

# Employers' indemnity

Insurance application



## EMPLOYERS' INDEMNITY INSURANCE APPLICATION

### Western Australia

I/we request CGU Workers Compensation issue to me/us in respect of the business, trade, work or occupation described below ("Business") whether carried on at the situation set out below or elsewhere a policy indemnifying me/us (subject to the exclusions described in the policy) against my/our legal liability to pay:

- (a) to or in respect of any "worker" within the meaning of the Workers' Compensation and Injury Management Act 1981 ("Act"), compensation under the Act arising from injury suffered by the worker; and
- (b) damages at Common Law and under the Fatal Accidents Act 1959, the Law Reform (Miscellaneous Provisions) Act 1941, and the Law Reform (Contributory Negligence and Tortfeasors Contribution) Act 1947, arising from injury sustained by an employee in my/our direct employment during the course of their employment in the Business.

The limits at Common Law and Territorial limits are more particularly described in the Employers' Indemnity Policy.

#### PRIVACY AND YOUR INFORMATION

##### Collection Use and Disclosure of Personal Information

We need to collect, use and disclose personal information about you and anyone else to be insured under this policy. The Workers' Compensation and Injury Management Act 1981 authorises us to collect this information. You can choose not to provide us with some of the information requested but this may affect our ability to assess your application and determine the premium.

- (1) By providing your personal information to us, you consent to us:
  - (a) collecting and using that personal information for the purposes of:
    - (i) assessing, underwriting and issuing this or any subsequent policy;
    - (ii) providing the cover and administering this or any subsequent policy;
    - (iii) assessing, investigating and otherwise dealing with any claim under this or any subsequent policy; and
    - (iv) offering any discount or benefit.
  - (b) for the purposes in (a), disclosing personal information (on a confidential basis) to and collecting personal information from:
    - (i) related entities, investigators, mercantile agents, wage auditors, medical providers or any other party providing services to us;
    - (ii) other insurers, insurance intermediaries, government regulators or insurance reference bureaux; or
    - (iii) lawyers and law enforcement agencies.
- (2) By providing personal information about anyone else, you acknowledge that you are authorised to provide that personal information and that you will inform the other person(s):
  - (a) who we are;
  - (b) that we will use and disclose that personal information in the same manner as detailed in (1) above; and
  - (c) that they can gain access to that personal information.

##### Marketing Purposes

We may also use your personal information to make you aware of other products and services which may be of benefit to you.

- (1) Unless we are informed otherwise, you consent to us:
  - (a) using your personal information for the purposes of us -
    - (i) contacting you by mail, phone or e-mail to provide to you any offer, product or service available from us or any other organisation; or
    - (ii) undertaking planning, market research or product development; ("Marketing Purposes") and
  - (b) disclosing your personal information for Marketing Purposes to our related entities or any party providing services to us.
- (2) If you do not want your personal information used or disclosed for Marketing Purposes you must inform us as explained in our Privacy Charter. If you have already informed us you will not need to do so again.

**Please note:** If you have taken this policy out through an insurance broker or agent, we will not use your personal information for Marketing Purposes.

##### OUR PRIVACY CHARTER

Further information on how we handle your personal information is explained in our Privacy Charter including:

- ◆ how to contact us regarding Privacy
- ◆ how to inform us to change, cancel or reactivate your marketing consent
- ◆ how to access your personal information.

A copy of our Privacy Charter is available from CGU Workers Compensation (W.A. Branch) or you may visit our website at [www.cgu.com.au](http://www.cgu.com.au).

**When complete, please forward this application to:  
CGU Workers Compensation  
46 Colin Street West Perth WA 6005 GPO Box 929 Perth WA 6843  
Tel. 1300 307 952 or (08) 9264 2238 Fax (08) 9264 2899**

# Employers' Indemnity Insurance Application

**Please Note: If insufficient space in any section, provide details on a separate page**

## Period of insurance

The date you would like your policy to start

 / 

The expiry date of your policy will be 4.00 p.m. on

 / 

**CGU Workers Compensation use only**  
Policy no.

 :  :  :  :  :  :  :  :  : 

## Business details

Full name of employer (legal entity)

  


ABN (if applicable)

Workcover number (if known)

Business email address

Are you registered or required to be registered for GST purposes?

No  Yes  Please provide us the entitlement to Input Tax Credit  %

Business or trading name

  


Postal address

  
 Postcode

Telephone no.

 ( ) 

## Business activities

Please list **all** of your business activities including any that are undertaken at or from other locations. Include the estimated total gross Wages (as defined in 2 of "Important Notices") paid for each activity and for all workers, family members, working directors, contractors, subcontractors and workers engaged by subcontractors.

