

# **WORKERS COMPENSATION AND INJURY MANAGEMENT AMENDMENT BILL 2023**

## **EXPLANATORY MEMORANDUM**

### **Clause 1. Short title**

Clause 1 provides that the title of the Bill when enacted is the *Workers Compensation and Injury Management Amendment Act 2023*.

### **Clause 2. Commencement**

Clause 2 provides for the commencement of each section of the Act when enacted.

Clause 2 provides that sections 1, 2 and 3 come into operation on Royal Assent.

The operational sections of the Act commence on the day on which the relevant sections of the *Workers Compensation and Injury Management Act 2023* that are being amended come into operation (commence at the same time).

### **Clause 3. Act amended**

Clause 3 provides that the Act amends the *Workers Compensation and Injury Management Act 2023* (the Act to modernise WA's workers compensation and injury management laws).

### **Clause 4. Section 261 amended**

Section 261 of the *Workers Compensation and Injury Management Act 2023* provides for the method of calculating contributions required from licensed insurers and self-insurers to yield the total annual Default Insurance Fund contribution for a financial year.

Clause 4 provides for the insertion of a new subsection into section 261 of the *Workers Compensation and Injury Management Act 2023*. The new subsection 261(7) provides that to the extent that a contribution payable under this section includes an amount that is a tax, the tax is imposed.

### **Clause 5. Section 263 amended**

Section 263 of the *Workers Compensation and Injury Management Act 2023* provides for WorkCover WA to collect an additional contribution from licensed insurers and self-insurers for payment into the Default Insurance Fund to meet the cost of unexpected claims in the financial year where the initial contribution is inadequate.

Clause 5 provides for the insertion of a new subsection into section 263 of the *Workers Compensation and Injury Management Act 2023*. The new subsection 263(5) provides that to the extent that a contribution payable under this section includes an amount that is a tax, the tax is imposed.

#### **Clause 6. Section 300 amended**

Section 300 of the *Workers Compensation and Injury Management Act 2023* requires each licensed insurer and self-insurer to pay WorkCover WA for crediting to the catastrophic injuries fund the required contribution based on WorkCover WA's calculation done under section 299 of that Act.

Clause 6 provides for the insertion of a new subsection into section 300 of the *Workers Compensation and Injury Management Act 2023*. The new subsection 300(5) provides that to the extent that a contribution payable under this section includes an amount that is a tax, the tax is imposed.

#### **Clause 7. Section 302 amended**

Section 302 of the *Workers Compensation and Injury Management Act 2023* provides for WorkCover WA, on advice from the Insurance Commission of Western Australia, to determine and collect an additional contribution from licensed insurers and self-insurers to be credited to the catastrophic injuries fund in order to meet the cost of unexpected workplace injury liabilities where the initial contribution is inadequate.

Clause 7 provides for the insertion of a new subsection into section 302 of the *Workers Compensation and Injury Management Act 2023*. The new subsection 302(5) provides that to the extent that a contribution payable under this section includes an amount that is a tax, the tax is imposed.

#### **Clause 8. Section 491 amended**

Section 491 of the *Workers Compensation and Injury Management Act 2023* provides for WorkCover WA to calculate contributions to the WorkCover WA General Account to fund WorkCover WA operations and requires each licensed insurer and self-insurer to pay the relevant calculated contribution.

Clause 8 provides for the insertion of a new subsection into section 491 of the *Workers Compensation and Injury Management Act 2023*. The new subsection 491(7) provides that to the extent that a contribution payable under this section includes an amount that is a tax, the tax is imposed.