

Chapter 6

Employment

Hong Kong's workforce is intelligent, adaptable and hardworking — qualities the Government helps maintain by facilitating employment, safeguarding workers' rights and benefits, ensuring workplaces are safe and healthy, and promoting harmonious employer-employee relationships.

Hong Kong's hard working, adaptable workforce is one of its most treasured assets. The Government spares no effort in ensuring that Hong Kong workers stay motivated and skilful to contribute to the city's economic competitiveness. Notwithstanding the improved labour market in 2010, there are, however, many challenges ahead. The Government adopts a multi-pronged strategy to meet these challenges. This includes upgrading workers' skills to make them more employable and competitive, improving the business environment, introducing measures to create jobs and enhancing labour market efficiency.

During the year, the Employees Retraining Board offered over 120 000 training places to help in-service workers to upgrade their skills, and those seeking job change and the unemployed to re-enter the labour market. The Government also continued to offer special help to the less competitive workers.

The Labour Department has introduced a series of market-oriented employment initiatives for job seekers. These include the Employment Programme for the Middle-aged, the Work Trial Scheme, the Pilot Employment Navigator Programme, the Youth Pre-employment Training Programme and Youth Work Experience and Training Scheme, the Youth Employment Start, and the Work Orientation and Placement Scheme for job seekers with disabilities. Job fairs are also organised to help job seekers to enter or re-enter the job market.

The Government promotes harmonious employer-employee relations, protects the rights and improves the benefits of employees in line with Hong Kong's socio-economic development, as well as guards the safety, and protects the health of employees at work.

Labour Market Situation

Hong Kong's labour force comprised 3.65 million people in 2010 — 53.1 per cent men and 46.9 per cent women, representing a fall of 0.6 per cent over 2009.

The majority, or 88.3 per cent, of people employed were in the service sectors: 32.4 per cent in the import/export, wholesale and retail trades, and accommodation and food services; 25.6 per cent in public administration, and social and personal services; 18.6 per cent in financing and insurance, real estate, and professional and business services; and 11.8 per cent in transportation, storage, postal and courier services, and information and communications. Only 3.4 per cent worked in the manufacturing sector, of which about one-fifth were in the manufacture of food products and beverages.

Employment Situation

The labour market showed visible improvement in 2010. The overall unemployment rate fell from 5.4 per cent in 2009 to 4.4 per cent in 2010, while the underemployment rate also declined from 2.3 per cent in 2009 to 2 per cent in 2010. Total employment rose by about 12 700, from 3 479 800 in 2009 to 3 492 500 in 2010.

Employment Earnings

In 2010, 13.4 per cent of people with jobs were earning less than \$5,000 a month, while the percentage of people earning \$30,000 and above was 13.3. The median monthly employment earnings rose by \$500 from \$10,500 in 2009 to \$11,000 in 2010. In 2010, the median monthly employment earnings for higher-skilled workers such as managers and administrators, professionals and associate professionals was \$20,000, while those with lower skills was \$8,000.

Wages

Wage rates are calculated on a time basis, either daily or monthly, or on an incentive basis according to the volume of work performed. The average wage rate for employees up to the supervisory level, increased by 3.3 per cent in money terms between December 2009 and December 2010. After discounting changes in consumer prices, the average wage rate dropped by 0.3 per cent in real terms.

In December 2010, the average monthly wage rate for employees up to the supervisory level in the import/export, wholesale and retail trades was \$14,773. Based on the wage indices, the average wage rate for this group increased by 4.4 per cent in money terms, and increased by 0.8 per cent in real terms, compared with December 2009.

Over the same period, the average wage rate in the manufacturing sector decreased by 1 per cent in money terms, and decreased by 4.4 per cent in real terms. The average daily wage in this sector was \$347 for craftsmen and operatives.

Labour Administration and Services

The Labour Department is headed by the Commissioner for Labour. It formulates and implements labour policies; enforces labour legislation, provides free

employment services to employers and job seekers; promotes harmonious labour relations and responsible trade unionism; safeguards employees' rights and benefits; and promotes the occupational safety, health and welfare of the workforce.

Labour Legislation

The Labour Department administers Hong Kong's labour laws. Labour legislation, supplemented by administrative measures, provides the basis for the enforcement of the rights and obligations of employers and employees, and in so doing, also enables Hong Kong to meet internationally-accepted labour standards.