**For Example:**

Business Activities	Situation Address	Estimated Gross Wages (as defined)
1 Building Boats	1. As above	\$100,000
2 Retailing Boats and Boating Accessories	2. As above	\$50,000
3 Retailing Boats and Boating Accessories	3. 121 Shop Street, Workville	\$50,000

Business Activities	Location/Situation Address	Estimated Gross Wages (as defined)

## 1. Direct employees (including family members employed in the business)

Business Activities	Number of workers	Total Gross Wages (as defined)

## 2. Working Directors (Insuring Working Directors is optional. See explanation 3 under "Important Notices".)

If a Director works for or on behalf of the company and their earnings are in substance for personal manual labour or services, then they can be covered for statutory benefits at the option of the Insured. If cover is required, the name and total Wages (as defined) paid to each Working Director must be shown below.

Please note that Working Directors of public companies are not considered workers under the Act.

Is cover for Working Directors required?

No  Yes  Please provide details.

Full name	Wages or salary component	All other remuneration (see Wages definition)	Total

## 3. Working Contractors (see explanation 5 under "Important Notices")

If the engagement of working contractors is in substance a return for their manual labour or services and the contract is for the purpose of your trade or business then these working contractors **must** be insured.

Do you expect to engage any such Contractors?

No  Yes  Please provide details.

Category	Type of work performed	Total value payments to contractors	% used to estimate labour component	Value of labour component
Individual Contractors providing their own labour & light plant or hand tools e.g. a labourer for a bricklayer.			Multiply by 90%	
Individual Contractors providing their own Labour and Heavy Plant e.g. a road-making contractor.			Multiply by 50%	
Individual Contractors providing Labour and Substantial Amount of Materials e.g. a carpenter supplying timber.			Multiply by 40%	
Individual Contractors who have been paid a Total Contract Price to carry out a Complete Contract including Labour, Plant and Materials e.g. a contract to landscape a park.			Multiply by 30%	

## 4. SECTION 175 Workers of Contractors (See explanation 6 under "Important Notices")

Do you engage contractors who employ workers to work on your premises or on premises under your control or management?

No  Yes  Please provide details.

Nature of Contract and Type of Work Performed	Total Value of Contract	Estimated Wages (as defined) component of Contract Value

## 5. Related/Associated Companies

Do you have any Parent and or Subsidiary Companies that operate at or from the above or any other location(s)?

No  Yes  Please provide details (next page).

Please note if you require a quote for any of the above a separate quotation request for each entity will be required

Full Name of Parent and or Subsidiary	Company Business Activities

**6. Contractual Obligations (See explanation 7 under "Important Notices")**

Have you entered into or do you intend to enter into any contractual arrangements under which you agree to indemnify or hold harmless any Principal or any other person?

No  Yes  Please provide details.

**It should be understood when completing this section that cover will not necessarily be granted by CGU Workers Compensation.**


**General Questions (Please answer all questions where applicable)**

1. Have you any policy of insurance with any other insurer covering any portion of your liability under the Act?

No  Yes  Please provide details.


2. Have you previously held any Employers' Indemnity Insurance Policy with any other insurer for this business or any other business.

No  Yes  Please provide details.

Name of Insurer	Policy Period

3. Please supply details of your claims history over the past five years. Refer to previous insurer for this information.

Insurer	Period of Insurance	No of Claims	Amount Paid	Outstanding	Total

4. Has any employee made any claim for common law damages on you within the last 5 years?

No  Yes  Please provide details.


5. Have you engaged any employees in Western Australia to perform work outside Western Australia or overseas?  
(See explanations 8 and 9 under "Important Notices")

No  Yes  Please provide details.

Name the State, Territory or Country

State number of employees

How long will they be employed outside WA?

### Risk Management (Please answer all questions)

1. Do you have an injury management system in accordance with the Injury Management Code of Practice?  
No  Yes
2. Do you assess the physical capabilities of all new employees by having them complete a pre-employment form?  
No  Yes
3. Do you require all new employees to undertake pre-employment medical examination?  
No  Yes
4. Do you have induction and training records for each employee and are they regularly updated?  
No  Yes
5. Are regular documented hazard inspections carried out in each workplace?  
No  Yes
6. Do you have written job procedures for potentially hazardous tasks?  
No  Yes
7. Are all accidents and potentially serious incidents investigated to establish and eliminate the causes?  
No  Yes

### Declaration

I/We request CGU Workers Compensation to issue me/us with an Employers' Indemnity policy.

