

Study on the Plans for Improvement of Accident Compensation System for Public Officials in the Perspective of Fairness with Regular Laborers

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Abstract: There has not been much concern on accident compensation policy for public officials among policy-makers due to low cases of disasters and insurance benefit on an annual basis. This study is intended to compare and analyze occupational health and safety insurance targeting on regular laborers with accident compensation policy for public officials and suggest issues and plans for improvement. In addition, this study aims to compare the degree of accident compensation provided to public officials and accident compensation offered to regular laborers seeking for plans to establish efficient accident compensation system. For this, first of all, it is required to improve differentiated payment for survivor's benefit on duty during the period of service. Since compensation on disasters on duty is in the form of damage compensating payment, it is desirable to provide identical benefit as the damage is not different from the period of service. Secondly, there is a need to improve the guarantee of disability pension benefit with the one in the occupational health and safety insurance. Third, it is required to adopt disease compensating pension, funeral service expenses and nursing benefits and other benefits from the occupational health and safety insurance in the accident compensation policies for public officials to acquire fairness with the one for regular laborers. There is a need to acquire fairness between public officials and regular laborers by equalizing the compensation system in the identical level with accident compensation level with regular laborers.

Key words: Accident compensation policies for public officials, accident compensation policies for laborers, disasters on duty, fairness, disaster benefits, level

INTRODUCTION

Accident compensation policy for public officials has been adopted to pay an appropriate amount to public officials or their families if they are recuperated become disabled or die because of diseases or wounds on duty so that they are able to safely life by providing necessary resources (Dagyung, 2009).

Accident compensation amount is paid to public officials or their families by the nation or local communities in the perspective of users if public officials are recuperated, become disabled or die due to diseases or wounds on duty. This is a benefit in the form of social insurance policy for contributing to protect lives and improve welfare of public officials and their families.

Current accident compensation policy for public officials has been integrated with public officials pension act and government employees pension service is an operating organization. Accident compensation policy for public officials has been operated for government employees with relatively low chance of disaster. Therefore, there has not been much concern on accident compensation policy for public officials among

policy-makers due to low cases of disasters and insurance benefit on an annual basis. Therefore, there have been few studies previously conducted in dealing with accident compensation policies for public officials as well as officially related statistical data.

Therefore, this study is intended to compare and analyze occupational health and safety insurance targeting on regular laborers with accident compensation policy for public officials and suggest issues and plans for improvement. In addition, this study aims to compare the degree of accident compensation provided to public officials and accident compensation offered to regular laborers seeking for plans to establish efficient accident compensation system.

OUTLINE OF ACCIDENT COMPENSATION POLICIES FOR PUBLIC OFFICIALS

Significance of policies and standards for recognition of disaster: Accident compensation policy for public officials has been adopted to pay an appropriate amount to public officials or their families if they are recuperated, become disabled or die because of diseases

Table 1: Standards of recognizing accident compensation for public officials

Major contents	Enforcement Ordinance of Public Officials Pension Act (Article)
Diseases on duty	11
Accidents before or after public officials are on duty	13
Accidents occurred while commuting to work	14

or wounds on duty so that they are able safely life by providing necessary resources. This is a benefit in the form of social insurance policy for contributing to protect lives and improve welfare of public officials and their families. Standards for recognizing accident compensation are applied as follows in Table 1 according to Enforcement Ordinance of Public Officials Pension Act.

According to the Article 11 of Enforcement Ordinance, disease is regarded to occur on duty in case of incidence of new disease or significantly deteriorated conditions of previous disease. In addition, according to Article 13 of Enforcement Ordinance, accidents occurred when public officials involved in preparatory or organizing behaviors needed for the duty before or after they are on duty or during break time or due to incomplete or recklessness of facility management that are required or obligated for move-in for public officials to perform their duty is recognized as wound or death on duty.

In addition, according to the Article 14 of Enforcement Ordinance, if public officials are wounded or die due to traffic accidents, falling accident or other accidents if commuting to work in a normal route or while coming to or returning from work place, this is regarded as wound or death on duty that is relevant to the standards of recognition of accident compensation.

However, if public officials are wounded or die due to accidents on duty, there are exceptional provisions for not recognizing them as disasters on duty. According to the Article 12 in Enforcement Ordinance of Public Officials Pension Act, if public officials are wounded or die due to accidents occurred without significant cause-and-effect relationship with accomplishment of duty or intentional causes they are not recognized as wound or death on duty.

