



Employment

Hong Kong has an area of 1 104 square kilometres and a population of about 7.01 million* in mid-2009. Despite its small size, Hong Kong was ranked the 13th largest trading entity in the world in 2008. The total value of visible trade amounted to \$5,849.4 billion in 2008. During the period of 1998 to 2008, the Gross Domestic Product (GDP) grew at an average annual rate of 4.7 per cent in real terms, to \$1,653.6 billion in 2008. Per capita GDP at current market prices reached \$240,327 (US\$30,863).

Based on the results of the General Household Survey, the size of the total labour force in the second quarter of 2009 was 3.71 million, of whom 53.0 per cent were male and 47.0 per cent were female. This represented 61.3 per cent of the total population aged 15 and over.

* Provisional figure.

Labour Legislation and Labour Standards: The Government keeps up the momentum in improving working conditions, occupational safety and health and employees' rights and benefits through an extensive programme of labour legislation.

Hong Kong also aims at applying relevant international labour Conventions as the local circumstances allow. As at the end of 2008, Hong Kong has applied 41 Conventions, which compares favourably with other economies in the region.

Working Conditions: The Employment Ordinance provides the framework for a comprehensive code of employment. It governs the payment of wages, the termination of employment contracts and the operation of employment agencies. The law provides statutory holidays with pay, sickness allowance, maternity protection, rest days, paid annual leave and employment protection for employees. All employees have statutory protection against anti-union discrimination. The law also provides for severance payment to workers made redundant, and long service payment to workers with long service who are dismissed for reasons other than redundancy or on disciplinary grounds, who die in service or resign on grounds of ill health or old age. Employees who are owed wages, wages in lieu of notice and/or severance payments by insolvent employers may apply for ex-gratia payment from the Protection of Wages on Insolvency Fund which is financed mainly by an annual levy on business registration certificates.

The Employment of Children Regulations prohibit the employment of children aged under 15 in all industrial undertakings. Subject to certain protective restrictions, children aged 13 and 14 who are attending school may take up part-time employment in the non-industrial sectors.

The Employment of Young Persons (Industry) Regulations govern the employment conditions of young

persons aged 15 to 17 in industrial undertakings. These young persons are not allowed to work more than eight hours a day and 48 hours a week. Overtime work for them is prohibited.

Labour inspectors of the Labour Department conduct workplace inspections to monitor employers' compliance with various labour legislation to safeguard the rights and benefits of local and imported workers.

Trade Unions and Industrial Relations: Hong Kong residents have the right and freedom to form and join trade unions. At the end of 2008, there were 796 registered trade unions, consisting of 752 employees' unions, 19 employers' associations and 25 mixed organisations of employers and employees.

Hong Kong has an outstanding record of industrial peace. In 2008, there were four work stoppages, and the number of working days lost was 1 408. It lost only 0.46 working day per 1 000 workers, which is among the lowest in the world. During the year, the Labour Department dealt with 20 743 labour claims and disputes, down 5% on 2007. Most of the claims were related to wages in arrears, termination payment and holiday pay.

Minor Employment Claims Adjudication Board: To speed up the settlement of minor employment claims, the Minor Employment Claims Adjudication Board was set up in the Labour Department in 1994 for the adjudication of rights claimed under the Employment Ordinance and in accordance with individual employment contracts.

The board hears claims by not more than 10 claimants for a sum not exceeding \$8,000 per claimant. Hearings are conducted in public and procedures are simple and informal. Claims by more than 10 claimants, or more than \$8,000 for at least one of the claimants, are heard by the Labour Tribunal.

Labour Tribunal: The tribunal comes under the Judiciary and provides a quick, inexpensive and informal forum for settling labour disputes. It hears employment claims for a sum of money arising from the breach of the terms of a contract of employment or the failure to comply with the Employment Ordinance or the Apprenticeship Ordinance.

Occupational Safety and Health: Through law enforcement, education, publicity and promotion, and clinic services, and collaboration with relevant stakeholders, the Occupational Safety and Health Branch of the Labour Department reduces accidents and prevents occupational and work-related diseases to safeguard employees' safety and health at work.

Under the Occupational Safety and Health Ordinance and the Factories and Industrial Undertakings Ordinance, 32 sets of regulations have been made to cover various

aspects of hazardous activities in factories, building and engineering construction sites, restaurants, catering establishments, commercial premises and other workplaces.

In 2008, 111 866 inspections and 10 913 accident investigations were conducted. Altogether, 1 947 prosecutions were heard with fines totalling \$12 million.

