

## Inspection

The Commissioner for Labour and his authorized officers are empowered to enter and inspect premises (other than domestic premises) to take copies of records and to require information to be given to ensure that an employer has taken out an insurance policy for an amount specified under the Ordinance. An employer is required to produce for inspection the insurance policy and other related documents on receiving a written notice from the Commissioner.

## Domestic Helper

An employer of a full-time or part-time domestic helper (no matter local or foreign) is also required to take out an insurance policy to cover his liability. While he is not required to display the notice of insurance, he is required, upon the request of his employee, to produce the insurance policy and any related documents for the inspection of his employee.

*Note: The above information is for reference only. The Employees' Compensation Ordinance remains the sole authority for the provisions of the law explained. In case of dispute, final adjudication rests with the court.*

Form 2, 2B : according to place of accident Form 2A : according to place of employment	Address of Offices
<b>Employees' Compensation Division (Operations – Team A)</b> • cases on Hong Kong Island, outlying Islands and outside Hong Kong	Room 1605, 16/F, Southorn Centre, 130 Hennessy Road, Wanchai, Hong Kong
<b>Employees' Compensation Division (Operations – Team B)</b> • cases in Kowloon East and Kowloon West	Room 1007, 10/F, Cheung Sha Wan Government Offices, 303 Cheung Sha Wan Road, Kowloon
<b>Employees' Compensation Division (Operations – Team C)</b> • cases in Kwai Chung, Tsing Yi, Tsuen Wan, Tuen Mun and Yuen Long	6/F, Tsuen Wan Government Offices, 38 Sai Lau Kok Road, Tsuen Wan, New Territories
<b>Employees' Compensation Division (Operations – Team D)</b> • cases in Tseung Kwan O, Sai Kung, and cases involving government employees and seamen • cases in Shatin, Taipo, Fanling and North District	Room 05-06, 23F, KOLOUR* Tsuen Wan I, 68 Chung On street, Tsuen Wan, New Territories Room 239, 2/F, Shatin Government Offices, 1 Sheung Wo Che Road, Shatin, New Territories
<b>Fatal Cases Office</b>	Room 601, 6/F, Harbour Building, 38 Pier Road, Central District, Hong Kong

The Labour Department's Website : <http://www.labour.gov.hk>

The Labour Department's Hotline : 2717 1771 (the hotline is handled by "the 1823")

## Other Useful Telephone Numbers and Websites

<b>The Hong Kong Federation of Insurers</b> Tel : 2520 1868 Website : <a href="http://www.hkfi.org.hk">http://www.hkfi.org.hk</a>	<b>Insurance Authority</b> Tel : 3899 9983 Website : <a href="http://www.ia.org.hk">http://www.ia.org.hk</a>	<b>The Employees' Compensation Insurance Residual Scheme Bureau</b> Tel : 2591 9316 Website : <a href="http://www.ecirsb.com.hk/index.html">http://www.ecirsb.com.hk/index.html</a>
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*Note: The above information is valid at the time of printing this leaflet. For details, please make enquiries to the relevant organizations direct.*

April 2017

# A Guide to Employees' Compensation Insurance

Employers must take out employees' compensation insurance policies to protect both employers and employees



According to Section 40 of the Employees' Compensation Ordinance, Chapter 282 of the Laws of Hong Kong, no employer shall employ any employee in any employment unless there is in force a policy of insurance to cover their liabilities both under the Ordinance and at common law for injuries at work in respect of all their employees, irrespective of the length of employment contract or working hours, full-time or part-time, permanent job or temporary employment. An employer who fails to comply with the Ordinance to secure an insurance cover commits an offence and is liable on conviction to a maximum fine of HK\$100,000 and imprisonment for two years.

Moreover, under the Employees Compensation Assistance Ordinance, Chapter 365 of the Laws of Hong Kong, an employer who fails to comply with the compulsory insurance requirement is liable to pay a surcharge to the Employees Compensation Assistance Fund Board. Should there be any enquiries on legal liability, employers should seek professional legal advice.

## Responsibility of Employer

The employer should take note of the following minimum insurance cover when taking out employees' compensation insurance:

No. of Employees	Amount of Insurance Cover per Event
not more than 200	not less than \$100 million
more than 200	not less than \$200 million

Where a principal contractor has undertaken to perform any construction work, he may take out an insurance policy for an amount not less than \$200 million per event to cover his liability and that of his sub-contractor(s) under the Ordinance and at common law. The principal contractor and his sub-contractor(s) of a project should clearly define their liability in this respect in writing.

A "group of companies" as defined in Section 2 of the Companies Ordinance may take out an insurance policy for an amount not less than \$200 million per event to cover the liability under the Ordinance and at common law in respect of the companies in the group specified in the policy.

Upon taking out employees' compensation insurance policy, an insured employer is required to display, in a conspicuous place on each of his premises where any employee is employed, a notice in both English and Chinese, showing the details of the policy. The notice form is available free of charge at all branch offices of the Employees' Compensation Division and the Labour Inspection Division of the Labour Department.

