

## Prohibition on Circumventing Act: No Contracting Out

The *Workers Compensation and Injury Management Act 2023 (WCIMA23)* prohibits circumventing legislative obligations through the use of alternative arrangements to manage workers compensation claims.

### Key Points

Act ref: s. 4

- The application of the *WCIMA23* or any of its provisions cannot be excluded, restricted or modified by contract, agreement or otherwise, except as provided by the *WCIMA23*.
- This prevents the statutory workers compensation scheme from being circumvented or modified by 'agreements' between parties. An example is where an employer seeks a worker's agreement not to pursue a claim and instead asks them to sign up to receive alternative payments outside the statutory scheme.
- A significant penalty applies if a person enters a contract, agreement or other arrangements to contract out of the *WCIMA23*.

### Questions & Answers

**Q. Is it mandatory for workers to make a claim if they are injured at work?**

**A.** No. It is the worker's choice and responsibility to make a claim and workers should not be discouraged from doing so. If a worker makes a claim an employer must progress it in accordance with the claim procedure in the *WCIMA23*, regardless of the employer's views about the merits of the claim, their insurer, or any alternative payments that may have been offered to the worker in lieu of compensation.