

# Role of Workers' Compensation Systems in Prevention of Occupational Risks



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Zambia

# Introduction

- Paper discusses linkage and role of workers compensation systems in the prevention of occupational risks within the Zambian environment
- Nature, extent of coverage and cost of protecting workers against occupational risks
- Designed to provide social protection to workers or their immediate families – occupational injuries, diseases or death
- Also assist employers in the prevention of risks through OHS programmes

# Background to WCFCB

- Oldest form of social security dating back to the 1930s
- Initially restricted to the mining sector and only expatriates covered leaving majority local employees unprotected
- Pneumoconiosis Compensation Board in 1950 and Workmen's Compensation Fund in 1964 and became mandatory for every employer except the state
- Merger of two schemes in 1999 due to design problems, inadequate benefits and high operational costs as well as inefficient and ineffective service delivery
- Workers Compensation Fund Control Board became operational on 1<sup>st</sup> December 2000

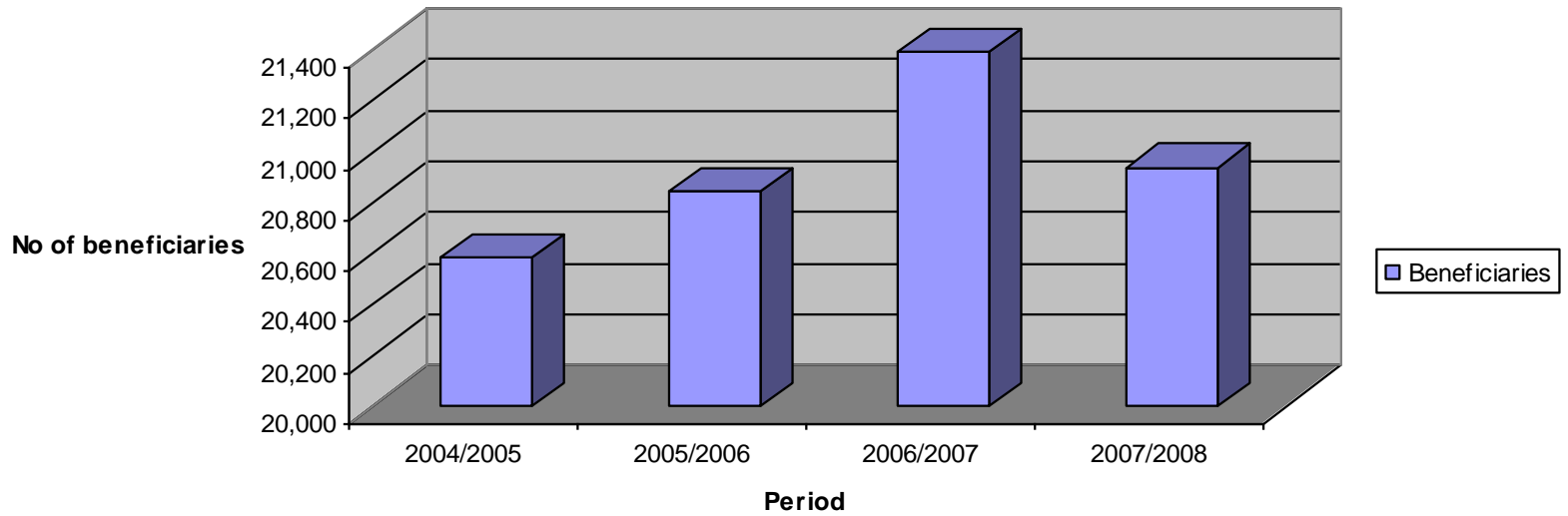
# Financing / Compliance

- Statutory requirement for every employer other than the state to comply with the Workers Compensation Act
- Rates of assessments as fixed in Gazette Notice ranging from 2.82% to 6.93% depending on risk level of industry
- At present, the assessable earnings are fixed at a ceiling of K800,000 per month
- Earnings above the ceiling are disregarded for assessment and compensation purposes
- Failure to comply calls for arbitrary assessments, penalties and prosecution