Types of benefit for accident compensation policies:

Accident compensation policies are to provide an appropriate amount for wound, illness or disability from retirement, death or duty of public officials contributing to stabilize lives of government employees and their families and improve welfare of them (Jaegi, 2004). Types of benefit in accident compensation policies include a long-term benefit for guaranteeing income and short-term benefit in the form of subsidy. Short-term benefit includes the amount of recuperation on duty, one-time benefit for recuperation on duty, subsidy for accident and four types of condolence money for death. Long-term benefit

includes thirteen types including four types of severance amount, two types of disability benefit, six types of survivor’s benefits and retirement amount. Among these benefits, survivor’s pension, survivor’s compensation, disability pension, disability benefits, survivor’s pension from disability amount and recuperation benefit are relevant to accident compensation benefits (Jinsoo and Chulsoo, 2004).

COMPARISON WITH OCCUPATIONAL HEALTH AND SAFETY INSURANCE FOR REGULAR LABORERS

Comparison of recuperation benefits: Public official pension policy and occupational health and safety insurance policy are providing an amount of recuperation benefit needed for treatment of wound or disease of public officials (laborers) on disasters on duty (on work). Prior to revision of law in 2011, accident compensation policies for public officials had restricted the period of recuperation up to 3 years. However, law has been revised to extend the period of recuperation and support the benefits in case of re-occurrence of wound or disease or if continuous recuperation is required. Since, accident compensation policy for public officials provides recuperation amount needed from re-convalescence in case of re-occurrence or deteriorated conditions after the treatment as occupational health and safety insurance has not limited the recuperation period in principles, it is of regulation improved with fairness of accident compensation between laborers and public officials. At last, public officials are able to recuperate until their wounds or diseases are completely healed (fixed symptoms) from disasters on duty in the accident compensation policies for public officials. Hereupon, policy has been improved without limiting the number of re-convalescence.

On the other hand, recuperation benefits on duty in the public officials pension policy recognize a period of more than a day for recuperation as convalescence on duty as a part of compensation. However, occupational health and safety insurance only provides accident compensation if >4 days are required for recuperation due to wounds or diseases. Therefore, cases with <3 days of recuperation period are excluded from the scope of accident compensation.

In addition, occupational health and safety insurance allows to provide treatment regardless of recuperation period if re-convalescence is required due to re-occurrence or deteriorated conditions of wounds or diseases. Even if re-convalescence is not required, laborers are eligible to have medical service required for treatment of wounds or diseases due to disasters on duty after recuperation period ends through diagnostic system

for aftereffect in symptoms (Jinsoo and Chulsoo, 2004). However, there is insufficient amount of institutional policies for supplementing recuperation amount including diagnostic policies for aftereffect in symptoms in public officials pension policy (KDI, 2002).

Comparison of disability benefits: In the occupational health and safety insurance, disability benefit is paid according to the grades of disabilities if laborers become disabled due to wounds or diseases on duty. Occupational health and safety insurance classifies the disabilities into 14 grades. In case of grades from 1-3, it is obligated to provide disability benefits. In case of grades from 4-7, one of either pension or lump-sum payment is selected by recipient. In addition, pension is not provided in cases of grades from 8-14 and only lump sum payment is provided. However, public officials wounded on duty are eligible to select either pension or lump sum payment regardless of grades of disabilities.

Disability payment in public officials pension policy is not limited to disasters on duty but to be made on the assumption of retirement. If performing the duty after returning to the position without retirement, disability payment is not provided. Since, disability payment is provided on the assumption of retirement, there is no compensation on direct or indirect expenses occurring due to disasters on duty while public officials are in service (KWCWS, 1996).

Comparing with them, regular laborers are guaranteed with disability payment in the occupational health and safety insurance for disabilities occurring from disasters on duty and are also eligible to receive disability pension from National Pension Policy for disabilities occurring in disasters not on duty. In order to receive disability benefit from the National Pension Act, disability grades shall be from one to four as regulated by the National Pension Act. Therefore, they only guarantee for severe disability. In addition, regular laborers experienced disasters on duty are eligible to receive 100% of disability payment in occupational health and safety insurance and 50% of disability pension if they are relevant to payment conditions regulated by National Pension Policy.

