

Impact of Covid-19: Practices to Support and Retain Employees

Covid-19 Pandemic Response Measures including travel and social distancing restrictions have placed a heavy burden on Hong Kong during 2020-2022, significantly impacting on employers and employees, as well as business continuity and sustainability.

AustCham Hong Kong has collated a range of incentives and practices implemented by its members from diverse industries in response to the ongoing impacts of the Pandemic Response Measures. This paper shares insights and knowledge on current practices implemented to help support employee wellbeing and maintain employee engagement.

1. Financial and other support to employees undertaking compulsory quarantine

Taking time off away from work is essential to employee survival, improves well-being, sustains productivity, and boosts high performance. Employers in Hong Kong recognise these benefits and have adapted to offer support measures if their employees want to take leave and go overseas during the pandemic.

The financial costs of international travel to and from Hong Kong are substantial during the pandemic due to travel restrictions, flight bans, testing requirements and compulsory hotel quarantine. This has placed significant financial burden, particularly for families who want to travel outside Hong Kong.

Measures offered by employers include:

- a lump sum (“Covid”) payment to all employees
- offer of financial support to cover the costs of hotel expenses and/or other travel related expenses (e.g. between \$30,000 - 40,000 HKD)
- offer additional benefit of “quarantine leave” for all employees and interns (paid upon application, some employers request doctors notes or other evidence, others operate on basis of employee declaration).

2. HK-specific measures for health and wellbeing of employees

Across Hong Kong and the world, the effects of the pandemic are being felt by many. According to the International Journal of Infectious Diseases, ‘compared with 2016 and 2017, the population stress level, prevalence of anxiety, and depression symptoms drastically increased during the COVID-19 outbreak.’ The situation in Hong Kong is somewhat unique globally, with restrictions in place over an extended period, and challenges associated with the pandemic in Hong Kong.

To support employees with the demands of isolation and work from home, businesses are offering a range of financial and other support measures, including:

- online yoga classes
- access to Netflix subscriptions
- virtual games
- communal communication and project boards.

In addition, recognising the lack of consistent public health communication and access to support, some employers have provided:

- counselling services
- partnered with relevant organisations such as MindHK to provide mental health support
- multilingual advice from medical experts on vaccines and side effects, medical treatments, and what to expect in the event of contracting the virus.
- Medical hotline

Recognising supply and cost issues of certain medical items in Hong Kong, some employers have provided:

- Covid-19 monitoring and treatment kits, including over the counter drugs like children's paracetamol that at times have not been available in market, sanitary wipes, Rapid Antigen Tests, and oximeters.

Some employers partnered with external providers to support these measures, including:

- Insurance companies (medical hotline and advice)
- International SOS (medical expert advice)
- Mental Health NGOs (Mind HK, mental health support and counselling)
- Drug manufacturing companies
- Ergonomic assessment companies (for assessment of work from home set ups)

3. Planned support for employees subject to compulsory isolation orders

The Hong Kong government recently implemented compulsory 'isolation orders' as a measure in halting the spread of the virus and help facilitate contact tracing. These orders require individuals and in some cases members of their households to remain in their place of residence for a specified period.

Employers are offering:

- Covid-19 support payment to relieve financial stress
- Financial support to buy IT equipment and furniture relevant for work from home needs
- special "pandemic leave" of ten days plus an extra three days if required
- additional paid leave for employees not entitled to sick leave
- Rapid Antigen Tests (RAT) to ensure they can self-test at no extra cost
- financial reimbursement for costs related to testing expenses, should this be necessary.

4. Planned support for employees subject to compulsory universal testing

Compulsory Universal Testing is not scheduled at the time of writing, though remains a possibility in Hong Kong.

To prepare for the potential compulsory universal testing implementation, employers are providing:

- Rapid Antigen Tests (RAT) to ensure they can self-test at no extra cost
- Providing Covid-19 monitoring and treatment kits, including supply of medicines, sanitary wipes, Rapid Antigen Tests, and oximeters.
- Providing financial reimbursement for costs related to testing expenses, should this be necessary.

5. Additional measures aimed at retention for Hong Kong employees

The pandemic has disrupted the functioning of organisations in several ways, one of which is transitioning to remote work. Employers in Hong Kong have largely implemented a “working from home policy” in line with direction from Hong Kong government. WFH can offer additional flexibility and support to individuals and families in adapting to this ‘new normal’ and can help to establish trusted working relationships with their workforce.

Employers feel that additional measures are necessary in Hong Kong in order to ensure the workforce is aware that employers understand the difficulties brought on by the pandemic and disruptions caused at home and in particular, family life.

Employers are adopting a number of measures, including:

- partnering with companies that deliver ergonomic assessments to improve the health and safety of employees whilst gaining a better understanding of individual needs.
- providing direct financial payments (e.g \$1500 HKD per employee) to cover any type of related expenses, such as vital equipment
- allocating extra days leave for staff.
- Where employees are required to work on site and/or prefer to work from the office, employers ensure the work environment is safe and fit for purpose by enforcing a strict protocol in protecting the workforce. Offices are cleaned, employees must scan a QR code or otherwise ‘check in’, and perform a RAT before they attend the office.

6. Impact of senior executive or key personnel extended work outside Hong Kong

Hong Kong’s workforce is highly mobile and often working in roles with responsibilities across multiple geographies. Severe travel restrictions in Hong Kong have prevented travel for much of the pandemic. For some employees, in addition to the impact on their work responsibilities, this has resulted in separation from families and close relatives who live outside Hong Kong.

In responding to this, employers are:

- allowing their staff to work outside of Hong Kong on the premise that they work remotely for an extended period of time or indefinitely, subject to individual cases and in compliance with local employment law.

Key issues around these arrangements include:

- Time zones can be challenging for people leading staff and may lead to having to perform their roles at unsociable and late hours
- The ‘right to work’ from the employees preferred location
- The health and safety needs for employees working in preferred locations
- The company support available in various global locations
- The length of time employees will spend in the other jurisdiction
- The implications for company and personal tax and creation of ‘permanent establishment’ in the other jurisdiction
- Data privacy and cybersecurity.

Some companies have addressed these issues on a ad hoc basis (upon demand), while others have taken a more uniform approach for all employees.

To overcome these issues, some companies have:

- Implemented an approved list of destinations Hong Kong employees may work remotely from.
- Allowed employees only to work from locations where a company office is located
- Allowed employees only to work from outside Hong Kong within a specific time period (e.g. up to but not beyond 3 months)
- Fast-tracked upgrades and implementation of technology and software support to connect staff globally.

End.

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