

Chapter 3

Labour Relations

The Programme of Labour Relations

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

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

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

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

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

Our Work and Achievements in 2013

Key indicators of Work

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

Conciliation and Consultation Services

- 3.5** Our consultation and conciliation services are conducive to the maintenance of industrial peace. In 2013, the labour relations scene was generally stable. We held 66 928 consultations meetings, handled 17 515 claims and 70 labour disputes in the year. The number of labour disputes and claims handled in 2013 dropped by 7.4 per cent compared with the figure of 18 999 cases in 2012. Over 70% of cases with conciliation service rendered were settled in the year. In 2013, the Labour Department (LD) handled seven strikes, which included a protracted industrial action started in late March and ended in early May. In the year, the number of working days lost per thousand salaried employees and wage earners was 4.15. Overall speaking, Hong Kong's number of working days lost due to strike remains one of the lowest in the world. ([Figures 3.2 - 3.7](#))

Strengthening Tripartite Co-operation

- 3.6** To promote tripartite dialogue and collaboration at the industry level among employers, employees and the Government with a view to fostering harmonious labour relations, we set up nine industry-based tripartite committees covering the catering, construction, theatre, logistics, property management, printing, hotel and tourism, cement and concrete as well as retail industries. These committees provide effective forums for members to discuss issues of common concern in the industries. Employment related matters such as occupational safety and health, strategies for recruiting and retaining staff as well as talent development were deliberated in the year. Industry related publications were also produced to promote employer-employee communication and enlightened management practices relevant to the specific circumstances of individual industry.

Promotion of Good Employer-Employee Relations

- 3.7** To enhance public understanding of EO and to promote good people management measures, we organised a wide range of promotional activities and published various free publications for employers, employees, human resources professionals and the public. Relevant information was also disseminated through LD's homepage and the media. In the year, six roving exhibitions on EO were organised over the territory attracting some 19 000 visitors. Furthermore, new television and radio Announcements in the Public Interest and a new poster were introduced to call on employers and employees to draw up prior work arrangements in times of typhoons and rainstorms.



Television Announcement in the Public Interest to call on employers and employees to make prior work arrangements for typhoons and rainstorms

- 3.8** We established 18 Human Resources Managers' Clubs in different trades, and organised a number of experience-sharing sessions and briefings regularly for human resources practitioners to promote good people management measures. We also introduced a thematic leaflet on five-day work week, published newspaper article and placed advertisements in the periodic journals of major employers' associations to encourage wider adoption of family-friendly employment practices and cultivate such culture.



Adjudication of Minor Employment Claims

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

3.10 In 2013, MECAB recorded 1 407 claims amounting to \$6,016,464 and concluded 1 523 claims with a total award of \$3,019,691.

Regulation of Trade Unions

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

3.12 In 2013, 14 new trade unions were registered, making up a cumulative total of 858 registered trade unions (comprising 809 employee unions, 18 employers' associations and 31 mixed organisations of employees and employers) and eight registered trade union federations. Please refer to the following webpage for the key trade union statistics:

www.labour.gov.hk/eng/labour/content3.htm

3.13 In the year, RTU examined 664 statements of account and conducted 381 inspection visits to trade unions with a view to affirming that their administration and financial management were in compliance with TUO. To facilitate trade union officers in acquiring knowledge of union law and management, RTU organised four courses on trade union bookkeeping, auditing and trade union management and legislation.