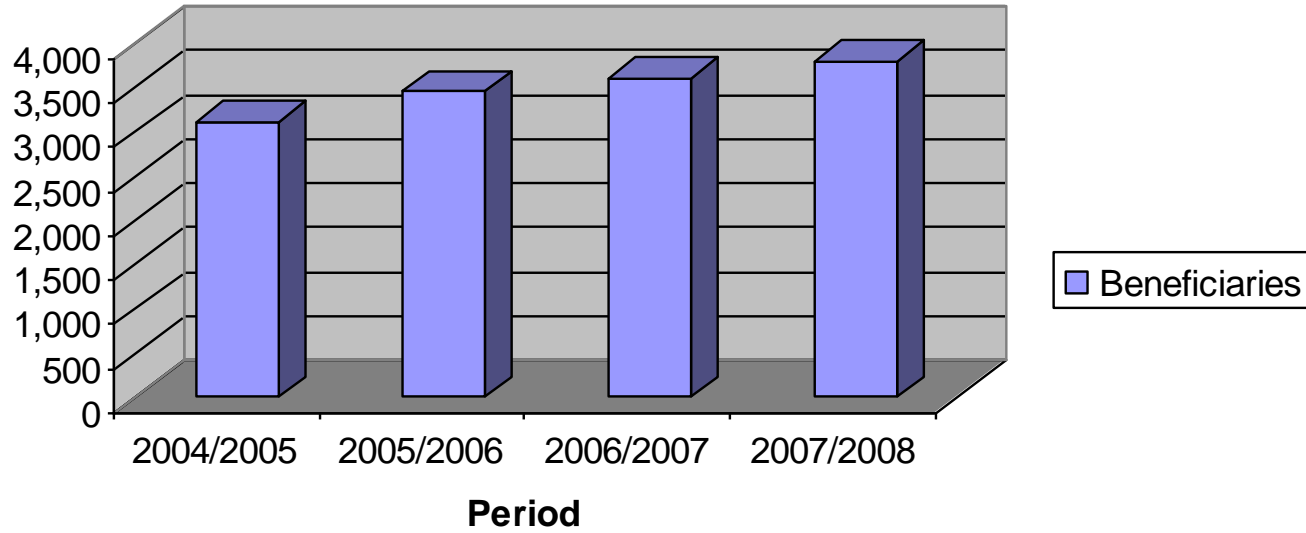
# Occupational Risk Experience in Zambia

- Every year around 3,000 accidents and deaths are recorded and about 50% are reported to the Board
- High incidence due to lack of national law to regulate OHS in work places with current legislation fragmented
- Privatisation and casualisation – with role of OHS underplayed
- Mining, construction and manufacturing account for 80% of the accident and disease experience.

