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生活質素研究中心
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Report of Research on Living Wage in Hong Kong

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Chapter 1: Introduction

1.1 Background

The Centre for Quality of Life, Hong Kong Institute of Asia-Pacific Studies, The Chinese University of Hong Kong was commissioned by Oxfam in November 2017 to conduct a study on living wage (LW) in Hong Kong.

1.2 Research Objectives

- 1) To understand the household expense of working families in Hong Kong.
- 2) To propose the implementation of the LW in Hong Kong so that workers can secure a normative living standard.

1.3 Outline of the Report

In the following four chapters of this report will cover the content as below:

Chapter 2 presents the literature review on LW.

Chapter 3 introduces the methodology of estimating a suitable LW in Hong Kong.

Chapter 4 presents the key findings from the focus group interviews.

Chapter 5 proposes a monthly LW and hourly rate in Hong Kong.

Chapter 6 proposes the mechanism of updating the LW in Hong Kong and the way forward of promoting LW in Hong Kong.

Chapter 2: Literature Review

2.1 Importance of the Living Wage

The International Labour Organization (ILO) states that the LW is anchored in social justice in the Preamble of the *ILO Constitution* in 1919:

*Whereas universal and lasting peace can be established only if it is based upon social justice; and whereas conditions of labour exist involving such injustice, hardship and privation to large numbers of people ... an improvement of those conditions is urgently required; as, for example, by the regulation of the hours of work, including the establishment of a maximum working day and week ... the provision of an adequate **living wage** ... recognition of the principle of equal remuneration for work of equal value...*

United Nations (1948) stated in Article 23 of the *Universal Declaration of Human Rights* that receiving a decent wage for a decent standard of living is a basic right:

Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity.

2.2 Definition of the Living Wage

In Canada, the LW is ‘based on the principle that full-time work should provide families with a basic level of economic security, not keep them in poverty’ (Richards et al., 2008, p.7).

In one of the ILO’s working papers, *Estimating a living wage: A methodological review*, Anker (2011) reviewed more than 60 descriptions of the LW, the characteristics of 86 municipal LW laws in the United States and 99 national minimum wage laws from around the world. He summarised the constitution of a LW into the points below. He says it:

- (i) is a right according to the international community;
- (ii) needs to be sufficient to support a decent standard of living for a specific time and place;

- (iii) needs to be sufficient for a worker to support a family;
- (iv) needs to be based on the concept of take-home pay; and
- (v) needs to be earned during normal working hours and not require employees to work overtime.

Anker and Anker (2017) cited and adopted Global Living Wage Coalition's 2016 definition of the LW in their manual of measuring the LW:

Remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing, and other essential needs including provision for unexpected events. (p.8)

While the above definitions are built around the concept of basic needs, some other definitions are built upon a higher level of needs. In the UK, the success of the LW movement is founded upon a powerful underlying principle: *'work should bring **dignity** and should pay enough to provide families the essentials of life'* (Hirsch & Moore, 2011).

In addition, the Association of Chartered Certified Accountants (ACCA) and the Living Wage Foundation (March 2017) undertook a consultation exercise that involved a roundtable discussion with over 140 participants from different countries to explore the concept of a LW. The concept of a 'decent life' also helps the LW movement highlight workers' dignity and full participation:

*A Living Wage should be calculated by reference to the income an individual needs to earn in order to live a **decent life** (where basic standards of living are met) and to **participate fully in society**. (p.8)*

*The calculation for setting the London and UK Living Wage rates is built on research with members of the public to determine a basket of goods that represents a **decent and dignified standard of living**. (p.17)*

Similarly, Living Wage Aotearoa New Zealand defines the LW as a wage that enables workers to not merely survive and obtain their basic necessities, but also to work with dignity and be able to participate in society (King & Waldegrave, 2012, p.3):

*A living wage is the income necessary to provide workers and their families with the basic necessities of life. A living wage will enable workers to live with **dignity** and to **participate as active citizens in society**.*

All these can be concluded by Oxfam (2014, p.2):

*A living wage does more than keep people out of poverty. It allows them to participate in social and cultural life and afford a basic lifestyle considered acceptable by society at its current level of development. **It is a human right**.*

2.3 Differences between the Statutory Minimum Wage and Living Wage

The core difference between the statutory minimum wage (SMW) and LW is that employers are required by law to pay the SMW to employees, while employers can choose whether or not to pay the LW to employees, except in a few cities and countries where the distinction between these two types of wages is blurred (Anker & Anker, 2017). Behind this difference is the different processes used to determine the wage level. The SMW is set by the government, which considers labour market conditions and economic growth over to the needs of low-paid workers and their families. In contrast, the LW is estimated based on research on the cost of living; the standard is normative-based and socially defined, and the needs of low-income workers and their families are the main focus of consideration (Lawton & Pennycook, 2013). In other words, the SMW is a political process whereby the negotiation of the wage rate reinforces the unequal bargaining power between employers and employees. The LW, however, emphasises work-life balance through advocating for a wage rate that enables workers to earn an adequate income without working excessive hours.

In Hong Kong, the Minimum Wage Commission (MWC) (2016) reviewed the SMW rate, which is predominately based on the consideration of economic factors:

According to the Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong), in performing its function, MWC must have regard to the need to maintain an appropriate balance between the objectives of forestalling excessively low wages and minimising the loss of low-paid jobs, and the need to sustain Hong Kong's economic growth and competitiveness. (p.1)

More specifically, the MWC (2016) reviewed the Array of Indicators which cover data in four areas: general economic conditions, labour market conditions, competitiveness and social inclusion. It was found that only one out of the nine other considerations for assessing the benefits of uprating the SMW was directly related to workers: '*employees can enjoy pay rises which will raise their consumption power and improve their quality of life*' (p.4). However, their families are still not in the picture. With the unbalanced consideration of economic factors and the needs of the workers and their families, it is no wonder why consultations with organisations representing employers and employees of the SMW is always like a marathon wrestling match.

