



## Loss of Earning Capacity (LOEC)

Where a worker returns to suitable duties (either on reduced or full time hours) but is not earning or reasonably capable of earning equal to or more than their Normal Weekly Earnings (NWE) due to their work related injury they have a loss of earning capacity and are entitled to weekly compensation.

### First 26 Weeks (Section 64)

An injured worker is entitled to the difference between the NWE (as advised by CGU) and their actual earnings in any given week.

### After 26 Weeks (Section 65)

Precisely 26 weeks after the date of injury an injured worker's entitlement reduces. When one of your workers have an accepted claim and it appears that the worker's incapacity will exceed 26 weeks and they have a LOEC, CGU will provide you with written advice stating the new compensation rate for that worker and how their entitlements are calculated.

The following weekly calculations will generally apply: -

First 26 Weeks	
1. NWE	_____
2. Less actual earnings	- _____
3. Difference	_____
	= Entitlement

After 26 Weeks	
1. NWE or INWE (if after 1 January)	_____
2. Less actual earnings or the amount reasonably capable of being earned	- _____
3. Difference	_____
4. Multiplied by 75%	_____
	= Entitlement
* If entitlement is greater than 150% of AWE then entitlement is capped to this amount.	

## Glossary of terms

- LOEC = Loss of earning capacity  
 NWE = Normal Weekly Earnings  
 INWE = Indexed Normal Weekly Earnings (Applicable after the first 26 weeks on 1 January each year)  
 AWE = Average Weekly Earnings (As determined by NT WorkSafe)

## Return to Work (Another Employer)

Where an injured worker returns to work, other than with your company, they are obligated to notify you (and CGU) of this change in circumstance immediately, and of their gross weekly earnings, to ensure they receive their correct entitlement to weekly compensation. CGU will advise you of the amount(s) payable (if any) on receipt of official pay records from the injured worker.

### Important Information

- The day of injury is not claimable. Section 56 of the Workers' Rehabilitation and Compensation Act provides that a worker is entitled to be paid their salary or wages in full for the day on which they sustained an injury but that an employer is not entitled to claim under their policy of insurance for this.
- The period claimed must be covered by appropriate Workers Compensation medical certificates. Incomplete and/or backdated certificates are not acceptable. Certificates not issued by registered medical practitioners are not acceptable, i.e. certificates issued by a chiropractor, physiotherapist, etc.
- It is the injured worker's responsibility to ensure they do not allow certificates to lapse and to ensure they are fully completed by their doctor at the time of consultation.
- Where an injured worker is certified fit for suitable duties and you do not provide these, no reimbursement will be made unless you have discussed this with CGU beforehand *and* CGU are satisfied that you are not able to provide suitable duties that accommodate the medical restrictions.
- CGU encourages employers to attend medical consultations with their injured workers to ensure that the doctor is made fully aware of what suitable duties you can provide.
- If your worker is absent from the work place for reasons unrelated to their work injury (i.e. personal illness or family situation) and as a result their earnings are reduced this will affect how their entitlement is calculated. Contact your Case Manager to discuss.
- When the worker attends their doctor and obtains a Final or Progress Workers Compensation medical certificate indicating fitness for pre-injury duties the worker should return to work on that day wherever practicable. No reimbursement will be made for time lost after the medical consultation unless there is a reasonable explanation. Please include the explanation whenever making a claim for reimbursement in such circumstances.
- CGU asks that employers seek reimbursement regularly (at least monthly) for longer term claims and you make your final claim for reimbursement within ten (10) days of the worker returning to pre-injury employment.