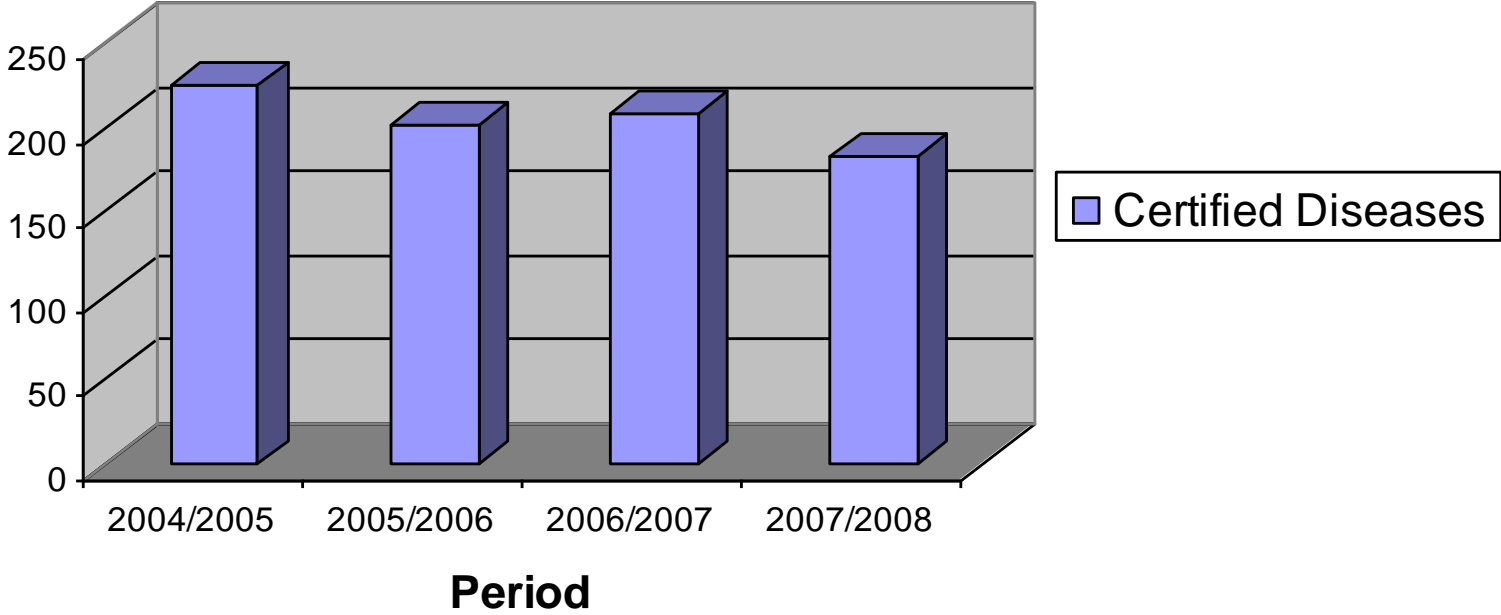
**Beneficiaries Arising out of Occupational Accidents 2004 - 2008**



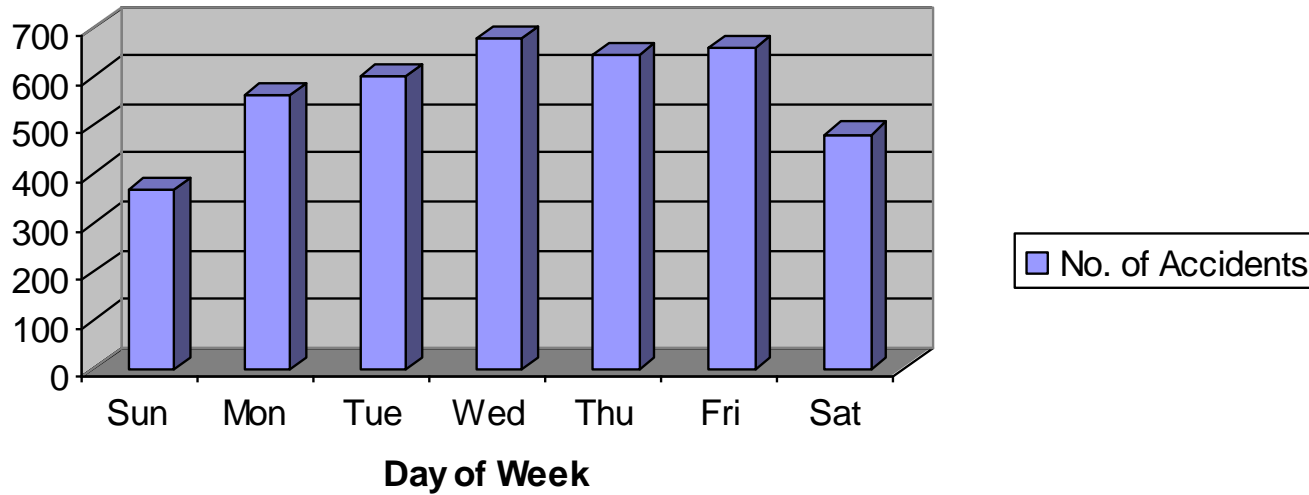
**Beneficiaries Arising out of Occupational Diseases 2004 - 2008**