Chapter 3: Methodology for Estimating the Living Wage in Hong Kong

3.1 Anker Living Wage Methodology

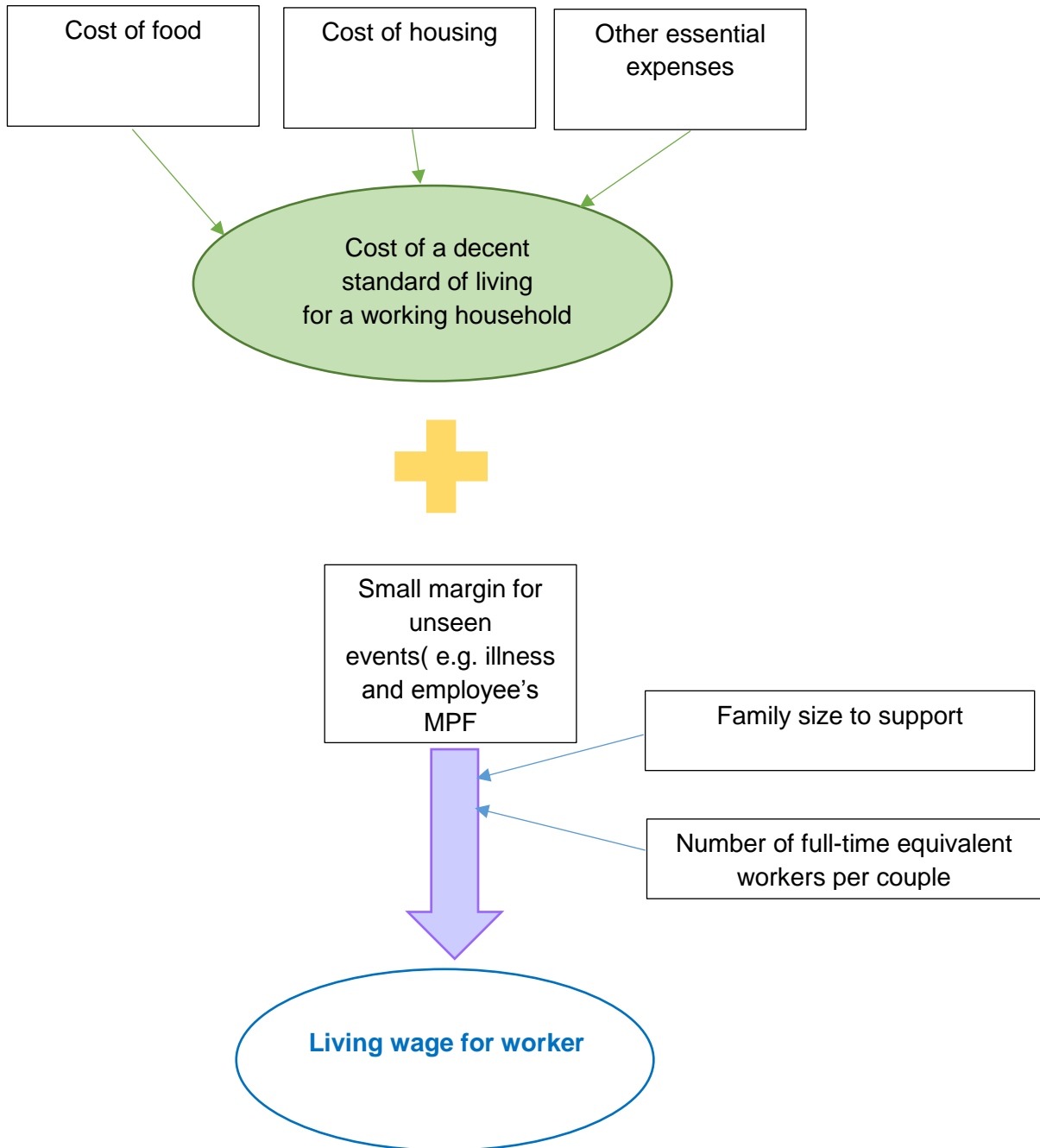
There are two components in the Anker LW methodology:

- i) to estimate the cost of decent living for a worker and his/her family in a particular place; and
- ii) To determine if the workers are paid the estimated living wage.

What constitutes a ‘decent life’ is time-and-place-specific, and thus the methodology emphasises the need for local people and organisations to provide local data as well as the availability of up-to-date official data. It also requires transparency and detailed documentation of analyses to ensure that the estimation is solid, credible and accepted by different stakeholders (Anker & Anker, 2013).

More specifically, living costs are divided into three categories: food, housing, and other essential needs. The cost of local food prices for the types, qualities and quantities of foods are collected from workers and their families to understand their food preferences and shopping habits. The cost of acceptable housing is established based on international and national standards for decency, and visits to local workers’ living quarters. The cost of other essential needs is estimated based on the available household expenditure data. Then a small margin is added to the cost of a decent standard of living for a typical family size in the area to provide for unexpected events, emergencies and sustainability in order to calculate the total cost of living. Finally, the estimated total cost for a decent standard of living for a typical family is defrayed over the typical number of full-time equivalent workers per family in the area (Anker & Anker, 2017). The flow chart of the methodology for estimating a living wage is shown in Figure 1:

Figure 1: Flow chart of the methodology for estimating a living wage



3.2 Nine Steps for Estimating the Living Wage in Hong Kong

In this study, local and secondary data was collected to understand the household expenditure of two types of working families in Hong Kong:

One-person working household: living in private housing (subdivided unit with kitchen and toilet); and

Three-person working household: 1 parent with full-time job, 1 parent with part-time job, 1 child in primary/secondary school living in private housing (decent size of subdivided unit, i.e., the child doesn't need to do homework on the bed) or public rental housing.

The estimation of a living wage in Hong Kong involved nine steps:

Step 1: Used the Anker LW methodology and took reference from sources of data like the *2014/15 Household Expenditure Survey* (HES) (Census and Statistical Department, April 2016) to draft the data collection framework, i.e., items included in the cost of food, housing, other essential expenses and small margins for unseen events.

Step 2: Conducted two focus group interviews with workers and their families to understand their current cost of living.

Step 3: Analysed the qualitative data about the cost of each item and basic monthly household expenditure of a one-person and three-person working family.

Step 4: Compared the findings from qualitative data with HES data (lowest 20-25% expenditure group) and other sources of data (e.g. rent of subdivided unit in Kowloon, living space per capita, monthly rent of public rental housing) for reviewing the cost of living for a one-person and three-person working family.

Step 5: Estimated basic monthly household expenditure for a one-person and three-person working family.

Step 6: Converted the ‘estimated’ basic monthly household expenditure to an hourly rate.

Step 7: Calculated a living wage for a decent standard of living in Hong Kong based on a standardised hourly rate.

Step 8: The cost of living, ‘estimated’ basic monthly household expenditure and standardised hourly rate were examined by different stakeholders (labour unions, international enterprises and NGOs) through three focus group interviews.

Step 9: The standardised hourly rate was further adjusted with reference to the Anker LW methodology and census data, which is updated from time to time.

In Chapter 4, the local data collected and key findings with regard to households’ basic monthly expenditure are presented (Step 1 to Step 8). This is followed by Chapter 5 which details how it can be adjusted based on census data to estimate a proposed monthly LW and hourly rate in Hong Kong.

Chapter 4: Key Findings from the Focus Group Interviews

Five focus group interviews were conducted between November 2017 and January 2018. Purposive sampling was adopted for identifying and selecting the information-rich cases (Patton, 2002). Invitations were made through emails and phone calls with the assistance from NGOs like Oxfam. Personal contacts were also used to recruit participants. A total of 36 participants were involved in this study. For the background information of each participant, please refer to Appendix 1 to Appendix 5.

Each group consisted of six to eight participants. Written consent was obtained from each participant before the focus group interview began. Audio recordings were made with their permission. Each session lasted for 1.5 to 2 hours. The principal investigator of this study was the moderator. His role was to encourage the participants to express different points of view (Vaughn, Schumm & Sinagu, 1996), ensure that the list of issues that needed to be discussed were covered, and that any changes of opinion during the course of the discussion were reflected by the end of the session. Observation notes were made by research assistants and student helpers as supplementary data for analyses.

All interviews were transcribed from audio to written record by experienced student helpers as soon as each interview ended. All transcribed qualitative data were coded by experienced research assistants using NVivo 11 to generate main themes. Findings were compared and contrasted (i.e. the interrelationship between categories and subcategories) with the findings of census data and existing literature to assess if the interpretation of the data was meaningful.

