Preliminarily discussed the working hours policy directions which could be further considered, and recommended the setting up of a task force to assist SWHC in exploring working hours policy directions.
18 March	<ul style="list-style-type: none"> ♦ Discussed the major findings and overall observations of the working hours survey and the First-stage Consultation on working hours policy directions. ♦ Deduced the basic principles of exploring working hours policy directions.
26 May	<ul style="list-style-type: none"> ♦ Continued to explore working hours policy directions based on the principles deduced. ♦ Discussed the possible major working hours terms under the “big frame” and the analyses required for exploring the “small frame”, and agreed that the Secretariat would compile the working hours terms and relevant issues of the “big frame”, and conduct data analyses for exploring the “small frame”.
22 July	<ul style="list-style-type: none"> ♦ Discussed relevant issues of the “big frame”, and agreed that the Secretariat would further prepare an employment contract template for SWHC’s consideration. ♦ Discussed and endorsed the proposed framework of the relevant data analyses and impact assessment for exploring the “small frame”. ♦ Agreed to conduct the Second-stage Consultation after SWHC had come up with preliminary views on discussions of the “big frame” and “small frame”.

Date	Items Discussed and Focus of Meetings
26 August	<ul style="list-style-type: none"> ♦ Discussed the draft employment contract template and the working hours terms, etc, under the “big frame”. ♦ Discussed the preliminary assessment results and overall observations of the impacts of the 27 parameter combinations and scenarios under the “small frame” on employees and enterprises.
30 September	<ul style="list-style-type: none"> ♦ Further discussed the draft employment contract template under the “big frame”. ♦ Discussed the potential impacts of the 27 parameter combinations and scenarios under the “small frame” on the overall economy of Hong Kong in the medium to long term.
28 October	<ul style="list-style-type: none"> ♦ Reviewed the major findings of the First-stage Consultation and the working hours survey, the basic principles of exploring working hours policy directions, the social factors relating to the working hours policy, the key features of the “big frame” under consideration and the preliminary impact assessment results of the “small frame”. ♦ Agreed to conduct data analyses on the parameter combination in respect of employees with monthly wages not exceeding \$25,000, weekly working hours exceeding 44 hours and overtime pay rate at 1:1.5 (the 28th parameter combination), in response to the proposal raised by LAB employee members in SWHC.
27 November	<ul style="list-style-type: none"> ♦ Discussed the preliminary findings of the data analyses and impact assessment results of the 28th parameter combination under the “small frame”. ♦ Endorsed the content and framework of the Second-stage Consultation.

Date	Items Discussed and Focus of Meetings
	<ul style="list-style-type: none"> ♦ Briefed by the Secretariat on the progress of commissioning two consultants to assist in organising consultation activities of the Second-stage Consultation and analysing the views received.
29 December	<ul style="list-style-type: none"> ♦ Reiterated the basic principles adopted by SWHC for exploring working hours policy directions since the meeting on 18 March 2015. ♦ Discussed the preliminary draft consultation document of the Second-stage Consultation. ♦ Agreed to consult the public on the following four working hours policy directions: <ul style="list-style-type: none"> (i) only implementing the “big frame”; (ii) only implementing the “small frame”; (iii) on the premise of implementing the “big frame”, to implement the “small frame” as well; and (iv) not to implement the “big frame” nor “small frame”, but recommend implementing other policies/ measures pertaining to working hours (e.g. formulating voluntary guidelines according to the needs of individual sectors).
2016	
26 January	<ul style="list-style-type: none"> ♦ Discussed the revised draft consultation document of the Second-stage Consultation.
24 February	<ul style="list-style-type: none"> ♦ Continued to discuss the relevant draft documents and suggested arrangements of the Second-stage Consultation. ♦ Planned to launch the Second-stage Consultation in April 2016.
29 March	<ul style="list-style-type: none"> ♦ Endorsed the consultation document and relevant arrangements of the Second-stage Consultation, with a view to launching the three-month consultation in

Date	Items Discussed and Focus of Meetings
	<p>April 2016.</p> <ul style="list-style-type: none"> ♦ Agreed on the consultation activities to be held during the Second-stage Consultation, such as inviting major employers' associations and major labour organisations to attend consultation meetings, organising consultation forums for persons engaged in the relatively long-working-hours sectors, etc./ relevant organisations, as well as district-based consultation forums for the general public. ♦ Agreed to the plan to promote the Second-stage Consultation to the public through various channels.
27 June	<ul style="list-style-type: none"> ♦ Reviewed the conduct of the Second-stage Consultation commenced on 25 April 2016.
28 September	<ul style="list-style-type: none"> ♦ Briefed by the Consultant on the major findings of the analysis of views under the Second-stage Consultation.
23 November	<ul style="list-style-type: none"> ♦ Reviewed and discussed the information and views collected from the working hours survey and two rounds of public consultation. ♦ Discussed the "Consultation Report on Legislating for Standard Working Hours" submitted by the labour sector to the Chief Executive. ♦ Considered part of the draft report of SWHC.
19 December	<ul style="list-style-type: none"> ♦ Discussed the working hours policy directions that may be considered for inclusion in the report of SWHC.
2017	
23 January	<ul style="list-style-type: none"> ♦ Considered the draft report of SWHC.

Memberships of the Working Groups Formed under the Standard Working Hours Committee

Working Group on Working Hours Consultation

Convenor

Mr Ng Chau-pei

Members

Mr Ho Sai-chu
Mr Thomas Ho On-sing
Mr Lee Tak-ming
Mr Chau Siu-chung
Mr Irons Sze
Prof Chong Tai-leung
Dr Leong Che-hung
Mr Leung Chau-ting
Ms Susanna Chiu Lai-kuen
The Late Mr Stanley Lau Chin-ho
Dr Kevin Lau Kin-wah
The Late Mr Chung Kwok-sing

Working Group on Working Hours Study

Convenor

The Late Mr Stanley Lau Chin-ho

Members

Mr Emil Yu Chen-on
Dr Jane Lee Ching-yee
Mr Lee Tak-ming
Mr Ng Chau-pei
Mr Chau Siu-chung
Mr Ma Ho-fai
Prof Chong Tai-leung
Ms Chan So-hing
Dr Kim Mak Kin-wah
Prof Joe Leung Cho-bun
Dr Leong Che-hung
Mr Leung Chau-ting
Dr Kevin Lau Kin-wah
The Late Mr Chung Kwok-sing
Prof Raymond So Wai-man

Task Force

Dr Leong Che-hung
Mr Ng Chau-pei
Prof Chong Tai-leung
Prof Joe Leung Cho-bun
The Late Mr Stanley Lau Chin-ho
Prof Raymond So Wai-man

Working Hours Survey

Executive Summary of the Study Consultant's Report of the Working Hours Survey

Introduction

1. The Standard Working Hours Committee (SWHC), appointed by the Government in April 2013, is responsible for following up on the Government's Report of the Policy Study on Standard Working Hours (SWH) released in 2012, and advising the Government on the working hours situation in Hong Kong, including whether a statutory SWH regime or any other alternatives should be considered.
2. To enable an in-depth analysis of the working hours situation of the local workforce, SWHC has through the Government commissioned the MOV Data Collection Center Limited to conduct the "Study on the Working Hours Situation in Hong Kong" for collecting comprehensive working hours data and views on working hours arrangements and working hours policy.

Survey Objectives and Methodology

3. The "Study on the Working Hours Situation in Hong Kong" is the first ever territory-wide dedicated survey to collect comprehensive working hours data in Hong Kong, which includes (i) the Household Survey on Working Hours Situation in 2014 (Household Survey); and (ii) the Survey on Selected Professions/ Occupations in 2014 (Survey on Selected Professions/ Occupations). The surveys aim to understand the working hours situation of the local workforce, and to gauge their views on working hours arrangements and working hours policy.
4. The Household Survey covered all employed persons living in quarters for residential purposes in Hong Kong, including

employees, employers and self-employed persons. A random sample of 12 000 living quarters was selected for the survey under a scientifically designed sampling scheme. A total of 10 275 employed persons aged 15 and above (including 9 027 employees, 296 employers and 952 self-employed persons) were successfully enumerated by face-to-face interviews during household visits between 10 June and 31 August 2014.

5. To supplement the findings of the Household Survey, the Survey on Selected Professions/ Occupations covered 10 professions/ occupations¹ identified by SWHC as having relatively long working hours or distinctive working hours patterns. A total of 2 277 completed self-administered questionnaires were collected from randomly sampled members of collaborating organisations between 16 July and 30 September 2014.

Summary of Key Findings

6. A summary of key findings of the Household Survey and the Survey on Selected Professions/ Occupations is presented below.

Household Survey

Employees

Contractual terms relating to working hours and overtime compensation

7. Of those 3 142 500 employees aged 15 and above in Hong Kong, 88.6% had their weekly hours of work specified in contracts/ agreements². However, 61.1% did not have the method of overtime compensation specified in their contracts/ agreements.

¹ The 10 selected professions/ occupations are accountants, solicitors, engineers, doctors, employees of the educational profession, employees of the banking sector, information technology employees, journalists, estate agents, and tourist guides/ outbound tour escorts (listed in no particular order).

² Contracts/ agreements include written employment contracts/ oral agreements.

8. Among employees with contracts/ agreements specifying overtime pay as overtime compensation, the commonest overtime pay rate was 1:1 (75.4%). For employees with contracts/ agreements specifying time-off in lieu as the means of overtime compensation, the rate of 1:1 was also the commonest (95.4%).
9. 82.7% of all employees had signed written employment contracts with their employers.

Actual working hours during the seven days before enumeration

10. The median and average total working hours of all employees during the seven days before enumeration were 44.0 and 43.5 respectively, of which:
 - (i) the median working hours of male employees (45.0 hours) was longer than that of female employees (42.0 hours);
 - (ii) the median working hours was comparatively longer for employees with lower educational attainment (both at 48.0 hours for employees with primary education or below, and those with educational level of Secondary 1 to 3), and employees engaged in lower-skilled occupations (45.0 hours); and
 - (iii) the median working hours of employees in relatively long-working-hours sectors³ (48.0 hours) was longer than those of other sectors (42.5 hours).
11. 25.2% of all employees had performed overtime work during the seven days before enumeration. 7.3% of all employees had compensated overtime work (by overtime pay and/ or time-off in

³ The six relatively long-working-hours sectors identified in the Report of the Policy Study on Standard Working Hours are retail, estate management and security, restaurants, land transport, elderly homes, as well as laundry and dry cleaning services.

lieu) and the median compensated overtime hours concerned was 5.0. 18.4% of all employees had engaged in overtime work without pay or time-off in lieu (i.e. uncompensated) and the median uncompensated overtime hours concerned was also 5.0. Among them, more employees (57.2%) quoted “heavy workload/ staff shortage” as the reason for working overtime without compensation.

- (i) Of the employees in relatively long-working-hours sectors and those engaged in lower-skilled occupations, the proportions with compensated overtime work were 8.8% and 7.9% respectively, which were higher than the corresponding figures for employees in other sectors (6.7%) and those engaged in higher-skilled occupations (6.1%).
- (ii) Of the employees in other sectors and those engaged in higher-skilled occupations, the proportions with uncompensated overtime work were 22.1% and 34.1% respectively, which were appreciably higher than the corresponding figures for employees in relatively long-working-hours sectors (8.2%) and those engaged in lower-skilled occupations (10.5%).

Views on the current working hours arrangements

- 12. 74.3% of all employees considered their total working hours during the seven days before enumeration “just right” while 24.4% considered them “too long”.
- 13. Employees who considered their total working hours during the seven days before enumeration “too long” were further asked if they would like to reduce their working hours in case their income might also fall. 69.9% indicated that they did not want to have their working hours reduced if their income would also decrease. However, they would like to spend more time on “rest” (63.7%),

“family activities” (51.9%) and “personal activities (e.g. entertainment, sports)” (42.7%) if their working hours were shortened.

14. Regarding their current weekly working hours, 66.6% of all employees considered that their rewards (including salary and fringe benefits, etc.) were reasonable. If overtime work was compensated reasonably, 41.8% of all employees indicated that they would be willing to work more overtime, and their median weekly overtime hours preferred was 7.0.

Views on working hours policy

15. 37.5% of all employees considered that “better work-life balance for employees (e.g. taking care of family, pursuing continuing education)” was the most important objective of a working hours policy, followed by “protecting occupational safety and health” (27.7%) and “specifying compensation for overtime work” (19.0%).
16. The respective proportions of employees who agreed with the following approaches of arranging employees’ working hours were: “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts” (93.7%), “by mutual agreements between employers and employees” (92.2%), “setting voluntary guidelines having regard to requirements of a sector” (89.7%), “setting maximum working hours” (75.8%) and “setting standard working hours” (67.1%).
17. As for the impact of setting standard working hours and maximum working hours, relatively more employees considered that “staff morale” (67.5% and 71.5% respectively), “productivity of employees” (59.9% and 60.1% respectively) and “labour relations” (52.6% and 51.0% respectively) of the companies would improve.

Employers

18. Of those 105 400 employers aged 15 and above in Hong Kong, 32.7% considered that “protecting occupational safety and health” was the most important objective of a working hours policy, followed by “better work-life balance for employees” (26.1%) and “maintaining a favourable business environment” (10.9%).
19. The respective proportions of employers who agreed with the following approaches of arranging employees’ working hours were: “setting voluntary guidelines having regard to requirements of a sector” (87.4%), “by mutual agreements between employers and employees” (84.0%), “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts” (81.9%), “setting standard working hours” (56.1%) and “setting maximum working hours” (42.6%).
20. As for the impact of setting standard working hours and maximum working hours, relatively more employers considered that “flexibility in operation” (31.5% and 55.9% respectively) and “competitiveness” (28.0% and 46.2% respectively) of the companies would deteriorate.

Self-employed Persons

21. Of those 216 000 self-employed persons aged 15 and above in Hong Kong, 36.2% considered that “protecting occupational safety and health” was the most important objective of a working hours policy, followed by “better work-life balance for employees” (27.6%).
22. The respective proportions of self-employed persons who agreed with the following approaches of arranging employees’ working hours were: “by mutual agreements between employers and employees” (88.2%), “setting voluntary guidelines having regard to

requirements of a sector” (87.3%), “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts” (85.3%), “setting maximum working hours” (62.8%) and “setting standard working hours” (62.0%).

Survey on Selected Professions/ Occupations⁴

Actual working hours during the seven days before enumeration⁵

23. Apart from tourist guides/ outbound tour escorts, the median total working hours for employees of the selected professions/ occupations during the seven days before enumeration ranged from 49.0 hours (information technology employees) to 55.5 hours (doctors). Since a higher proportion of tourist guides/ outbound tour escorts responding to the survey was part-time employees, the median total working hours for employees of such profession/ occupation during the seven days before enumeration (30.0 hours) was lower than those of other selected professions/ occupations.
24. About 70% or more employees of the following selected professions/ occupations had performed overtime work during the seven days before enumeration: employees of the banking sector (87.2%), information technology employees (78.2%), engineers (76.4%), accountants (76.1%), solicitors (71.6%), journalists (70.2%) and employees of the educational profession (69.8%). Most of the overtime work of these employees was uncompensated.
25. For those employees of the selected professions/ occupations who had performed uncompensated overtime work during the seven

⁴ The Survey on Selected Professions/ Occupations covered only a sample of members/ registered employees of relevant collaborating organisations and data collection was conducted by way of self-administered questionnaires. Owing to this, the survey findings may be subject to limitations and thus should be interpreted with caution.

⁵ As data collection was conducted during the summer holiday, working hours data of employees of the educational profession refer to the average weekly figures in May 2014.

days before enumeration, the median uncompensated overtime hours ranged from 6.0 hours (doctors) to 13.0 hours (employees of the educational profession).

Views on working hours policy

26. Generally larger proportions of employees of the selected professions/ occupations agreed with the approaches of “providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts” (58.4% to 86.6%), “by mutual agreements between employers and employees” (60.8% to 77.9%) and “setting voluntary guidelines having regard to requirements of a sector” (52.4% to 70.9%). In comparison, smaller proportions of employees agreed with the approaches of “setting maximum working hours” (44.8% to 75.7%) and “setting standard working hours” (44.2% to 67.9%). Such findings were generally consistent with the views of overall employees in the Household Survey.

Conclusion

27. The subject of working hours is complicated and controversial, and carries widespread and far-reaching implications for the community and economy. Through collection of working hours data and information from employees of different sectors and occupations, the “Study on the Working Hours Situation in Hong Kong” analyses employees’ working hours situation and their views on working hours arrangements and working hours policy, providing useful reference for SWHC in further deliberating on the direction of a working hours policy.

Working Hours Survey

Statistical Tables of the Household Survey

Table 1: Socio-economic characteristics of all employees (excluding live-in domestic workers) and the distribution of total working hours during the 7 days before enumeration

	Total number of employees		Total working hours during the 7 days before enumeration			
	Number ('000)	Percent (%)	Mean	Percentile		
				Lower quartile	Median	Upper quartile
All employees	3 142.5	100.0	43.5	39.0	44.0	50.5
I. Gender						
Male	1 688.2	53.7	45.5	40.0	45.0	54.0
Female	1 454.3	46.3	41.2	36.3	42.0	48.0
II. Age						
15-24	256.6	8.2	40.1	34.0	42.0	48.0
25-34	774.1	24.6	43.4	40.0	43.5	49.5
35-44	756.1	24.1	43.3	39.5	44.0	50.0
45-54	817.7	26.0	44.1	38.8	44.0	51.0
55-64	478.7	15.2	44.8	39.2	45.0	54.0
≥ 65	59.3	1.9	43.8	35.0	44.0	54.0
III. Educational attainment⁽¹⁾						
Primary or below	323.0	10.3	47.0	40.0	48.0	56.0
Secondary 1 to 3	478.8	15.2	46.7	40.0	48.0	54.0
Secondary 4 to 7	1 215.0	38.7	43.6	39.0	44.0	51.0
Tertiary education	1 124.4	35.8	41.0	37.5	40.8	47.0
IV. Sector						
(A) Relatively long-working-hours sectors⁽²⁾	826.2	26.3	47.9	40.0	48.0	57.0
Retail	301.2	9.6	45.2	40.0	46.3	54.0
Restaurants	238.6	7.6	49.9	42.0	54.0	60.0
Estate management and security	142.2	4.5	52.5	43.5	48.0	66.0
Land transport	117.8	3.7	46.3	40.0	46.0	54.0
Elderly homes	19.9	0.6	43.1	40.0	45.0	51.0
(B) Other sectors	2 316.3	73.7	41.9	38.0	42.5	48.0
Manufacturing	120.8	3.8	44.6	40.0	44.0	49.5
Construction	284.1	9.0	44.5	40.0	47.0	52.0
Wholesale and import/export trade	443.0	14.1	40.9	38.0	41.8	46.5
Hotels	45.9	1.5	44.6	41.8	48.0	54.0
Other transportation, storage, postal and courier services	138.8	4.4	45.2	40.0	47.5	54.0
Information and communications	108.9	3.5	40.4	37.5	40.0	45.0
Financing, insurance and real estate	253.7	8.1	41.7	37.5	42.0	48.0
Professional and business services, scientific and technical activities	202.8	6.5	41.9	38.5	41.5	48.0
Cleaning services	69.6	2.2	45.4	41.5	48.0	54.0
Government and public administration	174.0	5.5	41.5	38.8	41.0	45.0
Education	173.7	5.5	36.8	31.5	40.0	47.5
Human health activities	113.9	3.6	39.2	36.0	40.0	45.4
Other community, social and personal services	173.4	5.5	42.3	36.0	44.0	51.5
Others	13.8	0.4	43.8	40.0	45.0	50.0
V. Occupation⁽¹⁾						
(A) Lower-skilled occupations	2 082.7	66.3	44.4	39.0	45.0	53.5
Elementary workers	458.9	14.6	47.0	40.0	48.0	54.0
Craft and related workers	241.2	7.7	45.3	40.0	48.0	52.5
Plant and machine operators and assemblers	111.7	3.6	51.5	45.0	53.5	60.0
Service and sales workers	627.5	20.0	44.9	37.5	48.0	54.0
Clerical support workers	643.3	20.5	40.5	38.0	40.0	45.0
(B) Higher-skilled occupations	1 051.9	33.5	41.7	37.5	42.0	48.0
Managers and administrators	366.8	11.7	42.9	39.0	42.5	48.0
Professionals	212.9	6.8	40.5	37.5	40.5	48.0
Associate professionals	472.3	15.0	41.4	37.8	41.0	48.0
VI. Total monthly wage⁽³⁾						
< \$8,000	257.3	8.2	35.2	22.5	36.0	48.0
\$8,000 - \$9,999	291.9	9.3	48.1	41.5	48.0	54.0
\$10,000 - \$13,999	752.4	23.9	46.6	40.0	45.5	54.0
\$14,000 - \$19,999	611.3	19.5	45.3	40.0	44.3	52.2
\$20,000 - \$29,999	479.0	15.2	43.3	39.0	42.5	49.0
\$30,000 - \$49,999	318.2	10.1	41.7	38.0	42.0	48.0
≥ \$50,000	206.7	6.6	41.9	38.8	42.5	48.5

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Since a few employees refused to provide the related information, the sum of figures for individual items is less than the total.

(2) Include laundry and dry cleaning services sector, the statistics of which are not separately shown. Figures of the sector are not released due to relatively large sampling error.

(3) Since a few employees refused to answer, or the information provided was not sufficient to calculate the total monthly wage, the sum of figures for individual items is less than the total. Figures for individual items may not add up to totals due to rounding.

Table 2: Socio-economic characteristics of employees (excluding live-in domestic workers) engaged in compensated overtime work during the 7 days before enumeration and the distribution of compensated overtime hours

	Number of employees engaged in compensated overtime work during the 7 days before enumeration			Compensated overtime hours during the 7 days before enumeration			
	Number ('000)	Percent (%)	Percent in the respective group (%)	Mean	Percentile		
					Lower quartile	Median	Upper quartile
All employees	228.3	100.0	7.3	7.2	2.5	5.0	10.0
I. Gender							
Male	136.4	59.8	8.1	8.0	3.0	6.0	11.0
Female	91.9	40.2	6.3	6.0	2.0	4.0	8.0
II. Age⁽¹⁾							
15-24	22.5	9.8	8.7	5.0	2.0	3.5	7.0
25-34	64.0	28.0	8.3	7.8	2.5	5.0	10.0
35-44	56.9	24.9	7.5	7.1	2.5	5.5	10.0
45-54	58.2	25.5	7.1	7.8	3.0	5.0	10.0
55-64	25.2	11.1	5.3	6.1	3.0	6.0	8.0
III. Educational attainment⁽²⁾							
Primary or below	22.7	10.0	7.0	7.9	3.0	4.5	11.5
Secondary 1 to 3	43.2	18.9	9.0	7.3	2.8	6.0	10.0
Secondary 4 to 7	95.7	41.9	7.9	6.7	2.0	5.0	9.0
Tertiary education	66.6	29.2	5.9	7.5	3.0	5.0	10.0
IV. Sector							
(A) Relatively long-working-hours sectors⁽³⁾	72.7	31.9	8.8	6.2	2.0	4.0	8.8
Retail	26.5	11.6	8.8	5.6	1.5	3.5	8.0
Restaurants	24.2	10.6	10.1	6.0	2.0	4.0	8.0
Estate management and security	3.2	1.4	2.2	7.1	3.0	4.0	11.0
Land transport	18.5	8.1	15.7	7.2	3.0	5.5	9.0
(B) Other sectors	155.5	68.1	6.7	7.7	3.0	6.0	10.0
Manufacturing	11.8	5.2	9.8	8.6	2.5	9.0	12.0
Construction	18.7	8.2	6.6	8.1	3.0	7.5	12.0
Wholesale and import/export trade	17.5	7.7	3.9	5.7	3.0	5.0	7.5
Hotels	3.6	1.6	7.9	5.0	2.8	4.0	7.0
Other transportation, storage, postal and courier services	16.9	7.4	12.2	9.2	3.0	6.0	17.0
Information and communications	5.7	2.5	5.3	7.3	5.0	6.0	10.0
Financing, insurance and real estate	19.7	8.6	7.7	7.1	3.0	5.0	10.0
Professional and business services, scientific and technical activities	16.4	7.2	8.1	10.2	5.0	7.0	12.5
Cleaning services	1.8	0.8	2.5	12.3	2.0	12.0	23.0
Government and public administration	16.0	7.0	9.2	7.2	3.0	6.0	8.0
Education	5.6	2.5	3.2	6.9	4.0	5.0	9.5
Human health activities	3.6	1.6	3.2	4.5	1.5	3.0	7.0
Other community, social and personal services	16.5	7.2	9.5	6.9	2.0	4.0	10.5
Others	1.6	0.7	11.6	7.8	4.5	9.0	11.5
V. Occupation⁽²⁾							
(A) Lower-skilled occupations	164.1	71.9	7.9	6.9	2.3	5.0	9.0
Elementary workers	31.4	13.8	6.8	7.1	2.5	6.0	9.0
Craft and related workers	25.6	11.2	10.6	8.6	3.0	6.0	12.0
Plant and machine operators and assemblers	19.6	8.6	17.6	9.0	3.8	5.5	12.0
Service and sales workers	46.1	20.2	7.4	5.8	2.0	3.5	8.0
Clerical support workers	41.4	18.1	6.4	6.1	2.5	5.0	8.0
(B) Higher-skilled occupations	63.8	27.9	6.1	7.9	3.5	6.0	10.5
Managers and administrators	15.0	6.6	4.1	7.8	4.0	7.0	12.5
Professionals	12.6	5.5	5.9	11.1	5.0	9.0	14.0
Associate professionals	36.2	15.9	7.7	6.8	3.0	5.0	9.0
VI. Total monthly wage⁽⁴⁾							
< \$8,000	13.0	5.7	5.1	4.0	2.0	3.0	6.0
\$8,000 - \$9,999	17.2	7.5	5.9	6.5	2.0	4.0	10.0
\$10,000 - \$13,999	66.5	29.2	8.8	5.7	2.0	4.0	8.0
\$14,000 - \$19,999	59.3	26.0	9.7	8.0	3.5	6.0	10.0
\$20,000 - \$29,999	40.9	17.9	8.5	8.9	4.0	7.0	12.0
\$30,000 - \$49,999	15.8	6.9	5.0	10.0	4.0	7.5	12.5
≥ \$50,000	5.2	2.3	2.5	8.6	5.0	6.5	15.0

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

- Notes: (1) Figures of age group ≥ 65 are not released due to relatively large sampling error.
(2) Since a few employees refused to provide the related information, the sum of figures for individual items is less than the total.
(3) Include elderly homes and laundry and dry cleaning services sectors, the statistics of which are not separately shown. Figures of the sectors are not released due to relatively large sampling error.
(4) Since a few employees refused to answer, or the information provided was not sufficient to calculate the total monthly wage, the sum of figures for individual items is less than the total.
Figures for individual items may not add up to totals due to rounding.

Table 3: Socio-economic characteristics of employees (excluding live-in domestic workers) engaged in uncompensated overtime work during the 7 days before enumeration and the distribution of uncompensated overtime hours

	Number of employees engaged in uncompensated overtime work during the 7 days before enumeration			Uncompensated overtime hours during the 7 days before enumeration			
	Number ('000)	Percent (%)	Percent in the respective group (%)	Mean	Lower quartile	Median	Upper quartile
All employees	578.3	100.0	18.4	7.1	2.5	5.0	10.0
I. Gender							
Male	283.5	49.0	16.8	7.7	2.5	5.0	10.0
Female	294.7	51.0	20.3	6.5	2.5	5.0	9.0
II. Age⁽¹⁾							
15-24	28.4	4.9	11.1	6.0	1.8	4.0	7.5
25-34	179.7	31.1	23.2	7.1	2.5	5.0	10.0
35-44	187.8	32.5	24.8	7.3	2.5	5.0	10.0
45-54	144.2	24.9	17.6	7.3	2.5	5.0	10.0
55-64	37.1	6.4	7.8	5.9	2.5	5.0	8.0
III. Educational attainment⁽²⁾							
Primary or below	8.6	1.5	2.7	6.0	2.0	2.5	6.0
Secondary 1 to 3	21.2	3.7	4.4	4.0	1.8	2.5	5.0
Secondary 4 to 7	157.9	27.3	13.0	5.8	2.0	4.0	8.0
Tertiary education	390.6	67.6	34.7	7.8	3.0	5.3	10.0
IV. Sector							
(A) Relatively long-working-hours sectors⁽³⁾	67.5	11.7	8.2	6.6	2.0	4.0	7.0
Retail	36.6	6.3	12.1	6.4	2.0	4.0	7.5
Restaurants	9.7	1.7	4.0	8.8	2.0	4.5	6.0
Estate management and security	9.2	1.6	6.5	5.8	2.0	3.0	6.0
Land transport	10.2	1.8	8.7	6.8	2.0	4.3	10.0
(B) Other sectors⁽⁴⁾	510.8	88.3	22.1	7.1	2.5	5.0	10.0
Manufacturing	25.7	4.4	21.3	7.3	3.5	5.0	9.0
Construction	35.4	6.1	12.4	7.2	3.0	6.0	10.0
Wholesale and import/export trade	118.6	20.5	26.8	6.3	2.5	5.0	9.0
Hotels	5.9	1.0	12.8	5.2	2.5	4.5	6.0
Other transportation, storage, postal and courier services	16.7	2.9	12.1	6.0	2.0	3.0	10.0
Information and communications	28.9	5.0	26.5	7.9	2.5	6.0	11.5
Financing, insurance and real estate	95.7	16.6	37.7	7.3	3.0	6.0	10.0
Professional and business services, scientific and technical activities	63.4	11.0	31.2	8.1	3.0	5.0	10.0
Government and public administration	23.7	4.1	13.6	6.3	2.5	5.0	8.5
Education	48.5	8.4	27.9	9.4	3.0	7.5	13.5
Human health activities	20.1	3.5	17.7	6.3	1.8	3.5	6.8
Other community, social and personal services	26.2	4.5	15.1	5.2	2.0	4.0	7.5
Others	1.5	0.3	10.6	4.0	1.5	5.0	5.3
V. Occupation⁽²⁾							
(A) Lower-skilled occupations	218.7	37.8	10.5	5.5	2.0	3.5	6.5
Elementary workers	16.8	2.9	3.7	4.6	2.0	2.5	3.0
Craft and related workers	8.2	1.4	3.4	6.4	1.1	5.0	8.0
Plant and machine operators and assemblers	6.5	1.1	5.8	5.1	2.0	3.0	3.0
Service and sales workers	40.5	7.0	6.5	5.5	2.0	3.0	5.5
Clerical support workers	146.7	25.4	22.8	5.6	2.3	4.0	7.0
(B) Higher-skilled occupations	358.4	62.0	34.1	8.0	3.0	6.0	10.0
Managers and administrators	155.4	26.9	42.4	8.0	3.8	6.0	10.0
Professionals	83.0	14.3	39.0	9.3	3.5	7.0	12.5
Associate professionals	120.1	20.8	25.4	7.2	2.5	5.0	10.0
VI. Total monthly wage⁽⁵⁾							
< \$8,000	5.1	0.9	2.0	4.4	2.0	3.0	6.0
\$8,000 - \$9,999	21.7	3.7	7.4	3.8	2.0	2.5	5.0
\$10,000 - \$13,999	85.2	14.7	11.3	5.1	2.0	3.0	6.0
\$14,000 - \$19,999	103.5	17.9	16.9	6.4	2.5	4.5	8.8
\$20,000 - \$29,999	118.3	20.5	24.7	7.4	2.5	5.0	10.0
\$30,000 - \$49,999	121.1	20.9	38.0	7.8	3.0	6.0	10.0
≥ \$50,000	107.6	18.6	52.0	9.1	4.5	7.5	11.5

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

- Notes: (1) Figures of age group ≥ 65 are not released due to relatively large sampling error.
(2) Since a few employees refused to provide the related information, the sum of figures for individual items is less than the total.
(3) Include elderly homes and laundry and dry cleaning services sectors, the statistics of which are not separately shown. Figures of the sectors are not released due to relatively large sampling error.
(4) Include cleaning services sector, the statistics of which are not separately shown. Figures of the sector are not released due to relatively large sampling error.
(5) Since a few employees refused to answer, or the information provided was not sufficient to calculate the total monthly wage, the sum of figures for individual items is less than the total.
Figures for individual items may not add up to totals due to rounding.

Table 4: Socio-economic characteristics of all employees (excluding live-in domestic workers) on whether written employment contracts had been signed with the employers

	Total number of employees ⁽¹⁾		Had signed written employment contracts with the employers		Had not signed written employment contracts with the employers	
	Number ('000)	Percent (%)	Number ('000)	Percent in the respective group (%)	Number ('000)	Percent in the respective group (%)
All employees	3 142.5	100.0	2 598.7	82.7	540.6	17.2
I. Gender						
Male	1 688.2	53.7	1 372.2	81.3	314.3	18.6
Female	1 454.3	46.3	1 226.5	84.3	226.3	15.6
II. Age						
15-24	256.6	8.2	212.8	82.9	43.8	17.1
25-34	774.1	24.6	701.8	90.7	71.9	9.3
35-44	756.1	24.1	643.5	85.1	111.2	14.7
45-54	817.7	26.0	654.5	80.0	162.2	19.8
55-64	478.7	15.2	350.1	73.1	128.1	26.7
≥ 65	59.3	1.9	35.9	60.6	23.4	39.4
III. Educational attainment⁽²⁾						
Primary or below	323.0	10.3	211.4	65.4	111.1	34.4
Secondary 1 to 3	478.8	15.2	344.2	71.9	133.7	27.9
Secondary 4 to 7	1 215.0	38.7	989.6	81.5	224.6	18.5
Tertiary education	1 124.4	35.8	1 052.5	93.6	71.0	6.3
IV. Sector						
(A) Relatively long-working-hours sectors⁽³⁾	826.2	26.3	652.6	79.0	173.4	21.0
Retail	301.2	9.6	238.4	79.1	62.6	20.8
Restaurants	238.6	7.6	171.0	71.7	67.6	28.3
Estate management and security	142.2	4.5	133.5	93.8	8.8	6.2
Land transport	117.8	3.7	86.0	73.0	31.8	27.0
Elderly homes	19.9	0.6	19.0	95.3	0.9	4.7
(B) Other sectors	2 316.3	73.7	1 946.1	84.0	367.2	15.9
Manufacturing	120.8	3.8	95.4	79.0	25.4	21.0
Construction	284.1	9.0	181.7	64.0	101.7	35.8
Wholesale and import/export trade	443.0	14.1	337.2	76.1	105.4	23.8
Hotels	45.9	1.5	40.3	87.8	5.6	12.2
Other transportation, storage, postal and courier services	138.8	4.4	124.2	89.5	14.6	10.5
Information and communications	108.9	3.5	99.8	91.6	9.2	8.4
Financing, insurance and real estate	253.7	8.1	236.4	93.2	17.4	6.8
Professional and business services, scientific and technical activities	202.8	6.5	182.6	90.0	20.2	10.0
Cleaning services	69.6	2.2	53.7	77.1	16.0	22.9
Government and public administration	174.0	5.5	172.5	99.2	0.5	0.3
Education	173.7	5.5	163.8	94.3	9.6	5.5
Human health activities	113.9	3.6	108.6	95.4	5.3	4.6
Other community, social and personal services	173.4	5.5	140.1	80.8	32.4	18.7
Others	13.8	0.4	9.9	71.5	3.9	28.5
V. Occupation⁽²⁾						
(A) Lower-skilled occupations	2 082.7	66.3	1 601.8	76.9	478.0	22.9
Elementary workers	458.9	14.6	339.2	73.9	118.4	25.8
Craft and related workers	241.2	7.7	152.4	63.2	88.1	36.5
Plant and machine operators and assemblers	111.7	3.6	82.3	73.6	29.4	26.4
Service and sales workers	627.5	20.0	493.3	78.6	134.0	21.3
Clerical support workers	643.3	20.5	534.5	83.1	108.1	16.8
(B) Higher-skilled occupations	1 051.9	33.5	989.9	94.1	61.7	5.9
Managers and administrators	366.8	11.7	345.7	94.3	21.0	5.7
Professionals	212.9	6.8	207.7	97.6	4.9	2.3
Associate professionals	472.3	15.0	436.4	92.4	35.8	7.6
VI. Total monthly wage⁽⁴⁾						
< \$8,000	257.3	8.2	167.1	64.9	90.2	35.1
\$8,000 - \$9,999	291.9	9.3	233.3	79.9	58.3	20.0
\$10,000 - \$13,999	752.4	23.9	625.7	83.2	125.8	16.7
\$14,000 - \$19,999	611.3	19.5	524.4	85.8	86.7	14.2
\$20,000 - \$29,999	479.0	15.2	429.3	89.6	48.6	10.1
\$30,000 - \$49,999	318.2	10.1	304.1	95.6	13.9	4.4
≥ \$50,000	206.7	6.6	201.5	97.5	5.2	2.5

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Include employees who refused to provide the related information on whether written employment contract had been signed with the employer.

(2) Since a few employees refused to provide the related information, the sum of figures for individual items is less than the total.

(3) Include laundry and dry cleaning services sector, the statistics of which are not separately shown. Figures of the sector are not released due to relatively large sampling error.

(4) Since a few employees refused to answer, or the information provided was not sufficient to calculate the total monthly wage, the sum of figures for individual items is less than the total.

Figures for individual items may not add up to totals due to rounding.

Table 5: Socio-economic characteristics of all employees (excluding live-in domestic workers) on whether contracts/ agreements specified the method of overtime compensation

	Total number of employees ⁽¹⁾		Method of overtime compensation specified in contracts/ agreements		Method of overtime compensation not specified in contracts/ agreements	
	Number ('000)	Percent (%)	Number ('000)	Percent in the respective group (%)	Number ('000)	Percent in the respective group (%)
All employees	3 142.5	100.0	1 135.9	36.1	1 919.8	61.1
I. Gender						
Male	1 688.2	53.7	652.1	38.6	989.2	58.6
Female	1 454.3	46.3	483.8	33.3	930.5	64.0
II. Age						
15-24	256.6	8.2	118.0	46.0	130.2	50.7
25-34	774.1	24.6	276.4	35.7	477.5	61.7
35-44	756.1	24.1	263.5	34.9	471.9	62.4
45-54	817.7	26.0	299.8	36.7	498.1	60.9
55-64	478.7	15.2	166.3	34.7	298.7	62.4
≥ 65	59.3	1.9	11.8	20.0	43.3	73.1
III. Educational attainment⁽²⁾						
Primary or below	323.0	10.3	129.4	40.1	184.1	57.0
Secondary 1 to 3	478.8	15.2	213.9	44.7	249.2	52.0
Secondary 4 to 7	1 215.0	38.7	480.3	39.5	699.4	57.6
Tertiary education	1 124.4	35.8	311.7	27.7	786.7	70.0
IV. Sector						
(A) Relatively long-working-hours sectors⁽³⁾	826.2	26.3	341.8	41.4	460.4	55.7
Retail	301.2	9.6	121.2	40.2	171.0	56.8
Restaurants	238.6	7.6	89.9	37.7	139.2	58.4
Estate management and security	142.2	4.5	55.2	38.8	84.9	59.7
Land transport	117.8	3.7	61.5	52.2	53.7	45.6
Elderly homes	19.9	0.6	10.8	54.3	8.6	43.2
(B) Other sectors	2 316.3	73.7	794.1	34.3	1 459.4	63.0
Manufacturing	120.8	3.8	41.4	34.3	76.7	63.5
Construction	284.1	9.0	108.8	38.3	167.2	58.8
Wholesale and import/export trade	443.0	14.1	73.5	16.6	357.9	80.8
Hotels	45.9	1.5	19.0	41.5	25.9	56.4
Other transportation, storage, postal and courier services	138.8	4.4	65.3	47.0	69.1	49.7
Information and communications	108.9	3.5	28.6	26.2	77.9	71.5
Financing, insurance and real estate	253.7	8.1	60.9	24.0	187.3	73.8
Professional and business services, scientific and technical activities	202.8	6.5	55.1	27.2	141.0	69.5
Cleaning services	69.6	2.2	22.3	32.0	46.2	66.3
Government and public administration	174.0	5.5	150.6	86.6	17.8	10.2
Education	173.7	5.5	36.8	21.2	132.4	76.2
Human health activities	113.9	3.6	46.3	40.7	62.9	55.2
Other community, social and personal services	173.4	5.5	78.5	45.3	90.4	52.1
Others	13.8	0.4	6.8	49.3	6.9	49.7
V. Occupation⁽²⁾						
(A) Lower-skilled occupations	2 082.7	66.3	841.1	40.4	1 181.1	56.7
Elementary workers	458.9	14.6	188.7	41.1	257.1	56.0
Craft and related workers	241.2	7.7	124.0	51.4	109.2	45.3
Plant and machine operators and assemblers	111.7	3.6	52.3	46.8	56.1	50.2
Service and sales workers	627.5	20.0	282.7	45.0	324.4	51.7
Clerical support workers	643.3	20.5	193.3	30.1	434.3	67.5
(B) Higher-skilled occupations	1 051.9	33.5	292.9	27.8	733.2	69.7
Managers and administrators	366.8	11.7	58.2	15.9	304.3	83.0
Professionals	212.9	6.8	51.8	24.3	155.8	73.2
Associate professionals	472.3	15.0	182.9	38.7	273.0	57.8
VI. Total monthly wage⁽⁴⁾						
< \$8,000	257.3	8.2	80.9	31.5	169.6	65.9
\$8,000 - \$9,999	291.9	9.3	106.3	36.4	178.5	61.2
\$10,000 - \$13,999	752.4	23.9	304.7	40.5	421.9	56.1
\$14,000 - \$19,999	611.3	19.5	257.8	42.2	335.1	54.8
\$20,000 - \$29,999	479.0	15.2	186.9	39.0	280.0	58.5
\$30,000 - \$49,999	318.2	10.1	102.0	32.0	210.5	66.1
≥ \$50,000	206.7	6.6	22.4	10.9	182.8	88.4

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

- Notes: (1) Include employees who were not sure whether the method of compensation for overtime work was specified in contract/agreement.
(2) Since a few employees refused to provide the related information, the sum of figures for individual items is less than the total.
(3) Include laundry and dry cleaning services sector, the statistics of which are not separately shown. Figures of the sector are not released due to relatively large sampling error.
(4) Since a few employees refused to answer, or the information provided was not sufficient to calculate the total monthly wage, the sum of figures for individual items is less than the total.

Figures for individual items may not add up to totals due to rounding.

Table 6: The most important objective of a working hours policy recognised by employees (excluding live-in domestic workers)

	The most important objective of a working hours policy (%)								
	Better work-life balance for employees (e.g. taking care of family, pursuing continuing education)	Protecting occupational safety and health	Specifying compensation for overtime work	Preserving the free agreement between employers and employees	Job creation and sharing	Encouraging more individuals (e.g. homemakers) to join the workforce	Maintaining the competitiveness of Hong Kong	Ensuring flexibility in business operation	Maintaining a favourable business environment
All employees	37.5	27.7	19.0	4.1	2.7	2.6	2.3	2.0	2.0
I. Sector									
Relatively long-working-hours sectors	33.7	30.2	21.1	3.7	3.0	3.3	1.3	1.9	1.8
Other sectors	38.8	26.9	18.2	4.3	2.6	2.3	2.6	2.1	2.0
II. Occupation									
Lower-skilled occupations	33.2	31.1	21.0	4.2	2.7	3.3	1.2	1.5	1.8
Higher-skilled occupations	46.0	21.1	15.0	4.1	2.8	1.1	4.4	3.0	2.2

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Note: Since a few employees refused to answer, the sum of percentages for individual items is less than 100%.

Table 7: The most important objective of a working hours policy recognised by employers

	The most important objective of a working hours policy (%)								
	Better work-life balance for employees (e.g. taking care of family, pursuing continuing education)	Protecting occupational safety and health	Specifying compensation for overtime work	Preserving the free agreement between employers and employees	Job creation and sharing	Encouraging more individuals (e.g. homemakers) to join the workforce	Maintaining the competitiveness of Hong Kong	Ensuring flexibility in business operation	Maintaining a favourable business environment
All employers	26.1	32.7	7.0	6.0	4.0	2.4	2.9	7.9	10.9
I. Sector									
Relatively long-working-hours sectors	21.6	42.7	5.2	6.5	7.2	4.4	0.7	9.8	1.9
Other sectors	28.4	28.6	7.9	4.6	2.6	1.6	4.0	7.1	15.1

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Note: Percentages for individual items may not add up to 100% due to rounding.

