THE SUFFICIENCY OF WORKMEN'S COMPENSATION PRACTICE IN KENYA: THE CASE OF COMPENSATION AMOUNTS AWARDED AND THE TIME TAKEN FOR SETTLEMENT.

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DECLARATION

THIS MANAGEMENT PROJECT IS MY OWM ORIGINAL WORK AND HAS NOT BEEN PRESENTED FOR AWARD OF A DEGREE IN ANY OTHER UNIVERSITY.

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ABSTRACT

This research study's main objective was to investigate into the sufficiency of Workmen's Compensation in Kenya.

The primary information for the study was gathered by means of questionnaires and a number of personal interviews. This information was sought from a sample of 100 employers and 32 insurance companies. While 27 insurers responded effectively to the questionnaires only 48 employers did so.

Secondary data was furnished by the Ministry of Labour (Kenya) from records of injured workers while in their course of employment as from 1978 to 1987.

The results showed that the benefits awarded to injured parties under workmen's compensation were inadequate to cater for future living especially when compared to the service values of individual workers.

Incidental to the above results were the findings that both the new and the old benefit levels did not measure up to one's service value. In addition, the new benefit levels were an improvement of the old benefit levels only under death cases. However, for permanent total and permanent partial incapacities, the new benefit levels were not significantly different from the old benefit levels. It was, thus, implied that there had been no significant improvement on compensation benefits under the latter two cases of disabilities.

The study also established that the time taken to compensate injured parties was unduly long, a time that took an average of two years from the date of reported accidents to the time of payments.

Factors which influenced the benefit levels were majorly income and the degree of disability. Income was a sole factor influencing compensation levels under death cases while both income and the degree of disability affected benefits awarded for permanent total and partial incapacities. Income determined the earning capacity of individual workers whereas the degree of incapacity measured the extent to which the earning capacity had been affected.

Finally, the findings gave problems related to workmen's compensation and suggestions as to their solutions. Workmen's compensations amounts were inadequate and there were delays in compensating injured parties. The benefit levels could be improved by incorporating other factors like remaining service life and contemporary economic conditions in determining compensation levels. A minimum benefit should be imposed for all kinds of injuries. Time delays could be eradicated by imposing a time limit within which compensation should be payable, otherwise be subjected to an interest charge.

CHAPTER 1

1. INTRODUCTION

1.1 BACKGROUND

In any organisational setting, especially an industrial one there are bound to be injuries. Occupational accidents causing injury or death are not new phenomena. Somers notes that, " eolithic cavemen and Pharaoh's slaves, the road builders of Imperial Rome, and Queen Elizabeth's Intrepid sailors - all paid with life and limb for their day's sustenance and the wealth they created".[1]

Accidents are basically of two types, one that is caused by someone's fault and the other happening due to no one's fault. The latter arises out of the nature of modern industry which is characterised by complexity, mechanisation, speed and use of toxic materials. This modern technology makes use of forces like electricity and ionizing radiation that multiply human power and effectiveness a thousandfold when under control but are equally destructive when out of control.[2]

Again, many injuries cannot be shown to the satisfaction of a court of law to have been the fault of someone in particular. Thus industrial injuries are conceived of as the inevitable by-product of modern industry.

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[1] Somers, H.M. Workmen's Compensation. New York, John Wiley & Sons Inc. 1954, pp. 7

[2] Herman, M.S. Workmen's Compensation. New York, John Wiley & Sons Inc. 1954 pp. 10.

These injuries, regardless of who is at fault, are of a major concern to society at large. From the view point of the individual worker, industrial accidents have almost invariably meant serious loss to wage earners and their dependants. As Gregg puts it,

> the possibility of his having to leave employment because of injury or illness generally presents the greatest risk to his well-being and that of his family. Even relatively non-serious injuries and diseases may result in medical care expenses, and the more serious disabilities may cause a reduction in, or elimination of the worker's income or his earning ability.[3]

As injured workers must be compensated, today most employers recognise the large monetary cost of insuring through premiums or self-insuring their compensation risks. The society suffers the sum total of the losses incurred by employers and employees plus the costs of caring for workers and their families impoverished as a result of industrial accidents.

Other costs include those incurred by society in administering the courts, paying commissions, and "the manifold costs to public and private agencies called on to meet the problems created by occupational accidents not to mention the demoralisation and enduring injury to vital human resources.[4] Although one may argue that this helps provide jobs for people like magistrates, it still creates a backlog of cases.

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[3] Gregg, D. W. Property and Liability Insurance Handbook. Homewood, Illinois, Richard D. Irwin, Inc. 1965. pp. 510.

[4] Herman, M.S. op cit pp. 12

The question of who should meet these costs has been debated over the years.[5] It is the trend today that they be recovered from Employer's Liability Insurance. Countries like Britain, America and Kenya, have adopted employer's liability insurance as a means to compensate injured workers. Section 26 of the Workmen's Compensation Act, Cap 236 of the Laws of Kenya, empowers the minister incharge of labour to order any employer or class of employers to insure for liability under the Act.

In the most restricted sense of the term Employer's Liability means the liability of an employer to pay damages to his servants for personal injuries which they have sustained in the course of their work. The damages could be general or special. Special damages have to be specially pleaded and proved, for instance, damage to clothing or medical expenses, while general damages are those which cannot be assessed precisely but only in general terms, like pain and suffering, and loss of future earnings.[6]

Employer's liability insurance is compulsory in many states like Kenya and Zambia, especially for special kinds of employers such as those dealing with construction work. This insurance which is regulated by the Workmen's Compensation Act, is intended to compensate the workman for his injuries according to a schedule of benefits established by law.

The practice of workmen's compensation in Kenya, which is regulated by its Act, Cap 236 commenced on 1st October, 1948.[7]

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[5] See the "Unholy Trinity of defenses", page 26

[6] Madge, P. Liability Policy-Wordings and Cover London, Buckley Press Ltd, 1974 pp. 3

[7] Republic of Kenya, Workmen's Compensation Act, Cap 236. Revised Edition 1970(1962). Nairobi, the Goverment Printer, pp. 4

The major objective of the Act was and still is, to make provisions against loss of earning capacity suffered by workmen who are injured or dependants, whose relatives die in accidents "arising out of and in the course of their employment". The Act also provides for payment by the employer of medical expenses and for the supply and renewal of artificial appliances (where necessary) at the expense of the employer. Any employee who contracts, or dies as a result of contracting any one of occupational diseases is also entitled to compensation.[8]

Workmen's compensation, has the following additional objectives:[9]

1. the prompt payment of adequate benefits;
2. the elimination of costs of litigation to the employee and to society;
3. the establishment of a guarantee of benefits payments. This results from the fact that workmen's compensation is, in most cases, insured for and therefore, the insurer will have to pay compensation;
4. the promotion of safety and health activities;
5. the provision of medicines and rehabilitation services.

The necessity of workmen's compensation in Kenya is indicated by the growing number of injuries experienced yearly as the following report shows:

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[8] A Handout to Employees on "Workmen's Compensation" by the Ministry of Labour, (Kenya) pp. 2.

[9] Gregg, D. W. Op cit pp. 515.

> ... Kenya experiences a growing number of injuries year by year ... the total number of accidents reported under the Workmen's Compensation Act (Cap 236) in 1986 was 5,953. This figure exceeded the number for 1985 by 608 cases. For both years, the industry with the highest number of reported accidents was manufacturing.[10]

It is necessary that the injuries are met by a form of compensation.

In a Labour Day celebrations speech, the President emphasized the importance of workmen's compensation in his suggestion that Workmen's Compensation Insurance Fund be established.[11]

Workmen's compensation programme has thus become the predominant method of compensating for work injuries. Its legality is no longer an issue. The issues to be addressed to now relate to various views on its practice or operation. Herman[12] expresses his view in the following manner:

> ... the issues now are whether actual practices conform to the principles upon which it was founded and justified; whether the programme meets its stated objectives; whether ... experience supports the assumption that it can be adequate as the injured employee's remedy and whether this method of compensating occupational disability remains appropriate under contemporary conditions.

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[10] Workmen's Compensation Annual Reports to the Labour Commissioner (1986), Nairobi, pp. 1-2.

[11] The Nation Newspaper, May 2, 1988.

[12] Herman, M.S. op cit pp. 30

Other similar views have also been expressed in Kenya. Workmen's compensation is seen as an inequitable tool,[13] because the Act covers only a section of the community, that is, those earning only up to Kshs. 2,000[14] per month.

Kamau,[15] expressed his dissatisfaction when he suggested that workmen's compensation system be extended (on a compulsory basis) to cover farmers who operate mechanical equipment and manufacturers because their workmen are exposed to risks of injury as construction workers. In addition, the amount compensable should be reviewed from time to time to reflect the economic conditions prevailing in the country.[16]

The KFE feels strongly that the government should consider transforming the National Social Security Fund (NSSF) into a pension scheme to guarantee social protection against old age despondency. Such a change would also ensure that the Workmen's Compensation Act, which the KFE considers inadequate is turned into a work injury scheme.[17] A scheme of this nature would guarantee periodical payments to injured workers or dependants.

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[13] This was established from a preliminary interview between the researcher and the Executive Director of the Kenya Federation of Employers, (KFE) Mr. T. Owuor.

[14] This figure has been raised up to Kshs. 4,000 per month with effect from 31st December, 1987 (see appendix A)

[15] Kamau, T. "Workmen's Compensation Revisited". The Kenya Underwriter Vol. 10. Nairobi, December 1985, pp. 29

[16] Ibid.

[17] Warutere, P. "Employers' Spokesman," Financial Review. Nairobi, March 21, 1988. pp. 28.

Quite a number of employees complain about the compensation system in one way or another. Some of the complaints are reflected in the number of injured workers who engage lawyers hoping to get a larger amount of compensation. "Nowadays it is not surprising for an employer who has compensated an injured employee under the Act to later find another demand letter from the employees lawyers demanding compensation under common law".[18] One then wonders whether this is not against one of the objectives of Workmen's Compensation - the elimination of costs of litigation to employees and to society.

1.2 STATEMENT OF THE PROBLEM

It has been observed that every employer faces the risk of injuries, diseases or death to employees, arising out of and in the course of employment. Workmen's compensation system was designed to meet such injury costs. This was as a result of a growing number of accidents but for which no relief was initially provided.

Workmen's compensation has certain objectives, the major one being the provision against the loss of earning capacity suffered by workmen due to occupational injuries.

However, issues have been raised in the recent past concerning workmen's compensation as a remedial tool to compensating workers.

In light of the above, the key problem investigated in this study was:

- Is Workmen's Compensation practice in Kenya sufficient to cater for the lost earnings of the injured workers or dependants?

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[18] The Standard Newspaper, Monday, May 23, 1988 pp. 19.

1.3 OBJECTIVES AND SCOPE OF THE STUDY

The main objective of the study was basically an investigation into whether or not workmen's compensation pracice in Kenya sufficiently caters for the injured workers and the factors that affected compensation. This generated the following sub-objectives:

(i) How compensations compare with the human service values.
(ii) The time taken to compensate injured parties.
(iii) The factors taken into consideration when determining the amount of compensation.
(iv) How old benefit levels compare with the new benefit levels.

Due to time and financial constraints, this research project was confined specifically to manufacturing firms in Nairobi's Industrial area.

1.3.2 A GUIDE HYPOTHESIS

a) There was no difference between actual compensation amounts and the workers' service values.
b) The time taken to pay compensation did not significantly deviate from a period of three months.
c) There was no relationship between the actual compensation and factors like income and extent or degree of incapacity.
d) There was no difference between the old benefit levels and the new benefit levels.

1.4 IMPORTANCE OF THE STUDY

It is hoped that this study will be of help to the following people and institutions:

1. To the ministry of labour, the findings of the study may help it modify the compensation system where necessary.

2. To employers and the insurance industry, this study may be useful in helping them adjust their approach to compensating injured parties and to ensure that any monies paid are sufficient.

3. The findings may stimulate discussion to academics and also form a basis for further research into other aspects of liability insurance.

1.5 DEFINITIONS OF SOME OF THE TERMS USED IN THIS PAPER

The following terms, as used in this paper, will carry the corresponding meanings assigned hereunder.

1. Accident: Any unlooked for mishap or occurence causing personal injury to a workman in the course of his employment.

2. Common Law: The traditional unwritten law of the country as opposed to statutes: it includes the law of tort.

3. Factory: Any premises in which, persons are employed in manual labour in any process for, or incidental to any of the following purposes, namely,

   a) the making of any article or of part of any article; or

b) the altering, repairing, ornamenting, finishing, cleaning or washing, or the breaking up or demolition, of any article; or

c) the adopting for sale of any article.

The meaning attached to the term "factory" in this paper is therefore synonymous with that of the term "manufacturing firm".

4. Human Service Value: Human Service Value is taken as the present value of a workman's remaining future earnings till retirement, adjusted by the disability factor (degree of incapacity). The earnings are discounted using the Central Bank of Kenya's saving rates.[20] The workers' income are also increased in a yearly basis using the average salary incremental rate.[21]

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[19] See Calculations of human service values in appendix B-2.

[20] See appendix B-3 and B-4.

[21] Salary incremental rates extracted from Report on the Negotiated Wages and Other Terms and conditions of Employment Registered by the Kenya Industrial Court - prepared by the Ministry of Labour (MOL) Division of Manpower Planning and Development (a compiled report on January, 1986)

5. Indemnity: Compensating a victim by payment for a loss suffered.

6. Hazard: A specific situation that increases the probability of the occurence of a loss arising from a peril, or that may influence the extent of the loss.

7. Peril: The event that causes a loss.

8. Policy of Insurance: The document that evidences the insurance agreement, or contract between the insured and the insurer.

9. Risk: Uncertainty as to the outcome of an event when two or more possibilities exist.

10. Statute: An act of parliament or a rule made under its authority.

11. Sufficiency: " Sufficient " will mean an amount that is at least equal to workers' projected earnings as measured by the service value. It will also include the efficiency of compensation, that is, the promptness of payments.

The following is an operational measure of sufficiency:

IF:

a) actual compensation amounts are at least equal to service values;

b) the average time taken to pay compensation does not exceed 3 months;[23]

THEN:

c) the workmen's compensation practice is sufficient but only as pertains the above two aspects.

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[23]Three months is taken as the average time within which an injured worker ought to be compensated. This corresponds to the time, established from the research, when employers pay injured workers full salary after which the earnings are interrupted and therefore should be catered for by compensation (see table (a) of appendix B-5).

CHAPTER 2

THEORETICAL FRAMEWORK AND LITERATURE REVIEW.

2.1 REVIEW OF RELATED RESEARCH

A diligent search by the researcher revealed that little research has been done in the field of workmen's compensation.

However there is evidence to show that some effort has been made worldwide to document and give statistics on personal accidents and diseases from work environments.

Monroe (1960), reported on the adequacy of compensation benefits in New Jersey. The study tested compensation benefits against average weekly wages, price levels, and budgetary standards in the period between 1913 to 1957. It established that the gap between the real wages and the real maximum benefit had been widening and it was greater in 1957; the rising price level had eroded the real value of benefits; and, if the breadwinner became permanently and totally disabled, or was fatally injured, the family would be left with an income which in most cases was less than that set by the minimum budget for basic requirements.

Neil (1986) conducted a study in Britain on occupational deafness caused by noise exposure. The amounts that ought to be paid for such loss was reviewed. The findings showed that previous decided cases were used to determine the current ones. However, the effect of the disability on an individual, and age were taken as important factors. In 1980, a Mr. Smith, aged 66 received £4500 for a severe hearing loss(measured at 78 decibells);in 1983 a Mr. Faulkner, aged 43 received £2250 for what many would regard as an insignificant loss of 12 decibells.

While investigating on chronic occupational diseases in U.S.A., Underwood (1985) found that the amount of damage caused by a toxic material to a living organism depended on the amount absorbed by the body, the timing and frequency of the exposure, as well as the route of entry into the body.

Another study in England by Tyler (1983), on occupational hazards, showed that although a wide range of occupations carried some form of accident risk, this was more acute in the construction industry and transport - between 1974 and 1979, 417 out of 866 deaths were the result of falls from heights; more than 50% of all falls in the industry proved fatal, in 1978-1980 transport accidents on industrial and commercial premises accounted for 20% of the total cases.

Hofflander (1965), reported on the historical perspective and theoretical model of the human life value. He established that some semblance of the idea existed in the old Anglo-saxon law where it was used to determine the compensation to be allowed to the relatives of an individual who was killed by a third party. Today the concept is an economic foundation of Life Insurance; the human life value is not one value or concept, but rather it is many values. Each value must be defined carefully in order to be appropriate for its expected use.

Angima (1987) researched on the adequacy of life assurance in Kenya. She discussed human life value as one of the approaches of determining adequate insurance cover. She established this value by calculating the present value of that portion of an individual estimated future earned income that would be devoted to his family. This amount represented the amount of life

assurance that was necessary to assure the full economic value of the person and to replace the net income which he formally produced. She compared the sums assured with the needs of the individuals instead of their human values because of the difficulties of measuring the latter. Her conclusion was that the assured persons were grossly underinsured.

Kenya's ministry of labour has compiled statistics on accident classification under workmen's compensation. In 1986, the total number of accidents reported was 5953 with a rise of 11.4% from the previous year. 236 cases were fatalities, 1 - permanent total, 481, - permanent partial, 670 - temporary incapacities and 4565 were cases whose degree of incapacity had not been determined at the end of the year. The industry with the highest number of reported accidents was manufacturing (2404 cases). Injuries were commonly cased by stepping over or striking against objects (1084 cases). Going by nature and location of injury exhibited cuts and lacerations (361 cases); and fractures (178 cases) were most prevalent. Again out of 5963 cases, 5734 were male workmen while 219 were female.

Although the above research works have contributed positively to the present study, none (except that of Monroe 1960) touched on the sufficiency or adequacy of workmen's compensation.

2.2 THE CONCEPT OF HUMAN LIFE VALUE:

The human life value concept is one segment of the generaltheory of human capital. Although it is generally associated with life insurance, it is not so limited in its application and has been used in many other areas of economic theory and practice.