Three ordinances were enacted by the Legislative Council during the year to further employees' rights and improve their benefits. The ordinances are: the Occupational Deafness (Compensation) (Amendment) Ordinance 2010, the Employment (Amendment) Ordinance 2010 and the Minimum Wage Ordinance. Legislating for minimum wage represented a significant milestone and breakthrough in protecting the well-being of the grassroots workforce in Hong Kong.

In addition, amendments were made to the Employees' Compensation Ordinance to increase the amounts of five compensation items payable in respect of cases mainly involving death or permanent incapacity. The revised levels of compensation took effect on August 1, 2010.

There were 6 796 prosecutions for breaches of various ordinances and regulations administered by the Labour Department in 2010. These resulted in fines totalling more than \$21.8 million.

International Labour Affairs

Hong Kong applies 41 international labour conventions of the International Labour Organisation (ILO). These conventions lay down standards that have a significant influence on the formulation of Hong Kong's labour laws.

Hong Kong continued to participate actively in ILO activities during the year, keeping itself abreast of international labour issues. In June, a team of Hong Kong government, employer and employee representatives took part in the 99th Session of the International Labour Conference as part of the China delegation. Representatives from Hong Kong also participated in other ILO seminars and workshops.

Labour Advisory Board

The Labour Advisory Board is a high-level and representative tripartite consultative body. It advises the Commissioner for Labour on labour matters and ILO conventions and recommendations. The board comprises 12 members, six representing employers and six representing employees. The Commissioner for Labour is the ex officio chairman.

The board has five standing committees to deal with employees' compensation, employment services, occupational safety and health, labour relations and implementation of international labour standards respectively. There is, in addition, a

working group under the board to deal with applications for labour importation under the Supplementary Labour Scheme.

Employment Services

The Labour Department provides a wide range of free employment and recruitment services to job seekers and employers through a network of 12 job centres, two recruitment centres respectively for the catering and retail industries, a Telephone Employment Service Centre, a Central Recruitment Unit and a Job Vacancy Processing Centre. Round-the-clock employment services are provided through the Interactive Employment Services (iES) website (www.jobs.gov.hk), which recorded over 0.8 billion page views in 2010, or an average page view of 2.36 million per day.

The department also organises large-scale and district-based job fairs to help job seekers find jobs and employers to recruit staff. For major closure or redundancy cases, the department runs a hotline for enquiries and special counters at job centres to provide priority referral and job matching services to retrenched employees.

In 2010, a total of 135 236 job seekers registered with the Labour Department. The department also posted 752 323 private sector vacancies in the year, an all-time high figure and an increase of 27.6 per cent when compared with 2009. A job placement figure of 149 609 was achieved in 2010, or 23.8 per cent higher than in 2009.

Employment Programme for the Middle-aged

Under the programme, employers who engage eligible middle-aged people and provide them with on-the-job training are given a training allowance of \$2,000 per month per trainee for up to three months by the Government. The subsidy period may be extended to a maximum of six months for deserving cases. In 2010, a total of 3 930 middle-aged job seekers were employed under the programme.

Work Trial Scheme

In 2010, a total of 449 job seekers with exceptional difficulties finding jobs took part in a 'Work Trial Scheme' run by the Labour Department.

On completion of the one-month trial, each participant receives \$5,000 from the Labour Department plus \$500 from the organisation for which he or she worked.

Pilot Employment Navigator Programme

A two-year Pilot Employment Navigator Programme was launched by the Labour Department in December 2010 to motivate and assist unemployed job seekers to secure and remain in employment. A participant who can secure employment after receiving employment consultation services under the programme can apply for a cash incentive. The cash incentive may amount to \$5,000 if a participant stays in the job for at least three months.

Transport Support Scheme

A transport support scheme provides time-limited transport subsidy to needy job seekers and low-income employees living in the four designated remote districts of Tuen Mun, Yuen Long, North and Islands to encourage them to venture beyond their districts to work or seek jobs.

Two types of allowances are payable under the scheme: a Job Search Allowance of up to \$600 payable on a reimbursement basis to cover transport expenses incurred for attending job interviews, and an 'On-the-job Transport Allowance' of \$600 per month for up to 12 months.

Since its inception in June 2007 up to end of 2010, the scheme received 43 463 applications for which about \$330 million was earmarked for successful applicants and some \$210 million was paid out.

