

Independent Development Trust (IDT)



Annexure 2

Measuring injury experience

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Measuring injury experience

1. Background

Injury experience has traditionally been measured by the use of a disabling injury frequency rate, the so-called “DIFR”. The DIFR is calculated by multiplying the number of disabling injuries by 1 million and dividing by the number of person-hours worked.

The DIFR has recently been replaced internationally with a disabling injury incidence rate (DIIR). The only difference between the two rates is that the 1 million in the calculation is replaced with 200 000 (200 000 purported to be the number of hours and average person works in a lifetime).

The use of the two rates above has proved to be somewhat problematical as they are open to manipulation and disabling injuries are often “hidden” by returning the injured employee to the workplace so as not to lose a shift and therefore having to register a disabling injury.

The construction industry recently decided to promote the use of a new frequency rate based on the number of compensation injury claims, as these are more difficult to hide or manipulate because the reporting of compensationable injuries is a legal requirement.

The industry is hoping that adoption of this new measurement of injury experience will enable the industry to monitor itself as far as work related injuries are concerned.

2. Compensation Incidence Frequency Rate (CIFR)

2.1 Formula

$$\frac{\text{No of compensation claims} \times 200\,000}{*220 \text{ person hours} \times \text{No of employees}}$$

2.2 Definitions

No of compensation claims: The number of claims lodged with the Commissioner or COID insurer for the period under review.

200 000: The fixed factor to align the rate with other rates used internationally.

Person hours worked include: Hourly paid employees
Sub-contactors (No of employees X *220 each)
Staff (No of employees X *220 hours each)

220 person-hours:

The *average number of hours worked by one employee in one month in the construction industry.

Note: * Overtime, absence on leave or sick leave, unrecorded after hours time worked by senior and middle management factored into this average.

No of employees:

The actual or average number of employees employed for the period under review.