One of the first evaluations of human life was made in the old Anglo-Saxon law. The value set on an individual was used in determining the compensation allowed to his relatives if he was killed by a third party. This value estimate was based upon the wealth that he had accumulated during his life. Thus, as an individual grew older and accumulated more goods his value became greater.*

This view of the human life value differs substantially from the presently accepted belief that the human life value decreases overtime. On the average the value of a human life does tend to decrease with age. This is because the human life value is based upon future earning power rather than accumulated wealth. This then brings us to the definition of human life value.

There are many definitions which try to describe the meaning of human life value. See the following two:**

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*Louis I The Money Value of a Man. New York. The Ronald; Press Co. 1947 pp. 8.

**Huebner, S.S. The Economics of life Insurance. New York. Appleton - Century-crofts, Inc., 1959, p. 5.

(i) ... the capitalized monetary worth of the earning capacity resulting from the economic forces.

(ii) ... the capitalized value (at the prevailing rate of interest) of the current power of the individual devoted to the support of family dependents.

It appears that while there are many definitions, their ideas regarding the concept are similar. They all attempt to determine the present value of future earnings.

The purpose of determining the human life value is to find that single sum which, on the average, represents the amount necessary to replace that which an individual would normally have provided for his family had he lived. Thus, the sum is the present value of an individual's stream of income.

In the area of disability income, the human life value is used to compare the present value of future benefits for individuals who are disabled, to the present value of future earnings if they had not been disabled. The purpose is to determine what the individual would have earned if he never became disabled.

In our modern life, the human life value concept is tied to insurance because the insurer is interested in the "correct" amount of insurance so that he may be able to reject applications for amounts which represent overinsurance. The insured,

on the otherhand, is interested in determinig the "correct" amount of insurance so that he will not be unprotected. This indicates the importance of measuring the human life value.

Many people have various approaches of measuring the human life value.

According to Lev and Schwartz, " the value of human capital embodied in a person of age t is the present value of his remaining future earnings from employment"; while Roger, H.M. proposes to use compensation (the present value of the future stream of wage payments to people) as a surrogate measure of a person's value. However, he adjusts this discounted future wage stream by an "efficiency factor", and terms the method - " the adjusted discounted future wages method".***

It,therefore, follows that what is common among various approaches is the capitalisation of income over the life expectancy of an individual. Thus, it is important to:

*** Flamholtz, E. Human Resource Accounting. Encino, Belmont, Dickenson Publishing Company, Inc. 1974 pp. 213 and 210.

(1) determine the individual's income;

(2) determine the individual's life expectancy or the number of years between the present age and the contemplated age of retirement; and

(3) multiply (1) by the present value of sh. 1.00 per annum for the period determined in (2).

In this research paper, the above concept has been utilized. However, the term "human service value" has replaced "human life value" to denote the fact that it is the value of an individual worker in employment that is sought.

2.3 THE NATURE OF EMPLOYER'S LIABILITY:

Liability insurance, of which employer's liability insurance is just a component, is an accident insurance business. It covers a variety of risks in widely differing circumstances.

Accident business is a much more recent development than other lines of insurance, like marine and life: marine insurance, the earliest form of modern insurance appears to have had its origin in Italy around the thirteenth century;[24] for life assurance, the earliest known life policy was dated, June 18th 1583;[25] employer's liability insurance in particular, has existed only since 1948.[26]

The nature of the liability hazard is quite different from other insurances, say property. The hazards under property insurance are natural, for instance, a building may burn, a ship may sink or get damaged by storm or collission, a gem may disappear in transit, hail may destroy crop. The owners, or those with security interests in the property may purchase property insurance to indemnify themselves against the damage thus suffered from destruction or diminution in value of the property. Such insurance might be termed "Loss Insurance".[27]

Liability is a hazard of quite another sort, for it is purely an artificial creation of the law. Insurance designed to protect against the liability hazard has characteristics which vary, depending on the way in which the legal system structures the liability.

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[24] Vaughan, M. — Fundamentals of Risk and Insurance. Santa Barbara, NY, Chichester, Brisbane. Toronto, John Wiley & Sons Inc. 1978 pp. 64.

[25] Khamalah, J.N. — Life Insurance Practice in Kenya, Nairobi University, Unpublished Management Research Paper, 1985, pp.19.

[26] Whitemore, E. — Employer's Liability Insurance. London Sir Isaac Pitman & Sons Ltd. 1962 pp. 1.

[27] Gregg, D.W. — op cit pp. 447.

Again, in the former type of insurance the expression "peril" is used fairly consistently to refer to loss-causing phenomena such as fire, windstorm, and hail. In liability insurance terminology there is no one expression uniformly used to refer to types of liability claims. Thus, the expression "hazard group", is used for the purpose of identifying activities and areas of exposures.[28]

Generally, liability insurance provides an indemnity for the occassions when there is liability at law for accidents causing bodily injury or damage to property. This kind of insurance is divided into two risk groups: employer's liability and general or public liability.[29]

Liability may arise either from tort or from breach of contract. A tort is a civil wrong for which the remedy is a common law action for unliquidated damages; a contract is an agreement which creates obligations enforceable by law.[30] Three major groups of public liability are product liability, personal liability, and professional liability.[31]

Product liability is concerned with the supply of goods. Every manufacturer, processor, repairer or retailer, has potential liability for injury or damage resulting from the products he sells, or from the work he has done on goods passed to him for repair or treatment.[32] One, then needs to protect oneself by buying a liability insurance policy.

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[28] Gregg, D.W. op cit pp. 461.

[29] Benjamin, B. General Insurance. London, William Heinemann Ltd., 1977 pp. 6.

[30] Smith, C. Insurances of Liability. London. The CII Tuition Service, 1981, pp. 11/1.

[31] Ivamy, H. Personal Accident, Life, and other Insurances. London, Butterworths, 1973, pp. 225.

[32] Smith, C. op cit pp. 10A.

An individual in a private capacity has a liability for his acts of negligence. Everyday pursuits can cause accidents and personal liability insurance is intended to protect the insured and any member of his family in respect of their legal liability to compensate third parties for any injury, illness, loss of or damage to property.

Professional people, for example, accountants, and doctors may cause financial or personal injury in the course of their business, to their clients or others by their own neglect, or error, or perhaps even more importantly, by the neglect or error of their employees or partners. The purpose of the professional indemnity policy is to protect these professionals against their legal liability towards third parties.[33]

This research paper is on employer's liability insurance where an indemnity is provided to the employer in respect of liability for accidents and diseases happening to or sustained by his employees. This is restricted to liability in respect of bodily injury arising out of and in the course of the employment, and does not include liability for damage to property.[34]

Employer's liability insurance is regulated by Workmen's Compensation Act. Workmen's compensation legislation provides for the payment of benefits determined according to law for covered occupational injuries and diseases incurred by a covered employee without regard to the fault of the employer, as matter of right, with the compensation remedy generally the exclusive remedy of the covered employee.[35]

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[33] Smith, C. op cit pp. 19C

[34] Whitemore, E. op cit pp. 2

[35] Gregg, D.W. op cit pp. 510.

The nature of employer's liability insurance and in particular, the application of the workmen's compensation legislation distinguishes it from public liability insurance: the employer is liable no matter how careful he may be, and even if the injured employee is careless. Moreover, he is liable not for a lumpsum determined by a jury as in public liability but for a scheduled amount fixed by statute and payable in instalments. Thus under employer's liability, there is the issue of limitation of benefits to occupational injury or disease, and the exclusiveness of the remedy awarded.

In addition, in some offices employer's liability insurance is "tariff"[36] whereas public liability insurance is always "non-tariff".

Most insurance texts point out that such distinction is due to historical development of employer's liability.

2.3.1 CLASSIFICATION OF LIABILITIES.

The liability of the master (employer) to his servants (employees) in respect of injuries and diseases arising out of and in the course of their employment may be considered under the following classes:-[37]

COMMON LAW LIABILITIES.

If by his negligence one person injures another or damages his property, that person is liable in damages to recompense the injured party for the wrong done.

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[36] Companies that are under an agreement to use agreed insurance rates.

[37] Smith, C. op cit pp. 3/2.

This liability is common to all, and the employer is no exception to the rule. If, therefore, by his negligence a master injures his servant, the master is then liable in damages for the injury sustained by the servant. However, it must be negligence for which the employer is responsible. He may do the negligent act himself thereby being personally liable or through some other person, for instance, other fellow servants, thereby being vicariously liable.[38]

STATUTORY LIABILITIES

There are legislations and regulations laying down standards of safety and health in areas like factories, mines and building sites. For instance, if a servant is injured as a result of a breach of the Factories Act (for example 1961 of Great Britain or Cap 514 of the Laws of Kenya) or regulations thereunder, that breach can form the basis of a claim upon the employer in respect of those injuries or diseases.

Liabilities of this type are absolute in the sense that is is not necessary to prove negligence and the only question to be decided by the court is whether the statutory duty has been performed or not.

It is important to note that the employer remains liable if the duties are not performed even though he may have delegated them to an employee or an independent contractor.

THE LIABILITIES TO INSURE

The liability to insure is the employer's liability compulsory insurance. Most countries and states require employers to carry out an employer's liability insurance policy or policies to guard them against claims or compensations from employees. This is meant to ensure

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38Heuston R.F.V. and Chambers R.S. Salmond and Heuston on the Law of Torts. London, Sweet & Maxwell, 1981 pp. 425.

that if an employee suffers any damage, it will be compensated for. In this case, the insurer becomes liable indirectly to pay the injured worker although he may collect reimbursement from the employer, but after paying the worker.

2.4 HISTORICAL DEVELOPMENT OF WORKMEN'S COMPENSATION

Whitemore [39] notes the existence of employer's liability insurance only since 1948.

In the closing years of the eighteenth century and the early decades of the nineteenth century, there were marked changes in every department of economic life.[40] Gregg [41] points out that the advent of the great industrial development in England (beginning of the eighteenth century) and the United States (beginning of the early nineteenth century) radically changed the conditions under which men worked, and raised social questions about the relationship between employer and employee.

The Industrial Revolution gave birth to new industries and new manufacturing techniques. It brought together great numbers of employees unskilled, undisciplined, and often selected without regard to character. The employees were exposed to new and unheard of hazards. Work areas were poorly lit and poorly ventilated. Workers became fatigued from long hours of work.

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[39] Whitemore, E. op cit pp. 1.

[40] Dinsdale, W.A. Principles and Practice of Accident Insurance. London, Buckley Press Ltd. 1975, pp. 1.

[41] Gregg, D.W. op cit pp. 511.

It is with this period of change and the increased risk of accident that the beginnings of accident insurance, like employer's liability insurance, business are associated.

Before 1948, the rule that an employer was responsible for the act of his employee was limited by the doctrine of common employment.[42] Under this doctrine an employer was not liable to his servants for the negligence of their fellow servants. This was considered to be one of the risks of the employment which a servant agreed to accept. Besides, there was an assumption that occupational injuries were always the result of someone's fault, and that he should bear the costs. If the worker was at fault, he lost all legitimate claim upon the employer or upon society for financial indemnity or medical care.[43]

The burden of proof for establishing employer's negligence fell upon the worker, a burden often difficult, if not impossible to carry. By the end of the nineteenth century, the employer could fall back on three common law defenses known as the "Unholy Trinity" of defenses.[44]

1. By the "fellow servant" doctrine, the employee could not recover claims if the injury had resulted from the negligence of a fellow worker. The only obligation on an employer was to appoint competent managers and not to be personally liable.

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[42] Smith, C. op cit pp. 3/2

[43] Munkman, J. Employer's Liability. London, Butterworths & Co. Ltd. 1979, pp. 1.

[44] Monroe, B.W.C. Workmen's Compensation. New Brunswick, NJ Rutgers University Press 1960 pp. 4.

2. Under the doctrine of the "assumption of risk", the injured man could not get compensation if the injury was due to an inherent hazard of the job of which he had, or should have had, advance knowledge. The contention of this defence is explained by Bandy,[45] "the compensation paid to the employee was adjusted on the basis of the risk he bore".

3. Under contributory negligence defense, the worker could not recover claims if he himself had been negligent in any degree regardless of the extent of the employer's negligence. Explanation for this, according to Gregg[46] was that an employee should not profit from his own lack of care; while Bandy[47] adds that, if the employee could not escape the loss, he would be more careful and hence there would be fewer injuries.

Under common law only the injured employee had the right to sue, and if he was killed in an industrial accident, his survivors had no right to pursue the matter in the courts.

Obviously the risks for the worker were great. There was that probable loss of his job as a result of a legal dispute with his employer and he could not afford the high costs of a case in which the chances were strongly against him. Many of work injuries were therefore left without legal relief.[48]

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[45] Bandy, W.R. Business Law-Text and Cases. Boston, Allyn and Bacon, Inc. 1958 pp. 594.

[46] Gregg, D.W. op cit pp. 512.

[47] Bandy, W.R. op cit pp. 21.

[48] Somers, H.M. op cit pp. 21.

By the latter part of the nineteenth century, the industrial death rate had reached alarming proportions. The number of injury suits also increased, but recoveries were few and meagre. It became apparent that the common law defenses were having unforvably serious effects both on injured workers and on the community.[49]

Statutory efforts, known as employer's liability laws, like those of Britain and United States, were made to diminish or remove some of the common law defenses for the benefit of the injured worker.

The legislation can be classified in three categories:- statutes denying the right of employers and workers to sign contracts relieving the employer of liability for accidents, as a condition of employment; statutes extending the right of suit in death cases; and statutes abrogating or modifying the common law defenses.

Such statutes included the Law Reform (Personal Injuries) Act, 1948, laws of Great Britain, which abolished the doctrine of common employment;[50] Employer's Liability (Defective Equipment) Act, 1969, which removed the defenses of defective equipment, involving their manufacturers and assumed negligence on the part of the employer; the Administration of Justice Act, 1969 which added interest at current rates to awards of damages in cases where settlement had delayed; and the Factories Act, 1948 which relates to the health, safety and welfare of employed persons.[51]

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[49] Somers, H.M. op cit pp. 21

[50] Catchpole, W.L. Business Guide to Insurance. London, William Heineman Ltd. 1974 pp. 148.

[51] Smith, C. op cit pp. 3/7.

Unfortunately, the statutes only lessened slightly the rigidity of employer's defenses, and then only in selected areas and industries. Railroad workers were a notable exception.[52]

It was realised that high costs, waste, and delays as well as the employer-employee antagonisms of litigation, were still present under employer's liability statutes as under case law. Thus it was clear that a basic new approach was inevitable. This was the rise of Workmen's Compensation system.

Workmen's Compensation was not invented but evolved. While America was experimenting with legislation designed to modify the results of the case law and rules of employer's liability, a far-reaching experiment was taking place in some European countries. Germany took the lead in the early 1880's, and by 1910, virtually all of the countries of Europe had adopted some system of workmen's compensation.[53]

These events did not go unnoticed in the United States. The United States Department of Labour took official notice, in its 1893 publication of a report on compulsory insurance in Germany. Shortly thereafter, bills following the European models were introduced in several states.[54]

The modern workmen's compensation, the new body of law designed to supplant the common law statutes, involves an entirely new economic and legal priciple - liability without fault. It has abandoned the moral and legal concept of individual fault as a basis for public policy. The cost of individual accidents is to be socially allocated to the employer not because

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[52] Somers, H.M. op cit pp. 26

[53] Gregg, D.W. op cit pp. 514.

[54] Ibid.

of any presumption that he, or the corporation is responsible for every accident which affected the employees but because industrial accidents are recognised as costs of the inevitable hazards of modern industry. The costs are, therefore, a legitimate cost of production.[55]

In any society, the beneficiaries of any concern must bear the costs of production. This is from the contention that such production is geared to the overall economic development of a nation. Thus, the entire community receives benefits of one kind or another, and the employer is no exception.

It is inevitable that any legitimate cost of production (of which premium costs of insurance are a part) will be passed on to the consumer. This is reflected in the commodity prices.

2.5 WORKMEN'S COMPENSATION BENEFITS

The sum insured is the unit of liability which the insurer has to bear as stipulated in the policy.

As concerns employer's liability insurance, the policy does not specify any sum insured because it seeks to indemnify the employer against his liability to his employees under specific statute(s). The amount of compensation stipulated in the said statutes determines the limits of liability of the insurers.

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[55] Somers, H.M. op cit pp. 26.

In Kenya compensation is governed by the Workmen's Compensation Act Cap 236. This is an act of Parliament to provide for compensation to workmen for injuries suffered in the course of their employment.

There are various kinds of damages that need compensation, namely, exemplary damages, unliquidated, special and general damages.[56]

Exemplary damages are a penalty when the conduct of the employer is so gross that the court feels that something above what is normally considered adequate recompense should be awarded to the employee.

Unliquidated damages are those which are not predetermined but awarded by the court.

The pecuniary sum which will make good the employee so far as money can do so, the harm he has suffered by reason of the conduct of the employer is called a general damage. As far as bodily injury is concerned, general damages may be awarded by reason of any of the following - pain and suffering; loss of the amenities of life; loss of expectation of life; constant attendance where the disability makes such necessary; nervous shock; and loss of future earnings.

Lastly, special damages are those which can be exactly proved and usually need to be. These include actual loss of earnings, cost of transport, special medical treatment and cost of special food.

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[56] Whitemore, E. op cit pp. 39-40.

A loss of earnings is expected because the employee is no longer able to earn as much as he was or because he is completely disabled and unable to earn at all, or because one is a dependant.[57]

Therefore, an employer shall be liable to pay compensation if personal injury is caused to a workman while in employment.[58] It is argued that, by receiving a known benefit the injured worker can adjust better to his handicap and recover his proper place in industry.[59]

There are three categories of compensation benefits namely, cash, medical and rehabilitation. These are designed to indemnify the injured worker or his dependants for the misfortunes resulting from industrial injury - loss of damages, medical and hospital expenses, and loss of occupational capacity and skills.[60] As mentioned earlier, the amounts of compensation stipulated under specific statutes determine the limits to be paid to injured workers.[61]

Usually, there are problems in setting benefit levels. In general, three methods can be used:[62]

1. Benefits can be fixed at some percentage of productive income.

2. They can be fixed in accordance with some criteria of assumed average or individual"need".

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[57] Atiyah, P.S. Accidents, Compensation, and the Law. London Weidenfeld and Nicolson. 1970 pp. 109.

