

Employee's Compensation Act, 1923

- Formerly **WORKMEN'S COMPENSATION ACT (WCA) 1923**
- ECA is an act, which safeguards certain classes of employees against the risk in employment and payment of compensation for injuries sustained by them in accidents.

Objectives

- To provide for payment of compensation to certain class of workers for injuries/death caused due to accidents, arising out of and in the course of employment.
- To regulate the payment of compensation according to the nature and result of the accidents.
- To prescribe the procedure to be followed in the payment of compensation.
- To evolve suitable machinery has been to ensure proper implementation of the provisions of the Act.

Definitions

- **Employee:** A railway servant as defined in clause (34) of section 2 of the Railways Act, 1989, not permanently employed in any administrative district or sub-divisional office of a railway.
- **Wages :** Means all remuneration expressed in terms of money or capable of being expressed on terms of money. It excludes traveling allowance, contribution to PF by the employer, amounts given to cover special kind of expenses and services. Wages for purpose of calculation of compensation will be fixed by the Government.
- **Employer :** Means anybody or persons or any managing agent of the employer or any legal representative of deceased employer.
- **Accidents :** Means an unexpected event happening without design even though there may be negligence on the part of the workmen.

Circumstances under which compensation is payable

- Where a personal injury caused to workmen is lasting a period of more than 3 days.
- The injury is caused as a result of accident.
- The accident has arisen out of and in the course of employment (out of refers to the place of accident and in the course of refers to the time of accident).
- Injury has resulted in disablement or death.

Circumstances under which compensation is not payable

- In respect of any injury, which does not result in the total or partial disablement of workmen for a period, exceeding 3 days.
- In respect of any injury (excluding death) caused by accident which is directly attributable to :

Ø The influence of Drink or Drug at the time of the accidents.

Ø Willful removal or disregard of safety appliances.

Ø Willful disobedience of safety instructions.

Disablements

Partial		Total	
Temporary	Permanent	Temporary	Permanent
Reduce the earning capacity of the workmen in any of the employment he was capable of performing at the time of accident.	Reduce the earning capacity of the workmen in every employment he has capable of performing at the time of the accident.	Incapacitate the workmen in all types of work.	Incapacitate the workmen in all types of work.

Compensation under the Act			
Temporary	Partial permanent	Total permanent	Death
No compensation. HMP is payable during the period of treatment. (25% of wages)	Compensation is worked out for total permanent disablement and allowed proportionately based on LEC %.	60% of wages multiplied by age factor or Rs. 1,40,000/- whichever is more.	50% of wages multiplied by age factor or Rs. 1,20,000/- whichever is more.

Schedules	
Schedule - I	Part-I List of total disablement with loss of earning capacity.
	Part-II List of partial disablement with loss of earning capacity.
Schedule - II	List of workmen.
Schedule - III	List of occupational diseases.
Schedule - IV	Age relevant factor.

- Aggregate of the relief/exgratia compensation paid through different sources of workmen compensation, viz. compensation under ECA, compensation under Section 124 of the Railways Act, 1989 as applicable, etc. is subject to the ceiling of Rs. 20 lakh.
- The provisions of the Act would also be applicable to pre-working post trainee through Railway Recruitment Board or compassionate ground and Apprentices selected under Apprenticeship Act, 1961.