

## Allianz Australia Workers' Compensation (NSW) Limited

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Dear Employer

The laws regarding Workers Compensation are about to be simplified to assist small business.

### What Will Change?

From 30 June 2008, Employers who expect to pay \$7,500 or less in annual Wages will no longer require a Workers Compensation insurance Policy. This includes households who employ domestic staff and pay \$7,500 or less in annual Wages. However, a Workers Compensation insurance Policy will still be required if an Employer engages an apprentice or trainee, or is a member of a group for Workers Compensation purposes.

### How Will the Change Affect You?

#### Employers who paid \$7,500 or less in annual Wages in 2007/08:

- If you expect your circumstances to remain unchanged you will not require a Workers Compensation insurance Policy from 30 June 2008, unless you engage an apprentice or trainee or are a member of a group for Workers Compensation purposes. To finalise your Policy, complete and return the enclosed declaration of actual Wages paid for the 2007/08 Policy period.
- If you expect to pay more than \$7,500 in annual Wages over the next year you will need to complete and submit the attached Wages estimate and renew your Policy. This also applies if you employ an apprentice or trainee – complete and submit the attached estimated Wages declaration, noting which Wages are for an apprentice or trainee.
- If **at any time in the future** you expect to pay more than \$7,500 in Wages for the financial year (1 July to 30 June), or you become a member of a group for Premium purposes or engage an apprentice or trainee, contact Allianz on 1300 130 664 immediately as you will then require a Workers Compensation insurance Policy.

Penalties may apply if you provide incorrect Wage declarations or fail to take out a Policy when your Wages exceed \$7,500 per annum.

#### Employers who paid more than \$7,500 in annual Wages in 2007/08:

- If you expect your circumstances to remain unchanged you will still require a Workers Compensation insurance Policy. To renew your Policy, complete and return the enclosed declaration of actual Wages paid for the 2007/08 Policy period and your Wages estimate as usual.
- If you expect to pay \$7,500 or less in Wages over the next financial year, you will still need to submit a Wages estimate to Allianz Australia. Your Policy will not be renewed if you meet the exemption conditions and you will no longer receive renewal notices. However, if at any time your circumstances change and you expect to pay more than \$7,500 in Wages for the financial year, you will need to obtain a Workers Compensation Policy.

Penalties may apply if you provide incorrect Wage declarations or fail to take out a Policy when your Wages exceed \$7,500 per annum.

### What Will Happen in the Event of a Claim?

If you are an Employer who no longer requires a Workers Compensation insurance Policy from 30 June 2008, your Workers will still be covered.

If one of your Workers makes a Claim for Workers Compensation, you will need to contact WorkCover on 13 10 50 to report the Claim. WorkCover will allocate a scheme agent to manage the Claim. You will have the same obligations as you do now to provide assistance with Injury management and Return To Work. An administrative fee, currently \$175, will be payable for any Claim.

Incidents involving Injury or illness to Workers should be reported to WorkCover within 48 hours.

For **serious incidents** involving a fatality or a serious Injury or illness (refer to clause 344 of the OHS Regulation 2001):

- Phone WorkCover **immediately** on **13 10 50** as an urgent investigation may be needed.

### Record Keeping Requirements

Workers Compensation record keeping requirements will also be simplified. The period that Wages Records must be kept will be reduced from seven to five years.

### Further Information

If you have questions about how these changes will affect your current or future Policy requirements please contact Allianz on 1300 130 664. Further information is also available on the WorkCover website at [www.workcover.nsw.gov.au](http://www.workcover.nsw.gov.au).