Table 8: Views of employees (excluding live-in domestic workers) on working hours policy directions

	Working hours policy directions (%)				
	By mutual agreements between employers and employees	Setting voluntary guidelines having regard to requirements of a sector	Providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts	Setting standard working hours	Setting maximum working hours
All employees					
Agree	92.2	89.7	93.7	67.1	75.8
Disagree	6.8	8.7	5.7	31.0	21.6
No comment	1.0	1.6	0.6	1.9	2.6
I. Sector					
Relatively long-working-hours sectors					
Agree	93.0	90.0	94.5	69.3	79.5
Disagree	6.1	8.0	5.0	29.1	18.0
No comment	0.9	2.0	0.4	1.5	2.5
Other sectors					
Agree	91.9	89.6	93.4	66.3	74.5
Disagree	7.0	9.0	6.0	31.7	22.9
No comment	1.0	1.5	0.6	2.0	2.6
II. Occupation					
Lower-skilled occupations					
Agree	92.6	89.6	94.3	69.1	78.3
Disagree	6.4	8.5	5.2	29.2	19.3
No comment	1.0	1.9	0.5	1.7	2.4
Higher-skilled occupations					
Agree	91.3	90.1	92.5	63.2	70.9
Disagree	7.7	9.0	6.7	34.7	26.2
No comment	1.0	0.9	0.8	2.2	2.9

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Note: Percentages for individual items may not add up to 100% due to rounding.

Table 9: Views of employers on working hours policy directions

	Working hours policy directions (%)				
	By mutual agreements between employers and employees	Setting voluntary guidelines having regard to requirements of a sector	Providing for stipulation of hours of work, overtime arrangements and overtime compensation in employment contracts	Setting standard working hours	Setting maximum working hours
All employers					
Agree	84.0	87.4	81.9	56.1	42.6
Disagree	14.5	11.1	14.7	40.4	53.3
No comment	1.5	1.5	3.4	3.5	4.1
I. Sector					
Relatively long-working-hours sectors					
Agree	88.7	90.7	85.8	66.6	39.4
Disagree	11.3	8.4	12.6	31.4	58.8
No comment	-	0.8	1.6	1.9	1.8
Other sectors					
Agree	82.1	85.7	80.0	51.6	44.2
Disagree	15.7	12.5	15.8	44.2	50.7
No comment	2.2	1.8	4.2	4.2	5.1

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Note: Percentages for individual items may not add up to 100% due to rounding.

First-stage Consultation

List of Consultation Activities

Meetings with Major Employers' Associations and Major Labour Organisations

Session	Date	Target
Sessions 1-3	28 January 2014	Two employers' associations and one labour organisation
Sessions 4-6	13 February 2014	Two employers' associations and one labour organisation
Sessions 7-9	14 February 2014	One employers' association and two labour organisations

Symposia

Session	Date	Target
Session 1	20 March 2014	Human resources and management professionals organisations
Session 2	8 April 2014	Civil organisations concerning about labour policy (1)
Session 3	10 April 2014	Associations of small and medium-sized enterprises
Session 4	15 April 2014	Civil organisations concerning about labour policy (2)
Session 5	25 April 2014	Other trade associations
Sessions 6 and 7	25 April 2014	Other trade associations; think tanks/ policy research organisations
Session 8	30 April 2014	Professional organisations

Session	Date	Target
Session 9	9 May 2014	Organisations of information technology personnel and practitioners in banking and finance sectors
Session 10	13 May 2014	Medical personnel organisations
Session 11	15 May 2014	Relevant government committees
Session 12	2 July 2014	Teachers' organisations

Consultation Forums

Session	Date	Target
Session 1	29 May 2014	Retail; laundry and dry cleaning services
Session 2	3 June 2014	Restaurants
Session 3	10 June 2014	Estate management and security; elderly homes
Session 4	18 June 2014	Land transport
Session 5	20 June 2014	Construction
Session 6	23 June 2014	Wholesale; and import/ export trade; hotel and tourism
Session 7	25 June 2014	Other transportation; storage; communications
Session 8	9 July 2014	District (Kowloon)
Session 9	12 July 2014	District (Hong Kong Island)
Session 10	16 July 2014	Members of employers' associations
Session 11	19 July 2014	District (New Territories West)
Session 12	23 July 2014	Members of labour organisations
Session 13	26 July 2014	District (New Territories East)

Community and Workplace Visits

Session	Date	Venue/ Format
Session 1	12 June 2014	Construction site
Session 2	27 June 2014	Cooked food centre at a municipal services building
Session 3	24 July 2014	“Working Hours Cafe” at a shopping mall

Attending Consultation Activities upon Invitation

Session	Date	Organiser
Session 1	21 July 2014	A professional organisation in accounting
Session 2	24 July 2014	An organisation of the catering sector
Session 3	30 July 2014	A professional organisation in accounting

First-stage Consultation

Executive Summary of the Consultation Consultant's Report of the First-stage Consultation

Introduction

1. The Government in April 2013 set up the Standard Working Hours Committee (SWHC) to follow up on the Report of the Policy Study on Standard Working Hours released in November 2012. With a three-year term, SWHC's terms of reference are: (a) to follow up on the Government's policy study on standard working hours (SWH) and conduct further in-depth studies, as necessary, on the key issues identified therein; (b) to promote understanding of SWH and related issues including, among others, employees' overtime work conditions and arrangements; to engage the public in informed discussion on the relevant issues; and to gauge the views of stakeholding groups; and (c) to report to the Chief Executive and advise on the working hours situation in Hong Kong, including whether a statutory SWH regime or any other alternatives should be considered.
2. To organise and steer the relevant work, SWHC has set up two working groups on "Working Hours Consultation" and "Working Hours Study". The Working Group on "Working Hours Consultation" was tasked to conduct wide public consultation. Through the SWHC Secretariat, the SEE Network Limited (the Consultation Consultant) was commissioned to assist in conducting wide public consultation with a view to understanding and analysing the views of the community on working hours issues.
3. From views expressed by participants of various consultation activities, opinion collection forms received at symposia and public forums, as well as written submissions from members of the public, the Consultation Consultant understands the attitudes, reasoning

and logic behind the opinions of relevant persons on working hours issues, as well as the current working hours situation of different sectors/ occupations. Besides, the Consultation Consultant conducted an opinion survey (the Opinion Survey) of working hours issues on members of trade associations and labour unions. The Consultation Consultant then conducted an overall analysis of the opinions collected from consultation activities and written submissions from the public (Qualitative Opinions) and the data collected from the Opinion Survey (Quantitative Data).

Public Engagement and Consultation Activities

Overall Situation of Public Engagement and Consultation Activities

4. During the public engagement and consultation period from 28 January to 31 July 2014, SWHC organised and participated in 40 consultation sessions (including nine meetings with individual organisations, 12 symposia, 13 public forums, three community and workplace visits, and three consultation activities organised by other organisations). The Consultation Consultant distributed opinion collection forms to participants of symposia and public forums and collected a total of 513 valid opinion collection forms (including 341 from employees, 135 from employers and 37 from others) on the spot, so as to further understand the views of participants of consultation activities on working hours issues. Besides, during the consultation period, SWHC received some 4 800 written submissions from trade associations, labour organisations, enterprises and individuals by email, fax and letter, etc., which included pro-forma submissions in various forms expressing mostly the same views and suggestions.

Summary of Qualitative Opinions

5. The Qualitative Opinions collected by SWHC during the consultation period have been collated and analysed according to

the major consultation issues, which are set out in the ensuing paragraphs:

(a) What are the Objectives of a Working Hours Policy in Hong Kong

- More employees considered that the objective of a working hours policy was to set a clear standard for defining reasonable working hours of employees with a view to achieving work-life balance, protecting occupational safety and health, as well as conferring them the right to choose to work overtime or not beyond SWH. Some employees considered that overtime work should be compensated at a rate higher than the basic pay rate so as to ensure that employees would be reasonably compensated due to overtime work, resolve the problem of uncompensated overtime, and also indirectly encourage employers to employ additional staff and/or to reduce overtime hours.
- Employers tended to recognise the two broad directions of occupational safety and health and work-life balance, but queried who could be in a position to objectively measure work-life balance. Some employers opined that regulating working hours was not a direct way to improve work safety because employees might work long hours and/or take up part-time jobs with a view to increasing their income. If so, the objective of occupational safety and health would be hard to achieve. Employers considered that setting a higher overtime pay rate would not help increase grassroots employees' income, instead their income would be reduced because of shortened working hours. In their view, the objectives of fair compensation for overtime work and achieving work-life balance were contradictory, since higher overtime compensation would in turn encourage employees to work longer hours.

(b) How the Policy will Affect the Labour Market and Hong Kong's Competitiveness, etc.

- The employee side opined that inflation had all along existed. Increases in enterprises' operating costs were due to various factors, of which rental made up the largest share. If an SWH system was to be implemented, employees would have more time to consume, pursue further education and think of ideas. These would help inspire creativity and stimulate the economy, and also encourage enterprises to improve efficiency, increase automation, reduce the number of staff or transform their business, with a view to enhancing Hong Kong's competitiveness. Some employees were of the view that they could still work overtime after the implementation of the SWH system, so as to maintain enterprises' flexibility in providing services. Employees expected that during the initial implementation period of working hours regulation, there might be a larger degree of adjustments to the salary and working hours of some employees, and some increases in inflation. However, the costs would be borne by the society as a whole and, in the long run, the impact would gradually become mild.
- Employers were of the view that Hong Kong's economy relied mainly on the services industry. The arrangement of working hours usually hinged on service demands. Regulating working hours would lower the flexibility in manpower deployment. In recent years, high rental and labour shortage had posed operational difficulties. As such, a working hours policy should balance the interests of both employers and employees, uphold the fundamental principle of maintaining Hong Kong's competitiveness and avoid hampering enterprises' room for survival. Otherwise, employees would suffer in the

end. Employers also worried that working hours regulation would undermine the ability of enterprises to adjust to economic downturns, and also aggravate the existing problem of manpower shortage.

(c) Whether a Working Hours Policy Would Result in an Increase in Part-time Jobs and Fragmentation of Work

- Considering such factors as service needs and job nature, the employee side expected that the number of part-time positions would not increase drastically. If viewing fragmentation of positions in a positive light, it would give job-seekers more choices of jobs and hence attract those people who could not work long hours to re-enter the job market.
- Employers expected that some of the job positions with long working hours would likely be separated into part-time ones, especially those lower-skilled grassroots positions, such as cleaning and security posts. As a result, employees might earn less owing to shortened working hours. Breaking up job positions due to working hours regulation might also lengthen the time required for employees to get promotion to some positions. Some of the job types might also move to other regions, resulting in reduction of demand for local staff.

(d) The Affordability of the Business Sector in general, (particularly the Small and Medium-sized Enterprises (SMEs)) in Complying with the Statutory SWH

- Labour organisations opined that the increase in wage costs brought about by the implementation of SWH was expected to be limited, and the increased costs were to be shared by the society as a whole.

- Employers anticipated that legislating for working hours regulation would lead to an increase in enterprises' operating costs. Compared to large enterprises, the affordability of SMEs was lower and thus would result in business closures due to financial losses. This would further enlarge the market share of large enterprises.

(e) Whether Working Hours Regulation Should be Imposed Across-the-board, or Only Those Sectors or Occupations with Particularly Long Working Hours

- Some labour organisations recognised that one single uniform working hours policy was hard to apply to all sectors, yet they also worried that loopholes for employers to evade the regulation might exist if the system was not uniformed and with an exemption mechanism in place. Nonetheless, they agreed that implementation of a working hours system should take into consideration the operational circumstances of different sectors.
- The employer side held the view that different sectors or occupations already had varied working hours arrangements according to their work nature and requirements, thus a uniform standard should not apply to all sectors. While employers were generally of the view that it would be difficult to apply a one-size-fits-all model of working hours regulation, some of them tended to accept a working hours policy targeting at helping grassroots workers with relatively low income and with relatively weak bargaining power and who were required to work overtime without compensation.

(f) Whether Legislation is the Best Way Forward

- Employees generally supported regulating working hours through legislation. They opined that because of the

unequal status of employers and employees, grassroots workers had inadequate bargaining power in the course of negotiation. Legislation was the only effective means to tackle involuntary and uncompensated overtime work and protect their rights and benefits. The labour organisations generally suggested a weekly SWH at 44 hours, overtime compensation at 1.5 to 2 times of the basic pay rate. Some labour organisations mentioned that because of occupational safety and health concerns, maximum working hours ranging from 50 to 72 hours per week should be set. However, there were organisations not supporting maximum working hours, owing to worries over the impacts on employees' income.

- Employers in general objected to a territory-wide uniform standard for regulating working hours because it could not cater for the operational needs of different sectors/occupations and its greater adverse impact on the economy. In face of labour shortage and fluctuations of the economy, employees already had ample choices of work. Coupled with corporates' need for flexibility in operations, they considered that a clear employment contract stating relevant items on contractual working hours and overtime work arrangement etc. would enable employers and employees to reach mutually agreed working hours arrangements. Some employers also suggested formulation of voluntary guidelines for different sectors, as well as promotion of family-friendly employment measures and flexible working hours, etc., so as to cater for the needs of employers and employees.

Opinion Survey on Working Hours Issues

Survey Methodology

6. The Opinion Survey, through a scientific sampling method, collected and analysed the opinions from members of trade associations and labour unions, in order to understand the similarities and differences of their views on working hours regimes and provide the information for reference of SWHC in the deliberation of the relevant policy.
7. The Opinion Survey was conducted from end-June to end-September 2014 by postal mail. The Consultation Consultant randomly selected members of trade associations and labour unions to participate in the survey, and received 750 and 757 opinion collection forms respectively. As the numbers of members of the relevant trade associations and labour unions were different, the results of this survey were weighted in accordance with the ratios of the membership size of trade associations and labour unions that responded to the survey, to those of their umbrella organisations. Unless otherwise specified, the percentages and statistical data shown in this report were weighted. The purpose was to eliminate statistical biases and compile representative survey results of members of trade associations and labour unions.

Analysis of Quantitative Data

8. The data collected from the Opinion Survey and the analysis are provided below:

(a) Policy Objectives

- **Whether the current working hours system is suitable for Hong Kong:** Opinions between members of labour unions and trade associations on whether the

current working hours system is suitable for Hong Kong were divided. Nearly 80% of the trade association members opined that the current working hours system was “suitable” to “very suitable” (79%), compared to only 36% of the labour union members holding the same views. Approximately one-third (34%) of the labour union members opined that the current working hours system was unsuitable, while 16% of the labour union members opined that it was very unsuitable. The percentages of the trade association members holding the same views were only 8% and 3% respectively.

- **Objectives of formulating a Working Hours Policy:** In terms of the objectives of a working hours policy, trade association members and labour union members shared a similar view. Both groups chose “protecting occupational safety and health” (trade association members: 17%; labour union members: 23%) and “enabling employees to attain a better work-life balance” (trade association members: 17%; labour union members: 30%) as the main objectives of a working hours policy. Labour union members opined that “specifying compensation for overtime work” (16%) was the third main objective of a working hours policy, while trade association members chose “maintaining Hong Kong’s competitiveness” (14%) as the third main objective.

(b) Anticipated Impacts of Working Hours Regulation on the Society and the Labour Market

- **Anticipated impacts of an SWH system:** Views of labour union members on an SWH system were more positive, especially on “employees’ work-life balance” and “employee morale” where more than 70% of the labour union members anticipated that improvement would occur. Besides, between 31% and 46% of the

labour union members anticipated that SWH would improve or substantially improve “flexibility in business operations”, “labour relations”, “employee’s salary level”, “enterprise competitiveness” and “overall price level of goods”. However, only less than 20% of the trade association members considered that after implementing an SWH system, “flexibility in business operations” and “enterprise competitiveness” would improve. Except for “employees’ work-life balance” which had unanimously received anticipated positive changes, trade association members and labour union members adopted opposite views towards other factors.

- **Anticipated impacts of a maximum working hours system:** Labour union members appeared to be more optimistic towards a maximum working hours system. Trade association members, however, were particularly concerned that such a system would have negative impacts on “enterprise competitiveness” and “flexibility in business operations”. Besides, labour union members anticipated that implementing a maximum working hours system would increase “employment opportunities”, promote “employees’ work-life balance” and would have positive impacts on “employee productivity” and “employee morale”. Regarding the impacts of a maximum working hours system on business operations, including “flexibility in business operations”, “labour relations”, “enterprise competitiveness” and “employee productivity”, only less than 20% of the trade association members anticipated positive improvements. Compared to an SWH system, overall speaking, lower percentages of trade association members and labour union members anticipated that a maximum working hours system would lead to positive impacts.

(c) Impacts of Working Hours Regulation on Employees Anticipated by Labour Union Members

- Labour unions members were optimistic about specifying the requirement of providing compensation for overtime work. Specifically, three-tenths of the labour union members (30%) anticipated that there would be a decrease in working hours while 17% opined that there would be an increase in working hours. 28% of labour union members considered that there would be an increase in wages if overtime work was compensated, while 16% considered that there would be a decrease in wages and 31% reckoned there would be no change. With appropriate compensation arrangement, more than four-tenths of the labour union members (44%) were willing to undertake more overtime work, while 32% held the opposite view. In terms of the quality of life, 36% of the labour union members considered that their quality of life would improve as a result of overtime work with compensation. Only 12% reckoned their quality of life would decline as a result.

(d) Impacts of Working Hours Regulation on Enterprises Anticipated by Trade Association Members

- In respect of possible mitigation measures for coping with implementation of an SWH system, a higher percentage of trade association members was inclined to take measures including “hiring part-time employees to replace some full-time employees to reduce the compensation for overtime work”, “passing on the additional wage expenses to customers” and “changing the mode of operation to dispense with/ reduce manpower”. Compared to the ratios of those indicating they “may” or “certainly will”, higher ratios of trade association members would not consider “shortening operation hours to meet working hours regulation” and

“reducing business size or ceasing business expansion to meet working hours regulations”. Relevant data indicated that, generally speaking, trade association members were inclined to take measures that would reduce costs rather than those posing negative impacts on business operation and development. Compared to an SWH system, the level of support from trade association members for a maximum working hours system was lower. If a maximum working hours system was implemented, the percentages of trade association members, when compared with implementation of an SWH system, choosing “may” or “certainly will” take measures including reducing the working hours of existing posts, hiring additional staff so as to reduce the overtime wages/ ensure employees’ working hours not exceeding the statutory limit, replacing some full-time employees by part-time staff, freezing or cutting wages to save wage expenses, and reducing employees’ fringe benefits or training to save additional wage expenses were higher.

(e) Whether a Working Hours Regime should Permit Exemptions

- If an SWH system and a maximum working hours system allow exemptions, the top three exemption criteria opted by most of the members of trade associations and labour unions were in the order of “industry/ sector”, “occupation/ job responsibility” and “salary level”. Besides, in terms of an SWH system, 5% of trade association members and 19% of labour union members considered that no exemptions should be provided. As for a maximum working hours system, 5% of trade association members and 16% of labour union members considered that no exemptions should be provided.

(f) Whether and How the Current Working Hours System Should be Changed

- In respect of whether and how the current working hours system should be changed, the Opinion Survey revealed the options that more labour union members chose were in the order of: “requiring employers and employees to specify hours of work, overtime arrangements, and overtime compensation in employment contracts” (55%); “legislating for SWH” (49%); “legislating for maximum working hours” (34%); “individual sectors setting their own voluntary guidelines” (31%); “no need to change the existing system under which employers and employees are at liberty to agree on working hours arrangements” (14%), and “no comment” (11%).
- The options that more trade association members chose were in the order of: “no need to change the existing system under which employers and employees are at liberty to agree on working hours arrangements” (62%), “individual sectors setting their own voluntary guidelines” (51%), “requiring employers and employees to specify hours of work, overtime arrangements and overtime compensation in employment contracts” (38%), “legislating for SWH” (11%), “no comment” (9%), and “legislating for maximum working hours ” (8%).
- Trade association members and labour union members had divided views on legislating for a working hours system. Close to one-half of the labour union members (49%) hoped the government to legislate for SWH while another 34% hoped to legislate for maximum working hours. However, only 11 % and 8% of trade association members hoped to legislate for SWH and maximum working hours respectively. The overall data of the above options reflected that many trade association members agreed to specify working hours and

compensation for overtime work in employment contracts, but only a small number of trade association members supported legislating for SWH or maximum working hours. On the other hand, the option of specifying working hours arrangements and compensation for overtime work in employment contracts recorded the highest level of support from trade union members, while a considerable number of labour union members also hoped to legislate for SWH or maximum working hours.

Conclusion

9. By summarising the “Qualitative Opinions” from consultation activities and the “Quantitative Data” from the Opinion Survey, major observations can be drawn as follows:

Objectives of a Working Hours Policy

10. According to the information collected by the Consultation Consultant at the consultation activities, more employers and employees recognised “protecting occupational safety and health” and “achieving work-life balance” as the major policy objectives. Besides, during the consultation activities, some employees hoped that their overtime work would be entitled to additional wage compensation while employers hoped that the working hours policy would maintain the competitiveness of Hong Kong. The results of the Opinion Survey also indicated that both trade association members and labour union members opted for “protecting occupational safety and health” and “enabling employees to attain a better work-life balance” as the major objectives of a working hours policy.
11. The employee side hoped that through establishing a working hours system and setting a standard indicator of working hours, employees could be provided with the basis for choosing to work

overtime and receiving reasonable overtime compensation. Some employers opined that employees expecting reduction of working hours on one hand but wishing to have increases in overtime pay on the other would lead to inconsistent results; and the pay, fringe benefits and year-end bonus, etc., agreed by employers and employees had already reflected the spirit of “more pay for more work”.

Impact of Working Hours Policy on the Labour Market, Hong Kong's Competitiveness and the Business Sector as a Whole (in particular the SMEs)

12. During the consultation period, the employer side reflected that, enterprises nowadays had to face the current operating challenges of high rental, manpower shortage and competition from neighbouring regions, etc., legislating for working hours regulation and a higher level of overtime compensation would further increase business operating costs and weaken enterprises' business generating capabilities. In contrast to large enterprises, the SMEs were less capable of adapting to working hours regulation and there were worries that the policy would lead to a further rise in the market share of large enterprises. Some employers worried that working hours regulation would aggravate the prevailing severe manpower shortage in the labour market, weaken enterprises' flexibility in manpower deployment and their ability to adapt to economic downturn.
13. The employee side, however, considered that rental was indeed the largest operating cost of enterprises. The increase in costs stemming from working hours regulation would in the long run become mild and be collectively borne by the whole community. The employee side expected that working hours regulation would also bring about positive benefits, e.g. facilitating employees to have more time to pursue further education and take rest, enhancing work efficiency, and encouraging enterprises to increase automation or undergo business upgrading in order to

enhance their competitiveness, etc.

Whether a Working Hours Policy Would Result in an Increase in Part-time Jobs and Fragmentation of Work

14. During the consultation activities, employers expressed that some enterprises might split certain longer-working-hours posts in case working hours regulation would lead to an increase in operating costs while the income of some employees might be reduced owing to the reduced working hours. Employers envisaged that lower-skilled jobs or those which could be handled by different workers concurrently would be more susceptible to work fragmentation. For higher-skilled posts and those involving duties which could not be readily shared out and requiring establishment of continuous relationships with clients, etc., the possibility of work fragmentation would be lower. However, the employee side considered that the number of part-time posts would not increase significantly, taking into account such factors as service demand and job nature.

Whether Working Hours Regulation Should be Imposed Across-the-board, or Only to Those Sectors or Occupations with Relatively Long Working Hours

15. As regards the coverage of a working hours system, the major views collected by the Consultation Consultant during the period of consultation activities reflected that employees expressed that if the legislation for working hours regulation would not apply to all sectors and occupations, it was likely to result in loopholes, weakening the protection for employees. Nevertheless, they agreed that the implementation of a working hours system should take into account the operational circumstances of various sectors.
16. The employers objected to implementation of a uniform working hours standard and considered that different working hours arrangements were already in place in response to the work

nature and requirements of different sectors or occupations. For example, the deliverables of some posts could readily be measured by time and the overtime work could clearly be identified (e.g. manual work). However, there were also posts the working hours of which could not be readily calculated (e.g. management, creative or customer-oriented) and their remuneration had already included revenue or performance-based elements such as commission. While employers were generally of the view that it would be difficult to apply a one-size-fits-all model of working hours regulation, some of them tended to accept a working hours policy targeting at helping grassroots workers with relatively low income and with relatively weak bargaining power and who were required to work overtime without compensation.

17. According to the Opinion Survey, both members of trade associations and labour unions opined that in formulating a working hours policy, “work arrangement flexibility and Hong Kong’s competitiveness” and “modes of operation of different sectors” were the two major factors to be considered.

Whether Legislation is the Best Way Forward

18. On the way forward on a working hours policy, according to the major views collected by the Consultation Consultant during the period of consultation activities, employees generally expressed their aspirations for legislating for working hours regulation, and expressed that in view of the unequal status between employers and employees, legislation was the only effective means to protect employees’ rights. The labour organisations generally suggested a weekly SWH at 44 hours, overtime compensation at 1.5 times of the basic pay rate and conferring employees the right to choose to work overtime, while some organisations expressed that maximum working hours should be set at 50 to 72 hours per week.

19. Employer side in general strongly objected to introduction of uniform working hours legislation in Hong Kong, as employees of different sectors, occupations and skill levels, etc., could hardly follow a single model of working hours regulation owing to their widely varied working hours situations. Employers considered that clearly stipulated employment contracts would suffice in achieving working hours arrangements mutually agreed by employers and employees. They tended to accept formulation of voluntary working hours guidelines according to the needs of different sectors.
20. In the Opinion Survey, regarding whether and, if so, how the current working hours system should be changed, views of the trade association members and labour union members were divided. Most of the trade association members hoped to maintain the current working hours system under which working hours arrangements were mutually agreed by employers and employees (62%). Many trade association members also selected “individual sectors setting their own voluntary guidelines” (51%). However, these two options only received support from 14% and 31% of labour union members respectively. Views of trade association members and labour union members on legislating for a working hours system indicated a rather big difference. Only 11% and 8% of trade association members supported legislating for SWH and maximum working hours respectively. Close to one-half of the labour union members (49%), however, hoped to legislate for SWH and another 34% of labour union members hoped to legislate for maximum working hours. On the other hand, more labour union members preferred “requiring employers and employees to specify hours of work, overtime arrangements and overtime compensation in employment contracts” (55%). This option also received support from 38% of trade association members.

21. In the Opinion Survey, relative to SWH, the respondent members of labour unions and trade associations expressed lower degree of support for and stronger opposition to maximum working hours.

Concluding Remarks

22. The causes of working hours problems are complicated, involving such factors as social, economic and work culture. During the consultation period, in addition to expressing aspirations for legislating for working hours regulation, labour organisations stressed the relationship between long working hours and low income level and expected the society to look into the issue. Although employers' associations held an opposite view towards legislating for working hours regulation, some employers recognised that a working hours policy could focus on helping grassroots workers with relatively low income and with relatively weak bargaining power and who were required to work overtime without compensation.
23. Both the views collected from the consultation activities and the Opinion Survey revealed that employees and employers recognised "achieving work-life balance" and "protecting occupational safety and health" as two major objectives of a working hours policy. Besides, employees were also more concerned about overtime work compensation while employers were more concerned about the impact of working hours policy on overall competitiveness of Hong Kong and business environment.
24. Employers and employees reflected through the public consultation that because of the widely varied work nature, working hours and overtime situation among employees at different wage levels and in different sectors or occupations, a working hours policy had to take full account of the operational and practical needs of different sectors or occupations. A uniform ("one-size-fits-all") working hours regulation for all sectors may

result in serious impacts on individual sectors or even the society and economy as a whole.

25. The Opinion Survey also revealed that the largest number of labour union members (55%) chose “requiring employers and employees to specify hours of work, overtime arrangements and overtime compensation in employment contracts” as the policy direction; while 38% of trade association members also agreed with this direction.

26. It might not be possible to tackle the issue of working hours at one step nor by one single measure. Both legislative and non-legislative measures can concurrently be considered. Overall speaking, the direction for exploring the next step of a working hours policy could be along the line of developing an accommodating and flexible working hours system, in order to cater for the various needs of the employment market and different sectors/occupations, and to balance, as far as possible, the possible impacts of regulating working hours on different aspects (including employees, employers, the society and economy as a whole, as well as Hong Kong’s competitiveness, etc.). This seeks to gradually narrow down the differences and bring about appropriate changes, so that the society could be fully prepared and deliberated with a view to building consensus and ensuring the development of a working hours policy in a sustained and positive manner.

First-stage Consultation

Statistical Tables of the Opinion Survey

Labour Union Members

Table 1: Socio-economic characteristics of labour union members

Socio-economic characteristics	Weighted percentage
I. Gender	
Male	70%
Female	29%
No answer	1%
II. Age group	
15 - 24	2%
25 - 29	8%
30 - 39	20%
40 - 49	26%
50 - 59	32%
60 or above	12%
No answer	0%
III. Educational attainment	
Primary or below	3%
Lower secondary (Secondary 1 to 3)	22%
Upper secondary (Secondary 4 to 7)	30%
Tertiary education (e.g. Diploma/ Certificate/ Associate Degree)	19%
Bachelor's degree or higher	26%
No answer	0%

Table 1: Socio-economic characteristics of labour union members (Cont'd)

Socio-economic characteristics	Weighted percentage
IV. Sector	
Relatively long-working-hours sectors	22%
Retail	4%
Estate management and security	10%
Restaurants	1%
Land transport	7%
Elderly homes	0%
Laundry and dry cleaning services	0%
Other sectors	64%
Manufacturing	3%
Construction	7%
Wholesale and import/ export trade	1%
Hotels	1%
Other transportation, storage, postal and courier services	13%
Information and communications	9%
Financing and insurance	1%
Real estate activities (excluding estate management and security)	1%
Professional and business services, scientific and technical activities	8%
Cleaning services	2%
Community, social, and personal services (excluding elderly homes and laundry and dry cleaning services)	14%
Others	4%
No answer	13%

Table 1: Socio-economic characteristics of labour union members (Cont'd)

Socio-economic characteristics	Weighted percentage
V. Occupation	
Lower-skilled occupations	50%
Clerks	9%
Service workers and shop sales workers	15%
Craft and related workers	5%
Plant and machine operators and assemblers	11%
Elementary workers	10%
Higher-skilled occupations	38%
Managers and administrators	3%
Professionals	17%
Associate Professionals	18%
No answer	12%
VI. Establishment size	
Small and medium-sized enterprises (employing less than 50 employees)	20%
1-9	6%
10-49	14%
Large enterprises (employing 50 or more employees)	69%
50-99	5%
100-499	20%
500-999	6%
>=1 000	38%
No answer	12%

Table 1: Socio-economic characteristics of labour union members (Cont'd)

Option	Weighted percentage
VII. The gross income (in HKD) of labour union members in the month preceding to the enumeration (Including basic wages, employees' MPF contributions, commissions/ tips, housing allowances, and other guaranteed bonuses/ allowances)	
Less than \$2,000	0%
\$2,000 – \$5,999	1%
\$6,000 – \$7,999	2%
\$8,000 – \$9,999	6%
\$10,000 – \$11,999	6%
\$12,000 – \$13,999	9%
\$14,000 – \$15,999	11%
\$16,000 – \$17,999	8%
\$18,000 – \$19,999	6%
\$20,000 – \$24,999	11%
\$25,000 – \$29,999	8%
\$30,000 – \$39,999	11%
\$40,000 – \$59,999	6%
\$60,000 or above	3%
No answer	12%
Total percentage (observed number = 757)	100%

Note : Due to rounding, the sums of percentages in the statistical table might not add up to 100%.

Table 2: The most important objective of a working hours policy chosen by labour union members

Option	Weighted percentage
Protecting occupational safety and health	23%
Specifying compensation for overtime work	16%
Job creation and sharing	1%
Enabling employees to attain a better work-life balance	30%
Facilitating employees to take care of family	5%
Facilitating employees to pursue continuing education	1%
Encouraging more individuals (such as homemakers) to join the workforce	0%
Ensuring flexibility in business operations	0%
Maintaining a good business environment	1%
Maintaining Hong Kong's competitiveness	1%
Maintaining the freedom of agreement between employers and employees	3%
Others	0%
No answer	19%
Total percentage (observed number = 757)	100%

Note : Due to rounding, the sum of percentages in the statistical table might not add up to 100%.

Table 3: Views of the labour union members on the relevant exemption criteria of standard working hours

Option	Weighted percentage
Industry/ sector	49%
Occupation / job responsibility	42%
Salary level	30%
Size or sales volume of an enterprise	7%
Other exemption criteria	2%
No exemption should be allowed	19%
No comment	14%
(Observed number = 757)	

Note : Multiple options allowed.

Table 4: Views of the labour union members on working hours policy directions

Option	Weighted percentage
No need to change the existing regime under which employers and employees are at liberty to agree on working hours arrangements	14%
Individual sectors setting their own voluntary guidelines	31%
Requiring employers and employees to specify hours of work, overtime arrangements and overtime compensation in employment contracts	55%
Legislating for standard working hours	49%
Legislating for maximum working hours	34%
Other suggestions	2%
No comment	11%
(Observed number = 757)	

Note : Multiple options allowed.

Trade Association Members

Table 5: Characteristics of organisations of the trade association members

Characteristics	Weighted percentage
I. Sector	
Relatively long-working-hours sectors	14%
Retail	8%
Estate management and security	3%
Restaurants	2%
Land transport	1%
Elderly homes	0%
Laundry and dry cleaning services	0%
Other sectors	81%
Manufacturing	23%
Construction	5%
Wholesale and import/ export trade	21%
Hotels	1%
Other transportation, storage, postal and courier services	2%
Information and communications	3%
Financing and insurance	6%
Real estate activities (excluding estate management and security)	3%
Professional and business services, scientific and technical activities	12%
Cleaning services	1%
Community, social, and personal services (excluding elderly homes and laundry and dry cleaning services)	4%
Others	0%
No answer	5%

Table 5: Characteristics of organisations of the trade association members (Cont'd)

Characteristics	Weighted percentage
II. Establishment size	
Small and medium-sized enterprises (employing less than 50 employees)	62%
1-9	28%
10-49	34%
Large enterprises (employing 50 or more employees)	39%
50-99	10%
100-499	17%
500-999	3%
1000 or more	9%
Total percentage (observed number = 750)	100%

Note : Due to rounding, the sums of percentages in the statistical table might not add up to 100%.

Table 6: The most important objective of a working hours policy chosen by organisations of the trade association members

Option	Weighted percentage
Protecting occupational safety and health	17%
Specifying compensation for overtime work	4%
Job creation and sharing	5%
Enabling employees to attain a better work-life balance	17%
Facilitating employees to take care of family	1%
Facilitating employees to pursue continuing education	0%
Encouraging more individuals (such as homemakers) to join the workforce	0%
Ensuring flexibility in business operations	12%
Maintaining a good business environment	7%
Maintaining Hong Kong's competitiveness	14%
Maintaining the freedom of agreement between employers and employees	10%
Others	0%
No answer	12%
Total percentage (observed number = 757)	100%

Note : Due to rounding, the sum of percentages in the statistical table might not add up to 100%.

Table 7: Views of organisations of the trade association members on the relevant exemption criteria of standard working hours

Option	Weighted percentage
Industry/ sector	71%
Occupation / job responsibility	62%
Salary level	40%
Size or sales volume of an enterprise	18%
Other exemption criteria	3%
No exemption should be allowed	5%
No comment	9%
(Observed number = 757)	

Note : Multiple options allowed.

Table 8: Views of organisations of the trade association members on working hours policy directions

Option	Weighted percentage
No need to change the existing regime under which employers and employees are at liberty to agree on working hours arrangements	62%
Individual sectors setting their own voluntary guidelines	51%
Requiring employers and employees to specify hours of work, overtime arrangements and overtime compensation in employment contracts	38%
Legislating for standard working hours	11%
Legislating for maximum working hours	8%
Other suggestions	3%
No comment	9%
(Observed number = 750)	

Note : Multiple options allowed.

Second-stage Consultation

Draft Sample Employment Contract under the “Big Frame”

Interpretation

- “Agreed working hours” means the hours to be worked by an employee in accordance with the contract of employment, including any time during which the employee is :
 - (a) in attendance at a place of employment, irrespective of whether he/ she is provided with work or training at that time; and
 - (b) travelling in connection with his/ her employment excluding travelling (in either direction) between his/ her place of residence and his/ her place of employment other than a place of employment that is outside Hong Kong and is not his/ her usual place of employment.

- “Agreed wages” means all remuneration, earnings, allowances (including travelling allowances, attendance allowances and commission), tips and service charges payable in terms of money to an employee in respect of his/ her work under his/ her contract of employment, but does not include :
 - (a) overtime pay;
 - (b) the value of any accommodation, education, food, fuel, light, medical care or water provided by the employer;
 - (c) any contribution paid by the employer on his/ her own account to any retirement scheme;
 - (d) any commission which is of a gratuitous nature or which is payable only at the discretion of the employer;
 - (e) any attendance allowance or attendance bonus which is of a gratuitous nature or which is payable only at the discretion of the employer;
 - (f) any travelling allowance which is of a non-recurrent nature;
 - (g) any travelling allowance payable to the employee to defray actual expenses incurred by him/ her by the nature of his/ her employment;
 - (h) the value of any travelling concession;
 - (i) any sum payable to the employee to defray special expenses incurred by him/ her by the nature of his/ her employment;

- (j) any end of year payment which is payable under Part IIA of the Employment Ordinance (EO);
 - (k) any gratuity payable on completion or termination of a contract of employment; and
 - (l) any annual bonus which is of a gratuitous nature or which is payable only at the discretion of the employer.
- “Overtime work” means the work done by an employee outside the agreed working hours at the request or with the agreement of his/ her employer.

Employment Terms

(1) Agreed Working Hours

- **Agreed Working Hours**
 - Fixed, at _____ days per week
_____ hours per day, from _____ *a.m./p.m. to _____ *a.m./p.m.
and _____ *a.m./p.m. to _____ *a.m./p.m.
 - Shift work required, at _____ hours per day
from _____ *a.m./p.m. to _____ *a.m./p.m.
or _____ *a.m./p.m. to _____ *a.m./p.m.
or _____ *a.m./p.m. to _____ *a.m./p.m.
 - Not fixed, at _____ working day(s) per *week/month, totalling _____ hour(s)
 - Others _____

(Please specify details of working hours arrangements)

(2) Overtime Situation

- **Overtime Situation**
 - Overtime work is not required
 - Overtime work is required at the request of the employer
 - Overtime work is to be performed with the mutual agreement of the employer and employee
 - Others _____

(Please specify details of overtime work)

(3) Overtime Compensation Arrangement

- **Overtime Compensation Arrangement** Overtime compensation arrangement that is applicable to working days (i.e. not rest days or other holidays):

Compensated by overtime pay:

At the rate of \$ _____ per hour

At the rate of _____ % of _____¹

Others _____

(Please specify details of payment criteria and calculation method, etc.)

Compensated by time-off in lieu: _____

(Please specify details of granting criteria and calculation method, etc.)

Others: _____

(Please specify details of relevant criteria and calculation method, etc.)

The overtime compensation arrangement on rest days and other holidays *is/is not* the same as that on working days. If they are not the same, please specify in detail the overtime compensation arrangement on rest days and other holidays²: _____

Not applicable

¹ Please fill in the basis for calculating the overtime pay (such as the total wages). For example, if the overtime pay is calculated at the rate of 100% of the total hourly wages of \$50, the overtime pay will be \$50 per hour (\$50 x 100%).

² Under EO, an employer should obtain the prior consent from his/ her employee should he/ she request him/ her to work on rest days. Furthermore, regardless of whether an employee is entitled to statutory holiday pay, an employer should still grant his/ her employee a statutory holiday, or arrange an "alternative holiday" or a "substituted holiday" for him/ her. An employer must not make any form of payment to the employee in lieu of granting a holiday.

(4) Agreed Wages

- **Agreed Wages** Basic wages of \$ _____ per **hour/day/week/month*
plus the following allowance(s):
 - Meal allowance of \$ _____ per **day/week/month*
 - Travelling allowance of \$ _____ per **day/week/month*
 - Attendance allowance of \$ _____

(Please specify details of payment criteria and calculation method, etc.)

- Others (e.g. commission and tips) \$ _____

(Please specify details of payment criteria,
calculation method and date of payment etc.)

If the agreed wages are paid and calculated by other means, please specify in detail:

(5) Meal Breaks and Rest Periods

- **Meal Breaks**
 - Fixed, from _____ **a.m./p.m.* to _____ **a.m./p.m.*, **with/without pay*
 - Not fixed, at _____ **minutes/hour(s)* per day, **with/without pay*

Meal breaks **are/are not* counted as agreed working hour(s).

 - Not applicable
- **Rest Periods**
 - Fixed, from _____ **a.m./p.m.* to _____ **a.m./p.m.*, **with/without pay*
 - Not fixed, at _____ **minutes/hour(s)* per day, **with/without pay*

Rest periods **are/are not* counted as agreed working hour(s).

 - Not applicable

(6) Rest Days

- **Rest Days**
 - Fixed, on every _____, **with/without pay*
 - Not fixed, at _____ day(s) per **week/month*, **with/without pay*

(7) Records of Hours Worked³

- **Keeping Records of Hours Worked**
 - The employer shall keep records of the hours worked (including overtime hours) for handling employees' wages, overtime compensation, etc.
 - Such records will not be kept as the nature of work involved renders it difficult to calculate the hours worked
 - Others _____

Please put a ✓ in the appropriate box

* Delete whichever is inapplicable

Note: Under EO:

- ✧ A contract of employment is an agreement on the employment conditions made between an employer and an employee. The agreement can be made in writing or orally and it includes both express and implied terms. Employers and employees are free to negotiate and agree on the terms and conditions of employment provided that they do not violate the provisions of EO. Any term of an employment contract which purports to extinguish or reduce any right, benefit or protection conferred upon the employee by EO shall be void. If an employer varies the terms of the employment contract during the employment period without a valid reason, the employee may claim for remedies against the employer in accordance with the law.
- ✧ An employee employed under a continuous contract shall be granted not less than one rest day in every seven days. Rest days may be granted on a regular or irregular basis subject to the agreement between employers and employees. An employee, except young persons under the age of 18 employed in industrial undertakings, may work voluntarily on a rest day.
- ✧ Before employment begins, an employer must inform his/ her employees in detail of the conditions of employment under which they are to be employed, including wages, wage period, length of notice required to terminate the contract and end of year payment (if applicable). If the contract of employment is in writing, the employer shall give a copy of the contract to the employee for reference and retention. If the contract of employment is not in writing, the employer shall give the employee a notice in writing containing such conditions if the employee, before such employment is entered into, makes a written request.
- ✧ A contract of employment may be terminated by the employer or employee during the employment period in accordance with the requirements under EO and the employment contract. If the employment contract provides for a probation period, the employer or employee may terminate the employment contract without notice or payment in lieu during the first month of the probation period.

³ Under EO, every employer shall maintain the wage and employment records of each employee covering the preceding 12 months. If the wages payable to the employee in respect of any wage period are less than the amount specified in the Ninth Schedule to EO (\$13,300 per month with effect from 1 May 2015), and the employee is an employee within the meaning of the Minimum Wage Ordinance, the employer shall keep a record of the total number of hours worked by the employee in that wage period.

