



SMALL EMPLOYER REFORMS

Premium incentives and less red tape

If you are a small employer, effective 30 June 2013 you will benefit from changes to premiums that reduce red tape and include incentives for looking after your workers' health and safety.

WorkCover NSW has introduced these improvements in line with the NSW Government's 2012 reforms to workers compensation laws, which promote safer workplaces and support early and safe return to work for injured workers.

Health and safety incentives

Your workers compensation policy is there to protect you and your workers in the event of a workplace injury. As with any insurance, your first aim is to avoid having an incident at all, and your second is to minimise the effects of any incident that does occur.

To support you in doing this, we have introduced two new incentives.

1. Employer Safety Incentive

Safe business is good business that helps keep your workers happy and productive, builds your reputation, and avoids you losing time and money through injury. All your workers have a right to work safely so they go home safe, and this incentive rewards you for ensuring they do just that.

You now get a 10 per cent Employer Safety Incentive (ESI) premium discount up-front at each policy renewal. Make your workplace safe so that you have no workers off injured for more than four weeks during the policy period, and you can keep that 10 per cent when it comes time for your hindsight premium adjustment.

For help and advice on making your workplace safe, including how to get a separate \$500 safety rebate, go to workcover.nsw.gov.au or call WorkCover Assistance Service on **13 10 50**.

2. Return to Work Incentive

Evidence shows that:

- people recover from injury better at work than at home
- long term absence from work can lead to isolation and poorer health
- the longer a worker is off injured, the less chance they have of ever returning to work.

Getting injured workers back to work also saves you time and money in training a replacement, and lessens the load on your other workers. This new incentive rewards you for playing an active role in helping your injured workers return to work early and safely.

If you lose your ESI at any point in a policy period, your insurer will contact you about the Return to Work Incentive. Help all of your workers injured during the policy period return to pre-injury employment (with you or another employer) within 13 weeks, and you will still earn a 10 per cent reduction on your premium at hindsight adjustment.

This aligns with the 2012 reforms, which structure weekly payments to encourage workers to return to work within 13 weeks.

For help and advice on return to work, contact your insurer.



Stable premiums for more employers

If you are one of around 25,000 NSW employers whose basic premium is between \$10,001 and \$30,000, we have reclassified you from a medium to a small business employer. As a small employer, you will benefit from stable and predictable premiums.

Rewarding early payment

We have boosted the incentive for you to pay your premium in full, on time, by increasing the discount from three per cent to five per cent. Paying up-front and in full simplifies your budgeting for the rest of the year and reduces administrative costs across the scheme.

Less red tape

- **You find out your premiums before policy renewal**

Your insurer now pre-sets your premium for the coming period and tells you what it is four to six weeks before your policy is due for renewal. This gives you time to plan your budget for the year ahead and ensures there are no surprises.

- **You no longer have to estimate wages**

You no longer have to estimate and advise your insurer about the wages you expect to pay next year. Instead of relying on annual estimates, your insurer will calculate your premium using the latest information you have provided about wages. This is what enables your insurer to pre-set your premium before you renew your policy, and cuts out extra paperwork for you.

- **Your renewal date will be month-end**

Your policy will now be adjusted to align to the end of the calendar month (if it doesn't already), to make it easier for you to calculate and report your actual wages at the end of the policy period.

- **You have more time to report actual wages**

We have extended how long you get to report the actual wages you paid, increasing it from two to four months after your policy expires. This helps you to meet this obligation even if other issues arise that require your time.

More information

For more information about how these changes affect your policy or for help with returning injured workers to work, contact your insurer.

For general information about these changes or for help with making your workplace safe, go to workcover.nsw.gov.au or call WorkCover Assistance Service on **13 10 50**.

Note that the minimum total premium amount (currently \$175) is still in effect; any incentives applied to your premium cannot reduce it below that amount.

Disclaimer

This publication may contain work health and safety and workers compensation information. It may include some of your obligations under the various legislations that WorkCover NSW administers. To ensure you comply with your legal obligations you must refer to the appropriate legislation.

Information on the latest laws can be checked by visiting the NSW legislation website legislation.nsw.gov.au

This publication does not represent a comprehensive statement of the law as it applies to particular problems or to individuals or as a substitute for legal advice. You should seek independent legal advice if you need assistance on the application of the law to your situation.

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Catalogue No. **WC03989** WorkCover Publications Hotline **1300 799 003**
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ISBN 978 1 74341 337 1 ©Copyright WorkCover NSW 0413