Completing Declarations of Remuneration

The regulations of the Workers Compensation & Injury Management Act 2023 require policyholders to complete two Declarations of Remuneration;

- **Declaration of Estimated Remuneration (DER)**
  for the calculation of the renewal premium
- **Declaration of Actual Remuneration (DAR)**
  to calculate any debit or credit adjustment to the deposit premium paid at last renewal or inception

What is 'Remuneration'?
Generally, remuneration means *Gross Salaries & Wages excluding the Superannuation Guarantee Levy*. The WorkCover WA Remuneration Guidelines set out what constitutes 'remuneration'.

Worker Categories and Sections in the Declarations

3.1 General Workers
It is compulsory to declare remuneration for all of your full-time, part-time workers, casual and seasonal workers, and apprentices. Do not declare Working Director's or Contractor's/Subcontractor's remuneration in this section.

A **Premium Rating Code (PRC)** appears in this section and has been applied to your policy in accordance with the WorkCover WA Industry Classification Order. If you have any queries about the applied PRC please contact us.

3.2 Working Directors
Optional cover. A working director means a company director who does work for or on behalf of the company and whose remuneration by whatever means is, in substance, payment for their personal manual labour or services. A working director not listed is not covered. If cover is required insert the Working Director's name and other details as per the declaration. If cover is no longer required, remove the Working Director's name.

3.3 Contractors
The are circumstances when you are required to declare remuneration to contractors and/or their workers and pay the applicable premium. Note: contractor means contractor(s) and/or subcontractor(s).

Individual Contractors
The Act can consider an individual to be your worker even when they have an ABN, are registered for GST, have a Pty Ltd company or are described as self-employed. It may be necessary for you to declare remuneration to individual contractors and pay the applicable premium.

Read our advice about **Individual Contractors** and review our **Individual Contractor Assessment**.

Are you a Principal engaging Contractors?
When you are a principal employer with a contractual arrangement with a contractor under which they are to perform work for you that is directly a part of your trade or business, then the Act considers both you and the contractor to be employers of the contractor's workers. It may be necessary for you to declare the remuneration your contractors pay to their workers, or the total contract value, and pay the applicable premium.

To find out more and what to do to avoid paying additional premium for the workers of contractors read our advice **When You are a Principal engaging Contractors**.

We understand Workers Compensation can be complex
Please do not hesitate to contact us with any queries or for further understanding.

General Advice Warning

This advice is general in nature and does not replicate the terms and conditions of the applicable policy, the Act or other legislation, which separately or combined, will prevail over this advice and are the final arbiter when determining the extent of cover and indemnity available for a claim.