I/We declare and warrant that all the statements in this application are true.

I/We have not suppressed, misrepresented or misstated any material fact.

I/We have fairly estimated my/our expenditure for gross Wages (as defined) during the period of insurance for which cover is requested.

I/We authorise CGU Workers Compensation to collect or disclose any personal information in the manner described in the "Privacy and Your Information" section of this form.

If you do not wish to receive any marketing material directly from us (such as special offers and discounts) tick this box.

Signature of Employer

Date

Signature of Employer

Date

# Please detach and retain 'Important Notices' notice for your information.

## Important Notices

The information referred to in the Important Notices to the Employers' Indemnity Application Form ("Form") is intended only as a guide to assist in the completion of the Form.

### Introduction

Employers' Indemnity Insurance is, by law, a compulsory insurance required by any person or company employing workers as defined in the Workers' Compensation and Injury Management Act 1981 ("Act").

The policy provides indemnity for your legal liability under the Act to make any payment in respect of an injury suffered by any of your workers including indemnity for your Common Law Liability for those workers employed by you under a contract of service or apprenticeship.

To arrange cover please complete this Form making sure that you understand the notes set out below.

### 1. Business Description

You are requesting cover for a policy to indemnify you for your liability described above in the business declared on the Form. Unless advised to and agreed by the Insurer, you will not be indemnified for claims by your workers if they are engaged in activities not declared on this Form.

### 2. Wages Definition

This means all wages, salaries, remuneration, commissions, bonuses, overtime, allowances and the like, director's fees, superannuation contributions (except those made by force of law such as the Superannuation Guarantee), fringe benefits, and all other benefits paid (whether paid in cash or non-cash benefits such as vehicles, equipment, mortgage payments, travel, school fees etc.) to or in relation to a Worker (including working directors declared as such to us) or to contractors, before deduction of income tax.

Wages do **not** include termination payments, retirement pay, retrenchment pay in lieu of notice, pensions, "golden handshakes", or weekly payments of workers compensation.

### 3. Working Directors

Companies (excluding public companies) have the option of covering their working directors under Section 10A of the Act. In relation to such companies, a working director means a director of a company who:

- (i) executes work for or on behalf of a company; and
- (ii) whose earnings as a director of the company by whatever means are in substance for personal manual labour or services.

To obtain cover, a working director(s) must be named on the Policy and their total Wages (as defined) must be declared.

Companies must also provide supporting particulars to verify the aggregate amount paid to their working director(s) with the actual wages declaration and you may also be required to verify the amount in the event of a claim.

Statutory benefits cover is provided for named working directors. Common law cover may not be provided for claims by working directors unless, amongst other things, they can establish they were working under a contract of service for the company.

Note: Working directors of public companies cannot "opt in" under Section 10A and are not considered to be workers under the Act.

### 4. Obligation of Principals to Working Directors (avoidance arrangements)

Principals engaging contractors need to be aware that they will be in breach of the Act if they enter into arrangements that are designed to avoid their liability to a worker under the Act.

This situation is known as an 'avoidance arrangement' under Section 175AA of the Act.

Principals are advised to seek advice on their contractual arrangements with their contractors to ensure they are not in breach of the Act as penalties apply.

### 5. Working Contractors and Sub-Contractors

Contractors and sub-contractors who have been engaged by you for the purpose of your trade or business under a contract for service (i.e. not direct workers) and whose remuneration by whatever means is in substance a return for their personal manual labour or services, are considered to be your 'workers' under the Act.

Although the policy will cover your liability under the Act please note NO COVER is provided for claims made against you under common law. Premium is assessed on the labour component of contractor payments and varies according to the type of work undertaken. Please show details for such contractors or sub-contractors under Section 3 of the Form.

### 6. Workers engaged by Contractors and Sub-Contractors

Section 175 of the Act makes you jointly and severally liable for injury to the workers of any of your contractors or sub-contractors. It is therefore important that you satisfy yourself that all contractors and sub-contractors have insurance covering their own workers.

Please note, however, that by obtaining a Certificate of Currency for such Contractors and Sub-contractors you do not take away your obligation to declare them on your insurance declaration. You will only be protected against claims made against you by persons engaged by Contractors and Sub-contractors under a contract of service for the Act benefits. No cover is provided for common law.

### 7. Contractual Obligations

The Employers' Indemnity policy does not provide cover for any contractual arrangements whereby you agree to indemnify and/or hold harmless any Principal or any other person.

If you have entered into or intend to enter into any contractual arrangements whereby you agree to indemnify and/or hold harmless any Principal or any other person it is necessary to declare complete details with any request for extension of cover. Please note, however, that a request for such an extension of cover will not necessarily be granted.