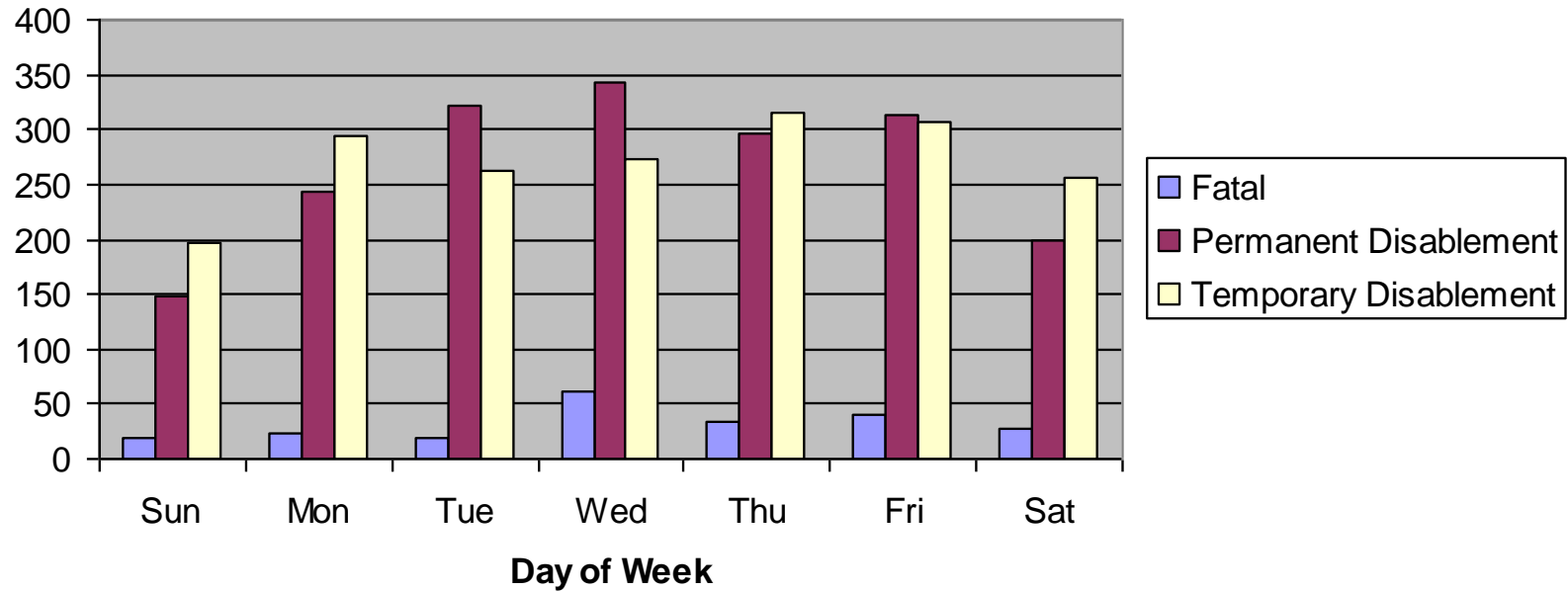
# Number of Certified Occupational Diseases



