



Labour Department (Headquarters)

勞工處 (總處)

Your reference 來函編號 :

Our reference 本處檔案編號 : L/M to LD HQ/715/5

Tel. number 電話號碼 : 2852 4083

Fax number 傳真機號碼 : 2117 0875

17 July 2008

Clerk to the Legislative Council
Panel on Manpower
Legislative Council Building
8 Jackson Road, Hong Kong
(Attn: Mr Raymond Lam)

Dear Mr Lam,

**LegCo Panel on Manpower
Follow-up to Meeting on 15 November 2007**

At the meeting of the Panel on Manpower held on 15 November 2007 in respect of the views of the Administration on the issue of direct payment of employees' compensation by insurers, Chairman of the meeting requested the Administration to provide information on the alternative measures to assist injured employees to obtain compensation payments from employers. We would like to provide the following information in response to the request of the Chairman.

As stated in our paper (LC Paper No. CB(2)2657/06-07(01)) earlier, the Labour Department (LD) has introduced various measures to further improve the present system to assist injured employees to obtain compensation as a result of work injury. LD has continued to implement the following measures:

a) Strengthening the capacity in investigation and prosecution

The telephone hotline for reporting of malpractices and lodging of complaints by injured employees to LD has been useful in enabling LD to provide early assistance to concerned injured employees and to expedite necessary follow up actions. The investigation procedures have been streamlined such that the time for investigation of complaints and institution of prosecution action is considerably shortened. LD also widely publicizes conviction cases with heavy penalties to send a clear message to employers that breaches of the law will not be tolerated.

b) Education and publicity

LD has widely distributed the information leaflets to injured employees, labour unions and relevant non-government organisations to spell out employees' right to receive periodical payment timely, remind employees to report non-payment or late payment to the LD without delay, and encourage them to come forward as prosecution witnesses. A poster setting out the responsibility of employers to make timely payment of compensation has been printed for display in different locations and similar reminders have been incorporated into the acknowledgment letters to employers who have reported work accidents to the LD. To enhance the awareness of relevant statutory requirements, LD has organised a series of talks and seminars to brief employers, human resource practitioners, employees, labour unions and other interested parties. LD has also made use of free columns in local newspapers to disseminate the publicity messages and uploaded all the publicity materials on LD's homepage for the easy reference of members of the public.

c) Cooperation and coordination with the insurance industry

LD has worked in close collaboration with the insurance industry and encouraged the industry to assist employers in fulfilling their legal obligations in respect of employees' compensation. In cases where the employers have become insolvent, or cannot be readily located, or are demonstrated to have acute financial difficulties, LD will liaise with the relevant insurers with a view to expediting payments of compensation to the injured employees by the insurers direct.

In the past few years, the majority of cases involving non-payment or late payment of compensation by employers were promptly rectified after LD's intervention. In 2007, among the 715 referrals involving non-fatal work injury cases to the Legal Aid Department for assistance to pursue claims under the Employees' Compensation Ordinance (ECO), only 66 (or 9.2%) cases were related to non-payment of compensation. During the same year, LD also assisted injured employees in 101 cases to seek direct payments of compensation by the insurers where the employers have become insolvent or could not be readily located or were demonstrated to have acute financial difficulties.

LD is committed to protecting the rights and benefits of employees injured at work. LD will continue to review the measures in assisting injured workers and step up the efforts in public education on employers' responsibility to make timely payment of compensation in accordance with the ECO.

Yours sincerely



(Alan Wong)
for Commissioner for Labour