

**Submission
No 208**

INQUIRY INTO NSW WORKERS COMPENSATION SCHEME

Organisation: Abax Contracting Pty Ltd

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15thMay 2012

Ms Rachel Callinan
Director
Joint Select Committee on the NSW Workers Compensation Scheme
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Director,

Thank you for the opportunity to make a submission to the Inquiry into the NSW Workers Compensation Scheme.

We believe that reform of the NSW Workers Compensation Scheme should be based around principles that produce positive outcomes for injured workers, employers and NSW taxpayers alike. For the following reasons we do not believe the current scheme satisfies any of these principles.

- **A premium increase will not fix the underlying problems of the scheme – reform of the legislation and management processes must occur.**
- **Any increase in premiums will impact on profitability and consequently employment numbers. We would have to review the number of employees we have as we are already operating on tight margins.**
- **Any increase in premiums will further weaken the competitiveness of NSW employers.**
- **The scheme is too complex for most employers and employees to manage their way through it. This needlessly creates an adversarial relationship between employers and employees.**
- **The focus of the Scheme must be to get people back to work safely and quickly – at the moment there is not enough motivation for injured workers to go back to work quickly. We find that we have very limited input once a Workers Compensation claim has been Registered and very frustrated with the one sided nature of the treatment of any claims.**

- **Work capacity assessments are a critical part of the claim management process. Assessors should be accredited by WorkCover to undertake them – and not be limited to Doctors but also include other allied health professionals.**
- **There must be more structure in the work capacity assessment dispute process. Clear lines of authority are required.**

The link between safety initiatives and reduced premiums is not clear enough, particularly in a high risk industry such as ours. No one wants people to get hurt, but budgets are not limitless. We thus need an insurance model that better rewards through lower premiums good safety performance and injury management practices.

- **There must be more power for WorkCover and Agents to investigate fraudulent claims and personal injury aggravation of claims. These investigations should commence a lot quicker than is the case now and should take into account the employers thoughts at a much earlier stage.**
- **There must be more power for WorkCover and Agents to enforce timely compliance of a worker to an agreed injury management plan.**
- **There must be more power for WorkCover to effectively manage Agents. The two largest Agents that have been identified as not performing adequately should have been managed better and/or lost market share.**

I would again like to thank the Committee for the opportunity to make this submission.

Yours sincerely,

Jeff Hazell
Company Secretary
Abax Contracting Pty Ltd

This submission is made of behalf of the above organisation.

Authorising Officer: Jeff Hazell