Second-stage Consultation

Statistical Tables of the “Small Frame” Impact Assessments

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Table I.1(a): Socio-economic characteristics of all employees (excluding government employees and live-in domestic workers)

	Total no. of employees ⁽¹⁾		Total monthly wages of employees ⁽²⁾							
			≤ \$25,000		≤ \$15,000		≤ \$12,000		≤ \$10,000	
	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)
All employees	2 972.2	100.0	2 153.1	100.0	1 410.6	100.0	981.8	100.0	563.5	100.0
I. Gender										
Male	1 582.3	53.2	1 081.5	50.2	645.7	45.8	412.3	42.0	199.3	35.4
Female	1 389.9	46.8	1 071.7	49.8	764.9	54.2	569.5	58.0	364.1	64.6
II. Age group										
15-24	251.1	8.4	209.3	9.7	178.5	12.7	126.5	12.9	71.0	12.6
25-34	737.7	24.8	577.4	26.8	332.4	23.6	184.6	18.8	75.8	13.5
35-44	709.6	23.9	449.8	20.9	249.2	17.7	163.7	16.7	81.7	14.5
45-54	758.4	25.5	516.5	24.0	342.3	24.3	259.4	26.4	160.5	28.5
≥55	515.5	17.3	400.1	18.6	308.1	21.8	247.7	25.2	174.5	31.0
III. Sector										
(A) Relatively long-working-hours sectors	826.2	27.8	695.6	32.3	521.3	37.0	393.7	40.1	239.5	42.5
A.1 Retail	301.2	10.1	246.0	11.4	177.0	12.5	130.6	13.3	78.4	13.9
A.2 Restaurants	238.6	8.0	203.4	9.4	158.2	11.2	122.4	12.5	76.5	13.6
A.3 Estate management and security	142.2	4.8	124.8	5.8	102.2	7.2	82.9	8.4	52.8	9.4
A.4 Land transport	117.8	4.0	97.3	4.5	64.4	4.6	41.8	4.3	23.8	4.2
A.5 Elderly homes	#	#	#	#	#	#	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#	#	#
(B) Other sectors	2 146.0	72.2	1 457.6	67.7	889.3	63.0	588.2	59.9	324.0	57.5
B.1 Manufacturing	120.8	4.1	90.5	4.2	52.8	3.7	38.3	3.9	23.2	4.1
B.2 Construction	284.1	9.6	169.7	7.9	83.2	5.9	48.7	5.0	16.1	2.9
B.3 Wholesale and import/export trade	443.0	14.9	338.7	15.7	201.5	14.3	130.6	13.3	63.8	11.3
B.4 Hotels	45.9	1.5	37.7	1.8	27.0	1.9	16.1	1.6	#	#
B.5 Other transportation, storage, postal and courier services	138.8	4.7	110.7	5.1	68.7	4.9	40.8	4.2	18.9	3.3
B.6 Information and communications	108.9	3.7	71.2	3.3	38.2	2.7	19.0	1.9	#	#
B.7 Financing and insurance	215.2	7.2	108.6	5.0	54.3	3.8	30.7	3.1	14.9	2.6
B.8 Real estate activities (excluding real estate maintenance management services)	38.5	1.3	25.5	1.2	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	202.8	6.8	135.7	6.3	79.3	5.6	52.6	5.4	27.0	4.8
B.10 Cleaning services	69.6	2.3	65.6	3.0	63.0	4.5	60.1	6.1	55.7	9.9
B.11 Community, social and personal services	464.6	15.6	295.7	13.7	201.6	14.3	137.2	14.0	86.3	15.3
B.12 Others	13.8	0.5	8.0	0.4	#	#	#	#	#	#
IV. Occupation⁽³⁾										
(A) Lower-skilled occupations	1 981.5	66.7	1 702.0	79.0	1 243.0	88.1	902.1	91.9	535.7	95.1
Elementary workers	452.1	15.2	400.3	18.6	372.7	26.4	328.5	33.5	244.5	43.4
Craft and related workers	232.3	7.8	173.5	8.1	100.0	7.1	53.6	5.5	22.2	3.9
Plant and machine operators and assemblers	109.8	3.7	98.9	4.6	57.8	4.1	33.8	3.4	13.4	2.4
Service and sales workers	581.1	19.5	491.6	22.8	367.9	26.1	269.8	27.5	159.7	28.3
Clerical support workers	606.3	20.4	537.8	25.0	344.5	24.4	216.4	22.0	96.0	17.0
(B) Higher-skilled occupations	984.0	33.1	448.2	20.8	164.9	11.7	78.3	8.0	27.5	4.9
Managers and administrators; Professionals	559.4	18.8	166.8	7.7	44.0	3.1	18.0	1.8	#	#
Associate professionals	424.6	14.3	281.3	13.1	120.9	8.6	60.3	6.1	#	#
V. Establishment size										
SMEs ⁽⁴⁾	1 255.2	42.2	989.5	46.0	663.0	47.0	470.9	48.0	273.2	48.5
Large enterprises	1 717.1	57.8	1 163.7	54.0	747.6	53.0	510.9	52.0	290.3	51.5

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Including employees who refused to provide information on their total monthly wages.

(2) Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(3) Since a few employees refused to provide information on their occupations, the sum of figures for individual occupations is less than the total.

(4) An SME is an enterprise with fewer than 50 employees.

Figures are not released due to relatively large sampling error.

Figures for individual items may not add up to totals due to rounding.

Table I.1(b): Socio-economic characteristics of employees (excluding government employees and live-in domestic workers) with total working hours over 44 hours during the seven days before enumeration

	Employees with total working hours > 44 hours during the seven days before enumeration									
	No. of employees ⁽¹⁾		Total monthly wages of employees ⁽²⁾							
	No. ('000)	Percent (%)	≤ \$25,000		≤ \$15,000		≤ \$12,000		≤ \$10,000	
No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	
All employees	1 443.3	100.0	1 121.7	100.0	767.3	100.0	534.2	100.0	285.1	100.0
I. Gender										
Male	875.9	60.7	656.1	58.5	403.9	52.6	255.1	47.7	115.6	40.6
Female	567.4	39.3	465.6	41.5	363.4	47.4	279.1	52.3	169.5	59.4
II. Age group										
15-24	107.5	7.4	98.1	8.7	81.9	10.7	54.9	10.3	24.8	8.7
25-34	331.5	23.0	270.0	24.1	164.3	21.4	93.2	17.4	36.8	12.9
35-44	335.0	23.2	227.9	20.3	135.6	17.7	92.3	17.3	42.7	15.0
45-54	384.8	26.7	284.4	25.4	193.9	25.3	144.4	27.0	80.9	28.4
≥55	284.5	19.7	241.3	21.5	191.6	25.0	149.4	28.0	99.9	35.0
III. Sector										
(A) Relatively long-working-hours sectors	529.2	36.7	476.1	42.4	363.3	47.3	265.7	49.7	140.2	49.2
A.1 Retail	169.8	11.8	149.2	13.3	108.2	14.1	77.8	14.6	38.6	13.5
A.2 Restaurants	173.7	12.0	161.1	14.4	123.1	16.0	88.0	16.5	45.3	15.9
A.3 Estate management and security	101.7	7.0	92.5	8.2	80.6	10.5	65.9	12.3	40.2	14.1
A.4 Land transport	68.6	4.8	58.6	5.2	39.2	5.1	24.4	4.6	11.7	4.1
A.5 Elderly homes	#	#	#	#	#	#	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#	#	#
(B) Other sectors	914.0	63.3	645.6	57.6	404.0	52.7	268.5	50.3	144.9	50.8
B.1 Manufacturing	57.2	4.0	45.6	4.1	28.7	3.7	21.2	4.0	11.6	4.1
B.2 Construction	167.0	11.6	108.5	9.7	53.2	6.9	31.9	6.0	10.4	3.6
B.3 Wholesale and import/export trade	141.1	9.8	111.2	9.9	65.7	8.6	40.4	7.6	21.2	7.4
B.4 Hotels	30.7	2.1	26.1	2.3	18.2	2.4	10.2	1.9	#	#
B.5 Other transportation, storage, postal and courier services	77.3	5.4	64.7	5.8	44.6	5.8	27.4	5.1	#	#
B.6 Information and communications	32.9	2.3	21.6	1.9	12.2	1.6	#	#	#	#
B.7 Financing and insurance	76.3	5.3	32.1	2.9	15.9	2.1	7.0	1.3	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	22.0	1.5	13.3	1.2	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	73.6	5.1	46.2	4.1	28.0	3.6	19.4	3.6	10.8	3.8
B.10 Cleaning services	48.7	3.4	46.7	4.2	44.1	5.8	42.3	7.9	38.1	13.4
B.11 Community, social and personal services	179.6	12.4	125.7	11.2	84.3	11.0	57.2	10.7	34.2	12.0
B.12 Others	7.6	0.5	3.9	0.4	#	#	#	#	#	#
IV. Occupation⁽³⁾										
(A) Lower-skilled occupations	1 053.4	73.0	943.5	84.1	705.2	91.9	504.8	94.5	279.1	97.9
Elementary workers	297.1	20.6	272.3	24.3	254.0	33.1	220.9	41.4	154.1	54.0
Craft and related workers	149.9	10.4	122.2	10.9	67.8	8.8	36.6	6.9	14.1	4.9
Plant and machine operators and assemblers	85.2	5.9	76.8	6.8	43.7	5.7	23.4	4.4	7.5	2.6
Service and sales workers	348.0	24.1	319.0	28.4	240.8	31.4	165.8	31.0	78.6	27.6
Clerical support workers	173.2	12.0	153.2	13.7	98.9	12.9	58.0	10.9	24.8	8.7
(B) Higher-skilled occupations	386.3	26.8	176.2	15.7	60.3	7.9	28.3	5.3	#	#
Managers and administrators; Professionals	222.7	15.4	66.1	5.9	15.4	2.0	#	#	#	#
Associate professionals	163.6	11.3	110.1	9.8	44.9	5.9	#	#	#	#
V. Establishment size										
SMEs ⁽⁴⁾	573.7	39.7	480.5	42.8	334.9	43.6	234.9	44.0	126.5	44.4
Large enterprises	869.6	60.3	641.3	57.2	432.4	56.4	299.3	56.0	158.6	55.6

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Including employees who refused to provide information on their total monthly wages.

(2) Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(3) Since a few employees refused to provide information on their occupations, the sum of figures for individual occupations is less than the total.

(4) An SME is an enterprise with fewer than 50 employees.

Figures are not released due to relatively large sampling error.

Figures for individual items may not add up to totals due to rounding.

Table I.1(c): Socio-economic characteristics of employees (excluding government employees and live-in domestic workers) with total working hours over 48 hours during the seven days before enumeration

	Employees with total working hours > 48 hours during the seven days before enumeration							
	No. of employees ⁽¹⁾		Total monthly wages of employees ⁽²⁾					
			≤ \$15,000		≤ \$12,000		≤ \$10,000	
	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)
All employees	887.6	100.0	466.2	100.0	320.4	100.0	166.2	100.0
I. Gender								
Male	552.2	62.2	254.0	54.5	156.4	48.8	67.6	40.7
Female	335.4	37.8	212.2	45.5	163.9	51.2	98.6	59.3
II. Age group								
15-24	63.0	7.1	46.9	10.1	32.3	10.1	14.4	8.6
25-34	198.1	22.3	94.5	20.3	52.8	16.5	21.2	12.8
35-44	209.5	23.6	81.7	17.5	52.5	16.4	24.3	14.6
45-54	241.1	27.2	124.6	26.7	88.8	27.7	46.7	28.1
≥55	175.9	19.8	118.6	25.4	94.1	29.4	59.6	35.8
III. Sector								
(A) Relatively long-working-hours sectors	369.4	41.6	253.3	54.3	184.2	57.5	92.4	55.6
A.1 Retail	109.3	12.3	69.5	14.9	48.0	15.0	22.1	13.3
A.2 Restaurants	138.3	15.6	96.9	20.8	68.5	21.4	34.2	20.6
A.3 Estate management and security	69.0	7.8	55.7	11.9	47.5	14.8	27.4	16.5
A.4 Land transport	43.8	4.9	24.5	5.3	14.4	4.5	6.3	3.8
A.5 Elderly homes	#	#	#	#	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	518.3	58.4	212.9	45.7	136.1	42.5	73.7	44.4
B.1 Manufacturing	33.0	3.7	16.5	3.5	12.2	3.8	5.9	3.6
B.2 Construction	90.2	10.2	24.8	5.3	15.1	4.7	#	#
B.3 Wholesale and import/export trade	72.8	8.2	29.7	6.4	17.0	5.3	#	#
B.4 Hotels	22.9	2.6	11.4	2.4	#	#	#	#
B.5 Other transportation, storage, postal and courier services	51.7	5.8	26.7	5.7	14.8	4.6	#	#
B.6 Information and communications	17.8	2.0	7.2	1.6	#	#	#	#
B.7 Financing and insurance	43.3	4.9	9.1	1.9	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	38.5	4.3	13.3	2.9	8.9	2.8	#	#
B.10 Cleaning services	22.3	2.5	19.8	4.2	18.6	5.8	18.1	10.9
B.11 Community, social and personal services	106.6	12.0	49.0	10.5	33.8	10.5	21.4	12.9
B.12 Others	#	#	#	#	#	#	#	#
IV. Occupation⁽³⁾								
(A) Lower-skilled occupations	651.9	73.4	432.9	92.9	304.8	95.1	162.8	98.0
Elementary workers	185.4	20.9	154.2	33.1	132.0	41.2	88.7	53.4
Craft and related workers	73.5	8.3	31.8	6.8	16.3	5.1	#	#
Plant and machine operators and assemblers	65.7	7.4	33.1	7.1	17.6	5.5	#	#
Service and sales workers	242.1	27.3	164.3	35.2	110.9	34.6	50.6	30.5
Clerical support workers	85.1	9.6	49.5	10.6	28.0	8.7	12.2	7.3
(B) Higher-skilled occupations	235.0	26.5	33.0	7.1	15.3	4.8	#	#
Managers and administrators; Professionals	135.7	15.3	8.7	1.9	#	#	#	#
Associate professionals	99.3	11.2	24.4	5.2	#	#	#	#
V. Establishment size								
SMEs ⁽⁴⁾	345.6	38.9	198.7	42.6	139.8	43.6	72.8	43.8
Large enterprises	542.0	61.1	267.5	57.4	180.5	56.4	93.3	56.2

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Including employees who refused to provide information on their total monthly wages.

(2) Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(3) Since a few employees refused to provide information on their occupations, the sum of figures for individual occupations is less than the total.

(4) An SME is an enterprise with fewer than 50 employees.

Figures are not released due to relatively large sampling error.

Figures for individual items may not add up to totals due to rounding.

Table I.1(d): Socio-economic characteristics of employees (excluding government employees and live-in domestic workers) with total working hours over 52 hours during the seven days before enumeration

	Employees with total working hours > 52 hours during the seven days before enumeration								
	No. of employees ⁽¹⁾		Total monthly wages of employees ⁽²⁾						
	No. ('000)	Percent (%)	≤ \$15,000		≤ \$12,000		≤ \$10,000		
		No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)
All employees	688.6	100.0	385.0	100.0	269.3	100.0	139.4	100.0	
I. Gender									
Male	445.8	64.7	218.3	56.7	135.1	50.2	57.0	40.9	
Female	242.8	35.3	166.8	43.3	134.2	49.8	82.4	59.1	
II. Age group									
15-24	47.2	6.9	34.8	9.0	24.5	9.1	10.6	7.6	
25-34	140.1	20.3	71.1	18.5	41.6	15.4	16.6	11.9	
35-44	154.4	22.4	66.5	17.3	42.4	15.8	19.9	14.3	
45-54	194.4	28.2	105.6	27.4	76.0	28.2	39.4	28.2	
≥55	152.5	22.1	107.0	27.8	84.8	31.5	52.9	37.9	
III. Sector									
(A) Relatively long-working-hours sectors	321.3	46.7	222.5	57.8	162.9	60.5	81.2	58.3	
A.1 Retail	91.6	13.3	59.0	15.3	40.8	15.1	18.0	12.9	
A.2 Restaurants	123.7	18.0	85.8	22.3	61.1	22.7	30.5	21.9	
A.3 Estate management and security	62.0	9.0	51.6	13.4	43.4	16.1	24.7	17.7	
A.4 Land transport	36.9	5.4	20.7	5.4	12.8	4.7	5.5	4.0	
A.5 Elderly homes	#	#	#	#	#	#	#	#	
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#	
(B) Other sectors	367.3	53.3	162.6	42.2	106.4	39.5	58.1	41.7	
B.1 Manufacturing	25.6	3.7	12.9	3.3	9.6	3.6	#	#	
B.2 Construction	70.9	10.3	20.2	5.2	12.4	4.6	#	#	
B.3 Wholesale and import/export trade	43.1	6.3	20.6	5.4	#	#	#	#	
B.4 Hotels	18.4	2.7	8.9	2.3	#	#	#	#	
B.5 Other transportation, storage, postal and courier services	40.1	5.8	21.3	5.5	#	#	#	#	
B.6 Information and communications	11.4	1.7	#	#	#	#	#	#	
B.7 Financing and insurance	21.6	3.1	#	#	#	#	#	#	
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#	
B.9 Professional and business services, scientific and technical activities	28.9	4.2	9.9	2.6	#	#	#	#	
B.10 Cleaning services	20.2	2.9	18.4	4.8	17.2	6.4	16.6	11.9	
B.11 Community, social and personal services	74.6	10.8	36.8	9.6	25.5	9.5	16.8	12.1	
B.12 Others	#	#	#	#	#	#	#	#	
IV. Occupation⁽³⁾									
(A) Lower-skilled occupations	536.1	77.8	361.6	93.9	256.8	95.4	136.5	97.9	
Elementary workers	160.3	23.3	135.2	35.1	115.1	42.7	76.8	55.1	
Craft and related workers	59.6	8.7	26.1	6.8	12.7	4.7	#	#	
Plant and machine operators and assemblers	57.5	8.4	29.7	7.7	16.0	5.9	#	#	
Service and sales workers	209.3	30.4	141.2	36.7	95.8	35.6	42.8	30.7	
Clerical support workers	49.4	7.2	29.4	7.6	17.2	6.4	#	#	
(B) Higher-skilled occupations	151.8	22.0	23.1	6.0	12.3	4.6	#	#	
Managers and administrators; Professionals	88.4	12.8	#	#	#	#	#	#	
Associate professionals	63.4	9.2	#	#	#	#	#	#	
V. Establishment size									
SMEs ⁽⁴⁾	274.7	39.9	166.4	43.2	117.4	43.6	58.1	41.7	
Large enterprises	413.9	60.1	218.6	56.8	151.9	56.4	81.3	58.3	

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Including employees who refused to provide information on their total monthly wages.

(2) Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(3) Since a few employees refused to provide information on their occupations, the sum of figures for individual occupations is less than the total.

(4) An SME is an enterprise with fewer than 50 employees.

Figures are not released due to relatively large sampling error.

Figures for individual items may not add up to totals due to rounding.

Table I.2(a): Employment contracts and overtime work situations of all employees (excluding government employees and live-in domestic workers)

	Total no. of employees ⁽¹⁾		Total monthly wages of employees ⁽²⁾							
			≤ \$25,000		≤ \$15,000		≤ \$12,000		≤ \$10,000	
	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)
All employees	2 972.2	100.0	2 153.1	100.0	1 410.6	100.0	981.8	100.0	563.5	100.0
I. Whether written employment contracts had been signed with the employers⁽³⁾										
Yes	2 429.8	81.8	1 757.9	81.6	1 115.3	79.1	752.2	76.6	413.7	73.4
No	540.1	18.2	393.5	18.3	294.5	20.9	228.8	23.3	149.4	26.5
II. Whether the contracts/agreements had specified the method of overtime compensation										
Yes	988.1	33.2	794.7	36.9	533.2	37.8	362.2	36.9	200.2	35.5
No ⁽⁴⁾	1 984.1	66.8	1 358.4	63.1	877.4	62.2	619.6	63.1	363.3	64.5
III. Overtime work										
Had performed overtime work during the seven days before enumeration	752.6	25.3	448.9	20.8	234.8	16.6	130.9	13.3	58.7	10.4
Had not performed overtime work during the seven days before enumeration	2 219.6	74.7	1 704.3	79.2	1 175.8	83.4	851.0	86.7	504.8	89.6
IV. Uncompensated overtime work										
Had performed uncompensated overtime work during the seven days before enumeration	555.4	18.7	286.1	13.3	127.0	9.0	63.3	6.4	26.1	4.6
Had not performed uncompensated overtime work during the seven days before enumeration	2 416.9	81.3	1 867.0	86.7	1 283.6	91.0	918.5	93.6	537.4	95.4
V. Considered the working hours during the past seven days before enumeration just right⁽⁵⁾										
Too long	726.5	24.4	533.2	24.8	343.7	24.4	232.3	23.7	116.1	20.6
Just right	2 206.3	74.2	1 593.7	74.0	1 045.0	74.1	729.3	74.3	430.5	76.4
Too short	38.9	1.3	26.2	1.2	21.9	1.6	20.2	2.1	17.0	3.0
VI. Those considered working hours "too long" during the seven days before enumeration, whether they would like to reduce working hours if their income would also decrease⁽⁵⁾⁽⁵⁾										
Do not wish to	508.3	70.0	381.6	71.6	255.7	74.4	177.1	76.2	85.3	73.5
Wish to	216.7	29.8	150.5	28.2	87.1	25.3	54.4	23.4	29.9	25.8
VII. Willing to work more overtime if the overtime work would be reasonably compensated⁽⁵⁾										
Willing	1 244.7	41.9	915.7	42.5	588.1	41.7	400.9	40.8	225.4	40.0
Unwilling	1 725.3	58.0	1 237.0	57.4	822.0	58.3	580.5	59.1	337.6	59.9

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Including employees who refused to provide information on their total monthly wages.

(2) Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(3) Since a few employees refused to answer the relevant question, the sum of figures for individual items is less than the total.

(4) Including employees who were not sure whether methods of overtime compensation were specified in the contracts/agreements.

(5) The number of employees includes only those who considered working hours "too long" during the past seven days before enumeration. The corresponding percentages refer to the percentages of respective groups among those who considered working hours "too long" during the past seven days before enumeration.

Figures for individual items may not add up to totals due to rounding.

Table I.2(b): Employment contracts and overtime work situations of employees (excluding government employees and live-in domestic workers) with total working hours over 44 hours during the seven days before enumeration

	Employees with total working hours > 44 hours during the seven days before enumeration										
	No. of employees ⁽¹⁾		Total monthly wages of employees ⁽²⁾								
	No. ('000)	Percent (%)	≤ \$25,000		≤ \$15,000		≤ \$12,000		≤ \$10,000		
		No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)
All employees	1 443.3	100.0	1 121.7	100.0	767.3	100.0	534.2	100.0	285.1	100.0	
I. Whether written employment contracts had been signed with the employers⁽³⁾											
Yes	1 200.7	83.2	929.8	82.9	624.4	81.4	430.2	80.5	227.2	79.7	
No	241.1	16.7	190.5	17.0	142.1	18.5	103.2	19.3	57.6	20.2	
II. Whether the contracts/agreements had specified the method of overtime compensation											
Yes	562.1	38.9	472.5	42.1	326.0	42.5	222.0	41.6	111.6	39.2	
No ⁽⁴⁾	881.1	61.1	649.2	57.9	441.3	57.5	312.2	58.4	173.5	60.8	
III. Overtime work											
Had performed overtime work during the seven days before enumeration	489.7	33.9	298.8	26.6	158.4	20.6	91.6	17.1	38.5	13.5	
Had not performed overtime work during the seven days before enumeration	953.6	66.1	822.9	73.4	608.9	79.4	442.6	82.9	246.6	86.5	
IV. Uncompensated overtime work											
Had performed uncompensated overtime work during the seven days before enumeration	335.9	23.3	172.4	15.4	77.2	10.1	40.9	7.7	17.1	6.0	
Had not performed uncompensated overtime work during the seven days before enumeration	1 107.3	76.7	949.3	84.6	690.1	89.9	493.3	92.3	268.0	94.0	
V. Considered the working hours during the past seven days before enumeration just right⁽⁵⁾											
Too long	545.0	37.8	413.2	36.8	276.7	36.1	190.6	35.7	94.7	33.2	
Just right	895.0	62.0	706.8	63.0	488.8	63.7	341.8	64.0	189.6	66.5	
Too short	3.3	0.2	1.8	0.2	1.8	0.2	1.8	0.3	0.8	0.3	
VI. Those considered working hours "too long" during the seven days before enumeration, whether they would like to reduce working hours if their income would also decrease⁽⁵⁾											
Do not wish to	378.1	69.4	291.8	70.6	206.0	74.5	144.8	76.0	69.1	72.9	
Wish to	165.4	30.4	120.2	29.1	69.8	25.2	44.9	23.6	24.8	26.1	
VII. Willing to work more overtime if the overtime work would be reasonably compensated⁽³⁾											
Willing	584.0	40.5	454.7	40.5	298.4	38.9	200.8	37.6	99.0	34.7	
Unwilling	859.3	59.5	667.0	59.5	468.9	61.1	333.4	62.4	186.2	65.3	

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Including employees who refused to provide information on their total monthly wages.

(2) Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(3) Since a few employees refused to answer the relevant question, the sum of figures for individual items is less than the total.

(4) Including employees who were not sure whether methods of overtime compensation were specified in the contracts/agreements.

(5) The number of employees includes only those who considered working hours "too long" during the past seven days before enumeration. The corresponding percentages refer to the percentages of respective groups among those who considered working hours "too long" during the past seven days before enumeration.

Figures for individual items may not add up to totals due to rounding.

Table I.2(c): Employment contracts and overtime work situations of employees (excluding government employees and live-in domestic workers) with total working hours over 48 hours during the seven days before enumeration

	Employees with total working hours > 48 hours during the seven days before enumeration							
	No. of employees ⁽¹⁾		Total monthly wages of employees ⁽²⁾					
			≤ \$15,000		≤ \$12,000		≤ \$10,000	
	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)
All employees	887.6	100.0	466.2	100.0	320.4	100.0	166.2	100.0
I. Whether written employment contracts had been signed with the employers⁽³⁾								
Yes	733.4	82.6	374.6	80.3	255.0	79.6	129.2	77.8
No	152.8	17.2	90.8	19.5	64.5	20.1	36.6	22.0
II. Whether the contracts/agreements had specified the method of overtime compensation								
Yes	347.4	39.1	203.3	43.6	134.1	41.9	65.2	39.3
No ⁽⁴⁾	540.2	60.9	262.9	56.4	186.2	58.1	100.9	60.7
III. Overtime work								
Had performed overtime work during the seven days before enumeration	353.7	39.8	124.8	26.8	72.9	22.8	30.7	18.5
Had not performed overtime work during the seven days before enumeration	533.9	60.2	341.4	73.2	247.5	77.2	135.5	81.5
IV. Uncompensated overtime work								
Had performed uncompensated overtime work during the seven days before enumeration	223.9	25.2	56.3	12.1	31.3	9.8	12.5	7.5
Had not performed uncompensated overtime work during the seven days before enumeration	663.7	74.8	409.9	87.9	289.0	90.2	153.7	92.5
V. Considered the working hours during the past seven days before enumeration just right⁽³⁾								
Too long	428.3	48.3	218.8	46.9	148.7	46.4	72.6	43.7
Just right	458.4	51.6	247.0	53.0	171.3	53.5	93.3	56.1
Too short	0.9	0.1	0.3	0.1	0.3	0.1	0.3	0.2
VI. Those considered working hours "too long" during the seven days before enumeration, whether they would like to reduce working hours if their income would also decrease⁽³⁾⁽⁵⁾								
Do not wish to	292.2	68.2	160.0	73.1	111.4	74.9	53.7	74.0
Wish to	134.6	31.4	57.9	26.5	36.4	24.5	18.0	24.8
VII. Willing to work more overtime if the overtime work would be reasonably compensated⁽⁵⁾								
Willing	353.5	39.8	175.0	37.5	115.3	36.0	55.3	33.3
Unwilling	534.1	60.2	291.2	62.5	205.0	64.0	110.9	66.7

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Including employees who refused to provide information on their total monthly wages.

(2) Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(3) Since a few employees refused to answer the relevant question, the sum of figures for individual items is less than the total.

(4) Including employees who were not sure whether methods of overtime compensation were specified in the contracts/agreements.

(5) The number of employees includes only those who considered working hours "too long" during the past seven days before enumeration. The corresponding percentages refer to the percentages of respective groups among those who considered working hours "too long" during the past seven days before enumeration.

Figures for individual items may not add up to totals due to rounding.

Table I.2(d): Employment contracts and overtime work situations of employees (excluding government employees and live-in domestic workers) with total working hours over 52 hours during the seven days before enumeration

	Employees with total working hours > 52 hours during the seven days before enumeration							
	No. of employees ⁽¹⁾		Total monthly wages of employees ⁽²⁾					
			≤ \$15,000		≤ \$12,000		≤ \$10,000	
	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)	No. ('000)	Percent (%)
All employees	688.6	100.0	385.0	100.0	269.3	100.0	139.4	100.0
I. Whether written employment contracts had been signed with the employers⁽³⁾								
Yes	563.3	81.8	309.2	80.3	213.9	79.4	107.6	77.2
No	124.3	18.0	75.5	19.6	55.1	20.4	31.4	22.5
II. Whether the contracts/agreements had specified the method of overtime compensation								
Yes	277.2	40.3	165.3	42.9	110.5	41.0	54.1	38.9
No ⁽⁴⁾	411.4	59.7	219.7	57.1	158.8	59.0	85.2	61.1
III. Overtime work								
Had performed overtime work during the seven days before enumeration	234.4	34.0	84.5	21.9	50.6	18.8	21.7	15.5
Had not performed overtime work during the seven days before enumeration	454.2	66.0	300.5	78.1	218.7	81.2	117.7	84.5
IV. Uncompensated overtime work								
Had performed uncompensated overtime work during the seven days before enumeration	137.1	19.9	35.4	9.2	21.0	7.8	7.8	5.6
Had not performed uncompensated overtime work during the seven days before enumeration	551.5	80.1	349.6	90.8	248.3	92.2	131.6	94.4
V. Considered the working hours during the past seven days before enumeration just right⁽³⁾								
Too long	356.6	51.8	192.5	50.0	131.8	48.9	63.3	45.4
Just right	331.4	48.1	192.1	49.9	137.2	50.9	75.7	54.4
Too short	0.6	0.1	0.3	0.1	0.3	0.1	0.3	0.2
VI. Those considered working hours "too long" during the seven days before enumeration, whether they would like to reduce working hours if their income would also decrease⁽³⁾⁽⁵⁾								
Do not wish to	243.3	68.2	140.7	73.1	98.1	74.5	47.0	74.2
Wish to	111.9	31.4	51.0	26.5	32.8	24.9	15.4	24.4
VII. Willing to work more overtime if the overtime work would be reasonably compensated⁽³⁾								
Willing	260.8	37.9	136.3	35.4	93.1	34.6	45.5	32.7
Unwilling	427.8	62.1	248.7	64.6	176.2	65.4	93.8	67.3

Source: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee.

Notes: (1) Including employees who refused to provide information on their total monthly wages.

(2) Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(3) Since a few employees refused to answer the relevant question, the sum of figures for individual items is less than the total.

(4) Including employees who were not sure whether methods of overtime compensation were specified in the contracts/agreements.

(5) The number of employees includes only those who considered working hours "too long" during the past seven days before enumeration. The corresponding percentages refer to the percentages of respective groups among those who considered working hours "too long" during the past seven days before enumeration.

Figures for individual items may not add up to totals due to rounding.

Table II.1(a): Potential average increases and decreases in wages of involved employees with weekly working hours standard of 44 hours under different parameter combinations by sector

		Weekly working hours standard: 44 hours							
		Total monthly wages of involved employees ⁽¹⁾							
		≤ \$25,000		≤ \$15,000		≤ \$12,000		≤ \$10,000	
		Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)
Overtime pay rate: 1:1.5									
All sectors		10.1	13.8	9.5	15.3	9.3	15.8	8.5	14.3
(A)	Relatively long-working-hours sectors	12.1	20.5	11.7	21.4	11.4	20.9	10.3	18.6
A.1	Retail	10.5	17.2	9.6	17.2	9.2	16.9	8.0	14.7
A.2	Restaurants	12.5	22.2	11.9	21.3	11.4	20.0	10.6	18.1
A.3	Estate management and security	13.7	25.4	14.6	27.7	14.2	27.0	12.3	22.9
A.4	Land transport	12.5	17.3	10.0	17.5	10.2	17.0	11.0	18.2
A.5	Elderly homes	11.7	21.1	12.7	23.2	12.8	25.6	13.6	26.7
A.6	Laundry and dry cleaning services	11.2	19.1	11.1	18.4	10.3	16.6	9.0	14.7
(B)	Other sectors	9.0	10.1	7.6	10.1	7.1	10.4	6.6	9.8
B.1	Manufacturing	9.6	12.5	9.1	11.9	8.6	11.7	6.1	8.7
B.2	Construction	9.4	14.3	8.6	12.8	7.9	12.6	7.3	10.6
B.3	Wholesale and import/export trade	7.9	4.9	6.3	5.7	5.3	5.5	4.8	5.0
B.4	Hotels	7.7	10.9	6.5	10.8	6.3	10.2	6.5	10.9
B.5	Other transportation, storage, postal and courier services	10.1	12.0	8.0	10.2	6.8	9.6	5.4	8.1
B.6	Information and communications	8.5	6.8	7.9	6.5	7.4	6.5	6.6	6.4
B.7	Financing and insurance	7.9	4.0	4.2	4.0	4.4	5.6	5.7	7.7
B.8	Real estate activities (excluding real estate maintenance management services)	11.1	11.0	8.3	10.9	8.0	11.1	6.0	7.0
B.9	Professional and business services, scientific and technical activities	11.9	4.8	8.3	7.0	6.7	7.8	5.5	7.4
B.10	Cleaning services	8.3	13.6	8.2	13.4	8.0	13.2	7.8	12.2
B.11	Community, social and personal services	8.3	11.4	7.3	12.3	7.6	13.3	7.7	13.5
B.12	Others	7.0	8.4	8.4	8.9	9.0	8.6	8.3	11.1
Overtime pay rate: 1:1.3									
All sectors				6.2	15.3	6.0	15.8	5.4	14.3
(A)	Relatively long-working-hours sectors			7.3	21.4	7.1	20.9	6.5	18.6
A.1	Retail			6.0	17.2	5.7	16.9	5.0	14.7
A.2	Restaurants			7.5	21.3	7.2	20.0	6.8	18.1
A.3	Estate management and security			8.9	27.7	8.7	27.0	7.6	22.9
A.4	Land transport			6.5	17.5	6.6	17.0	7.1	18.2
A.5	Elderly homes			7.9	23.2	8.5	25.6	8.2	26.7
A.6	Laundry and dry cleaning services			7.2	18.4	6.7	16.6	5.8	14.7
(B)	Other sectors			5.2	10.1	4.8	10.4	4.4	9.8
B.1	Manufacturing			6.3	11.9	6.0	11.7	4.1	8.7
B.2	Construction			5.8	12.8	5.2	12.6	4.9	10.6
B.3	Wholesale and import/export trade			4.7	5.7	3.8	5.5	3.4	5.0
B.4	Hotels			4.2	10.8	4.1	10.2	4.2	10.9
B.5	Other transportation, storage, postal and courier services			5.6	10.2	4.6	9.6	3.6	8.1
B.6	Information and communications			5.9	6.5	5.5	6.5	4.9	6.4
B.7	Financing and insurance			3.2	4.0	3.2	5.6	4.1	7.7
B.8	Real estate activities (excluding real estate maintenance management services)			5.7	10.9	5.5	11.1	4.3	7.0
B.9	Professional and business services, scientific and technical activities			6.3	7.0	4.7	7.8	3.8	7.4
B.10	Cleaning services			5.4	13.4	5.3	13.2	5.1	12.2
B.11	Community, social and personal services			4.7	12.3	4.8	13.3	4.8	13.5
B.12	Others			6.1	8.9	6.6	8.6	5.7	11.1
Overtime pay rate: 1:1.0									
All sectors				1.2	15.3	1.0	15.8	0.9	14.3
(A)	Relatively long-working-hours sectors			0.7	21.4	0.7	20.9	0.7	18.6
A.1	Retail			0.7	17.2	0.5	16.9	0.4	14.7
A.2	Restaurants			0.8	21.3	0.9	20.0	1.0	18.1
A.3	Estate management and security			0.5	27.7	0.4	27.0	0.5	22.9
A.4	Land transport			1.2	17.5	1.2	17.0	1.3	18.2
A.5	Elderly homes			0.7	23.2	0.6	25.6	0.1	26.7
A.6	Laundry and dry cleaning services			1.3	18.4	1.3	16.6	1.1	14.7
(B)	Other sectors			1.7	10.1	1.3	10.4	1.1	9.8
B.1	Manufacturing			2.2	11.9	1.9	11.7	1.2	8.7
B.2	Construction			1.5	12.8	1.1	12.6	1.3	10.6
B.3	Wholesale and import/export trade			2.3	5.7	1.6	5.5	1.5	5.0
B.4	Hotels			0.7	10.8	0.7	10.2	0.7	10.9
B.5	Other transportation, storage, postal and courier services			2.0	10.2	1.3	9.6	0.9	8.1
B.6	Information and communications			3.0	6.5	2.7	6.5	2.2	6.4
B.7	Financing and insurance			1.6	4.0	1.3	5.6	1.6	7.7
B.8	Real estate activities (excluding real estate maintenance management services)			1.9	10.9	1.6	11.1	1.7	7.0
B.9	Professional and business services, scientific and technical activities			3.2	7.0	1.9	7.8	1.3	7.4
B.10	Cleaning services			1.2	13.4	1.2	13.2	1.2	12.2
B.11	Community, social and personal services			0.8	12.3	0.6	13.3	0.6	13.5
B.12	Others			2.6	8.9	3.1	8.6	1.8	11.1

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(2) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding average percentage increase in wages of the involved employees is estimated by the increase in wage bill of all enterprises in each individual sector over the total wage bill of the involved employees therein. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

(3) For the purpose of impact assessment, assuming the number of working hours of all involved employees is reduced to the weekly working hours standard, the corresponding average percentage decrease in wages of the involved employees is estimated by the decrease in wage bill of all enterprises in each individual sector over the total wage bill of the involved employees therein. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

Table II.1(b): Potential average increases and decreases in wages of involved employees with weekly working hours standard of 48 hours under different parameter combinations by sector

	Weekly working hours standard: 48 hours					
	Total monthly wages of involved employees ⁽¹⁾					
	≤ \$15,000		≤ \$12,000		≤ \$10,000	
	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)
Overtime pay rate: 1:1.5						
All sectors	7.5	12.2	7.3	12.1	6.2	10.2
(A) Relatively long-working-hours sectors	9.0	16.1	8.7	15.7	7.5	13.1
A.1 Retail	6.9	12.1	6.5	11.8	5.1	9.1
A.2 Restaurants	8.8	15.2	8.3	14.0	7.6	12.0
A.3 Estate management and security	12.0	22.8	11.6	22.1	9.5	17.8
A.4 Land transport	7.1	12.0	7.3	11.3	8.4	13.0
A.5 Elderly homes	11.6	20.8	11.9	21.7	11.0	21.5
A.6 Laundry and dry cleaning services	7.9	12.3	6.8	10.2	5.4	8.5
(B) Other sectors	5.7	7.3	5.1	7.1	4.4	6.1
B.1 Manufacturing	7.1	7.8	6.6	7.7	4.7	5.6
B.2 Construction	6.0	7.6	5.4	8.0	5.0	6.6
B.3 Wholesale and import/export trade	5.6	5.8	4.2	4.6	3.7	4.3
B.4 Hotels	3.7	5.2	3.1	3.9	3.4	5.0
B.5 Other transportation, storage, postal and courier services	6.4	7.3	5.2	6.5	3.3	3.7
B.6 Information and communications	6.5	4.7	6.8	5.7	6.5	5.2
B.7 Financing and insurance	5.0	5.9	5.0	6.9	4.7	6.8
B.8 Real estate activities (excluding real estate maintenance management services)	8.9	11.5	8.9	12.6	8.1	10.4
B.9 Professional and business services, scientific and technical activities	6.2	4.6	5.4	5.3	4.1	5.1
B.10 Cleaning services	4.4	6.4	4.2	6.2	3.8	5.1
B.11 Community, social and personal services	5.6	9.0	5.5	9.1	5.2	8.6
B.12 Others	4.7	2.9	4.6	2.1	#	#
Overtime pay rate: 1:1.3						
All sectors	4.9	12.2	4.7	12.1	4.0	10.2
(A) Relatively long-working-hours sectors	5.7	16.1	5.5	15.7	4.8	13.1
A.1 Retail	4.4	12.1	4.0	11.8	3.2	9.1
A.2 Restaurants	5.6	15.2	5.4	14.0	4.9	12.0
A.3 Estate management and security	7.4	22.8	7.1	22.1	5.9	17.8
A.4 Land transport	4.7	12.0	4.9	11.3	5.6	13.0
A.5 Elderly homes	7.3	20.8	7.4	21.7	6.6	21.5
A.6 Laundry and dry cleaning services	5.2	12.3	4.6	10.2	3.6	8.5
(B) Other sectors	4.0	7.3	3.5	7.1	3.0	6.1
B.1 Manufacturing	5.1	7.8	4.7	7.7	3.3	5.6
B.2 Construction	4.1	7.6	3.6	8.0	3.4	6.6
B.3 Wholesale and import/export trade	4.0	5.8	3.0	4.6	2.6	4.3
B.4 Hotels	2.5	5.2	2.1	3.9	2.3	5.0
B.5 Other transportation, storage, postal and courier services	4.6	7.3	3.6	6.5	2.3	3.7
B.6 Information and communications	5.0	4.7	5.1	5.7	4.9	5.2
B.7 Financing and insurance	3.7	5.9	3.6	6.9	3.4	6.8
B.8 Real estate activities (excluding real estate maintenance management services)	6.2	11.5	6.1	12.6	5.7	10.4
B.9 Professional and business services, scientific and technical activities	4.7	4.6	4.0	5.3	3.0	5.1
B.10 Cleaning services	3.0	6.4	2.9	6.2	2.7	5.1
B.11 Community, social and personal services	3.6	9.0	3.5	9.1	3.3	8.6
B.12 Others	3.7	2.9	3.7	2.1	#	#
Overtime pay rate: 1:1.0						
All sectors	1.0	12.2	0.8	12.1	0.8	10.2
(A) Relatively long-working-hours sectors	0.7	16.1	0.6	15.7	0.6	13.1
A.1 Retail	0.6	12.1	0.4	11.8	0.4	9.1
A.2 Restaurants	0.8	15.2	0.9	14.0	1.0	12.0
A.3 Estate management and security	0.4	22.8	0.4	22.1	0.4	17.8
A.4 Land transport	1.2	12.0	1.2	11.3	1.3	13.0
A.5 Elderly homes	0.8	20.8	0.7	21.7	0.1	21.5
A.6 Laundry and dry cleaning services	1.2	12.3	1.2	10.2	0.8	8.5
(B) Other sectors	1.4	7.3	1.1	7.1	0.9	6.1
B.1 Manufacturing	2.2	7.8	1.9	7.7	1.2	5.6
B.2 Construction	1.4	7.6	0.9	8.0	1.1	6.6
B.3 Wholesale and import/export trade	1.8	5.8	1.3	4.6	1.0	4.3
B.4 Hotels	0.7	5.2	0.7	3.9	0.6	5.0
B.5 Other transportation, storage, postal and courier services	1.9	7.3	1.2	6.5	0.9	3.7
B.6 Information and communications	2.7	4.7	2.6	5.7	2.5	5.2
B.7 Financing and insurance	1.7	5.9	1.6	6.9	1.5	6.8
B.8 Real estate activities (excluding real estate maintenance management services)	2.1	11.5	1.8	12.6	2.0	10.4
B.9 Professional and business services, scientific and technical activities	2.6	4.6	1.9	5.3	1.2	5.1
B.10 Cleaning services	1.0	6.4	1.0	6.2	1.0	5.1
B.11 Community, social and personal services	0.7	9.0	0.6	9.1	0.6	8.6
B.12 Others	2.1	2.9	2.4	2.1	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(2) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding average percentage increase in wages of the involved employees is estimated by the increase in wage bill of all enterprises in each individual sector over the total wage bill of the involved employees therein. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

(3) For the purpose of impact assessment, assuming the number of working hours of all involved employees is reduced to the weekly working hours standard, the corresponding average percentage decrease in wages of the involved employees is estimated by the decrease in wage bill of all enterprises in each individual sector over the total wage bill of the involved employees therein. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

Figures are not released due to relatively large sampling error.

