Income support calculation table: SA

Overview

This fact sheet provides a brief overview of average weekly earnings (AWE) and the formulas that apply when calculating income support.

Work Capacity	Entitlement period	Weekly compensation formula
No Capacity	First entitlement period 0 – 13 weeks	**AWE x 100%** where AWE is subject to the maximum amount of average weekly earnings.
	Second entitlement period 52 – 104 weeks	**AWE x 80%** where AWE is subject to a maximum amount of average weekly earnings.
	Third entitlement period 104+ weeks (Greater than 2 years)	If no work capacity indefinitely and a whole person impairment of more than 30%: **AWE x 80%** where AWE is subject to the maximum amount of average weekly earnings. Benefits will cease unless the worker is seriously injured (above 30% WPI).
Partial Incapacity	First entitlement period 0 – 52 weeks	**AWE x 100% minus actual earnings** where AWE is subject to the maximum amount of average weekly earnings.
	Second entitlement period 52 – 104 weeks	If working **AWE minus actual earnings x 80%** where AWE is subject to the maximum amount of average weekly earnings.
	Third entitlement period 104+ weeks (Greater than 2 years)	Benefits will cease unless the worker is seriously injured (above 30% WPI).

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Explanatory notes

- AWE = 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.
- Superannuation is not included as earnings, and is therefore not paid on any workers compensation claim (refer to RTW Act 2014 Schedule 3).

Definitions

AWE

Simply means the weekly average of the gross average earnings received by the worker in all employment at the time of injury.
AWE 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include income from all employment at time of injury and the cash value of non-monetary benefits that have been withdrawn after injury but excludes compulsory superannuation, workers compensation and or other compensation payments.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 6 lists specific AWE 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.

TOTAL CAP ON AVERAGE WEEKLY EARNINGS

The maximum amount of average weekly earnings is twice the state average weekly earnings amount. This amount is indexed in annually.