The key findings are presented as below:

4.1 Cost of a Decent Standard of Living: Views and Experiences from Working Families

4.1.1 Food

Most of the working families prepared their own meals at home. The common practice was to prepare breakfast together with lunch so that their lunches could be brought to work. Some of them prepared a little more for the following day's breakfast when they cooked dinner the previous night:

Interviewer: Do you prepare food at home?

Interviewee 2: Yes. It's rice on the menu for both the breakfast and the rest of the meals. I cook two meals at noon at a time.

Interviewee 3: Same here. I bring my packed lunch and eat leftovers from breakfast.

(Interviewee 2 from Group 2, female, 59 years old, a part-time domestic helper, from a one-person household;

Interviewee 3 from Group 2, female, 60 years old, a part-time waiter at a Chinese restaurant/a part-time construction worker, from a one-person household)

I mean noodles and rice. I usually cook one night beforehand if I would like to have rice for breakfast.

(Interviewee 3 from Group 1, female, 43 years old, from a three-person household)

One of the interviewees who was from a five-person household felt that spending \$20 on breakfast for two family members was unaffordable and that she would probably need to take out a loan in order to do this regularly. She talked about the food she has to keep breakfast frugal:

Interviewer: For instance, could you cook breakfast for two within a budget of twenty dollars?

Interviewee: ... If I spent that much, I would run out of money. I would have no spare money at all.

Interviewer: How do you manage to have a frugal breakfast?

Interviewee: By having congee, which can be cooked by adding the leftover rice and pouring some water into the rice cooker.

Interviewer: No other dishes?

Interviewee: No. Instead I have two pieces of bread which are sold at \$2.5 to \$3 each. I would have no money left and will even need to take out a loan if I wasted around \$10 to \$20 on a meal for two people.

(Interviewee 1 from Group 1, female, 45 years old, a part-time security guard, from a five-person household)

Another common practice was to buy bread, but the price has continued to rise:

I cook every day for lunch and dinner and I only buy bread for breakfast ... A bag of bread is only enough for one meal for me and my children and it costs up to nine dollars... It is difficult to swallow bread because it's dry, so a spread is needed... Yet, a slab of butter is priced at \$20 to \$30.

(Interviewee 6 from Group 1, female, 43 years old, a full-time cashier, from a four-person household)

In a few other cases, meals were provided by the companies for which the interviewees worked. One of the participants shared that this is a common practice in the food and beverage industry:

Interviewee: My situation is still fair as I am an employee of the catering industry and I can eat at the restaurant.

Interviewer: For free?

Interviewee: Yes, it is the norm in the catering industry.

Interviewer: Two meals for free?

Interviewee: Yes.

(Interviewee 7 from Group 1, female, 36 years old, a part-time lunchbox preparatory worker, from a three-person household)

Most of the working families prepared dinner at home. Most of them are used to having soup, which is the main reason why they spend more on dinner:

Interviewer: Is this your dinner?

Interviewee 5: This is a more-than-\$100 lavish meal.

Interviewer: Wow, this costs more than a hundred dollars?

Interviewee 5: I have to make soup for dinner and preparing the soup costs a lot.

Interviewer: How many meals with soup are needed in a week in your opinion?

Interviewee 3: Two at least.

Interviewee 6: I cook soup every other day.

(Interviewee 3 from Group 1, female, 43 years old, a housewife,
from a three-person household;

Interviewee 5 from Group 1, female, 33 years old, a housewife,
from a three-person household;

Interviewee 6 from Group 1, female, 43 years old, a full-time cashier,
from a four-person household)

Making traditional soups (老火湯) require longer cooking times, and thus some interviewees chose to make quick boil soup (滾湯), which require shorter cooking times and help save on electricity costs:

Interviewee: ... Sometimes I cook the soup by putting ingredients into boiled water and it is done when the food is well-done. Sometimes I make the soup in a vacuum cookers for a few hours.

Interviewer: For the purpose of economising electricity?

Interviewee: Yes, it helps to economise electricity.

(Interviewee 5 from Group 1, female, 33 years old, a housewife,
from a three-person household)

Though the cost of making soup increased households' food expenditure, an interviewee believed that it was needed for their children:

Were it not for children, I would not make soup, which demands a lot of effort.

(Interviewee 3 from Group 1, female, 43 years old, a housewife,
from a three-person household)

In addition, working families with several members tended to dine out about once a week. Even if it was a more lavish meal, they attempted to save money in different ways:

I usually go for yumcha after ten thirty. For one thing, I can have a longer sleep; and for another, the lunch can be merged and skipped.

(Interviewee 5 from Group 1, female, 33 years old, a housewife,
from a three-person household)

We go yumcha in the early morning ... We only eat a little, ordering one steamed rice and six dimsum dishes which are at a special price before ten thirty, and spend around \$150.

(Interviewee 2 from Group 1, female, 33 years old, a housewife,
from a four-person household)

My family goes to a fast food restaurant and we spend around \$63. We order two set meals for three people. While two set meals costs more and leftovers are left, I can only eat a little after my son feels full if we order one set meal.

(Interviewee 3 from Group 1, female, 43 years old, a housewife,
from a three-person household)

For breakfast and lunch, many interviewees said they cook their own meals, while some of them buy bread for breakfast. Interviewees from households with several members felt that the average cost of breakfast per person was unbearable, so they came up with frugal ways to prepare breakfast. In terms of dinner, what is noteworthy for households with several members was whether and how often they prepared soup; some interviewees regarded this as necessary to ensure the health of their children. Since making traditional soup is relatively expensive, working families sometimes replaced it with quick boil soup to save on electricity costs. In the same way, although they tended to dine out every week, they tried to save money

in different ways. To sum up, saving money on food was embedded in working families' meal arrangements.

4.1.2 Housing

The interviewees and their family members lived in very small 'coffin homes', which they felt could not meet their families' housing needs:

Interviewer: Is this apartment sufficient for your three-member family?

Interviewee: No, an apartment that is only 80 square feet is too poky.

(Interviewee 3 from Group 1, female, 43 years old, a housewife,
from a three-person household)

Living in a 100-square-foot apartment with three other people means we easily step on each other's feet when we turn and move about.

(Interviewee 6 from Group 1, female, 43 years old, a full-time cashier,
from a four-person household)

Interviewees from one-person households were more likely to share toilets than households with several members:

Interviewer: Is there a toilet inside?

Interviewee: No, there is only one toilet used by different households.

(Interviewee 1 from Group 2, male, 60 years old, a full-time dim sum chef,
from a one-person household)

Interviewer: Is there a toilet inside?

Interviewee: No, I use a public one. .

(Interviewee 2 from Group 2, female, 59 years old, a part-time domestic
helper, from a one-person household)

The cramped living environment also affected interviewees' meal arrangements:

It is a packed apartment for four people as there's only 160 square feet. Others usually bump into me when I'm cooking and they try to pass by when I am cooking if someone passes me.

(Interviewee 2 from Group 1, female, 33 years old, a housewife,
from a four-person household)

I cannot cook breakfast for my husband because our apartment is too cramped for a dining table.

