

SINGAPORE



New compensation system for injured employees in Singapore



By Claire Gomez

The Singapore's Workmen's Compensation Act (WCA) was amended and renamed as the Work Injury Compensation Act (WICA) on 1st April 2008.

No requirement to prove negligence

The WCA only covered manual workers (regardless of income) and non-manual workers earning not more than S\$1,600 per month (collectively termed 'workmen'). With the new revisions, an expanded definition of 'employee' allows all employees, with some exceptions, to claim compensation for personal injury caused by accidents arising out of and in the course of employment.

Before the WICA, an injured employee not covered by the WCA only had recourse under common law, which requires him to prove that his employer's negligence or fault resulted in the accident or injury, while claimants under the WCA did not have to show that their employers were responsible for the injury. WICA extends this benefit to all employees.

Compensation for employees holding multiple jobs

The revised WICA allows an employee with multiple jobs to claim lost earnings in respect of all of his jobs, whether similar or not, provided that the employer for whom he was working when the accident occurred knew about the employee's other jobs.

Medical expenses incurred outside of Singapore

Prior to the amendments, only medical expenses incurred within Singapore were compensable. WICA now allows employees to claim medical expenses incurred outside of Singapore,

provided that the medical expenses were necessary for immediate medical treatment due to the nature of the injury suffered.

Employers may recover from third party

WCA only allowed an employer to claim from a third party compensation paid out to a workman if the employer was completely blameless for the accident. However, under WICA, an employer can recover damages from a third party to the extent that the third party is at fault, even if the employer is partly to blame for the accident. For example, if the employer was 70 percent liable for the accident, and the third party was 30 percent liable, the employer will be able to recover from the third party 30 percent of the damages payable to the employee. The employer is now able to mitigate his liability if he was only partly responsible for causing the accident.

Insurance for employees

Employers must continue to buy insurance for workmen who were covered under WCA. However, employers can choose whether to provide insurance for employees who were not covered by WCA, but are now covered under WICA. Bearing in mind that employers will have to pay compensation in the event of a valid claim under WICA.

WICA thus allows more avenues for employees to claim medical expenses and leave wages from employers for injuries suffered while on the job. Employers need to familiarise themselves with the new WICA so as to be more aware of their potential financial liability, and to take steps, including insurance cover, to be prepared in the event of workplace injuries.

Alban Tay Mahtani & de Silva LLP

39 Robinson Road #07-01

Robinson Point, Singapore 068911

Tel: (65) 6534 5266 Direct: (65) 6428 9415

Fax: (65) 6223 8762

Email: clairegomez@atmdlaw.com.sg

www.atmdlaw.com.sg