



Australian Capital Territory

# Workers Compensation Amendment Regulation 2021 (No 1)

Subordinate Law SL2021-29

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The Australian Capital Territory Executive makes the following regulation under the *Workers Compensation Act 1951*.

Dated 24 November 2021.

ANDREW BARR  
Chief Minister

MICK GENTLEMAN  
Minister

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# Workers Compensation Amendment Regulation 2021 (No 1)

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[Workers Compensation Act 1951](#)

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**1 Name of regulation**

This regulation is the *Workers Compensation Amendment Regulation 2021 (No 1)*.

**2 Commencement**

This regulation commences on 25 November 2021.

*Note* The naming and commencement provisions automatically commence on the notification day (see [Legislation Act](#), s 75 (1)).

**3 Legislation amended**

This regulation amends the *Workers Compensation Regulation 2002*.

**4 Section 62 (3)**

*substitute*

- (3) The sections of the Act are as follows:
- (a) section 155 (Information for licensed insurers on application for issue or renewal of policies);
  - (b) section 155A (Employer must notify licensed insurer of certain corrected information);
  - (c) section 156 (Information for licensed insurers after renewal of policies);
  - (d) section 157 (Information for licensed insurers after end or cancellation of policies);
  - (e) section 158 (Information for new licensed insurers after change of licensed insurers).

**5**      **Parts 9 to 10A**

*substitute*

**Part 9**                      **Licensed insurers**

**Division 9.1**              **Licensing of licensed insurers**

**68**              **Application for insurer licence**

- (1) An application for an insurer licence by an insurer who did not hold an insurer licence immediately before the commencement day (the *applicant*) must contain or be accompanied by the following:
- (a) a written statement by the applicant that the applicant will be able to meet current and future claims under the Act for which the applicant is, or is expected to be, liable;
  - (b) evidence that the applicant has a place of business in the ACT, and the place's address;
  - (c) if the applicant has, or is applying for, a corresponding licence—evidence of the licence or application;
  - (d) evidence that the applicant has adequate reinsurance, or other arrangements in place, to cover the applicant's future liability under the Act;
  - (e) a copy of the applicant's annual report and balance sheet (or, if either is not available, equivalent information) for each of the previous 3 years;
  - (f) a written agreement by the applicant to allow the regulator to discuss the affairs and performance of the applicant with Commonwealth or State Ministers responsible for workers compensation or corporate or prudential regulation;

- (g) a written agreement by the applicant to provide information, and pay any fee determined, for a compliance audit or financial audit required by the regulator under part 10A;
  - (h) a written statement by the applicant that the applicant will comply with—
    - (i) the Act and this regulation; and
    - (ii) the conditions of approval imposed under division 9.2; and
    - (iii) any protocol approved under section 101.
- (2) An application for an insurer licence by an insurer who held an insurer licence immediately before the commencement day (a **renewing applicant**) must contain or be accompanied by the following:
- (a) a written statement by the renewing applicant that the renewing applicant will be able to meet current and future claims under the Act for which the renewing applicant is, or is expected to be, liable;
  - (b) evidence that the renewing applicant has adequate reinsurance, or other arrangements in place, to cover the renewing applicant's future liability under the Act;
  - (c) a written statement by the renewing applicant that the renewing applicant will comply with—
    - (i) the Act and this regulation; and
    - (ii) the conditions of a licence imposed under division 9.2; and
    - (iii) any protocol approved under section 101.
- (3) The regulator may, in writing, require further evidence from an applicant or renewing applicant that demonstrates the applicant or renewing applicant—
- (a) is financially and prudentially sound; or

- (b) will be able to meet any obligations as an insurer under the Act in relation to injury management programs and personal injury plans.
- (4) In this section:

*commencement day* means the day the *Workers Compensation Amendment Regulation 2021 (No 1)*, section 3 commences.

*corresponding licence* means a licence under a State law that has the same effect, or substantially the same effect, as a licence under this part.

## **69 Criteria for issuing insurer licence**

The regulator may issue an insurer licence only if satisfied that the applicant for the licence—

- (a) is financially and prudentially sound; and
- (b) if licensed, will—
  - (i) be able to meet the applicant’s current and expected liabilities as an insurer under the Act; and
  - (ii) be able to meet the applicant’s obligations as an insurer under the Act; and
  - (iii) comply with any conditions on the licence.