Table II.1(c): Potential average increases and decreases in wages of involved employees with weekly working hours standard of 52 hours under different parameter combinations by sector

	Weekly working hours standard: 52 hours					
	Total monthly wages of involved employees ⁽¹⁾					
	≤ \$15,000		≤ \$12,000		≤ \$10,000	
	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)
Overtime pay rate: 1:1.5						
All sectors	7.2	11.8	7.0	12.0	6.3	10.4
(A) Relatively long-working-hours sectors	7.8	14.0	7.7	13.7	7.0	12.1
A.1 Retail	5.9	10.2	5.6	10.0	5.0	8.7
A.2 Restaurants	6.7	11.0	6.3	9.9	5.8	8.4
A.3 Estate management and security	11.0	21.2	10.8	20.8	9.8	18.8
A.4 Land transport	6.4	11.3	6.9	10.8	7.6	11.4
A.5 Elderly homes	11.1	19.3	10.8	19.2	8.9	17.3
A.6 Laundry and dry cleaning services	6.9	11.1	6.0	9.3	4.6	6.4
(B) Other sectors	5.8	7.5	5.4	7.9	4.5	6.7
B.1 Manufacturing	7.4	8.0	7.1	8.4	5.0	5.9
B.2 Construction	6.0	6.1	5.1	7.1	4.0	4.6
B.3 Wholesale and import/export trade	5.2	6.3	4.3	5.4	4.1	5.3
B.4 Hotels	4.8	7.0	3.6	4.8	3.8	5.7
B.5 Other transportation, storage, postal and courier services	6.6	8.2	5.6	8.1	3.2	4.0
B.6 Information and communications	6.0	4.9	5.4	3.5	5.1	4.1
B.7 Financing and insurance	5.2	5.8	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	7.9	10.2	8.3	11.8	5.0	5.2
B.9 Professional and business services, scientific and technical activities	5.7	4.5	4.2	4.4	2.8	4.3
B.10 Cleaning services	4.7	7.3	4.5	7.1	3.6	5.2
B.11 Community, social and personal services	5.4	8.9	5.9	9.9	5.7	9.7
B.12 Others	#	#	#	#	#	#
Overtime pay rate: 1:1.3						
All sectors	4.6	11.8	4.5	12.0	4.0	10.4
(A) Relatively long-working-hours sectors	4.9	14.0	4.8	13.7	4.5	12.1
A.1 Retail	3.8	10.2	3.5	10.0	3.1	8.7
A.2 Restaurants	4.3	11.0	4.2	9.9	3.9	8.4
A.3 Estate management and security	6.7	21.2	6.5	20.8	6.0	18.8
A.4 Land transport	4.2	11.3	4.6	10.8	5.0	11.4
A.5 Elderly homes	7.0	19.3	6.8	19.2	5.4	17.3
A.6 Laundry and dry cleaning services	4.5	11.1	4.0	9.3	3.1	6.4
(B) Other sectors	4.0	7.5	3.7	7.9	3.1	6.7
B.1 Manufacturing	5.4	8.0	5.1	8.4	3.5	5.9
B.2 Construction	4.4	6.1	3.5	7.1	2.8	4.6
B.3 Wholesale and import/export trade	3.7	6.3	3.0	5.4	2.8	5.3
B.4 Hotels	3.2	7.0	2.4	4.8	2.5	5.7
B.5 Other transportation, storage, postal and courier services	4.7	8.2	3.8	8.1	2.2	4.0
B.6 Information and communications	4.6	4.9	4.2	3.5	3.8	4.1
B.7 Financing and insurance	3.8	5.8	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	5.5	10.2	5.6	11.8	3.6	5.2
B.9 Professional and business services, scientific and technical activities	4.3	4.5	3.2	4.4	2.0	4.3
B.10 Cleaning services	3.3	7.3	3.2	7.1	2.6	5.2
B.11 Community, social and personal services	3.5	8.9	3.7	9.9	3.7	9.7
B.12 Others	#	#	#	#	#	#
Overtime pay rate: 1:1.0						
All sectors	0.9	11.8	0.7	12.0	0.7	10.4
(A) Relatively long-working-hours sectors	0.6	14.0	0.6	13.7	0.7	12.1
A.1 Retail	0.5	10.2	0.4	10.0	0.4	8.7
A.2 Restaurants	0.8	11.0	0.9	9.9	1.1	8.4
A.3 Estate management and security	0.3	21.2	0.2	20.8	0.3	18.8
A.4 Land transport	1.2	11.3	1.1	10.8	1.3	11.4
A.5 Elderly homes	0.9	19.3	0.8	19.2	0.1	17.3
A.6 Laundry and dry cleaning services	0.9	11.1	0.9	9.3	0.9	6.4
(B) Other sectors	1.4	7.5	1.1	7.9	0.9	6.7
B.1 Manufacturing	2.4	8.0	2.0	8.4	1.3	5.9
B.2 Construction	2.0	6.1	1.0	7.1	1.1	4.6
B.3 Wholesale and import/export trade	1.4	6.3	1.0	5.4	0.9	5.3
B.4 Hotels	0.8	7.0	0.7	4.8	0.6	5.7
B.5 Other transportation, storage, postal and courier services	1.7	8.2	1.0	8.1	0.8	4.0
B.6 Information and communications	2.4	4.9	2.4	3.5	2.0	4.1
B.7 Financing and insurance	1.7	5.8	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	1.9	10.2	1.6	11.8	1.6	5.2
B.9 Professional and business services, scientific and technical activities	2.4	4.5	1.6	4.4	0.9	4.3
B.10 Cleaning services	1.2	7.3	1.1	7.1	1.0	5.2
B.11 Community, social and personal services	0.6	8.9	0.6	9.9	0.6	9.7
B.12 Others	#	#	#	#	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(2) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding average percentage increase in wages of the involved employees is estimated by the increase in wage bill of all enterprises in each individual sector over the total wage bill of the involved employees therein. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, excluding the payments related to rest days and meal breaks which are not regarded as working hours.

(3) For the purpose of impact assessment, assuming the number of working hours of all involved employees is reduced to the weekly working hours standard, the corresponding average percentage decrease in wages of the involved employees is estimated by the decrease in wage bill of all enterprises in each individual sector over the total wage bill of the involved employees therein. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, excluding the payments related to rest days and meal breaks which are not regarded as working hours.

Figures are not released due to relatively large sampling error.

Table II.2(a): Potential average increases and decreases in wages of involved employees with weekly working hours standard of 44 hours under different parameter combinations by occupation

	Weekly working hours standard: 44 hours							
	Total monthly wages of involved employees ⁽¹⁾							
	≤ \$25,000		≤ \$15,000		≤ \$12,000		≤ \$10,000	
	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)
Overtime pay rate: 1:1.5								
All occupations	10.1	13.8	9.5	15.3	9.3	15.8	8.5	14.3
(A) Lower-skilled occupations	10.1	16.0	9.6	16.2	9.5	16.2	8.6	14.5
Elementary workers	11.2	19.3	11.2	20.0	10.8	19.4	9.4	16.4
Craft and related workers	9.0	14.9	7.8	13.0	7.6	12.6	6.0	10.2
Plant and machine operators and assemblers	12.3	18.6	9.5	16.7	9.8	16.4	10.6	17.4
Service and sales workers	10.8	18.7	10.2	18.6	9.8	18.2	8.7	16.2
Clerical support workers	7.6	7.3	7.0	7.5	6.6	7.4	6.0	6.5
(B) Higher-skilled occupations	10.0	7.5	8.5	9.0	7.8	10.4	6.5	8.3
Associate professionals	9.7	8.0	8.2	9.1	7.6	10.6	6.6	8.5
Managers and administrators; Professionals	10.7	6.7	9.6	8.6	8.7	9.3	6.3	7.8
Overtime pay rate: 1:1.3								
All occupations			6.2	15.3	6.0	15.8	5.4	14.3
(A) Lower-skilled occupations			6.2	16.2	6.0	16.2	5.5	14.5
Elementary workers			7.1	20.0	6.8	19.4	6.0	16.4
Craft and related workers			5.0	13.0	4.9	12.6	3.8	10.2
Plant and machine operators and assemblers			6.1	16.7	6.3	16.4	6.9	17.4
Service and sales workers			6.3	18.6	6.1	18.2	5.4	16.2
Clerical support workers			5.1	7.5	4.7	7.4	4.3	6.5
(B) Higher-skilled occupations			6.1	9.0	5.4	10.4	4.5	8.3
Associate professionals			5.9	9.1	5.1	10.6	4.6	8.5
Managers and administrators; Professionals			7.1	8.6	6.3	9.3	4.4	7.8
Overtime pay rate: 1:1.0								
All occupations			1.2	15.3	1.0	15.8	0.9	14.3
(A) Lower-skilled occupations			1.1	16.2	0.9	16.2	0.9	14.5
Elementary workers			0.9	20.0	0.8	19.4	0.8	16.4
Craft and related workers			0.9	13.0	0.8	12.6	0.5	10.2
Plant and machine operators and assemblers			1.1	16.7	1.2	16.4	1.3	17.4
Service and sales workers			0.6	18.6	0.5	18.2	0.4	16.2
Clerical support workers			2.2	7.5	1.9	7.4	1.8	6.5
(B) Higher-skilled occupations			2.6	9.0	1.7	10.4	1.6	8.3
Associate professionals			2.4	9.1	1.5	10.6	1.6	8.5
Managers and administrators; Professionals			3.5	8.6	2.7	9.3	1.6	7.8

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(2) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding average percentage increase in wages of the involved employees is estimated by the increase in wage bill of each individual occupational group in the enterprises over the total wage bill of the involved employees from that occupational group in all enterprises. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

(3) For the purpose of impact assessment, assuming the number of working hours of all involved employees is reduced to the weekly working hours standard, the corresponding average percentage decrease in wages of the involved employees is estimated by the decrease in wage bill of each individual occupational group in the enterprises over the total wage bill of the involved employees from that occupational group in all enterprises. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

Table II.2(b): Potential average increases and decreases in wages of involved employees with weekly working hours standard of 48 hours under different parameter combinations by occupation

	Weekly working hours standard: 48 hours					
	Total monthly wages of involved employees ⁽¹⁾					
	≤ \$15,000		≤ \$12,000		≤ \$10,000	
	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)
Overtime pay rate: 1:1.5						
All occupations	7.5	12.2	7.3	12.1	6.2	10.2
(A) Lower-skilled occupations	7.6	12.5	7.3	12.4	6.2	10.3
Elementary workers	8.5	14.6	8.0	14.0	6.5	10.7
Craft and related workers	5.5	8.2	5.5	8.3	4.2	6.9
Plant and machine operators and assemblers	6.8	11.5	6.9	10.6	8.0	12.0
Service and sales workers	7.5	13.3	7.1	12.8	6.0	10.7
Clerical support workers	6.5	7.0	6.0	6.9	5.6	6.1
(B) Higher-skilled occupations	7.1	8.1	6.3	8.5	5.1	6.6
Associate professionals	7.2	8.8	6.7	9.7	5.6	7.8
Managers and administrators; Professionals	6.8	5.9	5.3	4.5	3.8	3.4
Overtime pay rate: 1:1.3						
All occupations	4.9	12.2	4.7	12.1	4.0	10.2
(A) Lower-skilled occupations	4.9	12.5	4.7	12.4	4.0	10.3
Elementary workers	5.4	14.6	5.1	14.0	4.2	10.7
Craft and related workers	3.7	8.2	3.6	8.3	2.7	6.9
Plant and machine operators and assemblers	4.5	11.5	4.6	10.6	5.3	12.0
Service and sales workers	4.7	13.3	4.5	12.8	3.7	10.7
Clerical support workers	4.7	7.0	4.3	6.9	4.0	6.1
(B) Higher-skilled occupations	5.1	8.1	4.3	8.5	3.5	6.6
Associate professionals	5.1	8.8	4.5	9.7	3.8	7.8
Managers and administrators; Professionals	5.1	5.9	4.0	4.5	2.9	3.4
Overtime pay rate: 1:1.0						
All occupations	1.0	12.2	0.8	12.1	0.8	10.2
(A) Lower-skilled occupations	0.9	12.5	0.8	12.4	0.7	10.3
Elementary workers	0.8	14.6	0.7	14.0	0.8	10.7
Craft and related workers	1.0	8.2	0.9	8.3	0.5	6.9
Plant and machine operators and assemblers	1.1	11.5	1.2	10.6	1.3	12.0
Service and sales workers	0.6	13.3	0.5	12.8	0.4	10.7
Clerical support workers	2.0	7.0	1.7	6.9	1.7	6.1
(B) Higher-skilled occupations	2.0	8.1	1.4	8.5	1.2	6.6
Associate professionals	1.8	8.8	1.2	9.7	1.1	7.8
Managers and administrators; Professionals	2.5	5.9	2.0	4.5	1.4	3.4

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

- Notes: (1) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
- (2) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding average percentage increase in wages of the involved employees is estimated by the increase in wage bill of each individual occupational group in the enterprises over the total wage bill of the involved employees from that occupational group in all enterprises. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.
- (3) For the purpose of impact assessment, assuming the number of working hours of all involved employees is reduced to the weekly working hours standard, the corresponding average percentage decrease in wages of the involved employees is estimated by the decrease in wage bill of each individual occupational group in the enterprises over the total wage bill of the involved employees from that occupational group in all enterprises. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

Table II.2(c): Potential average increases and decreases in wages of involved employees with weekly working hours standard of 52 hours under different parameter combinations by occupation

	Weekly working hours standard: 52 hours					
	Total monthly wages of involved employees ⁽¹⁾					
	≤ \$15,000		≤ \$12,000		≤ \$10,000	
	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)	Average increases in wages ⁽²⁾ (%)	Average decreases in wages ⁽³⁾ (%)
Overtime pay rate: 1:1.5						
All occupations	7.2	11.8	7.0	12.0	6.3	10.4
(A) Lower-skilled occupations	7.2	12.0	7.1	12.1	6.3	10.5
Elementary workers	8.7	15.1	8.3	14.6	7.1	12.0
Craft and related workers	5.1	6.5	4.9	6.9	3.8	5.9
Plant and machine operators and assemblers	6.5	11.6	6.8	10.2	8.0	11.7
Service and sales workers	6.3	11.1	6.0	10.6	5.2	9.3
Clerical support workers	6.1	7.1	6.5	8.6	5.8	6.5
(B) Higher-skilled occupations	6.8	8.8	6.2	9.0	4.8	6.4
Associate professionals	6.8	9.5	6.4	9.8	4.8	6.7
Managers and administrators; Professionals	6.7	6.4	5.2	5.3	#	#
Overtime pay rate: 1:1.3						
All occupations	4.6	11.8	4.5	12.0	4.0	10.4
(A) Lower-skilled occupations	4.6	12.0	4.5	12.1	4.1	10.5
Elementary workers	5.6	15.1	5.3	14.6	4.5	12.0
Craft and related workers	3.5	6.5	3.4	6.9	2.4	5.9
Plant and machine operators and assemblers	4.3	11.6	4.6	10.2	5.4	11.7
Service and sales workers	4.0	11.1	3.8	10.6	3.3	9.3
Clerical support workers	4.4	7.1	4.5	8.6	4.2	6.5
(B) Higher-skilled occupations	4.7	8.8	4.1	9.0	3.4	6.4
Associate professionals	4.7	9.5	4.2	9.8	3.3	6.7
Managers and administrators; Professionals	5.0	6.4	3.8	5.3	#	#
Overtime pay rate: 1:1.0						
All occupations	0.9	11.8	0.7	12.0	0.7	10.4
(A) Lower-skilled occupations	0.8	12.0	0.7	12.1	0.7	10.5
Elementary workers	0.9	15.1	0.7	14.6	0.8	12.0
Craft and related workers	1.2	6.5	1.0	6.9	0.4	5.9
Plant and machine operators and assemblers	1.1	11.6	1.3	10.2	1.4	11.7
Service and sales workers	0.5	11.1	0.4	10.6	0.4	9.3
Clerical support workers	1.8	7.1	1.5	8.6	1.7	6.5
(B) Higher-skilled occupations	1.6	8.8	1.1	9.0	1.1	6.4
Associate professionals	1.4	9.5	1.0	9.8	1.0	6.7
Managers and administrators; Professionals	2.3	6.4	1.7	5.3	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(2) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding average percentage increase in wages of the involved employees is estimated by the increase in wage bill of each individual occupational group in the enterprises over the total wage bill of the involved employees from that occupational group in all enterprises. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

(3) For the purpose of impact assessment, assuming the number of working hours of all involved employees is reduced to the weekly working hours standard, the corresponding average percentage decrease in wages of the involved employees is estimated by the decrease in wage bill of each individual occupational group in the enterprises over the total wage bill of the involved employees from that occupational group in all enterprises. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

Figures are not released due to relatively large sampling error.

Table III.1(a): Increases in annual wage bill⁽¹⁾ with weekly working hours standard of 44 hours under different parameter combinations by sector (All enterprises)

Increases in wage bill of all enterprises	Weekly working hours standard: 44 hours							
	Total monthly wages of involved employees ⁽²⁾							
	≤ \$25,000		≤ \$15,000		≤ \$12,000		≤ \$10,000	
	(\$Mn)	(%)	(\$Mn)	(%)	(\$Mn)	(%)	(\$Mn)	(%)
Overtime pay rate: 1:1.5								
All sectors	21,629.7	3.84	10,382.1	1.84	6,223.7	1.10	2,784.9	0.49
(A) Relatively long-working-hours sectors	9,302.6	8.23	5,943.4	5.26	3,902.6	3.45	1,715.6	1.52
A.1 Retail	2,647.9	7.13	1,607.7	4.33	1,004.4	2.70	407.9	1.10
A.2 Restaurants	2,815.5	10.44	1,808.5	6.71	1,188.7	4.41	562.1	2.08
A.3 Estate management and security	2,163.2	10.84	1,888.6	9.46	1,325.5	6.64	556.1	2.79
A.4 Land transport	1,394.9	5.40	399.3	1.55	203.5	0.79	108.2	0.42
A.5 Elderly homes	228.4	8.88	199.4	7.75	153.8	5.98	68.0	2.64
A.6 Laundry and dry cleaning services	52.7	8.94	39.8	6.75	26.7	4.52	13.3	2.25
(B) Other sectors	12,327.1	2.73	4,438.7	0.98	2,321.1	0.51	1,069.3	0.24
B.1 Manufacturing	1,031.1	5.43	523.5	2.76	298.9	1.57	91.4	0.48
B.2 Construction	3,027.9	5.41	654.8	1.17	211.4	0.38	55.2	0.10
B.3 Wholesale and import/export trade	2,101.6	2.32	737.1	0.82	341.3	0.38	151.4	0.17
B.4 Hotels	364.1	5.79	158.1	2.51	72.0	1.15	20.4	0.32
B.5 Other transportation, storage, postal and courier services	1,012.4	4.80	367.4	1.74	157.9	0.75	65.9	0.31
B.6 Information and communications	372.3	1.53	149.6	0.62	68.7	0.28	24.3	0.10
B.7 Financing and insurance	398.1	0.59	57.9	0.09	26.5	0.04	17.9	0.03
B.8 Real estate activities (excluding real estate maintenance management services)	261.6	2.83	60.8	0.66	40.4	0.44	11.9	0.13
B.9 Professional and business services, scientific and technical activities	1,191.8	2.88	290.1	0.70	127.3	0.31	45.7	0.11
B.10 Cleaning services	397.6	6.94	377.5	6.59	353.5	6.17	275.0	4.80
B.11 Community, social and personal services	2,102.0	1.98	1,042.5	0.98	610.8	0.57	305.3	0.29
B.12 Others	66.5	1.64	19.4	0.48	12.4	0.31	4.8	0.12
Overtime pay rate: 1:1.3								
All sectors			6,770.1	1.20	3,994.2	0.71	1,789.4	0.32
(A) Relatively long-working-hours sectors			3,710.0	3.28	2,431.9	2.15	1,075.2	0.95
A.1 Retail			1,009.3	2.72	624.5	1.68	253.3	0.68
A.2 Restaurants			1,136.0	4.21	751.6	2.79	358.9	1.33
A.3 Estate management and security			1,157.8	5.80	811.9	4.07	343.3	1.72
A.4 Land transport			257.4	1.00	131.6	0.51	69.9	0.27
A.5 Elderly homes			123.8	4.81	95.0	3.69	41.1	1.60
A.6 Laundry and dry cleaning services			25.8	4.36	17.4	2.94	8.6	1.46
(B) Other sectors			3,060.0	0.68	1,562.4	0.35	714.2	0.16
B.1 Manufacturing			364.7	1.92	206.1	1.09	61.9	0.33
B.2 Construction			438.4	0.78	138.4	0.25	37.1	0.07
B.3 Wholesale and import/export trade			549.2	0.61	247.6	0.27	109.6	0.12
B.4 Hotels			101.9	1.62	46.7	0.74	13.1	0.21
B.5 Other transportation, storage, postal and courier services			256.2	1.21	106.8	0.51	44.0	0.21
B.6 Information and communications			112.8	0.46	51.3	0.21	17.8	0.07
B.7 Financing and insurance			43.6	0.07	18.9	0.03	12.7	0.02
B.8 Real estate activities (excluding real estate maintenance management services)			42.0	0.45	27.5	0.30	8.5	0.09
B.9 Professional and business services, scientific and technical activities			219.1	0.53	90.7	0.22	31.7	0.08
B.10 Cleaning services			249.0	4.34	232.8	4.06	182.4	3.18
B.11 Community, social and personal services			669.1	0.63	386.4	0.36	192.1	0.18
B.12 Others			14.0	0.35	9.1	0.23	3.3	0.08
Overtime pay rate: 1:1.0								
All sectors			1,358.4	0.24	650.5	0.12	296.2	0.05
(A) Relatively long-working-hours sectors			365.1	0.32	226.0	0.20	114.6	0.10
A.1 Retail			112.2	0.30	54.7	0.15	21.4	0.06
A.2 Restaurants			127.5	0.47	96.0	0.36	54.3	0.20
A.3 Estate management and security			61.5	0.31	41.4	0.21	24.1	0.12
A.4 Land transport			48.9	0.19	23.7	0.09	12.5	0.05
A.5 Elderly homes			10.4	0.40	6.8	0.26	0.6	0.02
A.6 Laundry and dry cleaning services			4.6	0.79	3.4	0.58	1.6	0.27
(B) Other sectors			993.3	0.22	424.5	0.09	181.6	0.04
B.1 Manufacturing			126.5	0.67	67.0	0.35	17.7	0.09
B.2 Construction			114.3	0.20	29.0	0.05	9.8	0.02
B.3 Wholesale and import/export trade			267.3	0.30	107.0	0.12	47.0	0.05
B.4 Hotels			17.5	0.28	8.6	0.14	2.1	0.03
B.5 Other transportation, storage, postal and courier services			90.1	0.43	30.2	0.14	11.2	0.05
B.6 Information and communications			57.6	0.24	25.1	0.10	8.1	0.03
B.7 Financing and insurance			22.3	0.03	7.5	0.01	4.9	0.01
B.8 Real estate activities (excluding real estate maintenance management services)			13.9	0.15	8.3	0.09	3.3	0.04
B.9 Professional and business services, scientific and technical activities			112.4	0.27	35.9	0.09	10.8	0.03
B.10 Cleaning services			56.3	0.98	51.8	0.90	43.5	0.76
B.11 Community, social and personal services			109.1	0.10	49.8	0.05	22.3	0.02
B.12 Others			6.0	0.15	4.3	0.11	1.1	0.03

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding percentage increase in wage bill is estimated by the increase in wage bill of all enterprises in each individual sector over the total wage bill of the sector. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, excluding the payments related to rest days and meal breaks which are not regarded as working hours.

(2) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

Figures for individual sectors may not add up to totals due to rounding.

Table III.1(b): Increases in annual wage bill⁽¹⁾ with weekly working hours standard of 44 hours under different parameter combinations by sector (SMEs)⁽²⁾

Increases in wage bill of SMEs		Weekly working hours standard: 44 hours							
		Total monthly wages of involved employees ⁽³⁾							
		≤ \$25,000		≤ \$15,000		≤ \$12,000		≤ \$10,000	
		(\$Mn)	(%)	(\$Mn)	(%)	(\$Mn)	(%)	(\$Mn)	(%)
Overtime pay rate: 1:1.5									
All sectors		9,299.3	4.06	4,258.3	1.86	2,363.9	1.03	1,056.0	0.46
(A) Relatively long-working-hours sectors		3,617.3	8.09	2,160.6	4.83	1,332.7	2.98	536.6	1.20
A.1	Retail	1,355.2	7.28	907.2	4.87	580.1	3.12	215.6	1.16
A.2	Restaurants	1,203.3	10.03	756.2	6.30	445.3	3.71	187.2	1.56
A.3	Estate management and security	123.6	8.77	112.1	7.96	96.6	6.85	53.4	3.79
A.4	Land transport	760.2	6.77	231.7	2.06	93.1	0.83	21.9	0.20
A.5	Elderly homes	159.5	12.67	138.8	11.02	105.5	8.38	53.1	4.22
A.6	Laundry and dry cleaning services	15.5	6.74	14.6	6.36	12.2	5.30	5.4	2.36
(B) Other sectors		5,682.0	3.08	2,097.7	1.14	1,031.2	0.56	519.4	0.28
B.1	Manufacturing	335.8	4.41	181.4	2.38	94.1	1.24	38.4	0.50
B.2	Construction	1,275.2	4.75	262.1	0.98	79.0	0.29	32.8	0.12
B.3	Wholesale and import/export trade	1,620.7	2.50	604.2	0.93	281.1	0.43	131.0	0.20
B.4	Hotels	24.3	8.74	19.7	7.09	10.2	3.66	6.9	2.46
B.5	Other transportation, storage, postal and courier services	372.3	5.67	149.1	2.27	56.6	0.86	16.7	0.26
B.6	Information and communications	105.6	1.47	42.6	0.59	23.9	0.33	10.6	0.15
B.7	Financing and insurance	78.1	0.51	22.7	0.15	11.9	0.08	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	132.7	3.23	38.5	0.94	23.5	0.57	7.6	0.18
B.9	Professional and business services, scientific and technical activities	516.6	2.78	159.8	0.86	60.7	0.33	26.0	0.14
B.10	Cleaning services	36.9	6.29	32.4	5.53	27.6	4.71	20.6	3.52
B.11	Community, social and personal services	1,156.1	3.63	576.4	1.81	355.0	1.11	216.2	0.68
B.12	Others	27.7	5.37	8.9	1.72	7.5	1.45	#	#
Overtime pay rate: 1:1.3									
All sectors				2,826.5	1.23	1,536.0	0.67	687.2	0.30
(A) Relatively long-working-hours sectors				1,359.9	3.04	834.5	1.87	336.7	0.75
A.1	Retail			568.4	3.05	360.5	1.94	134.1	0.72
A.2	Restaurants			477.0	3.98	282.9	2.36	120.4	1.00
A.3	Estate management and security			68.1	4.83	58.3	4.13	32.2	2.28
A.4	Land transport			151.5	1.35	60.5	0.54	14.7	0.13
A.5	Elderly homes			85.7	6.81	64.6	5.13	32.0	2.54
A.6	Laundry and dry cleaning services			9.2	4.02	7.7	3.34	3.4	1.49
(B) Other sectors				1,466.5	0.80	701.4	0.38	350.5	0.19
B.1	Manufacturing			127.0	1.67	64.7	0.85	27.1	0.36
B.2	Construction			172.4	0.64	52.3	0.20	22.0	0.08
B.3	Wholesale and import/export trade			450.6	0.69	203.9	0.31	94.9	0.15
B.4	Hotels			12.7	4.57	6.4	2.31	4.3	1.54
B.5	Other transportation, storage, postal and courier services			108.5	1.65	39.9	0.61	11.7	0.18
B.6	Information and communications			32.5	0.45	18.3	0.25	8.0	0.11
B.7	Financing and insurance			16.9	0.11	8.7	0.06	#	#
B.8	Real estate activities (excluding real estate maintenance management services)			26.3	0.64	15.8	0.38	5.1	0.12
B.9	Professional and business services, scientific and technical activities			120.5	0.65	42.1	0.23	18.2	0.10
B.10	Cleaning services			22.0	3.76	18.9	3.23	14.2	2.43
B.11	Community, social and personal services			370.7	1.16	224.9	0.71	135.8	0.43
B.12	Others			6.4	1.25	5.6	1.08	#	#
Overtime pay rate: 1:1.0									
All sectors				679.5	0.30	294.4	0.13	134.1	0.06
(A) Relatively long-working-hours sectors				159.2	0.36	87.4	0.20	36.9	0.08
A.1	Retail			60.4	0.32	31.2	0.17	11.8	0.06
A.2	Restaurants			58.3	0.49	39.3	0.33	20.1	0.17
A.3	Estate management and security			2.0	0.14	0.8	0.06	0.4	0.03
A.4	Land transport			31.2	0.28	11.7	0.10	3.8	0.03
A.5	Elderly homes			6.1	0.49	3.4	0.27	0.3	0.03
A.6	Laundry and dry cleaning services			1.2	0.50	0.9	0.41	0.4	0.18
(B) Other sectors				520.4	0.28	207.0	0.11	97.1	0.05
B.1	Manufacturing			45.5	0.60	20.6	0.27	10.0	0.13
B.2	Construction			38.3	0.14	12.5	0.05	5.8	0.02
B.3	Wholesale and import/export trade			220.1	0.34	88.0	0.14	40.8	0.06
B.4	Hotels			2.2	0.78	0.8	0.28	0.4	0.16
B.5	Other transportation, storage, postal and courier services			47.6	0.73	14.8	0.23	4.1	0.06
B.6	Information and communications			17.4	0.24	9.8	0.14	4.2	0.06
B.7	Financing and insurance			8.3	0.05	4.0	0.03	#	#
B.8	Real estate activities (excluding real estate maintenance management services)			8.0	0.20	4.2	0.10	1.4	0.04
B.9	Professional and business services, scientific and technical activities			61.6	0.33	14.1	0.08	6.4	0.03
B.10	Cleaning services			6.4	1.10	5.9	1.00	4.7	0.80
B.11	Community, social and personal services			62.1	0.19	29.7	0.09	15.2	0.05
B.12	Others			2.7	0.53	2.6	0.51	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding percentage increase in wage bill is estimated by the increase in wage bill of all SMEs in each individual sector over the total wage bill of all SMEs of the sector. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

(2) An SME is an enterprise with fewer than 50 employees.

(3) Involved employees refer to the employees in SMEs whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

Figures are not released due to relatively large sampling error.

Figures for individual sectors may not add up to totals due to rounding.

Table III.2(a): Increases in annual wage bill⁽¹⁾ with weekly working hours standard of 48 hours under different parameter combinations by sector (All enterprises)

Increases in wage bill of all enterprises		Weekly working hours standard: 48 hours					
		Total monthly wages of involved employees ⁽²⁾					
		≤ \$15,000		≤ \$12,000		≤ \$10,000	
		(\$Mn)	(%)	(\$Mn)	(%)	(\$Mn)	(%)
Overtime pay rate: 1:1.5							
All sectors		6,346.5	1.13	3,836.2	0.68	1,601.9	0.28
(A)	Relatively long-working-hours sectors	4,179.0	3.70	2,715.9	2.40	1,126.6	1.00
A.1	Retail	1,003.4	2.70	610.5	1.64	224.1	0.60
A.2	Restaurants	1,275.9	4.73	818.9	3.04	370.6	1.37
A.3	Estate management and security	1,468.8	7.36	1,020.3	5.11	399.8	2.00
A.4	Land transport	252.2	0.98	130.3	0.50	72.8	0.28
A.5	Elderly homes	152.3	5.92	119.5	4.64	52.0	2.02
A.6	Laundry and dry cleaning services	26.4	4.48	16.5	2.80	7.2	1.23
(B)	Other sectors	2,167.5	0.48	1,120.3	0.25	475.3	0.11
B.1	Manufacturing	305.3	1.61	169.0	0.89	39.7	0.21
B.2	Construction	368.2	0.66	110.7	0.20	26.4	0.05
B.3	Wholesale and import/export trade	246.8	0.27	107.0	0.12	42.1	0.05
B.4	Hotels	69.1	1.10	27.6	0.44	8.6	0.14
B.5	Other transportation, storage, postal and courier services	187.0	0.89	72.9	0.35	23.9	0.11
B.6	Information and communications	58.8	0.24	26.5	0.11	8.4	0.03
B.7	Financing and insurance	15.9	0.02	10.0	0.01	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	34.6	0.37	23.1	0.25	5.2	0.06
B.9	Professional and business services, scientific and technical activities	124.6	0.30	57.6	0.14	17.2	0.04
B.10	Cleaning services	194.3	3.39	177.5	3.10	130.3	2.27
B.11	Community, social and personal services	554.7	0.52	333.0	0.31	164.1	0.15
B.12	Others	8.2	0.20	5.3	0.13	#	#
Overtime pay rate: 1:1.3							
All sectors		4,144.2	0.73	2,473.3	0.44	1,039.6	0.18
(A)	Relatively long-working-hours sectors	2,629.3	2.32	1,704.9	1.51	714.8	0.63
A.1	Retail	635.2	1.71	380.7	1.02	141.0	0.38
A.2	Restaurants	813.9	3.02	527.5	1.96	242.7	0.90
A.3	Estate management and security	901.0	4.51	624.8	3.13	246.8	1.24
A.4	Land transport	166.3	0.64	86.5	0.33	48.1	0.19
A.5	Elderly homes	95.4	3.71	74.4	2.89	31.4	1.22
A.6	Laundry and dry cleaning services	17.4	2.95	11.0	1.87	4.8	0.81
(B)	Other sectors	1,514.8	0.34	768.3	0.17	324.8	0.07
B.1	Manufacturing	220.9	1.16	121.0	0.64	27.9	0.15
B.2	Construction	256.6	0.46	74.1	0.13	18.2	0.03
B.3	Wholesale and import/export trade	179.2	0.20	76.9	0.09	29.8	0.03
B.4	Hotels	46.7	0.74	19.1	0.30	5.8	0.09
B.5	Other transportation, storage, postal and courier services	133.8	0.63	50.7	0.24	17.1	0.08
B.6	Information and communications	45.2	0.19	19.9	0.08	6.4	0.03
B.7	Financing and insurance	11.8	0.02	7.3	0.01	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	24.0	0.26	15.7	0.17	3.6	0.04
B.9	Professional and business services, scientific and technical activities	95.9	0.23	42.6	0.10	12.3	0.03
B.10	Cleaning services	134.6	2.35	122.9	2.14	91.4	1.59
B.11	Community, social and personal services	359.9	0.34	213.8	0.20	105.5	0.10
B.12	Others	6.4	0.16	4.3	0.11	#	#
Overtime pay rate: 1:1.0							
All sectors		846.6	0.15	429.2	0.08	196.3	0.03
(A)	Relatively long-working-hours sectors	309.9	0.27	188.6	0.17	97.2	0.09
A.1	Retail	83.5	0.22	36.2	0.10	16.2	0.04
A.2	Restaurants	121.1	0.45	90.4	0.34	50.9	0.19
A.3	Estate management and security	49.4	0.25	31.5	0.16	17.4	0.09
A.4	Land transport	41.9	0.16	21.0	0.08	11.0	0.04
A.5	Elderly homes	10.1	0.39	6.7	0.26	0.6	0.02
A.6	Laundry and dry cleaning services	3.9	0.67	2.8	0.48	1.0	0.18
(B)	Other sectors	536.6	0.12	240.6	0.05	99.1	0.02
B.1	Manufacturing	94.2	0.50	48.9	0.26	10.3	0.05
B.2	Construction	89.5	0.16	19.3	0.03	5.8	0.01
B.3	Wholesale and import/export trade	77.9	0.09	31.9	0.04	11.3	0.01
B.4	Hotels	13.2	0.21	6.3	0.10	1.5	0.02
B.5	Other transportation, storage, postal and courier services	54.2	0.26	17.4	0.08	6.9	0.03
B.6	Information and communications	24.7	0.10	10.1	0.04	3.3	0.01
B.7	Financing and insurance	5.6	0.01	3.1	*	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	8.1	0.09	4.5	0.05	1.2	0.01
B.9	Professional and business services, scientific and technical activities	53.0	0.13	20.1	0.05	5.0	0.01
B.10	Cleaning services	45.0	0.78	41.1	0.72	33.0	0.58
B.11	Community, social and personal services	67.7	0.06	35.1	0.03	17.6	0.02
B.12	Others	3.7	0.09	2.7	0.07	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding percentage increase in wage bill is estimated by the increase in wage bill of all enterprises in each individual sector over the total wage bill of the sector. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

(2) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

Figures are not released due to relatively large sampling error.

* Less than 0.005%.

Figures for individual sectors may not add up to totals due to rounding.

Table III.2(b): Increases in annual wage bill⁽¹⁾ with weekly working hours standard of 48 hours under different parameter combinations by sector (SMEs)⁽²⁾

Increases in wage bill of SMEs		Weekly working hours standard: 48 hours					
		Total monthly wages of involved employees ⁽³⁾					
		≤ \$15,000		≤ \$12,000		≤ \$10,000	
		(\$Mn)	(%)	(\$Mn)	(%)	(\$Mn)	(%)
Overtime pay rate: 1:1.5							
All sectors		2,399.8	1.05	1,354.3	0.59	572.2	0.25
(A)	Relatively long-working-hours sectors	1,451.4	3.24	896.7	2.00	340.3	0.76
A.1	Retail	584.6	3.14	372.4	2.00	124.6	0.67
A.2	Restaurants	526.1	4.39	304.0	2.53	120.2	1.00
A.3	Estate management and security	86.6	6.14	76.3	5.41	42.1	2.99
A.4	Land transport	135.5	1.21	52.8	0.47	9.4	0.08
A.5	Elderly homes	108.8	8.64	83.1	6.60	40.8	3.24
A.6	Laundry and dry cleaning services	9.7	4.24	8.1	3.52	3.3	1.43
(B)	Other sectors	948.4	0.51	457.6	0.25	231.9	0.13
B.1	Manufacturing	89.1	1.17	44.9	0.59	15.2	0.20
B.2	Construction	115.2	0.43	29.5	0.11	13.8	0.05
B.3	Wholesale and import/export trade	201.2	0.31	84.0	0.13	35.8	0.06
B.4	Hotels	13.4	4.81	6.4	2.29	4.5	1.61
B.5	Other transportation, storage, postal and courier services	79.8	1.22	24.5	0.37	5.9	0.09
B.6	Information and communications	13.5	0.19	7.6	0.10	3.4	0.05
B.7	Financing and insurance	7.8	0.05	4.2	0.03	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	25.3	0.62	15.2	0.37	4.9	0.12
B.9	Professional and business services, scientific and technical activities	60.7	0.33	22.5	0.12	8.3	0.04
B.10	Cleaning services	21.4	3.64	18.5	3.15	13.4	2.29
B.11	Community, social and personal services	316.7	0.99	196.7	0.62	122.2	0.38
B.12	Others	4.3	0.84	3.7	0.71	#	#
Overtime pay rate: 1:1.3							
All sectors		1,587.6	0.69	878.7	0.38	372.6	0.16
(A)	Relatively long-working-hours sectors	922.8	2.06	565.5	1.26	216.6	0.48
A.1	Retail	367.0	1.97	230.4	1.24	78.1	0.42
A.2	Restaurants	338.0	2.82	197.2	1.64	79.7	0.66
A.3	Estate management and security	52.5	3.73	46.0	3.26	25.4	1.80
A.4	Land transport	91.3	0.81	35.5	0.32	6.8	0.06
A.5	Elderly homes	67.6	5.37	51.2	4.07	24.6	1.95
A.6	Laundry and dry cleaning services	6.3	2.73	5.2	2.26	2.1	0.92
(B)	Other sectors	664.9	0.36	313.2	0.17	156.0	0.08
B.1	Manufacturing	65.3	0.86	32.6	0.43	11.3	0.15
B.2	Construction	79.2	0.30	20.6	0.08	9.5	0.04
B.3	Wholesale and import/export trade	147.6	0.23	60.4	0.09	25.2	0.04
B.4	Hotels	8.9	3.18	4.1	1.48	2.9	1.03
B.5	Other transportation, storage, postal and courier services	59.2	0.90	17.9	0.27	4.4	0.07
B.6	Information and communications	10.3	0.14	5.6	0.08	2.5	0.03
B.7	Financing and insurance	5.6	0.04	3.0	0.02	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	17.5	0.43	10.2	0.25	3.5	0.08
B.9	Professional and business services, scientific and technical activities	45.9	0.25	15.7	0.08	5.7	0.03
B.10	Cleaning services	15.3	2.62	13.4	2.28	9.9	1.69
B.11	Community, social and personal services	206.8	0.65	126.8	0.40	78.0	0.24
B.12	Others	3.3	0.64	2.9	0.56	#	#
Overtime pay rate: 1:1.0							
All sectors		370.1	0.16	165.4	0.07	73.1	0.03
(A)	Relatively long-working-hours sectors	130.0	0.29	68.7	0.15	30.9	0.07
A.1	Retail	40.7	0.22	17.4	0.09	8.2	0.04
A.2	Restaurants	55.9	0.47	37.0	0.31	18.8	0.16
A.3	Estate management and security	1.4	0.10	0.6	0.04	0.3	0.02
A.4	Land transport	25.0	0.22	9.6	0.09	2.9	0.03
A.5	Elderly homes	5.9	0.47	3.3	0.26	0.3	0.03
A.6	Laundry and dry cleaning services	1.1	0.47	0.8	0.37	0.3	0.15
(B)	Other sectors	240.1	0.13	96.7	0.05	42.2	0.02
B.1	Manufacturing	29.6	0.39	14.2	0.19	5.4	0.07
B.2	Construction	25.5	0.10	7.3	0.03	3.0	0.01
B.3	Wholesale and import/export trade	67.2	0.10	25.1	0.04	9.4	0.01
B.4	Hotels	2.1	0.74	0.8	0.28	0.4	0.16
B.5	Other transportation, storage, postal and courier services	28.6	0.44	8.0	0.12	2.1	0.03
B.6	Information and communications	5.5	0.08	2.6	0.04	1.1	0.02
B.7	Financing and insurance	2.3	0.01	1.1	0.01	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	5.9	0.14	2.7	0.07	1.2	0.03
B.9	Professional and business services, scientific and technical activities	23.6	0.13	5.4	0.03	1.8	0.01
B.10	Cleaning services	6.3	1.08	5.7	0.98	4.6	0.78
B.11	Community, social and personal services	41.8	0.13	22.1	0.07	11.7	0.04
B.12	Others	1.8	0.34	1.7	0.33	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding percentage increase in wage bill is estimated by the increase in wage bill of all SMEs in each individual sector over the total wage bill of all SMEs of the sector. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

(2) An SME is an enterprise with fewer than 50 employees.

(3) Involved employees refer to the employees in SMEs whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages refer to at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

Figures are not released due to relatively large sampling error.

Figures for individual sectors may not add up to totals due to rounding.

Table III.3(a): Increases in annual wage bill⁽¹⁾ with weekly working hours standard of 52 hours under different parameter combinations by sector (All enterprises)

		Weekly working hours standard: 52 hours					
		Total monthly wages of involved employees ⁽²⁾					
		≤ \$15,000		≤ \$12,000		≤ \$10,000	
Increases in wage bill of all enterprises		(\$Mn)	(%)	(\$Mn)	(%)	(\$Mn)	(%)
Overtime pay rate: 1:1.5							
All sectors		3,801.8	0.67	2,305.8	0.41	890.3	0.16
(A)	Relatively long-working-hours sectors	2,778.6	2.46	1,788.7	1.58	693.1	0.61
A.1	Retail	571.3	1.54	338.0	0.91	107.1	0.29
A.2	Restaurants	809.5	3.00	502.8	1.86	213.5	0.79
A.3	Estate management and security	1,120.2	5.61	771.2	3.86	286.1	1.43
A.4	Land transport	145.1	0.56	76.1	0.29	44.8	0.17
A.5	Elderly homes	116.8	4.54	91.6	3.56	37.8	1.47
A.6	Laundry and dry cleaning services	15.6	2.64	9.0	1.52	3.8	0.64
(B)	Other sectors	1,023.2	0.23	517.1	0.11	197.2	0.04
B.1	Manufacturing	160.9	0.85	86.6	0.46	17.2	0.09
B.2	Construction	198.6	0.35	55.9	0.10	11.2	0.02
B.3	Wholesale and import/export trade	88.8	0.10	31.5	0.03	11.2	0.01
B.4	Hotels	26.9	0.43	7.4	0.12	3.2	0.05
B.5	Other transportation, storage, postal and courier services	88.2	0.42	30.6	0.14	5.5	0.03
B.6	Information and communications	21.2	0.09	11.3	0.05	3.2	0.01
B.7	Financing and insurance	#	#	#	#	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	20.9	0.23	14.6	0.16	2.8	0.03
B.9	Professional and business services, scientific and technical activities	41.5	0.10	18.7	0.05	4.5	0.01
B.10	Cleaning services	92.8	1.62	82.0	1.43	51.0	0.89
B.11	Community, social and personal services	277.3	0.26	175.2	0.16	85.6	0.08
B.12	Others	#	#	#	#	#	#
Overtime pay rate: 1:1.3							
All sectors		2,469.3	0.44	1,478.2	0.26	575.2	0.10
(A)	Relatively long-working-hours sectors	1,753.5	1.55	1,126.3	1.00	441.6	0.39
A.1	Retail	363.6	0.98	211.6	0.57	67.7	0.18
A.2	Restaurants	525.6	1.95	330.9	1.23	143.8	0.53
A.3	Estate management and security	684.4	3.43	469.7	2.35	174.8	0.88
A.4	Land transport	95.7	0.37	50.6	0.20	29.9	0.12
A.5	Elderly homes	74.0	2.88	57.6	2.24	22.9	0.89
A.6	Laundry and dry cleaning services	10.1	1.72	5.9	1.00	2.6	0.44
(B)	Other sectors	715.8	0.16	351.9	0.08	133.6	0.03
B.1	Manufacturing	117.4	0.62	61.9	0.33	12.1	0.06
B.2	Construction	145.4	0.26	38.1	0.07	8.0	0.01
B.3	Wholesale and import/export trade	62.7	0.07	21.9	0.02	7.7	0.01
B.4	Hotels	18.0	0.29	5.0	0.08	2.1	0.03
B.5	Other transportation, storage, postal and courier services	62.1	0.29	20.6	0.10	3.8	0.02
B.6	Information and communications	16.1	0.07	8.8	0.04	2.5	0.01
B.7	Financing and insurance	#	#	#	#	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	14.6	0.16	9.9	0.11	2.0	0.02
B.9	Professional and business services, scientific and technical activities	31.9	0.08	14.0	0.03	3.3	0.01
B.10	Cleaning services	65.2	1.14	57.6	1.00	36.1	0.63
B.11	Community, social and personal services	178.1	0.17	111.8	0.11	54.7	0.05
B.12	Others	#	#	#	#	#	#
Overtime pay rate: 1:1.0							
All sectors		475.4	0.08	236.8	0.04	102.6	0.02
(A)	Relatively long-working-hours sectors	220.5	0.19	132.6	0.12	64.5	0.06
A.1	Retail	52.2	0.14	21.8	0.06	8.6	0.02
A.2	Restaurants	99.9	0.37	73.0	0.27	39.3	0.15
A.3	Estate management and security	30.6	0.15	17.4	0.09	7.8	0.04
A.4	Land transport	26.1	0.10	12.4	0.05	7.4	0.03
A.5	Elderly homes	9.7	0.38	6.5	0.25	0.6	0.02
A.6	Laundry and dry cleaning services	1.9	0.33	1.4	0.23	0.8	0.13
(B)	Other sectors	254.9	0.06	104.2	0.02	38.2	0.01
B.1	Manufacturing	52.0	0.27	24.8	0.13	4.5	0.02
B.2	Construction	65.6	0.12	11.3	0.02	3.1	0.01
B.3	Wholesale and import/export trade	23.6	0.03	7.5	0.01	2.5	*
B.4	Hotels	4.7	0.07	1.5	0.02	0.5	0.01
B.5	Other transportation, storage, postal and courier services	22.9	0.11	5.7	0.03	1.4	0.01
B.6	Information and communications	8.4	0.03	5.1	0.02	1.3	0.01
B.7	Financing and insurance	#	#	#	#	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	5.0	0.05	2.8	0.03	0.9	0.01
B.9	Professional and business services, scientific and technical activities	17.6	0.04	7.0	0.02	1.4	*
B.10	Cleaning services	24.0	0.42	21.0	0.37	13.8	0.24
B.11	Community, social and personal services	29.4	0.03	16.6	0.02	8.4	0.01
B.12	Others	#	#	#	#	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding percentage increase in wage bill is estimated by the increase in wage bill of all enterprises in each individual sector over the total wage bill of the sector. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

(2) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

Figures are not released due to relatively large sampling error.

