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## WORKERS COMPENSATION – AUSTRALIA

### Overview

Australia has separate workers compensation programs in each of the eight states and territories. Workers Compensation is provided in Australia through insurance policies not via the Social Security system.

Private sector insurers provide workers compensation in the risk states (being West Australia, ACT, Tasmania and Northern Territory) while state monopolies operate in New South Wales, Victoria, South Australia and Queensland.

### Statutory and Voluntary Cover

Employers Liability isn't applicable in Australia<sup>1</sup> rather Insurance is compulsory in every state and territory.

Employers will usually have to buy a separate Workers Compensation policy in each state or territory where workers are employed<sup>2</sup>. Compensation and benefit levels differ by state.

Benefits vary from statutory benefits to unrestricted common law.

Generally Workers Compensation Insurance policies cover all legal liability to employees which an employer may incur through occupational accident or disease which arise at either common law or statute.

### Expatriates

Expatriates employed in Australia need to be insured by Workers Compensation policies as Australian residents are insured.

Policies issued by the insurer usually protect employees working in another state or abroad for the first six months. There are significant differences between the states here so refer to AIS for details.

### Employers Liability

This isn't offered as a policy class in Australia because Workers Compensation Policies insure all incidents of work related illness and disease.

### Which States Policy Applies?

Nationally adopted State of Connection guidelines dictate this. These are detailed but most workers "state of Connection" can be determined applying this test:

A worker's state of connection is:

- (a) The state in which the worker *usually works* in that employment.
- (b) If no one state is identified by (a), the state in which the worker is *usually based* for the purposes of that employment.
- (c) If no one state is identified by (a) or (b), the state in which the *employer's principal place of business* in Australia is located.

### Note:

This information sheet is correct as at 1 July 2013 and is provided as General Advice only.

General Advice Warning: This document has been prepared without taking into account your objectives, financial situation or needs. You must therefore assess whether it is appropriate, in light of your own individual circumstances, to act upon this advice. Please refer to the Product Disclosure Statement (PDS) prior to making any decision to acquire this product.

Please refer to AIS at [insure@aisinsurance.com.au](mailto:insure@aisinsurance.com.au) for specific advice for your needs.

AIS provide expert Workers Compensation Insurance Worldwide including statutory medical insurance in Australia and worldwide medical insurance for Expatriates.

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<sup>1</sup> Foreign nationals on temporary assignments in Australia may have home country entitlements, refer to AIS Insurance for details.

<sup>2</sup> Refer to AIS for details as the Cross Border provisions are really complex.