Disability grades in public officials pension act and occupational health and safety insurance are identical from grade 1-14. However, as for the amount of payment, 32.5-52% of the monthly income is provided from public officials pension act from grade 1-7 while the amount from 37.8-90% of the average income is provided in occupational health and safety insurance.

Relative gap in compensation amount in each grade of disability is analyzable when comparing the guarantee

Table 2: Proportion of benefit in each grade in disability pension in each policy (Grade 1 = 100)

Classification Grade	Public official pension	Occupational health and safety insurance	Soldiers pension	National pension
1	100.00	100.00	100.00	100.0
2	93.75	88.45	93.75	83.3
3	87.50	78.12	87.50	66.6
4	81.25	68.09	81.25	-
5	75.00	58.66	75.00	-
6	68.75	49.86	68.75	-
7	62.50	41.95	62.50	-
8	56.25	-	-	-
9	40.00	-	-	-
10	43.75	-	-	-
11	37.50	-	-	-
12	31.25	-	-	-
13	25.00	-	-	-
14	18.75	-	-	-

Grade 14; Grade 14 (Lump sum payment for less than Grade 8); Grades 1~7; Lump sum payment for Grade 4

ratio in each grade versus the guaranteed compensation grade 1. Table 2 represents the level of benefit in other grades while establishing the amount of benefit in grade 1 as 100. In public official pension, grade 7 is guaranteed with the amount of grade 1 as the 62.5% of the benefit. On the other hand, grade 7 is guaranteed with the amount of grade 1 as 41.95% of the benefit in occupational health and safety insurance.

Survivor’s benefits: In the occupational health and safety insurance, survivor’s benefit is provided to the families in case of death on duty. If there is no recipient for pension, survivor’s lump sum payment is provided. However, accident compensation policies for public officials have not paid the survivor’s pension to survived families of the late public officials due to disasters on duty prior to revision of law in 2011 but only provided survivor’s benefits and pension only if public officials working for >20 years died. However, if public officials working for <20 years died on duty, survivor’s lump sum payment and benefit were provided. However, there was a disability survivor’s pension policy in accident compensation policies for public officials. Therefore, 60% of disability pension that relevant public officials were eligible to receive was provided to survived families if public officials receiving disability pension due to disasters on duty deceased.

Due to lack of survivor’s pension policy in accident compensation policies for public officials, it has not been feasible to practically protect minimum living expenses of survived families of public officials deceased on duty.

Therefore, law has been revised in 2011 adopting survivor’s pension policy. Depending on the period of service, there was a difference on the amount of benefit in survivor’s pension. In case of <20 years of service of public officials wounded on duty, 26% of the monthly

Table 3: Comparison of compensation for survived families

Classification	Contents	Notes
Public officials pension		
Disabled survivor's pension	60% of disability pension	Decease of benefit pension recipient
Survivor's benefit	23.4 times of monthly income	Decease of public officials wounded on duty
Survivor's pension	<20 years of service: 26% of monthly incomex More then 20 years of service: 32.5% of monthly income	Decease on duty
Condolence money for death	1.95 times of monthly income	Decease of public officials
Soldiers pension		
Survivor's pension	70% of difference in the amount of retirement pension 55-65% of monthly compensation	Decease on duty Decease not on duty
Condolence money for death	3 times of monthly compensation amount	Decease of soldiers on duty
Occupational health and safety insurance	52% of basic compensation pension	Addition of added amount on the basic amount

income was provided. In case of >20 years of service, 32.5% of monthly income was provided as a part of improvement Table 3.

Survivor's pension in National Pension Policy provided survivor's pension as the 40% of basic pension amount in case of <10 years with the benefit followed by 50% of basic pension amount in case between 10 and 20 years and 60% in case of >20 years depending on the period of subscription.

Comparison of other benefits

Incapacity benefits: In the occupational health and safety insurance, 70% of average income of laborers under disasters is provided as an incapacity benefit during the period when they are unable to perform economic activities while protecting laborers and their families. Comparing with them, public officials pension policy is only providing recuperation benefit on duty and lump sum payment of recuperation on duty during the period when they are recuperated due to disasters on duty.

In the public officials pension policy, expenses related to recuperation are guaranteed if government employees are recuperated due to disasters on duty. However, incapacity benefit needed for maintaining the lives of laborers and their families is not provided. However, according to regulations of public officials compensation, it is specified that the entire amount of monthly income is to be provided during the leave of absence due to disasters on duty. Since, regulations in public officials compensation guarantee the incapacity benefit on disasters on duty, accident compensation policies for public officials is not providing duplicated amount.