## Matters Requiring Employers' Attention

### I. Employees' Compensation Liability

The insurer's liability per event, including interest, costs and expenses etc., is only up to the amount insured under the policy. The minimum amount of insurance cover specified in the Ordinance is not the maximum liability that the employer and party concerned is required to bear under the Employees' Compensation Ordinance and at common law. The relevant parties should therefore carefully assess the possible risk and consult insurers for professional advice on whether an insurance policy for an amount more than the minimum under the Ordinance should be taken out.

### II. Cost of Insurance

An employer must bear the full cost of the insurance policy and shall not make any deduction from the earnings of an employee in order to defray the cost of insuring against his liability to pay compensation. An employer who contravenes this provision commits an offence and is liable on conviction to a maximum fine of \$10,000 and imprisonment for six months.

### III. Points to Note when Taking Out Employees' Compensation Insurance Policy

- Ensuring that all employees are covered by the insurance policy and that when the number of employees increases, the employer should notify the insurer accordingly as soon as possible;
- Giving a detailed declaration to the insurer on the annual earnings and job duties of individual employees;
- Listing the usual work locations of employees;
- Stating specifically those employees who are required to work outside Hong Kong or take overseas business trips;
- Stating specifically whether any work is sub-contracted to sub-contractor and stating clearly whether the employees of the sub-contractor are covered by the policy; and
- Bewaring of the expiry date of the insurance policy and taking action to renew the insurance policy in advance to ensure that the insurance cover is not interrupted and to avoid contravention of the Ordinance.

### IV. Points to Note when Employees Sustain a Work Injury

- The employer must notify the Commissioner for Labour of any work accident or prescribed occupational disease by Form 2, Form 2A or Form 2B, as the case may be. Work injury cases in general should be reported in 14 days' time while the fatal cases in 7 days' time;
- The employer should notify the insurer (not the insurance broker) as soon as possible, within the stipulated period and in the specified format (in writing or by specified form) required by the insurer;
- The employer should also keep a record of the periodical payments (i.e. payments for sick leaves for work injury) paid to the injured employee, the original copies of the Certificate of Compensation Assessment (Form 5) issued by the Labour Department and/or the Certificate of Assessment (Form 7) issued by the Employees' Compensation Assessment Board, medical certificates and receipts in respect of medical expenses properly; and submit the relevant documents to the insurer within the stipulated period and in the specified format required by the insurer for indemnifying the amount of compensation already paid to the injured employee; and
- On receiving any legal documents, including an order or a summons issued by the court, the employer should notify his insurer the soonest possible or seek legal advice.

### Others

#### Insurer

An insurer means a company authorized to carry on accident insurance business in Hong Kong. Employers may approach The Hong Kong Federation of Insurers and Officer of the Commissioner of Insurance in case of enquiries. If an employer experiences difficulties in acquiring employees' compensation insurance cover, he may approach the Employees' Compensation Insurance Residual Scheme Bureau for assistance.

## Updates of Office of the Employees' Compensation Division, Labour Department

Office of the Employees' Compensation Division, Labour Department	Address
<b>Work Injury Cases</b>	
<p><b><u>Submit relevant forms for reporting work injury cases or prescribed occupational disease cases:</u></b></p> <ul style="list-style-type: none"> <li>• Employees' Compensation Division Operations – Central Processing Team</li> </ul>	<p>Room 1007, 10/F, Cheung Sha Wan Government Offices, 303 Cheung Sha Wan Road, Kowloon</p>
<p><b><u>Enquiries on reported work injury cases or prescribed occupational disease cases:</u></b></p> <ul style="list-style-type: none"> <li>• Employees' Compensation Division Operations – Team A</li> </ul>	<p>Room 1605, 16/F, Southorn Centre, 130 Hennessy Road, Wanchai, Hong Kong</p>
<ul style="list-style-type: none"> <li>• Employees' Compensation Division Operations – Team B</li> </ul>	<p>Room 1007, 10/F, Cheung Sha Wan Government Offices, 303 Cheung Sha Wan Road, Kowloon</p>
<ul style="list-style-type: none"> <li>• Employees' Compensation Division Operations – Team C</li> </ul>	<p>6/F, Tsuen Wan Government Offices, 38 Sai Lau Kok Road, Tsuen Wan, New Territories</p>
<ul style="list-style-type: none"> <li>• Employees' Compensation Division Operations – Team D</li> </ul>	<p>Rooms 05-06, 23/F, KOLOUR•Tsuen Wan I, 68 Chung On Street, Tsuen Wan, New Territories</p>
<ul style="list-style-type: none"> <li>• Employees' Compensation Division Operations – Team E</li> </ul>	<p>Room 239, 2/F, Shatin Government Offices, 1 Sheung Wo Che Road, Shatin, New Territories</p>
<ul style="list-style-type: none"> <li>• Employees' Compensation Division Operations – Team E</li> </ul>	<p>18/F, One Mong Kok Road Commercial Centre, 1 Mong Kok Road, Kowloon (with effect from 20 January 2020)</p>
<b>Fatal Cases</b>	
<b>Fatal Cases Office</b>	<p>Room 601, 6/F, Harbour Building, 38 Pier Road, Central, Hong Kong</p>

### **General Enquiries on Employees' Compensation Ordinance**

- Labour Department's Website: <https://www.labour.gov.hk>
- Enquiry Hotline: 2717 1771 (the hotline is handled by the "1823")
- Enquiry in person to Offices of the Employees' Compensation Division