(Interviewee 3 from Group 1, female, 43 years old, a housewife,
from a three-person household)

In the face of a cramped living environment, interviewees from households with several members indicated that they would like to live in a bigger unit:

At least a hundred something to two hundred square feet.

(Interviewee 7 from Group 1, female, 36 years old, a part-time lunchbox preparatory worker, from a three-person household)

If a family has children, their apartment should at least be 300 square feet.

(Interviewee 5 from Group 1, female, 33 years old, a housewife,
from a three-person household)

I guess 80 square feet per person, at least.

(Interviewee 3 from Group 1, female, 43 years old, a housewife,
from a three-person household)

However, in the face of the reality of sky-high rents, the interviewees thought that larger apartments were too expensive and were hard for them to afford:

Interviewer: Based on some real estate websites, it costs up to \$9,500 to \$10,000 for a 200 to 300-square-foot unit as you have told me that a unit for a three-person household needs to be at least 80 square feet.

Interviewee: With only \$10,000 to spend for three persons, I would not dare to look for one like this.

(Interviewee 6 from Group 1, female, 43 years old, a full-time cashier,
from a four-person household)

Interviewer: How much is the rent in your estimation for a 70-square-foot subdivided unit with windows and a toilet that satisfies basic housing requirements?

Interviewee 5: Even paying \$4,000 for rent cannot meet those requirements.

Interviewee 6: Rents have increased to \$5,000 or \$5,500. It costs at least \$4,500 to rent a place like that.

(Interviewee 5 from Group 1, female, 33 years old, a housewife,
from a three-person household;

Interviewee 6 from Group 1, female, 43 years old, a full-time cashier,
from a four-person household)

Even if the interviewer mentioned the need for a living wage, which includes a reasonably sized living space, some interviewees still questioned the legitimacy of asking for a bigger living space:

People might grudgingly accept the fact that workers like us rent a place that's 240 square feet, but people won't accept us asking for a larger living space. People just think that three people shouldn't live in such a spacious place. You cannot spend more than what you have.

(Interviewee 5 from Group 1, female, 33 years old, a housewife,
from a three-person household)

Most of the respondents lived in a cramped space. The per capita living space was far lower than the level set for public rental housing. They thought that the living space was too small to meet their daily living needs, and they longed for a more reasonable living space. Some of the interviewees from one-person households even had to share toilets with others. However, when the interviewer mentioned how much it costs to rent a reasonably sized unit, they did not only think it unaffordable, but even had doubts about the legitimacy of asking for a reasonable living space.

4.1.3 Other Essential Items: Transportation

Each interviewees' travel expenses were quite different, depending on where they worked and where they lived:

I do not need take any transportation to work.

(Interviewee 1 from Group 1, male, 60 years old, a full-time dim sum chef,
from a one-person household)

I need to take public transport which costs \$10 there and back. It costs more than twenty dollars when I go to Shatin.

(Interviewee 2 from Group 2, female, 59 years old, a part-time domestic helper, from a one-person household)

It costs more than \$20 to travel across the harbour.

(Interviewee 3 from Group 2, female, 60 years old, a part-time waiter at a Chinese restaurant/a part-time construction worker,
from a one-person household)

I don't have to take public transport. I can reach my workplace within 50 steps.

(Interviewee 4 from Group 2, female, 55 years old, a full-time wet-market labourer, from a one-person household)

Hearing the situation of other interviewees has made me jealous since my monthly transportation fees cost more than \$400.

(Interviewee 6 from Group 2, female, 45 years old, a full-time clerk,
from a one-person household)

Some jobs may even increase workers' travel expenses:

Some domestic helpers do not have fixed workplaces. The transportation fee to Sai Kung is over \$40, not to mention the fee to Tung Chung.

(Interviewee 3 from Group 2, female, 60 years old, a part-time waiter at a Chinese restaurant/a part-time construction worker,

from a one-person household)

Compared with one-person families, families with children had to spend more on transportation because they needed to bring their children to and from school:

Accompanying my children to school and picking them up at school require extra transportation fees. I usually walk home after sending them to school so that I can save \$4.9 of a single trip.

(Interviewee 2 from Group 1, female, 33 years old, a housewife,
from a four-person household)

Interviewer: How does your son go to school? Does he need to take public transport? Does he take the school bus, which is a convenient mode of transportation?

Interviewee: The school bus fee is \$570 ... He used to take the school bus to kindergarten before.

Interviewer: Was it a must to take the school bus? Did the school request it?

Interviewee: Yes, \$6.3 for each van ride.

(Interviewee 4 from Group 1, female, 35 years old, a part-time clerk,
from a three-person household)

4.1.4 Other Essential Items: Financial Support to Relatives

Most of the interviewees expressed that they needed to provide financial support to their relatives (most of their relatives live in mainland China). This expenditure item varied from person to person and ranged from a few hundred dollars per year to a few thousand dollars per month:

Interviewer: How much do you give him? What is the amount of your remittance to mainland China?

Interviewee: ... In a year ... I give him three to four thousand dollars every time.

(Interviewee 1 from Group 2, male, 60 years old, a full-time dim sum chef,
from a one-person household)

I give them around one to a few thousand dollars whenever I go to the Mainland and I do not give them anything when I'm in Hong Kong.

(Interviewee 2 from Group 2, female, 59 years old, a part-time domestic helper, from a one-person household)

Interviewee: I usually give money to the elders and those with whom I am closer. Basically, I only give money to them during their birthdays and festivals.

Interviewer: Do you mean that the expense is not much, around several hundred dollars a year?

Interviewee: Yes.

(Interviewee 3 from Group 2, female, 60 years old, a part-time waiter at a Chinese restaurant/a part-time construction worker, from a one-person household)

Interviewee: Twenty to thirty percent of my monthly salary.

Interviewer: Twenty to thirty percent for relatives in mainland China.

(Interviewee 6 from Group 2, female, 45 years old, a full-time clerk, from a one-person household)

Although some interviewees were from one-person families, but the actual family financial burden also included the financial support given to relatives who reside outside Hong Kong:

I have to support my father and my daughter, who live in mainland China.

(Interviewee 6 from Group 2, female, 45 years old, a full-time clerk, from a one-person household)

Interviewer: How many people (in mainland China) do you have to support?

Interviewee: Three ... There are three people in the village I'm from.

(Interview 1 from Group 2, male, 60 years old, a full-time dim sum chef, from a one-person household)

Some interviewees thought that because of the high birth rate of the older generation, the burden of financially supporting their parents was relatively lighter:

Interviewee: In our generation— those born in the 1960s – we usually have four or five siblings. Therefore, for us ... frankly, it's not difficult for us, who can share responsibilities with brothers and sisters.

Interviewer: So, supporting your parents isn't really an encumbrance for you?

Interviewee: The burden is shared by four brothers and is much lighter... It is sufficiently affordable for one to take on the shared burden.

(Interviewee 1 from Group 3, male, 55 years old, a part-time security, from a four-person household, member of a union)

From the interviewees' responses, the biggest difference between them is the expenditure item of providing financial support to relatives, which ranged from a few hundred dollars per year to a few thousand dollars per month. Further, although some of the interviewees from one-person households lived alone, they needed to provide financial support to relatives residing outside Hong Kong. On the other hand, the financial burden of supporting dependent parents was also closely related to the fertility rate. The per capita of this expenditure item was lower among interviewees from older generations since they had brothers and sisters to share the cost with them.

