



HKRMA's Position on Minimum Wage
Presented to Bills Committee on Minimum Wage Bill

7 October 2009

The Hong Kong Retail Management Association (HKRMA) objects to the introduction of a minimum wage. We respect and continue to support the free market mechanism that laid the solid foundation for the continued economic success of Hong Kong. Legislation on minimum wage will distort the labour market. We believe it is through market forces, the business sectors and the labour market can work its best and bring ultimate benefits to the economy as a whole.

If legislation on minimum wage is inevitably to be introduced, the Association urges the Administration to undertake a full scale Regulatory Impact Study and to fully assess the unintended knock-on impact on wage level that the minimum wage would have brought after its introduction.

As the draft Bill is a skeletal framework only, it is essential that the full details of the minimum wage scheme are known. The draft Regulations must include provisions that are sufficiently clear and detailed to enable employers to comply with their obligations, and therefore the Association urges the Administration to prepare and provide for public consultation the draft Regulations at the same time as the draft Bill is being reviewed.