

New “Continuous Contract” Requirement Education Video

Narrator:

1. Hello everyone. This presentation is about the amendments to the “continuous contract” requirement under the Employment (Amendment) Ordinance 2025.
2. All employees covered by the Employment Ordinance, whether they are full-time or part-time employees, are entitled to employment benefits such as statutory holiday pay, paid annual leave, sickness allowance, statutory maternity leave, statutory paternity leave if they are employed under a “continuous contract” and meet the relevant conditions for those benefits.
3. An employee is regarded as being employed under a “continuous contract” if he has been employed continuously by the same employer for four weeks or more and the working hours each week meet the specified working hours threshold.
4. Employment (Amendment) Ordinance 2025 implements one of the labour support measures in the Chief Executive’s 2024 Policy Address, which revises the working hours threshold of the “continuous contract” requirement under the Employment Ordinance, making it easier for employees to enjoy comprehensive employment benefits.
5. After the amendments, other provisions of the Employment Ordinance will continue to operate as they currently do, and existing eligibility criteria for various statutory benefits will remain unchanged.
6. The present amendments lower the weekly working hours threshold of the “continuous contract” requirement from 18 hours to 17 hours. Besides, we also provide an alternative criterion, that is the “468 Rule” of using the aggregate working hours in four weeks as a counting unit.
7. Now let’s take a look at what the “468 Rule” is. The “468 Rule” means if an employee works less than 17 hours in a week, the sum of the working hours in that week and that in the three weeks immediately preceding such week (a specified 4-week period) reaches 68 hours, that week will be counted towards a continuous employment period. In simple terms, if an employee works less than 17 hours in any week,

we can apply the “468 Rule”. You can sum up the working hours of that week and the three weeks immediately preceding such week. If the total is not less than 68 hours, then even though the working hours in a particular week do not meet the weekly working hours threshold of 17 hours, that week will still be counted towards a continuous employment period.

8. How to apply the new requirement? If an employee has been employed continuously by the same employer for four weeks or more and the working hours each week meet the following working hours threshold under the new requirement, he is regarded as being employed under a “continuous contract”. These include: the employee has worked for at least 17 hours in each week; or where he has worked less than 17 hours in any week, that week has to meet the “468 Rule”. The “468 Rule” means the employee has been employed by the same employer for a particular week and the three weeks next preceding that week, that is a specified 4-week period, and he has worked for 68 hours or more. As long as one of these two requirements is met, that week meets the new working hours threshold.
9. Let’s look at this example: If an employee has been employed by the same employer for four weeks or more and his working hours in each week are not less than 17 hours, he is regarded as being employed under a “continuous contract” in this period.
10. Let’s look at another example. An employee has been employed by the same employer for four weeks or more but the working hours of one week are less than 17 hours. In this case, we can apply the “468 Rule”. As the aggregate working hours of the week with less than 17 hours and the three weeks immediately preceding such week reaches 68 hours, that week with less than 17 hours meets the new working hours threshold. Therefore, it will be counted towards a continuous employment period.
11. The new requirement is applicable from 18 January 2026. For an employment period before this date, to ascertain whether a week counts under a “continuous contract”, an employee has to work for at least 18 hours in each week. For an employment period on or after 18 January 2026, we can apply the new requirement. That is, an employee has to work for at least 17 hours in each week, or meets the “468 Rule”.

12. Let's look at this example. If an employee commenced employment on 1 September 2025, following the commencement of employment, to ascertain whether a week counts under a "continuous contract", the employee has to work for at least 18 hours in each week. Until the new requirement takes effect on 18 January 2026, to ascertain whether a week counts under a "continuous contract", the new requirement will apply. That is, the employee has to work for at least 17 hours in each week. When he has worked less than 17 hours in any week, then he has to meet the "468 Rule".

13. How about if an employee commences employment after the new requirement takes effect, for example, the employment commenced on 22 February 2026? To ascertain whether this employee is employed under a "continuous contract", the new requirement will be applied. You are reminded that for the first three weeks of an employment, as there are not enough preceding weeks to apply the "468 rule", the employee has to work for at least 17 hours in each week. From the fourth week onwards, if there are any weeks with working hours less than 17 hours, the "468 rule" can be applied.

14. After listening to the above information, I hope you will have a better understanding of the revised "continuous contract" requirement.