



LEGISLATIVE COUNCIL

STANDING COMMITTEE ON LAW AND JUSTICE

MEDIA RELEASE

Upper House Committee hands down report recommending improvements to the workers compensation scheme

FOR IMMEDIATE RELEASE

5 December 2023

The Standing Committee on Law and Justice has released its report on the workers compensation scheme in New South Wales. The report included 18 recommendations to improve the effectiveness and efficiency of the workers compensation scheme, including how it could better support injured workers as well as facilitate their return to work.

The Chair of the Committee, the Hon. Greg Donnelly MLC, stated, 'Major concerns continue to be raised over the performance of Insurance and Care NSW (icare) and the sustainability of the workers compensation scheme, including by the State Insurance Regulatory Authority (SIRA). While some changes have been made, the committee stresses the necessity of the need for further action to ensure the scheme's financial position does not deteriorate further. It is imperative that claims management issues are fully addressed. Return to work rates clearly need to improve to ensure the scheme is robust and able to support injured workers into the future.'

The report particularly focuses on the increase in the number of psychological injury claims and their impact on the operation of the scheme. Mr Donnelly commented, 'It is clear that questions surround whether the current scheme is fit for purpose when it comes to psychological injuries. These claims differ to physical injuries in a number of ways. These claims typically are more complex to resolve, longer in duration, and have a considerable impact on the cost of operating the workers compensation scheme.'

The Chair continued, 'The committee had the benefit of hearing directly from a number of injured workers, both in person and through submissions, who have personally experienced the workers compensation scheme. The committee is grateful for the candour and willingness of the injured workers who participated in the inquiry to recount their difficulties in order to help the committee identify where improvements to the workers compensation scheme can be made.'

The report's recommendations address declining return to work rates, the management of psychosocial risk in high-risk industries, various aspects of claims management, and the need for a comprehensive review of the entire workers compensation scheme.

Information relating to the inquiry may be found at <https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2988>

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For further information please contact Committee Chair, the Hon. Greg Donnelly MLC, on 9230 2280.