



Who covers my interstate employees for workers' compensation?

Workers' compensation insurance

Workers' compensation insurance protects you and your business from financial claims when a worker sustains a work-related injury or illness.

You can obtain insurance cover from an insurer approved by WorkCover WA. A list of approved insurers is available on the WorkCover WA website www.workcover.wa.gov.au

Employer's obligations

Employers are legally obliged to obtain workers' compensation insurance for all workers, however it is only necessary to cover a worker in one state or territory. The workers' compensation premium payable, and entitlements available, depends on the worker's 'state of connection'.

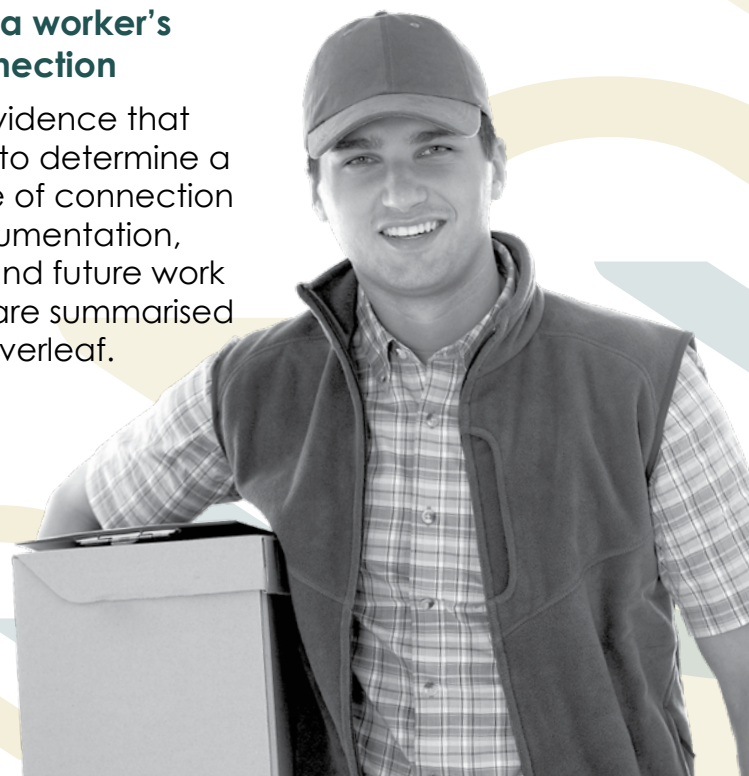
Worker's state of connection

A worker's state of connection is determined by applying the following sequential tests:

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

Evidence of a worker's state of connection

Supporting evidence that can be used to determine a worker's state of connection includes documentation, work history and future work plans. These are summarised in the table overleaf.



Test A State in which the worker usually works	Test B State in which the worker is usually based for the purposes of employment	Test C State in which the employers' principal place of business is located
<ol style="list-style-type: none"> 1. Which state does the worker spend the greatest proportion of time working? 2. Which state does the worker's contract of employment conditions indicate they are connected to? 3. What is the worker's history of work in each state in that type of employment? 4. In which state will future work occur based on future plans? 	<ol style="list-style-type: none"> 1. Which state is specified on the worker's contract of employment? 2. Which state will the worker attend routinely to receive directions or collect materials? 3. Which state does the worker usually report for work? 4. Which state is the worker's wages paid from? 	<ol style="list-style-type: none"> 1. Which state is the employer's address registered on the Australian Business Register or ANSIC names index? 2. In which state is the employer's business mailing address? 3. For workers on ships, in which state is the ship registered or most recently registered?

If a state of connection cannot be determined for an injured worker and the worker is not entitled to compensation under the laws of a place outside Australia, a state of connection exists where the injury occurred.

Temporary work arrangements

A temporary working arrangement exists when a worker is interstate for less than six months. This does not change the worker's state of connection, however if the worker remains interstate for longer than six months, the worker's state of connection needs to be reconsidered.

Diseases of gradual onset

The same series of tests apply to a worker who sustains a disease of gradual onset, such as an asbestos related disease. The state of connection tests are applied to the time and employment that is applicable and compensation cost sharing may be sought from the employer(s) in the state(s) of connection.

Disclaimer

This fact sheet is intended to provide general information only. You should not act or omit to act on the basis of anything contained herein. You should seek appropriate legal/professional advice about your particular circumstances.



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