[58] Willis, A. Workmen's Compensation Acts. London, Butterworths & Co. Ltd. 1932, pp. 4.

[59] Gregg, D.W. op cit pp. 524.

[60] Somers, H.M. op cit pp. 59.

[61] "General Insurance - A study course for Inspectors". Federation of Insurance Institute. Bombay, 1983, pp. 192.

[62] Monroe, B.W.C. op cit pp. 37.

3. A flat rate system can be used under which all eligible recipients receive the same shilling amounts with perhaps some adjustments for dependants.

Variations and combinations of those basic methods may be adopted.

The principal compensation made are in:[63]

a) The formula used to relate wages and benefits.

b) The payment of dependants allowances.

c) The imposition of minimum benefit levels.

d) The fixing of maximum levels.

The guiding principle is that benefits should not be set so high that workers will prefer benefit status to employment, nor so low as to defeat the purpose of supplying maintenance income.

2.5.1 THE BASIC BENEFIT

The basic benefit formula in all types of cases is similar. The factors involved are many and complex. These are as follows:

1. A specified maximum percentage of the workers normal or average wages.

2. A weekly dollar maximum and minimum.

3. A maximum duration or amount of time for which benefits may be paid.

4. A maximum total or aggregate dollar amount.

5. Variations according to number of dependants.

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[63] Monroe, B.W.C. op cit pp. 37.

6. The waiting period.

7. The formula by which average wages are computed.[64]

2.5.2 CASH BENEFITS

Cash benefits are awarded for disabilities that are either partial or total and also for death cases.

a) Disability Benefits
This means:[65]

1. The inability to earn full or part wages at work in which the employee was working at the time of injury.

2. Inability to perform any kind of work which might be obtained.

3. Inability to secure work.

Disability is compensated by weekly periodic payments.

(i) Partial Disabilities:

Often the weekly compensation in case of partial disability is expressed as a percentage of the weekly wage loss. A maximum dollar benefit per week and an aggregate maximum payment may be expressed in the law.[66]

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[64] Somers, H.M. op cit pp. 60.

[65] Gregg, D.W. op cit pp. 523.

[66] Ibid op cit pp. 524

Temporary Partial:

Temporary partial disability exists when a worker is incapacitated to the extent that he is unable to exercise his full earning capacity. A schedule of benefits is often provided and sets forth a specified number of weekly payments to be made for particular losses such as an arm, leg, foot, eye, thumb, first finger, third finger, the sight of one eye or the hearing of one or both ears.

Generally the payments is a product of the number of weekly payments specified for the specific disability multiplied by the weekly compensation benefit.

Permanent Partial:

Permanent partial disability occurs when a person has suffered a permanent injury. The incapacity reduces a workman's earning capacity in any employment which he was capable of undertaking at that time.[67]

A disabled worker collects temporary compensation payments for the time he is out of work or during the healing period of his injury. These are designed as income maintenance payments. If he is found to have some permanent impairement, further benefits will be paid irrespective of actual wage loss and in addition to whatever allowances for temporary disability may have been made. Monroe[68] stresses that permanent partial awards are not meant as income subsitutes and hence it is meaningless to portray them against a backdrop of earnings, prices and budgets.

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[67] Workmen's Compensation Act, Cap 236 op cit pp. 7.

[68] Monroe, B.W.C. op cit pp. 53

(ii) Total Disabilities:

Disability is considered total where employment is rendered impossible.

Temporary Total

Temporary Total disability occurs when the injured employee is incapacitated for work beyond the day on which the injury occurs, but is subsequently able to return to work without permanent impairement.[69]

Thus, a temporary total disability permits the possibility of a cure, that is, the employee is unable to work while he is recovering from the injury, but is expected to recover.

Temporary total disability ends when the worker recovers sufficiently to be able to return to work (partial disability benefits may begin at this time).[70]

Usually, there is a waiting period. This period applies only to disability after injury which must elapse before compensation benefits begin.

Permanent Total:

A permanent total disability arises from an injury which permanently and totally incapacitates the injured worker from carrying on a gainful occupation.

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[69] Somers, H.M. op cit pp. 60

[70] Ibid.

This involves a presumption that no future work will be possible. Such disabilities include blindness in both eyes and double amputations of any two important members of the body.

(b) Death Benefits:

In fatal cases, it is necessary to start by predicting what would have happened to the deceased if he had not been killed. In particular, an assessment must be made of what his earnings prospects were.[71]

The ratio of benefits to wages in death cases is generally lower than in disability cases, especially where a widow is the only survivor.[72] Presumably this is based on the theory that the death of the wage earner has also removed one mouth to be fed.

Most death benefits are limited in time, or in total amount or both.

Death benefit programmes vary according to jurisdictions. Kenya relies on compensation by employers, especially for occupational deaths. Pakistan has the "National Breadwinners Accident Death Insurance Scheme" which is:

> a plan designed to pay a fixed benefit of Rs.10,000 to any man or woman between the ages of 20 to 60 years who has been a family breadwinner and who dies accidentally. The State Life Insurance Corporation ... administers the plan... The accidental death covers among others, industrial accidents[73]

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[71] Atiyah, P.S. Accidents, Compensation And the Law. London, Weidenfeld and Nicolson. 1970 pp. 163.

[72] Somers, H.M. op cit pp. 74.

[73] "A National Scheme - Bread Winner Death Benefits - Pakistan." International Insurance Monitor Vol. XL No. 6. London, October, 1986. pp. 13

Normally, compensation for death is computed differently from awards for other types of disabilities.[74] In addition to providing funds for the expenses attendant on death, death benefits may be designed to help compensate those who are dependant on the deceased workman.

2.5.3 MEDICAL BENEFITS/AID

Medical aid means medical, surgical and hospital treatment, skilled nursing services, and the supply of medicines. In many cases the employer has to state whether he wishes to insure his liability in respect of medical aid.

Some insurers provide medical benefits without limit as to time or shilling amount while others establish either a maximum benefit or a shilling amount limitation.[75]

As far as Kenya is concerned, the employer has to defray the reasonable expenses incurred by a workman within Kenya, or with the approval of the Director of Medical Services, outside Kenya, as the result of an accident which would entitle the workman to compensation.

2.5.4 REHABILITATION

Rehabilitation is defined by Gregg[76] as the "restoration of the handicapped workman to the fullest physical, mental, social, vocational and economic usefulness of which he is capable".

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[74] Monroe, B.W.C. op cit pp. 53.

[75] Gregg, D.W. op cit pp. 522.

[76] Ibid pp. 525.

This broad definition includes three essential elements:

1. Physical-medical rehabilitation or the effort to restore the individual worker as nearly as possible to the state of health which existed prior to the industrial injury.

2. Vocational rehabilitation which involves the retaining of the injured worker to perform a new occupational function.

3. Psycho-Social rehabilitation which involves, where necessary, the redirection of the individual's conscious and subconscious thought pattern so that he may become better adjusted and able again to perform a useful function for society.

All these elements involve the services of many competent professional persons.

It is believed that a successful program of rehabilitation especially physical rehabilitation must begin soon after the date of injury.

However, rehabilitation is expensive. It has become steadily more so as the process has been expanded to include more surgery and medical care, as the costs of medical care have increased sharply,and as the scope of rehabilitation has been extended to include new categories of serious cases.[77]

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[77]Somers, H.M. op cit pp. 251.

Despite such costs, the evidence is that aside from humanitarian consideration, the justification for rehabilitation is its economic value - the costs of failure to rehabilitate the industrially injured are a great deal higher than the expenses of rehabilitation.

2.6 FACTORS AFFECTING COMPENSATION BENEFITS

The amount of compensation depends on a number of factors. They include the nature of disability; the wages of the injured workman; and the extent of dependence others have on the injured or deceased workman.[78]

2.6.1 NATURE OF DISABILITY

Nature of disability arises from the extent at which the worker is injured. A worker who sustains injuries is medically examined and the medical practitioner assesses the extent of incapacity in a percentage form. This is later used to determine compensation.

2.6 2 SALARY (OR WAGES)

Different workers earn different levels of remunerations. This is supposed to be reflected in the amount of compensation because such compensation is meant to cater for the loss of earning capacity suffered by workmen. Thus the monthly earnings of an employee is computed in such manner as is best calculated to give the rate per month at which the employee was being remunerated at the date of the accident.[79]

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[78] Kamau, T. op cit pp. 28.

[79] Workmen's Compensation Act, Cap 236 op cit pp. 13

2.6.3 EXTENT OF DEPENDENCE

Extent of dependence is considered for compensation in fatal cases. The Act [80] stipulates how compensation is calculated according to whether the workman leaves any dependants wholly or partially dependent on his earnings. The amount of compensation is later allocated to dependants according to the degree of dependence each had on the deceased worker.

2.7 ESTABLISHING THE BENEFIT AMOUNTS[81]

Establishing the compensation amounts in Kenya is regulated by the Kenyan Workmen's Compensation Act, Cap. 236. The following gives the computation or determination of such amounts.

2.7.1 Disability Benefits:

In Kenya, there are only three kinds of disabilities considered, that is, Temporary incapacity, Permanent Partial and Permanent Total disabilities.

(i) Temporary benefits

Temporary incapacity compensation is stipulated to be periodical payments payable at such intervals as may be agreed upon by the employer and the employee, or as the court may order, or a lumpsum calculated accordingly having regard to the probable duration and changes in the degree of the incapacity.

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[80] Cap. 236 (Laws of Kenya) op cit pp. 13

[81] Ibid.

Such periodical payments are a monthly payment of half the difference between the monthly earnings which the workman was earning at the time of the accident and the monthly earnings which he is earning or is capable of earning in some suitable employment after the accident.

The Ministry of Labour (Kenya) calculates this compensation benefit as follows:

$$\text{Temporary Incapacity benefit} = \frac{\text{Half Salary}^{82}\ (\text{exclusive of all allowances}) \times \text{Number of days a worker is off duty}}{30 \text{ days.}}$$

The maximum duration of periodical payments should not exceed ninety-six months.

If death or permanent incapacity follows temporary incapacity, fresh payments will be made without any deductions due to prior payments. However, a deduction may be made of the value of any payments, allowance or benefit, which the workman may receive from the employer during the period of incapacity.

(ii) Permanent Partial benefit

In case of an injury specified in the second schedule[83] of Workmen's Compensation Act Cap. 236 (Laws of Kenya) compensation constituted a percentage of fifty-four months' earnings. However, with effect from 1st January, 1988, the number of months applicable is 60.[84]

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[82] It is the practice of most employers to pay workers off-duty full salary. Thus the MOL uses full salary where applicable.

[83] See Appendix B

[84] See Appendix A

In the case of an injury not specified in the schedule compensation benefit will be a percentage of the above number of earnings as is appropriate to the loss suffered.

Thus:

$$\text{Permanent Partial Benefit} = \left(\begin{array}{c}\text{Full Salary} \\ \text{Inclusive of} \\ \text{all allowances}\end{array}\right) \times 60 \text{ months.}$$

The new calculations do not apply the former limits of a maximum of Kshs. 38,000 and a minimum of Kshs. 2,000.

Where more injuries than one are caused by the same accident, the amount of compensation shall be aggregated but it should not exceed the amount that would be payable under permanent total disabilities, resulting from such injuries.

(iii) Permanent Total Benefit

The computation for permanent total incapacity benefit is the same as that under permanent partial except for an additional payment - if permanent total disability requires a workman to have the constant help of another person, additional compensation shall be paid amounting to one quarter of the amount which is otherwise payable.

Death Benefits

Where death results from the injury, if the deceased workman left total dependants they received either an amount equal to 41 months' salary or Kshs.29,000 whichever was less. The new figures are now 60 months and a minimum of Kshs. 35,000.[85]

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[85] See Appendix A.

If only partial dependants are left, compensation is given in proportion to the dependence lost and if no dependants are left, reasonable funeral expenses are provided but limited to Kshs. 2,000.[86]

Medical Benefits

In respect of medical, surgical and hospital treatment, skilled nursing services and the supply of medicines, the benefit amount shall not exceed fifteen thousand shillings.

In respect of the supply, maintenance, repairs and renewal of any artificial appliances or apparatus, the compensation amount shall not exceed ten thousand shillings in all.

For reasonable transport charges compensation should not exceed in all the sum of one thousand shillings.

2.8 WORKMEN'S COMPENSATION PROCEDURE

The practice of workmen's compensation in Kenya follows the process below:

When a worker is injured during the course of his employment he is supposed to report the injury to his employer immediately upon which the employer sends the worker to a medical doctor. If the doctor ascertains that the employee cannot continue with his normal work for at least three days, the employer is required to fill part I of a form designated, Form LD 104[87] of the labour office. In this form, the employer gives an accident classification report on the injured worker.

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[86] See Appendix A

[87] See Appendix D.

Information such as the age, sex, salaries and the occupation of the worker are also filled.

The above information is given in triplicate with a copy going to the doctor, the labour office and the employer respectively.

After receiving a copy of the accident classification report form, the doctor fills part II of the same form,[88] giving his medical report. In this, the doctor specifies the extent of the injury - whether it is temporary incapacity, permanent partial or permanent total.

The doctor also prepares this report in triplicate giving the insurer and the employer each a copy while retaining one. It is the duty of the employer to send a copy of the above information to the Ministry of Labour.

Upon receiving the above documents the labour office prepares an assessment of the compensation[89] and informs the insurers as to how much they are liable to pay the injured worker on behalf of the employer. Thus form LD 102,[90] a form of Agreement as to compensation is sent to insurers (or employers) by the ministry of labour. This form confirms the employer's or the insurer's acceptance to compensating the injured worker, as per the amount shown on the form.

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[88] See Appendix E

[89] The assessment may also be done by the employer or insurer to confirm the correctness of the MOL's assessment.

[90] See Appendix F.

If no permanent incapacity was sustained by the injured worker, the insurer concerned sends a cheque to the employer compensating the latter for medical expenses he incurred on the injured worker as well as for temporary incapacity benefit if any.[91]

In cases where a worker sustains a permanent incapacity, whether partial or total, the insurance company involved will send a cheque to the ministry of labour so that payment for such an incapacity is paid to the injured worker. Thus, the labour office will cash the cheque, prepare a payment certificate (receipt) and settle the compensation. A copy of the payment certificate will be filed by the ministry of labour.

It is important to note that the injured worker should always collect his compensation from the ministry of labour, except for some special cases where the employer feels that he should compensate the injured worker immediately, but must send copies of any payment documents to the labour office.

This chapter has documented the literature and theory relating to workmen's compensation which was designed to meet specific objectives namely:[92]

(i) the payment of adequate benefits;

(ii) the prompt payment of benefits;

(iii) the elimination of costs of litigation (to the employee and to society);

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[91] Temporary incapacity is paid to the employer on the understanding that he continued paying the injured worker half or full salary during the time of disability.

[92] Gregg, D.W. op cit pp. 515.

(iv) the establishment of a guarantee of benefit payment;

(v) the promotion of safety and health activities; and

(vi) the provision of medical and rehabilitation services.

This study is centered on the first two objectives because it is the implementation of these that has attracted a lot of criticisms.

CHAPTER 3

3. RESEARCH DESIGN

3.1 The Population:

The population of interest in this study consisted of:

(i) All insurance companies underwriting workmen's compensation business (or employer's liability insurance) in Kenya. A list of these companies was obtained from monthly returns sent to the Kenya Re-insurance Corporation. The current list was as of December, 1987, and it gave a total of 32 insurance companies dealing with workmen's compensation (see appendix G).

(ii) Factories (under a company name) whose list was made available from the Ministry of Labour, Factory Department.

(iii) Injured workers who sustained such injuries as from January, 1978 to December, 1987.[93]

A census study was conducted on insurance companies as the size of the population was not large.

3.2 The Sample:

It was established that 4032 factories existed in the Nairobi's industrial area and 4056 workers were injured during the period, 178 to 1987.

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[93] (see appendix O-1 and O-2) The study was centered on this period because from 1978, the MOL launched a formal education programme to educate and inform workers on their rights as to workmen's compensation.

A sample size of only 100 factories was chosen for the study because the population was large.[94]

A systematic sampling method was used to select 100 factories. The population number of 4032 was divided by the sample size of 100 to arrive at a counter, 40. Thus, the first factory from the list was selected, and every 40th factory thereafter, until a total of 100 was obtained.

As for injured workers, availability of required data from the labour offices determined the sample size. Out of 4056 injured workers, only 134 files of those workers were available for the study.

DATA COLLECTION METHOD:

SECONDARY SOURCE DATA COLLECTION

The secondary data for this study comprised the following:[95]

a) Actual compensation benefits.

b) Workers' salaries, age and sex.

c) Employers' and workers' occupation.

d) Dates of injuries and compensation.

e) Doctor's injury assessment.

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[94] Terrel, J.C. Business Statistics (Bacic Concepts and Methodology). Boston, Houghton Mifflin Co. 1979, pp. 132.

[95] See appendix 0-1to 0-2.

The following is a list of relevant documents from which information for secondary data was sought.

(i) Accident Classification Report (form L.D. 104/1), of the Ministry of Labour.

(ii) Form of Agreement as to compensation, (form L.D. 102) of the Ministry of Labour.

(iii) Certificate of payments (of the M.O.L.).

3.3/2 Primary Source Data Collection

To complement the secondary data above, the researcher collected primary data through the use of questionnaires.[96] In the case of factories, the questionnaires were to the attention of either the personnel managers or accountants (who ever was responsible for workmen's compensation in a particular company), while the questionnaires for insurance companies were directed to the underwriting managers. These questionnaires were administered by the "drop-pick" method. A letter to respondents[97] accompanied the questionnaires.

The questionnaires consisted of multiple-choice and open-ended questions. These questionnaires were delivered to respondents and later picked by the researcher between the 18th of April and 13th of May, 1988 (about 4 weeks).

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[96] See Appendix I-1 and I-2

[97] See Appendix H.

A number of personal interviews with some respondents were also carried out.

3.4 Data Analysis Method:

The data collected from this study was presented mainly by the use of summarised tabulations and proportions.

The differences between the following set of variables was tested by a comparison of their sample means:

(i) Amounts of compensation and human service values

(ii) Amounts of compensation as per the old benefit levels and the new benefit levels.

