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Work Comp turns 100 years old

“Arr matey. I’ll give ye 100 pieces of eight for the lost eye.” This type of reimbursement for pirate work injuries may have been the precursor to modern day workers’ compensation. It is believed that 18th century pirates compensated their mates for loss of income resulting from job related injuries. The average income for a pirate was two pieces of eight per week, according to [Lexis Nexis](#), a work comp blog. An injured eye would get a worker 100 pieces of eight, which would equal out to 50 weeks of wages. The pirates developed a detailed system of benefits. Centuries later in the states, work comp reached its 100th birthday.

Prior to work comp, employees fought work injuries through a negligence suit against the employer. These suits were often unsuccessful and costly. Employees were required to prove employer negligence and employers were given three strong defenses to avoid just that, according [Risk Management Magazine](#). The following defenses were crippling to employees.

1. Contributory Negligence, which deemed that if the employee was in any way at fault, for example falling into exposed machinery, the employer escaped blame.
2. Fellow Servant decreed that if a fellow employee contributed to the injury through actions or negligence, than the employee was not liable.
3. Assumption of Risk held that the employer could not be blamed for worker injuries resulting from job hazards that employees were aware of when they took the job.

Source: [Risk Management Magazine](#)

Well, it is not a wonder that employees seldom won these suits. The ball was definitely in the employer’s court. From this, it seems that modern work comp was created to aid employees, but both employees and employers wanted reform. Employee won-negligence-suits often crippled employers financially. This financial risk scared employers into reform and thus workers’ compensation developed.

Work comp began in Europe during the 1800s and slowly traveled to the states around the 1900s. State governments enacted laws to provide workers with prompt and guaranteed benefits regardless of fault. In return, employers could not be sued and the risk of catastrophic financial losses was eliminated.

Many states and federal bodies, including President Taft, attempted to form work comp legislation, but the legislation was often found unconstitutional or had no real power, according to [The Iowa Orthopaedic Journal](#) (IOJ). It wasn’t until 1911 that the first comprehensive worker’s compensation act, that was deemed constitutional, occurred in Wisconsin. Nine other states passed regulations that year, followed by thirty-six others before the decade was over. Mississippi passed the last work comp legislation in 1948, according to IOJ.

Since its installment, work comp remains a state issue. Each state’s work comp system varies and employers should check their individual state legislation. Indiana employers and employees can reference the [Worker’s Compensation Board of Indiana](#) to find information about resolving disputes, answer questions and obtain statistical information regarding work comp. The future of work comp remains unknown, but with an aging work force, an increase in service jobs dealing with technology and advances in

healthcare, some type of reform maybe be in the not too distant future for this 100-year-old program. Keeping in line with a centennial celebration, employers and employees alike can access the [Workers' Compensation Centennial Commission \(WCCC\)](#), which was formed to help celebrate the anniversary of work comp and the many improvements that have occurred within work comp law.

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