The Government will launch in 2011 a work incentive transport subsidy scheme to help all eligible employed persons in Hong Kong meet part of their home-to-work travelling expenses. The monthly allowance will be \$600, or \$300 at half-rate per person. The new initiative will replace the existing Transport Support Scheme.

Helping People With Disabilities Find Jobs

The Labour Department's Selective Placement Division helps people with disabilities to integrate into the community through open employment. It provides free employment counselling and placement services to people with hearing or visual impairment, physical handicap, chronic illness, intellectual disability, ex-mental illness, specific learning difficulties and attention deficit/hyperactivity disorder. The division launched a series of employment programmes and promotional events in 2010 to help these people secure jobs. It registered 3 051 such job seekers and found work for 2 405 of them during the year.

The Labour Department continues to run a 'Work Orientation and Placement Scheme' to improve the employment opportunities of people with disabilities by giving them pre-employment training and work trial placement. Employers participating in the scheme receive a financial incentive from the Labour Department. The maximum amount of financial incentive for employers was raised to \$4,000 per month in 2009. At the same time, the payment period was extended from a maximum of three months to six months. In 2010, a total of 626 people with disabilities had found work under the scheme.

Preparing People for Work

Youth Pre-employment Training Programme and Youth Work Experience and Training Scheme

A Youth Pre-employment Training Programme and Youth Work Experience and Training Scheme (YTP&YWETS) provides a full range of pre-employment and on-the-job training lasting between six and 12 months for young school leavers aged between 15 and 24 with educational attainment at sub-degree level or below, to enhance their employability. Response to the programme is encouraging. In the

programme year of 2009-10, over 16 500 applications were received. The Labour Department will continue to provide one-stop and diversified training and employment services for young people in collaboration with employers and training bodies.

Internship Programme for University Graduates

The Labour Department launched a time-limited Internship Programme for University Graduates in August 2009 for 2008 and 2009 university graduates to work as interns in Hong Kong or Mainland enterprises for six to 12 months to foster their career development. The programme was discontinued on March 31, 2010 after the economy improved.

Under the programme, 1 692 graduates secured internships in Hong Kong and 236 served as interns in the Mainland.

Youth Employment Support

The Labour Department has two youth employment resource centres called 'Youth Employment Start' to offer one-stop and personalised career advice and support services to young people aged between 15 and 29. The centres provide career assessments and guidance, value-added training, support services for the self-employed, and labour market information to help young people plan their careers, enhance their job prospects, and carry out their own businesses.

In 2010, the two centres had provided services to 72 606 young people.

Employees Retraining Board

The Employees Retraining Board (ERB) is a statutory body set up under the Employees Retraining Ordinance. Its members include employer and employee representatives, people in the vocational training, retraining and manpower planning fields, as well as government officials. It is a co-ordinating, quality assuring and funding body which works with appointed training bodies in the provision of training and related services.

Following its repositioning, the ERB now provides, under its 'Manpower Development Scheme', market-driven training and employment support services through its network of about 90 appointed training bodies operating some 370 training centres across Hong Kong. People aged 15 or above with education attainment at sub-degree level or below may enrol in its full-time placement-tied skills training and part-time skills upgrading or generic skills training courses. As at end of December 2010, there were about 600 courses covering 27 industries.

The ERB also offers the Youth Training Programme to help non-engaged youths aged between 15 and 20 to regain an interest in learning and embark on better career planning and development. The ERB is also dedicated to providing appropriate training and employment support services to other target groups which include new arrivals, ethnic minorities, people with disabilities, people recovered from work injury and occupational diseases, as well as rehabilitated offenders.

In addition to providing placement support service to the graduates of its full-time courses, to increase employment opportunities, the ERB administers the 'Smart Living Scheme' which provides a platform for free referral of its graduates in domestic help, post-natal care, infant and child care, elderly care, escort for out-patients, care for discharged and hospital patients, as well as healthcare massage.

The ERB also places strong emphasis on training of generic skills to enhance the employability of Hong Kong's workforce. Training in this area covers basic workplace languages, numeracy, IT applications and job search skills.

The ERB operates two service centres in Kowloon East and Kowloon West to provide training and employment support services to its clients.

The ERB has continued to strengthen its quality assurance mechanism to ensure its training courses meet the requirements of the Hong Kong Council for Accreditation of Academic and Vocational Qualifications for the purpose of recognition under the Qualifications Framework.

