Get to Know Your Rights on Wage Payment Protection



Employer's Responsibilities

The Employment Ordinance ("EO") stipulates that an employer should pay wages to an employee as soon as practicable but in any case not later than seven days after the end of the wage period or the day of termination of employment. An employer who wilfully and without reasonable excuse fails to pay wages to an employee when it becomes due is liable to prosecution and, upon conviction, to a fine of \$350,000 and to imprisonment for three years.

The EO also stipulates that if an award of the Labour Tribunal or Minor **Employment Claims Adjudication** Board provides for the payment by an employer of any specified entitlement¹ and the employer wilfully and without reasonable excuse fails to pay the award within 14 days² after the date on which the sum is payable, the employer is liable to prosecution and, upon conviction, to a fine of \$350,000 and to imprisonment for three years.

What should you do if you are owed wages?

An employee who is owed wages should seek help from the Labour Department in the first instance, or else his rights and benefits could be jeopardized.

According to the EO, if wages are not paid within one month after they become due, an employee may deem his contract of employment to be terminated by his employer without notice

and is entitled to statutory and contractual termination payment. To avoid disputes, an employee should inform his employer when he exercises such rights under the EO.

Moreover, according to the Protection of Wages on Insolvency Ordinance, an employee's application for ex-gratia payment from the Protection of Wages on Insolvency Fund in respect of wages **should be** made within six months after his last day of service, and his application in respect of wages in lieu of notice and severance payment should be made within six months after termination of contract.



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Enquiry hotline: 2717 1771 (The hotline is handled by "1823")

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Protect Your Own Rights by Testifying Against Offenders

The Labour Department attaches great importance to protecting the rights and benefits of employees. Employees should report wage defaults promptly and come forward to assist in investigation as well as to act as prosecution witnesses. If there is sufficient evidence, the Department would take out prosecution against the employer.



www.labour.gov.hk

"Specified entitlements" include wages and statutory entitlements underpinned by criminal sanctions under the EO, such as vages, end of year payment, maternity leave pay, paternity leave pay, severance payment, long service payment, sickness allowance, holiday pay, annual leave pay as well as terminal payments, compensation and further sum inlawful dismissal awarded under the part on "Employment Protection" of the EO.

If the award does not specify the date on which the awarded sum is payable, the sum should be paid within 14 days after the