

WorkCover WA, the government regulator of the workers' compensation scheme in WA, has recently identified a number of P&C associations who have failed to meet their obligations to hold a policy of workers' compensation insurance. These failures have resulted in infringements of up to \$2000.

In order to ensure all P&C associations are aware of their obligations, we have compiled the below information highlighting some facts and common misconceptions.

What is workers' compensation insurance?

Workers' compensation insurance is mandatory in WA, and covers and protects employers from the costs of any work-related injury or disease requiring medical treatment or time off work.

Misconception 1: *"I have public liability insurance or a business insurance package so I have cover"*

Public liability insurance does not cover you for workers' compensation claims, and business insurance packages often exclude workers' compensation insurance. Ensure you have an insurer-issued Certificate of Currency that states the policy in place is for workers' compensation insurance.

Who needs a policy?

All employers in WA are required to hold a policy of workers' compensation insurance.

Misconception 2: *"A P&C is not an employer and so does not need a policy."*

If a P&C employs as defined in legislation and pays workers, it has a legal obligation to hold a policy of workers' compensation insurance at all times while employing. This may include any paid worker in a canteen or uniform shop, whether they are full-time, part-time, casual or seasonal workers.

What if I don't have a policy?

If your P&C employs and does not currently hold a policy, your first priority is to take out a policy immediately.

Failure to hold a policy leaves you liable for the costs associated with any claims while uninsured. Workers' compensation claims can cost in excess of \$1M.

Additionally, penalties for failing to hold a policy while employing may apply. You could receive an infringement or be prosecuted, with penalties of up to \$5,000 per worker.

Where can I get a policy?

You can contact any approved insurer to take out a policy. Approved insurers are listed on the WorkCover WA website at <https://www.workcover.wa.gov.au/service-providers/insurers/>

Misconception 3: *"I already have a policy, so it will automatically renew and I don't need to do anything else."*

Workers' compensation insurance does not automatically renew each year. It is your responsibility to confirm that required coverage is maintained by obtaining a new insurer-issued Certificate of Currency every year from your insurer or via a broker.

If there is a change in executive membership of the P&C, please ensure that all contact details are updated with your insurer, and details of any existing policy are shared with incoming members to track and maintain coverage.