



Australian Government

Comcare

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Jurisdictional Policy Advice 2009/3

Safety, Rehabilitation and Compensation Act 1988

Indexation of Normal Weekly Earnings under subsection 8(9B)

- effective 1 July 2009

Purpose

1. To notify determining authorities of the increase in the Wage Price Index (WPI), to take effect from 1 July 2009. The WPI is used to increase normal weekly earnings (NWE) of an ex-employee who is covered by the provisions of subsection 8(9B) of the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) – that is an employee who has ceased, or ceases to be employed by the Commonwealth or a licensed corporation.

Background

2. Regulation 5 of the *Safety, Rehabilitation and Compensation Regulations 2002* prescribes the WPI (total hourly rates of pay – Australia/all industries/all occupations – excluding bonuses) as published by the Australian Bureau of Statistics (ABS) for the purposes of subsection 8(9B). Regulation 6 specifies the period on which that index is based.
3. Subsection 8(9C) requires that the increase be applied to NWE from the indexation date of 1 July each year, being the rate published by ABS for the 12 months ending on 31 December immediately before the relevant 1 July.
4. The percentage increase in the WPI from the December quarter of 2007 to the December quarter of 2008, published on 25 February 2009, and calculated to two decimal places as required by the regulations, is **4.20%**.

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5. Determining authorities must increase the NWE for ex-employees covered by the provisions of subsection 8(9B) by **4.20%** with effect from 1 July 2009.
6. Determining authorities should have suitable processes and procedures in place to ensure that all calculations of entitlements under subsection 8(9B) are increased by the specified percentage.
7. Any issues relevant to this policy advice may be discussed with SRC Policy on 1300 366 979 or email SRC.Policy@comcare.gov.au.

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