The Government stopped providing recurrent subvention to the ERB in 2008. Since then, its main income has come from the 'Employees Retraining Levy', collected from employers of imported workers including foreign domestic helpers. The levy goes to the Employees Retraining Fund (ERF), which is administered by the ERB. During the five-year suspension of the levy effective from August 1, 2008, the ERB had relied mainly on the balance of the ERF to support its operations.

Skills Upgrading Scheme

A \$400 million Skills Upgrading Scheme (SUS) provides training for in-service workers to help them adapt to changing economic needs. Since 2001, over 260 000 training places have been provided under the SUS, benefiting workers from 26 industries.

In July 2009, the ERB launched a 'Skills Upgrading Scheme Plus' (SUS Plus) to provide part-time skills training courses to help in-service employees upgrade their trade-specific skills, or to acquire new job skills in other industries if they wish to change jobs. As the funding for the SUS is expected to be exhausted by around mid-2011, the ERB had been taking over the SUS courses in stages since December 2009. In 2010, the ERB offered about 200 courses covering 17 industries under a plan called 'SUS Plus'. The migration of SUS courses to the ERB's SUS Plus is expected to be completed in mid-2011.

Continuing Education Fund

A \$5 billion Continuing Education Fund (CEF) was launched in June 2002 to subsidise adults wishing to pursue continuing education. Approved courses in specific sectors and those designed in accordance with the specifications of competency standards and registered under the Qualifications Register are covered by CEF.

On completion of their courses under the CEF, eligible applicants are reimbursed 80 per cent of the fees they paid, which must not exceed \$10,000 per person.

In July 2009, a total of \$1.2 billion was injected into the fund as a special one-off arrangement because of the economic downturn. By the end of December 2010, over 548 000 applications had been approved under the CEF.

Labour Relations

In 2010, the Labour Department's Labour Relations Division handled 68 trade disputes and 20 434 employment claims, or 52 and 16 per cent down on 2009. A total of 72.9 per cent were settled through conciliation. There were three work stoppages during the year, resulting in a loss of 329 working days, or an average loss of 0.11 working days per 1 000 salaried employees and wage earners. The average loss of working days per 1 000 salaried employees and wage earners in Hong Kong is among the lowest in the world.

The Labour Department organises a wide variety of activities such as talks, seminars and exhibitions to enhance public understanding of the Employment Ordinance. It also produces free publications for the public. Information is disseminated through the department's website and the media.

The department promotes tripartite dialogue and co-operation at the industry level by setting up committees for the catering, construction, theatre, logistics, property management, printing, hotel and tourism, cement and concrete, and retail industries. These nine committees, comprising employers, employees and labour officials, provide an effective forum for discussion on industry-specific issues of mutual concern.

At the enterprise level, the department promotes good labour management practices and effective communication between employers and employees. Eighteen human resources managers' clubs have been established. During the year, experience-sharing sessions and briefings were organised for members.

To assist employees in maintaining a balance between work and family responsibilities, the department promotes family-friendly employment practices (FFEP) through exhibitions and other activities. To encourage more employers to adopt FFEP, a video to showcase exemplary employers was produced during the year for public distribution. The video was broadcast during various promotional activities.

Trade Unions

The Registry of Trade Unions administers the Trade Unions Ordinance and promotes good and responsible trade union management. Once registered, a trade union becomes a body corporate and enjoys immunity from certain civil suits.

In 2010, 18 new unions were registered, bringing the number of registered trade unions to 824 (comprising 780 employee unions, 18 employers' associations and 26 organisations comprising employees and employers). There are also seven registered trade union federations, including three registered in 2010. Declared membership of employee unions over the past five years has remained at around 700 000. The trade union participation rate was around 22 per cent over the same period.

About half of the employee unions are affiliated to four major labour organisations registered under the Societies Ordinance. They are the Hong Kong Federation of Trade Unions (180 unions), the Hong Kong and Kowloon Trades Union Council (33 unions), the Federation of Hong Kong and Kowloon Labour Unions (70 unions), and the Hong Kong Confederation of Trade Unions (79 unions).

