



New South Wales

Workers Compensation Amendment (Premiums) Regulation 2006

under the

Workers Compensation Act 1987

Her Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Workers Compensation Act 1987*.

DIANE BEAMER, M.P.,
Minister Assisting the Minister for Commerce

Explanatory note

The object of this Regulation is to amend the *Workers Compensation Regulation 2003 (the Principal Regulation)* as a consequence of the enactment of the *Workers Compensation Legislation Amendment Act 2006 (the Amending Act)*.

More specifically, the objects of the Regulation are as follows:

- (a) to omit redundant provisions in respect of a **prescribed excess amount** in relation to the excess that an employer is required to repay an insurer under a policy of insurance in respect of each weekly compensation claim that the insurer has paid under the policy (those amounts are in future to be set out in the relevant insurance premiums order) (**Schedule 1 [1]**),
- (b) to provide that provisions in an insurance premiums order that specify a prescribed excess amount apply to policies of insurance issued or renewed by specialised insurers (**Schedule 1 [3]**),
- (c) to provide, as a transitional matter, for amounts prescribed as prescribed excess amounts in the Principal Regulation in the past to continue to apply in relation to policies of insurance issued or renewed before that omission (proposed clause 250 in **Schedule 1 [4]**),
- (d) to provide that the following employers are excluded from the operation of the new grouping provisions (that is Division 2A of Part 7) in the *Workers Compensation Act 1987 (the Principal Act)* (**Schedule 1 [2]**):
 - (i) an employer who is insured with a specialised insurer,
 - (ii) an employer who is insured where the policy of insurance relates only to domestic workers employed by private households,

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- (e) to insert a savings provision into the Principal Regulation to provide that sections 175G, 175H and 175J (that are to be inserted into the Principal Act by the Amending Act) do not have effect until 4 pm on 30 June 2006 and that the Principal Act continues to have effect until that time as if those sections had not been inserted into it (**Schedule 1 [4]**).

This Regulation is made under the *Workers Compensation Act 1987*, including sections 160, 175D (3) and 280 (the general regulation-making power).

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1 Name of Regulation

This Regulation is the *Workers Compensation Amendment (Premiums) Regulation 2006*.

2 Commencement

- (1) This Regulation commences at 4 pm on 30 June 2006, except as provided by subclause (2).
- (2) Schedule 1 [4] commences at the beginning of 30 June 2006.

3 Amendment of Workers Compensation Regulation 2003

The *Workers Compensation Regulation 2003* is amended as set out in Schedule 1.

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Schedule 1 Amendments

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(Clause 3)

[1] Clause 51 Excess recoverable from employer: section 160

Omit clause 51 (1), (2) and (2A).

[2] Clause 53A

Insert after clause 53:

53A Employers excluded from grouping provisions: section 175D (3)

The following employers are excluded from the operation of Division 2A (Grouping of employers for insurance purposes) of Part 7 of the Act:

- (a) an employer who is insured with a specialised insurer,
- (b) an employer who is insured where the policy of insurance relates only to private household domestic workers.

[3] Clause 147 Further policies exempt from order—unregulated premiums

Omit clause 147 (2). Insert instead:

- (2) Despite subclause (1), policies issued or renewed by a specialised insurer are not exempt from an insurance premiums order to the extent that the order specifies a prescribed excess amount for the purposes of section 160 of the Act.

[4] Part 23, Division 6

Insert after Division 5:

Division 6 2006 amending Act

248 Definition

In this Division, *amending Act* means the *Workers Compensation Legislation Amendment Act 2006*.

249 Saving

Until 4 pm on 30 June 2006:

- (a) the Act continues to have effect as if sections 175G, 175H and 175J had not been inserted into the Act by the amending Act, and
- (b) those sections do not have effect.

250 Transitional—prescriptions for purposes of excess recoverable from employer

- (1) Clause 51 (1), as in force immediately before the commencement of Schedule 1 [2] to the amending Act, continues to apply to claims that are covered by a policy of insurance that was issued or renewed so as to take effect on or after 4 pm on 31 December 2005 but before 4pm on 30 June 2006.
- (2) Clause 51 (1), as in force immediately before its repeal by the *Workers Compensation Amendment (Premiums Review) Regulation 2005*, continues to apply in relation to policies of insurance that were issued or renewed so as to take effect before 4 pm on 31 December 2005.