

14 September 2015

NAT018/15

### National Update

#### SUMMARY

**New South Wales:** WorkCover NSW is replaced by three new organisations; Workers' Compensation changes became effective on 1 September 2015; and first Premium milestone for return to work occurs on 29 September 2015.

**Accident Make Up Pay Decision:** An important Fair Work Commission decision has resulted in Accident Makeup Pay provisions being included in a number of Awards from 15 October 2015.

#### WorkCover NSW replaced by three new organisations

With effect from 1 September 2015, the regulation of workplace safety and workers' compensation in NSW will be separated and carried out by new organisations. Employers should see little change on a day to day basis. There will be a safety regulator with the same powers as now, and workers' compensation will be dealt with as an insurance product through licenced Agents/Insurers.

**SafeWork NSW** will be the organisation ensuring compliance with work health and safety laws. The safety laws have not changed, just the name of the inspectorate which will continue to provide advice, as well as undertake compliance and enforcement activities and conduct investigations. All existing WorkCover programs, licenses, certificates, authorisations and training and assessment providers will be recognised by the new body.

**Insurance & Care NSW** will be the body that oversees workers' compensation premiums and claims. Claims will still be processed through an employer's existing agent/insurance company.

The **State Insurance Regulatory Authority** will handle the back office regulation of the workers' compensation system, including premiums, benefits and self-insurance rules.

#### NSW Workers' Compensation Changes effective 1 September 2015

Members have previously been advised of changes to the NSW workers' compensation legislation. See Compliance Advice [NAT 014/15](#), dated 19 August 2015. These amendments are now effective.

#### NSW – 28 September 2015 – an important date for some

In July 2015 members were advised of significant changes to the workers' compensation premium in NSW (Member Advice [NAT 009/15](#)). The amendments include the provision of a Return to Work Incentive (RTWI%) if certain return to work timeframes are met, as outlined below.

Return to work after date of injury	RTWI%
Less than 13 weeks	15%
13 weeks or greater, but less than 26 weeks	10%
26 weeks or greater, but less than 52 weeks	5%

These discounts apply to claims lodged against a policy that took effect on or after 4pm on 30 June 2015; making 28 September 2015 the first possible milestone. These incentives will impact the premium payable in 2016/17 and beyond.

If you need assistance facilitating the return to work of an injured worker in NSW, now is the time to contact Ramon Gebert on 0415 857 173, or via email [ramon.gebert@aigroup.com.au](mailto:ramon.gebert@aigroup.com.au)

## **Workers' Compensation Accident Makeup Pay Provisions**

Ai Group has been actively involved in representing member interests in a significant case considered by a Full Bench of the Fair Work Commission (FWC), which considered union claims for accident pay entitlements to be included in 37 awards.

Accident Makeup Pay Provisions operate to provide a "top-up" payment to workers who are in receipt of weekly compensation under workers' compensation legislation.

The FWC has decided to include accident pay entitlements in 22 of the awards with effect from 15 October 2015.

The FWC has decided **not to include accident pay entitlements in 15 of the 37 awards** (including the Manufacturing and Associated Industries and Occupations Award 2010, the Clerks – Private Sector Award 2010, the Food, Beverage and Tobacco Manufacturing Award 2010, the Graphic Arts, Printing and Publishing Award 2010, the General Retail Industry Award 2010 and several other awards).

The terms of the accident pay clauses which will be inserted into the relevant awards have not yet been finalised by the FWC. Ai Group will distribute a member advice on the relevant individual awards when the specific terms of the variations have been settled by the FWC.

More information about the decision can be found in Ai Group's Workplace Relations Compliance Advice [NAT 016/15](#), dated 27 August 2015.

## **Do you require further advice?**

For information or assistance, please contact the **Ai Group's Workplace Advice Line** on 1300 78 38 44.

For information about our safety and workers' compensation consulting and training services, contact:

### **Consulting Services**

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