

Working Directors

The Bill clarifies the special arrangements and requirements that apply to the coverage of working directors.

Key Points

Bill ref: cl. 16, 57, 59, 207

- The exclusion that prevented coverage of public company directors is removed.
- A company director will not be covered by the workers compensation scheme unless the person is a 'working director' (as defined) and the company provides a statement to their insurer when a policy is issued or renewed which names the director and provides a statement of the aggregate remuneration payable to the director during the policy period.
- The Bill clarifies the minimum (safety net) weekly rate of income compensation payable does not apply to a working director – this is because the rate of income compensation is determined by reference to the statement of the working director's remuneration provided to the insurer.

Questions & Answers

Q. What if the company forgets to provide a statement to the insurer naming the working director and the amount of remuneration payable?

A. The director is not covered by the workers compensation policy.

Q. What is the significance of the remuneration declaration?

A. The remuneration statement indicates the working director is being remunerated (and therefore a working director) and the amount declared determines the amount of income compensation payable if the working director suffers an incapacity for work.