

Overview	Legal Change	Action required
<p>Labour law developments:</p> <p>Approved changes to paternity leave.</p>	<p>Statutory paternity leave will increase from 3 to 5 days in 2019 (date to be announced) for each child born after this date.</p> <p>The leave may be taken any time from 4 weeks before the expected delivery date to 10 weeks following the birth.</p> <p>The leave days may be taken together or separately.</p> <p>To be eligible the employee must:</p> <ul style="list-style-type: none"> > be the father of the child; > be employed under a continuous contract (i.e. at least 4 weeks continuous employment before the leave date and for at least 18 hours each week); > comply with the employer notification rules including, if requested, a written statement that he is the father of the child. <p>Paternity pay remains at 4/5^{ths} of the employee's average daily wage. To be eligible for paternity pay the employee must have 40 weeks' continuous employment.</p>	<p>Update your paternity policies.</p> <p>Keep a look out for the commencement date.</p>
<p>Labour law developments:</p> <p>Policy announcement on proposed changes to maternity leave.</p>	<p>The Hong Kong Chief Executive has proposed increasing maternity leave from 10 weeks to 14 weeks.</p> <p>It is proposed that maternity pay for the extra 4 weeks will be payable but capped at HK\$36,822.</p> <p>It is also proposed that the government may reimburse employers the extra 4 weeks of maternity pay.</p>	<p>At this stage, these changes remain proposals only.</p> <p>However, as they are widely seen as long overdue, many large HK employers have already changed their maternity policies to reflect or even exceed the proposals. This will no doubt staff affect recruitment/retention.</p> <p>Review your policy in light of the above and your own employer brand. Keep a look out for the new legislation.</p>
<p>Labour law developments:</p> <p>Future changes to severance pay.</p>	<p>At present, an employee's long service or severance pay entitlement can be offset against the employer's contributions for that employee to the Mandatory Provident Fund. Often this can significantly reduce and even eliminate the employee's compensation.</p> <p>Negotiations between employers and trade unions to remove this have gone on for a long time.</p> <p>There are indications a resolution may be in sight with the possibility of the HK government being willing to subsidize the extra cost to employers.</p>	<p>Nothing at this stage. There may be a while to go yet.</p>

This is a high level general update only. Legal advice should be obtained on specific circumstances.