* Less than 0.005%.

Figures for individual sectors may not add up to totals due to rounding.

Table III.3(b): Increases in annual wage bill⁽¹⁾ with weekly working hours standard of 52 hours under different parameter combinations by sector (SMEs)⁽²⁾

		Weekly working hours standard: 52 hours					
		Total monthly wages of involved employees ⁽³⁾					
		≤ \$15,000		≤ \$12,000		≤ \$10,000	
Increases in wage bill of SMEs		(\$Mn)	(%)	(\$Mn)	(%)	(\$Mn)	(%)
Overtime pay rate: 1:1.5							
All sectors		1,328.7	0.58	767.7	0.34	308.5	0.13
(A)	Relatively long-working-hours sectors	911.8	2.04	572.2	1.28	204.5	0.46
A.1	Retail	355.8	1.91	232.6	1.25	70.4	0.38
A.2	Restaurants	328.5	2.74	185.7	1.55	68.0	0.57
A.3	Estate management and security	65.0	4.61	58.9	4.18	32.6	2.31
A.4	Land transport	73.4	0.65	26.9	0.24	#	#
A.5	Elderly homes	83.4	6.62	63.1	5.01	29.4	2.33
A.6	Laundry and dry cleaning services	5.8	2.54	5.0	2.16	#	#
(B)	Other sectors	416.9	0.23	195.6	0.11	104.0	0.06
B.1	Manufacturing	35.8	0.47	16.7	0.22	6.0	0.08
B.2	Construction	48.4	0.18	9.4	0.03	5.1	0.02
B.3	Wholesale and import/export trade	69.4	0.11	24.8	0.04	9.6	0.01
B.4	Hotels	8.6	3.08	3.4	1.23	2.5	0.92
B.5	Other transportation, storage, postal and courier services	40.7	0.62	8.4	0.13	#	#
B.6	Information and communications	4.7	0.06	3.5	0.05	#	#
B.7	Financing and insurance	#	#	#	#	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	15.6	0.38	9.9	0.24	2.6	0.06
B.9	Professional and business services, scientific and technical activities	16.7	0.09	5.9	0.03	1.8	0.01
B.10	Cleaning services	10.9	1.85	9.3	1.58	5.9	1.01
B.11	Community, social and personal services	161.8	0.51	101.7	0.32	66.2	0.21
B.12	Others	#	#	#	#	#	#
Overtime pay rate: 1:1.3							
All sectors		871.0	0.38	494.1	0.22	199.9	0.09
(A)	Relatively long-working-hours sectors	583.1	1.30	362.6	0.81	130.8	0.29
A.1	Retail	223.8	1.20	144.4	0.78	44.3	0.24
A.2	Restaurants	214.8	1.79	122.8	1.02	46.3	0.39
A.3	Estate management and security	39.2	2.78	35.4	2.51	19.6	1.39
A.4	Land transport	49.3	0.44	17.6	0.16	#	#
A.5	Elderly homes	52.3	4.15	39.1	3.11	17.8	1.41
A.6	Laundry and dry cleaning services	3.8	1.66	3.2	1.41	#	#
(B)	Other sectors	287.9	0.16	131.6	0.07	69.1	0.04
B.1	Manufacturing	26.0	0.34	12.0	0.16	4.4	0.06
B.2	Construction	33.9	0.13	6.4	0.02	3.6	0.01
B.3	Wholesale and import/export trade	49.8	0.08	17.4	0.03	6.6	0.01
B.4	Hotels	5.8	2.10	2.3	0.82	1.7	0.60
B.5	Other transportation, storage, postal and courier services	29.9	0.46	6.0	0.09	#	#
B.6	Information and communications	3.6	0.05	2.6	0.04	#	#
B.7	Financing and insurance	#	#	#	#	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	11.1	0.27	6.9	0.17	1.9	0.05
B.9	Professional and business services, scientific and technical activities	12.0	0.06	3.9	0.02	1.1	0.01
B.10	Cleaning services	8.1	1.39	6.9	1.19	4.5	0.77
B.11	Community, social and personal services	104.3	0.33	65.2	0.20	42.3	0.13
B.12	Others	#	#	#	#	#	#
Overtime pay rate: 1:1.0							
All sectors		184.8	0.08	83.7	0.04	36.9	0.02
(A)	Relatively long-working-hours sectors	90.2	0.20	48.2	0.11	20.2	0.05
A.1	Retail	25.9	0.14	12.0	0.06	5.3	0.03
A.2	Restaurants	44.4	0.37	28.4	0.24	13.8	0.12
A.3	Estate management and security	0.4	0.03	0.2	0.01	#	#
A.4	Land transport	13.1	0.12	3.7	0.03	0.4	*
A.5	Elderly homes	5.6	0.44	3.2	0.26	0.3	0.03
A.6	Laundry and dry cleaning services	0.8	0.34	0.6	0.27	#	#
(B)	Other sectors	94.6	0.05	35.5	0.02	16.8	0.01
B.1	Manufacturing	11.3	0.15	5.0	0.07	2.0	0.03
B.2	Construction	12.5	0.05	2.0	0.01	1.2	*
B.3	Wholesale and import/export trade	20.5	0.03	6.3	0.01	2.2	*
B.4	Hotels	1.7	0.63	0.6	0.21	0.4	0.13
B.5	Other transportation, storage, postal and courier services	13.7	0.21	2.3	0.04	#	#
B.6	Information and communications	2.1	0.03	1.4	0.02	#	#
B.7	Financing and insurance	#	#	#	#	#	#
B.8	Real estate activities (excluding real estate maintenance management services)	4.3	0.10	2.3	0.06	0.9	0.02
B.9	Professional and business services, scientific and technical activities	5.0	0.03	1.1	0.01	0.1	*
B.10	Cleaning services	4.0	0.69	3.5	0.59	2.3	0.40
B.11	Community, social and personal services	18.2	0.06	10.6	0.03	6.5	0.02
B.12	Others	#	#	#	#	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) For the purpose of impact assessment, assuming the number of working hours of all the involved employees remains unchanged, their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher. The corresponding percentage increase in wage bill is estimated by the increase in wage bill of all SMEs in each individual sector over the total wage bill of all SMEs of the sector. The total wage bill is computed in accordance with the definition of wages as set out in the Minimum Wage Ordinance, **excluding** the payments related to rest days and meal breaks which are not regarded as working hours.

(2) An SME is an enterprise with fewer than 50 employees.

(3) Involved employees refer to the employees in SMEs whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

Figures are not released due to relatively large sampling error.

* Less than 0.005%.

Figures for individual sectors may not add up to totals due to rounding.

Table IV.1(a): All of the increases in payroll expenses⁽¹⁾ as proportion of profits⁽²⁾ under different parameter combinations by sector (All enterprises)⁽³⁾

All of the increases in payroll expenses as proportion of profits in the sector(%)	Parameter combinations									
	Weekly working hours standard: 44 hours			Weekly working hours standard: 48 hours			Weekly working hours standard: 52 hours			
	Total monthly wages of involved employees ⁽⁴⁾									
	≤ \$25,000	≤ \$15,000	≤ \$12,000	≤ \$10,000	≤ \$15,000	≤ \$12,000	≤ \$10,000	≤ \$15,000	≤ \$12,000	≤ \$10,000
Overtime pay rate: 1:1.5										
All sectors	2.0	0.9	0.5	0.2	0.5	0.3	0.1	0.3	0.2	0.1
(A) Relatively long-working-hours sectors	14.5	9.3	6.1	2.7	6.5	4.2	1.8	4.3	2.7	1.1
A.1 Retail	6.2	3.6	2.2	0.9	2.2	1.3	0.5	1.2	0.7	0.2
A.2 Restaurants	49.1	31.4	20.2	9.4	22.1	13.9	6.1	14.0	8.5	3.5
A.3 Estate management and security	83.7	73.1	51.2	21.4	56.8	39.4	15.4	43.3	29.8	11.0
A.4 Land transport	11.2	3.1	1.8	1.1	2.0	1.2	0.8	1.2	0.7	0.5
A.5 Elderly homes ⁽⁵⁾	128.1	111.9	86.6	37.2	85.0	67.1	28.4	65.2	51.5	20.7
A.6 Laundry and dry cleaning services	36.8	28.0	18.9	9.3	18.6	11.7	5.1	11.0	6.4	2.7
(B) Other sectors	1.3	0.4	0.2	0.1	0.2	0.1	#	0.1	#	#
B.1 Manufacturing	8.5	4.3	2.5	0.7	2.5	1.4	0.3	1.3	0.7	0.1
B.2 Construction	18.5	4.0	1.3	0.4	2.2	0.6	0.2	1.2	0.3	0.1
B.3 Wholesale and import/export trade	1.2	0.4	0.2	0.1	0.1	0.1	#	0.1	#	#
B.4 Hotels	3.8	1.7	0.8	0.2	0.7	0.3	0.1	0.3	0.1	#
B.5 Other transportation, storage and courier services ⁽⁶⁾	8.4	3.0	1.3	0.6	1.5	0.6	0.2	0.7	0.3	#
B.6 Information and communications	2.1	0.8	0.4	0.1	0.3	0.1	#	0.1	0.1	#
B.7 Financing and insurance	0.1	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	1.2	0.3	0.2	0.1	0.1	0.1	#	0.1	0.1	#
B.9 Professional and business services, scientific and technical activities	7.6	1.8	0.8	0.3	0.8	0.4	0.1	0.3	0.1	#
B.10 Cleaning services	101.8	96.8	90.8	70.7	49.6	45.4	33.3	23.6	20.9	13.0
B.11 Community, social and personal services										
B.12 Others	0.3	0.1	#	#	#	#	#	#	#	#
Overtime pay rate: 1:1.3										
All sectors	0.6	0.3	0.2	0.3	0.2	0.1	0.2	0.1	0.1	#
(A) Relatively long-working-hours sectors	5.8	3.8	1.7	4.1	2.6	1.1	2.7	1.7	0.7	0.7
A.1 Retail	2.3	1.4	0.6	1.4	0.8	0.3	0.8	0.4	0.1	0.1
A.2 Restaurants	19.7	12.8	6.0	14.1	9.0	4.0	9.1	5.6	2.4	2.4
A.3 Estate management and security	44.8	31.3	13.2	34.9	24.1	9.5	26.5	18.1	6.7	6.7
A.4 Land transport	2.0	1.1	0.7	1.3	0.8	0.5	0.8	0.5	0.3	0.3
A.5 Elderly homes ⁽⁵⁾	69.5	53.6	22.5	53.3	41.8	17.2	41.4	32.5	12.5	12.5
A.6 Laundry and dry cleaning services	18.1	12.3	6.1	12.2	7.8	3.4	7.1	4.2	1.8	1.8
(B) Other sectors	0.3	0.2	0.1	0.1	0.1	#	0.1	#	#	#
B.1 Manufacturing	3.0	1.7	0.5	1.8	1.0	0.2	1.0	0.5	0.1	0.1
B.2 Construction	2.7	0.8	0.2	1.5	0.4	0.1	0.8	0.2	#	#
B.3 Wholesale and import/export trade	0.3	0.1	0.1	0.1	#	#	#	#	#	#
B.4 Hotels	1.1	0.5	0.1	0.5	0.2	0.1	0.2	0.1	#	#
B.5 Other transportation, storage and courier services ⁽⁶⁾	2.1	0.9	0.4	1.1	0.4	0.1	0.5	0.2	#	#
B.6 Information and communications	0.6	0.3	0.1	0.3	0.1	#	0.1	#	#	#
B.7 Financing and insurance	#	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	0.2	0.1	#	0.1	0.1	#	0.1	#	#	#
B.9 Professional and business services, scientific and technical activities	1.4	0.6	0.2	0.6	0.3	0.1	0.2	0.1	#	#
B.10 Cleaning services	63.8	59.8	46.8	34.3	31.4	23.3	16.6	14.7	9.2	9.2
B.11 Community, social and personal services										
B.12 Others	0.1	#	#	#	#	#	#	#	#	#
Overtime pay rate: 1:1.0										
All sectors	0.1	0.1	#	0.1	#	#	#	#	#	#
(A) Relatively long-working-hours sectors	0.6	0.4	0.2	0.5	0.3	0.2	0.4	0.2	0.1	0.1
A.1 Retail	0.3	0.1	#	0.2	0.1	#	0.1	#	#	#
A.2 Restaurants	2.3	1.7	0.9	2.1	1.6	0.9	1.8	1.2	0.7	0.7
A.3 Estate management and security	2.4	1.6	0.9	1.9	1.2	0.7	1.2	0.7	0.3	0.3
A.4 Land transport	0.4	0.2	0.1	0.3	0.2	0.1	0.2	0.1	0.1	0.1
A.5 Elderly homes ⁽⁵⁾	6.0	4.0	0.4	5.9	4.0	0.4	5.6	3.9	0.3	0.3
A.6 Laundry and dry cleaning services	3.2	2.4	1.1	2.7	2.0	0.7	1.4	1.0	0.5	0.5
(B) Other sectors	0.1	#	#	0.1	#	#	#	#	#	#
B.1 Manufacturing	1.0	0.6	0.1	0.8	0.4	0.1	0.4	0.2	#	#
B.2 Construction	0.7	0.2	0.1	0.5	0.1	#	0.4	0.1	#	#
B.3 Wholesale and import/export trade	0.2	0.1	#	#	#	#	#	#	#	#
B.4 Hotels	0.2	0.1	#	0.1	0.1	#	0.1	#	#	#
B.5 Other transportation, storage and courier services ⁽⁶⁾	0.7	0.2	0.1	0.4	0.1	0.1	0.2	#	#	#
B.6 Information and communications	0.3	0.1	#	0.1	0.1	#	#	#	#	#
B.7 Financing and insurance	#	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	0.1	#	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	0.7	0.2	0.1	0.3	0.1	#	0.1	#	#	#
B.10 Cleaning services	14.4	13.2	11.1	11.4	10.4	8.4	6.0	5.3	3.5	3.5
B.11 Community, social and personal services										
B.12 Others	#	#	#	#	#	#	#	#	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(2) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(3) Only include enterprises with employees.

(4) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(5) In calculating figures for original profits, subsidies from government and other organisations were also included.

(6) Excluding postal activities.

< 0.05%.

Table IV.1(b): All of the increases in payroll expenses⁽¹⁾ as proportion of profits⁽²⁾ under different parameter combinations by sector (SMEs)⁽³⁾⁽⁴⁾

All of the increases in payroll expenses as proportion of profits in the SMEs in the sector(%)	Parameter combinations									
	Weekly working hours standard: 44 hours			Weekly working hours standard: 48 hours			Weekly working hours standard: 52 hours			
	Total monthly wages of involved employees ⁽⁵⁾									
	≤ \$25,000	≤ \$15,000	≤ \$12,000	≤ \$10,000	≤ \$15,000	≤ \$12,000	≤ \$10,000	≤ \$15,000	≤ \$12,000	≤ \$10,000
Overtime pay rate: 1:1.5										
All sectors	2.3	1.1	0.6	0.3	0.6	0.3	0.1	0.3	0.2	0.1
(A) Relatively long-working-hours sectors	43.0	27.3	17.0	7.1	18.8	11.6	4.6	11.9	7.4	2.8
A.1 Retail	20.6	13.8	8.8	3.3	8.9	5.7	1.9	5.4	3.5	1.1
A.2 Restaurants	93.3	58.6	34.5	14.5	40.8	23.6	9.3	25.5	14.4	5.3
A.3 Estate management and security	27.4	24.8	21.4	11.8	19.2	16.9	9.3	14.4	13.1	7.2
A.4 Land transport	34.9	10.6	4.3	1.0	6.2	2.4	0.4	3.4	1.2	0.1
A.5 Elderly homes ⁽⁶⁾	90.6	78.8	59.9	30.2	61.8	47.2	23.2	47.4	35.8	16.7
A.6 Laundry and dry cleaning services	19.7	18.6	15.5	6.9	12.4	10.3	4.2	7.4	6.3	2.2
(B) Other sectors	1.6	0.6	0.3	0.1	0.2	0.1	0.1	0.1	#	#
B.1 Manufacturing	11.4	6.2	3.2	1.3	3.0	1.5	0.5	1.2	0.6	0.2
B.2 Construction	15.6	3.2	1.0	0.4	1.4	0.4	0.2	0.6	0.1	0.1
B.3 Wholesale and import/export trade	1.7	0.6	0.3	0.1	0.2	0.1	#	0.1	#	#
B.4 Hotels	4.1	3.3	1.7	1.2	2.3	1.1	0.8	1.4	0.6	0.4
B.5 Other transportation, storage and courier services ⁽⁷⁾	15.0	6.0	2.3	0.7	3.2	1.0	0.2	1.6	0.3	#
B.6 Information and communications	4.5	1.8	1.0	0.4	0.6	0.3	0.1	0.2	0.1	0.1
B.7 Financing and insurance	0.1	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	1.4	0.4	0.3	0.1	0.3	0.2	0.1	0.2	0.1	#
B.9 Professional and business services, scientific and technical activities	7.4	2.3	0.9	0.4	0.9	0.3	0.1	0.2	0.1	#
B.10 Cleaning services	30.2	26.6	22.6	16.9	17.5	15.1	11.0	8.9	7.6	4.8
B.11 Community, social and personal services										
B.12 Others	25.7	8.2	7.0	3.9	4.0	3.4	2.0	1.0	0.7	0.6
Overtime pay rate: 1:1.3										
All sectors	0.7	0.4	0.2	0.4	0.2	0.1	0.2	0.1	0.1	#
(A) Relatively long-working-hours sectors	17.2	10.7	4.5	11.9	7.4	2.9	7.7	4.8	1.8	1.8
A.1 Retail	8.6	5.5	2.0	5.6	3.5	1.2	3.4	2.2	0.7	0.7
A.2 Restaurants	37.0	21.9	9.3	26.2	15.3	6.2	16.7	9.5	3.6	3.6
A.3 Estate management and security	15.1	12.9	7.1	11.6	10.2	5.6	8.7	7.8	4.3	4.3
A.4 Land transport	7.0	2.8	0.7	4.2	1.6	0.3	2.3	0.8	0.1	0.1
A.5 Elderly homes ⁽⁶⁾	48.7	36.7	18.2	38.4	29.1	14.0	29.7	22.2	10.1	10.1
A.6 Laundry and dry cleaning services	11.7	9.8	4.3	8.0	6.6	2.7	4.8	4.1	1.5	1.5
(B) Other sectors	0.4	0.2	0.1	0.2	0.1	#	0.1	#	#	#
B.1 Manufacturing	4.3	2.2	0.9	2.2	1.1	0.4	0.9	0.4	0.2	0.2
B.2 Construction	2.1	0.6	0.3	1.0	0.3	0.1	0.4	0.1	#	#
B.3 Wholesale and import/export trade	0.5	0.2	0.1	0.2	0.1	#	0.1	#	#	#
B.4 Hotels	2.1	1.1	0.7	1.5	0.7	0.5	1.0	0.4	0.3	0.3
B.5 Other transportation, storage and courier services ⁽⁷⁾	4.4	1.6	0.5	2.4	0.7	0.2	1.2	0.2	#	#
B.6 Information and communications	1.4	0.8	0.3	0.4	0.2	0.1	0.2	0.1	0.1	#
B.7 Financing and insurance	#	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	0.3	0.2	0.1	0.2	0.1	#	0.1	0.1	#	#
B.9 Professional and business services, scientific and technical activities	1.7	0.6	0.3	0.7	0.2	0.1	0.2	0.1	#	#
B.10 Cleaning services	18.0	15.5	11.7	12.6	11.0	8.1	6.7	5.7	3.7	3.7
B.11 Community, social and personal services										
B.12 Others	6.0	5.2	2.7	3.1	2.7	1.5	0.7	0.5	0.4	0.4
Overtime pay rate: 1:1.0										
All sectors	0.2	0.1	#	0.1	#	#	#	#	#	#
(A) Relatively long-working-hours sectors	2.0	1.2	0.5	1.7	1.0	0.5	1.3	0.7	0.3	0.3
A.1 Retail	0.9	0.5	0.2	0.6	0.3	0.1	0.4	0.2	0.1	0.1
A.2 Restaurants	4.5	3.1	1.6	4.3	2.9	1.5	3.4	2.2	1.1	1.1
A.3 Estate management and security	0.4	0.2	0.1	0.3	0.1	0.1	0.1	#	#	#
A.4 Land transport	1.4	0.5	0.2	1.1	0.4	0.1	0.6	0.2	#	#
A.5 Elderly homes ⁽⁶⁾	3.5	1.9	0.2	3.3	1.9	0.2	3.2	1.8	0.2	0.2
A.6 Laundry and dry cleaning services	1.5	1.2	0.5	1.4	1.1	0.4	1.0	0.8	0.3	0.3
(B) Other sectors	0.2	0.1	#	0.1	#	#	#	#	#	#
B.1 Manufacturing	1.6	0.7	0.3	1.0	0.5	0.2	0.4	0.2	0.1	0.1
B.2 Construction	0.5	0.2	0.1	0.3	0.1	#	0.2	#	#	#
B.3 Wholesale and import/export trade	0.2	0.1	#	0.1	#	#	#	#	#	#
B.4 Hotels	0.4	0.1	0.1	0.3	0.1	0.1	0.3	0.1	0.1	0.1
B.5 Other transportation, storage and courier services ⁽⁷⁾	1.9	0.6	0.2	1.1	0.3	0.1	0.5	0.1	#	#
B.6 Information and communications	0.7	0.4	0.2	0.2	0.1	#	0.1	0.1	#	#
B.7 Financing and insurance	#	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	0.1	#	#	0.1	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	0.9	0.2	0.1	0.3	0.1	#	0.1	#	#	#
B.10 Cleaning services	5.3	4.8	3.8	5.2	4.7	3.8	3.3	2.8	1.9	1.9
B.11 Community, social and personal services										
B.12 Others	2.5	2.4	0.8	1.6	1.6	0.7	0.2	0.1	0.1	0.1

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(2) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(3) SMEs refer to those enterprises with fewer than 50 persons engaged.

(4) Only include enterprises with employees.

(5) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(6) In calculating figures for original profits, subsidies from government and other organisations were also included.

(7) Excluding postal activities.

< 0.05%.

Table IV.2(a): Half of the increases in payroll expenses⁽¹⁾ as proportion of profits⁽²⁾ under different parameter combinations by sector (All enterprises)⁽³⁾

	Parameter combinations									
	Weekly working hours standard: 44 hours			Weekly working hours standard: 48 hours			Weekly working hours standard: 52 hours			
	Total monthly wages of involved employees ⁽⁴⁾									
	≤ \$25,000	≤ \$15,000	≤ \$12,000	≤ \$10,000	≤ \$15,000	≤ \$12,000	≤ \$10,000	≤ \$15,000	≤ \$12,000	≤ \$10,000
Half of the increases in payroll expenses as proportion of profits in the sector(%)										
Overtime pay rate: 1:1.5										
All sectors	1.0	0.5	0.3	0.1	0.3	0.2	0.1	0.2	0.1	#
(A) Relatively long-working-hours sectors	7.2	4.7	3.0	1.4	3.3	2.1	0.9	2.1	1.4	0.5
A.1 Retail	3.1	1.8	1.1	0.5	1.1	0.7	0.3	0.6	0.3	0.1
A.2 Restaurants	24.5	15.7	10.1	4.7	11.0	6.9	3.1	7.0	4.3	1.8
A.3 Estate management and security	41.9	36.5	25.6	10.7	28.4	19.7	7.7	21.7	14.9	5.5
A.4 Land transport	5.6	1.6	0.9	0.6	1.0	0.6	0.4	0.6	0.4	0.2
A.5 Elderly homes ⁽⁵⁾	64.0	56.0	43.3	18.6	42.5	33.5	14.2	32.6	25.8	10.3
A.6 Laundry and dry cleaning services	18.4	14.0	9.4	4.7	9.3	5.8	2.6	5.5	3.2	1.3
(B) Other sectors	0.6	0.2	0.1	0.1	0.1	0.1	#	#	#	#
B.1 Manufacturing	4.2	2.1	1.2	0.4	1.3	0.7	0.2	0.7	0.4	0.1
B.2 Construction	9.2	2.0	0.6	0.2	1.1	0.3	0.1	0.6	0.2	#
B.3 Wholesale and import/export trade	0.6	0.2	0.1	#	0.1	#	#	#	#	#
B.4 Hotels	1.9	0.8	0.4	0.1	0.4	0.2	#	0.1	#	#
B.5 Other transportation, storage and courier services ⁽⁶⁾	4.2	1.5	0.7	0.3	0.7	0.3	0.1	0.3	0.1	#
B.6 Information and communications	1.0	0.4	0.2	0.1	0.2	0.1	#	0.1	#	#
B.7 Financing and insurance	0.1	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	0.6	0.1	0.1	#	0.1	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	3.8	0.9	0.4	0.1	0.4	0.2	0.1	0.1	0.1	#
B.10 Cleaning services	50.9	48.4	45.4	35.3	24.8	22.7	16.7	11.8	10.5	6.5
B.11 Community, social and personal services	Data are not released									
B.12 Others	0.2	#	#	#	#	#	#	#	#	#
Overtime pay rate: 1:1.3										
All sectors	0.3	0.2	0.1	0.2	0.1	#	0.1	0.1	0.1	#
(A) Relatively long-working-hours sectors	2.9	1.9	0.8	2.1	1.3	0.6	1.3	0.9	0.3	0.3
A.1 Retail	1.1	0.7	0.3	0.7	0.4	0.2	0.4	0.2	0.1	0.1
A.2 Restaurants	9.9	6.4	3.0	7.0	4.5	2.0	4.5	2.8	1.2	1.2
A.3 Estate management and security	22.4	15.7	6.6	17.4	12.1	4.7	13.2	9.1	3.4	3.4
A.4 Land transport	1.0	0.6	0.4	0.7	0.4	0.3	0.4	0.2	0.2	0.2
A.5 Elderly homes ⁽⁵⁾	34.8	26.8	11.2	26.7	20.9	8.6	20.7	16.2	6.3	6.3
A.6 Laundry and dry cleaning services	9.0	6.1	3.0	6.1	3.9	1.7	3.6	2.1	0.9	0.9
(B) Other sectors	0.2	0.1	#	0.1	#	#	#	#	#	#
B.1 Manufacturing	1.5	0.8	0.3	0.9	0.5	0.1	0.5	0.3	0.3	#
B.2 Construction	1.3	0.4	0.1	0.8	0.2	0.1	0.4	0.1	#	#
B.3 Wholesale and import/export trade	0.2	0.1	#	0.1	#	#	#	#	#	#
B.4 Hotels	0.5	0.3	0.1	0.3	0.1	#	0.1	#	#	#
B.5 Other transportation, storage and courier services ⁽⁶⁾	1.0	0.4	0.2	0.5	0.2	0.1	0.2	0.1	#	#
B.6 Information and communications	0.3	0.1	#	0.1	0.1	#	#	#	#	#
B.7 Financing and insurance	#	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	0.1	0.1	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	0.7	0.3	0.1	0.3	0.1	#	0.1	#	#	#
B.10 Cleaning services	31.9	29.9	23.4	17.2	15.7	11.7	8.3	7.3	4.6	4.6
B.11 Community, social and personal services	Data are not released									
B.12 Others	#	#	#	#	#	#	#	#	#	#
Overtime pay rate: 1:1.0										
All sectors	0.1	#	#	#	#	#	#	#	#	#
(A) Relatively long-working-hours sectors	0.3	0.2	0.1	0.3	0.2	0.1	0.2	0.1	0.1	0.1
A.1 Retail	0.1	0.1	#	0.1	#	#	0.1	#	#	#
A.2 Restaurants	1.1	0.8	0.5	1.1	0.8	0.4	0.9	0.6	0.3	0.3
A.3 Estate management and security	1.2	0.8	0.5	1.0	0.6	0.3	0.6	0.3	0.2	0.2
A.4 Land transport	0.2	0.1	0.1	0.2	0.1	0.1	0.1	0.1	#	#
A.5 Elderly homes ⁽⁵⁾	3.0	2.0	0.2	2.9	2.0	0.2	2.8	2.0	0.2	0.2
A.6 Laundry and dry cleaning services	1.6	1.2	0.6	1.4	1.0	0.4	0.7	0.5	0.3	0.3
(B) Other sectors	0.1	#	#	#	#	#	#	#	#	#
B.1 Manufacturing	0.5	0.3	0.1	0.4	0.2	#	0.2	0.1	#	#
B.2 Construction	0.3	0.1	#	0.3	0.1	#	0.2	#	#	#
B.3 Wholesale and import/export trade	0.1	#	#	#	#	#	#	#	#	#
B.4 Hotels	0.1	#	#	0.1	#	#	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁶⁾	0.3	0.1	#	0.2	0.1	#	0.1	#	#	#
B.6 Information and communications	0.2	0.1	#	0.1	#	#	#	#	#	#
B.7 Financing and insurance	#	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	0.3	0.1	#	0.2	0.1	#	0.1	#	#	#
B.10 Cleaning services	7.2	6.6	5.5	5.7	5.2	4.2	3.0	2.6	1.7	1.7
B.11 Community, social and personal services	Data are not released									
B.12 Others	#	#	#	#	#	#	#	#	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(2) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(3) Only include enterprises with employees.

(4) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(5) In calculating figures for original profits, subsidies from government and other organisations were also included.

(6) Excluding postal activities.

< 0.05%.

Table IV.2(b): Half of the increases in payroll expenses⁽¹⁾ as proportion of profits⁽²⁾ under different parameter combinations by sector (SMEs)⁽³⁾⁽⁴⁾

Half of the increases in payroll expenses as proportion of profits in the SMEs in the sector(%)	Parameter combinations									
	Weekly working hours standard: 44 hours				Weekly working hours standard: 48 hours			Weekly working hours standard: 52 hours		
	Total monthly wages of involved employees ⁽⁵⁾									
	≤ \$25,000	≤ \$15,000	≤ \$12,000	≤ \$10,000	≤ \$15,000	≤ \$12,000	≤ \$10,000	≤ \$15,000	≤ \$12,000	≤ \$10,000
Overtime pay rate: 1:1.5										
All sectors	1.2	0.5	0.3	0.1	0.3	0.2	0.1	0.2	0.1	#
(A) Relatively long-working-hours sectors	21.5	13.7	8.5	3.5	9.4	5.8	2.3	6.0	3.7	1.4
A.1 Retail	10.3	6.9	4.4	1.6	4.4	2.8	0.9	2.7	1.8	0.5
A.2 Restaurants	46.7	29.3	17.3	7.3	20.4	11.8	4.7	12.7	7.2	2.6
A.3 Estate management and security	13.7	12.4	10.7	5.9	9.6	8.5	4.7	7.2	6.5	3.6
A.4 Land transport	17.4	5.3	2.1	0.5	3.1	1.2	0.2	1.7	0.6	0.1
A.5 Elderly homes ⁽⁶⁾	45.3	39.4	30.0	15.1	30.9	23.6	11.6	23.7	17.9	8.3
A.6 Laundry and dry cleaning services	9.9	9.3	7.8	3.4	6.2	5.2	2.1	3.7	3.2	1.1
(B) Other sectors	0.8	0.3	0.1	0.1	0.1	0.1	#	0.1	#	#
B.1 Manufacturing	5.7	3.1	1.6	0.7	1.5	0.8	0.3	0.6	0.3	0.1
B.2 Construction	7.8	1.6	0.5	0.2	0.7	0.2	0.1	0.3	0.1	#
B.3 Wholesale and import/export trade	0.8	0.3	0.1	0.1	0.1	#	#	#	#	#
B.4 Hotels	2.1	1.7	0.9	0.6	1.1	0.5	0.4	0.7	0.3	0.2
B.5 Other transportation, storage and courier services ⁽⁷⁾	7.5	3.0	1.1	0.3	1.6	0.5	0.1	0.8	0.2	#
B.6 Information and communications	2.2	0.9	0.5	0.2	0.3	0.2	0.1	0.1	0.1	#
B.7 Financing and insurance	#	#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)	0.7	0.2	0.1	#	0.1	0.1	#	0.1	0.1	#
B.9 Professional and business services, scientific and technical activities	3.7	1.1	0.4	0.2	0.4	0.2	0.1	0.1	#	#
B.10 Cleaning services	15.1	13.3	11.3	8.4	8.7	7.6	5.5	4.4	3.8	2.4
B.11 Community, social and personal services										
B.12 Others	12.8	4.1	3.5	2.0	2.0	1.7	1.0	0.5	0.4	0.3
Overtime pay rate: 1:1.3										
All sectors		0.4	0.2	0.1	0.2	0.1	#	0.1	0.1	#
(A) Relatively long-working-hours sectors		8.6	5.3	2.2	6.0	3.7	1.5	3.8	2.4	0.9
A.1 Retail		4.3	2.7	1.0	2.8	1.7	0.6	1.7	1.1	0.3
A.2 Restaurants		18.5	11.0	4.7	13.1	7.6	3.1	8.3	4.8	1.8
A.3 Estate management and security		7.5	6.5	3.6	5.8	5.1	2.8	4.3	3.9	2.2
A.4 Land transport		3.5	1.4	0.3	2.1	0.8	0.2	1.1	0.4	#
A.5 Elderly homes ⁽⁶⁾		24.3	18.4	9.1	19.2	14.5	7.0	14.8	11.1	5.0
A.6 Laundry and dry cleaning services		5.9	4.9	2.2	4.0	3.3	1.3	2.4	2.1	0.7
(B) Other sectors		0.2	0.1	#	0.1	#	#	#	#	#
B.1 Manufacturing		2.2	1.1	0.5	1.1	0.6	0.2	0.4	0.2	0.1
B.2 Construction		1.1	0.3	0.1	0.5	0.1	0.1	0.2	#	#
B.3 Wholesale and import/export trade		0.2	0.1	#	0.1	#	#	#	#	#
B.4 Hotels		1.1	0.5	0.4	0.7	0.3	0.2	0.5	0.2	0.1
B.5 Other transportation, storage and courier services ⁽⁷⁾		2.2	0.8	0.2	1.2	0.4	0.1	0.6	0.1	#
B.6 Information and communications		0.7	0.4	0.2	0.2	0.1	0.1	0.1	0.1	#
B.7 Financing and insurance		#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)		0.1	0.1	#	0.1	0.1	#	0.1	#	#
B.9 Professional and business services, scientific and technical activities		0.9	0.3	0.1	0.3	0.1	#	0.1	#	#
B.10 Cleaning services		9.0	7.7	5.8	6.3	5.5	4.1	3.3	2.8	1.8
B.11 Community, social and personal services										
B.12 Others		3.0	2.6	1.3	1.5	1.3	0.7	0.3	0.2	0.2
Overtime pay rate: 1:1.0										
All sectors		0.1	#	#	#	#	#	#	#	#
(A) Relatively long-working-hours sectors		1.0	0.6	0.3	0.8	0.5	0.2	0.6	0.4	0.2
A.1 Retail		0.5	0.2	0.1	0.3	0.1	0.1	0.2	0.1	#
A.2 Restaurants		2.3	1.5	0.8	2.2	1.4	0.7	1.7	1.1	0.5
A.3 Estate management and security		0.2	0.1	#	0.2	0.1	#	#	#	#
A.4 Land transport		0.7	0.3	0.1	0.6	0.2	0.1	0.3	0.1	#
A.5 Elderly homes ⁽⁶⁾		1.7	1.0	0.1	1.7	0.9	0.1	1.6	0.9	0.1
A.6 Laundry and dry cleaning services		0.7	0.6	0.3	0.7	0.5	0.2	0.5	0.4	0.2
(B) Other sectors		0.1	#	#	#	#	#	#	#	#
B.1 Manufacturing		0.8	0.4	0.2	0.5	0.2	0.1	0.2	0.1	#
B.2 Construction		0.2	0.1	#	0.2	#	#	0.1	#	#
B.3 Wholesale and import/export trade		0.1	#	#	#	#	#	#	#	#
B.4 Hotels		0.2	0.1	#	0.2	0.1	#	0.1	#	#
B.5 Other transportation, storage and courier services ⁽⁷⁾		1.0	0.3	0.1	0.6	0.2	#	0.3	#	#
B.6 Information and communications		0.4	0.2	0.1	0.1	0.1	#	#	#	#
B.7 Financing and insurance		#	#	#	#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)		#	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities		0.4	0.1	#	0.2	#	#	#	#	#
B.10 Cleaning services		2.6	2.4	1.9	2.6	2.3	1.9	1.7	1.4	1.0
B.11 Community, social and personal services										
B.12 Others		1.3	1.2	0.4	0.8	0.8	0.3	0.1	0.1	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(2) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(3) SMEs refer to those enterprises with fewer than 50 persons engaged.

(4) Only include enterprises with employees.

(5) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(6) In calculating figures for original profits, subsidies from government and other organisations were also included.

(7) Excluding postal activities.

< 0.05%.

Table V.1(a)(i): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 44 hours and overtime pay rate of 1:1.5

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$25,000								
All sectors	10 010	4.6	271 800	10.6	9 200	4.4	80 900	6.9
(A) Relatively long-working-hours sectors	3 180	7.5	136 100	19.7	2 800	6.9	35 300	14.3
A.1 Retail	890	4.0	10 800	5.0	840	3.8	4 500	5.9
A.2 Restaurants	1 570	12.2	35 500	14.5	1 410	11.6	22 900	18.2
A.3 Estate management and security	200	22.5	64 600	52.0	90	13.5	1 200	19.0
A.4 Land transport	380	7.9	19 600	26.0	360	7.8	4 900	19.4
A.5 Elderly homes ⁽⁷⁾	140	17.4	5 200	21.7	110	15.9	1 800	15.4
A.6 Laundry and dry cleaning services	10	0.8	400	9.5	#	#	100	3.4
(B) Other sectors	6 830	3.9	135 700	7.3	6 400	3.8	45 600	4.9
B.1 Manufacturing	320	4.6	5 100	5.4	300	4.5	1 100	2.7
B.2 Construction	1 000	6.4	30 800	17.8	780	5.2	14 000	13.8
B.3 Wholesale and import/export trade	2 380	3.0	8 500	1.6	2 370	3.1	7 200	1.7
B.4 Hotels	40	5.0	500	1.2	40	5.7	200	5.5
B.5 Other transportation, storage and courier services ⁽⁸⁾	400	8.5	11 700	9.4	360	8.2	2 100	6.3
B.6 Information and communications	280	4.3	4 000	4.1	260	4.3	2 300	7.2
B.7 Financing and insurance	160	2.3	900	0.4	150	2.4	700	1.6
B.8 Real estate activities (excluding real estate maintenance management services)	90	2.0	700	1.8	90	2.0	700	3.8
B.9 Professional and business services, scientific and technical activities	1 070	4.4	14 900	6.9	1 000	4.3	6 300	6.0
B.10 Cleaning services	100	10.1	45 300	55.4	50	6.5	2 100	31.7
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	6 990	3.2	187 300	7.3	6 570	3.1	49 400	4.2
(A) Relatively long-working-hours sectors	2 400	5.7	116 900	16.9	2 080	5.1	26 500	10.7
A.1 Retail	740	3.3	5 700	2.6	720	3.3	3 300	4.3
A.2 Restaurants	1 210	9.4	29 000	11.8	1 060	8.7	18 500	14.7
A.3 Estate management and security	200	22.1	61 700	49.7	90	13.5	1 200	19.0
A.4 Land transport	110	2.3	15 300	20.4	100	2.2	1 700	6.8
A.5 Elderly homes ⁽⁷⁾	140	17.4	5 200	21.7	110	15.9	1 800	15.4
A.6 Laundry and dry cleaning services	#	#	100	1.6	#	#	100	3.4
(B) Other sectors	4 590	2.6	70 300	3.8	4 490	2.6	22 900	2.5
B.1 Manufacturing	290	4.2	2 600	2.8	290	4.3	900	2.4
B.2 Construction	180	1.1	2 500	1.5	170	1.1	1 100	1.1
B.3 Wholesale and import/export trade	2 080	2.7	5 900	1.1	2 070	2.7	5 600	1.3
B.4 Hotels	40	5.0	500	1.2	40	5.7	200	5.5
B.5 Other transportation, storage and courier services ⁽⁸⁾	190	4.1	5 900	4.7	180	4.1	800	2.5
B.6 Information and communications	80	1.2	1 000	1.1	80	1.3	1 000	3.1
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	90	2.0	700	1.8	90	2.0	700	3.8
B.9 Professional and business services, scientific and technical activities	800	3.3	7 300	3.4	780	3.3	4 600	4.5
B.10 Cleaning services	100	9.8	36 200	44.3	50	6.5	2 100	31.7
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

/...(Cont'd)

Table V.1(a)(i)(Cont'd): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 44 hours and overtime pay rate of 1:1.5

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	5 130	2.4	140 100	5.5	4 750	2.3	33 800	2.9
(A) Relatively long-working-hours sectors	1 660	3.9	81 900	11.9	1 360	3.4	18 200	7.4
A.1 Retail	450	2.0	4 600	2.1	440	2.0	2 600	3.4
A.2 Restaurants	820	6.4	20 900	8.5	680	5.6	11 800	9.4
A.3 Estate management and security	190	21.3	48 600	39.2	90	13.3	1 100	18.6
A.4 Land transport	60	1.3	2 800	3.7	60	1.3	1 000	3.8
A.5 Elderly homes ⁽⁷⁾	130	16.0	5 000	21.1	100	14.2	1 600	14.2
A.6 Laundry and dry cleaning services	#	#	100	1.1	#	#	100	2.4
(B) Other sectors	3 470	2.0	58 200	3.1	3 390	2.0	15 600	1.7
B.1 Manufacturing	110	1.6	2 300	2.4	110	1.6	700	1.8
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 690	2.2	5 200	1.0	1 690	2.2	4 900	1.1
B.4 Hotels	40	4.5	300	0.8	40	5.2	200	5.0
B.5 Other transportation, storage and courier services ⁽⁸⁾	140	3.0	3 200	2.6	130	3.0	500	1.5
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	50	1.0	100	0.4	50	1.0	100	0.8
B.9 Professional and business services, scientific and technical activities	630	2.6	4 500	2.1	630	2.7	3 000	2.9
B.10 Cleaning services	50	4.9	34 200	41.8	#	#	100	1.7
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	3 730	1.7	82 000	3.2	3 630	1.7	21 100	1.8
(A) Relatively long-working-hours sectors	640	1.5	36 800	5.3	590	1.5	7 900	3.2
A.1 Retail	120	0.6	1 500	0.7	120	0.5	1 200	1.6
A.2 Restaurants	320	2.5	6 800	2.8	310	2.6	4 500	3.6
A.3 Estate management and security	110	12.3	24 900	20.0	80	11.7	1 000	15.9
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	40	5.4	1 200	5.2	40	6.2	700	6.4
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	3 090	1.8	45 300	2.4	3 040	1.8	13 200	1.4
B.1 Manufacturing	70	1.0	600	0.6	70	1.0	500	1.1
B.2 Construction	150	0.9	1 000	0.6	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 680	2.1	5 000	0.9	1 680	2.2	4 700	1.1
B.4 Hotels	#	#	100	0.4	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	900	0.7	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	550	2.3	4 100	1.9	540	2.3	2 700	2.7
B.10 Cleaning services	40	3.7	29 400	36.0	#	#	100	1.6
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
(5) SMEs refer to those enterprises with fewer than 50 persons engaged.
(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
(8) Excluding postal activities.
The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
* The number or percentage of employees are less than 50 or 0.05% respectively.
^ Figures are not provided to prevent the deduction of suppressed cells.
Figures for individual sectors may not add up to totals due to rounding.

