

FACTSHEET ON CHANGES TO THE WORK INJURY COMPENSATION ACT

Background

Currently, under Work Injury Compensation Act (WICA), an employee may claim for medical expenses, medical leave wages and, where applicable, lump-sum compensation for permanent incapacity or death. An employee can also claim compensation if he contracts an occupational disease which is listed in the Second Schedule of the WICA or if the disease is contracted due to work-related exposure to chemical or biological agents.

Higher Compensation Limits

2 The existing WICA compensation limits were set in 2012 based on the 2010 median wage of resident employees. Median nominal wage of resident employees has since increased by some 20%¹. Medical bills for industrial accidents had also increased over the same period. To ensure that payouts under the WICA remain relevant, MOM will raise the compensation limits.

3 From 1 January 2016, the maximum and minimum compensation limits for death and total permanent incapacity under the WICA will be increased by about 20%. The cap on medical expenses will also be raised from \$30,000 to \$36,000. A summary table is appended:

	Limits	Existing Limit	New Limit
Death	Minimum	\$57,000	\$69,000
	Maximum	\$170,000	\$204,000
Total Permanent Incapacity*	Minimum	\$73,000	\$88,000
	Maximum	\$218,000	\$262,000
Medical Expenses		Up to \$30,000 or 1 year from date of accident, whichever is reached first	Up to \$36,000 or 1 year from date of accident, whichever is reached first

**This excludes the additional 25% compensation that is paid to employees with total permanent incapacity to offset the cost of care for the injured employee.*

¹ According to *Labour Force in Singapore 2014 Report*, the median wage of resident employees in 2010 was \$2,500. Between 2010 and 2013, the media wage has increased by 20% from \$2,500 to \$3,000.

Facilitating Return to Work

4 Besides ensuring that WICA's payouts remain relevant, it is also important to help injured employees recover and get back to work as quickly as possible. This not only aids their recovery process, it also gives them assurance in terms of job and income security. For employers, they also benefit when employees return to work early.

5 From 1 January 2016, treatments that facilitate early return to work will be claimable as part of WICA medical expenses. This would cover charges for physiotherapy and occupational and speech therapy, case management, psychotherapy, functional capacity evaluation and worksite assessment for purposes of rehabilitating an injured employee back to work, and the cost of medicines and artificial limbs and surgical appliances.