Protection of Wages on Insolvency Fund

The Protection of Wages on Insolvency Fund provides ex gratia payment to employees who are owed wages and other termination benefits by insolvent employers. Its funds come mainly from an annual levy of \$450 imposed on business registration certificates. The fund covers arrears of wages not exceeding \$36,000 accrued during a period of four months preceding the applicant's last day of service; wages in lieu of notice of termination of employment of up to \$22,500 or one month's wages, whichever is less; and severance payment of up to \$50,000 plus 50 per cent of any entitlement in excess of \$50,000. The maximum amount of ex gratia payment per eligible worker is \$278,000.

In 2010, after the economy improved, the fund received 4 453 applications for ex gratia payment, a 39 per cent drop from last year's 7 260 applications. During the year, the fund paid out \$99 million to 4 359 applicants, and recorded a surplus of \$404 million.

Employees' Rights and Benefits

The Employment Ordinance provides for various employment-related benefits and entitlements to employees. Over and above the statutory requirements, employers and employees are free to negotiate the terms and conditions of employment.

Since December 2000, all employers have had to enrol their employees in Mandatory Provident Fund schemes, which are regulated by the Mandatory Provident Fund Schemes Authority. At year's end, some 99 per cent of employers had joined the schemes.

Labour Conditions

Children under 15 are generally prohibited from employment by law. Subject to stringent rules, children aged 13 to 14 may be employed in non-industrial establishments. While young people aged 15 to 17 may work in industrial establishments, their employment is subject to regulations on their hours of work. Specific provisions under labour legislation protect workers' safety, health and welfare.

Labour Inspectors inspect workplaces to ensure employers' compliance with laws safeguarding the rights and benefits of workers, and that employers possess valid employees' compensation insurance. Labour inspectors also check employees' proof of identity during their inspections and work with the Police and the Immigration Department to combat illegal employment. During the year, 217 interdepartmental operations were carried out.

Companies providing services to the Government under service contracts which rely heavily on the deployment of non-skilled workers are required to sign a standard employment contract with the workers. The contract helps safeguard the rights and benefits of non-skilled workers.

Enforcement Against Wage Offences

The Labour Department takes strong enforcement action against employers who fail to pay wages due to their employees and take steps to prevent wage defaults. The department secured convictions for 1 481 summonses relating to wage offences during the year, 13 per cent up on 2009. Three company responsible persons and one employer were jailed or given suspended sentences, and five company responsible persons and nine employers were ordered to perform community service as a result of wage defaults. The Employment (Amendment) Ordinance 2010 that went into force on October 29, 2010 strengthened further the deterrent against non-payment of wages by introducing a new criminal offence against employers who wilfully defaulted awards for wages or some other entitlements made by the Labour Tribunal or Minor Employment Claims Adjudication Board.

Employees' Compensation

Hong Kong's employees' compensation system adopts the 'no-fault' principle whereby compensation is payable irrespective of whether the injury, occupational disease or death is the employee's fault. The Employees' Compensation Ordinance covers injuries or death caused by accidents arising from, and in the course of, employment or by specified occupational diseases. An employer must be in possession of a valid insurance policy to cover his liabilities both under the ordinance and common law.

A Voluntary Rehabilitation Programme initially drawn up in 2003 to help construction workers injured at work to recover faster through better care, has been extended to all industries in phases.

The Labour Department assists injured employees and the families of deceased employees to obtain compensation from their employers under the Employees' Compensation Ordinance. It also administers a scheme that provides interest-free loans to workers injured in job-related accidents.

During the year, the Labour Department delivered talks, distributed leaflets, published articles in newspapers, and made announcements on TV, radio and public transport to help employers and employees better understand their rights and obligations under the ordinance.

An 'Employees Compensation Assistance Scheme' helps injured employees, or family members of deceased employees to obtain compensation from defaulting employers. The scheme is financed by a levy imposed on all employees' compensation insurance policies taken out by employers.

Pneumoconiosis and/or mesothelioma sufferers are eligible for compensation under the Pneumoconiosis and Mesothelioma (Compensation) Ordinance administered by the Pneumoconiosis Compensation Fund Board. Those diagnosed to

have contracted pneumoconiosis before the ordinance went into effect in 1981 may apply for ex gratia benefits from the Government under the Pneumoconiosis Ex Gratia Scheme.

At year's end, 1 790 pneumoconiosis and/or mesothelioma sufferers were receiving payments under either the ordinance or the ex gratia scheme. Family members of 130 pneumoconiosis and/or mesothelioma sufferers who had died as a result of the diseases were also granted compensation during the year.