(iii) The actual time taken to compensate injured workers and a standard mean of three months.

The significance of differences in means was performed by the use of t-test statistic.

A simple regression analysis was conducted with amounts of compensation as the criterion variable and income as the predictor variable for death cases.

A multivariate regression analysis was also done for permanent partial and permanent total incapacities. In these, amounts of compensation was the dependent variable, while income and degree of incapacity were independent variables.

The strength of the relationships between the predictor variables and the amount of compensation was inferred from the above regression analysis.

CHAPTER 4

4. DATA ANALYSIS AND PRESENTATION OF FINDINGS:

This chapter analyses and presents the findings on the specific areas of inquiry of the study. Statistical inferences have also been drawn from the findings. Results are summarized and presented by the use of tables and proportions. Both simple and multiple regression analyses using the computer have been used to give results on various kinds of relationships and their strengths. Estimation and testing also using the computer, have enabled the analysis of various sample data.

4.1 PRESENTATION OF FINDINGS

The effective response rate to the questionnaires to employers was 48%, that is, a total of 48 fully filled questionnaires out of 100 were returned within the time limit set of four weeks.

The response rate of the questionnaire to insurance companies was 84.4%. Out of 32 insurance companies contacted, 27 responded.

The manufacturing firms involved in the study had been in existence for a period ranging from 1 to 72 years.

The majority of the employers contacted had been in existence between 16-20 years (14.58%) and also above 50 years (12.5%). Most of the manufacturing companies involved in the study were small in size employing 1-50 employees (54.83%), and a larger proportion was locally owned (72.92%). In addition many firms were under motor and mechanical engineering industry (35.42%) followed by wood and wood products including furniture (12.50%).

Insurance companies contacted had been in business for a period ranging from 3 to 83 years. The majority of insurance companies had been in existence between 1-10 years (55.56%) and many were locally owned (70.37%).

The study revealed that no pattern or relationship existed between the responses given and the nature of respondents, namely, the age of respondents, their size, their ownership as well as the type of manufacturing firm.

It was also found that injured workers received full salary for an average period of three months; male workers retired at an average age of 60 while their female counterparts did so at age 50 (see appendix B-5).

Two major issues were raised in the statement of the problem, namely, the sufficiency of workmen's compensation which constituted the compensation amounts together with the time of paying the compensation; and the factors that are considered when compensating injured workers.

For comparison purposes, compensation data was grouped into two: what workers received as per the old benefit levels and what they would have received under the new benefit levels.

The old and the new compensation levels were compared to human service values for each type of incapacity. Later, both benefit levels were also compared under each type of incapacity to find if the two levels were significantly different.

Time taken to compensate workers was compared to a standard time. Factors taken in consideration when compensating workers were analysed and their relationships established.

The above analysis of primary data was performed to back up findings from secondary data that was gathered from respondents.

4.1.1 THE ADEQUACY OF COMPENSATION AMOUNTS:

It was found that employers and insurers responded differently as to the adequacy of compensation amounts. Tables 1 and 2 summarise their responses.

Table 1: Adequacy of Compensation Amounts-employers

Response	Number of Employers	Percentage
Excessive	0	0%
Just enough	18	37.5%
Inadequate	30	62.5%
None of the above	0	0%
Total	48	100%

Table 2: Adequacy of Compensation Amounts-Insurers

Response	Number of Insurers	Percentage
Excessive	4	14.82%
Just enough	9	33.33%
Inadequate	14	51.85%
None of the above	0	0%
Total	27	100%

From table 1 it is shown that no employer felt that the compensation amounts were excessive, whereas 14.82% of insurers felt that they were excessive (see table 2).

Majority of respondents concurred with the fact that the compensation amounts were inadequate. These amounted to 62.5% of employers and 51.85% of insurers. Both groups shared the same reasons as to the inadequacy of these amounts.

The following were given as reasons behind the answers in tables 1 and 2 above. There were some common answers given by employers and insurers. Thus, a total of 75 respondents are used in the tables below.

Table 3: Why benefits were excessive

Reasons	Number of Respondents	Proportion
1. Payments were made irrespective of workers' negligence.	4	5.33%
2. Some payments were made both under workermen's compensation and common law.	2	2.67%
3. Premiums paid to secure compenation were low.	4	5.33%

N = 75

Table 4: Why benefits were just enough

Reasons	Number of Respondents	Proportion
1. Compensation benefits reflected workers' earnings.	27	36%

N = 75

Table 5: Why benefits were inadequate

	Reasons	Number of Respondents	Proportion
1.	Benefits could not sustain a family for a reasonable period of time.	27	36.00%
2.	Benefits did not reflect economic conditions.	25	33.33%
3.	Benefits given were inequitable.	7	9.33%

N = 75

5.33% of insurance companies felt that benefits amounts were excessive as payments were made irrespective of workers' negligence; 2.67% felt that benefits were sometimes paid under both Workmen's Compensation Act and common law; while 5.33% insurers thought that premiums paid to secure compensation amounts were very low.

A total of 27 respondents (9 insurers and 18 employers) that is 36% felt that benefits were just enough because these benefits reflected workers' earnings.

As to why benefits were inadequate, 36% of respondents felt that benefits paid could not sustain a family for a reasonable period of time; 33.33% thought benefits did not reflect current economic conditions; while 9.33% respondents felt the system was inequitable.

The compensation amounts and the human service values of affected individuals (see appendix J-1 to J-6) were input into the computer for purposes of estimating their means and testing their differences, under the hypothesis that there was no difference between the above two measures. (see appendix K).

The test showed that the means between compensation amounts and human service values were significantly different under all kinds of incapacities, and for both new and old benefit levels.

The new benefit levels were different from old benefit levels under death cases; for permanent total and permanent partial incapacities, the two benefit levels were not significantly different from one another.

4.1.2 THE TIME TAKEN TO COMPENSATE INJURED WORKERS OR THEIR DEPENDANTS

The following tables (6 and 7) give a summary of respondents' opinions about the time that it took to compensate either injured workers or dependants of the deceased.

Table 6: Compensation time - employers:

Response	Number of employers	Percentage
Long	39	81.25%
Just enough	9	18.75%
Short	0	0.00%
None of the above	0	0.00%
Total	48	100.00%

Table 7: Compensation time - insurers:

Response	Number of insurers	Percentage
Long	15	55.56%
Just enough	11	40.74%
Short	1	3.70%
None of the above	0	0.00%
Total	27	100.00%

Table 6 gives an indication that a larger proportion of employers (81.25%) felt that the time taken for compensation was long. The same view was expressed by 55.56% of insurers.

However, a few (9% of employers and 11% of insurers) felt that the process of compensation was neither long nor short. Only one insurer felt that it took a short time to compensate injured workers.

The tables below show reasons for the responses given in tables 6 and 7.

Table 8: Why compensation took long:

Reasons	Number of Respondents	Proportion
1. Delays in obtaining medical reports.	32	42.67%
2. Delays in obtaining compensation assessments.	28	37.33%
3. Long documentation process.	48	64%

N = 75

Table 9: Why compensation process was just enough:

Reasons	Number of Respondents	Proportion
1. Documentation was easily available.	20	26.67%
2. The necessity of establishing genuine claims.	12	16%

N = 75

Table 10: Why compensation took a short time:

Reason	Number of Respondents	Proportion
1. Once the degree of incapacity was established, a claim was lodged with insurers.	1	1.33%

N = 75

Respondents who felt that compensation took a long time due to delays were 32 or 42.67%; 37.33% met delays in obtaining compensation assessments while 64% thought that the documentation process was very long.

In giving reasons as to why compensation process was just enough, 26.67% of the respondents felt that documentation was easily available and 16% gave the explanation that it was necessary to establish genuine claims.

The respondent who answered that the compensation took a short time felt that claims were immediately lodged with the insurance companies once the extent of incapacity was established.

At this stage, it can be said that the time taken for compensation was unduly long.

Again to test for the significance of the above conclusion the time taken to compensate a sample of injured workers was input into the computer (see appendix J-13).

Results from appendix K-7, showed that there was a significant difference between a standard time of 3 months and actual time (in months) that was taken to compensate injured parties.

4.1.3 FACTORS CONSIDERED WHEN DETERMINING THE AMOUNT OF COMPENSATION

Table 11 below shows the factors that employers considered when determining the compensation amounts:

Table 11: Factors considered when determining compensation amounts

Factor	Number of Respondents	Proportion
Extent of injury	48	100%
Individual pre-accident income	48	100%
Individual post-accident income	3	6.25%
Individual age	5	10.42%
Time between injury and compensation.	10	20.83%
Number of dependants	0	0%
Others	0	0%

N = 48

There were six possible factors that could be considered in arriving at the compensation amounts. Individual pre-accident income and the extent of injury emerged as the most important factors with all employers taking them into consideration, that is, 100%. This actually tallies with the method which the Ministry of Labour uses when assessing the compensations.

However, only 6.25% of respondents considered individual post-accident income, 10.42%, individual age and 20.83% time between injury and compensation.

None of the respondents considered the number of dependants when paying out compensation to injured workers.

Although some respondents said they considered the other factors, when determining the amount of compensation in addition to extent of injury and individual pre-accident income, they could not show how they are incorporated into the benefits offered to injured workers. As a result it is only income and extent or degree of incapacity that were further tested using the computer to ascertain the statistical significance of the responses given by the employers.

Data that was input into the computer can be seen in appendix J-7 to J-12. The computer results were as shown in appendix L.

It was established that compensations under death cases depended only on income. A positive linear relationship developed between compensations and incomes of workers who died in the course of their work.

Similarly, positive linear relationships existed for cases under permanent total and permanent partial incapacities: but compensations were affected by incomes of workers and the degree of incapacity.

The strengths of the above regressions were inferred by means of coefficient of multiple determination (R^2) and a correlation coefficient (in case of death cases), r^2. The following were the findings:

Table 12: Correlation coefficients:

Incapacities	Correlation Coefficients	
	Old benefit levels	New benefit levels
Death cases	0.4899	0.9994
Permanent Total	0.7007	0.9840
Permanent Partial	0.8386	0.6253

While there was a relatively strong association between compensations for death cases and incomes under the old benefit levels, the significant improvements of compensation under this case showed a 99% degree of association between compensation and income, for the new benefit levels.

For both permanent total and permanent partial incapacities, the relationships between compensation and income and the degree of incapacity were strong under both levels of benefits with all cases showing a coefficient of multiple determination of above 50%.

To give some confidence indication that the regression equations adequately represented the relationships among the variables under study, t-tests were carried out as shown in appendix M.

Following the results from appendix M it was established that, except for permanent total incapacity under the old benefit levels, income and the degree of incapacity had significant effects on compensation amounts.

Table 13: Correlation Matrices:

a): Compensation under old benefit levels - Permanent Total.

	Compensation	Income	Degree
Compensation	1.0000		
Income	0.4693	1.0000	
Degree	0.50779	-0.3182	1.0000

b): Compensation under new benefit levels - Permanent Total.

	Compensation	Income	Degree
Compensation	1.0000		
Income	0.8530	1.0000	
Degree	0.2086	-0.3182	1.0000

c): Compensation under old benefit levels - Permanent Partial.

	Compensation	Income	Degree
Compensation	1.0000		
Income	0.3867	1.0000	
Degree	0.7726	-0.1304	1.0000

d): Compensation under new benefit levels - Permanent Partial.

	Compensation	Income	Degree
Compensation	1.0000		
Income	0.2605	1.0000	
Degree	0.7063	-0.1304	1.0000

The correlation matrices show that under permanent incapacity both income and degree of incapacity had a moderate correlation to compensation respectively, but prior to compensation amendments. However, under the new benefit levels, income was highly correlated to compensation.

Results under permanent partial incapacity established that the degree of incapacity was very highly correlated to compensation.

The appraisals of the significance of the regressions as presented in appendix N, showed that, except for permanent total incapacity under the new benefit levels, the variables were well correlated to compensation, when taken collectively. Thus, under death cases, there was an overall significant relationship between compensation as the dependent variable and its independent variable, income.

Under permanent partial incapacity and permanent total (only under new benefit levels) significant relationships were established between compensation as the predictor variable and its independent variables, (income and degree of incapacity) when both were considered collectively. Consequently, income and degree of incapacity had significant influence on compensation.

4.1.4 PROBLEMS ENCOUNTERED UNDER WORKMEN'S COMPENSATION PRACTICE

Although workmen's compensation was designed to cater for employees who unforfunately get injured in the course of their employment, people experienced problems from time to time.

The following table gives a summary of the problems noted by respondents.

Table 14: Workmen's compensation problems:

Problem	Number of Respondents.	Proportion
1. Inadequacy of compensation benefits.	44	58.67%
2. Delays in processing compensation benefits.	54	72.00%
3. Centralisation of compensation process.	6	8.00%
4. Failure by employers to comply with the law requirements.	40	53.33%
5. Inadequate accident prevention.	52	69.33%
6. Issuing wrong assessment for degreesof incapacity.	50	66.67%
7. Payments both under the Act and common law.	4	5.33%
8. Lack of worker's awareness of their rights under Workmen's Compensation Act.	48	64.00%
9. Lack of periodical payments.	34	45.33%

N = 75

Inadequacy of compensation benefits was a problem expressed by 58.67% of the total respondents. 72% felt that there were delays during compensation process.

Centralisation of compensation procedure was a problem noted by 8.00% of respondents while 53.33% were of the opinion that employers failed to comply with the law requirements. 69.33% of respondents found accident preventions inadequate in most working environments whereas 66.67% felt that doctors issued wrong compensation assessments for the degrees of incapacity. Payments both under the Act and common law was a dissatisfaction expressed by 5.33% of respondents; lack of workers' awareness of their rights under the law was noted by 64% of respondents; and 45.33% claimed that compensation were paid in lumpsums instead of instalments.

CHAPTER 5

CONCLUSION

Finally, this chapter summarises and discusses the findings in relation to the major questions raised in the objectives of the study. Limitations of the study and suggestions for further research are also highlighted.

5.1 SUMMARY, DISCUSSION AND IMPLICATIONS

Two major questions were raised in the problem that was investigated in this study - was workmen's compensation practice sufficient to cater for the lost earnings of injured workers or their dependants? and, what factors were considered when assessing compensation benefits?

When searching into the sufficiency of workmen's compensation, three subquestions were considered:- were benefit amounts measuring favourably to human service value; were former benefit levels significantly improved by the new benefit levels; and were affected parties promptly compensated for?

5.1.1 THE SUFFICIENCY OF WORKMEN'S COMPENSATION

First and foremost it is important to note that the old benefit levels were amended. This implied that there had been an increase in the compensation benefits. The question was, were the amendments significant?

After carefully analysing the two compensation levels, it was shown that the new benefit levels were actually different from the old ones. However, through testing whether the difference was significant, the study established two varied results.

Under death cases, the new benefit levels were significantly higher than the old benefits. It therefore, followed that there had been an improvement on the old benefit levels. This could be attributed to the new minimum level of Kshs. 35,000 for death cases.

Inspite of the increases in compensation amounts for permanent total and permanent partial incapacities, these did not make a significant difference from the old levels. The implication of this was that the benefits given to these two categories of incapacities had not improved much and were therefore still insufficient. A minimum level of compensation lacks under the two latter kinds of incapacities.

Data that was gathered from respondents established that compensation benefits awarded to injured parties were inadequate (58.67%). This fact was supported by testings done on actual compensation amounts as compared to human service values. Actual benefits were found to be substantially short of human service values.

The above findings implied that benefits offered to injured workers were not enough to sustain those workers and their families for a reasonable period of time. This was because in cases of death and permanent total incapacity, the affected family or workman could no longer lead a normal life and be able to earn what they earned prior to death or injuries.

In most cases, the monies paid did not measure up to current economic conditions and costs of living.

Related to the inadequacy of the amounts was the fact that there was an element of inequity in the system. Amounts compensated for depended on one's earnings thus some workers received more than others for similar injuries.

It is proper to conclude that workmen's compensation was insufficient.

What could be done to improve the situation is to formulate completely new levels that would take account of the workers' remaining service life. These benefit levels should be revised from time to time due to changing economic conditions like the price levels and the applicable budgetary standards to each individual group. The government should ensure that the minimum benefit level is at least equal to the minimum monthly earnings. Thus a minimum compensation level should be set below which compensation should be considered inadequate.

From the findings, it can also be concluded that the payment of compensation benefits to affected persons was not prompt. 72% of respondents concurred with this finding. It was again in agreement with the tested data on the computer. On the average it took 26 months or approximately 2 years to compensate injured workers or their dependants; and the test showed a significant difference between the two tested times. It was therefore established that the time it took to compensate injured parties was unduly long.

The majority of respondents felt that this was caused by delays in obtaining medical reports from the doctors and compensation assessment from the ministry of labour.

Besides the delays, documentation procedure was also very long, a feature that was described by many respondents as bureaucratic and involving massive red-tape.

The delays in compensation tended to frustrate workers and dependants as well as eroding the value of benefits due to the concept of "Time Value of Money".

The system could be better if the government held one responsible for any delays in payments (for example, the employer the insurer or the ministry of labour). The long process of compensation could be shortened, for instance, by letting insurers send compensation amounts or cheques directly to workers or dependants.

The government should set a minimum period within which one should be compensated. To ensure that this is adhered to, any payments made beyond the minimum limit should be subjected to an interest charge, preferably, the going savings rate.

5.1.2 FACTORS AFFECTING COMPENSATION LEVELS

It was found that two major factors affected the compensation levels, namely, workers' income, and the degree of incapacity.

Compensation levels under death cases were exclusively affected by workers'earnings. This is because when one died, the degree of incapacity awarded was 100% in all cases. Under permanent total and permanent partial incapacities, both the income (or earnings) and the degree of incapacity played major roles in deciding how much one needed to be compensated.

In relating earnings and degree of incapacity to compensation, there was enough evidence that a positive and linear relationship existed between compensation and income under death cases and between compensation and the two factors, income and degree of incapacity - under permanent total and permanent partial incapacities.

This finding was strongly backed up by the high degrees of associations or correlations in the majority of tests between compensation and the two factors, income and the degree of incapacity.