## **70 Particulars of insurer licence**

An insurer licence must state the following:

- (a) the insurer’s name;
- (b) if the insurer operates the insurance service under another name—the insurer’s other name;
- (c) the insurer’s ABN or ACN.



## **Division 9.2            Insurer licence conditions**

### **71            Period of insurer licence**

It is a condition of an insurer licence that the licence is cancelled on 31 May 2022.

### **72            Information about ability to meet liabilities etc**

It is a condition of an insurer licence that the insurer gives the regulator information reasonably required in writing by the regulator to allow the regulator to assess—

- (a) the insurer's continuing ability to meet the insurer's current and expected liabilities under the Act; and
- (b) whether the insurer continues to be financially and prudentially sound; and
- (c) the insurer's continuing ability to meet its obligations under the Act.

### **73            Information about workers compensation**

- (1) It is a condition of an insurer licence that the insurer gives to the regulator information, requested in writing by the regulator, about claims that have been made against the insurer under the Act.
- (2) Information requested from an insurer in writing by the regulator must be reasonably necessary for the performance of the regulator's functions.

### **73A          Insurer to provide information and pay costs of audit**

It is a condition of an insurer licence that the insurer, for a compliance audit or financial audit under part 10A—

- (a) complies with the reasonable requirements of the person conducting the audit; and

- (b) allows the person conducting the audit access to the information reasonably required to conduct the audit; and
- (c) pays any fee for the audit that is not more than the determined fee.

*Note* The Minister may approve a protocol about how a person who is subject to an audit must participate in the audit (see s 101 (2) (b) and (c)).

#### **74 Information on working out premiums**

- (1) It is a condition of an insurer licence that—
  - (a) on written request by the regulator, the insurer gives the regulator, in writing, any relevant information about how the insurer works out premiums for compulsory insurance policies; and
  - (b) the insurer must give information under paragraph (a) within the period stated in the request that is not less than 21 days after the day the regulator asked for the information.

- (2) In this section:

*relevant information* means information the regulator is satisfied, on reasonable grounds, will help the regulator to decide whether premiums are being worked out in accordance with the principles for working out premiums under section 75.

#### **75 Principles for working out premiums**

- (1) In working out premiums, an insurer must—
  - (a) provide for sufficient (but not excessive) income from premiums to fully fund liabilities arising from policies of insurance to which the premiums relate; and
  - (b) ensure that premiums are structured to minimise, as far as reasonably practicable, the cross subsidisation of premium rating groups.

- (2) For this section, there is sufficient income from premiums to fully fund the liabilities to which the premiums relate if the premiums are sufficient to do all of the following:
- (a) fully fund claims liabilities arising from the insurance policies to which the premiums relate;
  - (b) pay all acquisition, policy administration and claims settlement expenses of the insurer;
  - (c) provide a profit margin after the payment of claims, costs and expenses that represents an adequate return on capital invested and compensation for the risk taken;
  - (d) provide for anything else that a prudent insurer should, in the circumstances, provide for;
  - (e) provide for contributions or other charges payable by the insurer under the Act.
- (3) For subsection (2) (a), the amount of claims liabilities of the insurer does not include the treatment, care and support costs of a participant in the LTCS scheme.

*Note* **LTCS scheme**—see the [LTCS Act](#), dictionary.

- (4) An insurer is taken to have complied with subsection (1) (a) if the insurer provides for sufficient (but not excessive) income from premiums in accordance with actuarial advice about the liability arising from policies of insurance to which the premiums relate.

## **76 Time for information to be given**

- (1) It is a condition of an insurer licence that any information required to be given to the regulator is given within 14 days after the day the information is asked for, or within a longer period allowed by the regulator.
- (2) This section does not apply to section 74 (Information on working out premiums).

**77 Action if rehabilitation provider’s approval suspended or revoked**

It is a condition of an insurer licence that the insurer must arrange for another rehabilitation provider to be responsible for a worker’s vocational rehabilitation under a personal injury plan if—

- (a) the approval of the rehabilitation provider responsible for the worker’s rehabilitation under the plan has been suspended or revoked; and
- (b) the insurer is responsible for the personal injury plan for the worker.

**78 Compliance with protocols by insurer**

It is a condition of an insurer licence that the insurer must comply with any protocol approved by the Minister that relates to insurers.

