

## WORKERS COMPENSATION ACT 1987

# Calculating pre-injury average weekly earnings

If an injured worker is unable to perform his or her pre-injury job, or suitable alternative duties, as a result of a work-related injury or illness, any weekly compensation that might be payable is calculated by reference to the worker's pre-injury average weekly earnings (PIAWE).

The PIAWE is the average of weekly earnings over the 52 week period prior to the injury (subject to some exceptions noted below).

The calculation of earnings must take into account any periods of paid leave, but must not include any periods of unpaid leave.

The main component of PIAWE will be the worker's ordinary earnings, which are for each week:

- If the worker is paid on the basis of ordinary hours worked in a week, the sum of the amounts paid or payable for:
  - earnings for the hours the worker worked or was on paid leave in that week
  - overtime and shift allowances (but only for calculating compensation in the first 52 weeks of incapacity)
  - piece rates
  - commissions
  - the value of non-pecuniary benefits (eg residential accommodation, use of a motor vehicle, health insurance, or education fees)
  - any salary sacrifice arrangement.
- In any other case, the sum of the amounts paid or payable for:
  - the actual earnings of the worker (including paid leave in that week)
  - overtime and shift allowances (but only for calculating compensation in the first 52 weeks of incapacity)
  - piece rates
  - commissions
  - the value of non-pecuniary benefits (eg residential accommodation, use of a motor vehicle, health insurance, or education fees)
  - any salary sacrifice arrangement.

If a worker has been employed for at least four weeks but less than 52 weeks, the PIAWE is calculated over the actual period of continuous employment with the employer prior to injury, but not including periods when the worker did not work or was not on paid leave.

If a worker has been employed for less than four weeks, the PIAWE is calculated on the basis of the average ordinary earnings the worker could reasonably have expected to earn in that employment (if it were not for the injury) for the period of 52 weeks after the injury.

If immediately before the injury the worker was not a full time worker, but at the time of injury had been seeking full time employment and had been, in the previous 78 weeks, predominantly a full time worker, the PIAWE is calculated as the average ordinary earnings with all employers over that 78 week period, but not including periods when the worker did not work or was not on paid leave.

For workers who had been employed by two or more employers at the time of injury there are special ways of calculating the PIAWE and these are set out in a table in schedule 3 of the WC Act.

**Note:** There are prescribed minimum and maximum rates of weekly compensation which are adjusted from time to time.



## Calculating pre-injury average weekly earnings

### 6. SALARY SACRIFICE

Is any part of the weekly wage payment directed to another party (also known as salary sacrifice)?  Yes  No

If yes, please supply details:

Type

  

Amount

\$   
\$

### 7. REASONS FOR REQUESTING AN ALTERATION OF WEEKLY PAYMENTS (to be completed by injured workers in support of applications in accordance with section 42(1) of the WC Act 1987)

Please state the reasons for the request for alteration of weekly payments.

  
  

### 8. OTHER EARNING DETAILS (to be completed by injured workers in support of applications in accordance with section 42(1) of the WC Act)

Do you have a second employer? If yes, please provide the following:

Employer name

Employer address

Unit number/Street number/Property number (include Lot or DP number if applicable)

Street name

Suburb

State

Postcode

Contact person

Employed since (DD/MM/YYYY)

### 9. DECLARATION

I have read the information provided in this form. I declare that the information I have supplied in this form, and any attachment to this form, is true and correct and that no information has been suppressed or omitted from this report to the best of my knowledge. I understand that the making of a false or misleading statement concerning a claim is punishable by law and that I may be prosecuted.

State name

Role (if not the injured worker)

Signature

Date (DD/MM/YYYY)