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# Conflict and conciliation: industrial relations in an industrialising Hong Kong, ca. 1946–1960

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## ABSTRACT

This article focuses on a long-standing riddle: what explains the quiescence of Hong Kong workers? Building on a literature written by social historians, industrial relations experts and social scientists, and using qualitative and quantitative data created by governments, the article discusses the effects of the de-radicalization of the working class; acute macroeconomic instability; ‘paternalistic’ and discriminatory labour management strategies; and interventions by the colonial state in industrial relations – most notably voluntary conciliation. The article argues that Hong Kong’s dominant decentralised system of industrial relations was supported by a conciliation-based approach nurtured by the Labour Department of the colonial administration. It also notes similarities between Hong Kong’s conciliation-based approach and that which emerged in 1940s Britain. New evidence on the effectiveness of conciliation qualifies the hitherto dominant thesis that British colonial administrations in Asia repressed labor activism.

## ARTICLE HISTORY

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## KEYWORDS

Trade unions; collective bargaining; voluntary conciliation

Hong Kong historians have created a puzzle: why were the hundreds of thousands of Chinese people who worked in a rapidly industrialising colonial-city state so quiescent? England and Rear, who first studied this problem, showed that between 1964 and 1966 Hong Kong experienced much lower levels of strike action than comparators, with Japan and the USA losing twice and ten times as many days to strike action, respectively (England & Rear, 1975, pp. 283–284). Building on this foundation, Hong Kong sociologists have explained the docility of Hong Kong workers by highlighting trade union structures – that is, small, fragmentary unions, and low trade union densities; the hostility of employers to consultation with unions; the political orientation of unions, notably allegiances to the Chinese communist party; and the impact of the colonial state on labor activism. Most of this work has explored the period from the 1980s which was characterised by de-industrialization (Ng & Lee, 2010; Snape & Chan, 1997). In the 1990s, in the absence of effective trade unions, and during some tough times for blue-collar workers, many working-class people ‘suffered in silence’ (Fosh et al., 1999, p. 18).

In the more distant past, the working classes of Hong Kong experienced some extraordinarily challenging economic conditions and yet showed ‘considerable solidarity and capacity for collective action’ (Levin & Chiu, 1993, p. 187). Using official data on strikes, sociologists have plotted three waves of industrial unrest: that is, between 1920 and 1926, from 1946 to 1951 and from the early 1970s to the 1990s – the final one being led by white-collar workers. The second wave between 1946 and 1951 is particularly intriguing because it was followed by a period when the incidence of strikes and lockouts was extremely low (Leung, 1991; Leung & Chiu, 1991). The number of strikes and lockouts roughly halved in the 1950s compared to the early post-war years; only in 1953–54 did

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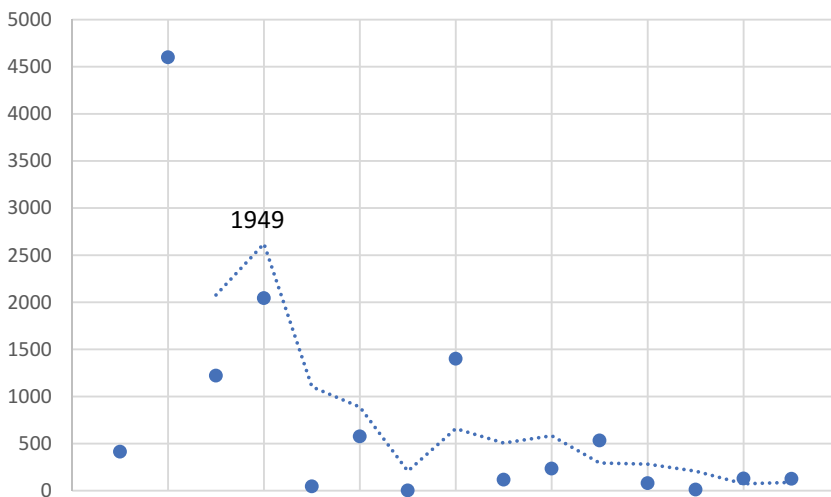
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industrial unrest return to its level in the 1940s but this was primarily due to unrest in the rattan-ware furniture and basket-ware making industry (England & Rear, 1975, pp. 279, 283).

Chart 1 represents these periods of unrest and relative peace using annual strike data which has been deflated using published data on registered industrial employment. Strike action is, of course, only a rough proxy for the state of industrial relations – especially in places such as Hong Kong which were governed by states with the capacity to suppress labor activism. Intriguing, industrial unrest in 1940s Hong Kong coincided with the rise of collective bargaining but thereafter decentralized bargaining at the level of the plant became the norm in industries such as cotton textiles, clothing and the assembly of consumer electronics. Most of this bargaining was not co-ordinated by trade unions and it should be noted that trade union densities were low in manufacturing. In 1971, for example, only 9% of manufacturing workers were union members, with densities higher in some manufacturing trades, such as furniture making (58%) and textile spinning, weaving and finishing (18%): but in the ‘large dynamic industries’ of the 1950s and 1960s such as garments, knitting and plastics, unions were ‘virtually non-existent’ (England and Rear, pp. 88–89). The wages of hundreds of thousands of Chinese men and women working in industries dependent on consumer demand in North West Europe and North America were not shaped by ‘systematic collective negotiations’ (Riedel, 1974, p. 76) and even in an ‘unusual’ period of ‘militancy’ between 1966 and 1972 strikes involved ‘non-unionists acting spontaneously and without union support’ (England & Rear, 1975, p. 285).<sup>1</sup>

This article uses new archival sources to trace the roots of industrial relations in Hong Kong – a Chinese society governed by an autocratic British colonial administration. It revisits the debates initiated by sociologists about the quiescence of Hong Kong labor and re-investigates the shift to a lower incidence of strike action in the 1950s. The article also engages with new historical scholarship, most notably the work of Yan. Using novel sources and deploying social history methods, Yan has explored the rise of Hong Kong’s labor movement from the 1930s through to the late 1950s and



**Chart 1.** Days lost to strikes and lockouts per 1,000 employees, 1946 to 1960 (and 3-year moving average).

Sources: days lost to strikes, England and Rear (1975), p. 279; industrial employment, Census and Statistics Department (1969), p. 48.

Notes: The Hong Kong Labour Department compiled data on strikes for the non-calendar years, 1946–1947 etc but reported employment by calendar year; the strike data includes all days lost, with no strikes of a short duration excluded; the employment data reports on the numbers employed in ‘industrial establishments’ in mining, manufacturing, electricity, water and sanitary services, commerce, transport and communication and services but excluded employment in workshops employing under 20 workers which did not use centrally powered machinery: in 1961 the latter comprised 40% of industrial employment: Dwyer and Lai (1967), T4.

argued that an emergent organised working class was repressed by the colonial state in the 1950s (Yan, 2019). The article seeks to qualify this thesis and builds on the work of sociologists by exploring how colonialism acted as a vector for transplanting aspects of industrial democracy to Hong Kong (Chiu & Levin, 1996).

The article begins with an analysis of trade union structures and strategies. The second section considers the impact of macro-economic instability on wage bargaining. Section three explores how decentralized bargaining was shaped by 'paternalism', a set of complex Chinese employment practices. Section four studies the origins and effects of a system of voluntary conciliation which sought to mitigate industrial strife. Drawing on case analysis of left-wing tramway workers, section five examines how the state repressed labor directly via police actions and indirectly via a permissive legal framework that enabled employers to discriminate against unions. Section six places this repressive framework in comparative perspective. The final section sums up.

### Trade unions: structures and strategies

In the late 1940s, under a new legal framework, it became compulsory for trade unions to register with the state; other agencies of the state, including the police also monitored trade unionists and during the 1950s American Consul Generals in Hong Kong regularly reported on trade union activities. Although this rich material is now accessible to scholars, this official data does not convey the independent voice of the labor movement and so must be treated with caution.<sup>2</sup> It does however allow changes to trade union structures and strategies to be reconstructed and roughly associated with the changing propensity of workers to strike.