**79 Regulator may impose further conditions on insurer licence**

The regulator may impose on an insurer licence, any condition relating to the insurer’s—

- (a) financial and prudential soundness; or
- (b) ability to meet the insurer’s current and expected liabilities under the Act; or
- (c) ability to meet the insurer’s obligations under the Act.

## Division 9.3                      Action against licensed insurers

### 80                      Notice of proposed action against licensed insurer

If the regulator proposes to take action mentioned in section 81 (2) (the *proposed action*) in relation to a licensed insurer or the insurer licence of a licensed insurer, the regulator must give the insurer a notice—

- (a) stating the proposed action; and
- (b) stating the grounds for the proposed action; and
- (c) inviting the insurer to make written representations, within a stated period of not less than 14 days after the day the insurer is given the notice, about why the proposed action should not be taken.

### 81                      Action other than cancellation of insurer licence

- (1) This section applies if—
  - (a) a licensed insurer—
    - (i) contravenes the [Act](#), section 112 (Compliance by insurers, including DI fund) or another provision of the Act; or
    - (ii) is unable to meet the insurer's current and expected liabilities under the Act; or
    - (iii) no longer has unlimited reinsurance for a single event to cover the insurer's expected liability under the Act; or
    - (iv) no longer has a place of business in the ACT; or
    - (v) fails to comply with an insurer licence condition; and
  - (b) the regulator has given the licensed insurer notice under section 80 (Notice of proposed action against licensed insurer).

- (2) After considering any written representations made by the licensed insurer within the period for representations stated in the notice, the regulator may—
- (a) if the proposed action is to suspend the insurer licence of the insurer for a stated period—suspend the licence for not longer than the period, or do 1 or more of the things mentioned in paragraph (b); or
  - (b) if the proposed action is to do a thing mentioned in this paragraph—do 1 or more of the following:
    - (i) order the insurer to pay to the Territory a financial penalty of not more than \$1 000;
    - (ii) impose a further condition on the insurer licence of the insurer (for example, by including a condition providing for increased supervision of the insurer by the regulator);
    - (iii) censure the insurer;
    - (iv) order the insurer to take remedial action.
- (3) The regulator must tell the licensed insurer in writing about the decision—
- (a) if the decision is to take action other than suspension—by giving the insurer a reviewable decision notice; or
- Note* The requirements for reviewable decision notices are prescribed under the *ACT Civil and Administrative Tribunal Act 2008*.
- (b) if the decision is to suspend the insurer licence—in accordance with section 83 (Effect of regulator suspension or cancellation of insurer licence).
- (4) In this section:  
***proposed action***—see section 80.

**82 Cancellation of insurer licence**

- (1) This section applies if—
  - (a) a circumstance mentioned in section 81 (1) (a) applies to the insurer; and
  - (b) either—
    - (i) the regulator has taken action under section 81 (2), but the circumstance continues or is repeated; or
    - (ii) the regulator considers immediate action is required because of a serious circumstance; and
  - (c) the regulator gives notice under section 80 (Notice of proposed action against licensed insurer) that the regulator proposes to cancel the licence.
- (2) After considering any written representation made by the insurer within the period for representations stated in the notice, the regulator may—
  - (a) take action under section 81 (2); or
  - (b) cancel the insurer licence.
- (3) For subsection (1) (b) (ii), a *serious circumstance* includes a circumstance in which the insurer—
  - (a) fails to establish an injury management program under the [Act](#), section 88 (Insurer to establish etc injury management program); or
  - (b) fails to give effect to an injury management program under the [Act](#), section 89 (Insurer to give effect to injury management program); or
  - (c) fails to establish a personal injury plan for an injured worker under the [Act](#), section 97 (Personal injury plan for worker with significant injury); or

- (d) contravenes a direction under the [Act](#), section 114 (Unreasonableness in stopping payment); or
  - (e) fails to comply with the regulator’s notice, or gives details that are false or misleading in a material respect, under the [Act](#), section 164 (Provision of information to Minister).
- (4) The regulator must tell the insurer in writing about the decision—
- (a) if the decision is to take action other than suspension or cancellation—by giving the insurer a reviewable decision notice; or
- Note* The requirements for reviewable decision notices are prescribed under the [ACT Civil and Administrative Tribunal Act 2008](#).
- (b) if the decision is to suspend or cancel the insurer’s licence—in accordance with section 83.

