

Useful Tips - Your Workers Compensation Declaration Form



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Wages information is important because it is the key exposure metric for calculating Workers Compensation contributions. Declaring reliable wages means that agencies’ contributions are fair and accurate. Based on our review of the previous declaration campaigns, we have identified areas of inconsistency and frequent queries from agencies. We have also made some minor changes to the Workers Compensation form to improve the declaration process. This guide aims to provide you with useful tips and explanations to assist you in completing your Declaration accurately.

Online Declaration Navigation Tips

- When navigating the online FTE and wages declaration table, you can click on any of the table headings to sort the data in that column. For example, the Employee Types that are currently being used by your agency can be listed in the top rows making for an easier view.

Click on any of the table headings to re-arrange your rows

Employee Type	Last Years Revised FTE	Last Years Forecast FTE	Last Year's Revised Estimate Wages (\$000)	Last Year's Forecast Wages (\$000)	Actual FTE Closed FY	Revised Estimate FTE Current FY	Forecast FTE Next FY	Actual Wages (\$000) Closed FY
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- Depending on your browser settings, you may notice that the complete online table will not fit neatly across your screen, forcing you to scroll sideways to view the far right of the table. To fix this, adjust your web browser zoom settings to increase or decrease the page magnification. You can:
 - » use the Ctrl key and “+” or “-” combinations to increase or decrease the page magnification, or
 - » (if you are using a mouse) hold down the keyboard ‘Ctrl’ key and use the mouse wheel
- Your declaration information has been pre-populated with last year’s data. If you click on any of the fields that have been pre-populated with zero (for example, Employee Types not relevant to your agency), this will revert the field back to being blank, prompting you to re-enter a value. Therefore, a handy tip is to avoid clicking on any fields that are not relevant to your agency unless you need to update any data.

Declaring number of Full Time Equivalent (FTE) employees

- FTE or Full-Time Equivalent measures the number of full-time employees within an agency. It is not intended to be a headcount of workers at a given time or the total number of employment contracts issued throughout the year.
- FTE should reflect the full-time hours worked within an agency over the relevant 12-month period. Example - A full-time employee (working 40 hours per week) is equal to one FTE; a part-time employee (working 20 hours per week) is equal to 0.5 FTE. In cases where a full-time employee joins an agency midway through the year and only works for 6 months, they are also considered as 0.5 FTE. This calculation helps icare establish accurate comparisons and facilitates effective contribution setting.

Declaring Mergers & Splits

- Declare any structural changes within your agency resulting in staff transfers to or from another agency, such as Machinery of Government changes. This helps icare consider mergers and splits when determining contribution.
- In the Mergers and Splits section, confirm wages and FTE of staff directly involved in the merger or split. Provide this information to the best of your knowledge for the 3-year period.
- If you lack access to accurate wage information for staff not employed by your agency during the specified periods, it's acceptable to indicate this.
- Within the TMF, there are some unique policy structures. A single agency may have multiple active policies. If this applies to your agency and there has been an intra-agency transfer of staff (from one policy to another within your agency), declare this in the Mergers and Splits section also.
- Wages declared in the main FTE and Wages section of the declaration should also reflect any mergers and splits.

Example: If staff are transferring from Policy X to Policy Y on 31 December 2023, please account for these changes in the FY2024-25 forecast wages and FTE. In the main FTE and Wages section:

Policy X

- a) Actual Wages for FY2022/23: Include the staff who are transferring out.
- b) Revised Estimated Wages for FY2023/24: Include the staff transferring out since the contribution issued for FY2023/24 already accounted for them.
- c) Forecast Wages from FY2024/25 onwards: Exclude the staff transferring out from the wage declaration of policy X.

Policy Y:

- a) Actual Wages for FY2022/23: Exclude the staff who are transferring in.
- b) Revised Estimated Wages for FY2023/24: Exclude the staff transferring in since they were not accounted for under this policy in the FY2023/24 contribution.
- c) Forecast Wages for FY2024/25 onwards: Include the transferring in staff in the wage declaration for Policy Y.

