

Insurers call for tax breaks for work rehab

The body representing insurers has called for new tax incentives to improve the UK's poor record on rehabilitating employees who are injured or fall ill in the workplace. ABI said last year 28 million working days were lost to work-related illness costing businesses up to £13 billion a year. In addition, 2.7 million people claim Incapacity Benefit, costing the taxpayer £7 billion a year. Yet only 12 per cent of UK employers provide any form of rehabilitation programmes for their employees. As part of a package of measures to boost care for ill and injured workers, the ABI is calling for a new tax credit to reward employers who provide rehabilitation programmes. It says rehabilitation should not be deemed a tax benefit for employees and should qualify for tax relief for employers. ABI's Justin Jacobs said: "Britain has one of the worst records on treating workplace ill-health of all industrialised nations. The ill, injured, their families, and businesses all pay the price through financial strain and lost productivity. Insurers are doing much to develop rehabilitation products, but we need to encourage greater employer take up, and get government to lead in promoting greater rehabilitation." TUC head of safety Hugh Robertson commented: "The TUC echoes the call from the ABI that the government should not tax access to rehabilitation. Given the government's commitment to developing rehabilitation services, it is wrong that those employers who provide them should have to be taxed on this."

- [ABI news release.](#)