Table V.1(a)(ii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 44 hours and overtime pay rate of 1:1.3

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of enterprises engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	5 590	2.6	133 200	5.2	5 280	2.5	38 100	3.3
(A) Relatively long-working-hours sectors	1 680	4.0	79 000	11.4	1 450	3.6	20 000	8.1
A.1 Retail	450	2.0	4 600	2.1	440	2.0	2 600	3.4
A.2 Restaurants	860	6.7	20 600	8.4	750	6.1	13 200	10.4
A.3 Estate management and security	160	18.2	47 000	37.8	80	12.0	1 000	17.1
A.4 Land transport	100	2.1	3 400	4.5	100	2.1	1 600	6.4
A.5 Elderly homes ⁽⁷⁾	110	13.2	3 400	14.5	90	13.6	1 500	13.6
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	3 900	2.2	54 200	2.9	3 820	2.3	18 100	2.0
B.1 Manufacturing	110	1.6	2 300	2.4	110	1.6	700	1.8
B.2 Construction	170	1.1	2 000	1.2	170	1.1	1 100	1.1
B.3 Wholesale and import/export trade	1 900	2.4	5 400	1.0	1 900	2.5	5 100	1.2
B.4 Hotels	40	4.5	300	0.8	40	5.2	200	5.0
B.5 Other transportation, storage and courier services ⁽⁸⁾	180	3.9	5 000	4.0	170	3.9	700	2.3
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	50	1.0	100	0.4	50	1.0	100	0.8
B.9 Professional and business services, scientific and technical activities	790	3.3	7 200	3.3	760	3.2	4 500	4.3
B.10 Cleaning services	40	3.5	25 000	30.6	#	#	100	1.6
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	4 430	2.1	102 900	4.0	4 220	2.0	29 100	2.5
(A) Relatively long-working-hours sectors	1 240	2.9	59 000	8.5	1 090	2.7	15 600	6.3
A.1 Retail	340	1.5	2 500	1.1	340	1.6	2 100	2.8
A.2 Restaurants	670	5.2	14 700	6.0	580	4.8	11 000	8.8
A.3 Estate management and security	130	14.2	37 200	30.0	80	11.7	1 000	15.9
A.4 Land transport	50	1.0	2 500	3.3	40	0.9	700	2.7
A.5 Elderly homes ⁽⁷⁾	60	6.8	2 100	8.6	40	6.5	800	6.6
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	3 190	1.8	43 900	2.3	3 140	1.9	13 500	1.5
B.1 Manufacturing	90	1.3	2 100	2.2	90	1.4	600	1.4
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 680	2.1	5 000	0.9	1 680	2.2	4 700	1.1
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	130	2.7	2 700	2.2	120	2.8	500	1.4
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	620	2.6	4 400	2.0	620	2.6	2 900	2.8
B.10 Cleaning services	20	2.1	22 400	27.4	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	3 270	1.5	64 300	2.5	3 200	1.5	15 400	1.3
(A) Relatively long-working-hours sectors	440	1.0	30 700	4.4	390	1.0	4 400	1.8
A.1 Retail	80	0.3	1 000	0.4	70	0.3	700	0.9
A.2 Restaurants	210	1.6	2 900	1.2	200	1.7	2 100	1.7
A.3 Estate management and security	90	10.3	23 600	19.0	60	9.1	700	10.8
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	20	2.9	900	3.6	20	3.2	400	3.1
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 830	1.6	33 600	1.8	2 800	1.7	11 000	1.2
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 660	2.1	4 600	0.9	1 660	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	400	0.3	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	550	2.3	4 100	1.9	540	2.3	2 700	2.7
B.10 Cleaning services	10	1.0	20 300	24.9	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.

(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.

(5) SMEs refer to those enterprises with fewer than 50 persons engaged.

(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.

(8) Excluding postal activities.

The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.

* The number or percentage of employees are less than 50 or 0.05% respectively.

^ Figures are not provided to prevent the deduction of suppressed cells.

Figures for individual sectors may not add up to totals due to rounding.

Table V.1(a)(iii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 44 hours and overtime pay rate of 1:1.0

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	3 150	1.5	25 300	1.0	3 090	1.5	13 000	1.1
(A) Relatively long-working-hours sectors	130	0.3	8 600	1.2	100	0.2	1 300	0.5
A.1 Retail	#	#	300	0.1	#	#	#	*
A.2 Restaurants	#	#	*	*	#	#	#	*
A.3 Estate management and security	80	9.2	7 600	6.1	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	#	*
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	#	*
(B) Other sectors	3 020	1.7	16 700	0.9	2 990	1.8	11 700	1.3
B.1 Manufacturing	70	1.0	600	0.6	70	1.0	500	1.1
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 690	2.2	5 100	1.0	1 680	2.2	4 800	1.1
B.4 Hotels	#	#	100	0.3	#	#	#	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	130	2.8	1 000	0.8	130	3.0	500	1.5
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	#	*
B.9 Professional and business services, scientific and technical activities	630	2.6	4 400	2.0	630	2.7	3 000	2.9
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 760	1.3	19 900	0.8	2 710	1.3	10 500	0.9
(A) Relatively long-working-hours sectors	130	0.3	7 200	1.0	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	*
A.2 Restaurants	#	#	*	*	#	#	#	*
A.3 Estate management and security	80	9.1	6 200	5.0	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	#	*
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	#	*
(B) Other sectors	2 630	1.5	12 700	0.7	2 620	1.5	9 300	1.0
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	*
B.3 Wholesale and import/export trade	1 660	2.1	4 600	0.9	1 660	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.3	#	#	#	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	#	*
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.8	510	2.2	2 500	2.4
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 510	1.2	15 900	0.6	2 470	1.2	9 600	0.8
(A) Relatively long-working-hours sectors	120	0.3	4 200	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	*
A.2 Restaurants	#	#	*	*	#	#	#	*
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	*	*	#	#	#	*
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	#	*
(B) Other sectors	2 380	1.4	11 700	0.6	2 370	1.4	8 400	0.9
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	#	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.

(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.

(5) SMEs refer to those enterprises with fewer than 50 persons engaged.

(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.

(8) Excluding postal activities.

The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.

* The number or percentage of employees are less than 50 or 0.05% respectively.

^ Figures are not provided to prevent the deduction of suppressed cells.

Figures for individual sectors may not add up to totals due to rounding.

Table V.1(b)(i): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 48 hours and overtime pay rate of 1:1.5

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	5 100	2.4	129 700	5.1	4 750	2.3	34 800	3.0
(A) Relatively long-working-hours sectors	1 750	4.1	84 300	12.2	1 460	3.6	20 100	8.1
A.1 Retail	450	2.0	4 600	2.1	440	2.0	2 600	3.4
A.2 Restaurants	890	6.9	22 200	9.1	750	6.1	13 200	10.4
A.3 Estate management and security	190	20.6	49 700	40.0	80	12.2	1 100	17.6
A.4 Land transport	100	2.1	3 500	4.7	100	2.1	1 600	6.4
A.5 Elderly homes ⁽⁷⁾	120	15.1	4 300	18.1	100	14.2	1 600	14.2
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	3 350	1.9	45 400	2.4	3 290	1.9	14 800	1.6
B.1 Manufacturing	110	1.6	2 300	2.4	110	1.6	700	1.8
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 680	2.1	5 000	0.9	1 680	2.2	4 700	1.1
B.4 Hotels	40	4.5	300	0.8	40	5.2	200	5.0
B.5 Other transportation, storage and courier services ⁽⁸⁾	150	3.2	3 400	2.7	150	3.3	700	2.0
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	50	1.0	100	0.4	50	1.0	100	0.8
B.9 Professional and business services, scientific and technical activities	630	2.6	4 500	2.1	630	2.7	3 000	2.9
B.10 Cleaning services	20	2.3	22 300	27.2	#	#	100	1.6
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	4 340	2.0	107 000	4.2	4 110	2.0	28 400	2.4
(A) Relatively long-working-hours sectors	1 290	3.1	67 800	9.8	1 100	2.7	15 800	6.4
A.1 Retail	340	1.5	2 500	1.1	340	1.6	2 100	2.8
A.2 Restaurants	670	5.2	14 700	6.0	580	4.8	11 000	8.8
A.3 Estate management and security	160	18.0	45 300	36.5	80	12.0	1 000	17.1
A.4 Land transport	40	0.9	2 400	3.1	40	0.8	500	2.2
A.5 Elderly homes ⁽⁷⁾	80	9.6	2 900	12.3	60	9.3	1 000	9.0
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	3 040	1.8	39 100	2.1	3 010	1.8	12 600	1.4
B.1 Manufacturing	70	1.0	2 000	2.1	70	1.0	500	1.1
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 660	2.1	4 600	0.9	1 660	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	900	0.7	120	2.7	300	1.1
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	550	2.3	4 200	1.9	540	2.3	2 700	2.7
B.10 Cleaning services	10	1.0	20 300	24.9	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	3 080	1.4	60 600	2.4	3 010	1.4	14 400	1.2
(A) Relatively long-working-hours sectors	450	1.1	30 500	4.4	410	1.0	4 200	1.7
A.1 Retail	70	0.3	600	0.3	60	0.3	300	0.5
A.2 Restaurants	210	1.6	2 900	1.2	200	1.7	2 100	1.7
A.3 Estate management and security	100	11.5	23 700	19.1	70	10.9	700	11.7
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	30	4.1	1 000	4.1	30	4.7	500	4.1
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 620	1.5	30 100	1.6	2 600	1.5	10 200	1.1
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.7	500	2.1	2 400	2.4
B.10 Cleaning services	10	0.8	17 700	21.6	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.

(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.

(5) SMEs refer to those enterprises with fewer than 50 persons engaged.

(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.

(8) Excluding postal activities.

The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.

* The number or percentage of employees are less than 50 or 0.05% respectively.

^ Figures are not provided to prevent the deduction of suppressed cells.

Figures for individual sectors may not add up to totals due to rounding.

Table V.1(b)(ii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 48 hours and overtime pay rate of 1:1.3

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	4 500	2.1	104 100	4.1	4 270	2.0	29 600	2.5
(A) Relatively long-working-hours sectors	1 320	3.1	65 000	9.4	1 130	2.8	16 000	6.5
A.1 Retail	340	1.5	2 500	1.1	340	1.6	2 100	2.8
A.2 Restaurants	700	5.5	15 000	6.1	620	5.1	11 300	9.0
A.3 Estate management and security	160	17.5	42 800	34.5	80	11.7	1 000	15.9
A.4 Land transport	60	1.3	2 700	3.6	60	1.2	900	3.4
A.5 Elderly homes ⁽⁷⁾	60	6.8	2 100	8.6	40	6.5	800	6.6
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	3 180	1.8	39 100	2.1	3 140	1.9	13 500	1.5
B.1 Manufacturing	90	1.3	2 100	2.2	90	1.4	600	1.4
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 680	2.1	5 000	0.9	1 680	2.2	4 700	1.1
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	140	2.9	2 800	2.2	130	3.0	500	1.6
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	620	2.6	4 400	2.0	620	2.6	2 900	2.8
B.10 Cleaning services	10	0.8	17 700	21.6	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	3 620	1.7	73 800	2.9	3 540	1.7	24 300	2.1
(A) Relatively long-working-hours sectors	840	2.0	42 700	6.2	780	1.9	13 200	5.3
A.1 Retail	200	0.9	1 700	0.8	190	0.9	1 400	1.9
A.2 Restaurants	450	3.5	10 600	4.3	440	3.6	9 800	7.8
A.3 Estate management and security	110	12.0	26 000	21.0	70	10.9	700	11.7
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	50	6.5	2 000	8.5	40	6.2	700	6.4
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 780	1.6	31 000	1.7	2 750	1.6	11 100	1.2
B.1 Manufacturing	70	1.0	600	0.6	70	1.0	500	1.1
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 610	2.1	4 500	0.9	1 600	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	400	0.3	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.8	510	2.2	2 500	2.4
B.10 Cleaning services	10	0.8	17 700	21.6	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 720	1.3	35 800	1.4	2 670	1.3	11 200	1.0
(A) Relatively long-working-hours sectors	260	0.6	17 500	2.5	220	0.5	2 300	0.9
A.1 Retail	20	0.1	400	0.2	20	0.1	200	0.2
A.2 Restaurants	100	0.8	1 100	0.5	100	0.8	900	0.7
A.3 Estate management and security	90	9.8	13 500	10.9	60	9.1	700	10.8
A.4 Land transport	40	0.8	2 300	3.1	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.5	#	#	100	0.5
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 470	1.4	18 300	1.0	2 450	1.4	8 900	1.0
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	10	0.5	7 100	8.7	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Note: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.

(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.

(5) SMEs refer to those enterprises with fewer than 50 persons engaged.

(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.

(8) Excluding postal activities.

The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.

* The number or percentage of employees are less than 50 or 0.05% respectively.

^ Figures are not provided to prevent the deduction of suppressed cells.

Figures for individual sectors may not add up to totals due to rounding.

Table V.1(b)(iii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 48 hours and overtime pay rate of 1:1.0

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	2 800	1.3	21 600	0.8	2 740	1.3	11 200	1.0
(A) Relatively long-working-hours sectors	130	0.3	7 200	1.0	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	*	*
A.2 Restaurants	#	#	*	*	#	#	*	*
A.3 Estate management and security	80	9.1	6 200	5.0	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	*	*
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 670	1.5	14 400	0.8	2 650	1.6	10 000	1.1
B.1 Manufacturing	70	1.0	600	0.6	70	1.0	500	1.1
B.2 Construction	#	#	1 000	0.6	#	#	*	*
B.3 Wholesale and import/export trade	1 610	2.1	4 500	0.9	1 600	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	130	2.7	500	0.4	120	2.8	500	1.4
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	550	2.3	4 200	1.9	540	2.3	2 700	2.7
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 510	1.2	16 200	0.6	2 470	1.2	9 700	0.8
(A) Relatively long-working-hours sectors	120	0.3	4 300	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	*	*
A.2 Restaurants	#	#	*	*	#	#	*	*
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	*	*
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 390	1.4	11 900	0.6	2 370	1.4	8 500	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 500	1.2	15 900	0.6	2 460	1.2	9 600	0.8
(A) Relatively long-working-hours sectors	120	0.3	4 200	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	*	*
A.2 Restaurants	#	#	*	*	#	#	*	*
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	*	*	#	#	*	*
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 380	1.4	11 700	0.6	2 370	1.4	8 400	0.9
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
(5) SMEs refer to those enterprises with fewer than 50 persons engaged.
(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
(8) Excluding postal activities.
The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
* The number or percentage of employees are less than 50 or 0.05% respectively.
^ Figures are not provided to prevent the deduction of suppressed cells.
Figures for individual sectors may not add up to totals due to rounding.

Table V.1(c)(i): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 52 hours and overtime pay rate of 1:1.5

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	4 260	2.0	92 700	3.6	4 040	1.9	28 500	2.4
(A) Relatively long-working-hours sectors	1 310	3.1	68 100	9.9	1 120	2.8	16 200	6.6
A.1 Retail	320	1.4	2 300	1.1	320	1.4	2 000	2.7
A.2 Restaurants	700	5.5	15 000	6.1	620	5.1	11 300	9.0
A.3 Estate management and security	160	18.0	45 300	36.5	80	12.0	1 000	17.1
A.4 Land transport	50	1.0	2 600	3.4	50	1.0	700	3.0
A.5 Elderly homes ⁽⁷⁾	80	9.6	2 900	12.3	60	9.3	1 000	9.0
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 950	1.7	24 600	1.3	2 920	1.7	12 400	1.3
B.1 Manufacturing	70	1.0	2 000	2.1	70	1.0	500	1.1
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 610	2.1	4 500	0.9	1 600	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	130	2.7	1 000	0.8	120	2.8	500	1.4
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.8	510	2.2	2 500	2.4
B.10 Cleaning services	10	0.5	7 100	8.7	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	3 260	1.5	63 800	2.5	3 160	1.5	17 700	1.5
(A) Relatively long-working-hours sectors	730	1.7	47 600	6.9	660	1.6	8 200	3.3
A.1 Retail	200	0.9	1 700	0.8	190	0.9	1 400	1.9
A.2 Restaurants	320	2.5	5 200	2.1	310	2.6	4 500	3.6
A.3 Estate management and security	130	13.9	36 300	29.2	80	11.7	1 000	15.9
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	50	6.7	2 000	8.6	40	6.4	700	6.5
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 520	1.5	16 200	0.9	2 500	1.5	9 500	1.0
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	400	0.3	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	4 400	5.4	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 620	1.2	35 000	1.4	2 560	1.2	10 500	0.9
(A) Relatively long-working-hours sectors	200	0.5	23 100	3.3	150	0.4	2 000	0.8
A.1 Retail	20	0.1	400	0.2	20	0.1	200	0.2
A.2 Restaurants	30	0.2	600	0.3	30	0.2	400	0.3
A.3 Estate management and security	90	10.1	18 900	15.2	60	9.1	700	10.8
A.4 Land transport	40	0.8	2 300	3.1	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	10	1.7	800	3.3	10	1.8	300	2.4
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 420	1.4	11 900	0.6	2 400	1.4	8 500	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
(5) SMEs refer to those enterprises with fewer than 50 persons engaged.
(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
(8) Excluding postal activities.
The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
* The number or percentage of employees are less than 50 or 0.05% respectively.
^ Figures are not provided to prevent the deduction of suppressed cells.
Figures for individual sectors may not add up to totals due to rounding.

Table V.1(c)(ii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 52 hours and overtime pay rate of 1:1.3

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	3 700	1.7	61 700	2.4	3 620	1.7	24 400	2.1
(A) Relatively long-working-hours sectors	830	2.0	44 600	6.5	770	1.9	13 100	5.3
A.1 Retail	200	0.9	1 700	0.8	190	0.9	1 400	1.9
A.2 Restaurants	450	3.5	10 500	4.3	440	3.6	9 800	7.8
A.3 Estate management and security	100	11.0	28 400	22.9	60	9.1	700	10.8
A.4 Land transport	40	0.9	2 400	3.1	40	0.8	500	2.2
A.5 Elderly homes ⁽⁷⁾	50	6.3	1 600	6.8	40	6.2	700	6.4
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 870	1.7	17 100	0.9	2 840	1.7	11 200	1.2
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 610	2.1	4 500	0.9	1 600	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	130	2.7	500	0.4	120	2.8	500	1.4
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.8	510	2.2	2 500	2.4
B.10 Cleaning services	#	#	2 800	3.4	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 870	1.3	43 000	1.7	2 800	1.3	13 000	1.1
(A) Relatively long-working-hours sectors	450	1.1	31 000	4.5	390	1.0	4 400	1.8
A.1 Retail	80	0.3	1 000	0.4	70	0.3	700	0.9
A.2 Restaurants	210	1.6	2 300	1.0	200	1.7	2 100	1.7
A.3 Estate management and security	90	10.4	24 000	19.4	60	9.1	700	10.8
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	30	3.9	1 300	5.4	20	3.3	400	3.4
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 420	1.4	12 000	0.6	2 410	1.4	8 600	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 520	1.2	24 600	1.0	2 470	1.2	9 700	0.8
(A) Relatively long-working-hours sectors	130	0.3	12 800	1.9	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	*	*
A.2 Restaurants	#	#	*	*	#	#	*	*
A.3 Estate management and security	90	9.4	11 800	9.5	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.5	#	#	100	0.5
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 380	1.4	11 800	0.6	2 370	1.4	8 400	0.9
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
(5) SMEs refer to those enterprises with fewer than 50 persons engaged.
(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
(8) Excluding postal activities.
The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
* The number or percentage of employees are less than 50 or 0.05% respectively.
^ Figures are not provided to prevent the deduction of suppressed cells.
Figures for individual sectors may not add up to totals due to rounding.

Table V.1(c)(iii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in full by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 52 hours and overtime pay rate of 1:1.0

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	2 510	1.2	16 200	0.6	2 470	1.2	9 700	0.8
(A) Relatively long-working-hours sectors	120	0.3	4 300	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	*	*	#	#	#	#
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	#	#
(B) Other sectors	2 390	1.4	11 900	0.6	2 370	1.4	8 500	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	#	#
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 510	1.2	16 100	0.6	2 470	1.2	9 600	0.8
(A) Relatively long-working-hours sectors	120	0.3	4 300	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	*	*	#	#	#	#
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	#	#
(B) Other sectors	2 380	1.4	11 800	0.6	2 370	1.4	8 400	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	#	#
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 170	1.0	13 800	0.5	2 130	1.0	8 200	0.7
(A) Relatively long-working-hours sectors	70	0.2	2 800	0.4	50	0.1	500	0.2
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	*	*	#	#	#	#
A.3 Estate management and security	30	3.6	1 900	1.5	10	1.9	#	#
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	*	*	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	#	#
(B) Other sectors	2 100	1.2	11 000	0.6	2 080	1.2	7 700	0.8
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 370	1.7	3 700	0.7	1 360	1.8	3 400	0.8
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	30	0.6	100	0.1	30	0.6	100	0.3
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	#	#
B.9 Professional and business services, scientific and technical activities	360	1.5	3 400	1.6	360	1.5	2 100	2.0
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax, gain/loss on disposal of property, machinery and equipment, bad debts/write-off and provisions, etc.
(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
(5) SMEs refer to those enterprises with fewer than 50 persons engaged.
(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
(8) Excluding postal activities.
The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
* The number or percentage of employees are less than 50 or 0.05% respectively.
^ Figures are not provided to prevent the deduction of suppressed cells.
^ Figures for individual sectors may not add up to totals due to rounding.

Table V.2(a)(i): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 44 hours and overtime pay rate of 1:1.5

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$25,000								
All sectors	6 980	3.2	166 400	6.5	6 560	3.1	49 200	4.2
(A) Relatively long-working-hours sectors	1 910	4.5	92 300	13.4	1 650	4.1	20 700	8.4
A.1 Retail	580	2.6	5 200	2.4	570	2.6	2 900	3.8
A.2 Restaurants	960	7.5	22 800	9.3	820	6.8	13 700	10.9
A.3 Estate management and security	160	18.0	45 300	36.5	80	12.0	1 000	17.1
A.4 Land transport	140	3.0	16 200	21.4	130	2.8	2 300	9.0
A.5 Elderly homes ⁽⁷⁾	60	7.4	2 600	11.1	40	6.5	800	6.6
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	5 060	2.9	74 100	4.0	4 910	2.9	28 500	3.1
B.1 Manufacturing	120	1.7	2 500	2.6	120	1.8	800	1.9
B.2 Construction	600	3.8	11 600	6.7	560	3.7	7 300	7.2
B.3 Wholesale and import/export trade	2 170	2.8	6 900	1.3	2 160	2.8	5 900	1.4
B.4 Hotels	40	4.6	500	1.2	40	5.2	200	5.0
B.5 Other transportation, storage and courier services ⁽⁸⁾	330	7.0	8 300	6.7	310	7.0	1 500	4.5
B.6 Information and communications	80	1.2	1 000	1.1	80	1.3	1 000	3.1
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	90	2.0	700	1.8	90	2.0	700	3.8
B.9 Professional and business services, scientific and technical activities	870	3.6	12 600	5.8	820	3.5	5 400	5.2
B.10 Cleaning services	20	2.1	22 400	27.4	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	4 730	2.2	114 100	4.5	4 480	2.1	31 600	2.7
(A) Relatively long-working-hours sectors	1 370	3.2	69 100	10.0	1 160	2.9	16 200	6.6
A.1 Retail	360	1.6	2 900	1.3	360	1.6	2 200	2.8
A.2 Restaurants	720	5.6	18 100	7.4	620	5.1	11 300	9.0
A.3 Estate management and security	160	17.6	43 300	34.9	80	11.7	1 000	15.9
A.4 Land transport	60	1.3	2 800	3.7	60	1.3	1 000	3.8
A.5 Elderly homes ⁽⁷⁾	60	6.8	2 100	8.6	40	6.5	800	6.6
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	3 360	1.9	45 000	2.4	3 320	2.0	15 400	1.7
B.1 Manufacturing	110	1.6	2 300	2.4	110	1.6	700	1.8
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 690	2.2	5 200	1.0	1 690	2.2	4 900	1.1
B.4 Hotels	40	4.5	300	0.8	40	5.2	200	5.0
B.5 Other transportation, storage and courier services ⁽⁸⁾	150	3.2	3 400	2.7	150	3.3	700	2.0
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	700	2.9	5 200	2.4	690	2.9	3 700	3.6
B.10 Cleaning services	10	1.1	21 100	25.8	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

/...(Cont'd)

Table V.2(a)(i) (Cont'd): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 44 hours and overtime pay rate of 1:1.5

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	3 920	1.8	82 700	3.2	3 820	1.8	26 600	2.3
(A) Relatively long-working-hours sectors	860	2.0	45 600	6.6	790	2.0	13 500	5.5
A.1 Retail	200	0.9	1 700	0.8	190	0.9	1 400	1.9
A.2 Restaurants	450	3.5	12 100	4.9	440	3.6	9 800	7.8
A.3 Estate management and security	110	12.7	27 300	22.0	80	11.7	1 000	15.9
A.4 Land transport	40	0.9	2 400	3.1	40	0.8	500	2.2
A.5 Elderly homes ⁽⁷⁾	50	6.5	2 000	8.5	40	6.2	700	6.4
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	3 070	1.8	37 200	2.0	3 030	1.8	13 100	1.4
B.1 Manufacturing	70	1.0	600	0.6	70	1.0	500	1.1
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 680	2.1	5 000	0.9	1 680	2.2	4 700	1.1
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	130	2.7	1 000	0.8	120	2.8	500	1.4
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	550	2.3	4 200	1.9	540	2.3	2 700	2.7
B.10 Cleaning services	10	1.0	20 300	24.9	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	3 060	1.4	55 900	2.2	2 990	1.4	13 400	1.1
(A) Relatively long-working-hours sectors	340	0.8	23 800	3.4	300	0.7	3 200	1.3
A.1 Retail	20	0.1	500	0.2	20	0.1	200	0.3
A.2 Restaurants	180	1.4	1 900	0.8	180	1.5	1 700	1.3
A.3 Estate management and security	90	10.1	18 900	15.2	60	9.1	700	10.8
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	10	0.7	200	0.6	10	0.7	100	0.8
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 720	1.6	32 200	1.7	2 690	1.6	10 200	1.1
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 610	2.1	4 500	0.9	1 600	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	400	0.3	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.8	510	2.2	2 500	2.4
B.10 Cleaning services	10	0.9	19 700	24.1	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.

(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.

(5) SMEs refer to those enterprises with fewer than 50 persons engaged.

(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.

(8) Excluding postal activities.

The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.

* The number or percentage of employees are less than 50 or 0.05% respectively.

^ Figures are not provided to prevent the deduction of suppressed cells.

Figures for individual sectors may not add up to totals due to rounding.

Table V.2(a)(ii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 44 hours and overtime pay rate of 1:1.3

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	4 090	1.9	80 600	3.1	3 990	1.9	27 100	2.3
(A) Relatively long-working-hours sectors	900	2.1	41 500	6.0	840	2.1	13 600	5.5
A.1 Retail	200	0.9	1 700	0.8	190	0.9	1 400	1.9
A.2 Restaurants	520	4.0	11 100	4.5	510	4.2	10 300	8.1
A.3 Estate management and security	100	10.6	24 800	20.0	60	9.1	700	10.8
A.4 Land transport	50	1.0	2 600	3.4	50	1.0	700	3.0
A.5 Elderly homes ⁽⁷⁾	40	5.0	1 400	5.7	30	4.7	500	4.1
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	3 190	1.8	39 200	2.1	3 150	1.9	13 600	1.5
B.1 Manufacturing	90	1.3	2 100	2.2	90	1.4	600	1.4
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 690	2.2	5 100	1.0	1 680	2.2	4 800	1.1
B.4 Hotels	#	#	100	0.4	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	140	2.9	2 700	2.2	130	3.0	500	1.5
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	630	2.6	4 400	2.0	630	2.7	3 000	2.9
B.10 Cleaning services	10	0.8	17 700	21.6	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	3 420	1.6	63 900	2.5	3 350	1.6	18 200	1.6
(A) Relatively long-working-hours sectors	570	1.3	32 800	4.7	520	1.3	7 000	2.8
A.1 Retail	100	0.4	1 300	0.6	90	0.4	1 000	1.3
A.2 Restaurants	320	2.5	4 700	1.9	310	2.6	4 500	3.5
A.3 Estate management and security	90	10.3	23 600	19.0	60	9.1	700	10.8
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	20	2.9	900	3.6	20	3.2	400	3.1
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 850	1.6	31 200	1.7	2 830	1.7	11 200	1.2
B.1 Manufacturing	70	1.0	600	0.6	70	1.0	500	1.1
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 660	2.1	4 600	0.9	1 660	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	400	0.3	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	550	2.3	4 100	1.9	540	2.3	2 700	2.7
B.10 Cleaning services	10	0.8	17 700	21.6	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 780	1.3	32 000	1.3	2 730	1.3	10 900	0.9
(A) Relatively long-working-hours sectors	180	0.4	13 600	2.0	140	0.4	1 800	0.7
A.1 Retail	20	0.1	400	0.2	20	0.1	200	0.2
A.2 Restaurants	30	0.2	600	0.3	30	0.2	400	0.3
A.3 Estate management and security	90	9.4	11 800	9.5	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.5	#	#	100	0.5
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 610	1.5	18 400	1.0	2 590	1.5	9 100	1.0
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 600	2.0	4 400	0.8	1 590	2.1	4 100	1.0
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.7	500	2.1	2 400	2.4
B.10 Cleaning services	10	0.5	7 100	8.7	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.

(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.

(5) SMEs refer to those enterprises with fewer than 50 persons engaged.

(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.

(8) Excluding postal activities.

The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.

* The number or percentage of employees are less than 50 or 0.05% respectively.

^ Figures are not provided to prevent the deduction of suppressed cells.

Figures for individual sectors may not add up to totals due to rounding.

Table V.2(a)(iii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 44 hours and overtime pay rate of 1:1.0

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	2 800	1.3	17 300	0.7	2 750	1.3	10 800	0.9
(A) Relatively long-working-hours sectors	120	0.3	4 300	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	#	#	#	#	#	#
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 670	1.5	13 000	0.7	2 650	1.6	9 500	1.0
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 660	2.1	4 600	0.9	1 660	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	400	0.3	120	2.7	300	1.1
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	550	2.3	4 100	1.9	540	2.3	2 700	2.7
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	#
B.11 Community, social and personal services								
B.12 Others								
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 610	1.2	16 300	0.6	2 570	1.2	9 900	0.8
(A) Relatively long-working-hours sectors	120	0.3	4 200	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	#	#	#	#	#	#
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	#	#	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 480	1.4	12 100	0.6	2 470	1.5	8 700	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 600	2.0	4 400	0.8	1 590	2.1	4 100	1.0
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	#
B.11 Community, social and personal services								
B.12 Others								
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 500	1.2	15 800	0.6	2 460	1.2	9 600	0.8
(A) Relatively long-working-hours sectors	120	0.3	4 100	0.6	90	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	#	#	#	#	#	#
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	500	0.7	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	#	#	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 380	1.4	11 700	0.6	2 370	1.4	8 400	0.9
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	#
B.11 Community, social and personal services								
B.12 Others								

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.

(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.

(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.

(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.

(5) SMEs refer to those enterprises with fewer than 50 persons engaged.

(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.

(8) Excluding postal activities.

The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.

* The number or percentage of employees are less than 50 or 0.05% respectively.

^ Figures are not provided to prevent the deduction of suppressed cells.

Figures for individual sectors may not add up to totals due to rounding.

Table V.2(b)(i): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 48 hours and overtime pay rate of 1:1.5

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	4 000	1.9	78 500	3.1	3 900	1.9	27 000	2.3
(A) Relatively long-working-hours sectors	970	2.3	55 000	8.0	900	2.2	14 400	5.8
A.1 Retail	200	0.9	1 700	0.8	190	0.9	1 400	1.9
A.2 Restaurants	550	4.3	13 200	5.4	540	4.5	10 800	8.6
A.3 Estate management and security	120	13.3	36 000	29.0	70	10.9	700	11.7
A.4 Land transport	50	1.0	2 500	3.4	40	1.0	700	2.8
A.5 Elderly homes ⁽⁷⁾	50	6.3	1 600	6.8	40	6.2	700	6.4
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	3 030	1.7	23 500	1.3	3 010	1.8	12 600	1.4
B.1 Manufacturing	70	1.0	600	0.6	70	1.0	500	1.1
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 660	2.1	4 600	0.9	1 660	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.4	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	130	2.7	1 000	0.8	120	2.8	500	1.4
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	550	2.3	4 200	1.9	540	2.3	2 700	2.7
B.10 Cleaning services	10	0.5	7 100	8.7	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	3 280	1.5	51 000	2.0	3 200	1.5	17 200	1.5
(A) Relatively long-working-hours sectors	590	1.4	34 300	5.0	540	1.3	7 200	2.9
A.1 Retail	100	0.5	1 300	0.6	100	0.4	1 000	1.3
A.2 Restaurants	320	2.5	5 200	2.1	310	2.6	4 500	3.6
A.3 Estate management and security	90	10.4	24 000	19.4	60	9.1	700	10.8
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	40	5.0	1 400	5.7	30	4.7	500	4.1
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 680	1.5	16 800	0.9	2 660	1.6	10 100	1.1
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 600	2.0	4 400	0.8	1 590	2.1	4 100	1.0
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	400	0.3	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.8	510	2.2	2 500	2.4
B.10 Cleaning services	#	#	4 400	5.4	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 590	1.2	30 300	1.2	2 540	1.2	10 200	0.9
(A) Relatively long-working-hours sectors	170	0.4	16 800	2.4	130	0.3	1 700	0.7
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	30	0.2	600	0.3	30	0.2	400	0.3
A.3 Estate management and security	90	9.7	13 400	10.8	60	9.1	700	10.8
A.4 Land transport	40	0.8	2 300	3.1	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.5	#	#	100	0.5
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 420	1.4	13 500	0.7	2 410	1.4	8 600	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	2 800	3.4	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
(5) SMEs refer to those enterprises with fewer than 50 persons engaged.
(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
(8) Excluding postal activities.
The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
* The number or percentage of employees are less than 50 or 0.05% respectively.
^ Figures are not provided to prevent the deduction of suppressed cells.
Figures for individual sectors may not add up to totals due to rounding.

Table V.2(b)(ii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 48 hours and overtime pay rate of 1:1.3

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	3 570	1.7	53 200	2.1	3 500	1.7	18 900	1.6
(A) Relatively long-working-hours sectors	570	1.4	33 700	4.9	530	1.3	7 000	2.9
A.1 Retail	100	0.4	1 300	0.6	90	0.4	1 000	1.3
A.2 Restaurants	320	2.5	5 200	2.1	310	2.6	4 500	3.6
A.3 Estate management and security	90	10.4	24 000	19.4	60	9.1	700	10.8
A.4 Land transport	40	0.9	2 400	3.1	40	0.8	500	2.2
A.5 Elderly homes ⁽⁷⁾	20	2.9	900	3.6	20	3.2	400	3.1
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	3 000	1.7	19 400	1.0	2 970	1.8	11 900	1.3
B.1 Manufacturing	70	1.0	600	0.6	70	1.0	500	1.1
B.2 Construction	150	1.0	1 800	1.0	150	1.0	800	0.8
B.3 Wholesale and import/export trade	1 660	2.1	4 600	0.9	1 660	2.1	4 200	1.0
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	130	2.7	500	0.4	120	2.8	500	1.4
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	550	2.3	4 100	1.9	540	2.3	2 700	2.7
B.10 Cleaning services	#	#	4 400	5.4	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 850	1.3	36 300	1.4	2 790	1.3	12 000	1.0
(A) Relatively long-working-hours sectors	340	0.8	22 500	3.3	300	0.7	3 200	1.3
A.1 Retail	20	0.1	500	0.2	20	0.1	200	0.3
A.2 Restaurants	180	1.4	1 900	0.8	180	1.5	1 700	1.3
A.3 Estate management and security	90	10.1	18 900	15.2	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	10	0.9	600	2.5	10	0.7	100	0.8
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 510	1.4	13 800	0.7	2 490	1.5	8 800	1.0
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.7	500	2.1	2 400	2.4
B.10 Cleaning services	#	#	2 800	3.4	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 510	1.2	20 300	0.8	2 470	1.2	9 600	0.8
(A) Relatively long-working-hours sectors	130	0.3	8 500	1.2	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	*	*
A.2 Restaurants	#	#	*	*	#	#	*	*
A.3 Estate management and security	80	9.2	7 600	6.1	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.4	#	#	*	*
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 390	1.4	11 800	0.6	2 370	1.4	8 500	0.9
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
- (2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
- (3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
- (4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
- (5) SMEs refer to those enterprises with fewer than 50 persons engaged.
- (6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
- (7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
- (8) Excluding postal activities.
- # The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
- * The number or percentage of employees are less than 50 or 0.05% respectively.
- ^ Figures are not provided to prevent the deduction of suppressed cells.
- Figures for individual sectors may not add up to totals due to rounding.

Table V.2(b)(iii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 48 hours and overtime pay rate of 1:1.0

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	2 600	1.2	16 500	0.6	2 550	1.2	10 000	0.9
(A) Relatively long-working-hours sectors	120	0.3	4 300	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	*	*	#	#	#	#
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	#	#
(B) Other sectors	2 470	1.4	12 200	0.7	2 460	1.4	8 800	1.0
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	#	#
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.8	510	2.2	2 500	2.4
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 510	1.2	16 000	0.6	2 470	1.2	9 600	0.8
(A) Relatively long-working-hours sectors	120	0.3	4 200	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	*	*	#	#	#	#
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	*	*	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	#	#
(B) Other sectors	2 380	1.4	11 800	0.6	2 370	1.4	8 400	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	#	#
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 440	1.1	14 900	0.6	2 400	1.1	9 400	0.8
(A) Relatively long-working-hours sectors	120	0.3	3 300	0.5	90	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	*	*	#	#	#	#
A.3 Estate management and security	80	8.7	2 500	2.0	60	9.1	700	10.8
A.4 Land transport	40	0.8	500	0.7	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	*	*	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	#	#
(B) Other sectors	2 320	1.3	11 600	0.6	2 300	1.4	8 300	0.9
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	#	#
B.9 Professional and business services, scientific and technical activities	360	1.5	3 400	1.6	360	1.5	2 100	2.0
B.10 Cleaning services	#	#	1 200	1.5	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
- (2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
- (3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
- (4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
- (5) SMEs refer to those enterprises with fewer than 50 persons engaged.
- (6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
- (7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
- (8) Excluding postal activities.
- # The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
- * The number or percentage of employees are less than 50 or 0.05% respectively.
- ^ Figures are not provided to prevent the deduction of suppressed cells.
- Figures for individual sectors may not add up to totals due to rounding.

Table V.2(c)(i): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 52 hours and overtime pay rate of 1:1.5

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	3 150	1.5	48 500	1.9	3 070	1.5	16 400	1.4
(A) Relatively long-working-hours sectors	590	1.4	35 000	5.1	530	1.3	7 200	2.9
A.1 Retail	100	0.4	1 300	0.6	90	0.4	1 000	1.3
A.2 Restaurants	320	2.5	5 200	2.1	310	2.6	4 500	3.6
A.3 Estate management and security	100	10.6	24 800	20.0	60	9.1	700	10.8
A.4 Land transport	40	0.8	2 400	3.1	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	40	5.0	1 400	5.7	30	4.7	500	4.1
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 550	1.5	13 500	0.7	2 530	1.5	9 200	1.0
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	1 000	0.6	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.4	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.6	400	0.3	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	510	2.1	3 800	1.7	500	2.1	2 400	2.4
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 790	1.3	39 500	1.5	2 730	1.3	12 000	1.0
(A) Relatively long-working-hours sectors	400	1.0	27 600	4.0	360	0.9	3 600	1.4
A.1 Retail	70	0.3	600	0.3	60	0.3	300	0.4
A.2 Restaurants	180	1.4	1 900	0.8	180	1.5	1 700	1.3
A.3 Estate management and security	90	10.3	23 600	19.0	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	20	2.9	900	3.6	20	3.2	400	3.1
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 390	1.4	11 900	0.6	2 370	1.4	8 500	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 420	1.1	20 100	0.8	2 380	1.1	9 500	0.8
(A) Relatively long-working-hours sectors	130	0.3	8 600	1.2	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	*	*
A.2 Restaurants	#	#	*	*	#	#	*	*
A.3 Estate management and security	80	9.2	7 600	6.1	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.5	#	#	100	0.5
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 290	1.3	11 600	0.6	2 280	1.3	8 200	0.9
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	30	0.6	100	0.1	30	0.6	100	0.3
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
- (2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
- (3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
- (4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
- (5) SMEs refer to those enterprises with fewer than 50 persons engaged.
- (6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
- (7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
- (8) Excluding postal activities.
- * The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
- # The number or percentage of employees are less than 50 or 0.05% respectively.
- ^ Figures are not provided to prevent the deduction of suppressed cells.
- Figures for individual sectors may not add up to totals due to rounding.

Table V.2(c)(ii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 52 hours and overtime pay rate of 1:1.3

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	2 730	1.3	39 200	1.5	2 670	1.3	11 700	1.0
(A) Relatively long-working-hours sectors	340	0.8	27 200	3.9	300	0.7	3 200	1.3
A.1 Retail	20	0.1	500	0.2	20	0.1	200	0.3
A.2 Restaurants	180	1.4	1 900	0.8	180	1.5	1 700	1.3
A.3 Estate management and security	90	10.3	23 600	19.0	60	9.1	700	10.8
A.4 Land transport	40	0.8	700	0.9	40	0.8	500	2.1
A.5 Elderly homes ⁽⁷⁾	10	0.9	600	2.5	10	0.7	100	0.8
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 390	1.4	11 900	0.6	2 370	1.4	8 500	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.9
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^		^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 560	1.2	27 300	1.1	2 510	1.2	10 200	0.9
(A) Relatively long-working-hours sectors	180	0.4	15 500	2.2	140	0.4	1 800	0.7
A.1 Retail	20	0.1	400	0.2	20	0.1	200	0.2
A.2 Restaurants	30	0.2	400	0.2	30	0.2	400	0.3
A.3 Estate management and security	90	9.7	13 400	10.8	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	10	0.6	600	2.4	#	#	100	0.5
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 380	1.4	11 800	0.6	2 370	1.4	8 400	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^		^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 360	1.1	20 000	0.8	2 310	1.1	9 300	0.8
(A) Relatively long-working-hours sectors	130	0.3	8 500	1.2	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	*	*
A.2 Restaurants	#	#	*	*	#	#	*	*
A.3 Estate management and security	80	9.2	7 600	6.1	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	*	*
A.6 Laundry and dry cleaning services	#	#	*	*	#	#	*	*
(B) Other sectors	2 230	1.3	11 400	0.6	2 210	1.3	8 100	0.9
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	*	*
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	*	*
B.5 Other transportation, storage and courier services ⁽⁸⁾	30	0.6	100	0.1	30	0.6	100	0.3
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	*	*	#	#	*	*
B.9 Professional and business services, scientific and technical activities	360	1.5	3 400	1.6	360	1.5	2 100	2.0
B.10 Cleaning services	#	#	1 200	1.5	#	#	*	*
B.11 Community, social and personal services								
B.12 Others	^	^	^		^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
- (2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
- (3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
- (4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
- (5) SMEs refer to those enterprises with fewer than 50 persons engaged.
- (6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
- (7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
- (8) Excluding postal activities.
- # The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
- * The number or percentage of employees are less than 50 or 0.05% respectively.
- ^ Figures are not provided to prevent the deduction of suppressed cells.
- Figures for individual sectors may not add up to totals due to rounding.

