

WORKERS' COMPENSATION AMENDMENT
(No. 2) BILL

EXPLANATORY NOTE

THIS Bill makes further amendments to the Workers' Compensation Act 1922.

PART I—COMPENSATION

Clause 2 increases the maximum amount of compensation payable on death or incapacity by £250 to £2,000, or, where weekly payments and a lump sum on death are both paid, £2,300. *Subclause (4)* increases from £250 to £300 the amount of compensation for incapacity that may be received in addition to the compensation prescribed in the Second Schedule to the principal Act for the injuries specified therein. This clause is consequential on the increase of £1 made in the maximum weekly payments of compensation by the Workers' Compensation Amendment Act 1951, and *subclause (5)* applies this clause to all accidents happening after the passing of that Act, if any compensation is payable after the passing of this Bill.

Clause 3 repeals in respect of future accidents the provision that no compensation is payable for incapacity lasting less than three days.

Clause 4 extends the term of office of Judge Ongley as Judge of the Compensation Court for a further four months, to 31 December 1951.

Clause 5 makes permanent the provisions of section 4 of the Workers' Compensation Amendment Act 1951, which authorizes the ending of weekly payments of compensation by the employer where a worker is certified to be fit to return to work but fails to do so by reason of an industrial dispute. As passed, the section was due to expire on 31 October 1951.

PART II—EMPLOYERS' LIABILITY INSURANCE

This Part amends Part I of the Workers' Compensation Amendment Act 1950 as from the commencement of that Part on 1 April 1951.

Clause 7 exempts the National Airways Corporation and the Linen Flax Corporation from compulsory insurance against employers' liability.

Clause 8 provides that an employer carrying on business in more than one place or carrying on more than one class of business may insure separately in respect of each place or class with the same insurer or separate insurers, and may be required by any insurer to deliver separate statements instead of one statement relating to two or more places or classes. In any such case each insurer is liable in respect of all workers not specifically included in a statement delivered to another insurer.

Clause 9 provides that mutual insurance associations and companies are not to be bound or entitled to insure any employers except those who are members or are eligible to become members or be insured according to the rules of the association or company, and that where a mutual association or company is restricted to insuring in respect of particular workers or classes of workers the compulsory insurance provisions are to apply to it only in respect of those workers or classes of workers. Where a mutual association or company purports to insure in contravention of this provision, the insurance is to be void, and the association or company is to be guilty of an offence, and is to be liable to indemnify the Board as the residual insurer, and is not to be entitled to recover or retain any premium.

Clause 10 enables authorized insurers to charge penal rates of premiums, up to 25 per cent in excess of the prescribed maximum rates, where normal safety requirements are not complied with, subject to a right of appeal to the Workers' Compensation Board.

Clause 11 revives the provisions as to accounts and reports in relation to the Employers' Liability Insurance Account kept by the State Fire Insurance General Manager in connection with compulsory insurance under Part I of the Workers' Compensation Amendment Act 1947, as that account will have to be retained until all outstanding claims are settled.

Hon. Mr. Sullivan

**WORKERS' COMPENSATION AMENDMENT
(No. 2)**

ANALYSIS

Title.		PART II
1. Short Title.		EMPLOYERS' LIABILITY INSURANCE
	PART I	6. Commencement of this Part.
	COMPENSATION	7. Exempting National Airways Corporation and Linen Flax Corporation from provisions as to employers' liability insurance.
2. Increasing maximum amount of compensation payable. Repeals.		8. Separate wage statements in respect of different places or classes of business.
3. Compensation for incapacity lasting less than three days.		9. Mutual insurance associations and companies.
4. Extension of term of office of Judge of Compensation Court.		10. Extra charge on premium.
5. Ending of weekly payments of compensation when worker fit to resume work.		11. Reviving section 32 of Workers' Compensation Amendment Act 1947.