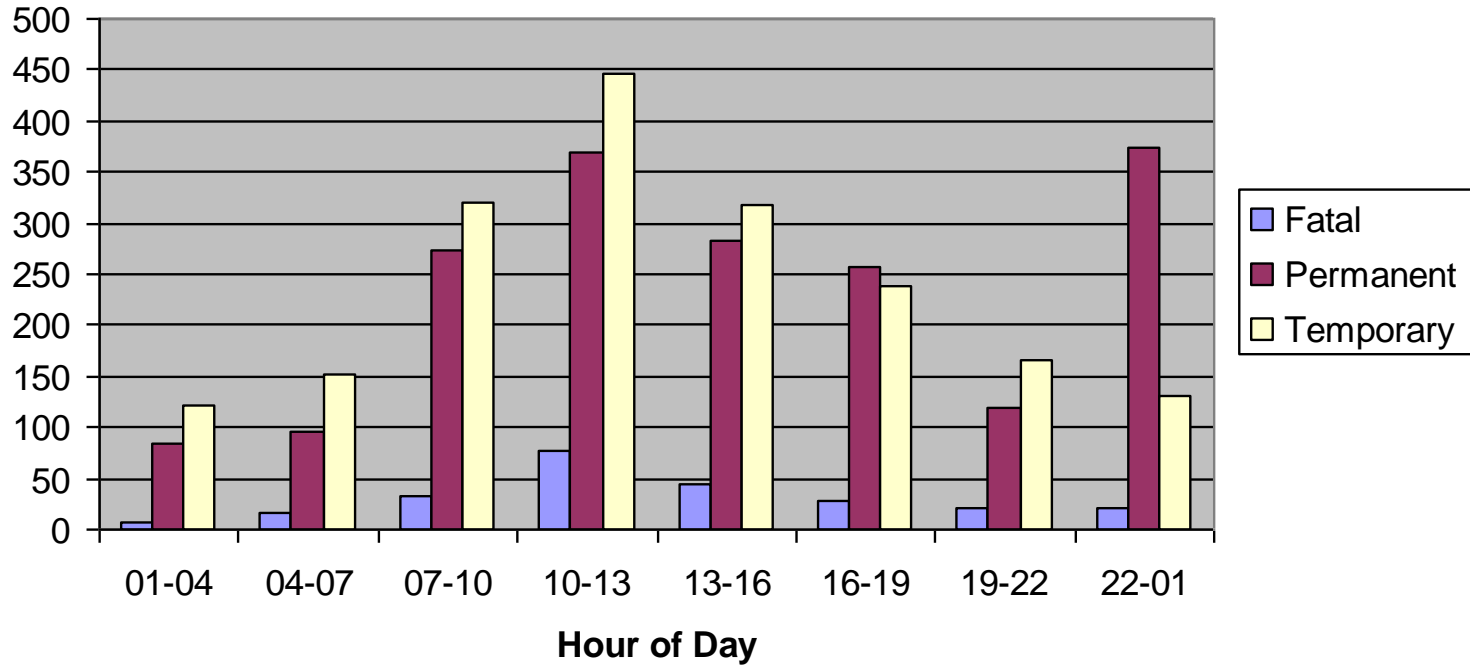
**No. of Accidents by Day of Occurrence Over Period 2004 To 2008**