It was, therefore, implied that a good attempt was made to incorporate the earning capacity of workers when assessing compensation levels. However, these two factors did not yield good compensation levels, implying that the factors considered for compensation were not exhaustive.

Although current income was a measure of one's earning capacity, this was just but one of the many factors. Factors which could have dictated earning capacity were many and varied. They included increases in current earnings, promotions, demotions, training which enhances skills, that may command higher earnings, as well as inflation, (increases in the costs of living), and of most importance,the remaining service life of individual workers.

Although some of these factors are difficult to measure precisely, some effort should be made to ensure that certain surrogate measures of the majority of the factors are incorporated in the assessment of compensation levels.

5.1.3 SUGGESTED SOLUTIONS TO WORKMEN'S COMPENSATION PROBLEMS:

The respondents gave the following suggestions to the problems they experienced under workmen's compensation.

Inadequacy of the compensation benefit was an outstanding complaint. Tied to this was the fact that while economic conditions and costs of living changed too frequently, the amendment of the provisions of the Workmen's Compensation Act dragged behind. It took a long time to make changes in the Act.

When a worker was injured and it had been established that he was compensable under the law, one could not avoid frustrations caused by compensation delays. Either the doctor took very long to give a medical report, or the ministry of labour delayed in processing compensation assessment. This was not all, because when the insurer concerned eventually sent a cheque for compensation to the ministry of labour, the injured person would have to make "journeys" time and again to the ministry of labour inorder to receive the benefits.

The above problem could be eradicated by strong involvement of the trade unions. The Workmen's Compensation Act should give a provision as to the time limit within which compensation is accomplished.

To facilitate the above, the ministry of labour should improve its efficiency in processing compensation and if possible the cheques from insurance companies should be sent directly to the injured worker.

Connected to the problem of compensation delays was the issue of centralisation. This was particularly acute to those dependants who had to travel to the cities to help in the compensation process. If district commissioners and chiefs could be actively involved in the process then a great deal of time would be saved, especially to the dependants, who, in most cases did not know much about the whole process.

There was also a problem of failure by employers to comply with the law requirements. A notable feature was the declaration of wrong wages always tending to underestimate them in hope of saving costs on premiums. Besides, accident prevention at places of work was inadequate. This raised the risks of occupational injuries. In addition, some employers didn't bother compensating their injured workers. This was common among those employers who had not effected Workmen's Compensation insurance.

It was suggested that workmen's compensation insurance should be on a compulsory basis to all kinds of employers. This would ensure an ultimate compensation to workers who are injured. This could be affected by a condition from the Registrar of Companies of workmen's compensation insurance before advancing any registration certificate.

Much more adherence to accident prevention should be placed by employers, and the factory inspectorate. The ministry of labour should issue certificates confirming the correctness of salaries and a check on this should be placed on a yearly basis.

Some respondents felt that doctors gave wrong assessments of the degree of incapacity especially to those injuries that were not specified in the second schedule of the Workmen's Compensation Act. This indicated some irregularities in injury assessment. This problem could be reduced by instituting a special Medical Board to look into this matter.

Workers' or dependants' recourse to law was a common phenomenon in workmen's compensation. This was even worse because affected persons could claim compensation under both the Workmen's Compensation Act and at common law with a result that the same persons received benefits under both but from the same employer or insurer. In the final analysis, insurers found themselves paying excessive amounts. What insurers wondered was whether a good proportion of what they paid under common law reached the injured worker or his dependants. To avoid paying excessive amounts, the Act should provide that the affected people receive benefits either under common law or under the Act, but not from both.

A problem also worth noting was the general awareness of workers' rights under Workmen's Compensation Act. In most instances, workers were ignorant of their rights under the law. It was suggested that the government should educate the general public about this, using seminars, and media as the TV, newspapers and radios. A TV programme like "Vioja Mahakamani" would facilitate this in Kenya.

It was also noted that although compensations may be paid to injured workers, this was given in a lumpsum and a worker would consume the whole sum within a short period of time. The government should therefore, arrange for a pension-like scheme or the National Social Security Fund (NSSF) for workmen's compensation where workers or dependants receive benefits periodically. However, this should be applied to death and permanent total cases and not permanent partial ones.

5.1.4 SUMS INSURED FOR UNDER WORKMEN'S COMPENSATION INSURANCE

In most lines of insurance an insured has to pay premiums to secure a maximum amount that would be payable at the happening of a certain contingency. In some countries like Britain, a maximum of £2 million is set for this.

However, under the Kenyan system, all respondents concurred that there was no sum insured for under workmen's compensation insurance. Premiums are paid by employers and the maximum insurers pay out is in the form of compensation benefits stipulated by the law.

5.2 LIMITATIONS:

The findings and conclusions of this study are subject to several limitations which the reader must take into consideration.

Lack of research studies and the current literature on the Kenyan situation severely constrained this study. A great deal of the literature had either the British or American influence.

The response rates were rather low. The time limitation may have been responsible for this.

Again, time and financial constraints narrowed the scope of the study. Instead of conducting the research on a larger number of employers throughout Kenya, the study was centered on Nairobi's Industrial area, and infact to only 100 manufacturing firms. The same applied to injury cases that were obtained from the ministry of labour.

In calculating human service values for periods beyond 1988, a savings rate of 10% was utilised. This was taken without regard to changes that might have ensued. It was difficult, though, to predict such changes.

An average wage incremental rate was used for all the periods of remaining service lives. Lack of such information for successive years necessitated this.

Despite the limitations above, the study has thrown some light on the situation in Kenya as concerns the sufficiency of workmen's compensation.

5.3 SUGGESTIONS FOR FURTHER RESEARCH

The following are possible areas for further research.

1. As mentioned earlier, the study was hampered by time and resource constraints which resulted in a narrow scope for the study. It is therefore suggested that future research be directed towards a bigger sample and a wide range of employers.

2. Only employers and insurers were involved in the study. It would be interesting to involve injured workers in a subsequent study.

3. Future research should also investigate into the extent to which safety conditions are maintained in working environments and to what extent this has tried to reduce accidents at work.

4. There are six specific objectives of workmen's compensation. This study explored only two. A further research could be done to determine whether the rest of the objectives are met effectively.

APPENDIX A - WORKMEN'S COMPENSATION AMMENDMENTS

Pan Africa Insurance Company Limited

Ambalal House
Nkrumah Road
P.O. Box 90383
MOMBASA
Tel. 25582

or

Pan Africa House
Kenyatta Avenue
P.O. Box 30065
Nairobi Kenya
Tel. 339544-9
Telex 22750
Cables PANINSURE

RE: WORKMEN'S COMPENSATION INSURANCE

The Workmen's Compensation Act (cap 236) has been amended by the Statutory Law (Miscellaneous Amendments) Act 1987. The amendment came into force on 31st December, 1987 and affects employer's liability as follows:-

	POSITION PRIOR TO AMENDMENT	POSITION AFTER AMENDMENT
1. Eligibility	Act applied to all employees earning upto Shs. 24,000/- per annum	Act now applies to all employees earning upto Sh. 48,000/- per annum
2. Death Benefit	i) 41 months earnings subject to a maximum of Shs. 29,000/- ii) Burial expenses if employee leaves no dependants Shs. 500/-	i) 60 months earning subject to a minimum of Shs. 35,000/- ii) Burial expenses if employee leaves no dependants Shs. 2,000/-
3. Permanent disablement benefit	Based on 54 months earnings with a maximum of Shs. 38,000/-	60 months earnings without limitation in amount payable.
4. Partial permanent benefit	Based on 54 months earnings	Based on 60 months earnings
5. a) Medical Aid b) Artificial Appliances	Shs. 6,000/- Shs. 4,000/-	Shs. 15,000/- Shs. 10,000/-

APPENDIX B-1

CALCULATIONS OF NEW COMPENSATION LEVELS

Illustration 1 - Permanent Total Incapacity:

A worker suffered an injury measured at 100%. His monthly earnings was Kshs.602.90.

Compensation under new benefit levels would have been:

602.90 x 60 x 100% = Kshs.36,174.00 instead of a former figure of Kshs.32,556.60.

(See row 1, appendix J-3 and J-4 under compc and compd respectively).

Illustration 2 - Death Cases:

A worker suffered death while earning Kshs.556 a month.

Compensation under new benefit levels would have been:

556 x 60 = Kshs.33,360.

However, with a new minimum limit, compensation would have been Kshs.35,000 instead of a former figure of Kshs.22,796.00 (see row 1 of appendix J-1 and J-2 under compa and compb respectively).

APPENDIX B-2

PROCEDURE USED TO ARRIVE AT HUMAN SERVICE VALUES

The Human Service Values of workers were determined by the following formula.[98]

$$V_{\tau} = \sum_{t=\tau}^{T} \frac{I(t)}{(1+r)^{t-\tau}}$$

Where

V_{τ} = the human service value of a worker τ years old.
$I(t)$ = the workers annual earnings upto retirement
r = a discount rate
T = retirement age.

Illustration:

A male worker aged 58 with a monthly earnings of Ksh.990 had 2 more years to work before retiring at age 60. He received compensation in July, 1986 having suffered death measured at 100% incapacity (see item number 16 of appendix 0).

Thus:

Monthly increment	= 990 x 24.5%	= Ksh.243
Yearly increment	= 243 x 12	= 2916
Earnings in 1986	= 990 x 12	= 11880
Earnings in 1987	=	14796
Earnings in 1988	=	17712

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[98] The formula is adopted from Flamholtz, E.

Human Resource Accounting. Encino, Belmont, Dickenson Publishing Company, Inc. 1974. pp. 213

Savings rates (r) in 1986 and 1987 is 11% and in 1988 is 10%.[99]

Therefore the worker's service value as at July, 1986 was:

Time	Earnings (1)	PVIF[100] (2)	Incapacity Rate (3)	Service Value (1)x(2)x(3)
0	4950	1.000	100%	4950.00[101]
1	14796	0.901	100%	13331.20
2	17712	0.826	100%	14630.11
			Total	32,911.31

Thus the worker's service value as at July, 1986 was Kshs. 32,911.30.

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[99] See Appendix B-3

[100] PVIF = Present value interest factor (see appendix B-4)

[101] This figure was arrived at as follows:

$$\frac{11880 \times 5}{12} = 4950; \text{ (or } 990 \times 5).$$

APPENDIX B-3

SAVINGS RATES

YEAR	RATE
1978	5%
1979	5%
1980	6%
1981	10%
1982	12.5%
1983	12.5%
1984	11%
1985	11%
1986	11%
1987	11%
1988	10%

Source: Central Bank of Kenya.

APPENDIX B-4

PRESENT VALUE OF SHS 1 PER PERIOD FOR 30 PERIODS AT 5%, 6%, 10%, COMPOUND INTEREST.

Period	5%	6%	10%
1	0.952	0.943	0.909
2	0.907	0.890	0.826
3.	0.864	0.840	0.751
4	0.823	0.792	0.683
5	0.784	0.747	0.621
6	0.746	0.705	0.564
7	0.711	0.665	0.513
8	0.677	0.627	0.467
9	0.645	0.592	0.424
10	0.614	0.558	0.386
11	0.585	0.527	0.350
12	0557	0.497	0.319
13	0.530	0.469	0.290
14	0.505	0.442	0.263
15	0.481	0.417	0.239
16	0.458	0.394	0.218
17	0.436	0.371	0.198
18	0.416	0.350	0.180
19	0.396	0.331	0.164
20	0.377	0.312	0.149
25	0.295	0.233	0.092
30	0.231	0.174	0.057

Source: Weston J.F. & Brighan E.F. on Managerial Finance. The Dryden Press, Hinsdale, Illinois, 1981, pp. 1055.

For periods not in the table (as well as 11% and 12.5%) the formula: $\frac{1}{(1+i)^n}$ was used to arrive at present value factor where i = interest rate and n = period.

APPENDIX B-5

Table a : Average period when injured workers received full-salary:

Period	Number of respondents	Percentage
1 month	11	22.92%
2 months	5	10.42%
3 months	25	52.08%
Others	7	14.58%
Total	48	100.00%

On the average most employers pay full salary to injured workers for a period of three months.

Table b : Average retirement age:

(i) Females:

Retirement Age (1)	Number of Respondents (2)	Total (1)x(2)	Average (1)x(2)/N
40 years	2	80	1.667
45 years	8	360	7.500
50 years	32	1600	33.333
55 years	5	275	5.729
60 years	1	60	1.250
Total	N = 48	2375	49.479

From table b (i) above it is established that the average retirement age for females is approximately 50 years (49.479). Majority of respondents, 66.7%, chose this number (50) as their retirement age for female workers.

(ii) Males:

Retirement Age (1)	Number of Respondents (2)	Total (1)x(2)	Average (1)x(2)/N
50 years	1	50	1.042
55 years	8	440	9.167
60 years	36	2160	45.000
65 years	3	195	4.062
Total	N = 48	2845	59.271

The above table b(ii) shows that the average retirement age for males is approximately 60 years (59.271).

APPENDIX C 1.

Second Schedule.

Injuries	Percentage of Incapacity
Loss of two limbs	100
Loss of both hands or of all fingers and both thumbs	
Total loss of sight	
Total paralysis	
Injuries resulting in being bedridden permanently	
Any other injury causing permanent total disablement	
Loss of remaining eye by one eyed-man	
Loss of remaining arm by one-armed workman	
Loss of remaining leg by one-legged workman	
Loss of arm at shoulder	70
Loss of arm between elbow and shoulder	68
Loss of arm at elbow	67
Loss of arm between elbow and wrist	60/65
Loss of hand at wrist	60
Loss of four fingers and thumb of one hand .	60
Loss of four fingers	35
Loss of thumb :-	
Both phalanges	35
one phalanx	10
Loss of Index finger :-	
three phalanges	10
two phalanges	8
one phalanx	4
Loss of middle finger :-	
three phalanges	6
two phalanges	4
one phalanx	2
Loss of ring finger :-	
three phalanges	5
two phalanges	4
one phalanx	2

.....

APPENDIX C CONTINUES 2.

Loss of little finger :-	
three phalanges	4
two phalanges	3
one phalanx	2
Loss of Metacarpals :-	
first or second (additional)	3
third, fourth or fifth (additional)...	2
Loss of leg at or above knee	70
Loss of leg, below knee	40
Loss of foot	40
Loss of toes :-	
all	15
great, both phalanges	5
great one phalanx	2
other than great, if more than one toe lost	1
Loss of eye :-	
eye out	30
sight of	30
lens of	30
sight of, except perception of light	30
Loss of hearing :-	
both ears	50
one ear	7

Total permanent loss of use of member shall be treated as loss of member.

Source: Adopted from Workmen's Compensation Act, Cap 236, Laws of Kenya.

APPENDIX D

L.D. 104/1

REPUBLIC OF KENYA

THE WORKMEN'S COMPENSATION ACT
(*Cap.* 236)

NOTICE BY EMPLOYER OF ACCIDENT CAUSING INJURY TO, OR DEATH OF A WORKMAN

PART I

FORM OF NOTICE PRESCRIBED FOR THE PURPOSES OF SECTION 14 OF THE WORKMEN'S COMPENSATION ACT

1. *Employer*—
   (i) Name .....
   (ii) Address .....
   (iii) Industry or business .....
   (iv) Name and address of Insurance Company, if insured against accident to workmen .....
   .....
2. *Workman*—
   (i) Name .....
   (ii) Sex .....
   (iii) Age .....
   (iv) Occupation (avoid the term "labourer" where possible) .....
   (v) Address .....
   (vi) Identity Card No. (or other identity particulars) .....
   (vii) Race: *African/Other.
3. *Accident*—
   (i) Date and hour .....
   (ii) Place .....
   (iii) Cause of accident .....
   .....
   .....
   (iv) If caused by machinery—
   (*a*) state name of the machine and part causing accident .....
   .....
   (*b*) state whether it was moved by mechanical power at the time .....
   (*c*) state exactly what the injured person was doing at the time .....
   .....
   .....
4. *Injury*—
   (i) Was the injury fatal? .....
   (ii) Particulars (as known to employer) .....
   (iii) To what hospital or medical practitioner was the injured workman sent? .....
5. *Monthly earnings at the date of the Accident*—

Cash wage (exclusive of overtime, bonus etc., payments)	Sh. .....
Value of rations	Sh. .....
Value of housing	Sh. .....
Value of fuel	Sh. .....
Overtime payment or other special remuneration for work done, whether by way of bonus otherwise if of constant character, and for work habitually performed	Sh. .....
Total earnings per month .. .	Sh. .....

Date .....

.....
Signature of Employer

*Delete as necessary.

[P.T.O.

APPENDIX E

FORM LD 104

PART II

MEDICAL REPORT

(For use by the Medical Practitioner Attending/Examining the Injured Workman)

Date admitted to hospital ..... Discharged .....

In-patient No. .....

Attendance as out-patient from ..... to .....

Out-patient No. .....

Nature of injury .....

Is there permanent incapacity? ..... Yes/No. .....

If yes, please give:

(*a*) Details and nature of permanent incapacity .....

.....

.....

.....

(*b*) Percentage of permanent incapacity to be indicated in both words and figures .....

.....

.....

.....

..... per cent

*Temporary incapacity.—Likely duration of absence from work (from date of accident) .....

..... weeks/months*

Is a further examination required before final assessment of permanent incapacity can be given? .....

.....

If so, when? .....

Date .....

.....

Medical Practitioner

Note.—It is requested that this part be completed by the medical practitioner in *duplicate*, the form then being despatched as under:

One copy to the employer.

One copy to the Labour Officer or District Commissioner of the district in which the accident occurred.

PART III

(For use of Labour Officer/District Commissioner)

Compensation *is/is not being claimed on behalf of the *workman/dependants of the deceased workman.

District and Accident Register No. .....

Station .....

Date .....

.....

**Labour Officer/District Commissioner*

---

*Delete as necessary.

L.D. Form 102
(Revised)

REPUBLIC OF KENYA

THE WORKMEN'S COMPENSATION ACT
(*Cap.* 236, *section* 16 (1))

FORM OF AGREEMENT AS TO COMPENSATION TO BE PAID BY THE EMPLOYER

AN AGREEMENT made the ..... day of ....., 19.....
between ..... of .....
(hereinafter called "the employer") of the one part and .....
of ..... (hereinafter called "the workman") of the other part:

WHEREAS on the ..... day of ....., 19..... the workman was employed by the employer in the capacity of ..... and on the same day personal injury by accident arising out of and in the course of his employment was caused to the workman in respect of which he claims that the employer is liable under the Workmen's Compensation Act to pay to him compensation:

AND WHEREAS the injury thereby sustained has resulted in:

(*a*) Temporary incapacity assessed at ..... per centum and lasting .....
.....