Subsidy benefits: In the public officials pension policy, disaster subsidy is provided. Depending on the severity of disaster, pre-determined amount is provided. In the occupational health and safety insurance, the amount relevant to 120 days from the average income is provided for funeral of laborers deceased due to disasters on duty.

When comparing the condolence money for death (1.9 times of monthly income) and funeral service expenses in the occupational health and safety insurance in the public officials pension policy, the amount in the occupational health and safety insurance is a bit higher. Of course, condolence money for death is provided to public officials if they decease regardless of duty as well as in case when their families die.

Nursing benefits: In the occupational health and safety insurance, 38,240 Won is provided a day when constant nursing is required on those receiving the recuperation benefit after treatment. In addition, 25,490 Won is provided a day for frequent nursing. There is no regulation to provide regular laborers nursing benefit in the accident compensation policy for public officials.

PROBLEMS IN ACCIDENT COMPENSATION POLICIES FOR PUBLIC OFFICIALS AND PLANS FOR IMPROVEMENT

Suspension of payment for disability pension in case of Re-convalescence: Prior to revision of law in 2011, recuperation benefit in the accident compensation policies for public officials has been provided for 3 years including 2 years of period for providing benefit and a year of lump sum amount of recuperation. Afterwards, medical guarantee has not been provided. This was an excessive regulation on recuperation period of public officials wounded on duty causing an issue of fairness with regular laborers. Therefore, regulations on recuperating period were abolished that re-convalescence was provided only if there was a medical opinion for how active treatment was required due to deteriorated conditions or re-occurrence of wound or disease on duty.

In the accident compensation policies for public officials, there is no incapacity benefit policy for guaranteeing the income of public officials wounded on duty (Purcell, 2008). Benefit is provided up to 3 years and 8 months due to sick leave or leave of absence

according to regulations of compensation for public officials. However, if it exceeds 3 years and 8 months due to long-term recuperating period, laborers in service are guaranteed only with recuperating expenses without income. It is difficult to expect full treatment if income is not guaranteed on public officials wounded on duty if they have family members to support. Therefore, there is a need to establish institutional means so that public officials wounded on duty are able to have enough recuperation by saving a part of income loss in the accident compensation policies for public officials in case of long-term recuperating period.

Differentiated application of survivor's pension on duty from the period of service: Prior to the revision in law in 2011, there was no survivor's benefit on decease on duty. In case of service for >20 years, survivor's pension was provided regardless whether it was on or not on duty. However, in case of decease on duty, revision in law has improved the policies for providing survivor's pension on duty. Depending on the period of service, there was a difference of benefit amount of survivor's pension. In case of <20 years of service, 26% of monthly income was provided. In case of more than 20 years of service, 32.5% of monthly income was provided.

However, there is a need to review whether differentiated compensation according to the period of service is desirable on public officials in disasters on duty. This is because accident compensation on laborers is highly related to damage compensation. Therefore, damage cannot be different from death according to period of service. Therefore, it is not desirable to differently apply survivor's pension on duty according to period of service. It is appropriate to provide identical amount of survivor's compensation (Nam and Kim, 2016). There is a difference on the amount for benefit of survivor's pension by dividing the periods into the one for more than or <20 years for soldiers pension.

In addition, compensation of survivor's pension is either 26% of 32.5% of monthly income. However, this amount is very low compared to the compensation of survivor's pension in the range from 52-67%. The difference of compensation on survivor's pension in occupational health and safety insurance has been different depending on whether they had family members to support. If there is one person with a right to receive survivor's pension, 52% of the monthly income is provided. Total 57% of the amount is provided if there are two recipients followed by 62% for three recipients and 67% for four recipients.

Lack of disability benefits in case of disasters not on duty: Public officials are not eligible to receive compensation on disasters if they are not disorders from

causes on duty. In other words, disability benefit is only provided on disasters on duty for public officials. Regular laborers are guaranteed with compensation on disasters on duty in the occupational health and safety insurance and on disasters not only duty from the National Pension. Furthermore, if the disasters on duty are relevant to the grade of disabilities regulated by National Pension, disability pension is added on the amount from the occupational health and safety insurance that they are eligible to receive 50% of disability benefit (Seungryul, 2009). It is desirable to prepare for regulations on disability benefits from disasters not on duty in the public officials pension act and maintain the fairness with regular laborers (Solis, 2009).

