

Labour Department (Headquarters)

勞工處(總處)

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17 February 2012

Clerk to Manpower Panel Legislative Council Complex 1 Legislative Council Road Central, Hong Kong (Attn: Mrs Sharon Tong)

Dear Mrs Tong,

Panel on Manpower Follow-up to meeting on 20 January 2012

On the three motions moved by Members and passed by the Panel on Manpower under the agenda item "Review of the levels of compensation under the Employees' Compensation Ordinance, the Pneumoconiosis and Mesothelioma (Compensation) Ordinance and the Occupational Deafness (Compensation) Ordinance" at the meeting on 20 January 2012, the Administration's response is set out below:

Motion (1): "That this Panel urges the Government to, in accordance with the latest inflation rate and the circumstances after the implementation of the minimum wage, expeditiously make upward adjustment to the levels of compensation under various occupational compensation ordinances as well as the amounts for rendering compensation and support such as funeral and medical expenses and so on, so as to revamp the out-dated and lagged-behind adjustment mechanism with further improvement to the support to be provided to injured or deceased employees; and that the Government should also submit a timetable for the implementation of the aforesaid improvement measures" and Motion (3): "That this Panel requests the Government to raise the maximum amount of funeral expenses to \$85,000"

In response to the concern of the Panel on Manpower about the circumstances after the implementation of the statutory minimum wage and the latest inflation rate, the Government will further review the price and wage

movements of 2011 to decide whether to propose amendments to the compensation amounts and funeral expenses. The Administration is gathering the relevant information and data for analysis and consideration. If there are any proposed amendments after completing the review, we will consult the Pneumoconiosis Compensation Fund Board and the Occupational Deafness Compensation Board (ODCB) on the levy aspect, and the Hong Kong Federation of Insurers on the possible impact on insurance premium. Thereafter, we will submit the proposal to the Labour Advisory Board for discussion.

We will complete the above tasks as soon as possible and report the review and consultation result to the Panel on Manpower.

Motion (2): "That this Panel requests the Government to provide an implementation timetable as well as the relevant details for the establishment of "Compensation for Pain arising from Occupational Deafness" at the next meeting"

The proposal of providing monthly "Compensation for Pain arising from Occupational Deafness" to persons suffering from occupational deafness differs greatly from the current mechanism of providing one-off compensation under the Occupational Deafness (Compensation) Ordinance and the Employees' Compensation Ordinance. Apart from causing significant impact on the relevant mechanism, the proposal will also have far-reaching implications on the finance and operation of the ODCB. In view of this, the Government has to consider the proposal carefully from all relevant angles and will invite the ODCB to conduct a comprehensive and detailed study on the proposal.

The Administration will report to the Panel on Manpower upon receipt of the study result from the ODCB. Therefore, we do not have an implementation timetable at this stage.

Yours sincerely,

(Ernest Ip)

for Commissioner for Labour

c.c. Chairman, Occupational Deafness Compensation Board (Fax: 2581 4698)