Official data on registered labor organizations show that union membership doubled from 1949 to 1956 which was roughly in line with the growth of registered industrial employment.<sup>3</sup> Declining union density *per se* evidently does not account for the changing propensity to strike but such crude statistical analysis hides important trade union features as observed at the time by officials who wrote up confidential reports.

Hong Kong officials classified trade unions as 'craft', 'industrial' and 'general' and noted that the vast majority of unions in the 1940s and 1950s took on the 'craft' or 'industrial' forms. They also noted that these forms differed starkly from craft and industrial unions in the West. Industrial unions in Hong Kong, for example, tended to be restricted to 'the staff of a single employer'.<sup>4</sup> Moreover, craft unions represented the interests of employers *as well as* workers.<sup>5</sup> From the late 1940s, a new ordinance sought to create a distinction between Chinese guilds and trade unions. Old-style guilds, however, registered under this ordinance. In a secret report, 'The Trade Union Movement and the Industrial Situation', written for the UK government, P. Sedgwick, the Commissioner of Labour, noted that of the unions that had begun as 'Chinese guilds' most had retained 'some of the features of their origins'; they had employers as members, represented all grades of workers, and the 'main reason for their continued existence' was the provision of death benefits.<sup>6</sup>

According to Sedgwick, unions were weak because they were small and were divided by 'geographical features' as immigrants from various parts of China tended to set up organizations linked to their places of origin. Above all Sedgwick reported that unions were afflicted by 'personal antagonisms' and 'political' orientations. He noted, for example, how in the textile industry, which comprised nearly a third of employment in manufacturing, there were eight unions divided along ethno-linguistic, functional and political lines.<sup>7</sup> It was the political orientation of unions which fixated western experts. Most of Sedgwick's 1957 report detailed how trade unions were under the influence of the two mass political parties waging war over the right to govern mainland China – the *Guomindang* (GMD) and the Chinese Communist Party (CCP) – and US consular officials concurred that labor organizations were 'extensions of the Nationalist and Communist governments' and not 'responsible to a rank and file of local labouring people'.<sup>8</sup> Approximately half of unions aligned to the left-wing Hong Kong Federation of Trade Unions (FTU) and half to the right-wing Hong Kong and Kowloon Trade Unions Congress (TUC). These loyalties to Chinese mass political movements need

detailing because there is evidence that they contributed to the deradicalization of rank and file workers.

The FTU was set up in March 1948 by 25 left-wing unions, with Zhu Jingwen, the chairman of the Tramway Workers' Union, elected as its first president. Chen Wenhan, a labor activist and CCP member from 1938, chaired the FTU until his death in 1953 from tuberculosis at the age of 42 (Yan, 2019, pp. 100, p. 279). Chen chaired the FTU during a critical period and, under his leadership, the FTU adopted a 'marked change in strategy': in response to the refusal of employers to recognise FTU-aligned trade unions (on which more later), and in a situation of falling membership, the FTU stopped promoting 'militant industrial action' and focused on providing welfare, notably health care and education (Chan & Snape, 2000, p. 119). The TUC comprised mainly craft unions, blue-collar government employees and unions representing workers in the restaurant, café and teahouse trade, and was perceived by western observers as far less effectively run than the FTU.<sup>9</sup> The FTU's services moreover offered Hong Kong workers real benefits as the colonial administration did not provide universal or contributory welfare schemes and most unions could not afford to offer a comprehensive package of social support to their members; most unions did not provide sickness and unemployment benefits, and their welfare support tended to be restricted to free lodgings and access to Chinese herbalists – services that were gifted at the discretion of union officials. In 1951 only six out of 149 registered unions required members to pay into a welfare fund, and the provision of death benefits typically involved a one-off contribution by members. Significantly, 118 out of 149 unions did not provide payments to striking members, which strengthened disincentives to strike.<sup>10</sup>

The FTU and TUC, which registered as societies under a colonial ordinance, could not negotiate with employers but they had the capacity to influence the strategies of unions. By the mid-1950s, unions linked to the FTU, for example, typically refused to negotiate with employers and the 'majority' of industrial disputes involving their members centred on claims of 'victimisation'. As such, these disputes posed a challenge to the rights of employers to manage their workers. Sedgwick, however, viewed these activities as seeking to show dissatisfaction with the government for failing to support workers facing discrimination by employers; and he also noted that some left-wing unions even opposed changes to conditions of service, which would have been to the advantage of employees. Furthermore, he was disparaging of TUC-aligned unions which, he argued, failed to confront employers and thus increased the risk of spontaneous strikes.

The non-confrontational positioning of FTU and TUC-aligned unions weakened collective action in three ways. First, under a United Front policy that sought to build up alliances with property-owning classes including business owners, the CCP sought to deradicalize the labor movement; indeed, intelligence gathered by colonial officials reveals that, as early as 1950, CCP agents were concentrating their 'greatest effort' on running schools.<sup>11</sup> Interestingly, this shift coincides with the inflection in strike action observed in Chart 1. Second, according to Sedgwick, the GMD slowly lost influence over unions and workers became dissatisfied with the 'overt political manoeuvres of the Communist unions' and their use of 'intimidation'. Third, due to the 'irresponsible attitude of most trade unions,' progressive employers came to doubt the 'reliability and effectiveness' of joint consultation, and 'old-fashioned' employers exploited divisions between unions by 'playing off one labor group against the other'.<sup>12</sup> The tendency for industrial unrest to be influenced by the politics of China has also been observed for the 1920s, when a general strike-cum-boycott orchestrated by the GMD lost momentum after the GMD became concerned about communist penetration into the Hong Kong labor movement and withdrew its patronage (Ng and Ip (2004)). These effects also had long-term repercussions as the labor movement 'never articulated an ideology' 'for democratisation in the economy or polity' (Chiu & Levin, 1996, p. 33).

In sum, this section has shown that there is a political explanation for the quiescence of workers. It rests on the non-confrontation positioning of the unions guided by the FTU and TUC. This explanation for the changing orientation of unions is partial. As explored later, the impact of attempts by the colonial administration to deradicalize Hong Kong workers needs to be factored in. Moreover, the political orientation of Hong Kong unions creates a further puzzle. As an American Consul General

noted, why did rank and file workers not 'capitalise' on rising disillusionment with politically orientated unions by setting up new organizations.<sup>13</sup> It should be noted that state registration of trade unions required the submission of an annual financial report and this process exposed 'the lack of sound leadership and adequate funds' of GMD and CCP aligned unions. It started to become clear, for instance, that some union leaders were spending improvidently on 'entertainment instead of on more practical benefits for their members'.<sup>14</sup> Why then did breakaway unions representing the material needs of ordinary workers not emerge? Why moreover were union densities low in the growth sector of the 1950s economy – manufacturing? To answer these questions, we need an understanding of socio-economic structures, as addressed in the next two sections.

## **Inflation, unemployment and wage bargaining**

Hong Kong's fast pace of economic growth post-1945 ultimately lifted millions of Chinese people out of poverty, but this small open economy, which was highly dependent on overseas demand for goods and services, also had one of the world's 'most volatile' patterns of economic growth (Lall, 2006, p. 110). In the 1940s and 1950s, Hong Kong's economy was particularly unstable due to wars and revolutions in China which swelled Hong Kong's population and dislocated its international trade. Might such acute macro-instability explain the quiescence of Hong Kong workers in the 1950s?

