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Jurisdictional Policy Advice (JPA) No. 2008/7
Safety, Rehabilitation and Compensation Act 1988
Prescribed Indexation of Normal Weekly Earnings under subsection 8(9F)
– effective 1 July 2008

Purpose

1. This advice alerts determining authorities that the amount of increase in the normal weekly earnings (NWE) under subsection 8(9F) of the [Safety Rehabilitation and Compensation Act 1988](#) (SRC Act) to apply from 1 July 2008 is **4.2%**.

Background

2. Section 8 of the SRC Act establishes the value of an employee's NWE and prescribes how this is to be calculated. NWE is used as the basis for establishing an employee's weekly incapacity benefit under the SRC Act.
3. Subsection 8(9E) of the SRC Act requires an increase in NWE of an amount specified in subsection 8(9F) to current employees who have not had an increase in those earnings in the 12 months preceding 1 July.
4. Subsection 8(9F) states where the NWE of an employee before an injury is to be increased by virtue of subsection 8(9E), subsection 8(9F) specifies that increase shall be based on the percentage of increase (if any) in a prescribed index measured over the 12 month year ending on 31 December, immediately prior to 1 July.
5. JPA No. 2007/10 provided an interim indexation rate for subsection 8(9F) to apply from 1 July 2007 to 30 June 2008 of **3.3%**. That rate was used pending the regulation of a prescribed index.
6. On 24 June 2008, the **Wage Price Index (WPI)**¹ was prescribed under Regulation 6A of the *Safety, Rehabilitation and Compensation Amendment Regulations 2008 (No.2)* for the purposes of subsection 8(9F).
7. The percentage increase in the **WPI** for the 12 month period ending December 2007 is **4.2%**.

Policy Advice

8. Determining authorities must increase the NWE for current employees identified in 8(9E) by **4.2%** with effect from 1 July 2008.

¹ **Wage Price Index (WPI), Australia** (Total hourly rates of pay – excluding bonuses/all Australia/all industries/all occupations) as published by the Australian Bureau of Statistics

9. For enquiries concerning this policy advice, please contact the SRC Policy Section by telephone on 1300 366 979, or by email at SRC.Policy@comcare.gov.au.

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