(*b*) Permanent partial incapacity assessed at ..... per centum.

(*c*) Permanent total incapacity.

(*Note.*—Cross out that which does not apply)

AND WHEREAS pursuant to the provisions of the said Act the parties hereto have agreed that liability (if any) of the employer shall be satified by the compensation herein agreed to be made:

NOW IT IS HEREBY AGREED as follows:

Subject to the right of either the employer or the workman to make application to the Court under subsection (3) of section 16 or under subsection (1) of section 18 of the Workmen's Compensation Act—

(*a*) *as* compensation for such injury as aforesaid the employer will pay to the workman the lump sum of Sh. ..... in discharge of the liability (if any) of the employer under the said Act;

(*b*) the workman will accept the aforesaid lump sum in discharge of the liability of the employer to pay compensation under the said Act in respect of the aforesaid injury to the workman.

AS WITNESS our hands the day and year first above written.

Signed by the employer .....
in the presence of—

Name .....

Address .....

Occupation .....

Signed by the workman .....
in the presence of—

Name .....

Address .....

Occupation .....

[P.T.O.

APPENDIX G

INSURANCE COMPANIES WRITING WORKMEN'S COMPENSATION IN KENYA AS AT NOVEMBER, 31, 1987.

1. Access Insurance Company Limited.*
2. African International Insurance (AII) Ltd.
3. American Life Insurance Company (K) Ltd. (ALICO)*
4. Apollo Insurance Company*
5. Blue Shield Insurance Company Ltd.*
6. Cannon Assurance (Kenya) Ltd.*
7. Concord Insurance Company Ltd.*
8. Co-operative Insurance Services Ltd.*
9. Corporate Insurance Company Ltd.*
10. Fidelity Insurance Ltd./Shield of Kenya Insurance Co.*
11. Gateway Insurance Company Ltd.*
12. Geminia Insurance Company Ltd.*
13. General Accident Insurance Company Ltd.*
14. Heritage Insurance Company Ltd.
15. Insurance Company of East Africa Ltd.*
16. Intra Africa Insurance Company Ltd.*
17. Jubilee Insurance Company Ltd.*
18. Kenindia Assurance Company Ltd.*
19. The Kenya Alliance Insurance Company Ltd.*
20. Kenya Arab Orient Insurance Company Ltd.
21. Kenya Commercial Insurance Company Ltd.*
22. Kenya National Assurance Company Ltd.*
23. Lion of Kenya Insurance Company Ltd.
24. Pan Africa Insurance Company Ltd.*
25. Phoenix of East Africa Assurance Company Ltd.*
26. Provincial Insurance Company of E.A. Ltd.*
27. Prudential Assurance Company of Kenya Ltd.*
28. Royal Insurance Company of E.A.Ltd.
29. Taisho Monarch Insurance Company Ltd.*
30. The Union Insurance Company of Kenya Ltd.*
31. Trident Insurance Company Ltd.*
32. United Insurance Company Ltd.*

Source: Kenya Re-insurance Corporation.

* These are the Companies that were included in the sample.

APPENDIX H

COVERING LETTER TO RESPONDENTS

Dear Respondent,

This research study is a survey to find out how the Workmen's Compensation system in Kenya operates.

This questionnaire calls for your assistance in providing the necessary information. Please complete the attached questionnaire, after which it will be picked by the researcher. Neither your name nor that of the company need appear anywhere in the answers you provide. You are assured that whatever information you provide will be treated in the strictest confidence.

Thank you in advance.

Yours sincerely,

R.A. Detho,
(MBA Candidate)

J.N. Khamala,
(Academic Supervisor).

APPENDIX I-1

QUESTIONNAIRE TO EMPLOYERS

Please answer the following questions by placing a tick (✓) in the spaces provided and/or giving details as may be required.

1. How long has your firm been in existence?
_____ years.

2. Your company is a:
a) Multinational subsidiary ( )
b) Locally owned ( )
c) Other (please specify) _____

---

3. Under which of the following categories does your company (or firm) fall:
a) Food, Drinks & Beverages ( )
b) Textiles, Weaving Apparel & Leather industry ( )
c) Wood & wood products industry including furniture ( )
d) Paper and paper products, printing and publishing ( )
e) Chemical & chemical petrol, Rubber & Plastic products ( )
f) Glass ceramics & cement ( )
g) Motor and Mechanical Engineering ( )
h) Electronics and Electrical Engineering ( )
i) Others (please specify) _____

---

4. Under which of the following categories does your firm fall:
a) Small size firms (1-50 employees) ( )
b) Lower medium size(51-100 employees) ( )
c) Upper medium size (101-500) employees) ( )
d) Large size (501 or more employees) ( )

5. What factors do you use to determine the amount of compensation for injured workers?
a) Extent of injury ( )
b) Individual pre-accident income ( )
c) Individual post-accident income ( )

d) Individual age ( )
e) Time between injury and compensation ( )
f) Number of dependants ( )
g) Others (please specify) _____

_____

6. Do you think the process of Compensation, that is, the time of injury till the date of compensation (do not consider those cases that are referred to court) is:

a) Long ( )
b) Just enough ( )
c) Short ( )
d) Others (please specify _____

_____

7. What reason(s) do you give for the answer to question 6, above?

_____

_____

_____

8. Do you think the sums insured for under workmen's compensation insurance, are:

a) Excessive ( )
b) Just enough ( )
c) Inadequate ( )
d) Others (please specify) _____

_____

9. What reason(s) can you advance for the answer to question 8, above?

_____

_____

_____

10. Do you think the compensation amounts offered to injured workers are:

a) Excessive ( )

b) Just enough ( )

c) Inadequate ( )

d) Others (please specify) _____

_____

11. What reason(s) do you give for the answer to question 10, above? _____

_____

_____

12. What is the average period in which you pay injured workers full-salary?

a) 1 month-full salry ( )

b) 2 months-full salary ( )

c) 3 months-full salary ( )

d) Other (please specify) _____

_____

13. What is the average retirement age for your workers?

a) for females _____ years

b) for males _____ years.

14. What problems do you encounter from the Kenyan Workmen's Compensation system?

_____

_____

_____

15. State where the problems (if any) originate from and how they can be solved.

_____

_____

_____

Thank you for your cooperation.

Yours sincerely,

R.A. Detho.
(MBA Candidate).

J.N. Khamalah,
Lecturer Department of
Business Administration
(Academic Supervisor).

APPENDIX I-2

QUESTIONNAIRE TO INSURER

Please answer the following questions by placing a tick (✓) in the spaces provided and/or giving details as may be required.

1. How long has your company been in existence?

_____ years.

2. Your company is a:

a) Multinational subsidiary ( )
b) Locally owned ( )
c) Parastatal ( )
d) Others (please specify) _____

_____

3. Do you think the sums insured for under workmen's compensation insurance are:

a) Excessive ( )
b) Just enough ( )
c) Inadequate ( )
d) Others (please specify) _____

_____

4. What reason(s) can you advance for the answer to question 3 above?

_____

_____

_____

5. Do you think the process of compensation, that is, the time of injury till the date of compensation (do not consider those cases that are referred to court)is:

a) Long ( )

b) Just enough ( )
c) Short ( )
d) Others (please specify) _____

_____

6. What reason(s) do you give for the answer to question 5, above?

_____

_____

7. Do you think the compensation amounts offered to injured workers are:

a) Excessive ( )
b) Just enough ( )
c) Inadequate ( )
d) Others (please specify) _____

_____

8. What reason(s) do you give for the answer to question 7, above? _____

_____

9. What problem(s) do you encounter from the Kenyan Workmen's Compensation system? _____

_____

_____

_____

10. State where the problems (if any) originate from and how they can be solved. _____

_____

_____

Thank you for your cooperation.

Yours sincerely,

R.A. Detho.
(MBA Candidate)

J.N. Khamalah,
Lecturer Department of
Business Administration.
(Academic Supervisor)

APPENDIX J-1

DATA THAT WAS INPUT INTO THE COMPUTER-DEATH CASES-OLD COMPENSATIONS (Compa) AND HUMAN SERVICE VALUE (hsv1)

Row	compa	hsv1
1	22796	218317
2	23985	199572
3	29000	154442
4	29000	324077
5	29000	88801.9
6	22550	167948
7	20623	139225
8	24600	99059.8
9	29000	286080
10	29000	312681
11	29000	246565
12	29000	32911.3
13	29000	424700
14	28580	827981
15	29000	559782
16	29000	278899
17	29000	200367
18	29000	416169
19	29000	573057

APPENDIX J-2

DATA THAT WAS INPUT INTO THE COMPUTER-DEATH CASES - NEW COMPENSATIONS (Compb) AND HUMAN SERVICE VALUE (hsv1).

Row	compb	hsv1
1	35000	218317
2	35000	199572
3	50400	154442
4	49140	324077
5	48090	88801.9
6	35000	167948
7	35000	139225
8	36000	99059.8
9	66900	286080
10	50100	312681
11	45000	246565
12	59400	32911.3
13	68970	424700
14	142800	827981
15	90000	559782
16	44367	278899
17	84000	200367
18	65100	416169
19	150000	573057

APPENDIX J-3

DATA THAT WAS INPUT INTO THE COMPUTER - PERMANENT TOTAL CASES - OLD COMPENSATIONS (Compc) AND HUMAN SERVICE VALUE (hsv2)

Row	compc	hsv2
1	32556.6	227072
2	32877.5	270995
3	57900	590034
4	38000	347526
5	38000	335804

ngth	5	5	0	0	0
pe	N	N	N	N	N

APPENDIX J-4

DATA THAT WAS INPUT INTO THE COMPUTER-PERMANENT TOTAL CASES - NEW COMPENSATIONS (Compd) AND HUMAN SERVICE VALUE (hsv2)

Row	compd	hsv2
1	36174	227072
2	42840	270995
3	90000	590034
4	81000	347526
5	58800	335804

ength	5	5	(
ype	N	N	N

APPENDIX J-5

DATA THAT WAS INPUT INTO THE COMPUTER-PERMANENT PARTIAL INCAPACITY CASES - OLD COMPENSATIONS (Compe) and HUMAN SERVICE VALUE (hsv3)

Row	compe	hsv3	Row	compe	hsv3	Row	compe	hsv3
1	1232	9505.2	51	665.3	4050.85	101	11235.5	50876.6
2	632	1927.1	52	2240.45	11734.4	102	10395	61512.8
3	3888	28633.9	53	2281.5	3498	103	3887	14716.9
4	453.6	2934.45	54	2835	21359.1	104	595.6	4423.3
5	604.8	4496.3	55	648	4016.1	105	6480	47931.4
6	1458	4193	56	9391.2	52025	106	16135.2	125959
7	1185	7958.3	57	3809.7	15036.7	107	6998.4	46414.3
8	401.8	2564.7	58	962	33643.7	108	3697.9	26488.5
9	1333.8	7581.6	59	6831	18816.5	109	2721.6	19730.6
10	317.45	2949	60	337.9	1724.2	110	2245.7	16127.8
11	432	2776.5	61	1184.8	6959.7			
12	13689	102834	62	1868.4	28524	ength	110	110
13	393.7	1731.5	63	1863	3532.8	ype	N	N
14	440.95	3209.5	64	3726	31697.7			
15	1296	7527.35	65	8505	61063			
16	2937.6	21123.3	66	1030.3	7341.9			
17	1872.7	13909.7	67	892.1	5394.1			
18	1096.85	6997	68	1030.3	7341.9			
19	398.9	3000.1	69	1710.9	13065.9			
20	367.9	2687.7	70	1958.25	12210.6			
21	920.15	5797.9	71	6075	44536			
22	232.2	7419	72	1727.3	12039.2			
23	2168	11338.9	73	1814.4	13731.4			
24	2673	3221	74	4387.5	33365.8			
25	6002.1	42959.4	75	594	1772.1			
26	891	2707.65	76	5253.4	8542			
27	502.2	3721	77	1658.5	14858.2			
28	632.8	3506.8	78	2243.7	15781.5			
29	577.8	4154.5	79	486	3102.75			
30	1319.75	8895.1	80	11097	77367.4			
31	298.1	2220.65	81	4339.2	32363.4			
32	4770.9	34739.7	82	561.6	3894.85			
33	736.55	5401.7	83	4536	33106.3			
34	1273.1	1804.55	84	2698.9	30092.3			
35	7560	42145.7	85	3018.6	19350.6			
36	1581.1	10115.9	86	2646	19836.3			
37	6228.9	32033.4	87	912.6	3604.3			
38	631.8	4071	88	1761.5	3343.9			
39	1512.9	10454.5	89	1036.8	8517.45			
40	3170.9	24630.6	90	437.3	3899.15			
41	3386.85	21404.8	91	13019.4	47905.6			
42	1620	4765.3	92	7303	52448.4			
43	2808	21410	93	1944	13637.6			
44	1360.8	10325.4	94	12960	95000.9			
45	1621.75	2079.12	95	1252.8	6212.45			
46	698	5117.7	96	7560	55142.3			
47	729	5083.6	97	972	7286.1			
48	1897	42352.7	98	2629.8	18156.7			
49	259.75	1892.7	99	7790	24383.5			
50	2017.7	15091.6	100	3786	25664.2			

APPENDIX J-6

DATA THAT WAS INPUT INTO THE COMPUTER-PERMANENT PARTIAL INCAPACITY CASES-NEW COMPENSATIONS (Compf) AND HUMAN SERVICE VALUE (hsv3)

low	compf	hsv3	Row	compf	hsv3	Row	compf	hsv3	
1	1368.9	9505.2	51	739.2	4050.85	101	12483.9	50876.6	
2	456	1927.1	52	2489.4	11734.4	102	11550	61512.8	
3	4320	28633.9	53	2535	3498	103	4140	14716.9	
4	504	2934.45	54	3150	21359.1	104	661.8	4423.3	
5	672	4496.3	55	720	4016.1	105	7200	47931.4	
6	1620	4193	56	9288	52025	106	17928	125969	
7	1316.6	7958.3	57	4233	15036.7	107	7776	46414.3	
8	446.4	2564.7	58	5023.2	33643.7	108	4108.8	26488.5	
9	1482	7581.6	59	7590	18816.5	109	3024	19730.6	
10	441.6	2949	60	375.35	1724.2	110	2495.2	16127.8	
11	480	2776.5	61	1316.4	6959.7				
12	15210	102834	62	5190	28524	ength	110	110	0
13	437.4	1731.5	63	2070	3532.8	ype	N	N	N
14	489.95	3209.5	64	4140	31697.7				
15	1440	7527.35	65	9450	61063				
16	3264	21123.3	66	1144.8	7341.9				
17	2080.8	13909.7	67	991.2	5394.1				
18	1107.6	6997	68	1144.8	7341.9				
19	441	3000.1	69	1900.8	13065.9				
20	408.75	2687.7	70	2175.8	12210.6				
21	1022.4	5797.9	71	6750	44536				
22	258	7419	72	1919.25	12039.2				
23	2520	11338.9	73	2016	13731.4				
24	29700	3221	74	4875	33365.8				
25	6669	42959.4	75	660	1772.1				
26	990	2707.65	76	5837.7	8542				
27	558	3721	77	2287.2	14858.2				
28	680.85	3506.8	78	2493	15781.5				
29	642	4154.5	79	540	3102.75				
30	1466.55	8895.1	80	12330	77367.4				
31	331.2	2220.65	81	4821.3	32363.4				
32	5198.4	34739.7	82	624	3894.85				
33	818.4	5401.7	83	5040	33106.3				
34	1414.55	1804.55	84	2998.8	30092.3				
35	8400	42145.7	85	3354	19350.6				
36	1756.8	10115.9	86	2940	19836.3				
37	6921	32033.4	87	1014	3604.3				
38	691.2	4071	88	1957.2	3343.9				
39	1681	10454.5	89	1152	8517.45				
40	3523.2	24630.6	90	579.4	3899.15				
41	3806.4	21404.8	91	14466	47905.6				
42	1800	4765.3	92	8114.4	52448.4				
43	3120	21410	93	2160	13637.6				
44	1512	10325.4	94	14400	95000.9				
45	1802.55	2079.12	95	1392	6212.45				
46	776.4	5117.7	96	8400	55142.3				
47	810	5083.6	97	1080	7286.1				
48	6674.7	42352.7	98	2922	18156.7				
49	288.6	1892.7	99	7968	24383.5				
50	2241.9	15091.6	100	4200	25664.2				

APPENDIX J-7

DATA ON VARIABLES THAT WERE INPUT INTO THE COMPUTER - DEATH CASES-OLD COMPENSATIONS (compa) AND INCOME (Income 1)

compa	income1
22796	556
23985	585
29000	840
29000	819
29000	801.5
22550	550
20623	503
24600	600
29000	1115
29000	835
29000	750
29000	990
29000	1149.5
28580	2380
29000	1500
29000	739.45
29000	1400
29000	1085
29000	2500

APENDIX J-8

DATA ON VARIABLES THAT WERE INPUT INTO THE COMPUTER - DEATH CASES-NEW COMPENSATIONS (Compb) AND INCOME (Income 1)

Row	compb	income1
1	35000	556
2	35000	585
3	50400	840
4	49140	819
5	48090	801.5
6	35000	550
7	35000	503
8	36000	600
9	66900	1115
10	50100	835
11	45000	750
12	59400	990
13	68970	1149.5
14	142800	2380
15	90000	1500
16	44367	739.45
17	84000	1400
18	65100	1085
19	150000	2500

APPENDIX J-9

DATA ON VARIABLES THAT WERE INPUT INTO THE COMPUTER- PERMANENT TOTAL CASES - OLD COMPENSATIONS (Compc), INCOME (Income 2) AND DEGREE OF INCAPACITY (degree 2)

compc	income2	degree2
32556.6	602.9	100
32877.5	1190	60
57900	1500	100
38000	1800	75
38000	1225	80

