



CONTRACTOR WORKERS COMPENSATION CHECKLIST

This checklist provides a guide to certain responsibilities of an employer engaging contractors under workers compensation law. Under existing law an employer such as the University may be liable to pay workers compensation to workers employed by contractors in certain circumstances. If a contractor does not have a policy and there is a workplace injury, the worker may be entitled to receive compensation as if employed immediately by the University.

The following checklist will help University managers supervising a contract determine if they need to check that their subcontractor has the proper workers compensation insurance, and has paid all workers compensation premiums associated with that contract.

Step 1 - Exemptions

1. Is the subcontractor a sole trader without workers or a partnership without workers? (Note : sole traders without workers and partnerships without workers may use the UOW contractor pro forma statement to declare their status.)	Yes/No
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If you answered yes to question 1 you do not need to obtain a subcontractor declaration. However, if circumstances change you need to review whether the exemption still applies.

If you answered no to question 1, go to step 2.

Step 2 – Checklist for Principal Contractors

2. Do you have a contract or agreement with a contractor for the provision of work connected to your business undertaking? (Note: the contract can be expressed or implied, written or verbal and the contractor can be an individual, partnership or incorporated entity. Any contract for the carrying out of work is considered as aspect of your business undertaking.)	Yes/No
3. Does the subcontractor hire or employ (or intend to hire or employ) workers? (Note: a working director is considered a worker of that business)	Yes/No
4. is the total labour component of all contracts with the contractor during a 12 month period greater than or, expected to be greater than, \$5,000?	Yes/No

If you answered yes to **all** of the questions 2-4, go to step 3.

If you answered no to **any** of the questions 2-4, you do not need to obtain a contractor declaration. However, if circumstances change you need to review the checklist again.

Step 3 – Documents From the Subcontractor

If you have reached this step, you must check that your subcontractor has the proper workers compensation insurance and has paid all workers compensation premiums associated with the contract. If you don't University may be liable for the pro rata share of any unpaid contractor's workers compensation associated with the contract.

5. Have you obtained a copy of the subcontractors certificate of currency? (this is a certificate from a licensed insurer stating that the subcontractor holds a current workers compensation policy).	Yes/No
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6. Have you obtained a signed statement from the subcontractor stating that all workers compensation premiums applicable for that work have been paid? For a copy of WorkCover's pro forma please click here	Yes/No
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If you answered yes to both questions 5 and 6, go to step 4.

If you answered no to either questions 5 or 6, you should get the documents from the contractor.

Step 4 – Check the Certificate of Currency

7. Is it current? (Certificates of Currency are only valid for up to 4 months)	Yes/No
8. Is the contractor classified in the correct industry (that is the industry stated on the certificate is the same as, or similar to, the work undertaken as part of the contract)? For example, an electrician providing electrical services should not be classified in Consulting Engineering Services.	Yes/No
9. Are the workers identified on the Certificate realistic compared with the number of workers performing the work (whether on-site or off-site)? The certificate should reflect the average number of workers the contractor hires throughout the year. You should check the worksite(s) covered by the contract(s) and only significant discrepancies should be questioned.	Yes/No
10. Is the amount of wages declared on the certificate reasonable for a 12 month period? If the wages estimate appears low discuss it with your contractor. For example, if the wages estimate is less than the labour value of your contract(s) you should discuss it with your subcontractor.	Yes/No

If the information appears reasonable, then you should accept the statement and Certificate of Currency. These documents relieve you from the liability for the pro rata share of your subcontractor's unpaid workers compensation premium (including outstanding penalties) and should be kept for seven years.

If you answered no to **any** of the questions 7-12, you should get the appropriate documentation from your contractor.

Note: it is an offence to alter Certificates of Currency. If changes are required a new Certificate of Currency must be requested from the workers compensation insurer.