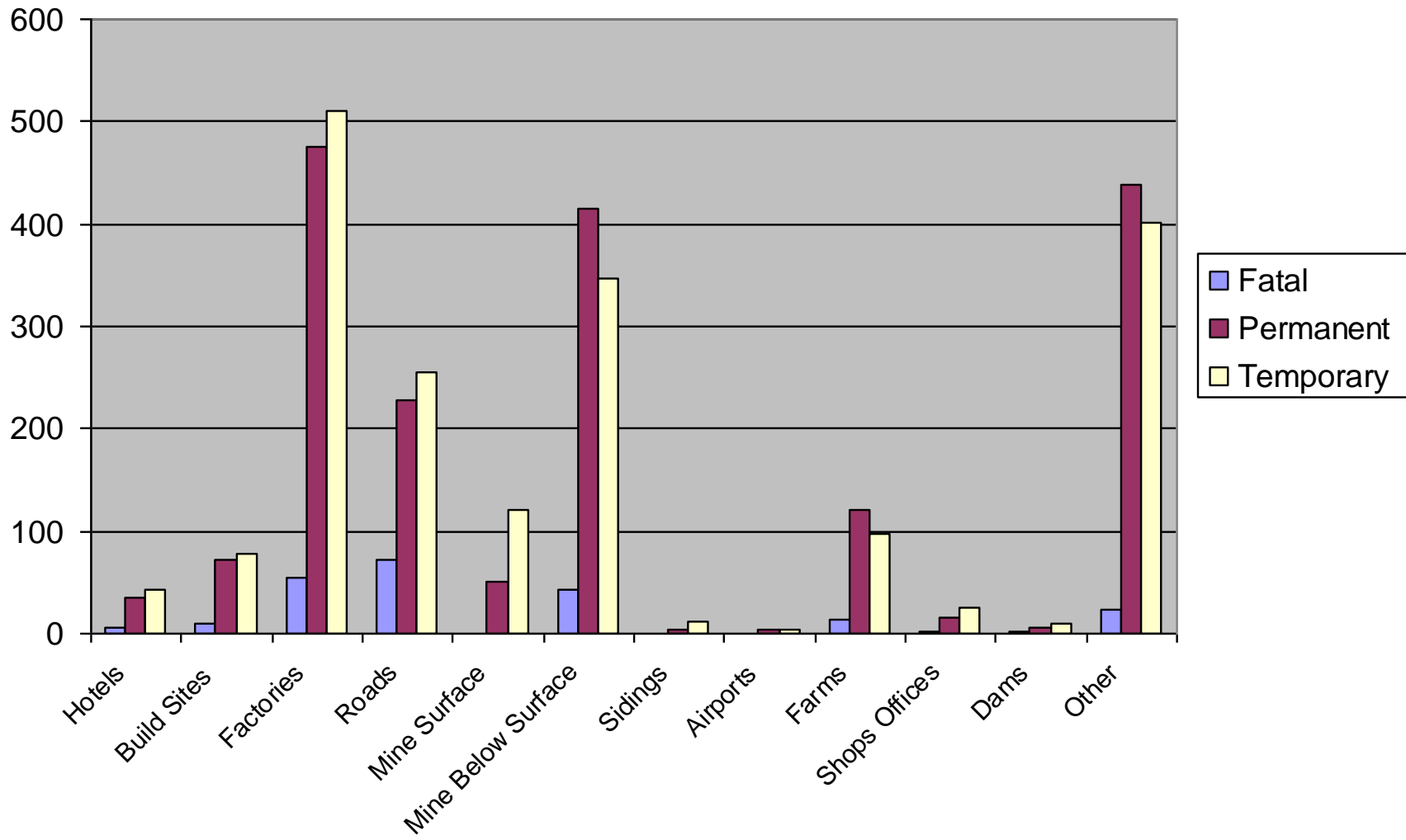
**Accidents According to Day and Degree of Injury 2004 - 2008**



