

Chief Executive in Council adopts recommendation on Statutory Minimum Wage rate

The Chief Executive (CE) in Council has adopted the recommendation of the Minimum Wage Commission (MWC) on raising the Statutory Minimum Wage (SMW) rate from its prevailing level of \$40 per hour to \$42.1, an increase of \$2.1 or 5.25 per cent.

The Government will publish the Minimum Wage Ordinance (Amendment of Schedule 3) Notice 2025 in the Gazette this Friday (February 21) and table it in the Legislative Council (LegCo) on February 26. Subject to the approval of the LegCo, the revised SMW rate will come into force on May 1 this year.

In conducting this review of the SMW rate, the MWC adopted the formula approved by the CE in Council on April 30, 2024, to derive the recommended SMW rate (please refer to the Annex).

The Secretary for Labour and Welfare, Mr Chris Sun, said he is pleased with the MWC's smooth completion of its mission to review the SMW rate through elaborate discussions to draw up the implementation arrangements for adopting the formula, examining the latest data on the indicators in the formula, and assessing the relevant impacts. He paid warm tribute to the Chairperson of the MWC, Ms Priscilla Wong, for her exemplary leadership and to all MWC members for their sterling contributions.

Mr Sun said, "After careful consideration, the Government is of the view that the MWC has ably discharged its statutory function of reviewing the SMW rate. The recommendation of the MWC is in line with the policy objectives of the SMW to maintain an appropriate balance between forestalling excessively low wages and minimising the loss of low-paid jobs, while giving due regard to sustaining Hong Kong's economic growth and competitiveness."

The 2024 Report on Reviewing the Statutory Minimum Wage Rate has been uploaded to the MWC's website (www.mwc.org.hk).

The Government will publish the Employment Ordinance (Amendment of Ninth Schedule) Notice 2025 in the Gazette on February 21 and table it in the LegCo on February 26. The Notice amends the monthly monetary cap on the requirement for employers to record the total number of hours worked by employees in a wage period. An employer will be exempted from the requirement to record the total number of hours worked by an employee in a wage period if the wages payable to the employee for that wage period are not less than \$17,200 (currently \$16,300) per month. In tandem with the commencement of the revised SMW rate, the revised monthly monetary cap will come into force on the same day as the revised rate takes effect, which is May 1 this year.

As announced in the CE's 2024 Policy Address, the Government will implement a new annual review mechanism of the SMW. The first SMW rate derived under the new mechanism is expected to take effect on May 1, 2026.