4.1.5 Small Margin for Unexpected Events: Illness

In addition to daily expenses, the interviewees needed to pay for medical expenses, and the cost was high:

Interviewee: My child injured his head; paying for that was costly.

Interviewer: Why didn't you go to a public hospital?

Interviewee: It is impossible to do so because you have to queue up there. When he hit his head, he lost consciousness, so an immediate radiography was needed to check if the injury had led to a cerebral hemorrhage; the doctor then had to make a prompt decision. It would be senseless to make an appointment at a public hospital.

Interviewer: How much did it cost?

Interviewee: The radiography cost around \$600, which was the minimum charge.

(Interviewee 3 from Group 1, female, 43 years old, a housewife,
from a three-person household)

Interviewee: I go to a bonesetter... Twice as mentioned. Last week ... the bonesetter diagnosed my joints' problem.

Interviewer: How much was one appointment?

Interviewee: \$500.

(Interviewee 3 from Group 2, female, 60 years old, a part-time waiter at a
Chinese restaurant/a part-time construction worker,
from a one-person household)

Interviewer: How much is your monthly medical fee?

Interviewee: It fluctuates according to my health condition. The healthier I am, the less I have to spend. For instance, I went to the doctor four times over the last two months, and one laboratory test cost more than \$600.

(Interviewee 5 from Group 2, female, 44 years old, a part-time sale
assistant, from a one-person household)

For older interviewees, medical expenses gradually became daily expenses:

Interviewer: Your medical expenses are greater than my estimation, Am I right?

Interviewee: I cannot help it now that I have reached an old age.

(Interviewee 3 from Group 2, female, 60 years old, a part-time waiter at a
Chinese restaurant/a part-time construction worker,
from a one-person household)

We have fewer illnesses as we are younger ... We get sick once or twice a year in general.

(Interviewee 6 from Group 2, female, 45 years old, a full-time clerk,
from a one-person household)

Concerning medical treatment, the younger a person is, the better their health. The healthier a person is, the less the person has to spend on medical expenses, and vice versa.

(Interviewee 3 from Group 3, male, 67 years old, a full-time cleaner, from a two-person household, member of a labour union)

Many interviewees needed to pay unexpected medical bills, and the cost was high. As they have aged, medical expenses have become a regular expense for them.

4.2 Cost of a Decent Standard of Living and Standardised Hourly Rate: Reviewed by Different Stakeholders

4.2.1 Basic Standard of Living and Decent Work

The current proposal of a LW and the corresponding calculations were presented by the interviewer (i.e. the moderator and PI of the study) in the interviews with Group 4 and Group 5. The interviewees felt that the distinction between a LW and minimum wage was not very clear. For instance, the housing expense shown in the calculation of a LW could not pay for decent housing:

The distinction between the concept of the living wage and that of the minimum wage is blurred as we sometimes fall into the trap of associating basic needs with the living wage. For instance, we feel frustrated by our inability to rent a decent sized apartment even there's a so-called minimum size for each household.

(Interviewee 4 from Group 5, male, Chief Executive)

The LW proposed was perceived by interviewees as a wage that meets workers' basic needs, but this was not the same idea behind the LW campaign in the UK which aimed to enable workers to maintain an enjoyable life:

I think that (the calculation of the living wage) strikes me. We said, if you think about Maslow's Hierarchy of Needs, this seems to be very much just about surviving ... having enough to eat. And I think for the Living Wage

Foundation in the UK, the idea of the living wage is about a bit more than that – being able to have an enjoyable and fulfilling life while you can perhaps eat out every so often or afford entertainment. So, to me the living wage seems like the absolute bare minimum that you would need to be able to be survive.

(Interviewee 4 from Group 4, male, IT Analyst)

While occasionally dining out was indeed included in the calculation formula proposed by the research team, the PI acknowledged that the LW at this stage was mostly about maintaining a basic living standard with decent working conditions.

I am using the concept of a living wage, which implies a basic living standard rather than a decent living standard with a decent wage. A decent wage enables one to earn a basic living without the need to work for 12 hours, as the concept of a decent wage is framed around ample rest, which contributes to decent work; this does not guarantee a decent life but a basic life. How can living in a 70-square-foot apartment make for a decent life? Our demand does not even make for a decent life, instead it is a very basic living space for one person.

(Moderator, Group 5)

4.2.2 Conversion of Monthly Living Wage into Hourly Rate

In the standard outsourcing contracts of the Hong Kong Government, the monthly working arrangement involved 31 days with eight-hour workdays, including paid rest days. An officer of a labour union suggested the following the governmental formula to convert the monthly living cost into the hourly rate of remuneration, because the government outsourcing contracts were one of the primary targets in the living wage campaign:

But first of all, shouldn't we look at the situation more realistically? According to my understanding, it is difficult for us to employ a new method of calculation when most of the government contractual working arrangements follow the conventional 31 eight-hour workdays and paid rest days, but unpaid lunch hours.

(Interviewee 7 from Group 3, male, 33 years old, officer of a labour union)

However, another officer of a labour union mentioned that there was a difference in contractual working arrangements between the governmental sector and the private sector. Whether the calculation aligned with governmental formula also depended on the strategic plan of the living wage campaign:

Compared with the contractual working arrangements of the governmental sector, those of the private sector are the other way around, i.e. rest days are unpaid ... Therefore, lobbying for the calculation of 31 eight-hour work days is more reasonable. As the private sector took the lead of LW campaign in foreign countries, we have to examine the difference between cases abroad and our campaign and decide whether the private sector should take the lead – where we seek to persuade them of the fact that it would improve their brand image – or whether the governmental sector should take the lead, in which we have to work the calculation out.

(Interviewee 6 from Group 3, male, 30 years old,
officer of labour union)

Given that paid rest days were not a legal requirement for the employers, some companies bidding for outsourcing contracts beyond the governmental sector might not explicitly offer paid rest days to ensure some competitiveness:

Although an employee is entitled to one rest day every seven days under legislation, there are no regulations that dictate whether the rest days are paid or not. Companies bidding for outsourcing contracts do not pay for the rest days because paid rest days contribute to a higher bid which is unfavorable in competitive bidding as the competitor with the lowest bid wins the bid.

(Interviewee 1 from Group 3, male, 55 years old, member of a labour union)

However, in the focus group interview with the international enterprises (i.e. Group 4), they mentioned the importance of recognising rest days formally, which was also related to the sustainability of the workforce and the humanity of labour:

I think if you expectat your employee to work 31 days a month, eight hours a day, then you just you don't have a sustainable workforce. You have a work problem unfortunately and they can't work effectively, which affects

productivity... if you are not stretching a worker to their absolute limit, then you probably have a better workforce.

(Interviewee 4 from Group 4, male, IT Analyst)

Definitely have to improve the living wages. Otherwise it's slave labour ... 31 days.

