

Victorian Workers Compensation Market Update

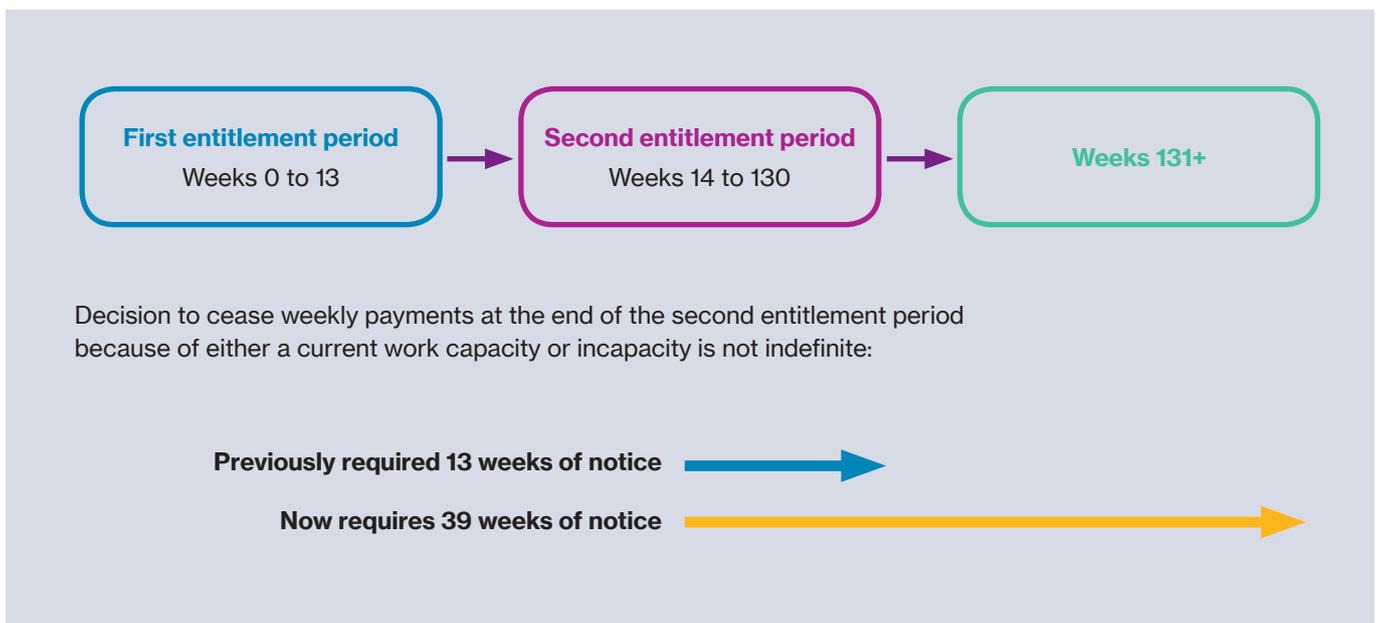
# COVID-19 Bill extends entitlements to workers' compensation claims

May 2020

The Victorian Government has moved to give injured workers more time and support to return to work, given the impact of COVID-19. The COVID-19 Omnibus (Emergency Measures) Bill 2020 has passed parliament and received Royal Assent on 24 April 2020.

The Bill will amend the Workplace Injury Rehabilitation and Compensation Act 2013 and Accident Compensation Act 1985 to extend the notice period for second entitlement decisions from 13 weeks to 39 weeks.

The proposed amendments will apply to determinations made on or after 1 December 2019 until six months after commencement of the legislation.



While current premiums are unaffected by this measure, we would expect there to be some flow-on to workers' compensation premiums for 2021/22 onwards.

# New step in the conciliation pathway

As of 30 April 2020, a new “independent review” step has been introduced to the current claim decision review process.

