

# Labour Department clarifies recent concerns on employees' compensation protection for employees

In response to online circulation about concerns over employees' compensation protection for employees, the Labour Department today (October 7) clarified as follows:

According to the Employees' Compensation Ordinance (ECO), if an employee sustains an injury or dies as a result of an accident arising out of and in the course of his employment, his employer is in general liable to pay compensation under the Ordinance. The ECO requires all employers to take out a policy of insurance to cover their liabilities both under the Ordinance and at common law for injuries at work in respect of their employees. As specified in the ECO, when an insured employer is liable to pay employees' compensation to his employee in respect of a work injury, such sum shall become due and payable by the insurer, notwithstanding anything to the contrary in the policy of insurance.