



New South Wales

# Workers Compensation Amendment (Premiums) Regulation 2016

under the

Workers Compensation Act 1987

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

VICTOR DOMINELLO, MP  
Minister for Innovation and Better Regulation

## Explanatory note

The object of this Regulation is to amend the *Workers Compensation Regulation 2010* as a consequence of the amendments made by Schedule 5 to the *State Insurance and Care Governance Act 2015* to the *Workers Compensation Act 1987* that enable the State Insurance Regulatory Authority to issue Workers Compensation Market Practice and Premiums Guidelines that replace the scheme for setting insurance premiums by insurance premiums orders.

This Regulation is made under the *Workers Compensation Act 1987*, including section 280 (the general regulation-making power).

## **Workers Compensation Amendment (Premiums) Regulation 2016**

under the

Workers Compensation Act 1987

### **1 Name of Regulation**

This Regulation is the *Workers Compensation Amendment (Premiums) Regulation 2016*.

### **2 Commencement**

This Regulation commences at 4 pm on 30 June 2016 and is required to be published on the NSW legislation website.

## Schedule 1      **Amendment of Workers Compensation Regulation 2010**

**[1] Clause 3 Definitions**

Omit “insurance premiums order for the time being in force applies” wherever occurring in paragraphs (a) and (b) of the definition of *category 1 employer* in clause 3 (1).

Insert instead “Workers Compensation Market Practice and Premiums Guidelines apply”.

**[2] Clause 3 (1) (definition of “category 1 employer”)**

Omit “that order” wherever occurring in paragraphs (a) and (b).

Insert instead “those guidelines”.

**[3] Part 12, heading**

Omit “WorkCover Authority”. Insert instead “Workers Compensation Operational”.

**[4] Clause 67**

Omit the clause. Insert instead:

**67 Definitions**

In this Part:

*basic tariff premium* and *dust diseases contribution* have the same meanings respectively as they have in the *Insurance Premiums Order 2015–2016* and the Workers Compensation Market Practice and Premiums Guidelines in force in respect of the relevant financial year.

**[5] Clause 68 Definition of “premium income” for purposes of insurers’ contributions**

Omit “an excess surcharge factor or”.

**[6] Clause 69 Definition of “deemed premium income” for purposes of self-insurers’ contributions**

Omit clause 69 (1). Insert instead:

- (1) For the 2016–2017 financial year, the prescribed circumstances referred to in the definition of *deemed premium income* in section 37 of the 1998 Act are the circumstances in which the amount payable as premiums referred to in that definition is calculated in the manner fixed by the *Insurance Premiums Order 2015–2016*.

**[7] Clause 70 Alternative contribution by self-insurers**

Omit the clause.

**[8] Clause 143A**

Insert before clause 144:

**143A Application of Part**

This Part is subject to the Workers Compensation Market Practice and Premiums Guidelines.

**[9] Clause 144 Definitions**

Insert “before the repeal of that section” after “1987 Act” in the definition of *retro-paid loss premium policy*.

**[10] Clause 147 Employer to supply insurer with return relating to wages—standard policies**

Omit “relevant insurance premiums order that applies” from clause 147 (4).

Insert instead “Workers Compensation Market Practice and Premiums Guidelines that apply”.

**[11] Clause 151**

Omit the clause. Insert instead:

**151 Employer to give insurer notice of input tax credit entitlement**

An employer must, prior to the commencement of the period of insurance for which a premium is to be calculated, notify the insurer concerned in writing of the employer’s input tax credit entitlement.

**[12] Clause 152 Definitions**

Insert “but before 4 pm on 30 June 2016” after “30 June 2015” in paragraph (a1) of the definition of *cost of claims* in clause 152 (1).

**[13] Clause 152 (1) (definition of “cost of claims”)**

Insert after paragraph (a1):

(a2) in relation to an injury year related to, or a period of insurance for, a policy issued or renewed so as to take effect on or after 4 pm on 30 June 2016—the amount calculated in accordance with the Workers Compensation Market Practice and Premiums Guidelines, and

**[14] Clause 154 Cost of an individual claim**

Omit “or 30 June of any subsequent year” from Column 1 of the Table to the clause.

**[15] Clause 154, table**

Insert at the end of the table:

30 June 2016 or 30 June of any subsequent year	The amount specified in the Workers Compensation Market Practice and Premiums Guidelines that applies to the policy concerned
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**[16] Clause 157 Effect of certificate**

Omit “subclauses (2) and (3)” from clause 157 (1). Insert instead “subclause (3)”.

**[17] Clause 157 (2)**

Omit the subclause.

**[18] Clause 160 Notice of premium calculation**

Omit “an insurance premiums order applies” from clause 160 (1).

Insert instead “the Workers Compensation Market Practice and Premiums Guidelines apply”.

**[19] Part 18, Divisions 6 and 7**

Omit the Divisions.

**[20] Clauses 168 (1) (b) and 170 (1) (b)**

Omit “insurance premiums order for the time being in force” wherever occurring.  
Insert instead “Workers Compensation Market Practice and Premiums Guidelines”.

**[21] Clauses 169 (4) and 171 (4)**

Insert “or the Workers Compensation Market Practice and Premiums Guidelines” after “relevant insurance premiums order” wherever occurring.

**[22] Schedule 3 Mandatory provisions in employer’s insurance policy**

Omit “relevant Insurance Premiums Order (unless this Policy is exempt from Insurance Premiums Orders)” from clause 7 of Part 2.

Insert instead “Workers Compensation Market Practice and Premiums Guidelines”.

**[23] Schedule 3, note 1**

Omit “relevant insurance premiums order”.

Insert instead “Workers Compensation Market Practice and Premiums Guidelines”.

**[24] Schedule 3, note 2**

Omit the note.

**[25] Schedule 8 Savings and transitional provisions**

Insert after Part 4:

**Part 5 Provisions consequent on making of Workers Compensation Amendment (Premiums) Regulation 2016**

**40 Insurance premiums orders**

Any amendment (other than this clause) made by the *Workers Compensation Amendment (Premiums) Regulation 2016* that applies in relation to insurance premiums orders in force immediately before the commencement of the amendment does not apply in relation to any insurance premiums orders referred to in clause 2 (1) of Part 19J of Schedule 6 to the 1987 Act.