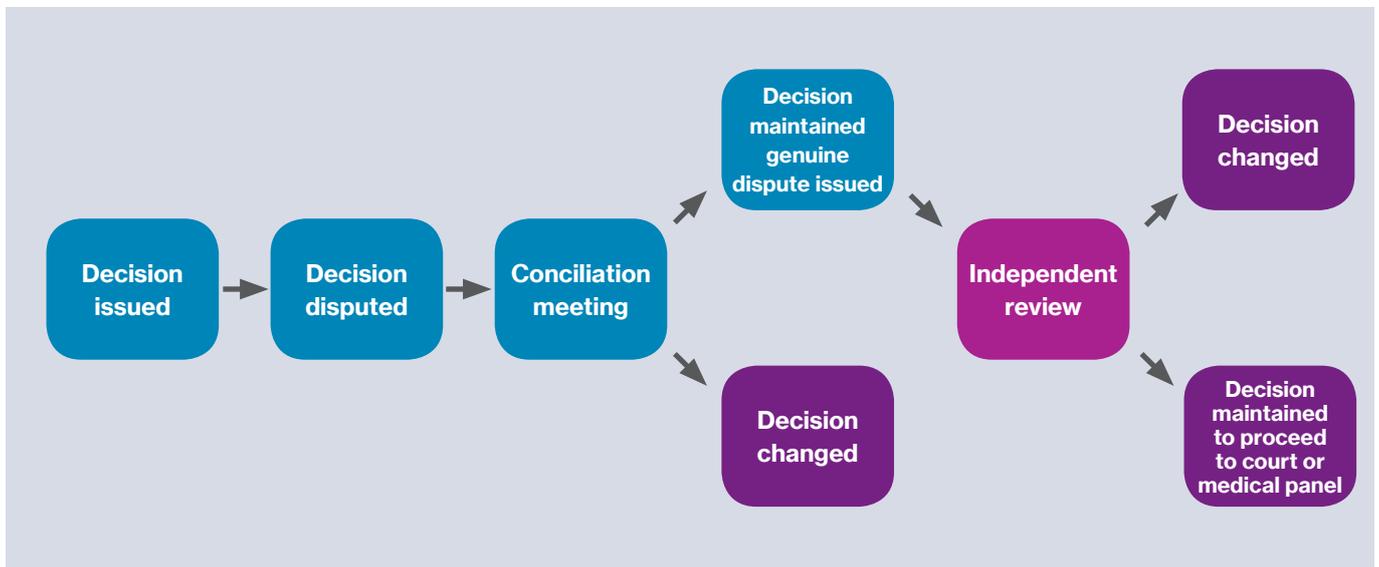
This was a recommendation from the December 2019 follow-up review into the Victorian Workers’ Compensation scheme by the Victorian Ombudsman.

Injured workers can now request the independent review following any conciliation meeting where a Genuine Dispute Certificate is issued.

The independent reviewer will examine the disputed decision and their findings will be provided to Worksafe Victoria to determine what should happen next.

Worksafe Victoria may request a further review by the agent, seek further information or make an overriding decision about the dispute.

This change will be backdated to allow disputes from 1 December 2019 to access the independent review option.



# JobKeeper payments and their impact on Workers’ Compensation premiums

## JobKeeper and policy management

On 5 May 2020, Treasurer Tim Pallas announced that the JobKeeper Payment will not be included as rateable remuneration in the Victorian WorkCover Premium in most instances.

This announcement replaces earlier advice from the regulator and agents that indicated JobKeeper payments would be included as declarable remuneration that would attract workers’ compensation premiums.

We formally expressed our concerns to Worksafe that JobKeeper payments could cause your premiums to be higher than they should be, for the actual risk being covered, and are pleased to receive this update.

## JobKeeper vs weekly compensation

A lot of anxious clients have told us they are trying to make sense of the JobKeeper payment and how this works for employees who are receiving weekly compensation through a claim.

We can offer the following advice based on information released by the Department of Treasury and from our discussions with Worksafe Victoria:

<p><b>Our company does not meet the entitlement criteria for JobKeeper payments.</b></p> <p><b>No change</b> to current workers compensation claims.</p>	<p><b>Our injured employee does not meet the entitlement criteria for Job Keeper payments.</b></p> <p><b>No change</b> to their workers compensation claim</p>
<p><b>Our injured employee meets the qualifying criteria for Job Keeper payments but was already unfit and receiving full weekly compensation.</b></p> <p>They are not working because of their injury and also because they would have been stood down due to COVID-19 activity.</p> <p>This <b>worker continues to receive weekly compensation</b> instead of the Job Keeper payment.</p>	<p><b>Our injured employee meets the qualifying criteria for Job Keeper payments and was participating in a Return to Work plan.</b></p> <p>They are now not working due to COVID-19 activity.</p> <p>This <b>worker receives the Job Keeper payment</b> but it will be regarded as current weekly earnings and applied to offset weekly compensation payments.</p>

## Contact Us



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