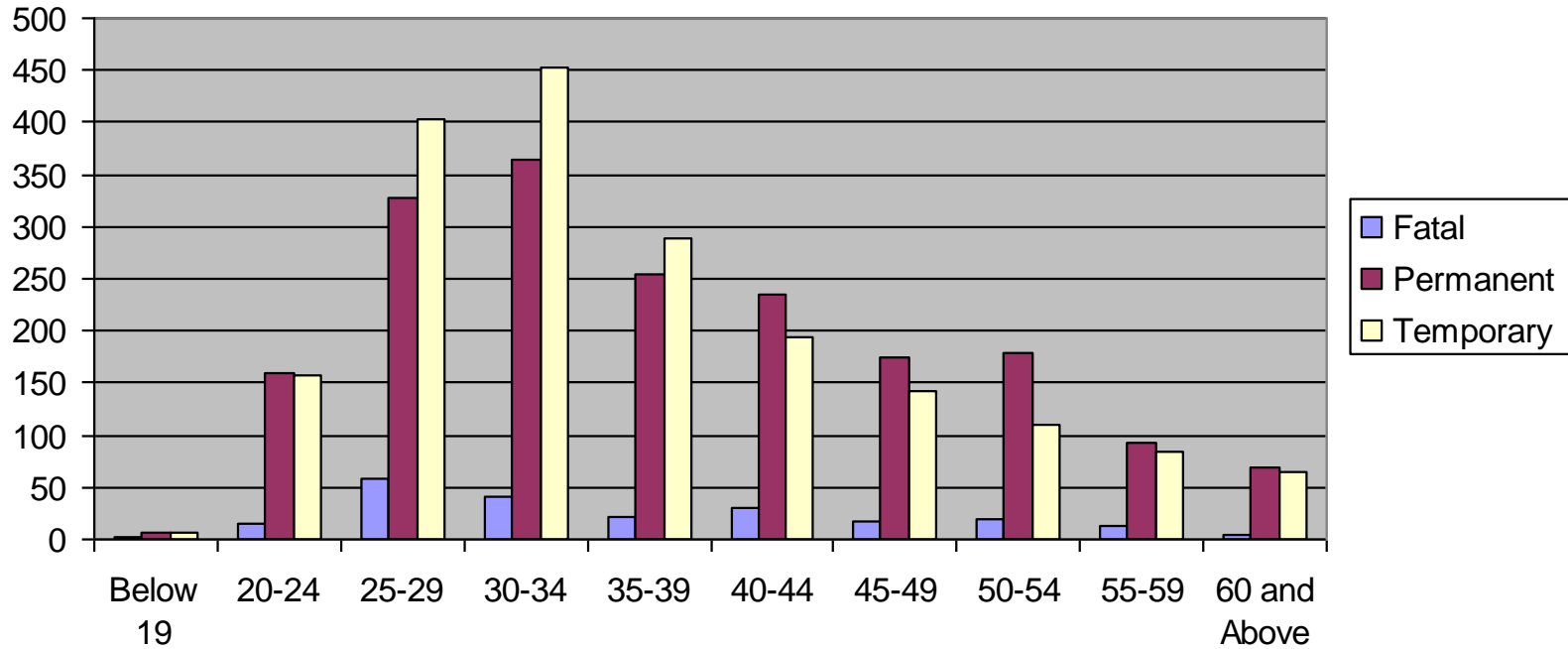
**Accidents According To Hour and Degree of Injury 2004 - 2008**



