

Workers Compensation (Fees) Revocation and Determination 2003

Disallowable Instrument DI 2003-176

made under the

Workers Compensation Act 1951, Section 221 – Determination of fees

Explanatory Statement

The *Workers Compensation Act 1951* (the Act) regulates compensation to workers for injuries arising out of or in the course of their employment.

Section 221 of the Act provides the Minister for Industrial Relations with the power to determine fees for the purposes of the Act.

Under sections 145 and 152, insurers can apply to be approved insurers or exempt employers for the purposes of the Act. Instrument DI2002-130 set fees for the 2002-2003 financial year for this purpose. This instrument revokes Instrument DI2002-130 and determines the new fees for the 2003-2004 financial year. The fees have been adjusted based on the Consumer Price Index (CPI) of 2.5%. The CPI was derived by the Department of Treasury in its Economic conditions forecasts (see page 52 of 2003-2004 Budget Paper 3).

In 2002-2003, an application fee of \$5,500 to be an approved insurer or exempt employer under sections 145 and 152 of that Act was determined. Separately, an administration charge of \$5,500 was set. The administration charge was payable to ACT WorkCover upon successful application or three-yearly renewal of the approval.

In this Instrument, the administration charge has also been determined along with the application fee. The application fee for 2003-2004 is \$5,637. (This figure includes 2.5% CPI.) Where the application is successful, applicants will then pay a fee to be an approved insurer or exempt employer of \$5,637. The approval is valid for three years. Upon renewal, the applicant will again pay the fee to be an approved insurer or exempt employer of \$5,637. The renewal is valid for three years. This fee replaces the 2002-2003 administration charge (including 2.5% CPI). The restructure of fees and charges provides the Legislative Assembly with the power to disallow all fees set under sections 145 and 152. With the exception of CPI indexation, there are no new additional costs for applicants in 2003-04.

The 2003-2004 fees are GST inclusive and take effect from 1 July 2003.

The determination under section 221 is a disallowable instrument.