

Overview

The purpose of this fact sheet is to introduce employers and workers to the basic concepts of concurrent employment, and how it relates to the calculation of a worker's pre-injury average weekly earnings (PIAWE).

The scheme agent is responsible for the calculation of a worker's PIAWE. This fact sheet provides the employer and/or worker with instruction of the type and detail of information that will need to be supplied to a scheme agent to ensure that the worker's PIAWE is calculated correctly.

What is concurrent employment?

Where a worker is employed, immediately before the date of injury, by two or more employers, the worker is said to be in concurrent employment.

The worker can be employed in any type of employment: casual, part-time or full time and employed in any combinations of these. However, some types of self-employment are excluded from this consideration, as the worker must be covered by a workers compensation policy.

The table below illustrates examples of concurrent employment. Scenario C shows the worker who is self-employed in employment #1 and is an employee in employment #2. In this situation the worker is not considered to be in concurrent employment.

	Employer 1	Employer 2	Employer 3	Concurrent employment?	Employment arrangements used to determine PIAWE
Scenario A	Full time	Part time	Part time	Yes	Employment 1, 2 and 3
Scenario B	Part time	Casual		Yes	Employment 1 and 2
Scenario C	Ineligible self-employment	Part time		No	Not applicable*
Scenario D	Ineligible self-employment	Part time	Part time	Yes	Employment 2 and 3

*Concurrent employment rules do not apply in this case

Where a worker is concurrently employed, it does not matter at which employment the injury occurs, the earnings from all employers need to be obtained for consideration in the calculation of PIAWE.

How is the worker's PIAWE calculated when they are employed with more than one employer?

Schedule 3 of the *Workers Compensation Act 1987 (The Act)* outlines the relevant employment circumstances at the time of the injury, and how the PIAWE should be calculated, depending upon those circumstances.

If you would like to know more about how PIAWE is calculated for apprentices, trainees, people with more than one job, or people with a promotion that is yet to take effect, please refer to Schedule 3 of The Act.

What information needs to be provided to the case manager before the worker’s PIAWE can be calculated when they are employed with more than one employer?

To accurately assess a worker’s PIAWE the following must first be established:

1. Whether at the time of injury the worker was employed by one or more employers, if so, provide all employers’ details, as outlined in the “Calculating pre-injury average weekly earnings” form.
2. If there is an applicable Fair Work Instrument (see below), or contract of employment, governing the worker’s ordinary hours of work and rate of pay for each employment, if so, provide copies of each to the scheme agent. For ordinary hours of work please refer to “PIAWE – Ordinary Earnings” fact sheet
3. The relevant period for each employment. To establish what is required please refer to the “PIAWE – Relevant Period” fact sheet.
4. Ordinary earnings for each employment. To establish what is required please refer to the “PIAWE – Ordinary

Earnings” fact sheet.

5. The overtime and shift allowance payments for each employment. To establish what is required please refer to “PIAWE – Overtime and Shift Allowance” fact sheet.

An example of the calculation of PIAWE when a worker is in concurrent employment

John is employed as a store worker (grade 4) with Factory X and as a cleaner with Company Y. On the 01/03/2015 John injured his lower back whilst working at Factory X and his doctor certified him with no current work capacity for both roles.

Factory X confirmed John’s earnings, paid/unpaid leave, period of employment, that there were no overtime or shift allowance payments and confirmed that John is covered under the *Storage Services and Wholesale Award 2010* at the date of injury.

Company Y confirmed John’s earnings, paid/unpaid leave, the period of employment, that there were no overtime or shift allowance payments and confirmed that John is not covered under a Fair Work Instrument (FWI) or employment contract.

As the relevant information was provided by all employers the scheme agent was able to calculate the following:

	Factory X	Company Y
Relevant period	52 weeks	52 weeks
Annual leave taken	2 weeks (22/12/14 - 3/1/15)	2 weeks (22/12/14 - 3/1/15)
Paid other leave taken	Sick leave 12/8/14 Bereavement leave 13/10/14 - 17/10/14	Sick leave 12/8/14 Bereavement leave 13/10/14 - 17/10/14
Unpaid leave	Nil	Nil
Ordinary hours of work	38 hours per week	10 hours per week
Weekly base rate of pay	\$768.90	\$200.00
Piece rates / commissions / non-pecuniary benefits	NA	NA
Ordinary earnings	\$768.90	\$200.00
Overtime or shift allowance payments	NA	NA

A Fair Work Instrument (FWI) is defined by the Fair Work Act 2009 to be:

- A modern award; or
- An enterprise agreement; or
- A workplace determination; or
- A Fair Work Australia order

Based on this example;

- John works for Factory X for at least the ordinary hours fixed (38 hours per week) in the *Storage Services and Wholesale Award 2010*. In this case, John's earnings are calculated based on the earnings from the employer for whom he works at least the ordinary hours fixed in a FWI.
- Factory X yields the higher ordinary earnings.
- As there are no piece rates, commission or non-pecuniary benefits, the scheme agent calculated John's ordinary earnings to be \$768.90 per week.
- There is no evidence of overtime or shift allowance payments, so John's PIAWE = \$768.90 per week.

It will depend on what the different concurrent employment circumstances are that will dictate whether the earnings for one or both jobs are used to calculate PIAWE.

Can a PIAWE decision be disputed?

Ensuring that accurate information is provided early will enable PIAWE to be determined correctly and efficiently.

Scheme agents will provide written confirmation of the PIAWE determined for a worker. This is a work capacity decision and will include the process for a worker to request a review of the PIAWE decision if they disagree with the outcome.

Only a worker can request a review of a work capacity decision. If an employer has questions about the PIAWE decision they should discuss these with the scheme agent.

Other useful information

The "Calculating pre-injury average weekly earnings" form details the information that is required to assist the scheme agent to correctly calculate the worker's PIAWE. Please complete the "Calculating pre-injury average weekly earnings" form and submit to the relevant scheme agent managing the claim.

In addition to this fact sheet you can refer to the following fact sheets to also assist in the completion of the "Calculating pre-injury average weekly earnings" form:

- "PIAWE – Relevant Period" fact sheet
- "PIAWE – Overtime and Shift Allowance" fact sheet
- "PIAWE – Leave" fact sheet
- "PIAWE – Indexation" fact sheet
- "PIAWE – Ordinary Earnings" fact sheet

Further assistance

Further assistance can be provided by contacting the scheme agent.