

**Submission
No 259**

INQUIRY INTO NSW WORKERS COMPENSATION SCHEME

Organisation: The Group Training Association of NSW
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Joint Select Committee on the NSW Workers Compensation Scheme
Parliament House
Macquarie St
Sydney NSW 2000
17th May 2012

Re: Reform of the NSW Workers Compensation Scheme

The Group Training Association of NSW congratulates the Minister on moving quickly to address the deficit in the NSW Worker's Compensation Scheme and thanks you for inviting the Association to make a submission to the Parliamentary Committee.

GTA NSW welcomes the proposed reforms that will improve the performance of the NSW Workers Compensation Scheme in promoting better health outcomes and return to work outcomes for injured workers, and improve the financial sustainability of the Scheme.

Young worker injuries are a significant and complex issue. In 2007/08, 5,622 young workers aged between 15 and 25 sustained a work-related injury in NSW (WorkCover, 2009). Recent research is helping to clarify the distinct characteristics of young people that can put them at increased risk of workplace injury, particularly in relation to brain development. Evidence is now mounting that the brain may not be fully developed until the late 20's (Glendon, 2007) and this can impact on decision making, risk taking and hazard perception among other things, with each potentially playing a role in workplace safety. In addition, inexperience in the workplace and a lack of awareness of WHS can increase the likelihood that a young worker may be injured as opposed to an older worker (Robinson, 2007). This complexity regarding young worker risks can make WHS efforts targeting young people particularly difficult.

The apprentices and trainees employed and trained via the GTO model are an important source of skilled labour for the NSW economy. Any further exposure to the expense of workers compensation insurance premiums will act as a market deterrent to employing and developing the apprentice labour needed to support the NSW economy.

Our member GTOs take safety very seriously.

Group Training was first established in NSW more than 30 years ago to support the relationship between apprentices and industry. First and foremost we are concerned with providing employment opportunities to ensure NSW has the skilled workforce it needs to maintain its economy. GTOs work primarily with small business and young people – both groups requiring additional support when it comes to workplace safety.

Young worker safety is a high priority for the Group Training Association of NSW (GTA NSW). GTA NSW represents 26 member Group Training Organisations (GTOs) who together employ over 8,000 apprentices and trainees – the majority of whom are under 25.

Group Training is an employment and training arrangement whereby a GTO acts as the primary employer to apprentices and trainees and then hires them out to other businesses known as 'host employers', whilst they are undertaking their formal training. Field Officers are employed by GTOs as 'case workers' to manage the relationship between the GTO, the apprentice/trainee, the host employer and the training provider.

With the assistance of Workcover, GTA NSW has collaborated with Youthsafe since 2010 to better understand young workers and contribute to safer workplaces. We have delivered a multi-strategic WHS program to improve apprentice and trainee safety by increasing knowledge of WHS specific to young workers among the various interconnected groups in the Group Training industry.

Group Training Organisations are increasingly using a 'systems' approach to understanding and improving safety. In contrast to traditional narrow approaches, the systems approach views 'problems' as part of a system of interconnected elements which allows for a fuller understanding of why a problem occurs. For young worker safety in the GTO industry, this means unsafe behaviours are viewed holistically – considering the range of developmental, environmental and social factors influencing behaviours. Elements of the system include the young worker, the Field Officer, the GTO, the training provider as well as industry and community.

Under the National Standards for Group Training Organisations, all staff working in Group Training Organisations are required to be aware of or hold a qualification in Occupational Health and Safety (OH&S) /Work Health & Safety. We have demonstrated commitment to enhancing NSW workplace safety by preventing and reducing incidents and fatalities.

GTO staff conduct detailed pre-placement and ongoing WHS audits and risk assessment of the sites where there apprentices and trainees are working. GTOs work with host companies to develop best practice systems and templates and ensure that safety standards are met. The net effect of these GTO conducted WHS audits is that host employer WHS practices are often under more regular scrutiny than if they directly employed apprentices and trainees.

By our nature GTOs will employ those most at risk of workplace accidents – that is those whose lack of experience and age mean they are not able to identify risk as ably as older workers. Where an accident does occur GTOs should not be penalised to such an extent that it stifles employment opportunities. Currently the 'experience factor' results in claim costs impacting disproportionately for several years. The economic impact of the 'experience factor' is to dampen demand for apprentices at a time when NSW is facing current and future skills shortages. The Group Training Association of NSW therefore recommends that Workcover retain the current Apprentice incentive scheme while reviewing the impact of the experience factor for this cohort.

We again thank you for the invitation to comment on this important issue and look forward to the Committee's report.