(Interviewee 6 from Group 4, female, senior manager)

Though rest days should be considered in the LW movement, including paid rest days in employees' contracts, like the outsourcing contracts of the government, were not applicable to part-time workers:

Currently, in catering industry, it depends on whether the worker is a casual one since rest days for casual workers are usually unpaid. Sometimes, instead of taking one rest day every seven days, some workers take one week off after working for three weeks because of evading the labour legislation protection.

(Interviewee 8 from Group 3, male, 27 years old,
officer of labour union)

Moreover, in contrast to the government, an interviewee from Group 4 preferred to align employment practices with the general contractual situation of the private market, where rest days and lunch breaks were not officially paid:

You may have somebody whose hour is from nine to six but actually in the contract that would be considered eight hours a day, five days a week so you work forty hours a week. So you are not paid for that? No. A lunch break? No. People work it and that's fine and it is in the contract in the employment contract you have. That would be consistent so that would be understandable for different kinds of companies.

(Interviewee 3 from Group 4, male, senior manager)

An interviewee from Group 5 (i.e. the interview with members/officers from a labour union) elaborated on how the LW estimation could be adapted to the contractual arrangement

where paid rest days were not included. It was to assume workers could earn enough in their working days to cover the living cost of the unpaid rest days:

It is an unnecessary complication to have every single rest day paid. The rest day salary can be calculated and divided into the working hours so that the worker can get paid for rest days during work...The living wage is basically divided by 26 days ... Because the amount of money paid for a rest day is merged into every working hour ... When one finishes work, one has earned the salary for the rest day that week without the need to calculate a paid rest day separately.

(Interviewee 1 from Group 3, male, 55 years old, member of a labour union)

After several focus group discussions, it was consensually agreed that workers should be entitled to rest days when the LW is implemented. The main issue, however, was whether these rest days would be formally remunerated in formal contractual terms in the outsourcing contracts of the government. Given that the private sector generally does not include paid rest days and this arrangement is not applicable to part-time workers, it was more strategically preferred to not include paid rest days when calculating the LW. Therefore, interviewees expected workers to earn enough by working on their working days, regardless of whether their rest days were remunerated formally. In concrete terms, the monthly LW could be transformed into an hourly rate in terms of 26 remunerated working days and eight paid hours per day.

4.2.3 Living Wage as Take-Home Pay

To adapt the LW concept into different remuneration patterns (e.g. commissions, annual bonus, annual leaves, etc.), the concept of the LW was defined as ‘take-home pay’. which disregarded employers’ other costs of maintaining the labour force or incentives, such as attendance bonus and insurance fees. In other words, the LW was the employees’ disposable income:

The last question concerns the concept of good attendance bonuses. I don't understand some companies' practice of good attendance bonus; for

example, someone who earns \$10,000 can get a \$400 good attendance bonus.

(Interviewee 6 from Group 3, male, 30 years old,
officer of a labour union)

The good attendance bonus might not be earned. I want to get my take-home pay regardless of the human resources department's expenses on employees' compensation insurance or the number of employees recruited with reference to the amount of money spent on recruitment ... The money spent on job advertisements might be deducted from the budget for recruitment but it should not be withdrawn from salaries, and we need to calculate the take-home pay that the worker really get.

(Interviewee 1 from Group 3, male, 55 years old, member of a labour
union)

For sectors where commission constituted a substantial proportion of employees' regular salaries, the concept of take-home pay may be defined as the amount of remuneration that workers are generally able to earn and take home. The idea of regarding the living wage as take-home pay was agreed upon during the interviews with Group 4 and Group 5. It may be applicable to various remuneration patterns, including industries where commission is a major part of employees' salaries. The LW should be the amount of basic income that workers are generally able to earn on monthly, as relying solely on commission does not guarantee a decent standard of living and ignores the possibility of a bad sales month.

4.3 Summary: Tentative Cost of a Decent Standard of Living and Standardised Hourly Rate

Based on the findings of focus group interviews, the tentative cost of a decent standard of living agreed by the interviewees are listed in Table 1:

Table 1: Cost of a decent standard of living and standardised hourly rate agreed by the focus group interviewees

	1-person working family	3-person working family (1 parent with a full-time job, 1 parent with a part-time job, 1 child in primary/secondary school)
Expenditure on Food		
a. 1-person working family		
1) (every day) Breakfast (cooking at home)	\$15	
2a) (every day) Lunch (cooking at home)	\$20 to \$25	
2b) (every day) Lunch (eat out)	\$30 to \$50	
(every day) Dinner (cook at home/eat out)	\$25	
(every week) Eat out with friend(s) once (i.e., dinner for one of the days during a week)	\$70	
(every week) Fresh fruit (2 portions of fruit per day, \$3-4/portion)	\$42 to 56	
(every month) Staple food (e.g. a pack of 5 kg rice, noodles)	\$60	
(every month) Non-staple food (e.g. biscuits)	\$50	
Monthly Food Expenditure or a 1-person Working Family	\$2,305 to \$3,275	
b. 3-person to 5-person working family		
(every day) Breakfast per person (for mother and child; cook at home)		\$12 to \$13
(every day) Breakfast for husband (eat out as the husband starts work early in the morning)		\$30 to \$35
(every day) Lunch (for mother and her preschooler; cook at home; Saturday/Sunday for child in primary/secondary school)		\$15
(every day) Lunch per child (school lunch box of child in primary/secondary school; 5 days per week)		\$22 to \$23
(every day) Lunch for husband (eat out; 6 days per week)		\$50
(every day) Dinner for family		\$90
(once a week) Homemade soup for the family for dinner (including \$30 to buy the ingredients)		\$120
(once a week for the family) Eat dim sum		\$180
(every week) Fresh fruit per person (Monday to Friday: one portion; Saturday & Sunday: two portions)		\$60

(every month) Staple food (a pack of 8 kg rice)		\$80
(every week) Non-staple food per child (e.g. biscuits, snacks)		\$100
Monthly Food Expenditure for a 3-person Working Family		\$8,666 to \$8,879
Monthly Food Expenditure Per Person		\$2,889 to \$2,960
Household expenditure		
1. Monthly rent (70 sq. ft. for 1 person; 70 to 80 sq. ft. per person for 3-person family) for a subdivided unit	\$5,000	\$8,500 to \$9,500
Public Rental Housing		\$2,000 to \$2,500
2. Monthly utility costs (electricity, gas and water)	\$300	\$450
Monthly housing expenditure	\$5,300	\$5,700 to \$6,450 (average rent of private and public housing)
Other Essential Expenses		
1. Mobile service charge with data (per adult)	\$100	\$100 to \$108
2. Internet service charge (broadband at home)	\$240	\$238
3. Transportation		
a. 1-person working family		
(every month) Interviewee (with full-time job)	\$400	
Interviewee (visit family in mainland China; once every two months ; by cross-boundary shuttle bus)	\$300	
b. 3-person to 5-person working family		
(every day) Husband (full-time job; 8 hours per day)		\$30
(every day) Wife (work part-time/go to the market to buy food/go out)		\$12
(every day) Each child (go to school/go out)		\$10
4. (every year) Support family (living apart)	\$3,000 to \$4,000	\$1,000 to \$2,000
5. (every year) School textbook per child		\$2,500
Monthly expenditure on other essential items	\$1,140 to \$1,223	\$2,968 to \$3,068
Small Margin for Unseen Events		
(1-person working family) Savings for emergency/non-regular expenses (e.g. to	\$1,749	

see a doctor, to buy medicine, to pay for medical consultation fees for family members/relatives who live in mainland China) + 5% employee contribution of Madatory Provident Fund: 20% of total monthly expenditure		
(3-person working family) Savings for emergency/non-regular expenses (e.g. to see a doctor, to pay for classes outside of school/tutorial classes for each child) 5% employee contribution of Madatory Provident Fund: 15% of total monthly expenditure		\$2,600 to \$2,759
Basic Monthly Household Expenditure	\$10,494 to \$11,548	\$19,935 to \$21,156

Chapter 5: Estimation of Monthly Living Wage and Hourly Rate in Hong Kong

Step 1: Adjusted the cost of housing based on the private to public rental housing ratio (53.2 per cent and 29.1 per cent respectively) from the 2016 Population By-census (Census and Statistical Department, HKSAR Government, November 2017).