**83 Effect of regulator suspension or cancellation of insurer licence**

- (1) If the regulator decides to suspend or cancel an insurer licence, the regulator must tell the insurer who holds the licence, in writing, about the decision and when the suspension or cancellation takes effect.
- Note* The regulator notice must comply with the requirements of the [Act](#), s 199A.
- (2) A suspension or cancellation must not take effect earlier than 7 days after the day the insurer is told about the decision.
- (3) Subject to the [Act](#), section 146 (Effect of cancellation or suspension of insurer licence), if the regulator suspends an insurer licence, the insurer is, during the suspension—
- (a) taken not to be a licensed insurer; and
  - (b) disqualified from applying for an insurer licence.



- (4) The regulator may, at any time, by written notice to the insurer, end or reduce the period of suspension of the insurer licence.

**84            When does cancellation make previous insurance policies not compulsory insurance policies?**

- (1) If an insurer licence is cancelled, a compulsory insurance policy issued before the cancellation is taken not to be a compulsory insurance policy if a reason for the cancellation is the winding-up of the insurer.
- (2) The compulsory insurance policy stops being a compulsory insurance policy 7 days after the day the cancellation takes effect.

**Part 10                            Self-insurers**

**Division 10.1                    Issue of self-insurer licence by regulator**

**86            What application for self-insurer licence must contain**

- (1) An application for a self-insurer licence by an employer who did not hold a self-insurer licence immediately before the commencement day (the *applicant*) must contain or be accompanied by the following:
  - (a) a written statement by the applicant that the applicant will be able to meet current and future claims under the Act for which the applicant is, or is expected to be, liable;
  - (b) if the applicant has, or is applying for, a corresponding self-insurer licence—evidence of the licence or application;
  - (c) evidence that the applicant has reinsurance of at least \$500 000 cpi indexed for a single event to cover the applicant's future liability under the Act;

- (d) a copy of the applicant's annual report and balance sheet (or, if either is not available, equivalent information) for each of the previous 3 years;
- (e) an actuarial report in accordance with subsection (4);
- (f) a guarantee from an authorised deposit-taking institution in favour of the DI fund for the guaranteed amount mentioned in subsection (5) in relation to the applicant;
- (g) a written agreement by the applicant to allow the regulator to discuss the affairs and performance of the applicant with Commonwealth or State Ministers responsible for workers compensation or corporate or prudential regulation;
- (h) a written agreement by the applicant to provide information, and pay any fee determined, for a compliance audit or financial audit required by the Minister under part 10A;
- (i) a copy of the applicant's occupational health and safety policy and evidence that it has been brought to the attention of the applicant's workers;
- (j) the name, address in the ACT and telephone number of a person nominated by the applicant to be the contact officer who is to give information about claims under the Act to the regulator;
- (k) evidence that the applicant has in place an occupational health and safety management system that complies with AS/NZS 4801;
- (l) a written statement by the applicant that the applicant will comply with—
  - (i) the Act and this regulation; and
  - (ii) the conditions of exemption imposed under division 10.2; and
  - (iii) any protocol approved under section 101;

- (m) a written agreement by the applicant to allow, and pay the cost of, an investigation by the regulator to assess the applicant's statement under paragraph (l).
- (2) An application for a self-insurer licence by an employer who held a self-insurer licence immediately before the commencement day (a *renewing applicant*) must contain or be accompanied by the following:
  - (a) a written statement by the renewing applicant that the renewing applicant will be able to meet current and future claims under the Act for which the renewing applicant is, or is expected to be, liable;
  - (b) a guarantee from an authorised deposit-taking institution in favour of the DI fund for the greater of the following amounts:
    - (i) \$750 000;
    - (ii) an amount calculated by an actuary to be the estimate of outstanding claims liability at the balance date, plus a prudential margin of 30%;
  - (c) a written statement by the renewing applicant that the renewing applicant will comply with—
    - (i) the Act and this regulation; and
    - (ii) the conditions of a self-insurer licence imposed under division 10.2; and
    - (iii) any protocol approved under section 101;
  - (d) a written statement by the renewing applicant of the estimated total wages to be paid to territory workers employed by the renewing applicant during the period beginning on the commencement day and ending on 31 May 2022.

