

# The State of Labour in Hong Kong 2024

## Summary

This report documents recent developments in Hong Kong's labour market, labour laws and policies, labour standards violation, as well as trade union activities and worker's collective actions.

**Section 2** overviews the city's economic and labour market situations in 2024. Hong Kong's economy expanded in two consecutive years for the first time since the COVID outbreak; however, thanks to the less-than-robust rebound partly attributable to weak private consumption, real GDP has yet to return to its pre-pandemic peak. Despite the mediocre economic performance, the city's labour market remained healthy throughout 2024, albeit there were signs of weakening towards the end of the year. In the final quarter, unemployment rate was marginally increased by 0.1 percentage points from the previous three quarters, job vacancies were markedly dropped by 28% from previous year's peak and wage growth was slightly slowed by 0.3 percentage points from a year earlier. On the other hand, notwithstanding the Government has implemented a series of talent attraction measures and more than 300,000 visas or entry permits were issued in the previous two years, the final quarter of 2024 still saw a decline in labour force by nearly 180,000 or 4.8% from six years earlier. The shrinking of working population could weaken Hong Kong's growth potentials which might eventually have a negative impact on the city's labour market.

**Section 3** reports recent developments in labour laws and policies. The Government decided to adjust the statutory minimum wage annually starting May 2026, yet the formula devised to calculate the rate of adjustment guarantees that the wage floor can never keep pace with economic or productivity growth. The Labour Advisory Board agreed to revise the definition of "continuous employment" by using the aggregate working hours of four weeks as a counting unit and setting the four-week working hour threshold at 68 hours, the proposed amendment however continues to deny a significant number of part-time employees of full statutory benefits. The Government promised to study the ways to offer some statutory protection to digital platform workers, but has already expressed its opposition to classify them as employees before the formal consultation kicks off. More than 70,000 quota have been approved under the Enhanced Supplementary Labour Scheme; the scheme's negative impacts on the livelihoods of local grassroots workers could be evidently felt, especially in "accommodation and food services" where more than 21,000 workers were imported, representing 8.3% of persons engaged in the sector.

**Section 4** discusses the potential impacts of the Safeguarding National Security Ordinance (locally known as Article 23 Legislation) on the normal and effective functioning of the city's trade unions and labour organizations. The broadened seditious offences, which now criminalise acts causing hatred against the executive, legislative or judicial authority, or amongst different classes of residents without inciting public disorder or violence, could pose undue restrictions on trade union's

exercise of freedom of expression. The new offence of external interference, which carries a maximum penalty of 14 years imprisonment, could deter the city's trade unions from not only collaborating with their counterparts at regional and international level, but also participating in UN's human rights mechanisms and ILO's labour standards monitoring procedures. The new sabotage offence, which covers causing public infrastructure not to be able to function as it should without having actually damaged it, may unduly intrude the rights of trade union to organize its legitimate activities, including protest, strike and industrial action. The unchecked powers afforded to the authorities under Article 23 Legislation could open the door for the Government to put a blank label of "necessary for safeguarding national security" to any organization (trade union included), and arbitrarily interfere into, or even prohibit, the operation of the organization.

**Section 5** documents labour rights violations in Hong Kong. The heavy sentences imposed on two trade unionists and other activists over their participation in the democracy camp's primary election illustrates how the National Security Law (NSL) is used against civil society organizers. Transnational repression tactics were employed to target exiled trade union and civil society leaders. Extra-legal suppression methods were also adopted to silence the city's remaining independent trade unions. On the other hand, social workers' right to work was compromised as 17 persons' social worker registration was stripped or suspended seemingly because of their political beliefs or activities. Migrant domestic worker's right to work of their own choosing was also denied as the Government revised the employment agency's codes of practice to combat "job-hopping".

**Section 6** takes stock of trade union activities and worker's collective actions. Amid the fast-worsening political environments, hundreds of trade unions or labour organizations have been dissolved, stopped operations or withdrawn from Hong Kong. A total of 247 trade unions cancelled their registration between 2021 and 2024, and union membership fell by 6% in 2023 from four years earlier. With the police's tightening control on civil society activities, worker's collective actions have almost disappeared in the public sphere; there had been no Labour Day rally for five years in a row. Many trade unions have opted to stay silence, while other unions that continue to voice their opinions have deliberately chosen the mildest way, such as issuing statements or holding press conferences. Worker's spontaneous collective actions did occur sporadically; for instance, dozens of bar benders went to the Kowloon East Job Centre at the same time to look for jobs, complaining of inadequate job vacancies since the implementation of the construction sector labour importation scheme in July 2023.

Looking forward, with local working population shrinking, the role as a "super-connector" between China and the rest of the world fading and the Chinese economy facing serious structural problems, Hong Kong's medium term economic prospect is rather gloomy, which could adversely impact on the labour market. On the other hand, since the promulgation of the NSL, the Government's crackdown on the city's trade unions has never relaxed. After the hasty passage of Article 23 Legislation, the

Government plans to amend the Trade Unions Ordinance by the end of 2025, the provisions of which will undoubtedly further limit the space for trade union's operation and functioning. Despite all these difficulties, Hong Kong's trade union organizers and labour right activists have never stopped exploring the way to break through the current predicament and workers have started organizing themselves to defend their own rights. Worker's resistance will never disappear because of worsening socio-political environments.