



Victor Dominello MP
Minister for Finance, Services and Property

Our reference: BN18/1314
Your reference: D18/127229

Mr David Blunt
Clerk of the Parliaments and Clerk of the Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Blunt

I am writing in relation to the NSW Government's response to the report and recommendations of the Legislative Council Standing Committee on Law and Justice (the Committee) Statutory review of the *State Insurance and Care Governance Act 2015*. The Government's response to the Committee is due to be tabled by 15 June 2018.

The Committee's report was released on 15 December 2017 and contains five recommendations directed to the Government, the State Insurance Regulatory Authority (SIRA) and Insurance and Care NSW (icare). The Government's response, which I am pleased to enclose, supports, or supports in part, all five recommendations.

Should you have any queries, please contact Ms Carmel Donnelly, Chief Executive, SIRA on 02 4321 5468 or at carmel.donnelly@sira.nsw.gov.au.

Yours sincerely

The Hon Victor Dominello MP
Minister for Finance, Services and Property

Date: 18-6-18

Encl. NSW Government response

cc. Ms Natalie Ward MLC
Committee Chair, Legislative Council Standing Committee on Law and Justice

Received at 11.50am
Monday 18 June 2018

GOVERNMENT RESPONSE

to

REPORT OF THE LEGISLATIVE COUNCIL STANDING COMMITTEE ON LAW AND JUSTICE

on

THE STATUTORY REVIEW OF THE *STATE INSURANCE AND CARE GOVERNANCE ACT 2015*

Recommendation 1 - That icare publish minutes and communiques of its board meetings and the statement of business intent prepared in accordance with s11 of the State Insurance and Care Governance Act 2015.

Supported in part – This recommendation is supported in part by the Government. That is, icare will ensure that its 2018/19 Statement of Business Intent conforms with NSW Treasury requirements and is suitable for publication. icare will also publish communiques of its board meetings, however, as icare operates in a commercial market, it would be inappropriate to publish minutes of the icare Board meetings as they contain market sensitive and commercial-in-confidence information.

With the establishment of icare in 2015, a new governing Board of Directors was appointed. The governing Board directs icare and is responsible for all decisions relating to the functions of the organisation that are made by or under its authority icare has demonstrated its commitment to transparency through the publication of the icare Strategy and annual Strategic Plan on its website at <https://www.icare.nsw.gov.au/about-us/our-strategy>. These publicly available documents contain the essential components that underpin icare's Statement of Business Intent and Business Plan. icare's Annual Report is also available on icare's website and provides an overview of the previous year's activities as they relate to these two plans.

Recommendation 2 - That SIRA undertake the necessary work to ensure the timely publication of workers compensation statistical bulletins, within six months of the end of the financial year to which they refer.

Supported - The NSW Government supports the recommendation that SIRA ensure the timely publication of workers compensation statistical bulletins. While it may not be possible to publish within six months until the 2018/19 report, SIRA is working towards reducing the time taken for publication and has commenced the development of monthly dashboard statistics.

Recommendation 3 - That SIRA commence work on developing comprehensive real-time data for workers compensation claims, including visualisation tools such as a dashboard.

Supported – The Government supports this recommendation and notes that SIRA is committed to providing timely reporting on the performance of the workers compensation system in NSW. SIRA is developing monthly system performance dashboards to provide stakeholders with ongoing updates on the status of the NSW workers compensation system based on current available data. SIRA expects to start publishing monthly statistics in mid-2018.

SIRA has recently published the *2016/17 Workers Compensation System Annual Performance Report*. The report builds on the performance framework developed for the inaugural 2016 report and derives its framework from the workers compensation system objectives and includes metrics focussed on effectiveness, efficiency, viability, affordability, customer experience and equity. It utilises data from insurers as at June 2017 and also includes NSW data collected by Safe Work Australia for its *Return to Work Survey* publication.

Recommendation 4 - That the NSW Government introduce legislative amendments to give SIRA statutory information collection and sharing powers in the area of workers compensation, modelled on the equivalent provisions in the Motor Accident Injuries Act 2017 for compulsory third party insurance.

Supported – The Government supports the recommendation to provide SIRA with further regulatory powers to modernise workers compensation data and information collection and management arrangements to improve regulatory performance and align provisions with those used by SIRA in its regulation of the motor accidents and home building schemes. This will provide for SIRA to more efficiently collect and use information regarding claims, employers, injured workers, complaints, activities related to workers compensation in NSW, and mandatory reporting of legislative breaches from all insurers, providers and system participants. Improved access to this information will enable SIRA to provide enhanced customer service and compliance activities, share information with SafeWork NSW to facilitate work health and safety activities, and effectively regulate the workers compensation system. The Government notes that this recommendation aligns with the NSW Government data and digital strategy.

Recommendation 5 - That the NSW Government note the evidence received in this review concerning the relationship between icare and SIRA, and SIRA and SafeWork NSW's effectiveness in carrying out their enforcement and compliance functions, and keep a watching brief on these issues for consideration as part of the five-year statutory review of the State Insurance and Care Governance Act 2015.

Supported – The NSW Government notes the issues raised during the review and will monitor these issues for consideration at the next statutory review of the *State Insurance and Care Governance Act 2015*.