The 'Occupational Deafness Compensation Board' administers the Occupational Deafness Compensation Scheme which compensates employees who have worked in specified noisy occupations and are suffering from noise-induced deafness. To improve the protection of the scheme, the Occupational Deafness (Compensation) (Amendment) Ordinance 2010 was passed by the Legislative Council and went into operation on April 16, 2010 to make monaural hearing loss compensable, provide further compensation for claimants whose hearing loss deteriorates as a result of their continued employment in noisy occupations and increase the maximum and first time reimbursable amounts for the expenses incurred relating to hearing assistive devices. In 2010, the board approved 591 applications and paid out \$17.34 million in compensation. It also approved 541 applications for hearing aids, costing \$2,230,466. In addition, the board runs rehabilitation programmes for people with impaired hearing caused by their jobs. In 2010, the board provided 455 such programmes.

Legislating for a Statutory Minimum Wage

The introduction of a statutory minimum wage is an important Government labour policy initiative to protect low-income workers. The aim is to establish a statutory minimum wage regime which sets a wage floor to forestall excessively low wages, but without unduly jeopardising Hong Kong's labour market flexibility and economic competitiveness or causing significant adverse impact on employment opportunities for vulnerable employees. The Legislative Council passed the Minimum Wage Bill in July 2010. Upon acceptance of the recommendation of the Provisional Minimum Wage Commission to set the initial statutory minimum wage rate at \$28 per hour, the Government introduced four pieces of subsidiary legislation in November 2010. With the approval of the Legislative Council, the statutory minimum wage will go into force on May 1, 2011, which is the next Labour Day. The Labour Department will launch a wide range of promotional activities to enhance public awareness of the statutory minimum wage. Targeted efforts will be made to facilitate employers and employees to understand their respective obligations and entitlements under the minimum wage legislation.

Minor Employment Claims Adjudication Board

The Minor Employment Claims Adjudication Board determines claims under the Employment Ordinance and in accordance with individual employment contracts. The board hears and judges employment claims involving not more than 10 claimants for sums not exceeding \$8,000 per claimant. During the year, the board dealt with 2 112 claims and approved awards amounting to \$4.9 million.

Labour Tribunal

The Labour Tribunal is part of the Judiciary. It provides a quick, inexpensive and informal method of adjudicating disputes between employees and employers, which are not within the exclusive jurisdiction of the Minor Employment Claims Adjudication Board.

In 2010, some 4 670 cases were filed with the tribunal, of which 4 601 were initiated by employees and 69 by employers. Of these, 88.2 per cent were referred by the Labour Department's Labour Relations Division after unsuccessful conciliation attempts. During the year, the tribunal dealt with 4 678 cases and granted awards totalling more than \$219 million, or 1 181 cases and \$128 million less than in 2009.

Employment Agencies

The Labour Department's Employment Agencies Administration enforces Part XII of the Employment Ordinance and the Employment Agency Regulations which empower the department to inspect employment agencies to ensure they comply with the law, investigate complaints against the agencies and carry out other monitoring roles. It issued 2 168 employment agency licences and revoked one licence during the year.

Policy Study on Standard Working Hours

The Chief Executive announced in his Policy Address 2010-11 that the Administration would embark on a policy study on standard working hours. The Labour Department is conducting the study.

Imported Workers

Employment of Professionals

Non-local talented people and professionals who possess special skills, knowledge or experience of value to Hong Kong may apply to take up employment in Hong Kong if they have secured a job that cannot be filled readily by local workers and receive a remuneration package broadly commensurate with those in the market. Business people and entrepreneurs who can make substantial contribution to the economy are also welcome to bring capital and expertise to Hong Kong. During the year, 34 326 talented people and professionals from more than 100 countries or territories were admitted for employment.

Employment of Non-local Students

Since May 19, 2008, non-local fresh graduates of full-time locally-accredited degree, or higher level studies may apply to stay for one year in Hong Kong to take up employment. Those who have previously obtained a degree or higher qualification in a full-time locally-accredited programme in Hong Kong may also apply to return to Hong Kong for employment if the job they have secured is at a level normally taken up by degree-holders and pays market rates.

