

Overview

The purpose of this fact sheet is to introduce employers and workers to the basic concepts of leave, 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 as soon as possible to ensure that the worker's PIAWE is calculated correctly.

What leave information needs to be provided to the case manager to determine the worker's PIAWE?

There are 3 different types of leave which are relevant;

- Paid annual leave,
- Paid other leave, and
- Unpaid leave.

The following types of leave can affect the calculation of PIAWE.

- Paid other leave - examples of this include, but are not limited to;
 - Paid maternity leave,
 - Paid sick leave or carer's leave
 - Study leave (paid by an employer)
- Unpaid leave

All types of leave and the dates of leave must be provided to scheme agents so that they can consider if there is any impact on the calculation of PIAWE. A week is calculated backwards from the date of injury.

Importance of leave in calculating PIAWE

PIAWE is calculated using a worker's ordinary earnings and any shift and overtime payments (if they have been paid in the relevant period). Shift and overtime amounts may only be included during the first 52 weeks where weekly payments are payable post injury.

Any week during which the worker did not actually work and was not on paid leave must be excluded in the calculation of the worker's ordinary earnings.

Furthermore any week during which the worker did not actually work and was not on paid annual leave must be excluded in the calculation of the worker's overtime or shift allowance.

During the relevant period, the scheme agent must consider all types of leave taken by the worker, and exclude:

- All weeks containing unpaid leave, and the associated earnings for that week, when determining the worker's ordinary earnings
- All weeks containing unpaid leave and other paid leave, and the associated earnings for that week, when determining the worker's overtime and shift allowances

How are periods of other paid or unpaid leave excluded from PIAWE?

The weeks included in a relevant period for ordinary earnings may differ from those included in the relevant period for overtime and shift allowance payments.

Why is leave information provided to the case manager?

It is important that the specific dates of leave including start and end dates, are provided to the scheme agent. Providing accurate and reliable information will ensure that the relevant period for ordinary earnings and overtime and shift allowance is determined correctly for the purposes of calculating 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 – Concurrent Employment” fact sheet
- “PIAWE – Indexation” fact sheet
- “PIAWE – Ordinary Earnings” fact sheet

Further assistance

Further assistance can be provided by contacting the scheme agent.