

INFORMATION SHEET

Changes to Workers Compensation in NSW

Due to the underperformance of the Workers Compensation Scheme (**Scheme**) in NSW the government recently undertook a review of the Scheme.

As a result of this review a number of amendments to the legislation have been made to improve the Scheme's financial position and its ability to support injured workers.

The amendments change the way workers compensation benefits claims are assessed and paid.

The changes affect all new and existing workers compensation claims (with very few exceptions).

Please note some amendments take effect from 27 June 2012, while for others a commencement date has not yet been announced.

The following information provides a summary of the key changes:

- **Journey Claims** – these will only be paid where there is a substantial connection between the persons employment and the accident or incident causing the injury¹.
- **Weekly benefits** – these benefits will now be calculated based on the workers real earnings in the period prior to injury and may decrease over time as outlined in the following table.

Percentage entitlement relative to time since claim was made	0 – 13 weeks	14 – 130 weeks	130 weeks – 5yrs/retirement	Over 5 years – retirement:
Up to 95% of pre-injury average weekly earnings	All injured workers	Injured workers working 15 hrs or more (actual pay + top-up)	Injured workers working 15 hrs or more (actual pay + top-up)	Weekly payments cease except for workers with a whole person permanent impairment over 20%.
Up to 80% of pre-injury average weekly earnings		Workers with no work capacity Workers able to work but doing less than 15 hrs	Workers with no work capacity	

¹ This changes takes effect from 27 June 2012

- **Work capacity assessments** – injured workers receiving weekly benefits will need to undergo work capacity testing at various stages throughout the life of the claim and at least every 2 years (these assessments are not required by injured workers with more than 30% whole person impairment).
- **Return to work obligations** – The new laws have a focus on employees and employers working together to improve return to work results. A worker who is able to work must in cooperation with the employer, make a reasonable effort to work and an employer may be requested to provide such work.

WorkCover inspectors will be able to issue improvement notices in relation to an employer's non-compliance with return to work obligations.

- **Existing Claims** – Special arrangements apply for those people already receiving weekly payments. Any workers whose entitlement will change due to the new laws will be given 3 months' notice of any change to their weekly entitlement.
- **Other changes** - payments for pain and suffering have been removed as have payments for nervous shock for family members of deceased or injured workers². Payments to cover medical treatment will end either at 12 months after the claim for compensation is made; or 12 months after the last weekly benefit is paid; whichever occurs last³.

For more details information on the changes to workers compensation and how they affect you please contact your HIA Workplace Adviser on 1300 650 620.

² This change takes effect from 27 June 2012

³ This change takes effect from 27 June 2012