

information sheet



CHAMBER OF COMMERCE AND INDUSTRY
WESTERN AUSTRALIA

Centre for Work Experience

21 March 2006

Employers and those considering making work experience arrangements need to consider whether it is necessary to take out insurance to cover the proposed work experience placement.

In Western Australia there are clear legal obligations on employers, and to a lesser extent on others within the workplace, in relation to occupational safety and health and workers' compensation.

Information for Employers

Employers need to be aware of their responsibilities in relation to safety in the workplace, and their duty of care to *visitors* in the workplace. They also need to have systems in place for the management of injuries and workers' compensation claims from *employees* and other "workers".

Engaging in formal or informal work experience placements can expose an employer to the risk of claims for work place injuries, as well as the risk of prosecution for breaches of occupational safety and health legislation if the work experience participant is injured or involved in a near miss incident.

Workers' compensation coverage is required for any person who could be considered a "worker" for the purposes of the Act. This would include all direct employees, all persons engaged to carry out work under a contract for service, and any person who is the employee of a contractor in particular circumstances.

"worker" is broadly defined to include apprentices and people who work primarily by providing their own personal labour to earn the remuneration. There is some requirement of mutual obligation i.e. the worker is expected to work and the employer is expected to reward the worker with earnings.

Employers must have adequate insurance coverage for workers' compensation or can face a penalty for breaching the *Workers' Compensation & Injury Management Act 1981*.

Work experience placements and the Workers' Compensation & Injury Management Act

To determine whether the specific arrangement proposed for work experience requires workers' compensation coverage, details of the arrangement should be discussed with an insurance broker or insurer direct. Written confirmation from the broker or insurer as to whether coverage is required should be kept with the work experience documentation and actioned as appropriate.

The specific arrangements between the employer and the work experience participant must be examined to determine whether there is an "employment relationship". If there is any remuneration being paid or provided to the work experience participant in exchange for their efforts during the placement then this could


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make the relationship one which would be subject to the Act. In that case, the work experience participant could potentially claim to be a “worker” and have access to workers’ compensation under the employer’s policy.

If a work experience participant does not receive any remuneration as payment for coming in to perform work with the employer, and in the circumstances of the particular arrangement no workers’ compensation coverage is considered necessary, other insurance may cover any risk to the employer. This can include public liability coverage associated with the business building, business operations or other person injury coverage for visitors to the workplace. There may also be insurance required in relation to professional indemnity issues, should the work experience participant expose the business to a claim from a client, or other types of insurance associated with the nature of the business or the type of work the participant will be doing.

Employers should discuss all of their contractual arrangements with their insurance broker or insurer to obtain advice regarding the types of policies which will cover any identified risks. Employer representative bodies, such as the Chamber of Commerce and Industry of WA, can also provide assistance and information to member employers about workers’ compensation and occupational safety.

 CCI can be contacted at www.cciwa.com or by telephoning (08) 9365 7415.

Information for work experience participants



Work experience can involve many different types of workplaces and tasks, and those who intend to undertake a work placement should consider whether they need any personal insurance.

Current students undertaking a work placement connected to curriculum or learning requirements will have particular insurance provided by the educational

institution and should talk with **their** teacher or lecturer about this. For those who are not students, or who are Western Australian students undertaking a placement not connected to curriculum or learning requirements, an Employment Directions Network agency (EDN) can be of assistance (phone 13 6464) in relation to health insurance options.

Work experience participants may wish to take out private health insurance to cover themselves for medical expenses should they have an injury or illness. Participants can also consider taking out income protection insurance if they have paid employment in addition to the work placement, or a combination of income and medical coverage in the form of personal accident coverage. Participants should discuss their particular situation and insurance needs direct with an insurer to determine the type of coverage which will best suit their needs.

Further information:

-  Safety and health obligations can be found at www.docep.wa.gov.au
-  Responsibilities of employers and rights of “workers” in Western Australia can be found at www.workcover.wa.gov.au
- Participants and employers can contact insurance companies direct to discuss the policies available for work experience placements.

If work experience participants receive “remuneration” as payment for work that they do during a work experience placement they may be considered a “worker” for the purposes of making a workers’ compensation claim. Work experience participants should discuss with their work experience host whether they will be covered by the employer’s worker’ compensation policy and should familiarise themselves with the employers health and safety procedures and policies.

Note:

This document provides general information regarding workplace issues which can give rise to workers’ compensation obligations and the need to obtain insurance policies. There may well be other, more appropriate, insurance coverage available for particular arrangements which can be obtained via an insurance broker or insurer direct.