



**WORKERS' COMPENSATION AND INJURY MANAGEMENT ACT 1981
EMPLOYERS' INDEMNITY POLICIES (PREMIUM RATES) ACT 1990**

**Guideline for completing Form WC31
Statement of Expenses associated with the
writing of workers' compensation business**

Date issued: 30 June 2017 (Self-Insurer Version)

2017-2018 Year

Due Date: Annually Refer to Premium Rating Returns Deadline Schedule

Penalties

For late or non-submission

Section 103A of the *Workers' Compensation and Injury Management Act 1981* (the Act) stipulates a **\$2,000** fine for refusing or failing to furnish to WorkCover WA information or returns requested in writing by WorkCover WA to enable it to compile and record statistics, records and reports for the better administration of the Act.

A suspension and/or revocation of approval may also be invoked under section 161 of the Act.

For actuarial time after the first revision

Self-insurers requiring more than one revision of returns conducted by the Actuary of WorkCover WA may be billed directly by WorkCover WA for the additional processing time for subsequent revisions.

When revisions are required, all Forms on the electronic version need to be resubmitted to WorkCover WA.

Please also refer to the "Guidelines for Completing Annual Proforma & Checklist" prior to completing the Form WC31.

Expenses

The aim of this information is to determine the expenses required by self-insurers to carry out workers' compensation business in the Western Australia.

Statutory charges and levies

General Fund Contribution

The total General Fund contribution paid to WorkCover WA (as invoiced by WorkCover WA).

Supplementation Fund Levy

The total Supplementation Fund levy paid to WorkCover WA (Note that this has not been in effect since 1 July 2009).

Bank Guarantee Levy

The total bank charge paid in order to supply WorkCover WA with a Bank Guarantee.

Other Statutory Charges

- All other charges and levies incurred from all statutory entities
- Taxes other than income tax and stamp duties that is not included in the above charges with respect to workers' compensation business.

Reinsurance Premium

Any premium paid to an insurer to limit the total loss of claim(s). Includes but is not limited to XOL (Excess of Loss) or Catastrophe Cover.

Management expenses

Management expenses are expenses that are attributable to the workers' compensation business but not directly related to specific claims. These include:

- Salaries
- Travelling expenses
- Superannuation contributions
- Director's fees
- Auditor's fees
- Legal expenses (other than those directly attributable to specific claims)
- Office rent
- Information technology/computer costs
- Hire and maintenance of machinery
- Advertising
- Printing and stationery
- Post and telephone

- Depreciation (if charged to underwriting management expenses)
- Head office overhead charges re-allocated to branch office or an equivalent value if not charged directly to branch expenses
- Risk management fees and expenses
- General costs of administering policies and claims (that is, indirect costs not including those costs directly attributable to specific claims)
- Actuarial fees
- Outsourced claims administration/management expenses

Please refer to Accounting Standard AASB 1023 for clarification on the definitions of expenses.