- (3) The regulator may, in writing, require further evidence from an applicant or renewing applicant that demonstrates the applicant or renewing applicant—
- (a) is financially and prudentially sound; or
  - (b) will be able to meet any obligations under the Act in relation to injury management programs and personal injury plans.
- (4) For subsection (1) (e), the actuarial report must contain the following:
- (a) an estimate of the applicant’s current outstanding liability in relation to compensable injuries;
  - (b) an estimate of the total of the applicant’s expected liability for each year in relation to which the applicant is applying to be a self-insurer;
  - (c) an estimate of the total of the expected payments in satisfaction of the applicant’s liability for compensable injuries that will be made for each year in relation to which the applicant is applying to be a self-insurer.
- (5) For subsection (1) (f), the ***guaranteed amount*** is the greater of the following amounts:
- (a) \$750 000;
  - (b) an amount calculated by an actuary to be the estimate of outstanding claims liability at the balance date, plus a prudential margin of 30%.
- (6) The [Legislation Act](#), section 47 (6) does not apply to AS/NZS 4801.
- Note* AS/NZS 4801 does not need to be notified under the [Legislation Act](#) because s 47 (6) does not apply (see [Legislation Act](#), s 47 (7)).

(7) In this section:

**AS/NZS 4801** means AS/NZS 4801 (Occupational health and safety management systems—Specification with guidance for use), as in force from time to time.

*Note* AS/NZS 4801 may be purchased at [www.standards.org.au](http://www.standards.org.au).

**commencement day** means the day the *Workers Compensation Amendment Regulation 2021 (No 1)*, section 3 commences.

**corresponding self-insurer licence** means a self-insurer licence under a State law that has the same effect, or substantially the same effect, as a self-insurer licence under this part.

## **87 Regulator may licence self-insurer**

The regulator may issue a self-insurer licence only if satisfied—

- (a) the applicant for the licence—
  - (i) is financially and prudentially sound; and
  - (ii) if licensed, will—
    - (A) be able to meet the applicant’s current and expected liabilities as a self-insurer under the Act; and
    - (B) be able to meet the applicant’s obligations as a self-insurer under the Act in relation to injury management programs and personal injury plans; and
    - (C) be able to comply with the applicant’s health and safety duties under the *Work Health and Safety Act 2011*; and
    - (D) comply with any conditions on the self-insurer licence; and

- (b) the issue of the self-insurer licence will not adversely affect the operation of the workers compensation scheme under the Act.

## **Division 10.2 Self-insurer licence conditions**

### **87A Period of self-insurer licence**

It is a condition of a self-insurer licence that the licence is cancelled on 31 May 2022.

### **88 Information about workers compensation, vocational rehabilitation and occupational health and safety**

- (1) It is a condition of a self-insurer licence that the employer gives to the regulator information, requested in writing by the regulator, about workers compensation, vocational rehabilitation and occupational health and safety related to the employer.
- (2) Information requested from an insurer in writing by the regulator must be reasonably necessary to allow the regulator to assess the employer's continuing suitability to be a licensed self-insurer.

### **89 Action if rehabilitation provider's approval suspended or revoked**

It is a condition of a self-insurer licence that the employer must arrange for another rehabilitation provider to be responsible for a worker's vocational rehabilitation under a personal injury plan if—

- (a) the approval of the rehabilitation provider responsible for the worker's rehabilitation under the plan has been suspended or revoked; and
- (b) the employer is responsible for the personal injury plan for the worker.

**90 Compliance with protocols by self-insurer**

It is a condition of a self-insurer licence that the employer must comply with any protocol approved by the Minister that relates to self-insurers.

**90A Self-insurer to provide information and pay costs of audit**

It is a condition of a self-insurer licence that the self-insurer, for a compliance audit or financial audit under part 10A—

- (a) complies with the reasonable requirements of the person conducting the audit; and
- (b) allows the person conducting the audit access to the information reasonably required to conduct the audit; and
- (c) pays any fee for the audit that is not more than the determined fee.

*Note* The Minister may approve a protocol about how a person who is subject to an audit must participate in the audit (see s 101 (2) (b) and (c)).

