



Gallagher Bassett Services
 Workers Compensation NSW
 ABN 83 564 379 108 009
 Locked Bag 912
 North Sydney NSW 2059
 Phone: 1800 007 033
 Fax: 02 9464 7400
 wcnsw@gbtpa.com.au
 www.gallagherbassett.com.au

Agent for the NSW WorkCover Scheme

Policy number

Period of insurance

From / / To / /

WORKERS COMPENSATION ACT 1987

INSURANCE PROPOSAL

This form is to be used to provide essential information for the commencement of a workers compensation insurance policy.

Please complete this form in BLOCK letters and use a black pen. If further space is required, please attach a separate page.

1 EMPLOYER'S DETAILS

Registered business name

Trading name

ABN

ACN/ARBN

Location of business premises

Street

Suburb

Postcode

Postal address (if different)

Street

Suburb

Postcode

Contact person

Phone

Work

Mobile

Facsimile

() ()

Email

WCNSW 02/ 04.06

2 IS YOUR BUSINESS A:

Registered company (eg. Pty Ltd company)

Name of Directors	Address

Sole trader

Partnership

Name of Partners

Trust

Name of Trust	Name of Trustees

Cooperative, welfare or charitable organisation

Other Please specify

Are you registered for GST?

Yes

No

Do you have an input tax credit entitlement of 100%?

Yes

No

If No, specify entitlement %

Are you currently participating in the Premium Discount Scheme?

Yes

No

If Yes, provide a copy of your current verification certificate

(see page 7)

3 PREVIOUS INSURANCE HISTORY

Did you establish this business? Yes No When? / /

Did you purchase this business? Yes No When? / /

Has this business been insured for workers compensation in the past two years? Yes No
If Yes, complete details of insurance below. If No, go to section 4.

Insurance for previous two years

Last year

Agent

Policy number

Period of insurance

From / / To / /

Year before last

Agent

Policy number

Period of insurance

From / / To / /

4 BUSINESS ACTIVITY

(see page 6)

To ensure the correct premium calculation and the accuracy of WorkCover statistics, a detailed description is required for each separate and distinct business. To help describe your business, attach company brochures and website addresses.

Describe your business or industrial activity – eg. I am a courier driver.

What goods/services do you produce/handle/supply? – eg. I carry documents and small parcels.

What equipment/machinery/tools do you use in your business/industrial activity? – eg. station wagon.

What specific trade qualifications and/or licences are required in your business/industrial activity? – eg. driver's licence.

5 ESTIMATED WAGES FOR THE RELEVANT PERIOD OF INSURANCE

(see page 5 and 6)

If your company is engaged in separate and distinct businesses, provide separate details of wages for each business activity.

A Direct workers

Description of work performed by workers	Total number of workers	Gross wages	Employer contributions to superannuation	Termination payments and long service leave	Total wages	Office use WIC code

B Contract workers for whom you are liable - record the full contract value.

Description of work performed	Number of contract workers	Labour only (\$)	Labour and tools (\$)	Labour and plant (\$)	Labour, plant and materials (\$)	Office use WIC code
Total						

C Per capita classes

Number of per capita units	Description – eg. plates, rides, bouts, etc.

D Asbestos

Do you employ people to handle or process asbestos or manufacture asbestos products?

Yes

No

If Yes, estimate their total gross wages for the next 12 months

\$

These wages must also be included in A and/or B, above.

In which industry are they employed?

6 RELATED CORPORATIONS

(see page 7)

Is your organisation related to or part of another organisation? (eg. holding company, subsidiary) Yes No

If Yes, provide details on a separate page, including the following information:

- Name of organisation
- ABN
- Policy number
- Agent

7 GROUPING OF RELATED EMPLOYERS

(see page 7)

If you are related to another organisation you are also part of a group. If you are part of a group you are required to hold a policy with the same Agent as all other members of the group. You are also required to align your policy period with that of the other members of the group.

Note: Grouping provisions commence from 30 June 2006. This section is for recording changes to group details after that date. Registration of grouped employers will commence prior to 30 June 2006 and WorkCover or your Agent will provide more information when registrations are taken.

Are you a member of a group that pays combined wages in excess of \$600,000? Yes No

If No, complete the declaration (section 8).

If Yes, have you registered with WorkCover as a member of a group? Yes No

If Yes, what is your Group Number?

If you are a member of a group and have not registered, contact WorkCover on **13 10 50**

8 DECLARATION

I _____ PRINT NAME

- declare that the information provided in this proposal and any attachments are true, correct and complete
- declare that no information has been suppressed or omitted from this proposal
- agree to supply a correct declaration of wages paid at the expiry of the period of insurance to allow an accurate calculation of premium. I understand this declaration of wages may result in further premium payable or a refund of premium paid, subject to the statutory minimum premium
- acknowledge that the terms and conditions of the policy as prescribed by clause 49 and Form 3 of the Workers Compensation regulation
- understand that if any information in this proposal is false or misleading, or there is wilful failure to observe the terms of the policy of insurance, prosecution action may be taken.

Signature

Date

D	D	/	M	M	/	Y	Y
---	---	---	---	---	---	---	---

Position

DEFINITIONS

BUSINESS ACTIVITY

Provide a full description of your business activities and include any brochures or website addresses that may clarify the definition of these business activities.

