

# **Workers' Compensation and Rehabilitation (QOTE) Notice 2020**

Explanatory notes for SL 2020 No. 88

made under the

*Workers' Compensation and Rehabilitation Act 2003*

## **General Outline**

### **Short title**

*Workers' Compensation and Rehabilitation (QOTE) Notice 2020*

### **Authorising law**

Sections 10A and 205 of the *Workers' Compensation and Rehabilitation Act 2003*.

### **Policy objectives and the reasons for them**

Compensation entitlements of injured workers and dependants of deceased workers under the *Workers' Compensation and Rehabilitation Act 2003* (the Act) are subject to indexation in accordance with increases in Queensland Ordinary Time Earnings (QOTE) to ensure the relative value of those amounts over time.

Under section 10A of the Act, QOTE for a financial year is the amount of Queensland full-time adult persons ordinary time earnings declared by the Australian Statistician in the original series of the publication 6302.0 – *Average Weekly Earnings, Australia* most recently published before the start of the financial year.

QOTE for 2019-20 was \$1,574.00. According to the latest Australian Statistician's report released on 20 February 2020, QOTE will increase to \$1,609.30 in 2020-21, an increase of 2.24%.

### **Achievement of policy objectives**

Under section 10A of the Act, the Workers' Compensation Regulator must, before the start of a financial year, notify QOTE for the financial year and the percentage difference in QOTE for the financial year compared to QOTE for the previous financial year. The Regulator's notice is subordinate legislation.

Under section 205 of the Act, if QOTE varies, each payment or amount under chapter 3, part 3, division 4 or 5 or part 6, 10 or 11 of the Act that is not expressed as a percentage of QOTE must be varied proportionately, rounded up to the nearest five dollars. The Workers' Compensation Regulator must notify a variation under this section. The Regulator's notice is subordinate legislation.

## **Consistency with policy objectives of authorising law**

The *Workers' Compensation and Rehabilitation (QOTE) Notice 2020* (the Notice) is consistent with the main objects of the Act to maintain a balance between providing fair and appropriate benefits for injured workers and their dependants and ensuring reasonable cost levels for employers.

## **Inconsistency with policy objectives of other legislation**

The Notice is not inconsistent with the policy objectives of other legislation.

## **Benefits and costs of implementation**

The Notice is beneficial for injured workers and their dependants as the effect of indexation is to maintain the relative value of compensation entitlements over time in line with wages growth.

## **Consistency with fundamental legislative principles**

The notice is consistent with fundamental legislative principles.

## **Consultation**

WorkCover Queensland and licensed self-insurers were consulted and raised no concerns with the proposed notice.

In accordance with the Queensland Government Guide to Better Regulation, the Office of Best Practice Regulation was not consulted in relation to the regulatory proposal. The department applied a self-assessable exclusion from undertaking further regulatory impact analysis (Category (h) – regulatory proposals that put forward standard annual fee variations in line with or below a government endorsed indexation factor).