A BILL INTITULED

AN ACT to amend the Workers' Compensation Act 1922. Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority
5 of the same as follows:—

1. This Act may be cited as the Workers' Compensation Amendment Act (No. 2) 1951, and shall be
read together with and deemed part of the Workers' Short Title.
Compensation Act 1922 (hereinafter referred to as the
10 principal Act). See Reprint of Statutes, Vol. V, p. 597

PART I

COMPENSATION

Increasing
maximum
amount of
compensation
payable.
1947, No. 58
1949, No. 11

2. (1) Section four of the principal Act is hereby amended as follows:—
- (a) By omitting from paragraph (a) of subsection one (as substituted by section thirty-eight of the Workers' Compensation Amendment Act 1947 and amended by section three of the Workers' Compensation Amendment Act 1949) the words "one thousand seven hundred and fifty pounds", and substituting the words "two thousand pounds": 5
- (b) By omitting from paragraph (d) of subsection one (as substituted by the said section thirty-eight and amended by the said section three) the words "two thousand pounds" wherever they occur, and substituting in each case the words "two thousand three hundred pounds": 10
- (2) Section fifty-four of the principal Act (as amended by subsection three of section thirty-eight of the Workers' Compensation Amendment Act 1947 and section three of the Workers' Compensation Amendment Act 1949) is hereby further amended by omitting the words "two thousand pounds" wherever they occur, and substituting in each case the words "two thousand three hundred pounds." 15
- (3) Section five of the principal Act is hereby amended by repealing subsection eight (as substituted by subsection four of section thirty-nine of the Workers' Compensation Amendment Act 1947 and amended by section four of the Workers' Compensation Amendment Act 1949), and substituting the following subsection:— 20
- "(8) The aggregate amount of weekly payments shall in no case exceed two thousand pounds."
- (4) Section forty-one of the Workers' Compensation Amendment Act 1947 is hereby amended by omitting from subsection four the words "two hundred and fifty pounds", and substituting the words "three hundred pounds": 25
- (5) This section shall apply in respect of — 30
- (a) Accidents happening after the passing of this Act: 35
- 40

(b) Accidents that happened between the passing of the Workers' Compensation Amendment Act 1951 and the passing of this Act if any compensation is payable in respect thereof after the passing of this Act. 1951, No. 4

5 (6) The following enactments are hereby consequentially repealed:— Repeals.

(a) Subsection four of section thirty-nine of the Workers' Compensation Amendment Act 1947: 1947, No. 58

10 (b) Sections three and four of the Workers' Compensation Amendment Act 1949. 1949, No. 11

3. (1) Section five of the principal Act is hereby amended by repealing subsection four. Compensation for incapacity lasting less than three days.

15 (2) This section shall apply in respect of accidents happening after the passing of this Act.

4. (1) Section three of the Workers' Compensation Amendment Act 1951 is hereby amended by omitting from subsection one the words "thirty-first day of August, nineteen hundred and fifty-one", and substituting the words "thirty-first day of December, nineteen hundred and fifty-one". Extension of term of office of Judge of Compensation Court. 1951, No. 4

20 (2) This section shall be deemed to have come into force on the thirty-first day of August, nineteen hundred and fifty-one.

5. (1) Section four of the Workers' Compensation Amendment Act 1951 is hereby amended by repealing subsection four. Ending of weekly payments of compensation when worker fit to resume work. 1951, No. 4

30 (2) This section shall be deemed to have come into force on the thirty-first day of October, nineteen hundred and fifty-one.

PART II

EMPLOYERS' LIABILITY INSURANCE

6. This Part of this Act shall be deemed to have come into force on the first day of April, nineteen hundred and fifty-one (being the date of the commencement of Part I of the Workers' Compensation Amendment Act 1950). Commencement of this Part. 1950, No. 84

Exempting
National
Airways
Corporation
and Linen
Flax
Corporation
from
provisions
as to
employers'
liability
insurance.

1950, No. 84

Separate wage
statements in
respect of
different
places or
classes of
business.

7. Section five of the Workers' Compensation Amendment Act 1950 is hereby amended by inserting, after subsection five, the following new subsection:—

“(5A) This Part of this Act shall not apply with respect to workers who are employed by the New Zealand National Airways Corporation or by the Linen Flax Corporation of New Zealand.”