### 8. Workers Employed Across State Boundaries

The Workers' Compensation and Rehabilitation Amendment (Cross Border) Act 2004 is designed to clarify the workers' compensation coverage of workers who work in different states. The new "cross border" provisions reflect nationally agreed principles which are being progressively adopted by all workers' compensation jurisdictions to clarify which state or territory individual workers are connected to.

#### State of Connection

To make it simpler for employers to determine the appropriate "State of Connection" in which to insure workers, a sequential three-step process is involved.

- (1) The State or Territory in which the worker usually works in that employment and therefore spends the greatest proportion of their working time.
- (2) If no jurisdiction is identified in step (1), the State or Territory in which the worker is usually based for the purposes of that employment. To help determine this, consideration would be given to the work location specified in the worker's contract, the location the worker routinely attends, the location from which the workers wages are paid.
- (3) If steps (1) or (2) don't apply it becomes the jurisdiction in which the employer's principal place of business in Australia is located. This can be determined from the Australian Business Register or the Australian Securities and Investment Commission's National Names Index.

If a State of Connection cannot be determined for an injured worker and the worker is not entitled to compensation under laws of a place outside Australia, a State of Connection exists in the State the worker is in when the injury occurred.

#### Temporary Work Arrangements

In deciding whether a worker usually works in a particular State, an employer must have regard for any temporary working arrangements. Periods of not more than six months working interstate may be considered temporary. This removes the need to have two workers' compensation policies for workers temporarily working interstate. Should an interstate working arrangement be planned for or continue beyond six months, the State of Connection will need to be reconsidered to determine if it remains temporary, or is a permanent arrangement.

It is important to note that a claim will not be accepted under this policy unless the State of Connection "test" for Western Australia is met.

## Important Notices (cont'd)

### 9. Employees Working Overseas

If a worker who usually works for you in WA is required to temporarily perform work overseas, then the worker will be covered for the benefits of the Act for a period of up to six months, which may be extended upon request.

Although this cover is automatic, we do need to know in which country your workers will be engaged.

NO COVER is provided for claims made against you for damages under the Fatal Accidents Act 1959, the Law Reform (Miscellaneous Provisions) Act and the Law Reform (Contributory Negligence and Tortfeasors Contribution) Act 1947 and at common law for employees working overseas.

### 10. Policy Limit for Common Law Liability

The Policy has a \$50 million limit for common law liability and costs in respect to any one event regardless of how many employees are injured by that event.

### 11. Mining Risks

The Policy does not provide cover for industrial disease (i.e. the diseases of pneumoconiosis, mesothelioma and/or lung cancer) arising from employment on the site of a Prescribed mine. All employers who have workers engaged on the site of a Prescribed mine are required to effect cover for industrial disease with the Insurance Commission of WA.

### 12. Renewal Procedure

The premium will be calculated on the amount of Wages (as defined) you estimate you will pay during the period of insurance. After the expiry of the period, the correct amount of Wages actually paid by you must be provided to us. If the amount of Wages declared to us differs from the estimated amount, the premium will be adjusted and you must pay a further premium to us or we will refund premium to you, subject to our retaining a customary minimum premium. Except for declared working directors, the calculation of premium is unrelated to the rate of weekly payments of compensation prescribed by the Act.

### 13. Injury Management System and Return to Work Programs

All employers are required to have an Injury Management System (IMS) in place in accordance with the Injury Management Code of Practice. The purpose of the IMS is to ensure that employers are able to respond to workers' compensation claims quickly and properly, so that injured workers can remain at work or return to work at the earliest appropriate time.

Additionally, all employers are required to have a Return to Work Program (RTWP) established in accordance with this Code as soon as practicable following an injury to a worker. Alternatively, you are able to transfer your obligation to establish a RTWP to CGU Workers Compensation as your insurer by putting that request in writing when you submit the claim, however you must still cooperate in the process.

Should you require assistance in implementing an IMS, establishing and monitoring a RTWP or would like a copy of the Injury Management Code of Practice, please contact a CGU Injury Claims Consultant or our Injury Management Advisors.

Information on IMS or a copy of the Code of Practice can also be obtained by contacting WorkCover on 1300 794 744 or by accessing their website at <http://www.workcover.wa.gov.au>.

Please note that penalties apply under the Act to employers for not having an IMS in place which is in accordance with the Code of Practice and/or for non-compliance with a RTWP.



Insurer  
**Insurance Australia Limited**  
ABN 11 000 016 722  
trading as CGU Workers Compensation