Hong Kong's population rose from two to three million from the late 1940s to 1961, a staggering rate of growth caused mainly by mass immigration, with the 1961 census revealing that a third of residents had entered Hong Kong after 1949 (England, 1989, p. 45). In response to the scale of immigration, new controls were imposed by the colonial administration and by the provincial authorities in Guangdong, but during the 1950s tens of thousands of immigrants gained settled status in Hong Kong (E. Szczepanik, 1958, p. 154). England and Rear believed that these conditions 'weakened' the bargaining power of unions and provided employers with a 'ready supply of strike breakers' (p. 283), and Sheila Oglivie, a UK industrial relations expert who surveyed factory life in Hong Kong, observed that employers could 'afford to cock-a-snoot at trade unions' because labor was 'very plentiful' and workers feared 'unemployment or reductions in wages'.<sup>15</sup> Everett Drumright, the US Consul General, concurred: he noted that, in a situation of low levels of unionization, a 'large surplus of labor' had rendered employer–employee bargaining 'largely ineffective'.<sup>16</sup> Immigration, however, peaked in the late 1940s, with its effects weakening during the 1950s. If macro-economic instability is to be associated with the falling incidence of strike action, the dislocation of Hong Kong's international trade needs to be factored in.

In 1949, a communist government on mainland China was established, and in June 1950 the Korean War broke out, with Communist China intervening to support communist North Korea by the year's end. In response, the US and the UN imposed embargoes on international trade with China and these embargoes generated a massive economic shock that adversely affected the majority of Hong Kong workers. From 1946 to 1951, as the economy recovered from the destruction of the war, Hong Kong's exports and re-exports had grown, but in 1952 Hong Kong's total trade fell by about a third and only recovered slowly from 1954: it did not exceed its 1951 value until 1960 (Census and Statistics Department, 1969, p. 88). In the absence of consistent data on unemployment, the scale and scope of this shock is difficult to quantify but there is new evidence that it has been underestimated.

The leading economist of 1950s Hong Kong estimated that unemployment fell from approximately 11% in 1948 to 7% of the working population in 1954, and probably fell slowly thereafter (E. Szczepanik, 1958, pp. 31, 67). This analysis, however, disguises the severity of the recession of the early- to mid-1950s when unemployment reached a quarter of registered industrial employment. In the early 1950s, there was also considerable underemployment, with a quarter of employees on short-time working. Local officials, who were in dialogue with industrialists, attributed this situation to the fact that factories were struggling to secure embargoed raw materials and/or faced rising import prices for



commodities such as cotton yarn, knitting needles and tin-plate. They noted that many labourers were left 'scraping a living on the fringes of either industry or commerce' – a plight that was audible as the 'pleasant clip clop of clogs from morning to night'; with wages falling, workers had evidently switched from wearing more expensive shoes to wearing cheap wooden ones.<sup>17</sup> The situation did not improve much before the mid 1950s; in 1953, for example, a 'quiet' year for 'labour', strikes were still caused by adverse business conditions in the textile industry and by layoffs at British American Tobacco.<sup>18</sup>

Although the early- to mid-1950s were tough times for most working peoples, there are four problems with arguing that the level of unemployment *per se* explains the falling incidence of strikes. First, as illustrated by the cases of strike action in 1953, workers resisted redundancies imposed by managers using their legal right to strike. Second, in 1948 unemployment was estimated at 11% and yet the incidence of strike action was on the rise. Third, unemployment was falling from the mid-1950s and yet this did not lead to a higher incidence of strikes. Fourth, the sharpest fall in strikes occurred in 1949/50, that is, *before* the beginning of the deep recession of 1951–52. This complex relationship between unemployment and labor activism mirrors what occurred in the late twentieth century when deindustrialization and economic recessions fuelled 'working class alienation' and 'anti-capital consciousness' but did not lead to class action, with Hong Kong workers once again expressing a 'preference for industrial docility' (Ng & Ip, 2007, p. 76).

One explanation for the weak relationship between unemployment and class action in the 1950s relates to divisions within the working class, with unions representing those workers who were less likely to be facing downward pressure on wages and insecure employment. Although evidence is circumstantial, it seems highly likely that in the 1950s, skilled workers were less likely to be unemployed and their wages were not necessarily being depressed by new immigrants entering labor markets. Consequently, they had weak incentives to support class action seeking to resist wage cuts and layoffs. Substantiating this thesis is challenging but data on wage rates in 1940s and 1950s reveal that skilled workers earned a wage premium of about a third relative to semi-skilled workers (Riedel, 1974, T31, p. 97).<sup>19</sup> Moreover, unskilled workers, who comprised three-quarters of the manufacturing workforce, experienced falls in their real wages in the early 1950s and their real wages did not recover thereafter. By contrast, the real wages of skilled workers rose from the mid 1950s (Chow, 1997, T5.12, p. 356). So, the position of skilled workers, who it must be assumed were more likely to be union members, was improving relative to unskilled workers. These occupational divides might have contributed to the quiescence of the unionized work force in the 1950s but what about during the 1940s when strike action was on the rise?

Between 1946 and 1949, the price of a basket of consumer goods increased in price by a quarter, and, after a series of strikes, some large-scale employers and some unions entered into industry-level pacts (England & Rear, 1975, p. 280). These industry-level settlements agreed basic hourly wages and set up a 'rehabilitation allowance' that factored in changes in the price of food and fuel. The first major post-war action occurred as early as 1946 when the Chinese Engineers' Institute organised strikes; this union primarily represented mechanics working at the Kowloon Dock owned by Jardine Matheson and Co, The Taikoo Dockyard owned by Butterfield and Swire and at the Royal Navy's dockyard (Yan, 2019, pp. 155–166). In 1947, the Chinese Engineers' Institute secured a 50% pay rise which stimulated actions by other unions, especially those representing the utility trades owned by European employers. According to Yan, it was at this moment that a system of 'inclusive collective action' based on 'cross-colony labor solidarity' became the 'new norm' (Yan, 2019, p. 165). This system can be visualised in Chart 2 which shows that 15 of the 34 collective agreements signed between 1946 and 1965 were brokered during the inflationary 1940s.<sup>20</sup>

It is important not to exaggerate the strength of the system of centralized bargaining created during the 1940s because many of these agreements were vague and weakly enforced.<sup>21</sup> By 1951, for example, of the 141 registered unions only four – the Naval Dockyard Chinese Workers' Union, the Chinese Engineers' Institute, the Kwok Kwan Engineering Workers' Union, and the Kiu Sing Engineering Workers'



Union – had instituted joint consultation with employers, with the majority of unions only meeting employers *ad hoc*.<sup>22</sup> Effective joint consultation has the capacity to resolve disputes without the use of strikes but joint consultation was evidently not effective and so cannot account for the lower level of strike action in the 1950s. (This pattern of industrial relations persisted, with collective bargains covering less than 5% of Hong Kong workers in the 1990s (Fosh et al., 1999, p. 17)).

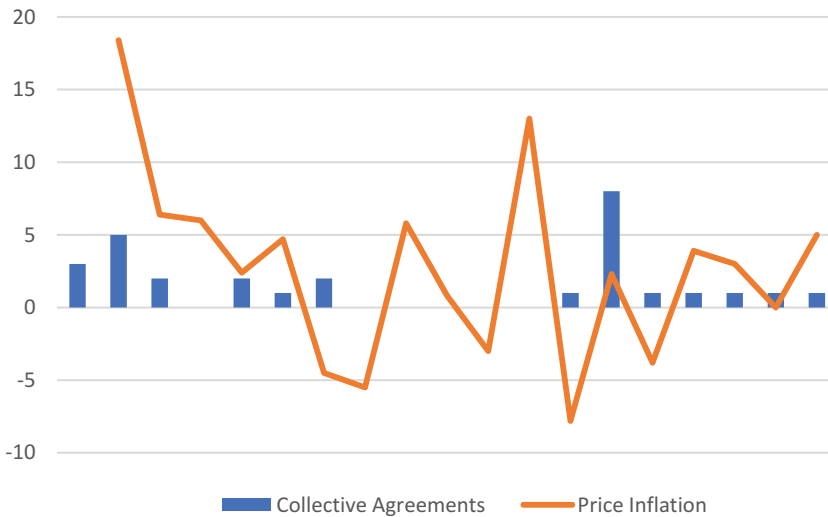
This section has argued that the economic fragmentation of the working class explains its quiescence in the 1950s. It has focused on the positioning of skilled workers and argued that they defended their living standards during the inflationary 1940s but became docile in the 1950s when their bargaining position improved. Semi-skilled workers employed in factories and small workshops however made up the majority of the working class, and most of them were not union members. It is to be expected that in these workplaces customary arrangements governed wage bargaining. How then can these customary arrangements be factored into explanations for the docility of Hong Kong workers?