5	5	5	0
N	N	N	N

APPENDIX J-10

DATA ON VARIABLES THAT WERE INPUT INTO THE COMPUTER-PERMANENT TOTAL CASES-NEW COMPENSATIONS (Compd), INCOME (Income2) AND DEGREE OF INCAPACITY (degree 2)

Row	compd	income2	degree2
1	36174	602.9	100
2	42840	1190	60
3	90000	1500	100
4	81000	1800	75
5.	58800	1225	80

	5	5	5	0	ength	5	5	5	0
	N	N	N	N	ype	N	N	N	N

APPENDIX J-11

DATA ON VARIABLES THAT WERE INPUT INTO THE COMPUTER-PERMANENT PARTIAL CASES-COMPENSATION (Compe), INCOME (Income3), AND DEGREE OF INCAPACITY (degree3)

compe	income3	degree3	Row	compe	income3	degree3
1232	456.3	5	51	665.3	1232	1
632	380	2	52	2240.45	1383	3
3888	360	20	53	2281.5	845	5
453.6	420	2	54	2835	750	7
604.8	560	2	55	648	1200	1
1458	540	5	56	9391.2	1032	15
1185	548.6	4	57	3809.7	1411	5
401.8	744	1	58	962	837.2	10
1333.8	494	5	59	6831	1265	10
317.45	736	1	60	337.9	625.6	1
432	400	2	61	1184.8	2194	1
13689	845	30	62	1868.4	865	10
393.7	729	1	63	1863	690	5
440.95	816.6	1	64	3726	690	10
1296	1200	2	65	8505	1050	15
2937.6	680	8	66	1030.3	1908	1
1872.7	693.6	5	67	892.1	1652	1
1096.85	461.5	4	68	1030.3	1908	1
398.9	735	1	69	1710.9	1584	2
367.9	681.25	1	70	1958.25	1813.2	2
920.15	852	2	71	6075	750	15
232.2	430	1	72	1727.3	1066.25	3
2168	1050	4	73	1814.4	840	4
2673	495	10	74	4387.5	812.5	10
6002.1	741	15	75	594	1100	1
891	550	3	76	5253.4	1945.9	5
502.2	465	2	77	1658.5	953	4
632.8	1134.8	1	78	2243.7	831	5
577.8	535	2	79	486	900	1
1319.75	488.85	5	80	11097	1027.5	20
298.1	552	1	81	4339.2	1339.25	6
4770.9	456	19	82	561.6	520	2
736.55	682	2	83	4536	840	10
1273.1	589.4	4	84	2698.9	1666	3
7560	700	20	85	3018.6	2795	2
1581.1	732	4	86	2646	1225	4
6228.9	769	15	87	912.6	1690	1
631.8	1152	1	88	1761.5	1631	2
1512.9	933.9	3	89	1036.8	960	2
3170.9	734	8	90	437.3	965.65	1
3386.85	1586	4	91	13019.4	2411	10
1620	600	5	92	7303	1932	7
2808	650	8	93	1944	900	4
1350.8	630	4	94	12960	960	25
1521.75	600.35	5	95	1252.8	1160	2
698	1294	1	96	7560	1400	10
729	1350	1	97	972	900	2
1897	585.5	19	98	2629.8	2435	2
259.75	481	1	99	7790	1328	10
2017.7	747.3	5	100	3786	1400	5
			101	11235.5	4161.3	5
			102	10395	3850	5
			103	3887	690	10
			104	595.6	1103	1
			105	6480	1200	10
			106	16135.2	1245	24
			107	6998.4	3240	4
			108	3697.9	1712	4
			109	2721.6	1260	4

APPENDIX J-12

DATA ON VARIABLES THAT WERE INPUT INTO THE COMPUTER
PERMANENT PARTIAL CASES - COMPENSATIONS (Compf),
INCOME (income3), AND DEGREE OF INCAPACITY (degree3)

Row	compf	income3	degree3	Row	compf	income3	degree3
1	1368.9	456.3	5	51	739.2	1232	1
2	456	380	2	52	2489.4	1383	3
3	4320	360	20	53	2535	845	5
4	504	420	2	54	3150	750	7
5	672	560	2	55	720	1200	1
6	1620	540	5	56	9288	1032	15
7	1316.6	548.6	4	57	4233	1411	5
8	446.4	744	1	58	5023.2	837.2	10
9	1482	494	5	59	7590	1265	10
10	441.6	736	1	60	375.35	625.6	1
11	480	400	2	61	1316.4	2194	1
12	15210	845	30	62	5190	865	10
13	437.4	729	1	63	2070	690	5
14	489.95	816.6	1	64	4140	690	10
15	1440	1200	2	65	9450	1050	15
16	3264	680	8	66	1144.8	1908	1
17	2080.8	693.6	5	67	991.2	1652	1
18	1107.6	461.5	4	68	1144.8	1908	1
19	441	735	1	69	1900.8	1584	2
20	408.75	681.25	1	70	2175.8	1813.2	2
21	1022.4	852	2	71	6750	750	15
22	258	430	1	72	1919.25	1066.25	3
23	2520	1050	4	73	2016	840	4
24	29700	495	10	74	4875	812.5	10
25	6669	741	15	75	660	1100	1
26	990	550	3	76	5837.7	1945.9	5
27	558	465	2	77	2287.2	953	4
28	680.85	1134.8	1	78	2493	831	5
29	642	535	2	79	540	900	1
30	1466.55	488.85	5	80	12330	1027.5	20
31	331.2	552	1	81	4821.3	1339.25	6
32	5198.4	456	19	82	624	520	2
33	818.4	682	2	83	5040	840	10
34	1414.55	589.4	4	84	2998.8	1666	3
35	8400	700	20	85	3354	2795	2
36	1756.8	732	4	86	2940	1225	4
37	6921	769	15	87	1014	1690	1
38	691.2	1152	1	88	1957.2	1631	2
39	1681	933.9	3	89	1152	960	2
40	3523.2	734	8	90	579.4	965.65	1
41	3806.4	1586	4	91	14466	2411	10
42	1800	600	5	92	8114.4	1932	7
43	3120	650	8	93	2160	900	4
44	1512	630	4	94	14400	960	25
45	1802.55	600.35	5	95	1392	1160	2
46	776.4	1294	1	96	8400	1400	10
47	810	1350	1	97	1080	900	2
48	6674.7	585.5	19	98	2922	2435	2
49	288.6	481	1	99	7968	1328	10
50	2241.9	747.3	5	100	4200	1400	5
				101	12483.9	4161.3	5
				102	11550	3850	5
				103	4140	690	10
				104	661.8	1103	1
				105	7200	1200	10
				106	17928	1245	24
				107	7776	3240	4
				108	4108.8	1712	4
				109	3024	1260	4
				110	2485.2	2070	1

APPENDIX J-13

DATA THAT WAS INPUT INTO THE COMPUTER-ALL CASES - STANDARD TIME (time) AND TIME TAKEN TO COMPENSATE INJURED WORKERS - IN MONTHS (time2).

Row	time2	time	Row	time2	time	Row	time2	time
1	3	19	51	3	9	101	3	18
2	3	47	52	3	16	102	3	27
3	3	19	53	3	10	103	3	26
4	3	69	54	3	27	104	3	15
5	3	46	55	3	55	105	3	15
6	3	37	56	3	17	106	3	12
7	3	51	57	3	21	107	3	19
8	3	34	58	3	53	108	3	16
9	3	53	59	3	52	109	3	20
10	3	50	60	3	27	110	3	20
11	3	49	61	3	10	111	3	9
12	3	12	62	3	15	112	3	20
13	3	38	63	3	9	113	3	15
14	3	12	64	3	16	114	3	7
15	3	36	65	3	6	115	3	18
16	3	14	66	3	27	116	3	17
17	3	31	67	3	15	117	3	13
18	3	8	68	3	57	118	3	17
19	3	26	69	3	8	119	3	15
20	3	25	70	3	5	120	3	7
21	3	21	71	3	38	121	3	15
22	3	5	72	3	4	122	3	11
23	3	15	73	3	13	123	3	16
24	3	120	74	3	9	124	3	14
25	3	103	75	3	20	125	3	12
26	3	26	76	3	53	126	3	14
27	3	22	77	3	14	127	3	11
28	3	38	78	3	5	128	3	9
29	3	20	79	3	15	129	3	7
30	3	19	80	3	31	130	3	9
31	3	93	81	3	47	131	3	8
32	3	83	82	3	14	132	3	8
33	3	84	83	3	12	133	3	6
34	3	83	84	3	35	134	3	4
35	3	13	85	3	23			
36	3	82	86	3	17	ength	134	134
37	3	97	87	3	29	ype	N	N
38	3	15	88	3	13			
39	3	7	89	3	27			
40	3	22	90	3	10			
41	3	22	91	3	27			
42	3	71	92	3	32			
43	3	10	93	3	31			
44	3	8	94	3	35			
45	3	18	95	3	11			
46	3	11	96	3	25			
47	3	12	97	3	33			
48	3	16	98	3	26			
49	3	81	99	3	27			
50	3	10	100	3	11			

APPENDIX K

Hypothesis Testing:

The differences in means were tested using the t-test statistic at 0.05 level of significance, under the following hypothesis:

$$Ho: U_1 - U_2 = 0$$
$$Ha: U_1 - U_2 \neq 0$$

Where the null hypothesis, Ho, stated that there was no diffrence in the two means:

Two values were compared, that is,

T = Computed t-statistic; and
t = the tabulated value.
(or critical value).

Decision rule:

1. If $-t > T > t$ reject Ho.
2. If $-t \leq T \leq t$ do not reject Ho.

The results of the above test are presented in the following tables.

Table K-1 (a) Human Service Values Versus Compensation as per the Old Benefit Levels - Death cases.

	Mean	Standard Deviation	Number of Observations
Human Service Value	292,139.00	197258.00	19
Compensation	27,375.50	2836.37	19

T = 5.84999
t =-0.0000011
Reject Ho.

Table K-1 (b) Human Service Values Versus Compensation as per the New Benefit Levels - Death Cases.

	Mean	Standard Deviation	Number of Observations
Human Service Values	292,139.00	197258.00	19
Compensations	62,645.60	33705.10	19

T = 4.99876
t = -0.0000151
Reject Ho.

Table K-2 (a) Human Service Values Versus Compensation as per the Old Benefits Levels - Permanent Total Incapacity.

	Mean	Standard Deviation	Number of Observations
Human Service Values	354,286.00	140610.00	5
Compensations	39,866.80	10421.80	5

T = 4.98641
t = -0.0010709
Reject Ho.

Table K-2 (b) Human Service Values Versus Compensation as per the new benefit levels - Permanent Total Incapacity.

	Mean	Standard Deviation	Number of Observations.
Human Service Values	354,286.00	140610.00	5
Compensations	61,762.80	23393.60	5

T = 4.58881

t = 0.0017814

Reject Ho.

Table K-3 (a) Human Service Values Versus Compensation as per the old benefit levels - Permanent Partial Incapacity.

	Mean	Standard Deviation	Number of Observations
Human Service Values	19232.50	22313.40	110
Compensations	2992.54	3307.06	110

T = 7.55085

t = 0.0000000000012

Reject Ho

Table K-3 (b) Human Service Values Versus Compensations as per the new benefit levels - Permanent-Partial

	Mean	Standard Deviation	Number of Observations
Human Service Values	19232.50	22313.40	110
Compensations	3658.07	4432.58	110

T = 7.18021

t = 0.000000000011

Reject Ho

Table K-4 Death Compensations as per the old benefit and new benefit levels.

	Mean	Standard Deviation	Number of observations
Old level	27275.50	2836.37	19
New level	62625.60	33705.10	19

T = -4.54523

t = 0.0000597

Reject Ho.

Table K-5 Permanent Total Compensation as per the old and new benefit levels

	Mean	Standard Deviation	Number of Observations
Old level	39866.80	10421.80	5
New level	61762.80	23393.60	5

T =-1.91178

t = 0.0922772

Do not reject Ho.

Table K-6 Permanent Partial Compensations as per the old and new benefits levels.

	Mean	Standard Deviation	Number of observations
Old level	2992.54	3307.06	110
New level	3658.07	4432.58	110

T = -1.26216
t = 0.208239
Do not reject Ho.

Under death compensations, the null hypothesis, Ho, was rejected and it was shown that there was a significant difference between the two means.

Table K-7 Time taken to compensate injured workers against a standard mean of 3 months:

	Mean	Standard Deviation	Number of observations
Actual time	26.2313	22.6934	134
Standard time	3	0	134

T = -11.8502
t = -0.0000000000000466
Reject Ho.

APPENDIX L

Regression Results

To show the relationships that existed between the variables, the following regression model was applied:

$$Y = a + b_1 x_1 + b_2 x_2$$

Where:

Y = the compensation amount;
(i.e. the dependent variable)
a = a constant
b_i = regression coefficient;
x_1 = Income (independent variable,1); and
x_2 = degree of incapacity (independent variable, 2).

The results were as follows:

1. (a) Death cases - under old benefit levels.
$Y = 24841 + 2.44x_1$

(b) Death cases - under new benefit levels.
$Y = 1204.67 + 59.26x_1$

2. (a) Permanent Total incapacity - under old benefit levels.
$Y = 17791.67 + 16.49 \times 1 + 443.62 \times 2$

(b) Permanent Total incapacity - under new benefit levels.
$Y = 66779.1 + 53.95 \times 1 + 727.38 \times 2$

3. (a) Permanent Partial incapacity - under old benefit levels.
$Y = 2326.17 + 2.44 \times 1 + 466.74 \times 2.$

(b) Permanent partial incapacity - under new benefit levels.
$Y = -2129.86 + 2.37 \times 1 + 562.69 \times 2.$

APPENDIX M

T-tests for regressions:

These tested the hypothesis that the net regression coefficients were equal to Zero, that is, that income and degree of incapacity had no effect on compensation, or

$$Ho: B_1 = 0$$
$$Hl: B_1 = 0$$

and

$$Ho: B_2 = 0$$
$$Hl: B_2 = 0$$

Using n-k degrees of freedom (DF) at 5% level of significance.
Where

Bi = regression coefficients;
n = number of observations; and
k = number of constants.

Again two t-values were compared namely T (computed) and t (tabulated).

Decision rule:

1. If $-t > T > t$ reject Ho.
2. If $-t \leq T \leq t$ do not reject Ho.

The results of the above tests are presented in the following table.

Table M-1 Significance t-tests for the regressions

Incapacity	Old benefit levels			New benefit levels			Degree of freedom (DF)
	T		t	T		t	
	Income	Degree of incapacity		Income	Degree of incapacity		
Death	2.33	-	2.11	122.63	-	2.11	17
Permanent Total	1.72	1.79	2.92	10.85	5.66	2.92	2
Permanent Partial	12.66	21.37	1.984	6.01	12.62	1.984	107

APPENDIX N

F-Tests for regressions

An overall significance test for the regressions was accomplished by means of analysis of variance using the F-test.

The F-tests tested the null hypothesis that all of the true population regression coefficients were equal to Zero, that is,

Ho: All of the Bi values equal zero.
Hl: Not all of the Bi values equal zero.

The degrees of freedom for this test were:

$V1 = K-1$
$V2 = n-1$

Where:

V1 = number of degrees of freedom for the numerator;
V2 = number of degrees of freedom for the denominator;
K = number of constants; and
n = number of observations.

Decision rule:

1. If $F(V1,V2) > F\alpha$, reject Ho
2. If $F(V1,V2) < F\alpha$, do not reject Ho.

Where
$F(V1,V2)$ = the calculated F-value (Ratio)
$F\alpha$ = the tabulated or critical F-ratio.

The F-tests were again carried at 0.05 level of significance.

The results are presented below:-

Table N-1 Analysis of Variance for the full regressions :

Incapacity	F(V1,V2)		Fα	Degrees of freedom	
	Old benefit	New benefit		V1	V2
Death	5.00	15038.00	4.45	1	17
Permanent Total	2.34	61.57	19.00	2	2
Permanent Partial	277.88	89.29	3.08	2	107

APPENDIX - O - DETAILED DATA ON 134 INJURED WORKERS BETWEEN 1978 to 1987.

O-1

	INJURY REPORT DATE	MONTHLY SALARY	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF COMPENSATION	COMPENSATION IN KSHS. (FATAL)	COMPENSATION IN KSHS. PERMANENT TOTAL INCAP.	NATURE & ASSESSMENT OF INJURY
1	20.1.1978	556.00	Casual worker	construction Engineers.	male	24	21.8.79	22,796.00	-	Fell from a building (7th floor) (100%)
2	3.3.1979	602.90	Compresser operator.	Building & Civil Engineering Contractors.	male	30	8.2.83	-	32,556.60	Total paralysis of both lower limbs (100%)
3	1.2.1980	585.00	Helper of machine operator.	Structural and mechanical Engineering.	male	34	2.9.81	23,985.00	-	- (100%)
4	9.6.1980	840.00	Carpenter	Building contractors	male	49	10.3.86	29,000.00	-	Fell from a building (1st floor) (100%)
5	8.9.1980	819.00	Trimmer & machine operator	Plastic manufacturer	male	25	4.7.84	29,000.00	-	- (100%)
6	8.12.1981	801.50	Casual labourer	Building contractors	male	53	7.11.85	29,000.00	-	Hepatoma (100%)
7	10.4.1982	550.00	Casual labourer	Building contractors	male	29	22.7.86	22,550.00	-	- (100%)
8	13.5.1982	503.00	Watchman	Security service	male	42	3.3.85	20,623.00	-	stabbed to death by thugs

APPENDIX O-1 Cont...