8. (1) Section eight of the Workers' Compensation Amendment Act 1950 is hereby amended by repealing subsection four, and substituting the following subsection:—

“(4) Where an employer carries on business in more than one place or carries on more than one class of business,—

“(a) The employer may deliver a separate statement in respect of each place or class to the same authorized insurer or to separate authorized insurers:

“(b) The employer shall not deliver to any authorized insurer one statement in respect of two or more places or classes if the insurer requires from him a separate statement in respect of each place or class.”

(2) Section nine of the Workers' Compensation Amendment Act 1950 is hereby amended by inserting, after subsection one, the following new subsection:—

“(1A) Where an employer delivers separate statements to two or more authorized insurers under subsection four of section eight of this Act each of the insurers shall be deemed to have indemnified the employer under this section in respect of all workers not specifically included in a statement delivered to another insurer.”

9. The Workers' Compensation Amendment Act 1950 is hereby amended by inserting, after section nine, the following new section:—

“9A. (1) This section applies to every authorized insurer that is—

“(a) An association incorporated under the Mutual Fire Insurance Act 1908; or

Mutual
insurance
associations
and companies.

See Reprint
of Statutes,
Vol. IV, p. 22

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“ (b) A company incorporated under the Companies Act 1933 for the purpose of mutual insurance of its members. 1933, No. 29

5 “ (2) No employer shall deliver a statement under section eight of this Act to an authorized insurer to which this section applies unless the employer is a member of the authorized insurer or is eligible according to its rules or memorandum or articles of association to become a member of the authorized insurer or to be 10 insured by it. No statement delivered in contravention of this subsection shall be accepted by the authorized insurer or have any effect.

15 “ (3) Where any authorized insurer to which this section applies is restricted by any Act or by its rules or memorandum or articles of association to insuring in respect of particular workers or workers of a particular class or classes, no statement delivered to that authorized insurer under section eight of this Act shall apply or 20 be deemed to apply to any other workers, and no insurance by that authorized insurer under section nine of this Act shall extend to any other workers.”

25 “ (4) Where an authorized insurer to which this section applies purports to insure any workers in respect of any period by accepting a statement under section eight of this Act, and the insurance is invalidated by subsection *two* or subsection *three* of this section,—

“ (a) The authorized insurer commits an offence against this Part of this Act:

30 “ (b) The authorized insurer shall be liable to repay to the Board on demand all amounts paid by the Board under section twenty of this Act in respect of any accident occurring to any such worker during that period:

35 “ (c) The employer shall not be liable to pay any premium to the authorized insurer in respect of the purported insurance, and may recover from the authorized insurer any premium so paid by him,”

40 10. The Workers' Compensation Amendment Act 1950 is hereby amended by inserting, after section sixteen, the following new section: — Extra charge on premium. 1950, No. 84

“ 16A. (1) Where in the opinion of the insurer the business of an employer is designed, equipped, organized, or conducted in such a manner that the

number or cost of accidents to workers in consequence thereof is likely to be considerably more than is usual in other businesses of that class, the insurer may make an extra charge in assessing the premium payable by that employer for any period: 5

“ Provided that the total premium payable by the employer shall not exceed by more than twenty-five per cent the premium computed at the maximum rate for the time being prescribed under section twelve of this Act. 10

“ (2) Where an insurer makes an extra charge under this section he shall give written notice thereof to the employer, specifying the reason for the extra charge and notifying the employer of his right of appeal under subsection *three* of this section. 15

“ (3) Any employer who has been given written notice as aforesaid may appeal to the Workers' Compensation Board against the extra charge within fourteen days after receipt of the notice by delivering a notice of appeal to the Board and delivering a copy thereof to the insurer. 20

“ (4) The Board shall hear every such appeal as soon as may be convenient, and may confirm, cancel, or reduce the extra charge. The decision of the Board on any such appeal shall be final, and binding on the employer and the insurer.” 25

11. Section forty-one of the Workers' Compensation Amendment Act 1950 is hereby amended by omitting from paragraph (a) of subsection one the words “ and ten to thirty-four ”, and substituting the words “ ten to thirty-one, thirty-three, and thirty-four ”. 30

Revising
section 32 of
Workers'
Compensation
Amendment
Act 1947.
1950, No. 84