### Chinese customs and decentralized bargaining

As Dirlik has argued, if Chinese cultural traits have validity as an explanation for the patterns of social relations in Chinese society, they need to be understood as having had an effect on the ‘everyday production of values’ (Dirlik, 2002, p. 39). This ultimately requires the effects of social norms to be traced to particular employer–employee relations – an anthropological technique that is beyond the scope of this article. Is it possible, however, to trace Chinese ‘culture’ as rhetoric about how ‘paternalism’ governed employer–employee relations?

Labour historians have tended to be sceptical about the claims made by employers that they acted paternalistically towards employees (Ackers, 1998) and those studying ‘paternalism’ as a mode of industrial relations in Hong Kong have been in disagreement over whether it was an imposition – that is, a device used by employers to maintain social control – or was co-created by workers and managers as a code for mutual workplace obligations (Ward, 1972; Djao, 1981). This debate cannot be resolved using the scant information in government archives but the files of the Hong Kong Labour Department do confirm that many employers relied on ‘paternalism’ to retain skilled workers.<sup>23</sup> ‘Paternalism’ was, moreover, the dominant mode of industrial relations in Hong Kong’s myriad of small workshops. Most of these workshops were unregulated because employers employing less than 20 workers did not have to register with the state, unless that is they used powered machinery. It has been calculated that in the 1950s these workshops made up about a half of all employment in manufacturing (Clayton, 2006). In this large extra-legal industrial sector, working conditions and wages were ‘poor’ but relationships between employers and employees were ‘good’: in these settings employers fed and housed their employees and even ate ‘the same food at the same table’; they also drew workers from clansmen or distant relatives, ensuring that their ‘fortunes’ were ‘linked’.<sup>24</sup>

The prevalence of so many workshops in which labour was managed via close personal ties is an important feature of Hong Kong’s labour-intensive mode of industrialisation but these unregistered workshops were *not* included in the employment data that was used in Chart 1 to deflate nominal strike action. The prevalence of employment in these workshops cannot therefore explain the incidence of strike action. These practices of personal management were also however prevalent in registered factories and workshops. Industrial relations experts from the UK visiting Hong Kong in the 1950s observed that in Cantonese firms industrial relations were based on personal contacts between employer and employees and that factory owners who had relocated from Shanghai took ‘pride in their own brand of joint consultation’ and in providing welfare facilities of an ‘unbelievably high standard’.<sup>25</sup> It should also be noted that across a range of Hong Kong industries relationships between workers and employers were mediated by labor contractors who supplied *and* managed workers (England,



**Chart 2.** New collective agreements and price inflation, 1946 to 1965. Source: For Food Prices, Census and Statistics Department (1969), p. 144; for collective agreements, 'A list of collective agreements for local trades, industries and establishments' [mid. 1960s]. In: Hong Kong Public Records Office, HKRS 843/1/55. Notes: The colonial administration constructed a Retail Price Index using surveys of a selection of clerical and skilled technical workers taken in June 1947 and June 1948. Food items comprised 50% of household budgets 1955: E. F. Szczepanik (1956), pp. 4–7.

1989, p. 43). The forms of 'paternalism' practised by these Chinese industrialists and contractors contrasted with the practices of British-owned firms in the docks and utility trades where access to fringe benefits was written into employment contracts (England & Rear, 1975, pp. 265–268, p. 315). Personalised management as practised in Chinese owned and operated enterprises were on the rise moreover because, as Table 1 shows, during the 1950s the manufacturing sector became the main source of employment for the Hong Kong working classes. How then did these persistent and increasingly prevalent customary forms of labor management interact with plant-level bargaining?

Most Hong Kong manufacturers paid semi-skilled factory workers by the piece. Under this payments system, and with nominal wages stagnant during the 1950s, it was access to hours of work that determined the take-home pay of semi-skilled workers. By contrast, manufacturers paid skilled workers a regular wage and gave them preferential access to payments in kind and wage bonuses, which were typically paid at Chinese New Year. It is likely that even during periods when the order books were empty or low, or when firms could not gain access to raw materials, skilled workers were retained. Semi-skilled workers working within the same industry also experienced inequalities due to large differences in productivity within the same industry. Data on these differentials are scant but a report by a UK visitor noted, for example, that in weaving mills where workers operated between 6 and 24 looms wage rates were twice as high as compared to those mills where workers operated between 3 and 6 looms.<sup>26</sup> Establishing collective bargaining in a sector with such wide productivity differentials would have been extraordinarily challenging. Instead, individual bargaining was the norm, and the existence of these wide differentials in pay and working conditions gave individual employees the opportunity to improve their living standards by moving from plant to plant, that is from an employer offering low wages and irregular hours to one that offered higher pay and regular hours. Could workers acting collectively, however, improve their position with employers, by, for example, seeking financial compensation for laid off colleagues or for workers facing other forms of discrimination? If so, how did labor officers working for the state support these efforts to mitigate the acute challenges facing workers in Hong Kong?

**Table 1.** Sectoral change of employment, 1931 to 1961.

Sector	1931	1961
Agriculture and Fishing	14	7
Commerce and Finance	20	21
Manufacturing	24	43
Transport and Communications	15	7
Construction	n/a	5
Other	27	17
Total	100	100

Census data was non-standardised: for example, 'Commerce and Finance' in 1931 was defined in 1961 as wholesale and retail trade, restaurants and hotels, financing, insurance, real estate and business services; there were no censuses collected in 1941 or 1951.

Sources: for the 1931 census data see Butters (1939) paragraph 10; for 1961, Chau (1988), p. 171.

## Voluntary conciliation

To give a sense of what the practice of voluntary conciliation involved it is useful to begin with a few illustrative examples drawn from cases affecting sectors in which the pattern of industrial relations was characterised by decentralized bargaining.

In April 1951, 45 male button workers protested over irregular wages and the suspension of customary holidays. In response, on 24 April, the manager of the button factory refused to allow them to enter the factory to take up employment. On the same day, a labor officer brokered an agreement which they classified as 'complete'.<sup>27</sup> This intervention satisfied both employees and the employer, and the dispute was settled.

During December 1957, The Continental Textile company closed down, and its 160 workers became unemployed. In response, forty left-wing workers occupied the factory and demanded that the manager meet their outstanding Chinese New Year bonus: this was an entitlement to one month's wages plus one month's food allowance that was usually given to permanently employed workers. Conciliation was unsuccessful due to a 'mutual failure to compromise'. There is no record that workers received their outstanding bonus payments but, when the factory reopened, these workers were re-employed.<sup>28</sup> Conciliation did not resolve this particular dispute but it should be noted that this conflict between an employer and left-wing workers did not escalate into strike action.

On 21 August 1958, 100 workers at the Fou Wah Silk Weaving Mill went on strike after a colleague had been sacked for attempting to reduce the speed of a machine preparing raw silk, but the next day a labor officer brokered a settlement in which the employer reinstated the dismissed worker and work resumed.<sup>29</sup>

These cases illustrate how voluntary conciliation resolved some (but not all) disputes. Might this bureaucratic practice therefore explain in part the quiescence of workers, as observed as a low and falling incidence of strike action? Table 2 seeks to answer this question by drawing on a large random sample of Labour Department case reports.

