



## **Significant Savings through Workers Compensation Restructure**

### **Retail sector: Supermarket Operator**

#### **Background:**

A supermarket operator, established in 2021 expanded its operations by launching a chain of discount stores. These stores were established as separate corporate entity but for workers compensation purposes were grouped. The supermarket and general retail industry codes carry different hazard ratings for premium calculation purposes.

For workers compensation purposes an organisation is “grouped” despite activities within the business being different. However, what the client didn't realize is that it's possible to split the rates applied based on the different types of activities within the group. This is particularly relevant when the different activities within the group are less hazardous from a worker's compensation point of view.

#### **Victual's Role:**

Victual negotiated with iCare to backdate the allocation of these industry codes to the different parts of the business, generating savings not only in the current workers compensation policy renewal but for the previous three years as well.

The successful restructuring of the workers compensation policy for the business generated a total of \$248,700 in savings and refunds from previous policy periods. The restructure also established an appropriate structure for administering the declaration of wages for the group moving forward, ensuring these savings are locked in on an ongoing basis.

This business continues to work with Victual to achieve significant financial savings and establish a more efficient and cost-effective workers' compensation structure for their business.