

教育統籌局的信頭
Letterhead of EDUCATION AND MANPOWER BUREAU

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17 July 1998

Clerk to Legislative Council
(Attn: Mrs Florence Lam)
LegCo Secretariat
Legislative Council
8 Jackson Road
Central

Dear Mrs Lam,

**Two resolutions under section 40 of the
Pneumoconiosis (Compensation) Ordinance (Cap. 360) and
section 48A of the Employees' Compensation Ordinance (Cap. 282)
to be moved at Council Meeting on 22 July 1998**

Further to my letter of 16 July 1998 I enclose herewith a notice of motion and two resolutions under the Employees' Compensation Ordinance (ECO) and the Pneumoconiosis (Compensation) Ordinance (PCO) for your necessary action.

At the meeting of the Subcommittee on the two captioned resolutions yesterday, the Administration undertook to review the level of compensation for pain, suffering and loss of amenities (PSLA) under the PCO having regard to the fact that the levels of compensation have not been revised on 1 January 1998 as originally scheduled. The delay was because the relevant resolution could not meet the 'essentiality' criterion for submission to the Provisional Legislative Council.

On the basis of inflation as reflected in the Consumer Price Index (A) for the period between 1 January 1996 and 31 December 1997, the level of compensation for PSLA under the PCO, if it was revised on 1 January 1998, should have been adjusted from \$2,570 to \$2,870. Hence the

total amount of additional compensation which should have been payable to the recipients but is now foregone because the revision will only take effect on 1 August 1998 is \$2,100 (i.e. \$300 per month times seven). The Administration proposes to offset the amount of additional compensation foregone by the recipients by increasing the level of compensation for PSLA by \$180 (i.e. \$2,100 divided by 12 = \$175, and rounded up to \$180) on top of the originally proposed new compensation level of \$3,000, which has taken into account the actual and projected inflation for the period between 1 January 1996 and 31 December 1998. The latest proposed level of compensation for PSLA represents an increase of 23.7 percent over the 1996 level and \$610 in actual amount. This revised level of compensation for PSLA has been included in the new resolution under the PCO.

I wish to emphasise that the present additional revision of the level of compensation for PSLA under the PCO from \$3,000 to \$3,180 is an exceptional case brought about by the special circumstances of the Provisional Legislative Council and the delay in the normal timetable of revision. Future revisions to the levels of compensation under the PCO as well as the ECO will continue to follow the established formula of adjustment according to movements in the wage rate, inflation rate and other relevant economic and price indicators.

Yours sincerely,

(Matthew K C Cheung)
Ag. Secretary for Education and Manpower

c.c. Ms Doris Chan [2524 3802]
Commissioner for Labour (Attn: Mrs Jenny Chan)