

EMPLOYEE'S COMPENSATION ACT



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- This act is enforced with effect from 1-7-1924
- This act was amended in the year and came into force from 1-7-1984
- Recently amended in the year 2010 and the name of the act is changed to Employee's Compensation Act.

OBJECTIVES

- Under this act an employer is liable to discharge his liability for payment of compensation to workers in case of accidents involving injuries to them, permanent total or partial, or temporary or to their dependents in case of death.
- The act also provides for a machinery to deal with claims of the workers

Application of WCA

- Applicable to all railway servants including casual labor and also labor employed by the contractors for carrying out works.

Compensation when payable

- When the accident causing death/injury arose “out of and in course of employment”
- In case of injury it must cause a disablement for a period of at least 3 days.

Compensation payable

- In case of temporary disablement the employee is entitled for full monthly payment for the first six months and thereafter half monthly payment.
- In case of permanent disablement or death, a lump sum amount on the basis of workmen's monthly wages calculated as per schedule IV given in the act.
- The compensation is also payable for such disabilities/death caused due to occupational diseases as given in schedule III of the act

Compensation payable

- If the contractor's labor is paid compensation, the amount paid should be recovered from his bills
- There are four schedules under this act.

Schedules

- Schedule I :- indicates percentage loss of earning capacity of a EMPLOYEE'S for various types of injuries
- Schedule II :- list of persons who are included in the category of EMPLOYEE'S and entitled for WCA
- Schedule III :- list of occupational diseases
- Schedule IV :- Relevant factors for working out lump sum equivalent of compensation amount in case of permanent disablement and death

Employer's Pleas

- The workmen was under the influence of drug or drinks
- Willful disobedience of orders or disregard of rules made for safety of workers.
- Willful removal or disregard of any safety guard or devise.

these pleas, however are not applicable in case of the death of the Workman.

Amount of compensation payable

- In case of death :- 50% of the monthly wages of the deceased Employee X relevant factor or one lakh twenty thousand rupees which ever is more and Rs.5000 for funeral expenses.
- Permanent total disablement :- 60% of the monthly wages X relevant factor or one lakh forty thousand rupees which ever is more.

Amount of compensation payable

- For Permanent partial disablement:
Proportionate percentage of item (ii) above will be paid.

Wage Limit

- Where the monthly wages of Employee exceeds 15000/- then his monthly wages for the purpose of calculation of compensation shall be deemed to be Rs.15000 only.
- Agreements relinquishing right of compensation to be null and void



THANK YOU