

## Working Directors

The **WCIMA23** clarifies the special arrangements and requirements that apply to the coverage of working directors.

### Key Points

Act ref: ss. 16, 57, 59, 207

- The exclusion that prevented coverage of public company directors is removed.
- A company director will not be covered by the workers compensation scheme unless the person is a 'working director' (as defined) and the company provides a statement to their insurer when a policy is issued or renewed which names the director and provides a statement of the aggregate remuneration payable to the director during the policy period.
- The **WCIMA23** clarifies the minimum (safety net) weekly rate of income compensation payable does not apply to a working director – this is because the rate of income compensation is determined by reference to the statement of the working director's remuneration provided to the insurer.

### Questions & Answers

**Q. What if the company forgets to provide a statement to the insurer naming the working director and the amount of remuneration payable?**

**A.** The director is not covered by the workers compensation policy.

**Q. What is the significance of the remuneration declaration?**

**A.** The remuneration statement indicates the working director is being remunerated (and therefore a working director) and the amount declared determines the amount of income compensation payable if the working director suffers an incapacity for work.

