

Pty Ltd Companies now have an option as to whether working directors **who have some ownership of the company** are to be insured under the workers compensation system. For working directors with no ownership the following still applies. Section 160 (2a) of the "Act" states that where the employer is a company, that employer shall, in relation to each of its workers who is :-

- (a) a director of the company; and
- (b) (b) engaged or employed by or working for the company, provide the Insurer , both the name of the worker and their "wages". Where a Working Director is not in receipt of a salary or wage or other remuneration as defined, the total remuneration must be based on the award rate for an occupation closest to the type of work performed.

However, due to a recent court case the definition of 'worker' in respect to directors needs careful consideration. When completing your Statement please note:

A working director is not necessarily an employee of the company and therefore, is not necessarily entitled to the benefits of the Workers Compensation and Injury Management Act, 1981

Directors who would have been entitled to the benefits or the Act are NOT so entitled if they are NOT declared as working directors in Schedule B of the Proposal or Statement of Salaries and Wages.

A director does not automatically become entitled to the benefits of the Act simply by virtue of being declared in Schedule B of the proposal or statement of salaries and wages.

To be entitled, the director must not only be declared in Schedule B of the proposal or statement of salaries and wages but also be engaged by the company as a 'worker' – as defined by the act.

Declaration by or on behalf of Employer

To be signed by the employer personally/External Accountant or where the employer is an Incorporated Body, by the Company Secretary.

I _____ of _____

In the State of Western Australia do solemnly and sincerely declare that the total sum of Wages (as defined overleaf) paid to my/our employees during the period now expired was as set out above AND I make this solemn declaration conscientiously believing the same to be true and by virtue of an Act of Parliament of Western Australia rendering persons making a false declaration punishable for wilful and corrupt perjury.

Declared At _____ this _____ day of _____

Signed _____

Before me _____ Witness _____

I confirm renewal of this policy is required.

Signed _____ DATE _____

I confirm renewal of this policy is NOT required because _____

Signed _____ DATE _____

I confirm CANCELLATION of this policy is required because _____

Signed _____ DATE _____