Table 2: Adjusted basic monthly expenditure based on census data

	Monthly Household Expenditure	
	1-person working family	3-person working family (1 parent with a full-time job, 1 parent with a part-time job, 1 child in primary/secondary school)
Food	\$2,305 to \$3,275	\$8,666 to \$8,879 (monthly food expenditure per person \$2,889 to \$2,960)
Housing	\$5,300	\$5,555 to \$6,425
Other Essential Expenses	\$1,140 to \$1,223	\$2,968 to \$3,068
Small Margin for Unseen Events	\$1,749 (20% of total monthly expenditure)	\$2,587 to \$2,756 (15% of total monthly expenditure)
Basic Monthly Household Expenditure (Lower and Upper Bound)	\$10,494 to \$11,548	\$19,768 to \$21,127
Average Basic Monthly Household Expenditure	\$11,021	\$20,448

Step 2: Following the method developed by Anker and Anker (2017), the basic monthly household expenditure of a three-person family (couple & 1 dependent child below aged of 24) was adjusted by full-time equivalent workers per couple. This was calculated based on the following 2016 data from the *Annual Digest Statistics (2017 Edition)* (Census and Statistical Department, HKSAR Government, October 2017) and *Women and Men in Hong*

Kong - Key Statistics (2017 Edition) (Census and Statistical Department, HKSAR Government, July 2017):

- Labour force participation rate (LFPR) (among people aged 25-59) 82.6% (2016)
- Unemployment rate (among people aged 25-59) 2.9% (2016)
- Part-time employment rate (<40 working hour per week) 14.9% (2016)
- Equation 1: Proportion of full-time equivalent work per working age adult = Average adult LFPR \times (1 – unemployment rate) \times (1 – [part-time employment rate \div 2])
 $=0.826*(1-0.029)*(1-(0.149/2))$
 $=0.74$

Proportion of full-time equivalent work per working age adult in current study: 0.74

Equation 2: Number of full-time equivalent workers per family = 1+ proportion of full-time work per working age adult calculated in Equation 1
 $= 1 + 0.74$
 $= 1.74$

Number of full-time equivalent workers per family in current study: 1.74

Step 3: Calculated the hourly rate based on working 26 days per month and 8 hours per day with pay, then calculated the average hourly rate of a one-person working family (**\$11,021 \div 26 days \div 8 hours = \$53**) and three-person working family (**\$20,448 \div 1.74 full-time equivalent workers \div 26 days \div 8 hours = \$56**). According to 2016 By-Census, the percentage of 1, 2, 3 person(s) family to all households in Hong Kong was 18.3%, 26.5% and 24.4%, the total percentage of the three types of family constitutes 69.2% households in Hong Kong, we can use the living wage for the 1, 2, 3 persons family as the standardized living wage for all family size, as the larger size families usually with more members in the labour market. We also estimate the living wage of 2-person family size should be in between the 1-person and 3-person family. Therefore, we take

the average between the 1-person and 3-person family living wage as the standardized Living Wage Level for all families irrespect of their family size.

$$\text{Standardized Living Wage} = (\$53 + \$56) \div 2 = \$54.7$$

Proposed Living Wage Hourly rate(Take-home Pay of Employees): \$54.7

Chapter 6: Updating the Living Wage in Hong Kong in the Future and the Way Forward

6.1 Calculation of the Level of Living Wage in Hong Kong in the Future

Anker and Anker (2017) recommended updating the estimated LW annually by using the consumer price index (CPI) as it is ‘*easy to use, widely accepted, and available for virtually all countries in the world*’ (p.339).

It is proposed that the LW in Hong Kong can be updated according to the method presented below:

6.1.1 Method

1. Refer to CPI(A) to update the cost of a decent standard of living, which is based on the expenditure patterns of about 50% of households with relatively lower expenditure in Hong Kong.
 - Compare CPI(A) in the *Annual Report on the Consumer Price Index 2017* (Census of Statistical Department, HKSAR Government, February 2018) with CPI(A) in 2016: food (↑2.0%), rent for private housing (↑2.3%), rent for public housing (↑6.3%), electricity, gas and water (↓0.8%), textbooks (↑3.6%), transportation (↑2.4%), etc.
 - Compared CPI(A) in the *Monthly Report on the Consumer Price Index* (Census of Statistical Department, HKSAR Government, March 2017) with CPI(A) in 2016 March: food (↑0.7%), rent for private housing (↑0.2%), rent for public housing (↓5.6%), electricity, gas and water (↓0.3%), textbooks (↑3.9%), transportation (↑2.4%), etc.
2. Considered the **weight** of each item when updating household expenditure:

- Weight in the *Monthly Report on the Consumer Price Index* (Census of Statistical Department, HKSAR Government, March 2017): food (34.37), rent for public housing (5.44), rent for private housing (26.51), electricity, gas and water (3.85), textbooks (0.53), transportation (6.75), etc.
3. Calculate the full-time equivalent workers per couple using the most up-to-date census data.

6.1.2 Proposed Timeline

- Announcement of new LW: early September (i.e. a month before the announcement of minimum wage in early October)
- Implementation of new LW: 1 March (six months after the announcement, i.e., two months before the implementation of new minimum wage)

6.2 Way Forward

6.2.1 Summary of Research

- The LW is an important tool which can be used to tackle the problem of working poverty. Receiving a decent wage that ensures a decent standard of living is a basic right as per the *Universal Declaration of Human Rights*.
- Following Global Living Wage Coalition's 2016 definition of the LW, the LW is defined in this study as '*[r]emuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing, and other essential needs including provision for unexpected events.*'
- Difference between a LW and SMW: employers are required by law to pay the SMW while employers can choose whether or not to pay the LW to employees. It is suggested that the same distinction is made in Hong Kong.
- Following the method developed by Anker and Anker (2013), this study estimates the cost of a decent standard of living for a worker and his/her family in Hong Kong and

determines if the worker is paid the estimated LW. The nine steps were followed to estimate the LW in Hong Kong for one-person and three-person working families.