Supplementary Labour Scheme

Under the Supplementary Labour Scheme, employers may apply to import workers to fill vacancies at technician level or below. The Government's policy on importation of labour is based on two cardinal principles:

- local workers must be given priority in filling job vacancies available in the market; and
- employers who are genuinely unable to recruit local workers to fill their vacancies should be allowed to import workers.

All applications made under the scheme are considered on a case-by-case basis. To ensure priority of employment for local workers, each application to import workers has to comply with three procedural requirements before it is submitted to the Labour Advisory Board for consideration and to the Government for a decision.

The requirements are: advertising in newspapers, job-matching by the Labour Department for four weeks, and organising retraining courses with the assistance of the Employees Retraining Board for local workers, if appropriate.

At the end of 2010, there were 1 837 imported workers working in Hong Kong.

Foreign Domestic Helpers

Foreign domestic helpers may be admitted if, subject to immigration control, they have relevant working experience and if their employers are Hong Kong residents who are prepared to offer terms of employment as stipulated in the standard employment contract prescribed by the Government, including free and suitable accommodation, free food or food allowance in lieu, wages not lower than the minimum allowable wage set by the Government, free passage from and to the helper's place of origin and free medical care. Employers must also meet the requirements on income or assets.

The demand for foreign domestic helpers has increased steadily over the past three decades. At the end of 2010, there were 285 681 such helpers in Hong Kong, an increase of 6.7 per cent over the 267 778 in 2009. About 49.3 per cent were from Indonesia and 48.1 per cent from the Philippines.

Occupational Safety and Health

The Labour Department improves continually safety and health in the workplace through a three-pronged strategy of legislation and enforcement, publicity and promotion, as well as education and training. Safety and health at work in Hong Kong has improved significantly in the past decade as a result of the concerted effort of all parties concerned, including employers, employees, contractors, safety practitioners and the Government.

In 2010, the number of occupational injuries was 41 907, a drop of 22 per cent from the 53 719 cases in 2001. Over the same period, the number of industrial accidents also fell from 28 518 to 14 015, down by 50.9 per cent. In the

construction industry, accidents recorded a substantial decrease of 68.7 per cent from 9 206 in 2001 to 2 884 in 2010. In 2010, a total of 229 cases of occupational diseases were confirmed, representing a cumulative fall of 46.7 per cent from the 430 cases in 2001. The most common occupational diseases were silicosis, occupational deafness and tenosynovitis (inflammation of a tendon sheath) of the hand or forearm.

Enforcement

The Labour Department inspects workplaces regularly to ensure compliance with occupational safety and health laws, particularly in the case of high-risk industries and organisations with poor safety records. Besides routine inspections, the department conducts special enforcement campaigns targeting accident-prone industries and work situations.

Such campaigns were carried out during the year, focusing on building repair and maintenance, construction, catering, cargo and container handling, scaffolding safety, lift maintenance and repair works, safe use of electricity, use of fork-lift trucks in waste recycling industry, as well as fire and chemical safety.

Following an industrial accident in September 2009, in which six workmen fell to their death from a platform in a lift shaft, the department worked with the Construction Industry Council and other stakeholders to develop practical safety guidelines for the industry. The first set of guidelines was released in July 2010, focusing on the safety of site personnel working near or inside a lift shaft during the construction stage and before handing over to the lift installation contractor. The department also takes enforcement actions, as necessary, to secure compliance with relevant statutory requirements.

The department stepped up its enforcement measures during the hot months between April and September to ensure that people working in places such as construction sites, outdoor cleansing workplaces and container yards are protected adequately from heat stroke.

As a result of the outbreak of Human Swine Influenza A/H1N1 (or swine flu) in 2009, the department continued to strengthen inspection at workplaces where the risk of infection is high, such as hospitals, clinics, and elderly homes to ensure proper infection control measures were in place to protect the employees there. The department resumed normal inspection of those places after the influenza pandemic 'Alert' level was lowered in May.

During the year, the department served 1 363 Improvement Notices on companies and organisations requiring them to enhance safety conditions at workplaces promptly, and 110 Suspension Notices on those where work activities or the use of plant or substances posed imminent risks of death or serious bodily injury to employees.

A total of 1 849 cases were heard in court which handed down fines totalling \$13 million. The defendants in almost 85 per cent of the cases were convicted.

