

Response by Honourable Erkki Nghimtina, Minister of Labour, Industrial Relations and Employment Creation on questions raised by Honourable Jan J. Van Wyk. I want to thank Honourable Jan J. Van Wyk for the questions as follow:-

Question 1

When will your Ministry consider putting in place legislation that suit our Namibian conditions, by amending or replacing the mention Act in its totality?

Answer: The Employees' Compensation Act, 1941 (Act 30 of 1941) which is currently applicable to the Namibian workforce and their dependants, was amended by the Employees' Compensation Amendment Act, 1995 (Act 5 of 1995).

Social Security Commission is currently in the process of reviewing both the Employees' Compensation Act, 1941 (Act No. 30 of 1941) and the Social Security Act, 1994 (Act No. 34 of 1994) to bring about operational efficiencies.

Questions 2

What is the possibility to increase the ceiling amount from N\$ 81 300, 00 per annum to at least N\$ 100 000.00 per annum in the absence of the much needed legislation?

Answer: Section 3 of the Employees' Compensation Act, 1941 defines an employee as "*Any person who has entered into a contract of service with an employer, including domestic employees employed in a private household and whose annual earnings do not exceed N\$ 300.00*"

However, by virtue of the same section, persons earning more than N\$ 81,300 may be brought within the scope of the Act by a special agreement entered into between the employer of such persons and the Commission.

This means that any person or class of persons, whose earnings are above N\$ 81,300 per annum, may be covered and brought within the scope of this Act, if the employer of such person or class of persons has made special arrangements with the Commission. As a matter of principle, the

for special arrangement to cover all their employees, regardless of their income. In fact, the Act creates room for persons whose annual earning are above N\$81, 300 to be brought within the ambit of the Act.

In furtherance of the objectives of the Funds, the Commission conducts annual actuarial valuations of its Funds to adjust the benefits and limits on employees' earnings. The present limit of N\$81,300 is a result of these valuations and will also be revised in future based on actuarial recommendation.

I trust that I have satisfactorily responded to Honourable Van Wyk's questions.

I thank you.

