

Employer Essentials - Workers Compensation Insurance

All employers in Western Australia are required to have workers compensation insurance coverage for anyone defined as a worker under the *Workers Compensation and Injury Management Act 2023* (the Act).

What is workers compensation?

Workers compensation is financial compensation provided to workers who become injured as a result of their work, and may include:

- income compensation payments to cover loss of earnings
- assistance with medical and related expenses
- workplace rehabilitation assistance to return to work
- lump sum payments, in some circumstances.

Any worker who suffers a work-related injury requiring medical treatment or time off work is entitled to claim workers compensation, regardless of who was at fault.

Workers compensation insurance is mandatory and protects employers from the cost of workers compensation and common law claims.

Workers compensation claims can cost hundreds of thousands of dollars. Without insurance, you will be responsible for all costs associated with the claim.

Penalties of up to \$10,000 per worker apply for failure to hold required insurance.

Who do I need to cover?

An employer must provide workers compensation insurance cover for anyone who fits the definition of a worker under the Act.

This includes:

- full-time workers on a wage or salary
- part-time, casual and seasonal workers
- workers on commission
- piece workers.

In some circumstances it may also include:

- contractors and subcontractors
- working directors.

If unsure about your obligations to provide workers compensation insurance for anyone you employ or engage, contact our Advice and Assistance Service.



How do I get an insurance policy?

A list of approved insurers you can contact to obtain a premium quote is available on our website.

Alternatively, you can use the services of an insurance broker who will negotiate with an insurer on your behalf.

When you take out a policy, your proof of insurance is an insurer-issued Certificate of Currency, which specifies the insured entity and policy coverage period.

Unlike other insurances, workers compensation insurance does not automatically renew. Each year, you will need to manually renew your policy and receive a new insurer-issued Certificate of Currency.

Business insurance packs typically do not include workers compensation insurance, and public liability insurance does not cover workers compensation claims. Make sure to check you have the correct coverage in place.

Need further assistance?

For more information, including an explanation of the Claims Process, see *Workers Compensation and Injury Management: A Guide for Employers* on our website.

 Call WorkCover WA's Advice and Assistance Service on **1300 794 744**.
Interpreter services are available.

 Visit workcover.wa.gov.au