**91 Regulator may impose further conditions on self-insurer licence**

The regulator may impose on a self-insurer licence any condition relating to the self-insurer's—

- (a) financial and prudential soundness; or
- (b) ability to meet the self-insurer's current and expected liabilities under the Act; or
- (c) ability to meet the self-insurer's obligations under the Act in relation to injury management programs and personal injury plans.

## **Division 10.3            Action against licensed self-insurers**

### **92            Notice of proposed action against licensed self-insurer**

If the regulator proposes to take action mentioned in section 93 (the *proposed action*) in relation to a licensed self-insurer or the self-insurer licence of a licensed self-insurer, the regulator must give the self-insurer a notice—

- (a) stating the proposed action; and
- (b) stating the grounds for the proposed action; and
- (c) inviting the self-insurer to make written representations, within a stated period of not less than 14 days after the day the self-insurer is given the notice, about why the proposed action should not be taken.

### **93            Action other than cancellation of self-insurer licence**

- (1) This section applies if—
  - (a) a licensed self-insurer—
    - (i) contravenes the [Act](#), section 112 (Compliance by insurers, including DI fund) or another provision of the Act; or
    - (ii) is unable to meet the self-insurer’s current and expected liabilities under the Act; or
    - (iii) no longer has reinsurance of at least \$500 000 cpi indexed for a single event to cover the employer’s future liability under the Act; or
    - (iv) does not have the guarantee from an authorised deposit-taking institution mentioned in section 86 (1) (f); or
    - (v) fails to comply with a self-insurer licence condition; and
  - (b) the regulator has given the self-insurer notice under section 92.



- (2) After considering any written representation made by the licensed self-insurer within the period for representations stated in the notice, the regulator may—
- (a) if the proposed action is to suspend the self-insurer licence for a stated period—suspend the licence for not longer than the period, or do 1 or more of the things mentioned in paragraph (b); or
  - (b) if the proposed action is to do a thing mentioned in this paragraph—do 1 or more of the following:
    - (i) order the self-insurer to pay to the Territory a financial penalty of not more than \$1 000;
    - (ii) impose a further condition on the self-insurer licence (for example, by including a condition providing for increased supervision of the self-insurer by the regulator);
    - (iii) censure the self-insurer;
    - (iv) order the self-insurer to take remedial action.
- (3) The regulator must tell the licensed self-insurer in writing about the decision—
- (a) if the decision is to take action other than suspension—by giving the self-insurer a reviewable decision notice; or
- Note* The requirements for reviewable decision notices are prescribed under the *ACT Civil and Administrative Tribunal Act 2008*.
- (b) if the decision is to suspend the self-insurer’s self-insurer licence—in accordance with section 95 (Effect of regulator cancellation or suspension of self-insurer licence).
- (4) In this section:  
***proposed action***—see section 92.

**94 Cancellation of self-insurer licence**

- (1) This section applies to a self-insurer if—
  - (a) a circumstance mentioned in section 93 (1) (a) applies to the self-insurer; and
  - (b) the regulator has taken action under section 93 (2), but the circumstance continues or is repeated; and
  - (c) the regulator gives notice under section 92 that the regulator proposes to cancel the self-insurer licence.
- (2) After considering any written representation made by the licensed self-insurer within the period for representations stated in the notice, the regulator may—
  - (a) take action under section 93 (2); or
  - (b) cancel the self-insurer licence.
- (3) The regulator must tell the licensed self-insurer, in writing, about the decision—
  - (a) if the decision is to take action other than suspension or cancellation—by giving the self-insurer a reviewable decision notice; or  

*Note* The requirements for reviewable decision notices are prescribed under the *ACT Civil and Administrative Tribunal Act 2008*.
  - (b) if the decision is to suspend or cancel the self-insurer licence—in accordance with section 95.

**95 Effect of regulator cancellation or suspension of self-insurer licence**

- (1) If the regulator decides to suspend or cancel a self-insurer's self-insurer licence, the regulator must tell the self-insurer who holds the licence, in writing, about the decision and when the suspension or cancellation takes effect.

*Note* The regulator's notice must comply with the requirements of the [Act](#), s 199A.

- (2) A suspension or cancellation must not take effect earlier than 7 days after the day the self-insurer is told about the decision.
- (3) If the regulator suspends a self-insurer licence, the self-insurer is, during the suspension—
- (a) taken not to be a licensed self-insurer; and
  - (b) disqualified from applying for a self-insurer licence.
- (4) The regulator may, at any time, by written notice to the self-insurer, end or reduce the period of suspension of the self-insurer licence.

