

**Subcommittee on Minimum Wage Ordinance (Amendment of Schedule 3)  
Notice 2019 and Employment Ordinance (Amendment of Ninth Schedule) Notice**

**2019 - 7/3/2019**

**By Nepalese Cleaning Workers Concern Group**

Nepalese Cleaning Workers Concern Group has met workers who are mainly grass-roots workers, stuck in poverty.

**Impact of Statutory Minimum Wage (SMW)**

As the economic growth is well above the rate of inflation, there should be a real rise in the wage. A large proportion of the low-paid workers who are on SMW rate only are voiceless and powerless grassroots workers, leading to the most vulnerable people in the society. Even though the SMW is now increased to HK\$37.5 per hour, it is still at a low level. The minimum wage readjustment is not enough to let employees earn a dignified living through labor and hard work. Instead of HK\$3 per hour raise, the government should use the living wage concept to calculate the minimum wage, so that these needy groups can live with dignity.

Assuming 8-hour work day and an average of 31 working days per month, a person working for minimum wage would only make HK\$9,300 per month. The cost of rents, food and groceries in Hong Kong changes each year. The long working hours, commuting time and a person making minimum wage incurs additional costs by eating out for one or more meals a day. Instead of proposing and legislating a minimum wage that people can live on, Hong Kong is doing a disservice to its low-income workers by setting such a dismal minimum wage. The meal breaks should also be counted in the minimum wage.

A fifth of Hong Kong's 7.4 million populations are into poverty, with children and the elderly suffering the most. A review on the adjustment mechanism of SMW annually and an increase in low-paid workers' wage is necessary.

**Recommendation on Policy**

1. The LIVING WAGE concept should be implemented in Hong Kong to calculate the SMW.

2. The government should review SMW once every year, instead of biennially to enable employees and their families to make a reasonable living and secure a decent standard of living.
3. Meal breaks should be counted in the Minimum wage.