



Asian Migrants' Coordinating Body

Members from Indonesia, Nepal, Sri Lanka, Thailand and the Philippines

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Submission of the Asian Migrants Coordinating Body for the abolition of the levy charged to employers of foreign domestic workers

28 October 2008

Since its implementation in 2003, the AMCB has always maintained our position that the retraining levy officially charged to employers of foreign domestic helpers is unjust and must be abolished.

We consistently opposed its continued collection as well as supported the legal challenge filed against it. We have never forgotten the fact that that levy was implemented at the same time as the single biggest wage cut to the Minimum Allowable Wage of FDHs. Despite the attempts to deny it, the public knew then and until now that the levy was taken from our wage.

Our stand remains the same: abolish the levy.

For many years now, the issue of unemployment and underemployment cannot be sufficiently attributed to the presence of FDHs in Hong Kong. Even the Task Force on Population Policy itself, from whose report the levy was first broached, admitted that the market for local helpers is different from that of the FDH. The decrease of unemployment and underemployment was not in any way related to the domestic help sector as indicated by the press release of the Census and Statistics Department in October 2004. This means that, in practice, the retraining levy did not make significant impacts in the employment of local domestic helpers.

Five years after it was first collected the government then proposed to have it suspended for two years. The original proposal, however, excluded the great majority of FDHs who had ongoing contracts with their employers.

The AMCB immediately protested such arrangements and pointed out the grave impacts such design of the suspension shall have. We thank everyone who supported the migrants on this issue that led to the blanket suspension of the levy.

However, suspension for us is not enough. In 2010, we shall again face this issue. Not only us but the employers as well and it shall be even more of a burden now considering the possible impacts to Hong Kong of the world's current problems.

The continued implementation of the levy is a big obstacle for FDHs to get a substantial wage increase. Despite the bouncing back of the economy of Hong Kong, our wage has not yet even recovered back to the 1999 level – before the HK\$190 wage cut.

The wage of FDHs in Hong Kong remains to be one of the lowest compared to those in other countries that are at par with HK in terms of economic development.

We are also part of this society. We have also contributed to its growth. It is high time that our rights are respected and our grave situation alleviated. Abolish the levy now!