**Part 10A Compliance and financial audits**

**95A Compliance audits**

- (1) The regulator may direct a compliance auditor to conduct a compliance audit of—
- (a) a licensed insurer or an insurer that has applied to be a licensed insurer; or
  - (b) a licensed self-insurer or an employer that has applied to be a licensed self-insurer.

*Note* A fee may be determined under the [Act](#), s 221 for this provision.

- (2) The compliance auditor must—
- (a) conduct the compliance audit in accordance with any protocol approved by the regulator for the audit; and
  - (b) provide a written report to the regulator and the person audited, within the time set by the regulator.

*Note* The person audited must comply with the requirements of the person conducting the audit (see s 73A and s 90A).

- (3) In this section:

***compliance audit*** means an audit of—

- (a) compliance with the Act and this regulation; and
- (b) for a licensed insurer or an insurer that has applied to be a licensed insurer—compliance with the conditions of licence under division 9.2; and
- (c) for a licensed self-insurer or an employer that has applied to be a licensed self-insurer—compliance with the conditions of the self-insurer licence under division 10.2; and
- (d) compliance with a relevant protocol approved under section 101.

***compliance auditor***—see section 95C (1) (a).

## **95B Financial audits**

- (1) The regulator may direct a financial auditor to conduct a financial audit of—
- (a) a licensed insurer or an insurer that has applied to be a licensed insurer; or
  - (b) a licensed self-insurer or an employer that has applied to be a licensed self-insurer.

*Note* A fee may be determined under the [Act](#), s 221 for this provision.

- (2) The financial auditor must—
- (a) conduct the financial audit in accordance with any protocol approved by the Minister for the audit; and
  - (b) provide a written report to the regulator and the person audited, within the time set by the regulator.

*Note* The person audited must comply with the requirements of the person conducting the audit (see s 73A and s 90A).

- (3) In this section:

*financial audit* means an audit of—

- (a) financial and prudential soundness; and
- (b) the ability to meet current and expected liabilities under the Act.

*financial auditor*—see section 95C (1) (b).

## **95C Appointment of auditors**

- (1) The regulator may—
- (a) appoint a suitably qualified person to conduct compliance audits under section 95A (a *compliance auditor*); and
  - (b) appoint an auditor to conduct financial audits under section 95B (a *financial auditor*).
- (2) A compliance auditor or financial auditor must be appointed for not longer than 3 years.

*Note* For laws about appointments, see the [Legislation Act](#), pt 19.3.

**6 Section 101 heading**

*substitute*

**101 Approved protocols for licensed insurers and licensed self-insurers**

**7 Section 101 (2) (a)**

*substitute*

- (a) how payments by a licensed insurer or licensed self-insurer to the DI fund required under the Act or this regulation must be made; and

**8 Section 101 (2) (d) (ii)**

*substitute*

- (ii) information in relation to payments by a licensed insurer or licensed self-insurer to the DI fund, including information required to be given by a licensed insurer to an employer under section 62A (Required information from employer in policy).

**9 Schedule 3, part 3.1, new items 15 to 18**

*insert*

15	81 (2)	take action against licensed insurer	licensed insurer	regulator
16	82 (2)	cancel insurer licence	licensed insurer	regulator
17	93 (2)	take action against licensed self-insurer	licensed self-insurer	regulator
18	94 (2)	cancel self-insurer licence	licensed self-insurer	regulator

**10 Dictionary, note 2**

*insert*

- authorised deposit-taking institution

**11 Dictionary, note 3**

*omit*

- approved insurer
- self-insurer

**12 Dictionary, note 3**

*insert*

- cpi indexed (see s 20)
- DI fund
- insurer licence (see s 143A)
- licensed insurer (see s 143A)
- licensed self-insurer (see s 143A)
- self-insurer licence (see s 143A)

**13 Dictionary, definition of *exemption***

*omit*

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## Endnotes

**1 Notification**

Notified under the [Legislation Act](#) on 24 November 2021.

**2 Republications of amended laws**

For the latest republication of amended laws, see [www.legislation.act.gov.au](http://www.legislation.act.gov.au).

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