



**Jurisdictional Policy Advice No. 2007/11**  
***Safety, Rehabilitation and Compensation Act 1988***  
**Legislative amendments that increase the maximum  
lump sum amount of compensation for funeral expenses**

**Background**

1. The *Safety, Rehabilitation and Compensation and Other Legislation Amendment Act 2007* (SRCOLA) received Royal Assent on 12 April 2007.
2. This Act amends the provisions of the *Safety, Rehabilitation and Compensation Act 1988* (the SRC Act).
3. The amendments will, among other things:
  - increase the maximum amount payable under subsection 18(2) for funeral expenses to \$9,000;
  - provide for indexation of this benefit in line with the Consumer Price Index (CPI); and
  - provide for the benefit to be increased by regulation should CPI adjustments not keep pace with real costs (this regulation power can only operate beneficially).

**Legislative Amendments**

4. The following is the amended provision:

**18 Compensation in respect of funeral expenses**

- (1) Where an injury to an employee results in death, Comcare is liable to pay compensation in respect of the cost of the employee's funeral to the person who paid the cost of the funeral or, if that cost has not been paid, to the person who carried out the funeral.
- (2) The amount of compensation is the amount, not exceeding the amount determined in accordance with subsection (4), that Comcare considers reasonable, having regard to:
  - (a) the charges ordinarily made for funerals in the place where the funeral was carried out; and
  - (b) any amount paid or payable in respect of the cost of the funeral under any other law of the Commonwealth.
- (3) Where a person is liable to pay the cost of the funeral of an employee, any amount paid under this section to the person who carried out the funeral is, to the extent of the payment, a discharge of the liability of the first-mentioned person.
- (4) The maximum amount of compensation under subsection (2) is:

- (a) \$9,000; or
- (b) if the regulations prescribe a higher amount—that amount.

Note: The amount of \$9,000 is indexed under section 13.

### **Interpretation**

- 5. The indexed rate for funeral expenses notified in JPA 2007/02 for 1 July 2007 will now not take effect.
- 6. A new maximum amount of \$9000 will be payable for employees who die on or after 13 April 2007. Funeral costs payable for employees who die before this date will be payable at the rate applicable on the day of death. These rates are available on Comcare's website at: [http://www.comcare.gov.au/compensation/statutory\\_rates](http://www.comcare.gov.au/compensation/statutory_rates)
- 7. Indexed rates for 2008 and beyond will be notified by Comcare in conjunction with other rates indexed under the provisions of section 13 around February each year when the relevant statistic becomes available from the Australian Bureau of Statistics.
- 8. Comcare will also notify any changes to the rate made by way of regulation.

### **Policy Advice**

- 9. These changes, by way of amendments to the SRC Act, require determining authorities to incorporate suitable processes and procedures to ensure that all claims for funeral benefits under section 18 for employees are paid in accordance with the new provisions.
- 10. Any queries in relation to this policy advice may be discussed with SRC Policy, phone 1300 366 979 or email [SRC.Policy@comcare.gov.au](mailto:SRC.Policy@comcare.gov.au)

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29 June 2007