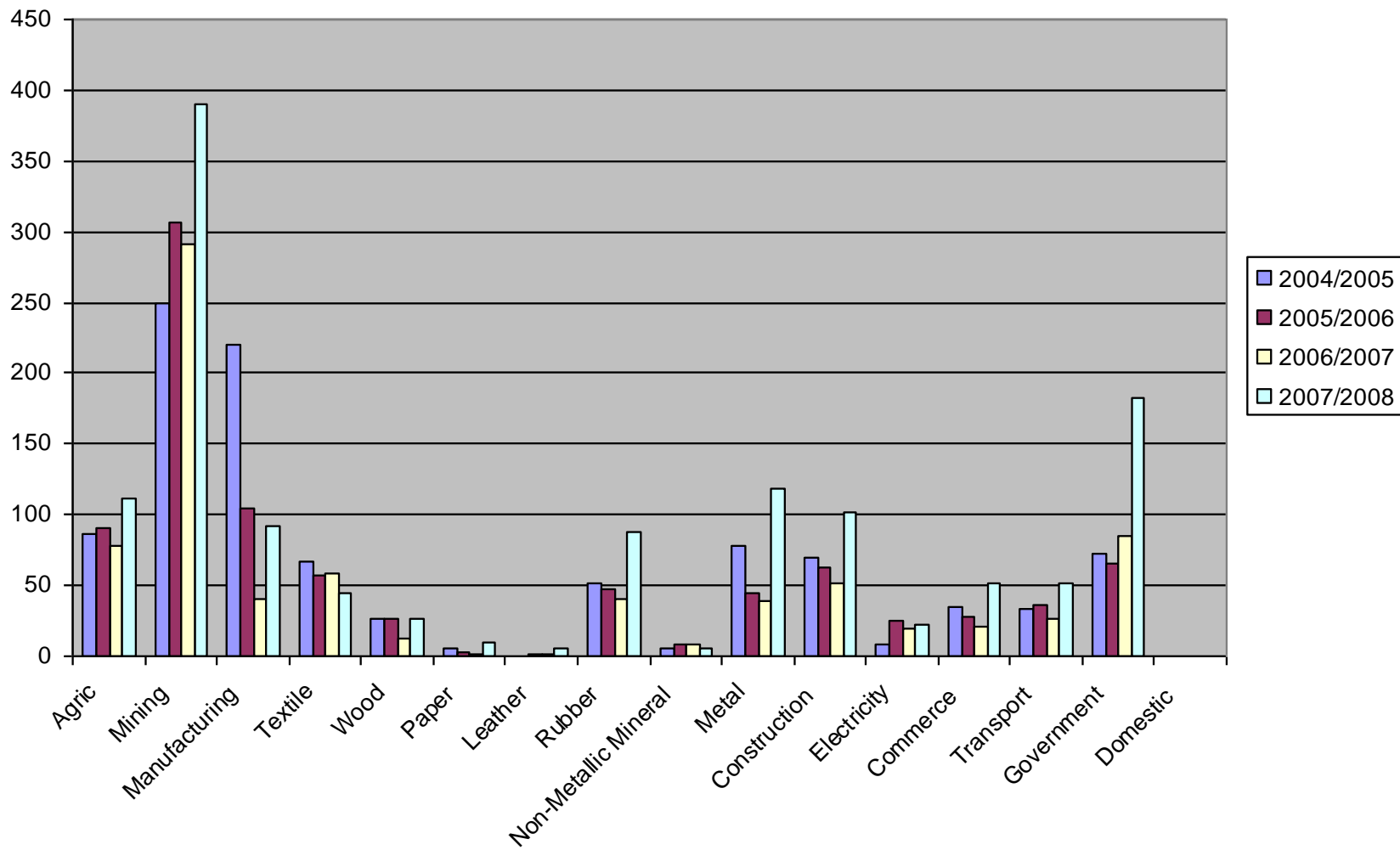
# Accidents Classified According to Place and Degree of Injury 2004 - 2008



**Accidents According to Age Group and Degree of Injury 2004 - 2008**



## Accidents According to Industry 2004 - 2008



# Mechanisms for prevention of occupational risks

- Ultimate goal is the preservation of physical and human assets
- The Board through its OHS Dept provides free health and safety programs to help employers reduce accidents and diseases
- Rebates for good health and safety record
- Protection of employers against civil suits where there is no breach of duty, negligence or other wrongful act
- Seminars, lectures, inspections and establishment of health and safety committees
- Collaborates with Mines Safety Dept, Inspectorate of Factories, Environmental Council etc

# Occupational Risk Cover Benefits

- Comprehensive range of benefits including medical aid and cash benefits such as periodical benefits, monthly pensions and survivors benefits
- Reversionary pension and widows gratuity
- Rehabilitation of injured workers through vocational training, start up capital through commutation of pensions

# Challenges

- Need to improve on the low benefit levels and service delivery
- High admin costs and commissions
- Low level of formal sector employees and need to capture all employers in order to have all workers covered (Motto: All Workers have a right to compensation)
- High claims under Pneumoconiosis due to the prevalent situation of HIV / AIDs and difficult to differentiate between occupational and social diseases
- Recognition and compensation for new diseases
- Determination and uniformity of degrees of disability or diseases that are not contained in the prescribed schedules

# Initiatives

- Outreach and sensitisation programmes focused not just on employers but employees as well
- Recruitment and qualified and experienced personnel in OHS
- Increased co-ordination with other institutions
- Push for review and modification of current fragmented pieces of legislation and bring about harmonisation
- Upgrading of OHS programme design

**Twatotela .....Thank you !**

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