In 2008, 484 legislation-related safety and health training courses for 3 327 people, and 337 tailor-made briefing sessions and talks for 12 688 employees in private and public sector organisations were given. Moreover, the Labour Department organised 1 404 public and outreaching health talks for over 42 800 participants. Safety and health publications were distributed to members of the public through various outlets and channels. The Occupational Safety Charter, setting out the rights of employees to enjoy a safe working environment and the employers' obligations to reduce the risk of accidents, remains a major promotion programme. As at the end of 2008, 1 069 organisations including employer and employee bodies have subscribed voluntarily to the charter. The department also launched a number of large-scale publicity campaigns in 2008, including safety award schemes for the construction and catering industries, aimed at enhancing safety and health awareness in the two industries; and a publicity campaign on repair, maintenance, alteration and addition works safety. As for clinic services, the Labour Department's two Occupational Health Clinics provided a total of about 13 000 clinical consultations to workers in 2008.

Employees' Compensation: Under the Employees' Compensation Ordinance, an employer is liable to pay compensation to an employee who suffers personal injury arising out of and in the course of employment or to eligible family members of an employee who is killed in an accident at work. All employers are required to have valid employees' compensation insurance policies to cover their liabilities both under the ordinance and at common law.

The Employees' Compensation Ordinance is administered by the Employees' Compensation Division of the Labour Department, which handled 196 fatal accident cases and 59 671 non-fatal cases in 2008. Among these non-fatal cases, 15 826 were minor injury cases with sick leave not exceeding three days. The division also provides administrative support to the Employees' Compensation Assessment Board which assesses the percentage of permanent loss of earning capacity suffered by injured employees. The Pneumoconiosis and Mesothelioma Compensation Office offers assistance to persons who have contracted pneumoconiosis and/or mesothelioma or in case of their death their family members to obtain compensation from the Pneumoconiosis Compensation Fund Board which is financed by a levy on the construction and quarrying industries.

Finding Employment: The Labour Department provides free recruitment assistance to employers and placement service to job seekers through a network of 12 Job Centres, the Recruitment Centre for the Catering Industry, the Job Vacancy Processing Centre, the Telephone Employment Service Centre and the Interactive Employment Service (iES) website (www.jobs.gov.hk).

Job seekers may use the facilities such as user-friendly vacancy search terminals, telephones, fax machines and computers with internet connection and resume-building software provided in the Job Centres to complete the job hunting process. The department also holds job fairs to facilitate job seekers to apply for jobs and attend interviews with employers on the spot. Through the Job Matching Programme, placement officers help job-seekers evaluate their academic qualifications, job skills, work experience and job preferences with a view to

facilitating them to actively look for suitable jobs. The department also administers special employment programmes including the Employment Programme for the Middle-aged and the Work Trial Scheme to help enhance the employment opportunities of job seekers who have difficulties in seeking jobs.

By making use of the iES, employers and job seekers may submit vacancy information or register for placement service on the web. All vacancies processed by the department are posted on the iES for public viewing. The iES also provides dedicated webpages to disseminate employment information of topical interest to job seekers.

During 2008, the department posted 671 770 vacancies from the private sector, up 20% over 2007. It achieved 146 308 placements, an increase of 8% over 2007.

Employment Assistance to People with Disabilities: The Selective Placement Division of the Labour Department provides free specialised employment assistance to people with disabilities who are suitable for open employment. The service caters for the visually impaired, hearing impaired, physically handicapped, chronically ill, mentally handicapped, ex-mentally ill as well as people with specific learning difficulties and attention deficit/hyperactivity disorder. During 2008, the division recorded 3 327 registrations and achieved 2 490 placements. The Labour Department also administers the Work Orientation and Placement Scheme which provides pre-employment training and work trial placements to people with disabilities to enhance their employment opportunities.

Employment Distribution: Total employment in the second quarter of 2009 was 3.51 million. The employment distribution among various industry sectors was as follows:

<i>Industry Sector</i>	<i>Percentage of employment distribution[#]</i>
Manufacturing	3.8
Construction	7.4
Import/export, wholesale and retail trades, and accommodation and food services	32.7
Transportation, storage, postal and courier services, and information and communications	11.6
Financing and insurance, real estate, and professional and business services	18.3
Public administration and social and personal services	25.4
Others	0.6

Total employment 100.0

[#] There may be a slight discrepancy between the sum of individual items and the total as shown in the table owing to rounding.

Wages: Wages are usually calculated on hourly, daily, monthly, or piece rates. The Government has prescribed a minimum allowable wage for foreign domestic helpers since 1973. It is now undertaking the legislative work for an across-the-board statutory minimum wage.

In March 2009, the average monthly wage rate for the supervisory, technical, clerical and miscellaneous non-production workers in the import/export, wholesale and retail section was \$13,866. Based on the wage indices, the average wage rate for this group of workers decreased by 1.1 per cent in money term, or decreased by

1.6 per cent in real terms, compared with the same period of 2008. The overall average daily wage was \$298 for the

workers at craftsmen and operatives levels in the manufacturing sector.