	INJURY REPORT DATE	MONTHLY SALARY	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF COMPENSATION	COMPENSATION IN KSHS. (FATAL)	COMPENSATION IN KSHS. (PERMANENT TOTAL INCAP	NATURE & ASSESSMENT OF INJURY
9	29.1.1983	600.00	Stone breaker	Concrete contractors	Male	50	4.6.87	24,600.00	-	crushed by stones (100%)
0	11.10.1983	1,115.00	Artizan IV	-	male	43	15.12.87	29,000.00	-	Fractured skull - road accident (100%)
1	18.10.1983	835.00	Cleaner	Garment Manufacturers	male	29	24.11.87	29,000.00	-	Burns all over the body (100%)
2	19.10.1983	1,190.00	Driver	Civil Contractors	male	28	1.10.84	-	32,877.50	Fractured right rib& femar (60%)
3	6.8.84	1,500.00	Mason	Building contractors	male	25	23.10.87	-	57,900.00	Injury to spinal cord. (100%)
4	23.11.1984	1,800.00	Driver	-	male	43	25.11.85	-	38,000.00	Spinal injury (75%)
5	20.2.1985	7,50.00	Watchman	Egg & Poultry (Producers & Distributors)	Male	37	4.2.88	29,000.00	-	Fractured skull (100%)

APPENDIX 0-1 Cont..

	INJURY REPORT DATE	MONTHLY & YEARLY SALARY	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF COMPENS-ATION	COMPENS-ATION IN KSHS. (FATAL)	COMPENS-ATION IN KSHS. PERMANENT TOTAL INCAP.	NATURE & ASSESSMENT OF INJURY
16	1o.5.1985	990.00	Mason	Building Contractors	Male	58	6.7.86	29,000.00	-	Fell down (100%)
17	1.6.1985	1,149.50	Guard	Security Organisation	male	31	14.1.88	29,000.00	-	Shot dead by thugs (100%)
18	4.6.1985	2,380.00	Carpenter	Civil Engineering Contractors	male	36	12.2.86	28,580.00	-	Drowned (100%)
19	24.10.1985	1,500.00	Plant operator	Building civil Engineering contractors	male	29	3.12.87	29,000.00	-	Crushed by tractor (100%)
20	12.1.1986	739.45	Guard	Security organisation	male	30	11.2.88	29,000.00	-	Killed by thugs (100%)
21	14.3.1986	1,400.00	Messager	Agro-chemical Industry	male	51	3.12.87	29,000.00	-	Head injury (motor accident) (100%)
22	2.6.1986	1,085.00	Laundry Boy	Seismic Exploration	male	27	17.11.86	29,000.00	-	Motor Accident 9 (100%)
23	11.10.1986	2,500.00	Driver	Transportation Business	male	46	27.1.88	29,000.00	-	Shot dead by bandits (100%)
24	11.7.1986	1,225.00	Glass cutter & fitter	General Glass merchants and picture frames	male	35	5.4.87		- 38,000.00	(80%)

APPENDIX O-2

INJURY REPORT DATE	MONTHLY SALARY (KSHS)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
14.3.1978	456.30	-	Sheer Metal Works	male	20	4.3.88	1282.00	Tip of (R) Index, middle finger cut off (5%)
13.8.1978	380.00	Labourer	Fubrication of Steel structures	male	44	23.3.87	456.00	Cut on right middle finger (2%)
14.9.1978	360.00	Rolling mill	Engineering Works	male	22	22.11.80	3,888.00	Four fingers (R) cut off (20%)
22.9.1978	420.00	Labourer	Engineering Works	male	33	3.7.80	453.60	Fracture on a radius (Lt) (2%)
22.1.1979	560.00	Machine Operator	Furniture	male	24	11.3.82	604.80	Injury to ring finger (2%)
15.3.1979	540.00	Driver	Contractors	male	67	6.11.80	1,458.00	Stiffness of elbow and wrist-forearm. (5%)
3.5.1979	548.60	Labourer	Building and	male	30	15.12.80	1,185.00	Last finger (4%)
11.5.1979	744.00	Groundsmen Cleaner	Hotelier	male	35	20.2.87	401.86	Injury to little finger

APPENDIX 0-2 Cont....

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
9	25.6.1979	494.00	Stone Breaker	Black trap quarrying	male	39	2.5.86	1,333.80	Loss of five phalanges (5%)
0	26.6.1979	736.00	Beaker	General caters	male	24	3.6.86	317.45	Injury to index finger (R) (1%)
1	10.8.1979	400.00	General worker	-	male	34	25.7.86	432.00	- (2%)
2	11.8.1979	845.00	Machine operator	Printers and publishers	male	20	9.9.86	13,689.00	Injury to finger (30%)
3	23.8.1979	729.00	Working with a grinding machine	Building and civil contractors	male	45	4.6.86	393.70	- (1%)
4	18.9.1979	816.60	Welder	Engineers	male	25	14.10.87	440.95	Compound fracture of distal phalanx of the big toe

APPENDIX O-2 Cont ....

INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
23.9.1979	1,200.00	Carpenter	Construction work	male	37	10.12.80	1,296	Injury to small finger (2%)
24.11.1979	680.00	Office Assistance	Agro-chemical	male	26	5.6.80	2,937.60	Loss of metacarpals (8%)
26.11.1979	693.60	Apprentice	Omnibus operators	male	22	4.9.81	1,872.70	Injury to middle, ring and little finger (5%)
8.2.1980	461.50	-	Coffee farm	male	27	10.12.81	1,096.85	Tip of 3rd & 4th fingers (1t) (4%)
18.3.1980	735.00	Carpenter	Furniture manufacturers	male	23	26.2.86	398.90	Tip of finger cut off. (1%)
30.4.1980	681.25	Carpenter	Building and construction	male	25	24.2.81	367.90	Injury to index finger(R)

APPENDIX O'-2 Cont....

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
21	3.7.1980	852.00	Casual labourer	Building contractors	male	35	2.3.81	920.15	Injury to the second finger (1t) (2%)
22	23.8.1980	430.00	General worker	Electricity supply	male	21	18.2.82	232.20	Fracture on (1t) arm and leg. (1%)
23	25,8,1980	1,050.00	mason	Refrigeratian air-conditio-ning contractors	male	42	9.7.81	2,168.00	Injury to index finger(R) (4%)
24	4.9.1980 ankl	495.00	-	Repair garage	male	32	7.9181	2673.00	Injury to unkle (10%)
25	25.9.1980	741.00	W/Filter	manufacturers	male	28	15.1.82	6,002.10	Fracture on clavicle (shoulder) (15%)
26	6.10.1980	550.00	Electrician	Electrical contractors	male	50	6.7.87	891.00	Fracture on Tibia (R)

APPENDIX 0-2 Cont ....

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
27	4.12.1980	465.00	-	Engineering works	male	22	2.10.81	502.20	Injury to lens (2%)
28	14.12.1980	1134.80	machine operator	-	male	38	4.9.81	632.80	partial loss of distal phalanx of middle finger (1%)
29	25.12.1980	535.00	Sweeper	-	male	27	6.4.82	577.80	Injury to middle finger (2%)
30	9.2.1981	488.85	Turn-boy	Omnibus operators	male	30	1.12.81	1,319.75	Leg injury (5%)
31	7.7.1981	552.00	Casual labourer	manufacturers of concrete pipes	male	22	26.10.83	298.10	- (1%)
32	28.711981	456.00	General worker	Spinning	male	25	11.2.86	4770.90	Index and middle finger [illegible]

INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
30.7.1981	682.00	Casual labourer	manufacturers of suitcases	male	23	3.12.82	736.55	Fracture of tibia and tibula (2%)
1.1.1981	589.40	Manual worker	-	male	66	5.10.82	1273.10	Amaflosis of (R) ring finger (4%)
12.8.1981	700.00	mason	contractors	male	40	7.1.86	7,560.00	Compound fracture of lower end radius of ulna (L) (20%)
15.9.1981	732.00	labourer	Civil Engineering contractors	male	35	7.1.86	1,581.10	Injury to 3rd finger (R) (4%)
14.11.1981	769.00	Watchman loading off iron bars	civil Engineering contractors	male	42	13.2.84	6228.90	fracture on leg(lt) (15%)
22.2.1982	1,152.00	Conductor	Omnibus operators	male	2 32	6.12.82	631.80	(R) Index & (L) little fingers (1%)

APPENDIX 0-2 Cont....

INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
24.2.1982	933.90	Carpenter	Building contractors	male	30	9.5.83	1,512.90	Cut on little finger (L) (3%)
1.4.1982	734.00	labourer	Building and civil Engineering contractors	male	19	7.1.83	3,170.90	Injury to hand(R) and 2 middle fingers (R) (8%)
5.4.1982	1,586.00	Process minder	Brewers	male	35	26.8.83	3,386.85	Injury to hand(R) (4%)
23.4.1982	600.00	Outdoor servant	Domestic	male	50	18.10.82	1,620.00	Injury to index finger (R) (5%)
30.4.1982	650.00	Carpenter & Joinery	Furniture & polystyrene manufacturers	male	20	3.7.84	2,808.00	Loss of (R) thumb (8%)
31.5.1982	630.00	machine operator	weaving	male	20	10.8.83	1,360.80	Loss of phalanx distal & (L) index finger (4%)

APPENDIX Q-2 Cont....

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
45	1.6.1982	600.85	Watchman	-	male	56	4.3.87	1,621.75	Stiff (L) ring and little finger (5%)
46	3.6.1982	1,294.00	Omnibus operators	male	male	20	5.2.83	698.00	Injury to thumb (R) (1%)
47	11.6.1982	1,350.00	Driver	Omnibus operators	male	28	22.11.82	729.00	Fracture to index finger (L) (1%)
48	21.6.1982	585.50	Bus cleaner	"	male	29	13.8.85	1,897.00	Dislocation of (L) shoulder (19%)
49	29.7.82	481.00	Casual labourer	manufacturer of chemicals and pharmaceuticals	male	24	26.11.82	259.75	- (1%)
50	8.10.1982	747.30	General worker	Printing	male	23	7.11.83	2,017.70	Cut on 3rd fingers (5%)

APPENDIX O.-2 Cont....

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
51	16.11.1982	1,232.00	Bus conductor	Omnibus operators	male	36	31.8.83	665.30	Injury to (R) hip joint (1%)
52	25.12.1982	1,383.00	Driver	Omnibus operators	male	41	10.8.84	2,240.45	twisted (R) index finger (3%)
53	29.1.1983	845.00	Sweeper	-	female	62	11.6.87	2,281.50	Hit by a car (5%)
54	4.4.1983	750.00	Carpenter	Manil Ltd	male	22	7.6.84	2,835.00	Loss of little and ring finger (7%)
55	7.5.1983	1,200.00	Carpenter/ machine	Furniture workshop	male	35	26.10.1983	648.00	Injury to tip of little finger (L)) (1%)
56	22.7.1983	1,032.00	Painter	Building contractors	male	35	22.10.84	9,288.00	Broken clavicle and dislocated

APPENDIX O-2 Cont...

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
7	29.8.1983	1,411.00	Driver	-	male	47	21.3.86	3,809.70	Injury to knee (L) (5%)
8	30.12.1983	837.20	machine operator	-	male	22	24.11.87	962.00	Injury to the distal finger (R) (10%)
9	12.4.194	1,265.00	Driver	Security organisation	male	51	23.6.85	6,831.00	Shot on left arm (10%)
0	21.5.1984	625.60	machine operator	industry	male	42	7.5.1885	337.90	Injury to finger (1%)
61	6.7.1984	2,194.00	Motor vehicle mechanic	-	male	36	4.6.87	1,184.80	Injury to (R) little finger (1%)
2	10.10.84	865.00	RV loader	-	male	36	15.9.86	1,868.40	Injury to head (R) shoulder

ANNEXURE 6 2 Cont....

INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
15.10.1984	690.00	Guard	Security organisation	male	54	12.3.86	1,863.00	Cut on head and (R) thumb (5%)
2o.10.1984	690.00	Guard	Security organisation	male	27	17.3.87	3,726.00	Fractured arm (10%)
6.1.1985	1,050.00	mason	Building construction	male	28	24.2.86	8505.00	- (10%)
3.2.1985	1,908.00	motor vehicle mechanic	-	male	28	25.5.1987	1,030.30	Injury to (R) ring finger (1%)
5.2.1985	1,652.00	Driver	-	male	36	11.12.1985	892.10	Injury to middle finger (1%)
7.2.1985	1,908.00	Motor vehicle mechanic	-	male	28	18.5.87	1,030.30	Injury to right shoulder (1%)

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
79	19.2.85	1,584	Conductor	Omnibus operators	male	23	1510.87	1,710.70	Deep cut on the nose (2%)
80	8.3.85	1,813.20	welder	Motor trade	male	35	1.10.87	1,958.25	Gas burns on chest and neck (2%)
81	8.4.85	750.00	Loader	Clearing agents	male	26	2.3.88	6,075.00	Fracture on left tarsal bone, dislocation of (L) ankle (15%)
82	13.4.85	1,066.25	Delivery man	-	male	30	17.3.86	1,727.30	Injury to ankle (3%)
83	16.4.85	812.50	casual labourer	manufacturer of steel windows & doors	male	21	7.5.87	1,814.40	Amputation of index finger (4%)
84	8.6.85	812.50	Guard	-	male	22	3.3.88	4,387.50	Head injury (10%)

APPENDIX 0-2 Cont...

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
75	31.8.85	1,100.00	Watchman	-	male	50	26.10.87	594.00	Fractured leg and wound on head (1%)
76	7.10.85	1,945.90	Laundry presser	Hotelier	male	55	14.1.88	5,253.40	Burns on left hand (5%)
77	9.10.85	953.00	Machine operator	Printing and publishing	male	26	8.9.86	1,658.50	Injury to finger (4%)
78	11.1185	831.00	casual worker	Industry	male	29	28.5.87	2,243.70	Injury to leg (5%)
79	28.11.85	900.00	Turn boy	Manufacturer of precast products	male	35	16.2.88	486.00	Amputed (R) foot (1%)
80	11.1.86	1,027.50	Labourer	General glass merchant and glazzing covertors	male	30	18.3.88	11,097.00	Fractured neck of scapule and clavicle (20%)

APPENDIX O-2 - Cont...

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
31	15.1.86	1,339.25	machine operator	Civil Construction Engineers	male	24	8.4.87	4,339.20	Fracture on (R) clavicle bone (6%)
32	17.2.86	520.00	Casual	manufacturing	male	30	13.5.87	561.60	Injury to left leg (2%)
33	24.2.86	840.00	Watchman	Security services	male	26	28.2.87	4,536.00	Cut on head and teeth knocked (10%)
34	25.4.86	1,666.00	mason	Building contractors	male	22	5.11.87	2,698.90	Extention disfanuity 5th finger (3%)
35	6.5.86	2,795.00	Boiler attendant	Bottlers Co-	male	35	24.9.87	3,018.60	Big toe cut (2%)
36	22.6.86	1,225.00	Carpenter	Furniture workshop	male	24	13.2.88	2,646.00	Injury to (R) finger

APPENDIX 0-2 Cont...

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
7	3.7.86	1,690.00	mason	Building contractors	male	47.	18.3.88	912.60	Dislocation of hand (1%)
8	25.7.86	1,631.00	mechanic	motor trade	male	54	2.3.88	1,761.50	Injury to fingers (2%)
9	5.8.86	960.00	Loader	Furniture workshop	male	42	26.11.87	1,036.80	Injury to finger (R) (2%)
0	19.8.86	965.65	Casual worker	manufacturers of books	male	24	16.3.87	437.30	Cut on (R) small finger (1%)
1	15.9.86	2,411.00	Machine operator	Tyre manufactures	male	48	9.3.88	13,019.40	Dislocation of shoulder (10%)
2	23.9.86	1,932.00	Machine operator	manufacturer of glass	male	28	16.2.88	7303.00	(L) index finger cut (7%)

APPENDIX O-2 Cont....

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
93	1.10.86	900.00	Cable laying	Telecommunacation instrumentation	male	28	26.11.87	1,944.00	Injury to fingers (4%)
94	6.10.86	960.00	manual worker	Agro-chemical	male	26	8.3.88	1,2960.00	Broken (L) thigh (25%)
95	7.10.86	1,160.00	manual worker	Tyre manufactures	male	43	29.1.88	1,252.80	Fracture on 3rd (lean) finger (2%)
96	29.10.86	1,400.00	Salesman	Furniture workshop	male	26	27.5.87	7,560.00	Injury to head and (R) knee (10%)
97	7.11.86	900.00	casual	manufacturing	male	24	24.2.88	972.00	Injury to finger (2%)
98	11.11.86	2,435.00	Process minder	Brewers	male	27	15.10.87	2,629.80	Cut on head (2%)

APPENDIX O-2 Cont.....

INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
12.11.86	1,328.00	-	-	male	49	8.3.88	7,790.00	Ankylosis of (R) ankle joint (10%)
19.11.86	1,400.00	Electrician	Electrical contractors	male	32	27.1.88	3,786.00	Fractured (R) arm (5%)
10.12.86	4,161.30	cook	Hotelier	male	44	3.12.87	11,235.50	Injury to head, fingers and shoulder (5%)
11.12.86	3,850.00	Messanger	-	male	38	17.2.88	10,395.00	Raptured spleen (5%)
8.4.87	690.00	Guard	Security organisation	male	47	4.3.88	3,887.00	Injury to (L) leg (10%)
5.5.87	1,103.00	Machine operator	-	male	25	17.2.88	595.60	Injury to

APPENDIX O-2 Cont....

	INJURY REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PERMANENT PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
05	8.5.87	1,200.00	Carpenter	Furniture workshop	male	21	17.12.87	6,480.00	Tibia coudyles (10%)
06	2.6.87	1,245.00	Machine operator	paper and wire covertors	male	18	9.3.88	16,135.20	(L) ring finger cut off (24%)
07	5.7.87	3,240.00	Machine operator	paper manufacturer	male	33	18.3.88	6,998.1	Burns on (R() hand (4%)
08	20.7.87	1,712.00	Machine operator	Paper manufacturer	male	28	18.3.88	3,697.90	Fracture of middle finger (4%)
09	7.9.87	1,260.00	General mechanic	lamps	male	27	16.3.88	2,721.60	Injury to (R) index finger (4%)

INJU... REPORT DATE	MONTHLY SALARY (KSHS.)	WORKER'S OCCUPATION	EMPLOYER'S OCCUPATION	SEX	AGE (YEARS)	DATE OF OFFICIAL RECEIPT	PARTIAL COMPENSATION IN KSHS.	NATURE AND ASSESSMENT OF INJURY
27.10.87	2,079.35	Machine attendant	manufacturer of soft drinks	male	28	18.2.88	2,245.70	Cut on upper part of (L) hand (2%)

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