Refer to the Insurance Premiums Order for further clarification, available from www.workcover.nsw.gov.au

WAGES

Gross wages includes total gross earnings (before tax deductions) and some payments that are not generally thought of as wages.

It includes:

- salary/wages
- overtime, shift and other allowances
- over-award payments
- bonuses, commissions
- payments to working directors (including directors' fees)
- payments to pieceworkers
- payments for sick leave, public holidays and the associated leave loadings
- value of any substitutes for cash
- grossed-up value of fringe benefits (allowances subject to fringe benefits tax are counted at the grossed-up value, that is the value of the benefit multiplied by the relevant Australian Tax Office benefit formula)*
- trust distributions to workers where the distribution is in lieu of wages for work done for the trust.

It does not include:

- directors' fees paid to non-working directors
- compensation under the *Workers Compensation Act 1987*
- any GST component in a payment to a worker.

* Non-profit organisations, public benevolent institutions (PBIs) and charities should continue to declare worker benefits that aren't subject to fringe benefits tax at the net value. Once the worker benefits exceed the Australian Tax Office fringe benefit threshold, the employer must declare the benefit at the grossed-up value.

Employer contributions to superannuation

- employer superannuation contributions (including the superannuation guarantee levy).

Termination payments and long service leave

- long service leave payments (including lump sum payments instead of long service leave)
- termination payments (lump sum payments in respect of annual leave, long service leave, sick leave and related leave loadings).

WORKER

Under existing NSW law, employers must have a workers compensation policy to cover their workers. A 'worker' is any person who has entered into, or who works under, a contract or service or apprenticeship with an employer (whether by way of manual labour, clerical work or otherwise, and whether the contract is expressed or implied, and whether the contract is verbal or in writing).

An injured worker is only eligible to claim workers compensation in NSW when they have a 'State of Connection' that is NSW. If it is determined that NSW is a worker's 'State of Connection' they must be covered under their employer's NSW workers compensation policy, and their wages must be included.

A worker's 'State of Connection' is determined using the following tests:

- test A – the State in which the worker **usually works** in that employment
- test B – if no State is identified by test A, the State in which the worker is **usually based** for the purposes of that employment
- test C – if no State is identified by test A or B, the state in which the **employer's principal place of business** in Australia is located.

DEFINITIONS

CONTRACTOR

Some people working as contractors are also treated as workers for workers compensation purposes, depending on the individual circumstances. This means that if there is a workplace injury the contractor may be entitled to receive workers compensation for a work-related injury. For this reason, their employer (or principal) must cover them for workers compensation and declare any payments made as wages. The law refers to these contractors as 'deemed workers'. For further information, see www.workcover.nsw.gov.au

Under workers compensation law, a principal contractor is anyone who enters into a contract with another person (subcontractor) to carry out work. A principal may be liable to pay workers compensation to injured workers employed by subcontractors if a subcontractor does not have a policy and there is a workplace injury at the principal's site. Further, a principal contractor may be liable for their subcontractor's unpaid premiums if they fail to check that their subcontractors have paid their premium and are properly insured (this law only applies when a subcontractor is engaged to carry out work relating to the business of the principal).

Principal contractors should check that their subcontractors have signed a statement that there are no outstanding liabilities and that all workers compensation premiums applicable for that work have been paid, and that they have a certificate of currency which shows they:

- are classified in the correct industry
- have declared an appropriate amount of wages and employee numbers for their insurance cover.

RELATED CORPORATION

A corporation is related to another corporation (whether or not that other corporation is an employer) if:

- the employer and other corporation are related to each other by reason of the *Corporations Act 2001* (Cwlth)
- the directors of the employer act under the instructions of the directors of the other corporation
- the directors of the other corporation act under the instructions of the directors of the employer
- the directors of either corporation act under the instructions of another person
- the directors of the employer exercise 50 percent or more of the voting power of the other corporation
- another person exercises 50 percent or more of the voting power of both corporations.

If a corporation carries on clerical, administrative or managerial services only and predominantly supplies those services to a related corporation, then that corporation is classified on the same basis as the related corporation.

Clerical, administrative or managerial services include accounting, drafting, designing, marketing, sales, legal and training.

GROUPING OF RELATED EMPLOYERS

Grouping for workers compensation purposes is based on the pay-roll tax provisions outlined in Part 10A of the *Taxation Administration Act 1996*. These provisions are also used to determine who is a related entity.

All related employers with combined wages over \$600,000 must be grouped for premium assessment purposes.

However, charitable and not-for-profit organisations may apply to WorkCover for exemption to grouping status for those related employers who are not in direct competition with the private sector.

All members of a group must have separate policies but must insure with the same Agent, with a common renewal date for all policies.

Note: Grouping provisions commence from 30 June 2006. Registration of grouped employers will commence prior to 30 June 2006 and WorkCover or your Agent will provide more information when registrations are taken.

PREMIUM DISCOUNT SCHEME

From 30 June 2005, no new participants will be admitted to the Premium Discount Scheme and the last premium discounts will be for policies with an inception date in the 2004/05 policy renewal year.

Premium discounts continue to be available to participants in the Premium Discount Scheme (Small Business Strategy). This small business premium discount program is conducted by an approved sponsor and is available to eligible small employers.