

**立法會**  
***Legislative Council***

LC Paper No. CB(3) 229/11-12

Ref : CB(3)/M/MM

Tel : 3919 3300

Date : 8 December 2011

From : Clerk to the Legislative Council

To : All Members of the Legislative Council

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**Council meeting of 14 December 2011**

**Amendments to motion on  
“Alleviating the difficulties of small and medium enterprises  
in taking out insurance”**

Further to LC Paper No. CB(3) 193/11-12 issued on 1 December 2011, three Members (Hon CHAN Kin-por, Hon WONG Kwok-hing and Hon LEE Cheuk-yan) have respectively given notices of their intention to move separate amendments to Hon Tommy CHEUNG’s motion on “Alleviating the difficulties of small and medium enterprises in taking out insurance” scheduled for the Council meeting of 14 December 2011. As directed by the President, the respective amendments will be printed in the terms in which they were handed in on the Agenda of the Council.

2. The President will order a joint debate on the above motion and amendments. To assist Members in debating the motion and amendments, I set out below the procedure to be followed during the debate:

- (a) the President calls upon Hon Tommy CHEUNG to speak and move his motion;
- (b) the President proposes the question on Hon Tommy CHEUNG’s motion;
- (c) the President calls upon the three Members, who intend to move amendments, to speak in the following order, but no amendment is to be moved at this stage:

- (i) Hon CHAN Kin-por;
  - (ii) Hon WONG Kwok-hing; and
  - (iii) Hon LEE Cheuk-yan;
- (d) the President calls upon the designated public officer(s) to speak;
- (e) the President invites other Members to speak;
- (f) the President gives leave to Hon Tommy CHEUNG to speak for the second time on the amendments;
- (g) the President calls upon the designated public officer(s) again to speak;
- (h) in accordance with Rule 34(5) of the Rules of Procedure, the President has decided that he will call upon the three Members to move their respective amendments in the order set out in paragraph (c) above. The President invites Hon CHAN Kin-por to move his amendment to the motion, and forthwith proposes and puts to vote the question on Hon CHAN Kin-por's amendment;
- (i) after Hon CHAN Kin-por's amendment has been voted upon, the President deals with the other two amendments; and
- (j) after all amendments have been dealt with, the President calls upon Hon Tommy CHEUNG to reply. Thereafter, the President puts to vote the question on Hon Tommy CHEUNG's motion, or his motion as amended, as the case may be.

3. For Members' ease of reference, the terms of the original motion and of the motion, if amended, are set out in the **Appendix**.

(Mrs Justina LAM)  
for Clerk to the Legislative Council

Encl.

(Translation)

**Motion debate on  
“Alleviating the difficulties of small and medium enterprises  
in taking out insurance”  
to be held at the Council meeting of 14 December 2011**

**1. Hon Tommy CHEUNG’s original motion**

That, given that in recent years, many retail consumption and business services industries in Hong Kong, when taking out employees’ compensation insurance and motor vehicle third party risk insurance as required by the law, often encountered significant premium increases or even refusal of underwriting insurance policy by insurance companies on various pretexts, causing the employers of many small and medium enterprises great anxiety and significant increases in costs, this Council urges the Government to proactively discuss with the insurance sector to make efforts to reduce the costs and difficulties of various industries in taking out the relevant insurance, so as to avoid affecting their business operation and effective protection for employees; the relevant measures should include:

- (a) to enhance the Employees’ Compensation Insurance Residual Scheme by, in addition to the existing list of 19 high-risk occupations, including those occupations such as retail consumption and business services, which are of lower-risk but have practical difficulties in taking out employees’ compensation insurance, and to set relevant premium benchmark rates to serve as market reference indicators, so as to provide support as the last resort to enterprises in need of insurance coverage;
- (b) to require the police to rigorously combat illegal acts such as champerty and conspiracy to make fraudulent insurance claims, etc.; and
- (c) to increase the transparency of matters such as pricing, operation, risk assessment and complaint handling, etc. of the insurer sector, and strengthen the efforts of the Government, various industries, the media and the public in monitoring insurance companies, so as to prevent law-abiding employers from bearing unnecessary burden.