As in the cases above, officials intervened in a range of disputes, including over wage arrears and cases of alleged unfair dismissal. As in the cases above, the reports filed by labor officials include a descriptor and an indication of whether or not the case had been resolved. To aid analysis of these cases, notes have been codified using the typographies listed within Table 2. The results show that Labour Department officials intervened after a strike or workplace negotiations had failed to lead to a resolution *and* before there had been workplace bargaining or a strike. It is noticeable that in a sizeable minority of cases, the Labour Department sought to conciliate in disputes that were not co-ordinated by a union.

These are interesting findings for three reasons. First, they show that four-fifths of disputes were co-ordinated by unions, reinforcing the point that the deradicalization of trade unions in the 1950s

**Table 2.** Labour department conciliation in 'major disputes'.

Timing	Involving a Union	Not involving a Union*
After workplace bargaining/strike	20	5
Before workplace bargaining/strike	12	2
Other**	4	7
Total	36	14

1951 (32) and Oct.1957 to Sept.1958 (18); \*report does not mention union action; \*\*no conciliation (10) or recommendation for referred to magistrate (1).

Source: Progress Reports (Quarterly) Labour Department, 10/2/1949-28/10/1953, and 1/10/1953-31/12/1958. In, respectively: PRO, HK, HKRS41-1-4440-1, HKRS41-1-4440-2.

combined with the inability of unions to recruit in the expanding manufacturing sector contributed to the docility of workers. Second, it shows that the Department of Labour was supporting co-ordinated bargaining *and* un-co-ordinated bargaining. Unco-ordinated bargaining was initiated by groups of workers who did not want their union to represent their interests or who were working for an employer who refused to recognise the right of a trade union to represent the interests of workers. Third, in cases involving a union, one-third of interventions by labor officers occurred *before* any workplace bargaining or strike action.

Table 3 highlights how the Labour Department encouraged workers to redress grievances using the good offices of the state and by turning to the courts. Table 3 presents on disputes that the department classified as minor and which, it must be assumed, referred to individual complaints. In the early- to mid-1950s, most of these legal disputes probably concerned arrears of pay, often made by redundant employees, and the number of these disputes as captured in Table 3 increased broadly in line with the growth of industrial employment. The ability of the Labour Department to nurture actions by individual workers further reduced the propensity of workers to strike in support of their colleagues.

For workers in Hong Kong, these actions by the Labour Department strengthened the disincentives to engage in collective action. Striking was costly: it reduced income. Striking was risky: it might lead 'trouble makers' to be victimised. By contrast, voluntary conciliation was a low-cost and low-risk device which had the potential to secure immediate redress. Turning to a third party to resolve workplace conflict would have been familiar to most Hong Kong workers, the vast majority of whom were migrants from China. In pre-war China, mediation was used to resolve tensions between ordinary people and social elites.<sup>30</sup> It was undertaken by chambers of commerce, student unions and prominent individuals, as well as by state bureaucrats (Fang, 1980, p. 90). Voluntary conciliation contributed therefore to the docility of workers. Might voluntary conciliation also explain the *falling* incidence of strike action in the 1950s? This is more questionable because it was already being used effectively in the 1940s.<sup>31</sup>

As early as 1946, on a visit to Hong Kong to investigate labor conditions, Eleanor Hinder, an expert on industrial relations in China and the British representative on the Far Eastern sub-committee of the United Nations Relief and Rehabilitation Association's technical committee (Foley & Radi, 1983), wrote a report to the Colonial Office in which she attributed the lower level of strike action in Hong Kong in 'large measure' to voluntary conciliation.<sup>32</sup> Furthermore, in the early 1950s,

**Table 3.** Labour department conciliation in 'minor disputes'.

	January to December, 1951	October 1957 to September 1958
Total cases	779	1,440
Settled	41%	47%
Sent to Magistrate	22%	39%
Other	37%	14%

Data quarterly, 1951; bi-annually, 1957-58; \*comprises rejected; withdrawn and unsettled.

Source: as in T2.

a Hong Kong labor officer observed that there was ‘little pattern’ to industrial relations in Hong Kong except that ‘in the majority of cases’ workers attended the Labour Department ‘in the event of industrial disputes’.<sup>33</sup> These practices were also undertaken in pre-war Hong Kong by colonial officials working in the Secretariat of Chinese Affairs (Levin & Chiu, 1998, p. 43). Even so, it is reasonable to expect that, as labor officers gained experience during the 1940s and 1950s, voluntary conciliation became even more effective, further reducing the incidence of strikes.

Did the evident effectiveness of voluntary conciliation strengthen the disincentives to join trade unions? This is plausible but does not inevitably follow. In a seminal study on the UK, for example, Fishman showed how in the 1940s, UK union officials used interventions by labor officers to gain recognition from employers and to avoid strikes whilst still gaining concessions for their members. Fishman observes how Ernest Bevin, Minister of Labour in the wartime government and Foreign Secretary in the first post-war Labour government, recognised that a draconian UK law prohibiting strikes had created an ‘orderly framework for resolving workplace conflict’ (Fishman, 1999, pp. 50–51).

The analysis in this section has shown that the Hong Kong experience of the 1950s was similar to the UK experience of the 1940s: voluntary conciliation was a deeply embedded part of the industrial relations scene and there is evidence to prove that it reduced industrial unrest. By implication, this section presents positively on the role of the colonial state. How does this portrayal mesh with the prevailing historical view that repressive actions by the state contributed to the industrial peace of the 1950s?

## Repression

In March 1948, the Legislative Council passed the Trade Unions Registration Ordinance. This was based on a model created by the Colonial Office in London to reform how trade unions were regulated across British colonial dependencies. Some labor organizations immediately protested at the new requirements for compulsory registration, with the new legislative framework perceived by them as ‘restrictive to the freedom of labor activities’ (Yan, 2019, pp. 194–199). Yan argues that this reform ‘nipped a rising culture’ of ‘law-abiding’ industrial unionism ‘in the bud’ (p. 259). This section reevaluates this claim.

There is no doubt that the 1948 law was poorly framed (and it was not subject to revision until 1961). The administration also failed to convey how the law ‘dealt with problems surrounding the law of conspiracy and inducement to breach of contract and made peaceful picketing lawful’ (England, 1989, p. 114). The fundamental problem with this new legal framework was that it sought to implant British-style ‘voluntarism’ and consequently Hong Kong-based employers were not required to recognize unions (Levin & Chiu, 1993, p. 189). In a situation where most existing trade unions were linked to mass political parties, the vast majority of Hong Kong’s employers chose not to encourage unionization (Leong, 2009, p. 211). Furthermore, many employers went a step further and actively challenged the universal rights of unions to represent the interests of their employees. The hostility of some (but not all) employers was captured in 1955 by Maurice R. Rice, the US Consul in Charge:

Strikes represent a key index of union activity in so far as they reflect an ability to organize and lead workers. By American standards those strikes which have occurred during the April-October period have been confused, chaotic, and of short duration. Of the somewhat over a dozen strikes which occurred none lasted for more than four days, and most were settled within a day, normally due to a return of workers under management’s threats to employ strikebreakers. All but one of the strikes arose out of the firing of workers declared to be superfluous by management, but who usually turned out to have been union organizers. The sole strike which did not fall into this category was occasioned by a demand for three paydays a month rather than two.