Table V.2(c)(iii): Number of enterprises⁽³⁾ turning from profits⁽¹⁾ to losses after offsetting the increases in payroll expenses⁽²⁾ in half by profit and number of employees⁽⁴⁾ engaged by these enterprises under the parameter combinations with weekly working hours standard of 52 hours and overtime pay rate of 1:1.0

	All enterprises				SMEs ⁽⁵⁾			
	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)	Number of enterprises turning from profits to losses (No.)	Proportion of enterprises turning from profits to losses in respective sector (%)	Number of employees engaged by enterprises turning from profits to losses (Person)	Proportion of employees engaged by enterprises turning from profits to losses in respective sector (%)
Total monthly wages of involved employees⁽⁶⁾: ≤\$15,000								
All sectors	2 510	1.2	14 900	0.6	2 470	1.2	9 600	0.8
(A) Relatively long-working-hours sectors	120	0.3	4 300	0.6	100	0.2	1 200	0.5
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	#	#	#	#	#	#
A.3 Estate management and security	80	8.8	3 300	2.7	60	9.1	700	10.8
A.4 Land transport	40	0.8	600	0.8	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	100	0.3	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 380	1.4	10 600	0.6	2 370	1.4	8 400	0.9
B.1 Manufacturing	30	0.4	200	0.2	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	430	1.8	3 500	1.6	420	1.8	2 200	2.1
B.10 Cleaning services	#	#	#	#	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$12,000								
All sectors	2 390	1.1	13 000	0.5	2 350	1.1	8 800	0.8
(A) Relatively long-working-hours sectors	70	0.2	2 700	0.4	50	0.1	500	0.2
A.1 Retail	#	#	300	0.1	#	#	#	#
A.2 Restaurants	#	#	#	#	#	#	#	#
A.3 Estate management and security	30	3.6	1 900	1.5	10	1.9	#	#
A.4 Land transport	40	0.8	500	0.7	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	#	#	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 320	1.3	10 400	0.6	2 300	1.4	8 300	0.9
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	100	0.1	#	#	#	#
B.3 Wholesale and import/export trade	1 500	1.9	4 100	0.8	1 500	1.9	3 800	0.9
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	120	2.5	300	0.2	120	2.7	300	0.8
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	360	1.5	3 400	1.6	360	1.5	2 100	2.0
B.10 Cleaning services	#	#	#	#	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^
Total monthly wages of involved employees⁽⁶⁾: ≤\$10,000								
All sectors	2 160	1.0	12 200	0.5	2 130	1.0	8 200	0.7
(A) Relatively long-working-hours sectors	70	0.2	2 500	0.4	50	0.1	500	0.2
A.1 Retail	#	#	200	0.1	#	#	#	#
A.2 Restaurants	#	#	#	#	#	#	#	#
A.3 Estate management and security	30	3.6	1 900	1.5	10	1.9	#	#
A.4 Land transport	40	0.8	500	0.7	40	0.8	500	2.0
A.5 Elderly homes ⁽⁷⁾	#	#	#	#	#	#	#	#
A.6 Laundry and dry cleaning services	#	#	#	#	#	#	#	#
(B) Other sectors	2 090	1.2	9 600	0.5	2 080	1.2	7 700	0.8
B.1 Manufacturing	30	0.4	100	0.1	30	0.4	100	0.2
B.2 Construction	#	#	#	#	#	#	#	#
B.3 Wholesale and import/export trade	1 370	1.7	3 700	0.7	1 360	1.8	3 400	0.8
B.4 Hotels	#	#	100	0.3	#	#	#	#
B.5 Other transportation, storage and courier services ⁽⁸⁾	30	0.6	100	0.1	30	0.6	100	0.3
B.6 Information and communications	80	1.2	1 000	1.0	80	1.3	1 000	3.0
B.7 Financing and insurance	130	1.9	700	0.3	130	2.0	500	1.1
B.8 Real estate activities (excluding real estate maintenance management services)	#	#	#	#	#	#	#	#
B.9 Professional and business services, scientific and technical activities	360	1.5	3 400	1.6	360	1.5	2 100	2.0
B.10 Cleaning services	#	#	#	#	#	#	#	#
B.11 Community, social and personal services								
B.12 Others	^	^	^	^	^	^	^	^

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey and 2013 Annual Survey of Economic Activities, Census and Statistics Department.

- Notes: (1) Earnings before tax (abbreviated as profits) refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/write-off and provisions, etc.
(2) Payroll expenses include wages and salaries, employers' contributions to the Mandatory Provident Fund (MPF), provident funds and pensions. For the purpose of impact assessment, the increase in payroll expenses is estimated based on the increase in wage bill. The increase in wage bill is based on the assumption that the number of working hours of all involved employees remains unchanged, while their working hours above the weekly working hours standard will be treated as overtime. Overtime compensation will be determined according to the selected overtime pay rate or the prevailing overtime pay rate of the enterprise, whichever is higher.
(3) Only include enterprises with employees, but not those without business receipts (including local representative offices of overseas companies). The number of enterprises is rounded to the nearest ten while percentage is derived from unrounded figures.
(4) The number of employees is rounded to the nearest hundred while percentage is derived from unrounded figures.
(5) SMEs refer to those enterprises with fewer than 50 persons engaged.
(6) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.
(7) In calculating figures for original business receipts and profits, subsidies from government and other organisations were also included.
(8) Excluding postal activities.
The number or percentage of enterprises turning from profits to losses are less than 5 or 0.05% respectively.
* The number or percentage of employees are less than 50 or 0.05% respectively.
^ Figures are not provided to prevent the deduction of suppressed cells.
Figures for individual sectors may not add up to totals due to rounding.

Table VI: Labour input of involved employees above different weekly working hours standards (i.e. total hours of work involved⁽¹⁾), expressed as number of full-time equivalent jobs⁽²⁾

	Total monthly wages of involved employees ⁽³⁾							
	≤ \$25,000		≤ \$15,000		≤ \$12,000		≤ \$10,000	
	Proportion of total hours of work involved among total labour input (%)	Full-time equivalent jobs (No.)	Proportion of total hours of work involved among total labour input (%)	Full-time equivalent jobs (No.)	Proportion of total hours of work involved among total labour input (%)	Full-time equivalent jobs (No.)	Proportion of total hours of work involved among total labour input (%)	Full-time equivalent jobs (No.)
Weekly working hours standard: 44 hours								
All sectors	9.6	304 000	6.4	194 500	4.3	125 700	2.0	55 800
(A) Relatively long-working-hours sectors	17.7	166 100	13.8	124 600	9.7	82 800	4.4	34 700
A.1 Retail	14.3	43 900	10.7	31 400	7.3	20 700	3.1	8 400
A.2 Restaurants	19.6	50 600	14.6	35 500	10.1	23 700	4.9	10 900
A.3 Estate management and security	24.8	49 300	23.1	45 300	17.1	30 600	7.4	11 500
A.4 Land transport	11.4	16 200	5.3	7 100	2.9	3 800	1.6	2 000
A.5 Elderly homes	21.4	5 100	19.8	4 600	16.1	3 600	7.7	1 600
A.6 Laundry and dry cleaning services	16.3	1 000	13.3	800	9.2	500	5.0	300
(B) Other sectors	6.2	137 900	3.3	69 900	2.0	42 900	1.0	21 100
B.1 Manufacturing	10.9	13 200	6.7	7 800	4.3	4 800	1.5	1 600
B.2 Construction	11.2	33 600	3.3	9 200	1.4	3 700	0.4	1 000
B.3 Wholesale and import/export trade	3.5	17 400	1.9	9 100	1.1	5 100	0.5	2 500
B.4 Hotels	10.3	5 100	6.0	2 800	3.0	1 400	0.9	400
B.5 Other transportation, storage, postal and courier services	9.9	12 900	4.5	5 500	2.3	2 800	1.0	1 200
B.6 Information and communications	3.3	3 500	1.7	1 800	0.9	1 000	0.4	400
B.7 Financing and insurance	1.2	2 600	0.4	800	0.2	500	0.2	400
B.8 Real estate activities (excluding real estate maintenance management services)	6.7	2 700	2.7	1 000	2.0	800	0.6	200
B.9 Professional and business services, scientific and technical activities	4.1	8 100	1.8	3 600	1.1	2 100	0.5	900
B.10 Cleaning services	12.8	8 800	12.4	8 500	11.8	8 000	9.2	6 100
B.11 Community, social and personal services	6.0	29 400	4.1	19 500	2.7	12 800	1.4	6 500
B.12 Others	4.1	700	1.5	200	1.0	200	0.5	100
Weekly working hours standard: 48 hours								
All sectors			4.0	116 000	2.7	75 000	1.2	30 900
(A) Relatively long-working-hours sectors			9.7	82 900	6.8	55 100	2.9	22 000
A.1 Retail			6.7	18 700	4.5	12 200	1.7	4 500
A.2 Restaurants			10.1	23 200	6.8	15 200	3.1	6 700
A.3 Estate management and security			18.2	33 000	13.2	22 400	5.4	8 100
A.4 Land transport			3.3	4 300	1.8	2 300	1.1	1 300
A.5 Elderly homes			15.2	3 300	12.6	2 700	5.9	1 200
A.6 Laundry and dry cleaning services			8.6	500	5.5	300	2.7	100
(B) Other sectors			1.6	33 000	1.0	19 900	0.4	8 900
B.1 Manufacturing			3.7	4 100	2.3	2 500	0.6	700
B.2 Construction			1.8	4 800	0.7	1 900	0.2	400
B.3 Wholesale and import/export trade			0.7	3 300	0.4	1 700	0.2	800
B.4 Hotels			2.5	1 100	1.0	500	0.4	200
B.5 Other transportation, storage, postal and courier services			2.2	2 600	1.0	1 200	0.3	400
B.6 Information and communications			0.7	700	0.4	400	0.1	100
B.7 Financing and insurance			0.1	300	0.1	200	#	#
B.8 Real estate activities (excluding real estate maintenance management services)			1.6	600	1.2	500	0.3	100
B.9 Professional and business services, scientific and technical activities			0.8	1 500	0.5	900	0.2	300
B.10 Cleaning services			6.0	3 800	5.6	3 500	4.0	2 500
B.11 Community, social and personal services			2.2	10 100	1.5	6 700	0.8	3 300
B.12 Others			0.5	100	0.3	100	#	#
Weekly working hours standard: 52 hours								
All sectors			2.5	69 200	1.7	44 700	0.7	17 100
(A) Relatively long-working-hours sectors			6.6	53 400	4.5	35 200	1.8	13 300
A.1 Retail			3.8	10 300	2.5	6 600	0.8	2 200
A.2 Restaurants			6.2	13 700	4.1	8 700	1.7	3 600
A.3 Estate management and security			14.1	24 100	10.1	16 400	3.9	5 800
A.4 Land transport			2.0	2 500	1.1	1 300	0.6	800
A.5 Elderly homes			11.6	2 400	9.5	1 900	4.3	800
A.6 Laundry and dry cleaning services			5.3	300	3.1	200	1.3	100
(B) Other sectors			0.8	15 800	0.5	9 500	0.2	3 800
B.1 Manufacturing			2.0	2 100	1.2	1 300	0.3	300
B.2 Construction			0.9	2 400	0.4	1 000	0.1	200
B.3 Wholesale and import/export trade			0.3	1 300	0.1	500	*	200
B.4 Hotels			1.0	400	0.3	100	0.1	100
B.5 Other transportation, storage, postal and courier services			1.2	1 300	0.5	600	0.1	100
B.6 Information and communications			0.3	300	0.1	100	*	100
B.7 Financing and insurance			#	#	#	#	#	#
B.8 Real estate activities (excluding real estate maintenance management services)			1.0	400	0.8	300	0.1	*
B.9 Professional and business services, scientific and technical activities			0.3	500	0.2	300	0.1	100
B.10 Cleaning services			3.0	1 800	2.8	1 700	1.6	1 000
B.11 Community, social and personal services			1.2	5 100	0.8	3 600	0.4	1 800
B.12 Others			#	#	#	#	#	#

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department.

Notes: (1) The total hours of work involved refer to the labour inputs of involved employees that are above the weekly working hours standard.

(2) For the purpose of impact assessment, the total hours of work are assumed to be reduced to the weekly working hours standard. In estimating the number of full-time equivalent jobs, the number of weekly working hours involved in the relevant sectors and occupational groups is divided by the average number of weekly working hours of full-time employees in the groups after the total number of working hours of involved employees in the groups are reduced to the weekly working hours standard. The number of full-time equivalent jobs is rounded to the nearest hundred.

(3) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

Figures are not released due to relatively large sampling error.

* Less than 0.05% or less than 50 jobs.

Figures for individual sectors may not add up to totals due to rounding.

Table VII: Impact of increases in wage bill on inflation under different parameter combinations⁽¹⁾

Parameter combinations			Increase in the Composite Consumer Price Index (Percentage point)
Weekly working hours standard	Overtime pay rate	Total monthly wages of involved employees ⁽²⁾	
44 hours	1:1.5	≤\$25,000	4.06
		≤\$15,000	1.95
		≤\$12,000	1.17
		≤\$10,000	0.52
	1:1.3	≤\$15,000	1.27
		≤\$12,000	0.75
		≤\$10,000	0.33
	1:1.0	≤\$15,000	0.25
		≤\$12,000	0.12
≤\$10,000		0.06	
48 hours	1:1.5	≤\$15,000	1.19
		≤\$12,000	0.72
		≤\$10,000	0.30
	1:1.3	≤\$15,000	0.78
		≤\$12,000	0.47
		≤\$10,000	0.20
	1:1.0	≤\$15,000	0.16
		≤\$12,000	0.08
		≤\$10,000	*
52 hours	1:1.5	≤\$15,000	0.72
		≤\$12,000	0.43
		≤\$10,000	0.17
	1:1.3	≤\$15,000	0.47
		≤\$12,000	0.28
		≤\$10,000	0.11
	1:1.0	≤\$15,000	0.09
		≤\$12,000	*
		≤\$10,000	*

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department; Estimates of the Secretariat to the Standard Working Hours Committee.

Notes: (1) Based on the historical data for the period of 1997 to 2015, an econometric model is adopted to crudely assess the impact of increases in wage bill of different parameter combinations on the Composite Consumer Price Index under the scenario of a 2% real economic growth.

(2) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

* Less than 0.05 percentage point.

Table VIII: Number of potential job losses arising from the increases in wage bill under different parameter combinations⁽¹⁾

Parameter combinations			Potential job losses (No.)
Weekly working hours standard	Overtime pay rate	Total monthly wages of involved employees ⁽²⁾	
44 hours	1:1.5	≤\$25,000	34 000
		≤\$15,000	16 300
		≤\$12,000	9 800
		≤\$10,000	4 400
	1:1.3	≤\$15,000	10 700
		≤\$12,000	6 300
		≤\$10,000	2 800
	1:1.0	≤\$15,000	2 100
		≤\$12,000	1 000
≤\$10,000		*	
48 hours	1:1.5	≤\$15,000	10 000
		≤\$12,000	6 000
		≤\$10,000	2 500
	1:1.3	≤\$15,000	6 500
		≤\$12,000	3 900
		≤\$10,000	1 600
	1:1.0	≤\$15,000	1 300
		≤\$12,000	700
		≤\$10,000	*
52 hours	1:1.5	≤\$15,000	6 000
		≤\$12,000	3 600
		≤\$10,000	1 400
	1:1.3	≤\$15,000	3 900
		≤\$12,000	2 300
		≤\$10,000	900
	1:1.0	≤\$15,000	800
		≤\$12,000	*
		≤\$10,000	*

Sources: 2014 Household Survey on Working Hours Situation, Standard Working Hours Committee; 2014 Annual Earnings and Hours Survey, Census and Statistics Department; Estimates of the Secretariat to the Standard Working Hours Committee.

Notes: (1) Based on the historical data collected for the period of 1997 to 2015, an econometric model is adopted to crudely estimate the potential job losses arising from the increases in wage bill of different parameter combinations under the scenario of a 2% real economic growth.

(2) Involved employees refer to the employees whose total working hours in the 7 days before enumeration exceeded the selected weekly working hours standard and their total monthly wages were at or below the selected level. Total monthly wages are estimated based on the sum of employees' basic wages specified in the contracts/agreements, their monthly commission and other allowances, and monthly overtime pay during the survey period. Payments related to rest days and meal breaks which are not regarded as working hours are included.

* Less than 500 jobs.

Annex: Coverage of sectors

	"2014 Household Survey on Working Hours Situation", Standard Working Hours Committee/ "2014 Annual Earnings and Hours Survey", Census and Statistics Department	"Annual Survey of Economic Activities", Census and Statistics Department
Hong Kong Standard Industrial Classification Version 2.0 ⁽¹⁾		
(A) Relatively long-working-hours sectors		
A.1 Retail	47	47
A.2 Restaurants	56	56
A.3 Estate management and security	6822, 80-81 (excluding 812) ⁽²⁽ⁱ⁾⁾	6822, 80-81 (excluding 812)
A.4 Land transport	49	49
A.5 Elderly homes	873	873
A.6 Laundry and dry cleaning services	9601	9601
(B) Other sectors		
B.1 Manufacturing	05-33 ⁽²⁽ⁱⁱ⁾⁾	10-33
B.2 Construction	41-43	41-43
B.3 Wholesale and import/export trade	45-46	45-46
B.4 Hotels	55	55
B.5 Other transportation, storage, postal and courier services	50-53	50-53 (excluding 531) ⁽³⁽ⁱ⁾⁾
B.6 Information and communications	58-63	58-63
B.7 Financing and insurance	64-66	64-66
B.8 Real estate activities (excluding real estate maintenance management services)	68 (excluding 6822)	68 (excluding 6822)
B.9 Professional and business services, scientific and technical activities	69-75, 77-79, 82 ⁽²⁽ⁱⁱⁱ⁾⁾	69-75, 77-79, 82
B.10 Cleaning services	812	812
B.11 Community, social and personal services	84-86, 87 (excluding 873), 88, 90-95, 96 (excluding 9601), 97-99	P-S, excluding 873 & 9601 part of 851, 852, 853 & 86
B.12 Others	35-39 ^{(2(iv))}	05-09, 35-39

Notes: (1) The Hong Kong Standard Industrial Classification Version 2.0 (HSIC V2.0) is modelled on the International Standard Industrial Classification of All Economic Activities Revision 4 (ISIC Rev. 4), which was released by the United Nations Statistics Division in August 2008 and is the latest international statistical standard for industrial classification. HSIC V2.0 has been in use progressively in different surveys by the Census and Statistics Department (C&SD) since 2009 as a standard framework for classifying business establishments into industry classes as well as for compilation, analysis and dissemination of statistics by industry. A full index of HSIC V2.0 industry codes and titles is available from the publication entitled Hong Kong Standard Industrial Classification (HSIC) Version 2.0, which can be downloaded free of charge from the website of C&SD (www.censtatd.gov.hk).

- (2) In the context of the 2014 Household Survey on Working Hours Situation, the coverage of
- "Estate management and security" refers to codes 6822 and 80.
 - "Manufacturing" refers to codes 10 to 33, i.e. excluding mining and quarrying.
 - "Professional and business services, scientific and technical activities" refers to codes 69-75, 77-79, 81 (excluding 812), 82.
 - "Others" refers to codes 01-09, 35-39, i.e. including agriculture, forestry and fishing, as well as mining and quarrying.
- (3) In the context of the Annual Survey of Economic Activities,
- Excluding postal activities (code 531).

Second-stage Consultation

Issues for Consultation

Consultation Issues of the “Big Frame”

Consultation Issues – Working Hours Terms

Question 1

The “big frame” aims to mandatorily require employers and employees to specify seven working hours terms in written employment contracts, which shall include: agreed working hours, overtime situation, overtime compensation arrangement, agreed wages, meal breaks and rest periods, rest days and records of hours worked. Do you think the “big frame” is appropriate? Please give reason(s). If appropriate, is there any need to add/ delete any specified working hours terms? If so, please give concrete suggestion(s).

Consultation Issues – Coverage

Question 2

The “big frame” should widely apply to employers and employees. Do you consider that certain categories of employees, such as persons to whom existing Employment Ordinance (EO) and Minimum Wage Ordinance (MWO) do not apply (see paragraph 5.21 of the Consultation Document¹ for details) or employees expected to have a short employment duration, should be exempted from the regulation of the “big frame”? If so, please elaborate on the suggested exemption category(ies) and reason(s). If not, please give reason(s).

Question 3

Do you consider that the “big frame” should apply to all existing and future employees (except the exempted employees), or only employment contracts entered into after the implementation of the “big frame”? What is/ are the reason(s)?

¹ The Consultation Document of the Second-stage Consultation has been uploaded to the SWHC website (<http://www.swhc.org.hk/en/consultation/fulldocument.pdf>).

Question 4

If the “big frame” is to be legislated, is there a need to provide a transitional period for preparation by employers and employees? If so, how long should the transitional period be?

Consultation Issues – Flexibility Arrangements**Question 5**

The “big frame” has provided the flexibility for employers and employees to agree on the contents of the specified working hours terms according to the actual circumstances, provided that the terms do not violate the law. Is there a need for other flexibility measures to be introduced to the “big frame” (see paragraphs 5.24 to 5.25 of the Consultation Document for details)? If so, please give suggestion(s) and reason(s). If not, please give reason(s).

Consultation Issues – Consequences and Liability**Question 6**

The “big frame” will have legal effect and the legislation will stipulate the consequences of non-compliance (see paragraphs 5.26 to 5.27 of the Consultation Document for details). Do you agree to this?

Other Consultation Issues of the “Big Frame”**Question 7**

What measure(s) (e.g. educational promotion, provision of reference information, etc.) do you think can help enhance compliance of employers and employees with the “big frame”?

Question 8

Do you have other views on the “big frame”?

Consultation Issues of the “Small Frame”

Consultation Issues – Ideas and Design

Question 9

On the premise of the “big frame”, do you think there is a need for other suitable measures (e.g. legislating for a working hours standard and an overtime pay rate, industry-based discussion, etc.) to further protect grassroots employees with lower income, lower skills and less bargaining power? If so, please give concrete suggestion(s). If not, please give reason(s).

Question 10

Taking into account the potential increases and decreases in employees’ wages brought by the “small frame” (see paragraphs 6.14 to 6.16 of the Consultation Document for details), do you think the “small frame” can further improve the arrangements for overtime compensation of grassroots employees?

Question 11

Do you think the “small frame” can help safeguard employees’ health, improve their quality of life, promote work-life balance and boost staff morale?

Question 12

If the “small frame” is to be legislated, do you think the small and medium-sized enterprises (SMEs) can shoulder the possible impacts brought by the “small frame” (e.g. certain enterprises of the relatively long-working-hours sectors would turn from profits to losses) (see paragraphs 6.17 to 6.22 of the Consultation Document for details)?

Question 13

If the “small frame” is to be legislated, do you think the society as a whole can shoulder the possible impacts on the overall economy brought by the “small frame” (e.g. pushing up inflation and hampering the long-term competitiveness of Hong Kong, etc.) (see paragraphs 6.23 to 6.30 of the Consultation Document for details)?

Question 14

On the basis of the “small frame” suggestions, what is/ are your view(s) on how to balance the possible positive and negative impacts of the “small frame” on employees, enterprises (in particular SMEs), overall economy and society?

Other Consultation Issues of the “Small Frame”**Question 15**

If you support legislating for the “small frame”, what is/ are your view(s) on the design of the “small frame”?

Question 16

What measure(s) (e.g. educational promotion, provision of reference information, etc.) do you think can help enhance compliance of employers and employees with the “small frame”? Do you have any other views on the “small frame”?

Other Consultation Issues**Consultation Issues – Implementation of the “Big Frame” and “Small Frame”****Question 17**

Having considered the information on the “big frame” and “small frame” (see chapters 5 and 6 of the Consultation Document for details), please select:

- only implementing the “big frame” ;
- only implementing the “small frame” ;
- on the premise of implementing the “big frame”, to implement the “small frame” as well; or
- not to implement the “big frame” nor “small frame”, but recommend implementing other policies/ measures pertaining to working hours (e.g. formulating voluntary guidelines according to the needs of individual sectors).

What is/ are the reason(s)? Please specify.

Consultation Issues – Other Views

Question 18

Other than the “big frame” and “small frame”, do you have any other views pertaining to the working hours policy? If so, please specify.

Second-stage Consultation

List of Consultation Activities

Consultation Meetings with Major Employers' Associations¹

Session	Date	Target
Session 1	27 April 2016	An employers' association
Session 2	17 May 2016	An employers' association
Session 3	20 May 2016	An employers' association
Session 4	23 May 2016	An employers' association
Session 5	1 June 2016	An employers' association

Consultation Forums

Session	Date	Nature	Target
Session 1	3 June 2016	Industry-based Consultation Forum (Session 1)	Employers and employees of the relatively long-working-hours and other sectors
Session 2	11 June 2016	District-based Consultation Forum (New Territories East)	Members of the public
Session 3	28 June 2016	Industry-based Consultation Forum (Session 2)	Employers and employees of the relatively long-working-hours and other sectors

¹ Four major labour organisations declined to attend the consultation meetings arranged.

Session	Date	Nature	Target
Session 4	5 July 2016	Consultation Forum for Stakeholding Organisations	Other trade associations which are concerned about labour policy and relevant stakeholding organisations
Session 5	9 July 2016	District-based Consultation Forum (New Territories West)	Members of the public
Session 6	12 July 2016	Consultation Forum for Stakeholding Organisations	Civil organisations which are concerned about labour policy and relevant stakeholding organisations
Session 7	16 July 2016	District-based Consultation Forum (Kowloon)	Members of the public
Session 8	20 July 2016	Consultation Forum for Relevant stakeholding Organisations	Human resources and other professional organisations
Session 9	23 July 2016	District-based Consultation Forum (Hong Kong Island)	Members of the public

Attending Consultation Activities upon Invitation

Session	Date	Organiser
Session 1	30 May 2016	An organisation of the catering sector
Session 2	26 June 2016	A labour organisation
Session 3	29 June 2016	An organisation of the tourism sector
Session 4	13 July 2016	An organisation of the elderly service sector
Session 5	15 July 2016	An organisation of the catering sector

勞工界

標準工時立法諮詢報告

勞工界立法會議員及勞工顧問委員會僱員代表

2016年11月

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第一章：背景

緒言

- 1.1 長工時，無償加班，往往是本港僱員感到沮喪和壓力的根源，也是損害個人健康、家庭生活及社會和諧的元兇。多年來，社會各界對工時問題的熱議未有減退，反映這種情況的研究不在少數，而批評及詬病之聲也從未稍停。然而，政府卻未有正視有關問題的嚴重性，致令本港僱員的工時長期處於全球已發展地區之最。
- 1.2 按國際勞工組織的建議，僱員每周平均工時為 40 小時，但眾所周知，本港全職僱員每周工作的時數遠遠超過此數，嚴重者達 60、70 小時之多。這與政府提倡的家庭友善僱傭措施背道而馳，嚴重影響僱員健康及家庭生活，無償加班也有違公平、公義原則。
- 1.3 有鑑於此，勞工界多年來一直要求政府根據以人為本的原則，立法制定標準工時，保障僱員應有權益，確保他們在工作與休息之間取得平衡。

標準工時委員會工作進展

- 1.4 隨著標準工時委員會（“標時委員會”）於 2013 年 4 月正式成立，社會對標準工時立法有更熱切的期望。由於有關工作影響全港僱員的福祉，勞工界對此非常關注和重視；而勞工顧問委員會（“勞顧會”）僱員代表並以勞方委員的身份，積極參與標時委員會的工作，並在會議過程中表達了勞工界的明確訴

求，爭取以立法方式落實標準工時。

- 1.5 標時委員會其後在 2014 年進行了「專題工時統計調查」及「工時議題公眾參與及諮詢」。在諮詢中，僱員普遍表達了對立法規管工時的訴求，並認為勞資雙方地位不對等，所以只有立法才最有效保障僱員權益。
- 1.6 參考了所有工時統計調查和經濟分析影響，標時委員會最終在 2015 年 3 月 18 日達成共識，包括「同意建議以立法方式實施規管僱員工時的政策」。
- 1.7 雖然如此，但標時委員會遲遲未有討論具體的立法建議方案；資方委員更意圖推翻「3·18」共識，企圖混淆視聽，欲以「合約工時」取代「標準工時」，完全拒絕探討具體立法方案的可行性。
- 1.8 這種情況迫使六位勞方委員在 2015 年 10 月召開記者會，公開要求盡快在標時委員會會議上討論具體立法方案，否則將考慮不再繼續參與標時委員會工作。可惜，政府及標時委員會仍然無視有關訴求，迫使勞方委員在同年 11 月會議上，集體離場抗議。
- 1.9 隨後半年，標時委員會非但沒有將討論返回「3·18」共識的基礎上，更在勞方委員缺席下，通過了背離「3·18」共識的諮詢方向，並宣佈今年 4 月份展開第二輪諮詢。標時委員會在有關諮詢文件中加入了「非立法」的選項，直接把原本已指明立法規管工時的共識徹底打散，視廣大僱員的權益於不顧。

- 1.10 因此，我們三位勞工界立法會議員及六位勞顧會僱員代表（“我們”）曾公開聲明，全面杯葛背離立法共識的第二輪諮詢，不會參與任何相關的諮詢活動，並呼籲所有勞工界人士杯葛有關諮詢。其後，六位僱員代表公開宣佈退出標時委員會。

勞工界諮詢活動及目的

- 1.11 基於上述發展，我們決定向全港工會進行諮詢，並藉此凝聚勞工界共識。在今年 4 月至 6 月，勞工界就標準工時立法進行了第一階段諮詢。除了以問卷形式向全港工會進行有關標準工時的意向調查外，還召開了「勞工界標準工時諮詢大會 2016」，收集工會對「如何推進標準工時立法工作」的意見。
- 1.12 建基於第一階段諮詢所收集得的意見，勞工界於 6 月至 9 月期間進行了第二階段諮詢，進一步了解各行業工會對標準工時實施方式的取向，並在立法框架的基礎上，思考如何制訂一個社會各界普遍接受的實施方向。

本報告主要內容

- 1.13 本報告將闡述勞工界就標準工時立法諮詢（第一及第二階段）的結果。透過綜合和分析收集得來的意見，歸納出勞工界就標準工時立法的共識，以及制訂出「標準工時立法方案」的建議框架。
- 1.14 我們促請特區政府正視廣大僱員的生活需要，盡快立法制訂標準工時！

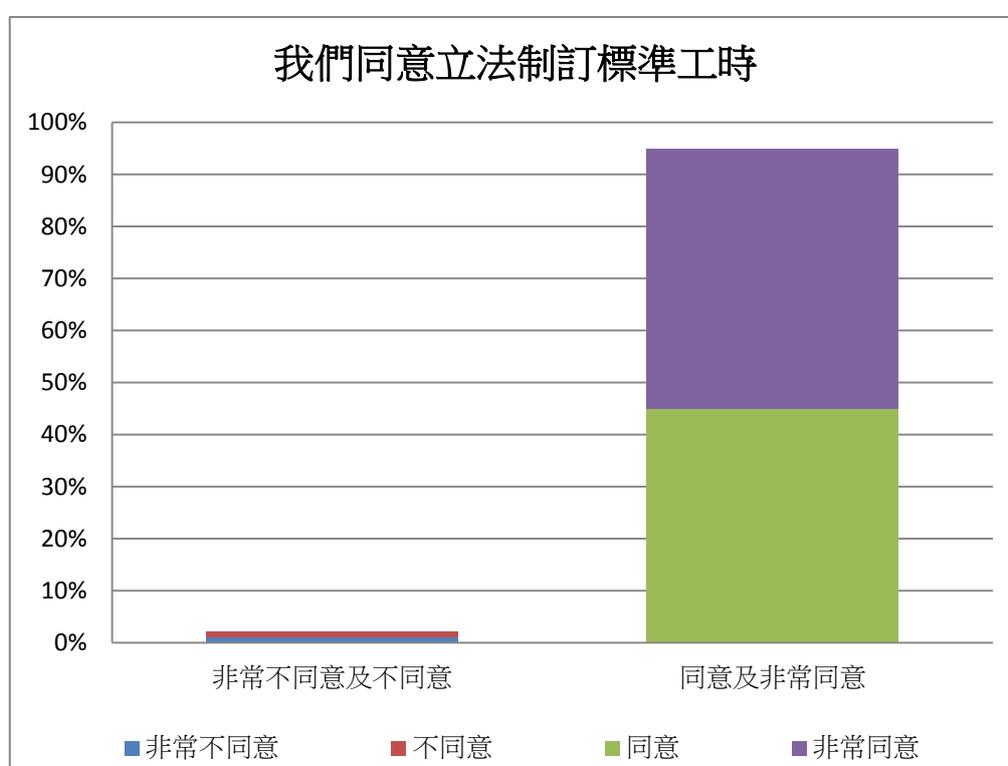
第二章：第一階段諮詢結果

意向調查結果

- 2.1 在第一階段諮詢期間(2016年4月至6月)，我們在勞工界內進行了一個有關標準工時的意向調查，以收集工會就有關規管工時政策的意見。是次調查透過郵寄形式向全港工會派發意向調查問卷，成功收回的有效問卷數量為262份。

2.2 在意向調查中，我們透過多項問題了解全港工會對立法制訂標準工時的取向。結果顯示，大多數工會對立法制訂標準工時持正面態度，共有 95% 的受訪工會表示非常同意及同意立法制訂標準工時，此乃勞工界的一大共識。只有 3% 的受訪工會持中立立場和各有 1% 的受訪工會非常不同意和不同意有關規管工時的政策，比例極低。

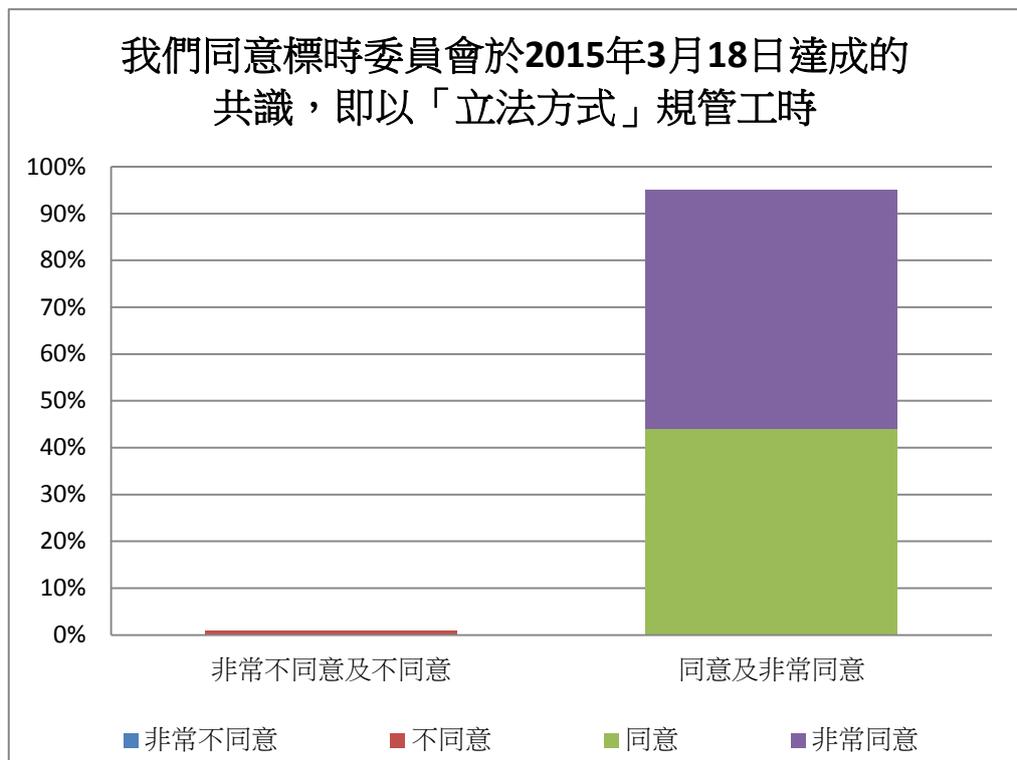
圖 2.1： 受訪工會對立法制訂標準工時的意見



註：持中立意見的工會為 3%

2.3 意向調查結果亦顯示出另一個勞工界在標準工時上的共識，共有 95% 對標準工時立法持正面態度的受訪工會非常同意及同意標時委員會於 2015 年 3 月 18 日所達成的共識，當中包括以立法方式規管工時；不同意有關共識的工會只有 1%。

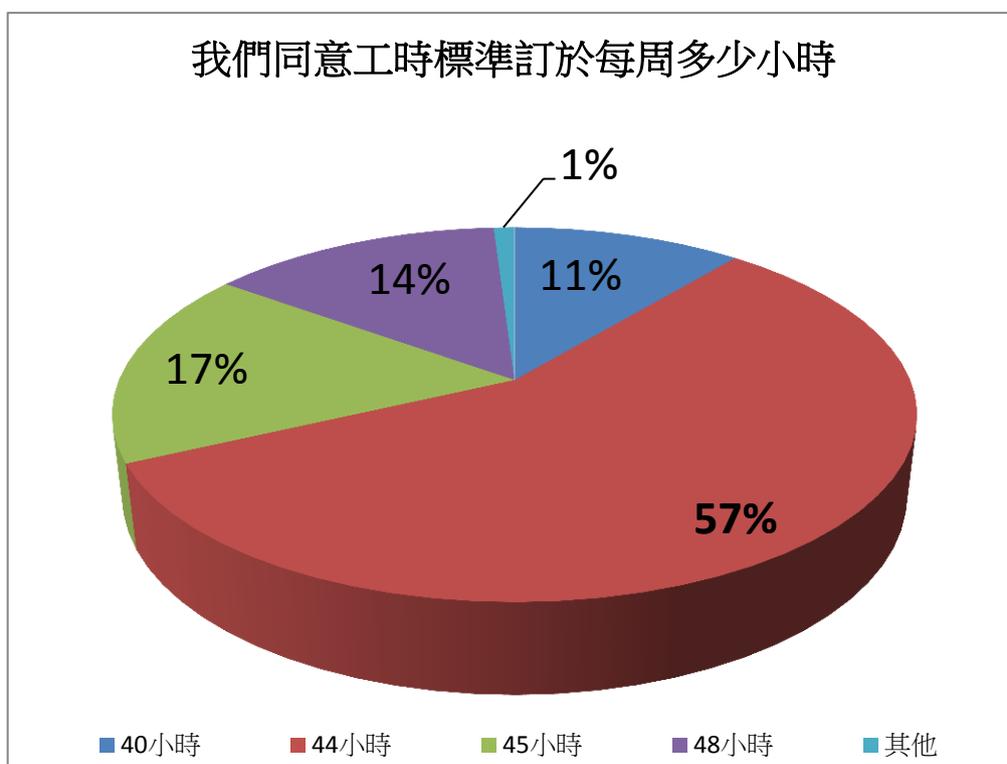
圖 2.2：對標準工時立法持正面態度的受訪工會對標時委員會共識的意見



註：持中立意見的工會為 2%
沒有回應的工會為 2%

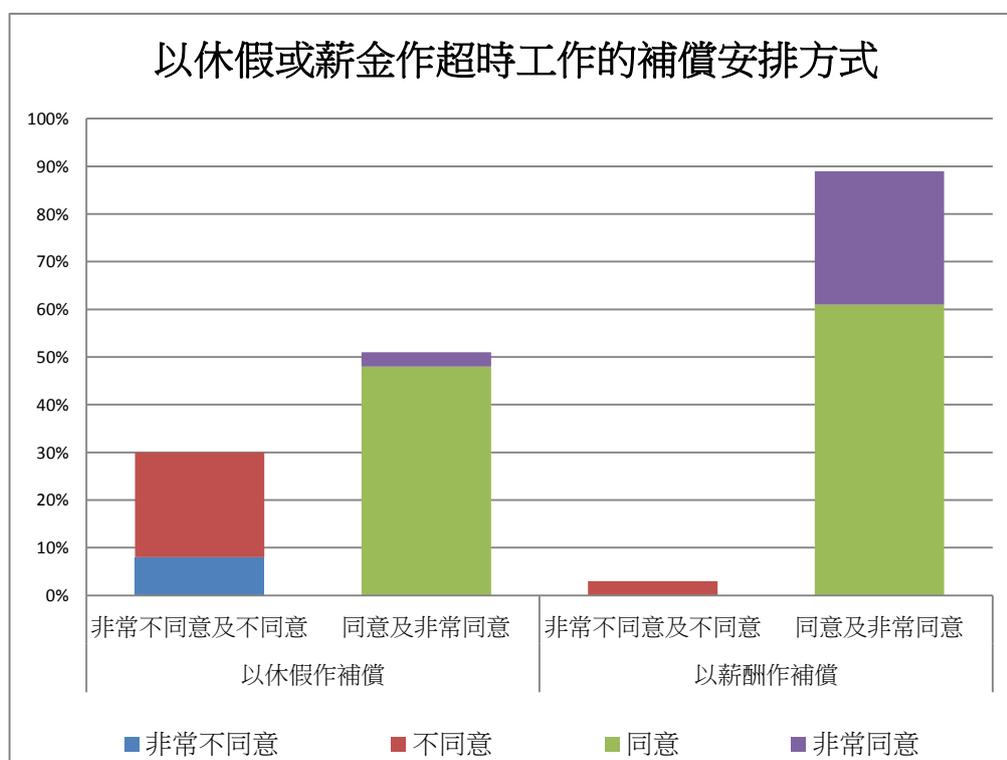
2.4 就標準工時政策的設計上，勞工界已就一些項目存有共識。對立法制訂標準工時持正面態度的受訪工會中，就訂立一個每周的工時標準上，有超過一半（57%）的受訪工會認為每周 44 小時是一個適合的水平。由此可見，以每周 44 小時為工時標準已是勞工界的主流意見。另外，亦有 11%、17% 和 14% 的工會認為每周的工時標準分別應訂於 40 小時、45 小時和 48 小時。

圖 2.3：對標準工時立法持正面態度的受訪工會對每周工時標準的意見



2.5 在超時工作的補償安排方面，意向調查詢問對標準工時立法持正面態度的受訪工會在休假或薪金作補償的取向；受訪工會較傾向以薪金而非休假作超時工作的補償。根據調查結果，共有 89% 對標準工時立法持正面態度的受訪工會非常同意及同意以薪金方式作補償；只有 51% 的受訪工會非常同意及同意以休假方式作補償。

圖 2.4：對標準工時立法持正面態度的受訪工會對超時工作補償安排的意見



註：對以休假作超時工作補償持中立意見的工會為 17%

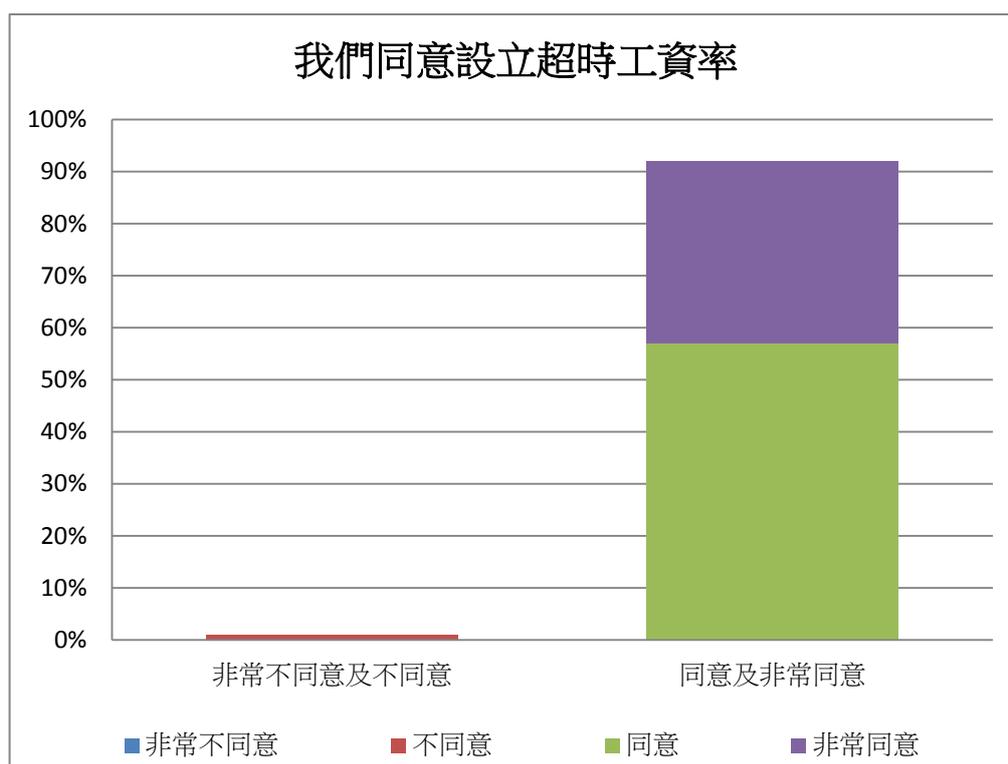
對以休假作超時工作補償沒有回應的工會為 2%

對以薪金作超時工作補償持中立意見的工會為 6%

對以薪金作超時工作補償沒有回應的工會為 2%

2.6 以薪金方式作超時工作的補償安排是勞工界的主流意見。而在此補償安排的運作上，共有 92% 對標準工時立法持正面態度的受訪工會非常同意及同意設立超時工資率，只有 1% 的工會不同意有關安排。

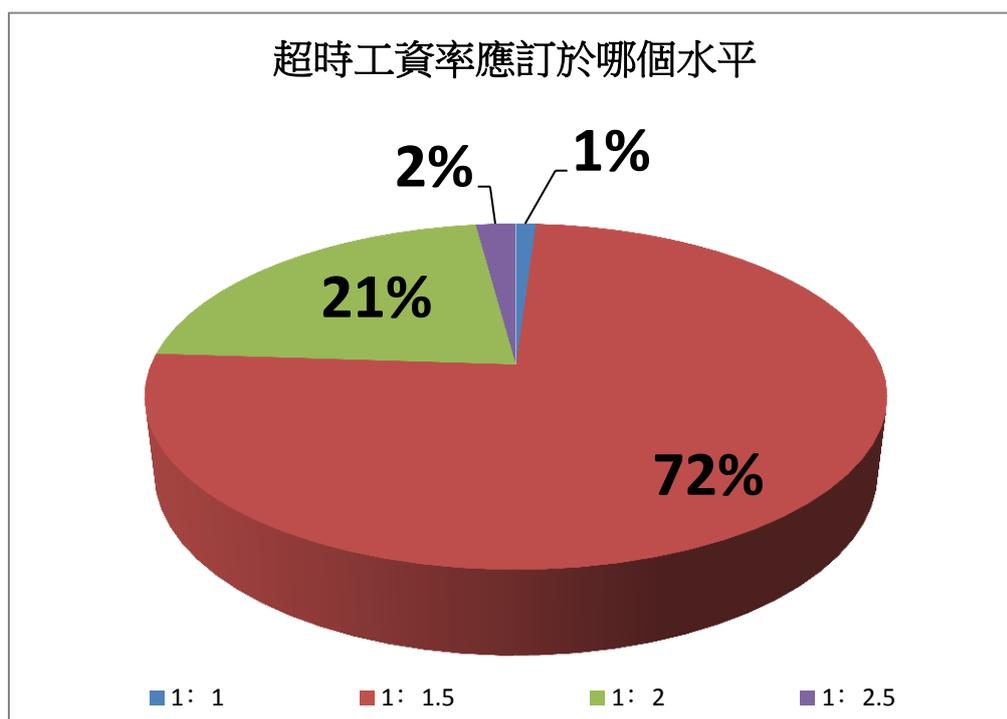
圖 2.5：對標準工時立法持正面態度的受訪工會對設立超時工資率的意見



註：持中立意見的工會為 3%
沒有回應的工會為 4%

2.7 在支持設立超時工資率的工會中，大部分工會(72%)認為超時工資率應訂於 1:1.5；有 21%的工會則認為超時工資率應訂於 1:2。另有 2%和 1%的工會分別認為超時工資率應訂定於 1:2.5 和 1:1。