Lack of rehabilitation service and benefit system according to cash compensation: In the occupational health and safety insurance, overall rehabilitation system including medical, social and career rehabilitation was established and equipped with a system for providing active rehabilitation service (Chun *et al.*, 2015). Measures for supporting rehabilitation to society have been prepared for injured laborers. However, if public officials are disabled, it is difficult to serve as a role of comprehensive policies as various rehabilitation benefits are not provided with disability benefit. There is a need to adopt and operate rehabilitation needed for making public officials wounded on duty to return to the original position or society. In developed countries, the importance of rehabilitation has been recognized in occupational health and safety insurance for regular laborers as well as accident compensation policies for public officials. Therefore, various programs have been developed and implemented (Chun *et al.*, 2015).

Problems of disability pension with low guarantee: As for the grade of disability benefit in the accident compensation policies for public officials, disability is in grades from 1-3 and this is smaller than the benefit compared to the grade of occupational health and safety insurance. Disability benefits of the public officials (1-3 grades) are between 52-45.5% of the monthly income and the amount is from 90.1-70.4% in the occupational health and safety insurance. In addition, regular laborers receive benefit from the occupational health and safety insurance and National Pension in case of disasters. Therefore, they receive the amount after deducting 100% of disability benefits in the occupational health and safety insurance and 50% of disability pension amount. Therefore, disability benefit in the accident compensation policies for public officials is relatively lower than the disability pension amount from the occupational health and safety insurance and National Pension for regular laborers.

Preparation for disaster compensating policies from independent law: Current accident compensation policies for public officials are regulated in the public officials pension act. Therefore, they are operated with public officials pension policies without fully reflecting the social demands on disasters compensation on duty. In order to swiftly reflect needs on the accident compensation for public officials wounded on duty, it is required to operate independent law on accident compensation for public officials. In Japan, accident compensation policies for public officials are operated by independent accident compensation law for government employees or for public officials in local areas. Policies are operated in the human resource department with national pension for public officials. For public officials in local areas, policies are operated in the independent accident compensation fund for public officials in local areas.

Preparation for accident compensation system identical with regular laborers: Accident compensation policies for public officials have a benefit amount lower than the ones for regular laborers in the occupational health and safety insurance while the range to be supported with benefit is limited. Targeting regular laborers, occupational health and safety insurance was adopted in 1964 improving policies through revisions in laws thereafter and has been adjusted in social and economic changes. However, accident compensation policies for public officials are operated with public officials pension act with low frequency of occurrence. Therefore, it has been operated without improvement of policies. Hereupon, level of benefit and applicability of recipient are limited compared to regular laborers and the level of guarantee is evaluated to be low. Public official pension policy provides a high level of guarantee on public officials pension. Therefore, there has been an issue of fairness with regular laborers that policies are being improved for reducing the level of guarantee but increasing the burden on pension insurance premium. However, accident compensation policies for public officials are of a low level of compensation compared to regular laborers. Therefore, there is a need to improve accident compensation system that is identical or at least similar with the one for regular laborers for fair policies.

CONCLUSION

As for the basic direction of improving accident compensation policies for public officials, it is required to establish accident compensation system based on independent accident compensation law for public officials and also the disaster compensation system that

is identical with the one for regular laborers. It is feasible to swiftly react with needs on accident compensation for public officials wounded on duty and socio-economic changes through independent accident compensation insurance law for public officials. In addition, there is a need to acquire fairness between public officials and regular laborers by equalizing the compensation system in the identical level with accident compensation level with regular laborers.

RECOMMENDATIONS

For this, first of all, it is required to improve differentiated payment for survivor's benefit on duty during the period of service. Since, compensation on disasters on duty is in the form of damage compensating payment, it is desirable to provide identical benefit as the damage is not different from the period of service. Secondly, it is required to actively adopt rehabilitation service for promoting the rehabilitation of public officials wounded on duty to the original position at work or society. Third, there is a need to improve the guarantee of disability pension benefit with the one in the occupational health and safety insurance. Fourth, it is required to adopt disease compensating pension, funeral service expenses and nursing benefits and other benefits from the occupational health and safety insurance in the accident compensation policies for public officials to acquire fairness with the one for regular laborers.

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