

Incapacity calculation and payment

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Once a claim for compensation has been accepted under section 14 of the SRC Act, Comcare may be liable to pay for the time that an employee is not at work due to the compensable condition.

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[Incapacity for work](#)

This page provides an overview of incapacity for work including the definition under the SRC Act, claiming and calculating incapacity payments, minimum earnings, maximum amount payable, leave and incapacity, incapacity legislation, incapacity payments on two or more claims and when attending medical treatment.

[Leave and incapacity](#)

An employee who is claiming incapacity payments cannot be granted any other kind of paid leave for the same period, other than maternity leave. Leave also continues to accrue as usual during the first 45 weeks of 'post-determination' compensation leave.

[Ability to earn assessment](#)

Ability to earn is the greater of either an employee's ability to earn in suitable employment or their gross actual earnings in any employment. It is an element that is taken into considering when calculating incapacity payments.

Superannuation

An employee who is retired from Commonwealth employment and receives a pension and/or lump sum under a superannuation scheme as a result of their retirement, must have their incapacity payments determined under the superannuation provisions of the SRC Act (sections 20, 21 and 21A).

Calculating incapacity payments

The SRC Act provides different formulae for calculating incapacity depending on the circumstances of the employee.

Normal weekly earnings (NWE)

NWE is a fair representation of what an employee would have earned in a week, had they not been injured, and may include overtime and certain allowances. NWE is an important part of calculating incapacity payments.

Redemptions

When an employee's weekly rate of payment is at or below the redemption ceiling rate, they may be entitled to a lump sum payment instead of ongoing weekly payments.

Separation from employment

When an employee separates from employment and has an incapacity for work, we have to consider this when assessing and calculating incapacity payments.