Promotion and Education

As the result of a rise in accidents from working at height and renovation, maintenance, alteration and addition (RMAA) works, the department in collaboration with the Occupational Safety and Health Council launched a large-scale two-year publicity programme with new initiatives to reach out directly to contractors and workers engaged in such work. The programme is aimed at raising their safety awareness and impressing upon them the importance of safety in RMAA works and work-at-height. The department also continued to promote the Occupational Safety Charter and Workplace Hygiene Charter which calls on employers and employees to create and maintain a safe and healthy working environment. It also organised safety award schemes for the construction and catering industries.

The Labour Department conducts courses and talks to help workers better understand the occupational safety and health laws, and gives health talks at workplaces. During the year, over 800 courses and talks on relevant legislation were held for some 13 700 employees. The department also held over 1 300 health talks which were attended by some 42 000 people.

In 2010, the department stepped up publicity on heat stroke prevention and drew up two checklists, one for construction sites and the other for outdoor cleansing workplaces, to facilitate further contractors/employers and workers in these two industries to assess the risk of heat stroke at their workplaces. In order to raise employers' and employees' awareness of the health risk of outdoor work under high air pollution levels, the department also developed a checklist to provide practical guidance on the risk assessment under such conditions.

Occupational Health Clinics

The Labour Department provides occupational health services to workers at its occupational health clinics in Kwun Tong and Fanling. Together they held some 13 000 clinical consultations with workers during the year.

Occupational Safety and Health Council

The Occupational Safety and Health Council is charged with the mission of promoting a culture of respect for safety and health in workplaces. The council works closely with various industries to promote safe and healthy workplace principles. It also provides training, publicity, consultancy, research and an information service to drive home the message that conditions at workplaces must be safe and healthy.

During the year, 1 624 courses on occupational safety and health were held, attended by 41 764 trainees. The Hong Kong Council for Accreditation of Academic and Vocational Qualifications announced in July that the council was competent to offer certification courses under Level 3 of the Hong Kong Qualifications Framework. The Employees Retraining Board also appointed the council to provide occupational safety and health training courses under the 'Skills Upgrading Scheme Plus' to increase the efficiency of trainees and to protect the safety and health of Hong Kong's workforce through these training courses.

Construction work is a high-risk occupation. In view of the recent commencement of large infrastructure projects and urban renewal developments, the council organised a number of new courses to help trainees understand the latest occupational safety and health regulations, and to prepare them for the implementation of safety management plans. In addition, the council has produced tailor-made safety training programmes to cater for the specific needs of government departments, and public and private sector organisations.

Industrial accidents in small-scale construction projects, such as renovation and maintenance works have been on the rise. In response, the council organised a wide range of promotional activities with government departments and the industry to improve the safety awareness of property owners, contractors and practitioners. It also launched a 'Renovation and Maintenance Works OSH Ambassador Programme' to help disseminate relevant safety messages to the public. The council attaches great importance to occupational health. Experts from the World Health Organisation and Asian region made presentations at a 'Conference on Health and the Well Being at Work' held in the year. In addition to its annual 'Health Day Promotional Campaign', the council also launched an occupational safety and health promotional plan for professional drivers. Outdoor promotional activities were organised in collaboration with the trade union to remind professional drivers to be health cautious.

The council has launched various accreditation schemes under the Safe Community Programme advocated by the World Health Organisation (WHO) by setting up a uniform assessment standard for all programmes to continually improve and enhance occupational safety and health standards. The council was designated by the WHO in 2010 as the 10th 'International Safe Community Certifying Centre' to provide certification to safe communities that meet the standards. It also launched an 'International Safe Workplaces Programme' to encourage organisations to adopt basic WHO standards for enhancing safety levels in their workplaces.

During the year, the council was invited to participate in a large multinational research project called 'International Return on Prevention', which helps enterprises calculate the costs and returns of promoting occupational safety and health. Participants include the International Social Security Association, German Social Accident Insurance and relevant organisations in 21 countries and regions. To help small and medium enterprises improve their occupational safety and health standard, the council offers financial support and consultancy to them through various subsidy programmes.

Websites

Labour and Welfare Bureau: www.lwb.gov.hk

Education Bureau: www.edb.gov.hk

Security Bureau: www.sb.gov.hk

Labour Department: www.labour.gov.hk

Occupational Safety and Health Council: www.oshc.org.hk

Immigration Department: www.immd.gov.hk

Employees Retraining Board: www.erb.org