In his report, Rice commented on the union-breaking efforts of the Tramways Company during a major dispute. This dispute commenced when the tramways company sacked 31 workers, all of whom belonged to the Tramway Workers’ Union which was affiliated with the FTU. Backed by their union, these workers demanded compensation but they settled for a pay-off that was ‘considerably less’ than they had demanded. According to Rice, this settlement had been forced upon the sacked

workers due to the 'indifference' of 'rank and file' workers who, in support of the claims of the 31 sacked workers, took part in two short 'token strikes'.<sup>34</sup> Rice accounted for the indifference of the rank and file in three ways. First, by noting how working conditions in this company were 'more favourable than in any other undertaking in the Colony'. Second, by noting that the workers were managed by C. Johnson, a trade unionist by training, who had experience of negotiating with unions in the UK and who had consulted with workers to prevent the 'terrorization' of workers by union officials.<sup>35</sup> Third, the US Consul General alluded to collusion between the management, which refused to recognise the Tramway Workers' Union, and the TUC; during the first two-hour sympathy-strike, 90 'loyal employees' and members of the TUC-affiliated Victoria Free Tramway Union had broken through the picket line and reported for work. This settlement was a major defeat for the leftist union. Soon thereafter, the Tramways Company fired another six employees for conducting union business on 'company time'.<sup>36</sup>

This case highlights the limitations of voluntary conciliation. There were 70 meetings between union representatives and the government but Johnson chose not to attend and so the government did not have the authority to mediate.<sup>37</sup> Johnson's attitude probably reflects the fact that this tramway dispute was the culmination of a bitter dispute dating back to 1949. In 1949, the FTU had called for a general strike to secure colony-wide pay rises but this clarion call had not been heeded and it was left to the FTU-aligned Tramway Workers' Union to take action. The Tramway Workers' Union organised a strike that began on Christmas Day 1949 and lasted until 10 February 1950. Union leaders demanded a special allowance of 90 HK\$ per month to ensure that workers did not suffer from rising consumer prices – a claim backed by eight other unions connected with the utilities and the Dairy Farm Company. Ultimately, after the dispute at the Dairy Farm Company was settled by arbitration, the Tramway Workers' Union accepted an award set by a tribunal: that is, for a 30 HK\$ a month allowance backdated to 1 January 1950. This award was also granted to other unions.<sup>38</sup> Whether this was a reasonable settlement is unknown but the dispute has remained contentious because of a historical debate regarding the extent of police repression and how this related to the attitude of the colonial administration towards the local labour movement.

According to Tsang, the following sequence of events occurred: Grantham allowed the tramways strike to take its 'natural course'; a leftist union leader introduced 'political issues' into a speech; a police officer consequently removed a loudspeaker; this led to a riot, which was quickly quelled by the police; finally, the police took actions against the chief picket, the chair of the union and an adviser from Guangzhou, all of whom were deported (Tsang, 1988, pp. 126–130). Yan argues, by contrast, that Grantham 'ordered police action' and that the police fired tear gas and 'charged into the crowd, wielding clubs' (Yan, 2019, p. 247). They claim that this was part of a wider strategy in which the 'colonial state abandoned its reformist objective and returned to surveillance and suppression of well-organized Chinese labor', and became 'the chief perpetuator' of Hong Kong's 'enduring pattern of industrial subjugation' (Yan, 2019, pp. 327, 335).

The role of the police during the 1949–1950 dispute is a minor unresolved historical controversy but what is not in doubt is that during the 1950s state agencies targeted left-wing union leaders and created a repressive legal code that prohibited 'political' strikes. As a US Consul General reported many left-wing union leaders were arrested – typically for 'various "breaches of the peace"' – and ultimately deported to mainland China.<sup>39</sup> Underpinning the repression of left-wing unions was an Illegal Strikes and Lock-out Ordinance, which had been introduced in 1927 and modelled on the legislation introduced by the British government in the aftermath of the UK General Strike of 1926. It allowed the state to declare a strike that inflicted hardship on the community as illegal (Ng & Ip, 2004, p. 476).<sup>40</sup> In 1948, to signal to unions that the state was reformist, this legislation was taken off the statute book but it was re-enacted shortly afterwards and renewed thereafter. It should be noted that it was designed for use in 'extreme necessity', that is where there was evidence that a strike was designed to 'coerce' the Government or had led to a breach of contract of service that might be 'injurious to the public'.<sup>41</sup> It was, in essence, an insurance policy aimed at counteracting the



dominance of FTU-aligned unions in the energy-generation and transport sectors – the commanding heights of the economy.

This repressive framework created marked tensions within a Hong Kong state which contained a diversity of civil servants. Most civil servants were born or had received training in Hong Kong and had therefore an excellent knowledge of Chinese languages and customs, and they were supported by imperial appointees such as Ken Baker, an ex-trade unionist.<sup>42</sup> Those working in the Labour Department advised union leaders and circulated propaganda extolling the virtues of unionism.<sup>43</sup> They gave advice to activists, arranged courses and disseminated educational materials; for example, a booklet told how a fictional Chinese worker had set up a union branch and a six-part radio series chronicled the fictional dialogues on the merits of unionism between Mr Lee, the owner of a firm making carpets, Mr Woo, one of his employees, and Mr Wong, a labor official.<sup>44</sup> Such tailor-made propaganda circulated alongside imperial propaganda such as ‘Sorting it Out’, a film made by the Union of Post Office Workers in Great Britain and including photographs displaying scenes from the British Trade Union movement.<sup>45</sup> Most workers, it should be noted, were disinterested in these messages.<sup>46</sup> Alongside broadly progressive figures such as Baker, there were officials, such as Commissioner of Labour Brian Hawkins. Yan labels Hawkins a ‘staunch and skilful defender of the old regime’ who resorted to a strategy of ‘divide and rule’ that set ‘one group of unions against the other’ (Yan, 2019, p. 200). Governor Alexander Grantham, who enjoyed an extended tenure from 1948 to 1958, was also a defender of the existing regime. In correspondence with the UK government, for example, he argued that Hong Kong had a ‘flexible system’ of industrial relations that generated ‘better results than even the best formal machinery’.<sup>47</sup>

Building on the previous analysis of Hong Kong’s conciliation-based approach to industrial relations this section has qualified a thesis that the colonial state sought above all to repress the labour movement. Agencies of the colonial state did target left-wing unionists which weakened the leadership of the working class at a critical moment – that is during the economic dislocation of the early 1950s. Targeted (not indiscriminate) repression was, however, mixed with conciliation – the dominant everyday practice of labor officials working for the state. To extend this analysis, the next section considers how Hong Kong’s labor policy compares to regimes elsewhere in the British empire.

## Repression in comparative perspective

The closest comparators for Hong Kong are two British colonial dependencies, Singapore and Malaya. Not only were these territories under British rule but they had large Chinese populations and active communist parties. Historians have shown how in Malaya efforts to implant unionism caused tensions between progressive bureaucrats seeking to nurture ‘democratic’ unionism and pragmatic bureaucrats, and they have highlighted how reform culminated in a period of repression with emergency powers deployed during a communist insurgency (Harper, 1999, pp. 128–142). Furthermore, the registrar of trade unions in Malaya discriminated against communist unions and historians have noted how the implementation of labour reforms in Malaya were hampered by the weak capacity of the state, as well as by opposition from powerful European employers, notably those running rubber plantations (White, 2008, pp. 429–449). The Hong Kong state did not follow the Malayan way. Supported by the efforts of European employers in the docks, the administration backed a system of centralized bargaining, and extended a conciliation-based approach that required workers to trust the Labour Department. Malaya was afflicted by a communist insurrection, so might Singapore provide a better comparator for Hong Kong? The short answer is: no. In Singapore repression was systematic (Curless, 2016). In Hong Kong it was *ad hoc*. Hong Kong bureaucrats were evidently not guided by some British masterplan for handling labor radicalism but might Hong Kong have drawn on UK experiences of industrial relations?

