



# Permanent impairment lump sum compensation – workers' compensation NT

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If you've been injured at work in the Northern Territory and your injury has led to a lasting impact on your physical or mental health, you may be eligible to make a permanent impairment benefits claim.

This article explains:

how permanent impairment benefits claims work under the NT workers' compensation scheme;

what you need to know about eligibility;

how compensation is calculated; and

the steps involved in the claim process.

## What is a permanent impairment benefits claim?

The term 'permanent impairment' means a lasting loss of function of a part of your body (including a psychological condition), caused by a work-related injury or illness.

Examples include:

losing a limb or losing movement in a limb;

ongoing back or neck problems;

permanent hearing loss;

post-traumatic stress disorder (PTSD) or other psychological conditions that don't resolve.

To make a claim for permanent impairment benefits under the [Northern Territory workers' compensation scheme](#), your injury must be stable and stationary and not expected to improve with reasonable medical treatment.

## Key legislation and scheme overview

Permanent impairment benefit claims in the NT are covered by the 'Return to Work Act 1986 (NT)'.

This Act sets out:

the rights of injured workers;

the process for making claims;

how permanent impairment is assessed;

how lump sum benefits are calculated.

NT WorkSafe oversees workers' compensation claims, including permanent impairment claims.

## Who is eligible to make a permanent impairment claim?

You may be eligible to make a permanent impairment benefits claim after a workplace injury or illness if:

you were injured at work in the NT and have an accepted workers' compensation claim;

your injury has reached maximum medical improvement (MMI) – meaning it's not going to get any better even with any ongoing and reasonable medical treatment;

your level of permanent impairment has been assessed by an approved medical doctor.

It's important to know that not all injuries result in a permanent impairment. For example, if your injury fully heals, you may not be eligible for this type of claim, even though you might still receive weekly payments or medical expenses under the workers' compensation scheme.

## How is permanent impairment assessed?

To claim lump sum compensation due to permanent impairment, your condition must be assessed by a trained and approved medical doctor using the recognised guide for NT workers' compensation claims.

In the NT, this is:

the 'Guidelines for the evaluation of permanent impairment', which largely adopts the American Medical Association (AMA) Guides to the Evaluation of Permanent Impairment (5th Edition);

there are, however, certain NT-specific guidelines for psychiatric and psychological injuries (that is, that are not included in the relevant part of the AMA Guides).

Your degree of impairment is given a percentage, known as the Whole Person Impairment (WPI) rating.

Some key points:

You generally need at least 5% WPI to be eligible for a lump sum compensation.

The percentage of your WPI assessment determines how much compensation you will receive.

## Lump sum compensation: how much can I get?

If your impairment is assessed at or greater than 5%, you will be entitled to a one-off lump sum payment. The amount you receive is based on the percentage of permanent impairment as assessed by the doctor (your WPI assessment).

This payment is in addition to other workers' compensation benefits, such as weekly benefits and payments for medical/rehabilitation expenses.

## What's the process for making a permanent impairment claim?

Here's a step-by-step overview of how to make a permanent impairment claim in the NT:

**Wait for maximum medical improvement (MMI)**

Your condition must be stable and unlikely to change substantially in the next 12 months without medical treatment.

**Request an assessment**

You or the insurer can request an impairment assessment from a trained and approved doctor. If you have a lawyer, they can assist you in lodging the claim.

**Attend a medical assessment**

The doctor examines you and provides a written report stating your level of impairment (your WPI percentage). You will receive a copy of the assessment.

**Submit the report to the insurer**

Once the report is completed, it's sent to the insurer, who reviews the findings.

**Receive decision and offer**

If your level of impairment meets the '5% threshold', the insurer will issue a notice of determination and will include an offer of a lump sum benefit (based on the assessed WPI).

## Can I dispute the insurer's decision?

Yes.

If you disagree with the insurer's decision, for example, if you believe your WPI has been assessed incorrectly, you can challenge it through the NT WorkSafe dispute resolution process.

You should seek legal advice if:

your WPI percentage seems too low (certainly if it is assessed at below 5% then you have nothing to lose to seek some legal advice about whether to dispute it);

you believe you have a secondary psychological injury which has not been assessed;

you need help navigating the claim process, including the gathering of relevant and necessary supporting (usually medical) evidence.

You can read more about appealing a decision in our earlier blog, ["Disputing a worker's compensation claim decision in the Northern Territory"](#).

## Are there time limits for a permanent impairment claim?

Time limits can apply when lodging our workers' compensation claim; however, there's no strict deadline for permanent impairment claims. This is because you can only seek permanent impairment benefits if you already have an accepted workers' compensation claim.

Once your initial workers' compensation claim has been accepted, and at the point your injury has stabilised (i.e. it has reached 'maximum medical improvement'), it's important to:

keep in regular contact with your treating doctor and your employer (if you are still employed);

organise an impairment assessment by your doctor, or ask your employer/insurer of your claim to initiate the process (they will then arrange for you to be seen by a doctor, usually a specialist doctor);

seek legal advice early if you're unsure of your rights or what you should do.

## Can I still be working when I make a permanent impairment claim?

Yes.

A permanent impairment claim is about the lasting impact of your injury, not whether you are still able to work. You may be working full-time, part-time, or not at all. If you meet the medical threshold of 5% or more WPI, you will be entitled to a lump sum benefit payment.

## Key takeaways

You may be able to claim a lump sum if you have lasting (permanent) effects from your work injury or illness.

You will need to be assessed for degree of any permanent impairment by a medical doctor to indicate the percentage of impairment.

You need at least 5% WPI (whole person impairment) to be entitled to permanent impairment benefits.

A lawyer can help you maximise the likelihood of a successful claim for permanent impairment benefits under the NT workers' compensation scheme.

## Get help from an NT workers' compensation lawyer

Permanent impairment claims can be complex, especially when it comes to:

medical assessment process/procedure;

interpreting the impairment guide;

negotiating with insurers;

ensuring your WPI is assessed fairly and navigating the process of review to NT WorkSafe (if you believe the initial assessment is too low)

Remember, if the initial assessment is below 5% (the threshold), then you essentially 'have nothing to lose' in seeking advice about what your options are to continue with the process (review of the initial assessment to NT WorkSafe).

A workers' compensation lawyer can help you understand your rights, guide you through the process, and make sure you're not missing out on entitlements.

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*This article is of a general nature and should not be relied upon as legal advice. If you require further information, advice or assistance for your specific circumstances, please contact us.*