EXPLANATORY STATEMENT

Issued by authority of the
Minister for Employment and Workplace Relations

Seafarers Rehabilitation and Compensation Act 1992
Section 107

SEAFARERS, SAFETY REHABILITATION AND COMPENSATION AUTHORITY
(EXEMPTION GUIDELINES) DIRECTIONS 2006 (1)

The Seafarers Rehabilitation and Compensation Act 1992 (Seafarers Act) establishes a workers' compensation and rehabilitation scheme for seafarers employed on certain ships engaged in trade or commerce within a Territory, interstate or overseas, and on other vessels declared by the Australian Maritime Safety Authority.

Section 107 of the Seafarers Act provides that the Minister for Employment and Workplace Relations may, by notice in writing to the Chairperson of the Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority), give a direction to the Authority with respect to the performance of its function or the exercise of its powers.

Section 20A of the Seafarers Act gives the Seacare Authority the power to grant an exemption from the application of the Act. In exercising the power to grant an exemption under section 20A, the Authority has established Exemption Guidelines (the Guidelines). The Authority has also established that it must refer to the Guidelines in determining any application made under section 20A.

The Guidelines cover the issues and circumstances to be taken into account by the Seacare Authority in considering any exemption application.

The purpose of the instrument to which this Explanatory Statement relates is to direct the Seacare Authority to amend the Guidelines it uses in considering applications for exemption made under section 20A of the Seafarers Act.

The instrument directs that when an employer is able to demonstrate that workers’ compensation cover will be provided to its employees under another Australian workers’ compensation scheme, at a cost lower than is available under the Seacare Scheme, this would constitute a primary factor in determining an application by that employer for an exemption from the Seafarers Act.

A Ministerial Direction under section 107 of the Seafarers Act may be a legislative instrument for the purposes of the Legislative Instruments Act 2003 (LI Act). Section 5 of the LI Act defines a legislative instrument and having regard to that definition, the instrument to which this Explanatory Statement relates is a legislative instrument. The instrument commences on the day following its registration on the Federal Register of Legislative Instruments.