

Hong Kong

Fixed Term Contracts

Fixed-term contracts are permitted in Hong Kong and there are no limits on duration. However, after one month of at least 18 hours of work per week, the contract will be deemed a one-month contract that renews month to month unless otherwise agreed to in the employment contract. Fixed term contracts naturally expire at the end of the term. They can also be ended early by following the termination requirements outlined below (notice or payment in lieu).

Probationary Periods

Probationary periods are permitted and there are no restrictions on duration. During the first month of probation, either party may terminate the agreement without notice or pay in lieu. During the remainder of the probationary period, seven days' notice or pay in lieu is required.

Holidays

Workers in Hong Kong recognize 13 statutory holiday days in 2023 (which will progressively increase to 17 days by 2030), which are paid so long as the Worker has been employed for at least three months and worked at least 18 hours per week. Workers can be required to work on statutory holidays with 48 hours' prior notice. However, there must be an arrangement for an alternative paid day off within 60 days of the statutory holiday. Pay in lieu of a holiday is expressly prohibited.

Vacation

After one year of continuous employment, Workers are entitled to seven days of paid vacation annually. The amount of vacation due increases as the length of service increases but does not exceed 14 days. Accrued but unused vacation must be paid at the time of termination.

Sick Leave

Sick leave is accrued at a rate of two days per month during the first year of employment and four days per month thereafter for a maximum of 120 days. After four consecutive days of absence due to injury or illness, Workers are entitled to 80% of wages. There is no cap on the number of sick leave days that may be taken.

Working Hours

A normal workweek is usually eight hours per day or 48 hours per week. However, there are no restrictions on working hours for adults.

Overtime

Because there is no statutory working hour regime, there is no statutory provision for overtime.

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Termination

Except in cases of gross misconduct, Workers are entitled to notice of termination or pay in lieu. The parties may contract to a reasonable notice period that is not less than seven days. If not contracted to, Workers that work at least 18 hours per week over the preceding four weeks are entitled to one month's notice or pay in lieu. In cases of redundancy (termination that is not because of the Worker), severance payment may be due. If the Worker has been employed for at least five years, additional compensation may be due in the form of long service payment. Although it is not required to give Workers a rationale for termination, if a Worker has been employed for more than two years and a labor claim is filed, the justification for termination must be provided. If the employment contract includes an end of year bonus, a pro-rata amount of that bonus must be paid at termination so long as the Worker has worked at least three months of the eligibility year.

Resignation

Workers may resign by following the same notice periods outlined above. Workers may elect to use their accrued vacation time during a notice period.