As Fishman has shown in a seminal article on British industrial relations, during the mid-twentieth century British governments mixed progressive interventions (such as extending



social entitlements to welfare) with the repression of the working classes. Fishman explored how a wartime measure, Order 1305, which was not revoked until 1951, made striking a criminal offence, and how this was intended to be used to police workplace stoppages that were associated with subversion (Fishman, 1999, pp. 43–86). During a period of perceived communist infiltration into British unions, most notably in the mines, utility trades and docks, Order 1305 was used habitually by Ministry of Labour regional officials. As in Hong Kong, these regional officials had responsibility for acting as conciliators in industrial disputes. Arguably it was this use of voluntary conciliation which gave the working class an independent voice, one that was free from direct influence by political parties and free from employer control.

England and Rear recognised voluntary conciliation as an important component of the Hong Kong state's industrial relations strategy and Yan has recently noted that in the late 1940s the Labour Department committed a 'considerable amount' of work to mediating in industrial disputes, and that it was 'generally satisfied' that its advice was 'frequently sought and accepted' (Yan, 2019, p. 182). This article has already provided a rich description of the scope and scale of voluntary conciliation but it is worth drawing out similarities with the disputes-resolution machinery in place in Britain from 1940 to 1951 (under Order 1305).

Fishman has shown how UK workers benefitted from a conciliation-based approach (Fishman, 1999). In Hong Kong, conciliation also seems to have been supported by workers who gained a low-cost means of settling grievances. Voluntary conciliation provided a relatively orderly mechanism to tackle workplace conflict because it reduced the risk that radicals would hijack actions to pursue political goals. It is interesting how, as previously noted, FTU-aligned sacked tramway workers requested state mediation in 1954 and 1955. Whether they hoped to discredit this practice or genuinely sought to use the state as a third party to resolve the conflict is unclear but there is no evidence to show that the state wanted to use conciliation to discredit communist unions. In the UK by contrast, conciliation was used to coerce workers, as happened with miners in 1942 and 1943 (Phillips, 2019, pp. 133–42). Indeed, as late as 1951 in the UK, Order 1305 was used to arrest seven militant dockers on grounds of conspiracy to incite an unofficial strike (Fishman, 1999, p. 67). There is no evidence that Hong Kong followed this practice; although, as noted previously, the colonial administration regularly deported radicals for 'breaches of the peace' and it had emergency powers to curb politically oriented strikes.

The International Labour Organisation (ILO) did not want voluntary conciliation to limit 'in any way whatsoever, the right to strike' (Jenks, 1957, pp. 34–3) but Hong Kong labour policy was broadly in line with ILO ideals. Although the state used voluntary conciliation to shape industrial relations, it also continued to promote unionization and collective bargaining. There was no attempt by the state to discredit or dismantle the system of centralized bargaining that had emerged in some (but not all) sectors in the 1940s. Hong Kong policies were also in line with British colonial policy which promoted unfettered bargaining which, it was argued, gave workers 'a vested interest in the avoidance of extreme action'.<sup>48</sup> British industrial relations experts typically recommended to colonial labor officers that schemes of joint consultation were optimal because 'organisations intimately connected' with industrial problems – that is trade unions and employer associations – were more likely to find a solution to them.<sup>49</sup>

## Conclusions

This article began with a riddle: what explains the quiescence of workers in Hong Kong? It also began with a puzzling shift that occurred in the early post-war period: there was a wave of strike actions, which occurred between 1946 and 1949, followed by a period when, to extend the metaphor, the sea calmed – when the incidence of strikes fell. This low level of strike action coincided with the rise

of decentralized bargaining, which became the dominant form of industrial relations in the 1950s and beyond.

The standard thesis for explaining the falling incidence of strikes in the 1950s relates to how the FTU and TUC deradicalized rank and file workers and how agencies of the colonial state repressed left-wing union leaders. This article has, on the one hand, strengthened this political explanation by providing new qualitative evidence from the records of the US, UK and Hong Kong governments. On the other, it has argued that other dynamics have to be factored in. First, the article reconstructed how income inequalities and job insecurity were on the rise from the early 1950s, and noted how skilled workers had weak incentives to act for the working class as a whole because their living standards were improving relative to semi-skilled workers; in the 1940s by contrast the material position of skilled workers was in jeopardy and they used strikes to improve their bargaining position with certain employers. Second, the article factored in the aggregate effect of actions by lots of individual employers. With certain socio-cultural preconditions in place – notably Chinese customs of personalised labor management – most Chinese employers operating small and medium-sized enterprises practised ‘paternalism’, and, as these practices favoured skilled workers, they strengthened socio-cultural divides within the working class. Furthermore, under a permissive legal framework, some employers exploited the fragmentation of labor organizations by discriminating against trade unions, especially those aligned to the CCP. Third, voluntary conciliation, which was an embedded social practice in Hong Kong, incentivised workers to engage in short strikes or, in some cases, to seek redress via state mediation before confronting employers.

The article has also addressed debates about the state and the working class in newly industrialising countries in Asia. A generation or so ago, this field was reshaped by a radical ‘labour subordination’ thesis. This thesis was used to explain the dynamism of many export-orientated newly industrialising countries in Asia – one of the most profound socio-economic changes of the modern period. This ‘labour subordination’ thesis argued that autocratic states in places such as Taiwan, Singapore and South Korea maintained a supply of low-cost labor for export-orientated industries using a range of devices including repressing independent labor organizations and promoting official unions (Deyo, 1989). Revisionists criticised this thesis by noting how these state interventions preceded export-oriented growth and were motivated by political contingency – notably the intensification of the cold war during the 1940s and 1950s (Chowdhury & Islam, 1993, p. 170). The Hong Kong case adds further evidence to support such revisionism. Put simply: the colonial state repressed radicals before manufacturing became the main source of employment. Furthermore, there are contrasts to be drawn between systematic repression in Singapore and Malaya and the targeted repression practised by agencies of the colonial state in Hong Kong.

The article has moved this debate on by showing how the colonial state was far from monolithic: it included progressive elements seeking to nurture unionism in new ways plus pragmatists who preferred the old ways which included, above all, extending voluntary conciliation. This analysis has highlighted the analytical power of historical path-dependence. Hong Kong in the 1940s and 1950s was an incredibly turbulent place. It experienced acute macro-economic instability. It was a stage for an on-going Chinese civil war. Industrialisation picked up pace. In a situation of chronic uncertainty, a path of least resistance was taken up. A pragmatic conciliation-based approach became the dominant strand of industrial relations. In turbulent times, this social practice focused attention on what mattered to the majority of workers: that is, their economic welfare. Consequently, a conciliation-based system of industrial relations won out over the pursuit of class conflict.