Interstate Workers

- If your agency employs workers who both reside and work in other states, it is highly probable that these workers have a 'state of connection' to the states where they live. In such cases, it is not necessary to include these workers in your NSW TMF declaration.
- However, it is crucial to ensure that you have a separate workers compensation policy in place for these workers in the state to which they are connected.
- To determine the state of connection for your workers, please refer to icare's comprehensive [guide for interstate and overseas workers](#).

Declaring Asbestos Wages - NEW

- If any of an agency's workers in the course of their employment are exposed to or handle any asbestos or asbestos containing products, you are required to declare the following information related to asbestos workers:
 - Actual Wages and FTE for FY2022/23
 - Revised Estimated Wages and FTE for FY2023/24
 - Forecast Wages and FTE for FY2024/25
- If your agency maintains records specifying the specific period during which workers were or are likely to be exposed to asbestos, you have the option to declare only the wages corresponding to that timeframe.
- Ensure that wages declared in the asbestos wages section are also included in the main FTE and Wages section of the declaration.
- We are required to collect information on asbestos wages to satisfy regulatory requirements as outlined under the Workers' Compensation (Dust Diseases) Act 1942.
- The relevant Dust Diseases Levy rate will be applied to asbestos wages.

For further information please refer to the Insurance for NSW TMF Declaration Instruction Manual.

Declaring Apprentice Wages

- If an agency employs apprentices, they are entitled to a reduced SIRA Levy. For the reduction to apply, declare the forecast number of apprentices and wages to be paid to apprentices for FY2024/25.
- Agencies are also required to declare apprentice FTE and Wages for both the closed FY2022/23 and current FY2023/24. We are required to collect this information to satisfy regulatory requirements.
- The apprentice section only applies to apprentices. Wages of Training Services NSW recognised traineeships are not entitled to the SIRA Levy discount, so they are not required to be declared in the apprentice section of the declaration.
- Apprentice courses can be verified on the [Training Services NSW](#) website.
- Wages declared in the main FTE and Wages section of the declaration, must still include apprentice wages.

'Remuneration' Refresher

The following provides guidance on some remuneration questions that agencies often ask when completing declarations:

- **Board of Directors** – Director/board member duties may include attending board meetings and strategic goal setting.
 - Any fees or payments an agency makes to a non-working director/board member for performing their duties as a director/board member are not counted as remuneration.
 - Any payments made to an executive board member (also an employee involved in the day to running of the agency) are included as wages (salary, wages, fees etc.).

- **Termination Payments** – The following payments made on termination, redundancy, severance, retrenchment, or early retirement are not considered as remuneration:
 - Payments made in lieu of notice on termination
 - Severance payments based on length of service
 - Gratuity or 'golden handshake' payments

Lump sum payments made on termination for accrued sick leave, annual leave (including leave loadings or bonuses), and long service leave, are considered as remuneration.

- **Interstate and overseas workers (from NSW)** – Wages paid to a worker who is normally based in NSW, while that worker is temporarily working interstate or overseas, are counted as remuneration. Agencies must always verify with the relevant overseas authority the legislative requirements to hold a policy in that country.
- **Volunteers** – Volunteers who are unpaid workers are not covered for Workers Compensation. Honorariums to volunteers are not counted as remuneration.
- **Contractors** – If you engage independent contractors, it is the contractor's responsibility to obtain appropriate cover. Therefore, you do not need to declare payments made to independent contractors as remuneration. Work being carried out by independent contractors is typically incidental to a trade or business carried on by the contractor.

Note: There are some contractors who are deemed workers if the arrangement reflects an employer employee relationship. Payments made to contractors who are deemed workers must be declared as remuneration. These are typically contractors where the work performed is not incidental to a trade or business carried on by the contractor.
- Further detail on what payments should be included as remuneration (including guidance on whether to declare any contractors) can be found in icare's [Wage Definition Manual](#).

If you require further assistance with this, please contact your icare Client Engagement Manager or email declarations@icare.nsw.gov.au.