



**COMMISSIONER FOR LABOUR**

勞工處處長箋札

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29 December 2011

The Hon. Lee Cheuk Yan  
Chairman  
Panel on Manpower  
Legislative Council  
(c/o Clerk to Panel on Manpower  
Legislative Council)  
Legislative Council Complex  
1 Legislative Council Road  
Hong Kong

Dear Chairman,

**Decisions taken by the Labour Advisory Board**

I attach for information a summary of the decisions taken by the Labour Advisory Board at its meeting held on 20 December 2011.

(Cheuk Wing Hing)  
Commissioner for Labour /  
Chairman, Labour Advisory Board

## **Decisions taken by the Labour Advisory Board at its meeting on 20 December 2011**

### **Review of the Levels of Compensation under the Employees' Compensation Ordinance, the Pneumoconiosis and Mesothelioma (Compensation) Ordinance and the Occupational Deafness (Compensation) Ordinance**

It is an established practice for the Administration to review the levels of compensation provided for under the Employees' Compensation Ordinance (ECO) and the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (PMCO) every two years, mainly having regard to wage movement and price movement in the intervening years. To ensure consistency in the compensation levels between the Occupational Deafness (Compensation) Ordinance (ODCO) and ECO, those under ODCO will also be reviewed in this two-year exercise starting the present one. The Administration has reviewed the changes in the wage and price indices and other relevant factors in 2009 and 2010 to assess whether any changes in the compensation levels should be recommended.

Having considered the review findings as well as the implications to employers and employees, the Labour Advisory Board unanimously agreed to the following package of proposal:

- (a) in order not to affect the interests of employees or their families, the amounts for various compensation items under ECO and PMCO should be kept unchanged at their existing levels, notwithstanding the cumulative downward price movement;
- (b) the levels of compensation for five items under ECO could be adjusted upwards by 1.48%, and two items under ODCO could be adjusted upwards by 3.9% and 4.75% in accordance with the cumulative increase in wage movement; that for one item under PMCO could be adjusted upwards by 4.09% with reference to the monthly wages and food provision for a foreign domestic helper. Furthermore, the reimbursable maximum for funeral expenses under ECO and PMCO could be adjusted upwards from \$35,000 to \$55,000 with reference to the latest cost information collected on funeral expenses; and
- (c) the cumulative negative price movement since the last adjustment in 1998 should be taken into account in future reviews, i.e. the relevant levels of compensation under ECO and PMCO would not be revised upwards until the cumulative rate of decrease in price movement is offset by future increase.