

From: [REDACTED]  
To: [WorkCover WA New Act Consultation](#)  
Subject: Proposed regulation amendments - response from QBE  
Date: Friday, 20 April 2026 1:12:23 PM  
Attachments: [image001.png](#)  
[image002.png](#)

To the Manager, Policy and Legislative Services  
WorkCover WA

Thank you for the invitation to provide feedback on the proposed regulation amendments.

QBE supports the submission provided by the ICA for Proposals 2-13 and would like to provide our individual submission for Proposal 1 – Transparency of Settlement amounts.

QBE would like to address some of the points outlined within the consultation paper and respectfully provide an alternate perspective, outlined as follows:

**Proposal 1 - Transparency of Settlement Amounts:**

**1. "WorkCover WA does not support settlements comprising a global uncapped lump sum amount without any regard to entitlement caps or limits"**

- a. We are not of the view that a global amount reflects a disregard to any caps or limits. Given the current structure of the Settlement Agreement, parties will then "reverse-engineer" apportionment after the fact, creating artificial allocations that are designed to "fit" caps rather than reflect the reality of the Agreement. In our view this is contradictory to what the Agreement is trying to achieve in respect to transparency. It is our view that a single lump sum noted in the Agreement does not change the legal characterisation of the payment.

Any settlement negotiations remain bound by the parameters set out in the Act, however having a global sum noted in the Agreement allows for greater flexibility with commercial negotiations, including allowances for extensions to the income compensation and medical and health entitlements. It will also limit time consuming disputes about categorisation rather than substance. The global figure is not a replacement for legislative limits, but a practical resolution to the difficulties currently faced with the current Agreement.

In acknowledgement of the increasing scheme costs, particularly income compensation and legal fees, we see this process simplification as an opportunity to expedite the negotiation, agreement, and registration process.

**2. "An uncapped global lump sum amount would remove any reference point in the Act as to what a maximum amount should be for a particular form of compensation and potentially include an amount for damages which should be prohibited"**

- a. WorkCover have a safeguard in place to address the concern of a settlement including an amount for damages. When the Settlement is submitted via the portal, parties are asked "Does the agreement provide for liability to pay common law damages for an injury to be commuted or otherwise discharged". Parties are required to answer "no" to this question.
- b. This function could be extended to confirm that parties have adhered to statutory caps and limits to ensure WorkCover continue to have oversight of this issue. Alternatively, the Agreement could include explicit clauses confirming that there is no payment for damages.

**3. "While it is acknowledged negotiations may be held with a global lump sum in mind, the Act provisions, entitlements and lump sum limits relating to a worker's medical condition, individual circumstances, incapacity for work and any permanent impairment should frame these discussions".**

- a. We agree with this statement, and we agree that these factors form the basis of any negotiation, even when being negotiated on a global basis. However, we do not consider that categorisation within the Agreement is required to enforce these caps and limits.

**4. "There is also a statutory limit on the combined amount of permanent impairment compensation and income compensation (cannot be greater than the income compensation general limit). Without specific reference to the amount of income compensation and permanent impairment compensation it would be impossible to verify whether the combined amount for permanent impairment compensation and income compensation exceeds the income compensation general limit. A settlement agreement therefore needs to identify the amounts for both income compensation and permanent impairment compensation as a minimum"**

- a. As noted in part 2, approval processes can require confirmation of compliance with the Act without the need for an itemised Agreement.
- b. An Amendment to Section 157 would not be necessary. Parties could simply make a declaration that the any contribution to income compensation and any entitlement for permanent impairment does not breach the statutory cap.

In summary, QBE consider there to be several benefits to a global sum being adopted in the Settlement Agreement:

- Parties have considered applicable caps during the negotiation stage. A global figure does not replace the limits set out in the legislation and it allows parties to negotiate holistically within statutory limits, without artificial post-agreement apportionment.
- A global sum recognise that negotiations for disputes can be nuanced and allows parties to resolve risk in a way that itemised breakdowns cannot capture. It allows parties to focus on an overall outcome encourages earlier settlement, reducing legal costs, delay, and unnecessary dispute.
- Compliance concerns can be addressed through explicit declarations and supporting registration material, rather than itemised contractual terms.
- A single figure is easier for workers to understand and avoids confusion about calculation or categorisation. A simplified process will support transparency and expedite their outcome.
- A global sum approach minimises administrative error which have causing delays with the settlement process, while preserving the integrity of the statutory framework.
- A simplified settlement process may improve the speed of negotiation, agreement and registration – and could support in containment of income compensation costs attributed to delays in this process.

We appreciate the opportunity to provide feedback. Please reach out if I can supply any further information.

Kind regards,

**Shannon Cleary**

State Manager

WA Workers Compensation Claims | Australia Pacific

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From: Amy Lawrence [REDACTED]

Sent: Friday, 27 March 2026 12:17 PM

To: Shannon Cleary [REDACTED]

Subject: Draft response to Transparency of Settlement Amounts

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