## Notes

1. The days lost to strike action in this period were only seven per cent of those lost to strike action between 1946 and 1950.
2. It is possible that governments retain files/documents containing sensitive materials on the operations of Chinese Communist Party agents.
3. Between 1949 and 1956 registered union members rose from 93,500 to 187,433 and industrial employment from 64,831 to 118,488 (Census and Statistics Department, 1969, p. 48). Data on unions taken from Supplementary Report by Labour Officer, 18 January 1950, and P. C. M. Sedgwick, Commissioner of Labour, Hong Kong, 8 January 1957. In, respectively: Public Records Office, Government Records Service, Hong Kong, Hong Kong Record Series (hereafter: PRO, HKRS) 843/1/58; United Kingdom, The National Archives (hereafter: TNA) Colonial Office (hereafter: CO) 859/1160.
4. Calculated from England & Rear (1975, T10, p. 88). The highest densities were in public utilities (100 per cent) and transport and communication (61 per cent), and the average for textiles (18 per cent) was double that of the manufacturing sector as a whole (T11, p. 89).
5. 'Trade Unionism in Hong Kong (1948)', [unnamed report by a local officer]. In: PRO, HKRS843/1/52.
6. Sedgwick, 8 January 1957. In: TNA, CO859/1160.
7. Sedgwick, 8 January 1957. In: TNA, CO859/1160.
8. Labor Situation, April to October, no. 686, 1955. In: National Archives and Records Administration, USA, (hereafter: NARA) Record Group (hereafter: RG) 59 (General Records of the Department of State)/846 G (Box 4537).
9. Maurice S. Rice, Consul in Charge, The Hong Kong Labor Situation, April-October 1955, 27 October 1955. In: NARA, RG59/846 G (Box 4537).
10. Walter P. McConaughty, American Consul General, Special Labor Report – Trade Unions in Hong Kong, 19 March 1951. In: NARA, RG59/846 G (Box 4922).
11. Report on Communist Activities in Hong Kong for the Six Months ending 30 June 1950, in telegram from F. Nicoll, Chief-of-Staff, Hong Kong Government, to James Griffiths, Secretary of State for the Colonies, 21 July 1950. In: TNA, Foreign and Commonwealth Office 141/4419.
12. American Consul General, Hong Kong Annual Economic Report, 1955. In: NARA, RG59/846 G (box 4922).
13. American Consul General, Hong Kong Annual Economic Report, 1955. In: NARA, RG59/846 G (box 4922).
14. American Consul General, Annual Labor Report, 1950, March 1951. In: NARA, RG59/846 G (box 4922).
15. Comments for the Colonial Office, II, Labour Relations, S. Ogilvie, 27 August 1958. In: TNA, CO1030/763.
16. American Consul General, Hong Kong Annual Economic Report, 1955. In: NARA, RG59/846 G (box 4922).
17. Reports by E. C. Brown, 10 March and 20 November, 6 December (for the quote) 1951. In: PRO, HKRS41/1/6891.
18. American Consul General, Hong Kong Annual Economic Report, 1953. In: NARA, RG59/846 G (box 4922).
19. 'Unskilled', 'semiskilled' and 'skilled' workers earned on average HK\$3.50–5.00, HK\$5–6 and HK\$6–8.50, respectively, as report by the Department of Labour.
20. The agreements signed 1946–50 were in the following sectors: Hong Kong Electric Co Ltd, Coal Stevedoring, Rattan Material Making, Chinese Restaurants, Harbour Stevedoring, Hong Kong Rope Works, Fishing junk crews, Gold and Silver, The Tsuen Wan Texas Co, Ltd, China Motor Bus Co, Hat-makers, Teahouses, Rickshaw pullers, Seven Taxicab companies, and Printing: see 'A list of collective agreements for local trades, industries and establishments' [c.1965]. In: PRO, HK, HKRS843/1/55.
21. From Trade Union Education Series No. 5: A Guide to Trade Unions for the Preparation of Collective Agreements, (Hong Kong: Labour Department, 1962), 26 June 1962. In: NARA, RG59/846 G.
22. Walter P. McConaughty, American Consul General, Special Labor Report – Trade Unions in Hong Kong, 19 March 1951. In: NARA, RG59/846 G (Box 4537).
23. Minute by H. Chauvin, Labor Officer, 21 November 1958. In: PRO, HKRS1017/2/1.
24. Sedgwick, 8 January 1957. In: TNA, CO859/1160.
25. Comments of Miss Ogilvie's report [by local officer]. In: PRO, HKRS1017/2/1. 'Report on visit to Hong Kong', 4 to 18 January 1963, C. G. Gibbs, 14 February 1963. In: PRO, HKRS1017/2/2.
26. Calculated from Comment for Colonial Office, Ogilvie, August 1958. In: TNA, CO1030/763.
27. Progress Reports, April–June 1951. In: PRO, HKRS41/1/4440-1.
28. Progress Reports, October 1957 to March 1958. In: PRO, HKRS41/1/4440-2.
29. Progress Reports, April to September 1958. In: PRO, HKRS41/1/4440-2.
30. Minute by G. L. Wilkinson, 26 February 1969. In: PRO, HKRS703/5/27.
31. As Labour Department record keeping only became standardised during the 1950s, it is not possible to create a long-term series of cases of voluntary conciliation.
32. Future Labour Administration in Hong Kong. Eleanor M. Hinder, 12 February 1946. In: PRO, HHKRS41/1/1436.
33. Comment on Industrial Relations [1952]. In: PRO, HKRS843/1/52.
34. American Consul General, Hong Kong Annual Economic Review of 1954. In: NARA, RG59/846 G (Box 4537).
35. Julian F. Harrington, American Consul General, The Labor Dispute of 1954 between the Hong Kong Tramway Company Ltd, and the Communist Tramway Workers' Union, 21 December 1954. In: NARA, RG59/846 G (Box 4922).

36. Maurice S. Rice, Consul in Charge, The Hong Kong Labor Situation, April–October 1955, 27 October 1955. In: NARA, RG59/846 G (Box 4537).
37. Labor Dispute of 1954. In: NARA, RG59/846 G (Box 4922).
38. American Consul General, Hong Kong Annual Economic Report for 1950, 4 April 1951. In: NARA, RG59/846 G (Box 4922).
39. Walter P. McConaughy, American Consul General, Annual Labor Report 20 March 1951, 1952. In: NARA, RG59/846 G (Box 4537). For the quote: Hong Kong Annual Economic Report, 1953, 1 April 1954. In: NARA, RG59/846 G (Box 4922). It is not clear why the phrase 'breaches of the peace' was placed inverted commas but this suggests that the Consul General perceived that some of these charges were without legal foundation.
40. The UK law was the Trades Disputes and Trade Unions Act, 1927 which made a 'wilful breach of contract by employees of public authorities a criminal offence' (Fishman, 1999, p. 55).
41. American Consul General, Hong Kong Annual Economic Report, 1949. In: NARA, RG59/846 G (box 4922).
42. Colonial Section to John Hatch, Labour Party, 13 September 1956. In: Modern Records Centre, Warwick, Trade Union Congress (hereafter: MRC, TUC), MISS292/921/5/2.
43. Note by Brian Hawkins, 24 August 1951. In: TNA, CO859/181/5. Minute, 24 April 1952. In: PRO, HKRS843/1/52.
44. Trade Unions and Hong Kong Industry. Programmes prepared by the Labour Department, [c. July 1960]. In: PRO, HK, HKRS843/1/70.
45. Labour Officer [unnamed] to Commissioner of Labour, December 1948. In: PRO, HKRS843/1/52. Members of the International Confederation of Free Trade Unions also visited Hong Kong to propagate non-aligned unionism: see General Secretary to Secretary General, 24 April 1953; and Chiu to Hood, 27 June 1952. In: MRC, MISS292/951/5/2.
46. Note by Hawkins, Commissioner of Labour, 24 August 1951, and Labour Office Report, (covering the period 1 May 1946 to 31 March 1947). In: TNA, CO859/181/5. Labour Department Monthly Reports, 1948–52, report by [unnamed] labor officer, 20 March 1951. In: HKRS843/1/52. Walter P. McConaughy, American Consul General, to Department of State, 7 March 1867, 1952. In: NARA, RG59/846 G (Economic, 1950–54), (box 4922).
47. Mark Young, Governor, to Arthur Creech Jones, Secretary of State for the Colonies, 16 October 1946. In: PRO, HKRS41/1/1434. Alexander Grantham, Governor, to James Griffiths, Secretary of State for the Colonies, 7 May 1951. In: HKRS41/1/6771.
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*David Clayton* has published extensively on the economic and social history of Hong Kong with a particular focus on institutional changes during a period of rapid export-oriented industrialisation, ca. 1920 to 1970: this work includes articles on the introduction of new labour laws granting statutory paid holidays and sick pay and limiting the hours of factory work undertaken by women—see especially *Journal of Imperial and Commonwealth History*, <https://www.tandfonline.com/doi/abs/10.1080/03086530701337625>

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