



Business and Human Rights and Labour Rights

There were no recommendations made on the Hong Kong Special Administrative Region, China (HKSAR) for the Second UPR Cycle.

Framework in HKSAR

There is no legal or policy framework guiding corporations on their responsibility to respect human rights in the HKSAR. The HKSAR Government has not announced any public actions it will take to fulfil the United Nations Guiding Principles on Business and Human Rights (UNGPs). The HKSAR does not have a National Contact Point and has not subscribed to the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

The Hong Kong Exchanges and Clearing Limited (HKEX), a public company which operates the stock market in Hong Kong, has Environmental, Social and Governance (ESG) reporting requirements. It is mandatory for listed firms to make general disclosures on their ESG policies, explain how they intend to deal with operational risks that have far-reaching implications for the environment and society at large, and whether they comply with laws and regulations. While ESG reporting requirements are positive, their impact is for a relatively small number of companies. Additionally, according to Oxfam Hong Kong, among the 50 companies listed on the Hang Seng Index, 32% received the lowest “unstable rating”, disclosing only basic ESG-related information.

There are several pieces of legislation that cover work rights, including the Employment Ordinance, Minimum Wage Ordinance, Employees Compensation Ordinance and occupational, health and safety laws. However, there remain several gaps, including a lack of legislation on standard working hours and collective bargaining. The International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR) apply to HKSAR. Article 39 of the Basic Law provides that they shall be implemented through HKSAR laws.

Challenges

- The HKSAR Government has not taken any action to develop legal or policy frameworks, or provide guidance to business on respecting human rights under the UNGPs.
- The HKSAR Government has not taken sufficient action to protect labour welfare, failing to adequately protect the right to just and favourable conditions of work under Article 7 of ICESCR.

Cases, facts and comments

- HKSAR is a leading financial hub in Asia, with the operations of many companies extending well into the Asia-Pacific region and further.
- There are more than 1.3 million registered companies in HKSAR. Over 1,400 companies have a regional headquarters in HKSAR.
- Companies in HKSAR have lagged in taking actions under their corporate responsibility to respect human rights impacted by their business activities, but tends to focus on mere philanthropy.
- Legislation providing for collective bargaining rights was repealed by the Provisional Legislative Council in 1997, four months after it was passed by the Legislative Council before the handover to China.
- Workers in HKSAR have some of the longest hours in the world, over 50 hours per week – 38% more than the world average, according to UBS. Additionally, workers



	<p>receive 17 days of holiday per year, compared to a global average of 23. Legislation to standardize working hours is yet to be passed</p>
<ul style="list-style-type: none"> Legislation does not adequately protect victims of human trafficking, failing to adequately uphold rights under Articles 7, 8, 9, 12 and 23 of ICCPR, Articles 2 and 12 of the Convention against Torture, and Principle 3 of the UNGPs. 	<ul style="list-style-type: none"> There is no comprehensive law on the prevention, prosecution, and protection to victims of human trafficking and forced labour. There are also no laws requiring the disclosure of actions, policies or due diligence behaviour of companies to combat human trafficking. According to a recent Thomson Reuters survey, fewer than 40% of corporations in the Asia-Pacific had relations with vendors and suppliers which screened for human trafficking, among other crimes. According to research from Justice Centre Hong Kong, 17% of migrant domestic workers display all the indicators required to be counted in forced labour – 1 in 6. While, 14% of those MDWs in forced labour have been trafficked into it.

Recommendations

- HKSAR should conduct a consultation towards developing an action plan on business and human rights, based on the United Nations Guiding Principles on Business and Human rights and related frameworks, within one year. The process must be transparent, with meaningful and informed participation by disempowered and at-risk stakeholders.**
- HKSAR should restore legislation providing for collective bargaining rights within one year.**
- HKSAR should adopt legislation to provide for maximum and standard working hours within two years.**
- HKSAR should review the minimum wage adjustment mechanism to ensure an adequate standard of living for all workers within two years.**
- HKSAR should adopt a comprehensive law on prevention, prosecution, and protection to combat human trafficking and forced labour, within one year.**

Questions to ask in advance

- What measures will the HKSAR Government take in the next 5 years to implement the United Nations Guidelines on Business and Human Rights? When does the HKSAR Government plan to conduct a consultation towards developing an action plan on business and human rights?*
- Will the HKSAR Government subscribe to the OECD Declaration and Decisions on International Investment and Multinational Enterprises in the next 5 years?*
- What are the reasons for HKSAR's lack of legislation on standard working hours, collective bargaining and comprehensive anti-human trafficking legislation? What new actions does the government plan to take in the next 5 years to improve the rights of workers, with specific reference to Article 7 of ICESCR?*

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