

**Submission
No 262**

INQUIRY INTO NSW WORKERS COMPENSATION SCHEME

Organisation: Industry Mid North Coast Inc.

Date received: 17/05/2012

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It is imperative that we reform the current Workers Compensation Scheme, to secure a solid scheme that not only looks after the injured worker but that supports the employer and the future of business in NSW.

The New South Wales Workers Compensation Scheme is a critical component of the New South Wales economy, an increase of 28%, when the NSW premiums are 20% to 60% higher than equivalent employers in competitor states already, will exacerbate our lack of competitiveness.

NSW will continue to struggle to keep business here and our economy will suffer with a decline in jobs growth, which in turn will reduce payroll tax, impact on superannuation contributions and put further strain on our unemployment system.

Firstly a unified national system should be the aim of all governments within Australia developing an even playing field for business doing business across many states in Australia.

Secondly we all understand that work cover has implemented the work, health and safety WH&S act further developing a safe culture within the work place in NSW. Those companies who are compliant with the act and have no history of accidents should be eligible for premium reductions.

Now that these measures are in place the workplace is considered to be a safer environment however, the NSW Workers Compensation Scheme does not recognise this in their premiums. Industry feel that the implementation of safety measure should be rewarded not penalised with increased premiums.

There must be incentives for companies that do the right thing to encourage a culture of continuous improvement and professional development within the business this can be demonstrated by presenting a training and workforce development plan and copies of budget expenditure from the P/L statements when applying for a reduction in premiums.

As employers and employees we should expect a Works Compensation system that is efficient, cost effective and transparent, we need reform that focuses on:

- Contribution to the economic and jobs growth by ensuring that premiums are comparable with other states.
- Promote recovery and the benefits of returning to work faster.
- Strongly discourage payments, treatments and services that do not contribute to recovery and return to work.

- Be recognised for a successful WH&S program via non claims with a reduction in premiums.
- Deliver training and education programs to reduce accidents
- Consultation between employees and employers on safety in the workplace producing evidence that all are working for a safe work environment justifying reduced premiums.

Taking on mature aged workers has many issues mostly these workers bring with them injuries associate with other claims. There must be a clear delineation between accidents from one work place to another.

Existing companies with a clear record and a reputation for implementing sophisticated WH&S systems in the workplace should not be penalised for taking on a person who is associated with another claim from a non- conforming workplace.

Industry understands that a safe workplace is an efficient workplace and with the growing skill shortages and the low unemployment rate it is even more imperative that the work place is safe and injured workers are rehabilitated quickly and are able to return to work however at times in-appropriate medical certification is identified and little can be done by the employers to resolve this issue. It is noted that many doctors admit that medical certificates issued by themselves and their peers are “dubious” and fail to reflect the claimant’s true capacity for work.

Notwithstanding this unethical practice industry and business take these incidences on as real claims and deal with the issue, at times costing the business many thousands of dollars adding further to the cost of doing business in NSW.

Industry would respect a system that is transparent, and scrutinises suspect false claims and on the occasion of finding such false claim the business being relinquished from any liability as a consequence.

Workers Comp is a two way street an employer has the responsibility to the employee in respect of delivering a safe workplace however in turn the employee should also be equally responsible for their actions all working together to reduce claims and premiums.

Regards

Jill Simmons
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