

2008

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

WORKERS COMPENSATION AMENDMENT BILL 2008

EXPLANATORY STATEMENT

**Presented by
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WORKERS COMPENSATION AMENDMENT BILL 2008

Outline

The *Workers' Compensation Act 1951* (ACT) establishes a statutory, no-fault insurance scheme for the Territory's private sector workforce. Should a worker have the misfortune to suffer an injury out of, or in the course of, their employment, the Act provides for a range of benefits including the cost of medical treatment and subsequent injury management, and income replacement, as necessary.

Significant changes to the Scheme were made in 2001 that introduced extensive rehabilitation and return-to-work provisions. This placed a greater emphasis on an improved injury management process with a vision to the long-term future for an injured worker. As the effects of these changes are still being measured, only minor policy changes have been made to the Act since.

The *Workers Compensation Amendment Bill 2008* is another of these minor policy changes and aims to clarify that, should an injured worker have to modify their home to make their lives more comfortable, including making changes that would provide improved access or greater usability, it is reasonable that their employer (or their employer's insurer) should be required to cover those costs.

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Detail

Clause 1 — Name of Act

This clause establishes the name of the Act as the *Workers Compensation Amendment Act 2008*.

Clause 2 — Commencement

This is a formal provision specifying when the Act commences operation. The provisions of the Act will commence the day after notification.

Clause 3 — Legislation Amended

This is a formal provision specifying the name of the Act that is amended: the *Workers Compensation Act 1951*.

Clause 4 — New Section 70 (1) (aa)

This clause inserts a new section 70(1)(aa) in Part 4.5 of the Act. This new section will enable injured workers, as part of their medical treatment and the rehabilitative process, to alter their home or otherwise change their domestic environment to better accommodate a work-related injury, and, in keeping with the intent of the Act, allows them to be compensated for the costs of making those changes.

Clause 5 — New Section 73A and 73B

This clause inserts new sections 73A and 73B. 73A specifies the things that should be taken into account when a worker seeks compensation for the costs of making home alterations, including (a) how long their injury is likely to last; (b) the environment that the injured worker currently faces and what would be reasonably required in making their life more comfortable, including things like improved freedom of movement, increased usability and facilitating greater independence; and (c) where a worker receives compensation under this section (i.e. for alterations to a first home) and they sell that residence, should they move to a new home and seek a second amount of compensation for home alterations, the second amount of compensation they receive will be reduced by the amount that the first home's value was improved by the alterations. In other words, any windfall they receive in selling their first altered home will lessen the amount of compensation received for subsequent home alterations.

73B provides for a regulation making power to prescribe (a) what kinds of alteration costs are compensable, and (b) the situations in which an injured worker would reasonably require such alterations.