



WEEKLY BENEFITS CALCULATION TABLE: VIC

OVERVIEW

This fact sheet provides a brief overview of pre-injury average weekly earnings (PIAWE) and the formulas that apply when calculating weekly benefits.

WORK CAPACITY	ENTITLEMENT PERIOD	WEEKLY COMPENSATION FORMULA
NO CAPACITY	First entitlement period 0 - 13 weeks	The lesser of: PIAWE x 95% or Statutory maximum
	Second entitlement period 14 - 130 weeks	The lesser of: PIAWE x 80% or Statutory maximum
	Third entitlement period 131+ weeks	If no work capacity indefinitely the lesser of: PIAWE x 80% or Statutory maximum
PARTIAL INCAPACITY	First entitlement period 0 - 13 weeks	The lesser of: PIAWE x 95% - current weekly earnings or Statutory maximum - current weekly earnings
	Second entitlement period 14 - 130 weeks	If working the lesser of: (PIAWE x 80%) - (current weekly earnings x 80%) or Statutory maximum - (current weekly earnings x 80%)
	Third entitlement period 131+ weeks	To qualify for benefits under the third entitlement period an injured worker will need to complete a 93cd application (is an application to extend weekly benefit payments beyond the second entitlement period). If successful, weekly benefit payments are based on the second entitlement period rates. For more information regarding weekly payments in this entitlement period please contact EML.

EXPLANATORY NOTES

- CWE = current weekly earnings
- PIAWE = pre-injury average weekly earnings
- Retirement age = age you are eligible for the aged pension under the Social Security Act 1991
- Medical payments continue for up to 12 months after weekly payments cease.
- If a worker is receiving weekly payments because of a work-related injury or illness, they may be eligible to receive superannuation contributions on those weekly payments from EML if they:
 - have been injured on or after 5 April 2010
 - have received weekly payments for an aggregate period of 52 weeks
 - have been receiving weekly payments
 - are under retirement age, and
 - are not receiving superannuation from their employer under a public sector superannuation scheme, law, or industrial award (e.g., make up pay).

DEFINITIONS

PIAWE

Simply means the weekly average of the gross pre-injury earnings received by the worker in all employment at the time of injury. PIAWE is calculated as gross earnings divided by the relevant earning period which is the 52 weeks before injury unless an adjustment applies.

Gross earnings include income from all employment at time of injury and the cash value of non-monetary benefits that have been withdrawn after injury but excludes compulsory superannuation, workers compensation and or other compensation payments.

RELEVANT EARNINGS PERIOD

- If continuously employed by the employer for more than 52 weeks - use the 52 weeks prior to the injury.
- If employed less than 52 weeks - use that continuous period.
- If employed less than four weeks - the prospective amount of what that worker would have earned.
- If the worker has voluntarily altered their hours or nature of work which reduces the ordinary earnings across the last 52 weeks - the period before the reduction should not be used in the average.

Schedule 1 lists specific PIAWE calculations for some types of workers, these include:

- an apprentice or worker under 21 years of age
- workers employed by two or more employers
- a worker who had been advised of a promotion or other appointment but had not yet taken up the role.

NON-PECUNIARY BENEFITS

For the purposes of calculating workers compensation benefits non-pecuniary benefits include any amount that, in accordance with the worker's instructions under the worker's terms of employment, the employer is required to apply or deal with on behalf of the worker such as residential accommodation, use of a motor vehicle, health insurance and education fees. Any amount that is excluded from base rate of pay as a base rate of pay exclusion is not a non-pecuniary benefit e.g., incentive payments, loadings, piece rates, overtime or shift allowances.

TIME LIMITS ON WEEKLY PAYMENTS

A worker with no capacity for work indefinitely may be entitled to weekly compensation up to statutory retirement age with regular reviews every two years.

STATUTORY MAXIMUM

The statutory maximum is the maximum amount of weekly compensation that can be paid to a worker. The statutory maximum is based on twice the State average weekly earnings. State average weekly earnings are not indexed but are recalculated on 1 July each year using the appropriate figures published by the Australian Bureau of Statistics (ABS).