EXPLANATORY MEMORANDUM TO THE

PNEUMOCONIOSIS ETC. (WORKERS' COMPENSATION) (PAYMENT OF CLAIMS) (AMENDMENT) REGULATIONS 2005

2005 No. 414

1. This explanatory memorandum has been prepared by Department for Work and Pensions and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 This Statutory Instrument (SI) increases the current rates of payment under the Pneumoconiosis etc. (workers' Compensation) Act 1979 by 3.1% from 1st April 2005 to maintain alignment with other social security benefits.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Legislative Background

4.1 Although there is no statutory obligation to increase payments in line with inflation under the Scheme Government is committed to review the rates regularly in order to maintain their value in line with inflation. This Statutory Instrument (SI) increases the current rates of payment under the Pneumoconiosis etc. (workers' Compensation) Act 1979 by 3.1% from 1st April 2005 and will maintain alignment with other social security benefits.

5. Extent

5.1 This instrument applies to Great Britain.

6. European Convention on Human Rights

- 6.1 The Minister of State for Work, Jane Kennedy has made the following statement regarding Human Rights:
- 6.2 In my view the provisions of the Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2005 are compatible with the Convention rights.

7. Policy background

- 7.1 The Scheme provides compensation to sufferers of certain dust-related diseases, or their dependants, who are unable to claim damages from the employers where the dust exposure that caused the disease occurred. This is usually because the employers have gone out of business.
- 7.2 There is no statutory obligation to increase payments in line with inflation under the Scheme. However, previous Governments have given an undertaking to Parliament to regularly review the rates of payment in order to maintain their value broadly in line with inflation. This review is normally conducted annually, using the Retail Price Index (RPI): the same indicator of inflation for Social Security Benefits. This makes sense, given that the awarding of Industrial Injuries Disablement Benefit (IIDB) is one of the main criteria to be met in considering eligibility for a payment under the Scheme.
- 7.3 In September 2004 the Office of National Statistics announced the RPI increase as 3.1% and this is the amount by which the rates paid under the 1979 Act will be increased. This increase will maintain parity with other Social Security benefits.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

9. Contact

9.1 Sue Wood at the Department for Work and Pensions Tel: 01253 332748 or mailto:susan.wood@jobcentreplus.gsi.gov.uk can answer any queries regarding the instrument.