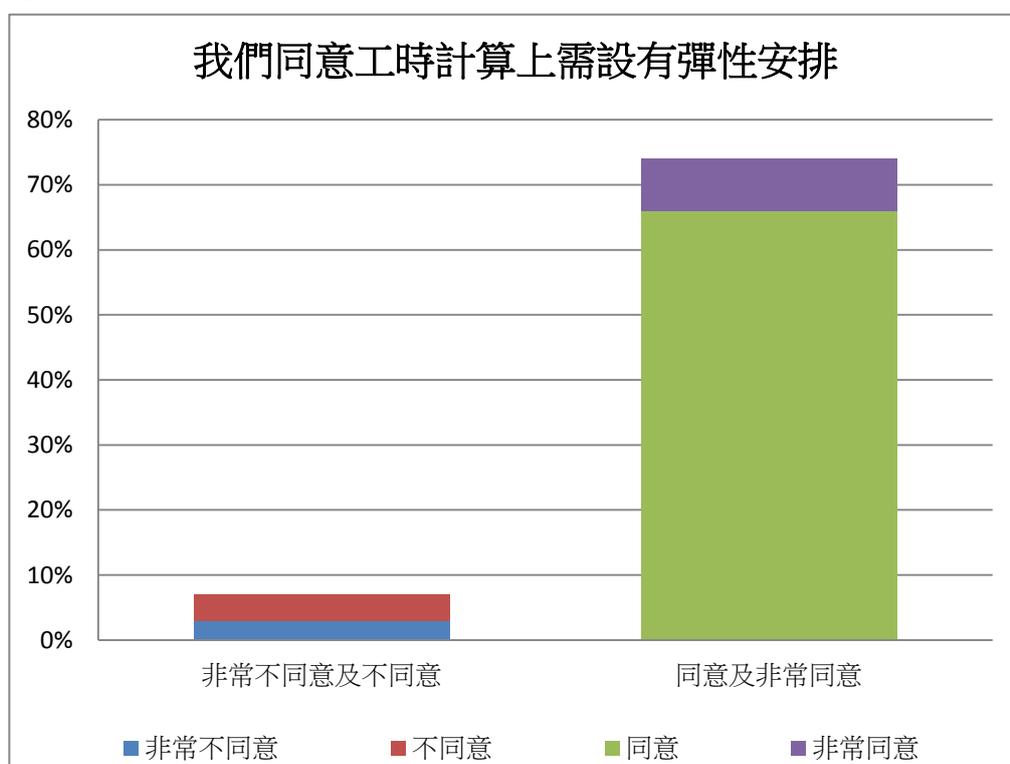
圖 2.6: 對以薪金方式作補償的受訪工會對超時工資率水平的意見



註：沒有回應的工會為 4%

2.8 在勞工市場上，不同行業的運作存有不同之處，工作模式眾多；因此，不少實行標準工時的國家設有不同形式的彈性安排和豁免安排，以照顧不同行業的獨特性。共有 74% 對標準工時立法持正面態度的受訪工會非常同意及同意在工時計算上設有彈性安排，但有 7% 的工會非常不同意及不同意訂立有關安排。由此可見，勞工界的主流意見是接受標準工時的設計上可設有彈性安排。

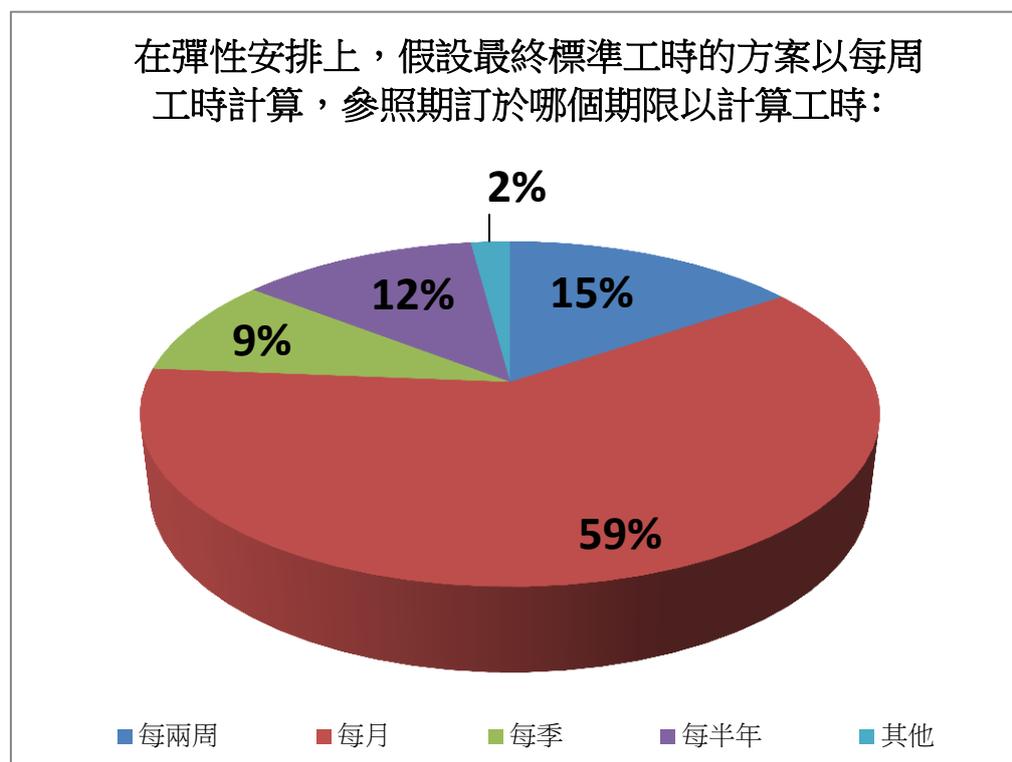
圖 2.7：對標準工時立法持正面態度的受訪工會對工時計算設彈性安排的意見



註：持中立意見的工會為 18%
沒有回應的工會為 1%

2.9 對設有彈性安排持正面傾向的受訪工會中，較多工會（59%）認為計算工時的參照期期限應訂於每月一次；有 15% 的工會認為參照期應訂為每兩周一次。另外，亦有 9% 和 12% 的工會認為期限應訂於每季和每半年。

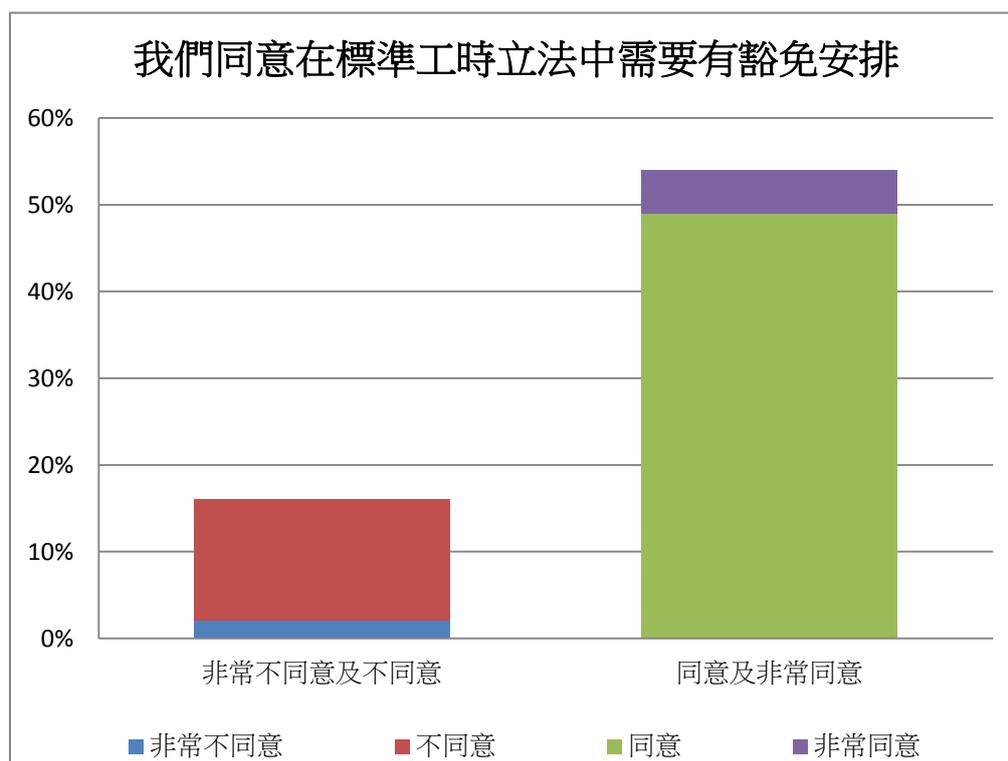
圖 2.8：對彈性安排持正面態度的受訪工會對參照期期限的意見



註：沒有回應的工會為 3%

2.10 在豁免安排方面，有過半對標準工時立法持正面態度的受訪工會，對設有豁免安排持正面態度，共有54%的工會非常同意及同意在標準工時立法上需有豁免安排。非常不同意及不同意設有豁免安排的受訪工會則共有16%。

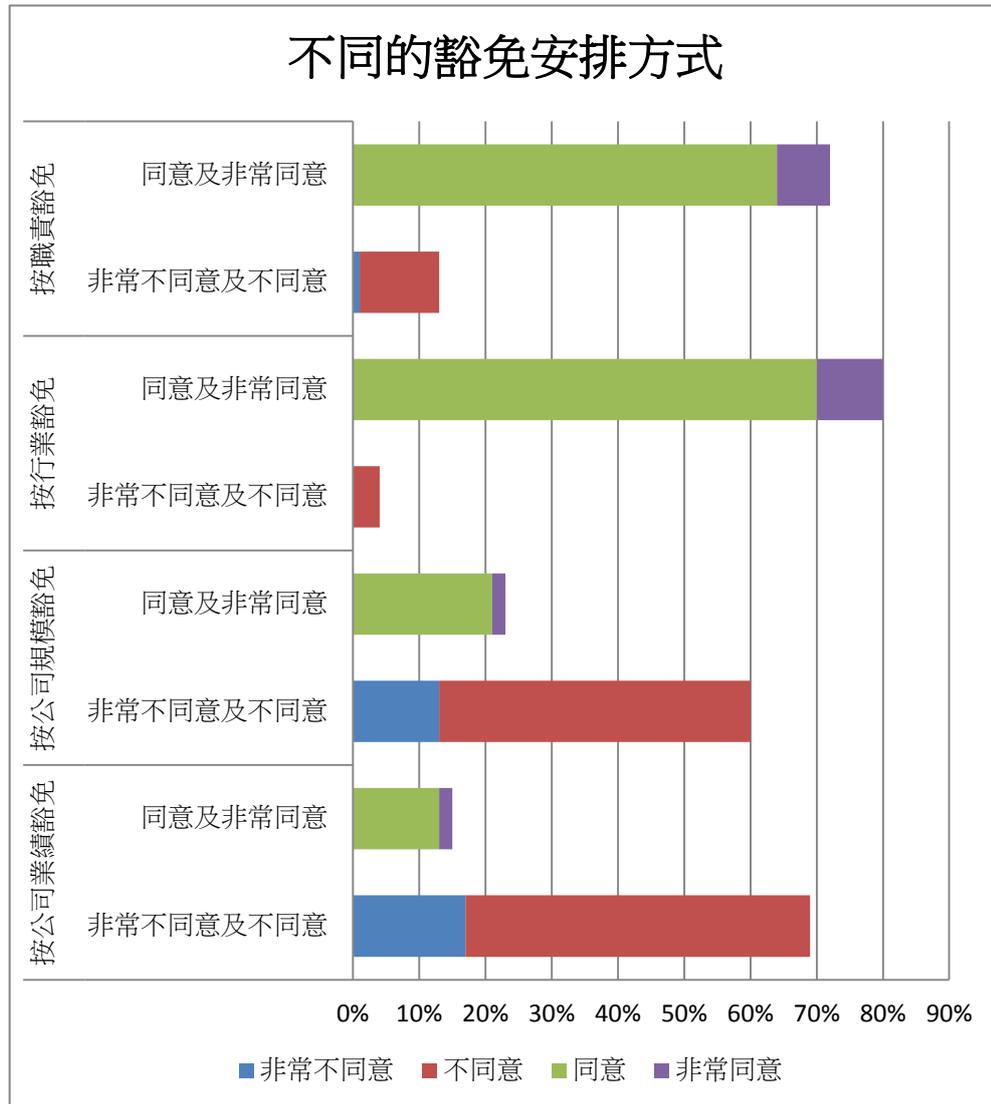
圖 2.9：對標準工時立法持正面態度的受訪工會對豁免安排的意見



註：持中立意見的工會為 27%
沒有回應的工會為 3%

- 2.11 從海外經驗可見，工時政策可以不同的方式設定豁免安排，以照顧某些行業的特殊情況。就此，意向調查中選定了數個豁免方式諮詢工會意見，包括按職責、行業、公司規模或公司業績作出豁免。共有 80% 對豁免安排持正面態度的受訪工會非常同意及同意按行業給予豁免，不同意的則有 4%；其次，共有 72% 對豁免安排持正面態度的受訪工會非常同意及同意按職責給予豁免，非常不同意及不同意的則共有 13%。
- 2.12 另一方面，共有 69% 非常不同意及不同意按公司業績給予豁免，非常同意及同意的只共有 15%；亦有 60% 非常不同意及不同意按公司規模給予豁免，非常同意及同意的只共有 23%。由此可見，按行業或職責給予豁免的安排是受訪工會較為可接受的方式。

圖 2.10：對豁免安排持正面態度的受訪工會對各類豁免安排方式的意見



註：對按職責豁免持中立意見的工會為 9%
 對按職責豁免沒有回應的工會為 6%
 對按行業豁免持中立意見的工會為 10%
 對按行業豁免沒有回應的工會為 6%
 對按公司規模豁免持中立意見的工會為 11%
 對按公司規模豁免沒有回應的工會為 6%
 對按公司業績豁免持中立意見的工會為 9%
 對按公司業績豁免沒有回應的工會為 7%

諮詢大會意見

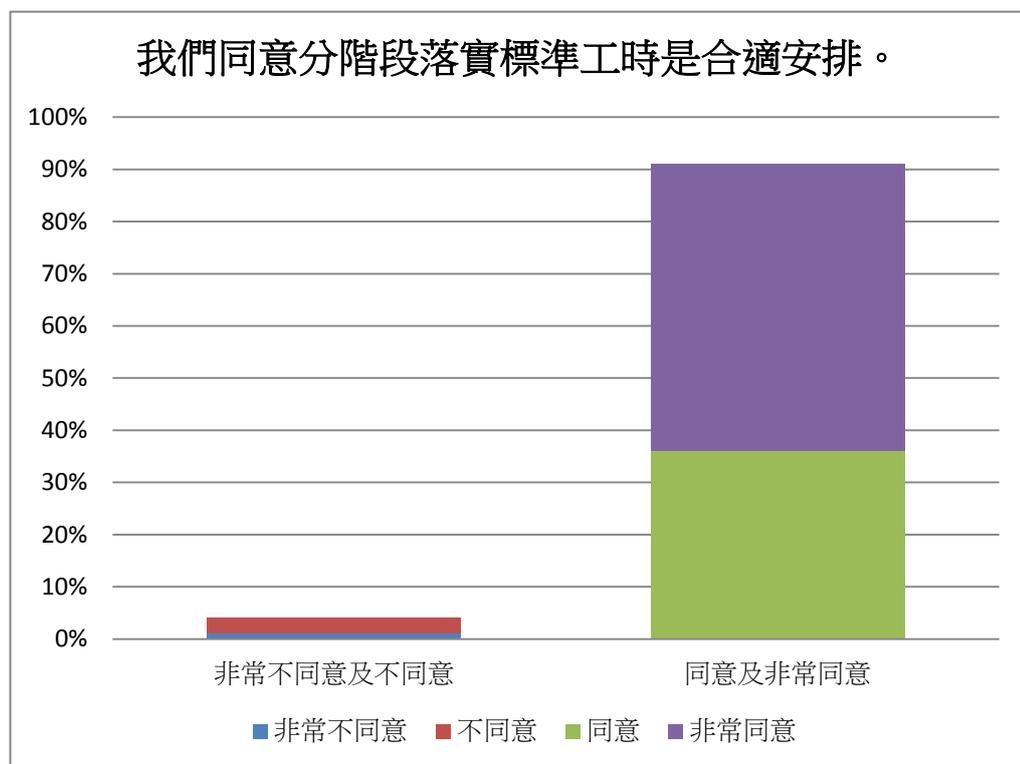
- 2.13 我們於 2016 年 4 月進行了勞工界標準工時諮詢大會，超過 300 名工會代表出席大會表達意見。另外，我們得悉不少工會亦在其會內透過諮詢會等方式收集工會會員就標準工時的意見。
- 2.14 在勞工界標準工時諮詢大會收集的主要意見中，勞工界普遍表達了對立法制訂標準工時的強烈訴求，並表達了對目前推動立法工作停滯不前的不滿。工會代表的主流意見認為，標準工時是基本勞工權益，亦是世界發達經濟體系的主流政策，理應早日實現。不少意見指出，本港僱員普遍面對工時長，休息時間短的問題，而且情況愈趨嚴重，對僱員身心健康、家庭及社交生活帶來不良影響，故實施標準工時實為重要。
- 2.15 有不少意見強調，「合約工時」對於解決長工時及無償超時工作問題並無幫助，故反對以此形式落實規管工時的政策。部分意見指出，規管工時的法例雖然應全面涵蓋所有行業，但亦同意部分行業可能需要因應其運作情況而制訂針對性的措施，以實施標準工時。
- 2.16 工會代表的主流意見認為，標時委員會的諮詢實屬倒退，並批評政府偏袒商界，故支持各勞方代表退出標時委員會。大部分工會代表要求勞工界立法會議員及勞顧會勞方委員採取更廣泛和深入的行動，繼續爭取標準工時立法。

第三章：第二階段諮詢結果

- 3.1 在第一階段諮詢中，我們透過多項問題了解全港工會對立法制訂標準工時的取向。結果顯示，勞工界對標準工時的立場明確，並總結了立法方案的基本框架和元素。
- 3.2 在取得上述共識之後，我們繼而集中在第二階段諮詢中（2016年6月至9月），透過意向調查，就標準工時的實施方式諮詢勞工界。是次調查透過郵寄方式向全港工會派發意向調查問卷，成功收回的有效問卷數量為312份。

3.3 結果顯示，絕大多數工會對分階段落實標準工時持正面態度，共有 91% 的受訪工會表示「非常同意」或「同意」分階段落實標準工時是合適安排；另一方面，分別只有 3% 和 1% 的受訪工會表示「不同意」和「非常不同意」，比例極低，可見勞工界對此議題有相當一致的看法。

圖 3.1：受訪工會對分階段落實標準工時的意見

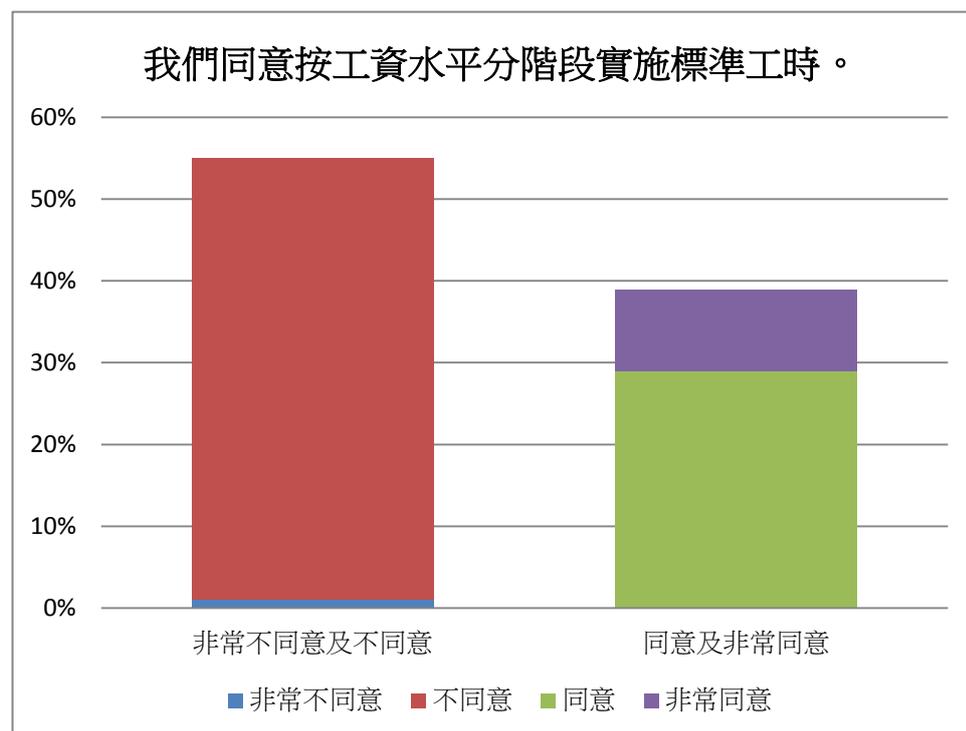


註：持中立意見的工會為 5%

沒有回應的工會為 0%

3.4 至於標準工時立法可以按工資水平分階段實施的方向則不為勞工界主流意見所接受。意向調查結果顯示 55% 受訪工會表示「不同意」和「非常不同意」，而表示「非常同意」和「同意」則分別為 10% 及 29%。

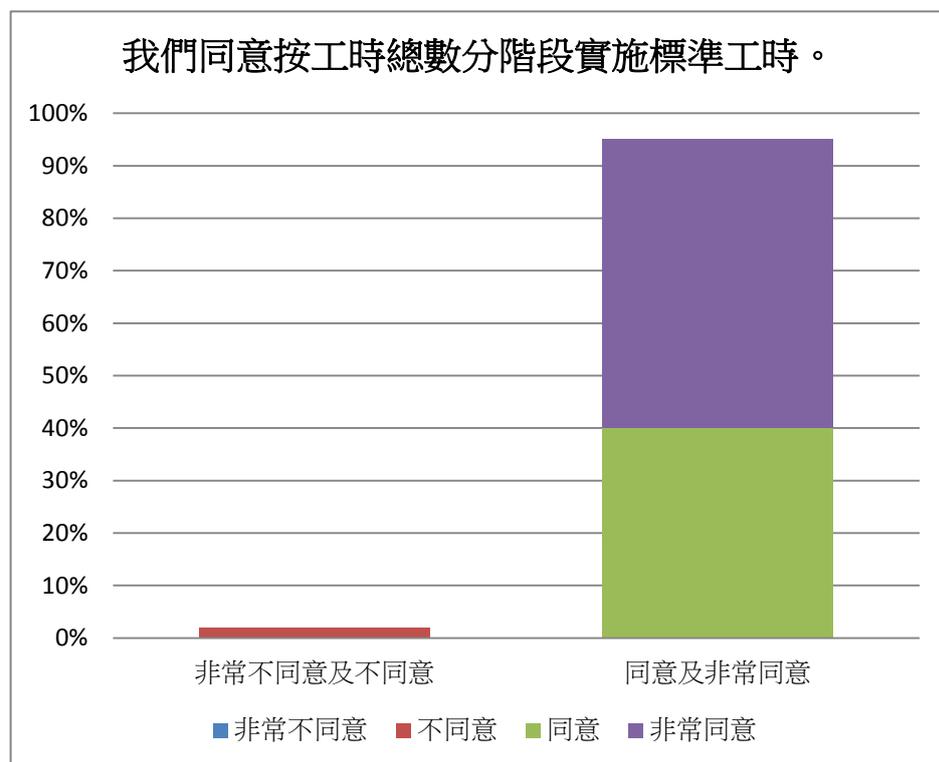
圖 3.2：受訪工會對按工資水平分階段實施標準工時的意見



註：持中立意見的工會為 3%
沒有回應的工會為 3%

3.5 按上述方向，意向調查亦收集勞工界就分階段落實標準工時具體方法的意見。結果顯示，較多工會接受標準工時立法可以按工時總數分階段實施，當中有 95% 的工會表示「非常同意」和「同意」；而表示「不同意」和「非常不同意」的工會則有 2%。

圖 3.3：受訪工會對按工時總數分階段實施標準工時的意見



註：持中立意見的工會為 2%

沒有回應的工會為 0%

第四章：建議的標準工時立法方案框架

3.1 依照兩個階段諮詢歸納的主流意見，我們認為勞工界經已得出標準工時立法方案的框架，當中必須包含以下元素：

- (a) 以立法方式制訂標準工時，「合約工時」不代表亦不能取代標準工時；
- (b) 工時標準須訂於每周 44 小時；超時工作工資率須訂於 1:1.5；若僱員工作超出該時數，就須獲得補償；
- (c) 容許法定工時的限制以每月平均計算為基礎；
- (d) 標準工時原則上應保障所有行業，但可考慮制訂一定程度（例如按職責或行業）的豁免安排，及針對該等群組實施特別措施，以制訂配合群組獨特情況的標準工時方案。
- (e) 參照期和豁免安排應交由一個由勞、資、官三方組成的常設委員會擬定細節。

3.2 勞工界已經就標準工時立法方案的框架達成了明確共識。同時，我們注意到社會上有意見，尤其是商界仍對標準工時立法存有憂慮。因此，勞工界以極大的誠意和諒解，就實施方式尋求共識，最終同意可以考慮按工時總數分階段落實標準工時，以照顧本港社經實際狀況，協助社會逐步適應。倘若此一方向獲得採納，具體操作應由勞、資、官三方仔細商討後決定。

未來路向

- 3.3 標準工時是全港僱員的基本權利。未來，勞工界將矢志不渝，爭取立法制定標準工時，保障僱員應有權益，確保他們在工作與休息之間取得平衡。在這兩輪諮詢中，勞工界成功地對標準工時立法方案框架和實施方式達成共識，有關共識將會為勞工界持續爭取標準工時立法提供堅實基礎。
- 3.4 此外，勞工界在諮詢中已充分反映對標時委員會背離勞資雙方共識的失望和不滿。政府應正視廣大僱員的明確訴求，盡快立法制訂標準工時。
- 3.5 我們認為，本屆政府有責任在餘下任期內決定落實標準工時立法，並於下屆政府任期內正式實施。為此，我們將繼續透過各種方式，團結勞工界，為爭取落實立法實施標準工時而共同努力。

附件

1. 「3+6」平台成員名單

勞工界立法會議員

潘兆平議員, BBS, MH
陸頌雄議員
何啟明議員
鄧家彪議員, JP (2012-2016)
郭偉強議員 (2012-2016)

勞工顧問委員會僱員代表

梁籌庭先生
吳秋北先生
周小松先生
王少嫻女士
陳耀光先生
陳素卿女士

2. 第一階段諮詢意向調查問卷範本

勞工界標準工時諮詢大會 2016 意向調查

*回答問題時請填滿該選項：① ② ● ④ ⑤

		非常 不同意 ①	不同意 ②	中立 ③	同意 ④	非常 同意 ⑤
1	我們同意立法制訂標準工時。 (如回答中立、不同意或非常不同意，問卷完成)	①	②	③	④	⑤
2	我們同意工時標準訂於每周多少小時：	40 小時 ①	44 小時 ②	45 小時 ③	48 小時 ④	其他： _____
3a	我們同意工時計算上需設有彈性安排 ¹ 。 (如回答中立、不同意或非常不同意，請跳到第 4a 題)	①	②	③	④	⑤
3b	在彈性安排上，假設最終標準工時的方案以每周工時計算，參照期 ² 訂於哪個期限以計算工時：	每兩周 ①	每月 ②	每季 ③	每半年 ④	其他： _____
4a	我們同意在標準工時立法中，需要有豁免安排 ³ 。 (如回答中立、不同意或非常不同意，請跳到第 5 題)	①	②	③	④	⑤
4b	我們同意按職責給予豁免。	①	②	③	④	⑤
4c	我們同意按行業給予豁免。	①	②	③	④	⑤
4d	我們同意按公司規模給予豁免。	①	②	③	④	⑤
4e	我們同意按公司業績給予豁免。	①	②	③	④	⑤
5	我們同意以休假作超時工作的補償。	①	②	③	④	⑤

6	我們同意以薪金作超時工作的補償。	①	②	③	④	⑤
7a	我們同意設立超時工資率。 (如回答中立、不同意或非常不同意，請跳到第 8 題)	①	②	③	④	⑤
7b	超時工資率應訂於哪個水平：	1 ①	1.5 ②	2 ③	2.5 ④	其他： _____
8	我們同意標時委員會於 2015 年 3 月 18 日達成的共識，即以「立法方式」規管工時。	①	②	③	④	⑤

註解

- 1 彈性安排： 有關安排的目的是在於容許每日及每周工時能作變動
- 2 參照期： 在一段時間內平均計算工時
- 3 豁免安排： 讓某些類別的僱員免除某些或全部工時法例的限制

- 問卷完 -

3. 第一階段諮詢意向調查問卷結果

1. 我們同意立法制訂標準工時。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	2	2	8	119	131	0	0	262
百分比	1%	1%	3%	45%	50%	0%	/	/
2. 我們同意工時標準訂於每周多少小時：								
	40 小時	44 小時	45 小時	48 小時	其他	沒有回應	不適用	有效回應
數目	26	142	43	36	2	1	12	250
百分比	11%	57%	17%	14%	1%	0%	/	/
3a. 我們同意工時計算上需設有彈性安排。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	8	10	44	165	20	3	12	250
百分比	3%	4%	18%	66%	8%	1%	/	/
3b. 在彈性安排上，假設最終標準工時的方案以每周工時計算，參照期訂於哪個期限以計算工時：								
	每兩周	每月	每季	每半年	其他	沒有回應	不適用	有效回應
數目	29	114	17	24	4	5	69	193
百分比	15%	59%	9%	12%	2%	3%	/	/
4a. 我們同意在標準工時立法中，需要有豁免安排。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	6	34	68	123	11	8	12	250
百分比	2%	14%	27%	49%	5%	3%	/	/
4b. 我們同意按職責給予豁免。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	2	18	13	93	11	9	116	146
百分比	1%	12%	9%	64%	8%	6%	/	/
4c. 我們同意按行業給予豁免。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	0	6	15	103	15	8	115	147
百分比	0%	4%	10%	70%	10%	6%	/	/
4d. 我們同意按公司規模給予豁免。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	19	69	16	31	3	9	115	147
百分比	13%	47%	11%	21%	2%	6%	/	/

4e. 我們同意按公司業績給予豁免。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	26	76	13	19	3	10	115	147
百分比	17%	52%	9%	13%	2%	7%	/	/
5. 我們同意以休假作超時工作的補償。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	20	56	43	119	7	5	12	250
百分比	8%	22%	17%	48%	3%	2%	/	/
6. 我們同意以薪酬作超時工作的補償。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	0	9	15	153	69	4	12	250
百分比	0%	3%	6%	61%	28%	2%	/	/
7a. 我們同意設立超時工資率。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	1	4	7	142	87	9	12	250
百分比	0%	1%	3%	57%	35%	4%	/	/
7b. 超時工資率應訂於哪個水平：								
	1: 1	1: 1.5	1: 2	1: 2.5	其他	沒有回應	不適用	有效回應
數目	2	174	50	6	1	9	20	242
百分比	1%	72%	21%	2%	0%	4%	/	/
8. 我們同意標時委員會於 2015 年 3 月 18 日達成的共識，即以「立法方式」規管工時。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	0	1	5	111	128	5	12	250
百分比	0%	1%	2%	44%	51%	2%	/	/

4. 勞工界標準工時諮詢大會 2016 與會人士意見列表

勞工界標準工時諮詢大會 2016

日期：2016 年 4 月 15 日

時間：晚上 7:15 至 9:00

地點：九龍太子道西 256A 三樓明愛社區中心九龍公眾會堂

共 18 位參與的工會代表發表意見，概要如下：

	所屬行業／職業	就標準工時事宜的關注及意見
1	飲食業	<ul style="list-style-type: none"> ● 批評立法會及標準工時委員會（下稱標時委員會）工作； ● 批評香港工會聯合會爭取標準工時不力； ● 質疑勞方委員退出標時委員會為推卸責任。
2	零售業	<ul style="list-style-type: none"> ● 支持標準工時立法； ● 希望勞方委員退出標時委員會後有途徑繼續反映意見。
3	物流業	<ul style="list-style-type: none"> ● 標時委員會諮詢方案實屬倒退，不能接受合約工時； ● 期望委員向公眾說明標時委員會在 2015 年 3 月 18 日達成的共識； ● 勞工界應自行諮詢公眾。
4	飲食業	<ul style="list-style-type: none"> ● 支持勞方委員退出標時委員會； ● 勞工界務必團結一致，抗衡商界。
5	航空業	<ul style="list-style-type: none"> ● 希望勞方委員退出標時委員會後有途徑繼續反映意見。
6	服務業	<ul style="list-style-type: none"> ● 勞工界務必團結一致，集合力量； ● 要求爭取工人的合理權益； ● 批評僱主出賣工人利益； ● 認為香港情況已落後周邊城市。
7	公共行政	<ul style="list-style-type: none"> ● 要求勞工界團結一致； ● 擔心僱主成功搶佔輿論陣地，要求勞工界制訂策略，放開政治成見，爭取標準工時； ● 支持勞方委員退出標時委員會。
8	金融業	<ul style="list-style-type: none"> ● 表示金融業超時工作情況愈趨嚴重； ● 支持勞方委員退出標時委員會，並讚賞勞方委員已致力爭取； ● 認同標時委員會在 2015 年 3 月 18 日達成的共識； ● 對標時委員會目前工作方向深感不滿； ● 呼籲勞工界要團結一致。

續上表

9	環保業	<ul style="list-style-type: none"> ● 公眾對落實標準工時有期望，希望可以踏出一步； ● 勞工界應自行諮詢，制訂方案； ● 支持立法落實標準工時。
10	工會工作	<ul style="list-style-type: none"> ● 支持勞方委員退出標時委員會，並希望勞方委員提防政府「怪招」； ● 立法落實標準工時，不應該再拖延下去； ● 要求勞方委員採取進一步行動，例如絕食。
11	飲食業	<ul style="list-style-type: none"> ● 立法落實標準工時已經拖延太久； ● 支持勞方委員退出標時委員會，並希望勞方委員積極領導，組織抗議。
12	物流業	<ul style="list-style-type: none"> ● 不立法無法體現勞動者的標準待遇； ● 標準工時世界各地常見，是基本勞工權益； ● 應該早日組織抗爭行動。
13	運輸業	<ul style="list-style-type: none"> ● 合約工時沒有效果； ● 爭取每日 8 小時的標準工時。
14	製造業	<ul style="list-style-type: none"> ● 支持勞方委員退出標時委員會； ● 標準工時一定要立法實行； ● 標準工時世界各地常見，是基本勞工權益； ● 批評商界論述站不住腳。
15	公共服務	<ul style="list-style-type: none"> ● 應該繼續爭取標準工時； ● 批評勞方委員進退失據。
16	公共行政	<ul style="list-style-type: none"> ● 指出政府傾側僱主一方，應迫使政府站回原本位置； ● 希望勞方委員引導未來路向； ● 義無反顧支持勞方委員發起的抗爭行動。
17	運輸業	<ul style="list-style-type: none"> ● 建議勞方委員採取行動，會予以支持； ● 應設法向政府施壓。
18	文職人員	<ul style="list-style-type: none"> ● 白領僱員超時工作情況嚴重； ● 支持勞方委員採取行動。

5. 第二階段諮詢意向調查問卷範本

勞工界標準工時立法諮詢（第二階段） 意向調查回覆

勞工界標準工時立法諮詢（第一階段）所達成的勞工界標準工時立法方案框架

- ◇ 以立法方式制訂標準工時，「合約工時」不代表亦不能取代標準工時；
- ◇ 工時標準須訂於每周 44 小時；超時工作工資率須訂於 1:1.5；
- ◇ 容許法定工時的限制以每月平均計算為基礎；
- ◇ 可考慮制訂一定程度的豁免安排，及針對該等被豁免群組實施特別措施，以制訂配合被豁免群組獨特情況的標準工時方案。

我們注意到，社會上有意見仍對標準工時立法存有憂慮。就有關勞工界推動標準工時立法的策略，我們希望透過此次諮詢，收集勞工界在標準工時實施方式上的意見。

*回答問題時請填滿該選項：① ② ● ④ ⑤

		非常 不同意 ①	不同意 ②	中立 ③	同意 ④	非常 同意 ⑤
1	我們同意分階段落實標準工時是合適安排。 (如回答中立、不同意或非常不同意，問卷完成)	①	②	③	④	⑤
2	我們同意按工資水平分階段實施標準工時。	①	②	③	④	⑤
3	我們同意按工時總數分階段實施標準工時。	①	②	③	④	⑤

6. 第二階段諮詢意向調查問卷結果

1. 我們同意分階段落實標準工時是合適安排。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	2	9	16	113	172	0	0	312
百分比	1%	3%	5%	36%	55%	0%	/	
2. 我們同意按工資水平分階段實施標準工時。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	4	155	8	84	28	8	25	287
百分比	1%	54%	3%	29%	10%	3%	/	
3. 我們同意按工時總數分階段實施標準工時。								
	非常不同意	不同意	中立	同意	非常同意	沒有回應	不適用	有效回應
數目	1	6	5	116	159	0	25	287
百分比	0%	2%	2%	40%	55%	0%	/	

勞工界立法會議員及勞工顧問委員會僱員代表秘書處印

Abbreviations

2012 Report	Report of the Policy Study on Standard Working Hours
Consultation Group	Working Group on Working Hours Consultation
C&SD	Census and Statistics Department
CPI	Consumer Price Index
EO	Employment Ordinance
First-stage Consultation	Public Engagement and Consultation on Working Hours
Household Survey	2014 Household Survey on Working Hours Situation
ILO	International Labour Organisation
LAB	Labour Advisory Board
Labour Sector Report	Labour Sector's "Consultation Report on Legislating for Standard Working Hours"
LegCo	Legislative Council
MPF	Mandatory Provident Fund
MWH	Maximum Working Hours
MWO	Minimum Wage Ordinance
Opinion Survey	2014 Opinion Survey on Working Hours Regimes
Report of the First-stage Consultation	Standard Working Hours Committee Report of the Public Engagement and Consultation on Working Hours
Report of the Working Hours Survey	Standard Working Hours Committee Report of the Study on the Working Hours Situation in Hong Kong
Second-stage Consultation	Consultation on Working Hours Policy Directions
SMEs	Small and Medium-sized Enterprises
SMW	Statutory Minimum Wage
Study Group	Working Group on Working Hours Study
SWH	Standard Working Hours
SWHC	Standard Working Hours Committee

Glossary

Glossary	Definition
Compensated Overtime Hours	The number of hours which an employee works outside contractual working hours and is compensated with overtime pay and/ or time-off in lieu.
Composite Consumer Price Index (Composite CPI)	<p>Different series of Consumer Price Indices (CPIs) are compiled by the Census and Statistics Department to reflect the impact of consumer price changes on households in different expenditure ranges. CPI(A), CPI(B) and CPI(C) are compiled based on the expenditure patterns of households in the relatively low, medium and relatively high expenditure ranges respectively. Composite CPI is compiled based on the overall expenditure pattern of all the above households taken together to reflect the impact of consumer price changes on the household sector as a whole.</p> <p>CPI measures the changes over time in the price level of consumer goods and services generally purchased by households and does not net out the effects of all Government's one-off relief measures (such as the waiver/Government's payment of public housing rentals, the rates concession, electricity charge subsidy, etc.).</p>
Consumer Price Index (A) (CPI(A))	CPI(A) is compiled based on the expenditure patterns of households in the relatively low expenditure range (i.e. households with average monthly household expenditure within the range of \$5,500 to \$24,499 during the period of October 2014 to September 2015, relating to some 50% of all households in Hong Kong).
Contracts/ Agreements	Contracts/ agreements include written contracts/ oral agreements.

Glossary	Definition
Earnings before tax (abbreviated as “Profits”)	In the impact assessment for studying the “small frame”, earnings before tax refer to profits before deducting tax; gain/loss on disposal of property, machinery and equipment; bad debts/ write-off and provisions, etc.
Higher-skilled Occupations	Higher-skilled occupations refer to managers and administrators, professionals and associate professionals.
Lower-skilled occupations	Lower-skilled occupations refer to elementary occupations, service and sales workers, craft and related workers, plant and machine operators and assemblers, and clerical support workers.
Maximum Working Hours	Maximum working hours refers to the specified upper limit that an employee’s total working hours (including normal working hours and overtime hours) within a period cannot exceed.
Nominal wage index	<p>Nominal wage index measures the pure changes in wage rates of employees up to supervisory level (i.e. managerial and professional employees are not included) by holding constant the structure of the labour force with respect to industry, occupation and sex between two successive rounds of the Labour Earnings Survey.</p> <p>In the Labour Earnings Survey, wage rates cover the following elements of payments to workers:</p> <ul style="list-style-type: none"> (i) basic wages/salaries (including paid holidays and leave); (ii) commission and tips (tips received directly from customers are excluded); (iii) shift allowance; (iv) cost-of-living allowance; (v) meal allowance/benefits; (vi) good attendance bonus;

Glossary	Definition
	(vii) guaranteed year-end bonus; and (viii) other regular and guaranteed bonuses and allowances.
Payroll expenses	In the impact assessment for studying the “small frame”, payroll expenses include wages and salaries, employers’ contributions to MPF, provident funds and pensions.
Profit ratio	Profit ratio refers to the ratio of profits to business receipts. Please refer to “Profits” for its definition.
Relatively Long-working-hours Sectors	The relatively long-working-hours sectors identified in the 2012 Report are: retail, estate management and security, restaurants, land transport, elderly homes, as well as laundry and dry cleaning services.
Relevant Organisations	Relevant organisations include labour organisations, non-government organisations and other organisations which are concerned about labour rights and benefits.
Selected Professions/ Occupations	Selected professions/ occupations refer to the 10 professions/ occupations identified by SWHC as having relatively long working hours or distinctive working hours patterns, which include accountants, solicitors, engineers, doctors, employees of the educational profession, employees of the banking sector, information technology employees, journalists, estate agents, and tourist guides/ outbound tour escorts (listed in no particular order).
Small and medium-sized enterprises (SMEs)	SMEs refer to those enterprises with fewer than 50 persons engaged.

Glossary	Definition
Standard Working Hours	<p>Standard working hours means that an employee is entitled to overtime compensation for hours worked beyond a specified working hours standard within a period, while the total working hours are not capped.</p>
Statistical measures	<p>Key statistical measures include average, median and quartiles.</p> <p>Average refers to the arithmetic mean of a set of data. It is calculated by adding all the values of the data in the set divided by the total number of data in the set.</p> <p>For an ordered data set which is arranged in ascending order (i.e. from the smallest value to the largest value), the median is the value that ranks in the middle of all data in the set. If the total number of data is an odd number, the median is the middle value of the ordered data set. If the total number of data is an even number, the median is the mean of the two middle values of the ordered data set.</p> <p>Quartiles are the three values that divide an ordered data set into four equal parts in terms of number of observations. The three values, in order of magnitude, are called the first quartile (also known as the lower quartile), the second quartile (also known as the median) and the third quartile (also known as the upper quartile). Correspondingly, the first (lower) quartile is the value that delineates the lowest 25% of all the data concerned. The second quartile is the value that delineates the lowest 50% of all the data concerned, and thus is equal to the median. The third (upper) quartile is the value that delineates the lowest 75% of all the data concerned.</p>

Glossary	Definition
Total Working Hours During the Seven Days Before Enumeration	Employees' actual working hours during the seven days before enumeration which comprise hours of work specified in contracts, and compensated and uncompensated overtime hours.
Uncompensated Overtime Hours	The number of hours which an employee works outside contractual working hours without compensation of overtime pay and/ or time-off in lieu.
Underlying Consumer Price Index (Underlying CPI)	Underlying CPI denotes CPI compiled upon netting out the effects of all Government's one-off relief measures.
Vacancy rate	<p>Vacancy rate refers to the ratio of vacancies to total labour demand (i.e. the sum of employment and vacancies).</p> <p>Vacancies refer to unfilled job openings which are immediately available, and for which active recruitment steps are being taken on the survey reference date. However, vacancies at construction sites include only those vacancies of manual workers.</p>