## 2. Motion as amended by Hon CHAN Kin-por

That, ~~given that in recent years~~ *as recently*, many retail consumption and business services industries in Hong Kong, when taking out employees' compensation insurance and motor vehicle third party risk insurance as required by the law, often encountered significant premium increases or even refusal of underwriting insurance policy by insurance companies ~~on various pretexts~~ *for various reasons*, causing the employers of many small and medium enterprises great anxiety and significant increases in costs, this Council urges the Government to proactively discuss with the insurance sector to make efforts to reduce the costs and difficulties of various industries in taking out the relevant insurance, so as to avoid affecting their business operation and effective protection for employees; the relevant measures should include:

- (a) to enhance the Employees' Compensation Insurance Residual Scheme by, in addition to the existing list of 19 high-risk occupations, including those occupations such as retail consumption and business services, which are of lower-risk but have practical difficulties in taking out employees' compensation insurance, and to set relevant premium benchmark rates to serve as market reference indicators, so as to provide support as the last resort to enterprises in need of insurance coverage;
- (b) to require the police to rigorously combat illegal acts such as champerty and conspiracy to make fraudulent insurance claims, etc.; ~~and~~, *and to establish a reporting channel for the public and insurance companies to report cases of suspected fraudulent insurance claims;*
- (c) *to request the Hospital Authority to combat attempts to make fraudulent insurance claims through obtaining prolonged sick leave certificates by exaggerating clinical conditions and degrees of injuries;*
- (d) *to request the Department of Justice to initiate prosecution against civil contempt of court, so as to deter misstatement with the intent of making fraudulent insurance claims; and*
- (~~e~~)(e) to increase the transparency of matters such as pricing, operation, risk assessment and complaint handling, etc. of the insurer sector, and strengthen the efforts of the Government, various industries, the media and the public in monitoring insurance companies, so as to prevent law-abiding employers from bearing unnecessary burden.

Note: Hon CHAN Kin-por's amendment is marked in *bold and italic type* or with deletion line.

### **3. Motion as amended by Hon WONG Kwok-hing**

That, given that in recent years, *the recycling industry as well as* many retail consumption and business services industries in Hong Kong, when taking out employees' compensation insurance and motor vehicle third party risk insurance as required by the law, often encountered significant premium increases or even refusal of underwriting insurance policy by insurance companies on various pretexts, causing the employers of many small and medium enterprises great anxiety and significant increases in costs, this Council urges the Government to proactively discuss with the insurance sector to make efforts to reduce the costs and difficulties of various industries in taking out the relevant insurance, so as to avoid affecting their business operation and effective protection for employees; the relevant measures should include:

- (a) to enhance the Employees' Compensation Insurance Residual Scheme by, in addition to the existing list of 19 high-risk occupations, including those occupations such as *recycling*, retail consumption and business services, which are of lower-risk but have practical difficulties in taking out employees' compensation insurance, and to set relevant premium benchmark rates to serve as market reference indicators, so as to provide support as the last resort to enterprises in need of insurance coverage;
- (b) to require the police to rigorously combat illegal acts such as champerty and conspiracy to make fraudulent insurance claims, etc.; and
- (c) to increase the transparency of matters such as pricing, operation, risk assessment and complaint handling, etc. of the insurer sector, and strengthen the efforts of the Government, various industries, the media and the public in monitoring insurance companies, so as to prevent law-abiding employers from bearing unnecessary burden.

Note: Hon WONG Kwok-hing's amendment is marked in *bold and italic type*.

### **4. Motion as amended by Hon LEE Cheuk-yan**

That, given that in recent years, many retail consumption and business services industries in Hong Kong, when taking out employees' compensation insurance and motor vehicle third party risk insurance as required by the law, often encountered significant premium increases or even refusal of underwriting insurance policy by insurance companies on various pretexts, causing the employers of many small and medium enterprises great anxiety and significant increases in costs, this Council urges the Government to proactively discuss with the insurance sector to make efforts to reduce the costs and difficulties of

various industries in taking out the relevant insurance, so as to avoid affecting their business operation and effective protection for employees; the relevant measures should include:

- (a) to enhance the Employees' Compensation Insurance Residual Scheme by, in addition to the existing list of 19 high-risk occupations, including those occupations such as retail consumption and business services, which are of lower-risk but have practical difficulties in taking out employees' compensation insurance, and to set relevant premium benchmark rates to serve as market reference indicators, so as to provide support as the last resort to enterprises in need of insurance coverage;
- (b) to require the police to rigorously combat illegal acts such as champerty and conspiracy to make fraudulent insurance claims, etc.; and
- (c) to increase the transparency of matters such as pricing, operation, risk assessment and complaint handling, etc. of the insurer sector, and strengthen the efforts of the Government, various industries, the media and the public in monitoring insurance companies, so as to prevent law-abiding employers from bearing unnecessary burden; *and*
- (d) *to set up a publicly-operated 'central employees' compensation fund' for lowering administration fees under the privately-operated employees' compensation insurance system, which not only can reduce employers' expenses on taking out insurance, but also provide better protection for employees.*

Note: Hon LEE Cheuk-yan's amendment is marked in *bold and italic type*.