- Data was gathered from different sources and stakeholders. For objective data, this study took reference from the *2014/15 Household Expenditure Survey (HES)* (Census and Statistical Department, April 2016) to determine the framework and level of essential expenses for the two types of working families. Information was also collected from focus groups of workers and their families regarding their current cost of living. The estimated basic monthly household expenditure for a one-person family in 2017 is \$10,494 to \$11,548; and \$19,935 to \$21,156 for a three-person family.
- The estimated basic monthly household expenditure was then converted into a standardised hourly LW rate by using census data to estimate the number of full-time equivalent workers per family as 1.74. **The estimated take-home pay hourly rate of Living Wage is \$54.7 (US\$7.0).** It was also suggested that CPI(A) is used to revise and update the standardised hourly LW rate.
- Labour unions, enterprises and NGOs were consulted regarding the estimated Net LW rates. The general consensus was that the level of the living wage rates or the expenses provide a basic but decent standard of living to workers and is affordable to most employers, as it would not drastically increase personnel costs. Following the successful experience of the Living Wage Foundation in the UK, the stakeholders agreed to have a concrete plan to form a foundation to promote and advance the LW movement in Hong Kong.

6.2.2 Recommendation

- It is recommended that the LW be implemented in Hong Kong to alleviate the problem of working poverty as employees would be paid a decent wage, which would give him/her and their family a decent standard of living.
- It is suggested that the LW campaign or movement be an accreditation scheme promoted through the voluntary participation of employers including the government, public bodies and private sectors, and its contractors and outsourcing partners.
- Based on the calculations in this study, the Take-home LW rate in 2018 can be set at **\$54.7 (US\$7.0).**

- It is suggested that the LW rate be announced in September each year and implemented by the participatory employer before or in March in the subsequent year. The subcontractor and outsourcing suppliers of the participatory employers will be given extra time to change their contract to comply with the requirement of paying a LW to their employees.
- A foundation comprised of employers, professionals, and NGOs should be set up as an accreditation agency to oversee and implement the LW movement in Hong Kong.

<END of Report>

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Appendices

Appendix 1: Background Information of Interviewees of Focus Group 1 (Working Families)

Interviewee	Age	Sex	Marital Status	Place of Birth	Length of Residency in Hong Kong	Family Size	Type of Housing	Education Level	Occupation	Employment Status of Family Members	Status of Co-residing Children	Monthly Household Income
1	45	F	Married	Mainland China	7 years	5	Rented subdivided unit	Primary	Part-time security guard	Husband (50 years old, unemployed)	Daughter (21 years old, university student) Daughter (17 years old, secondary school student) Son (15 years old, secondary school student)	\$12,000 - 13,999
2	33	F	Married	Mainland China	22 years	4	Rented subdivided unit	Upper secondary	Housewife	Husband (33 years old, full-time technician)	Daughter (9 years old, primary school student) Daughter (7 years old, primary school student)	\$16,000 - 17,999
3	43	F	Married	Mainland China	6 years	3	Rented subdivided unit	Lower secondary	Housewife	Husband (46 years old, full-time transport worker)	Son (5 years old, kindergarten student)	\$12,000 - 13,999
4	35	F	Married	Mainland China	3 years	3	Rented subdivided unit	Tertiary (degree)	Part-time clerk	Husband (41 years old, full-time transport worker)	Son (6 years old, primary school student)	\$16,000 - 17,999
5	33	F	Married	Mainland China	8 months	3	Rented subdivided unit	Upper secondary	Housewife	Husband (40 years old, full-time transport worker)	Daughter (4 years old, kindergarten student)	\$16,000 - 17,999
6	43	F	Married	Mainland China	5 years	4	Rented subdivided unit	Lower secondary	Full-time cashier	Husband (43 years old, unemployed)	Daughter (18 years old, secondary school student) Son (14 years old, secondary school student)	\$12,000 - 13,999
7	36	F	Married	Mainland China	6 years	3	Rented subdivided unit	Upper secondary	Part-time lunchbox preparation assistant	Husband (42 years old, full-time gardener)	Daughter (11 years old, primary school student)	\$14,000 - 15,999

Appendix 2: Background Information of Interviewees of Focus Group 2 (Working Families)

Interviewee	Age	Sex	Marital Status	Place of Birth	Length of Residency in Hong Kong	Family Size	Type of Housing	Education Level	Occupation	Monthly Income
1	60	M	Widowed	Mainland China	5 years	1	Rented cubicle apartment	Lower secondary	Full-time dim sum chef	\$12,000 - 13,999
2	59	F	Married	Mainland China	6 years	1	Rented cubicle apartment	Lower secondary	Part-time domestic helper	\$16,000 - 17,999
3	60	F	Divorced	Mainland China	6 years	1	Rented cubicle apartment	Lower secondary	Part-time waiter in Chinese restaurant/part-time construction worker	\$12,000 - 13,999
4	55	F	Divorced	Mainland China	12 - 13 years	1	Rented cubicle apartment	Primary	Full-time wet-market labourer	\$16,000 - 17,999
5	44	F	Divorced	Mainland China	16 years	1	Rented cubicle apartment	Lower secondary	Part-time sale assistant	\$16,000 - 17,999
6	45	F	Widowed	Mainland China	1.5 years	1	Rented cubicle apartment	Lower secondary	Full-time clerk	\$12,000 - 13,999

Appendix 3: Background Information of Interviewees of Focus Group 3 (Labour Unions/Community Organisations)

Interviewee	Age	Sex	Marital Status	Place of Birth	Length of Residency in Hong Kong	Family Size	Type of Housing	Education Level	Occupation	Employment Status of Family Members	Status of Co-residing Children	Monthly Household Income
1	55	M	Married	Hong Kong		4	Self-owned private housing	Tertiary	Part-time security guard	Wife (52 years old, full-time insurance salesperson)	Daughter (21 years old, university student) Son (16 years old, secondary school student)	\$22,000 or above
2	64	M	Married	Hong Kong		3	Public rental housing	Lower secondary	Full-time elderly services practitioner	Wife (64 years old, full-time cleaner) Daughter (32 years old, full-time cleaner)		\$18,000 - 19,999
3	67	M	Married	Macau	49 years	2	Self-owned private housing	Primary	Full-time cleaner	Wife (55 years old, full-time cleaner)		\$16,000 - 17,999
4	49	M							Chief executive of community organisation			
5	74	M	Married	Mainland China	70 years	3	Public rental housing	Lower secondary	Full-time security guard	Son (40 years old, full-time cashier)		\$18,000 - 19,999
6	30	M							Officer of a union			
7	33	M							Officer of a union			
8	27	M							Officer of a union			

Appendix 4: Background Information of Interviewees of Focus Group 4 (International Enterprises)

Interviewee	Sex	Industry	Post
1	Male	Retail	Senior Manager
2	Male	Retail	Compliance Coordinator
3	Male	Banking	Senior Manager
4	Male	Retail	IT Analyst
5	Female	Retail	Sourcing Manager
6	Female	Business	Senior Manager
7	Female	Business	Associate Director
8	Male	Retail	Ethical Trade Officer

Appendix 5: Background Information of Interviewees of Focus Group 5 (NGOs)

Interviewee	Sex	Post
1	Female	Project Manager
2	Male	Business Director
3	Male	Chief Officer
4	Male	Chief Executive
5	Female	Senior Manager
6	Male	Research and Development Officer
7	Male	Assistant Supervisor