

Submission
No 244

INQUIRY INTO NSW WORKERS COMPENSATION SCHEME

Name: Name suppressed
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Partially Confidential

10th May 2012

Joint Select Committee on the
NSW Workers Compensation Scheme
Parliament House
Macquarie Street
Sydney NSW 2000

Fax: (02) 9230 2981
Email: workerscompinquiry@parliament.nsw.gov.au

Dear Joint Select Committee,

We wish to express our concerns as to the way workers compensation premiums are calculated. There is no transparency and it is difficult to understand the logic in the increase in premium for a policy that has been affected by a claim. Below is a classic example. We have been a farming organisation in NSW since June 2006.

Since June 2006 to the 30th June 2010 our premiums were:

June 2006	\$1183.79
2007	\$3551.40
2008	\$4391.66
2009	\$5536.52
2010	\$4270.35
Total	\$18,933.72

We lodged a claim with QBE for a minor accident on the farm in September 2010 and according to the 2011 premium the ECCR showed that the total cost of the claim was \$21,207- (This appears an excessive cost for a thumb injury from a kick in the hand by a cow)

Our 2011 and 2012 premiums have been affected dramatically by this. Our 2011 premium went to \$26,682.16 and our 2012 premium is \$35,895, for a similar level of wages.

If we had not lodged a claim and paid the \$21,207, our 2011 and 2012 premiums would have only been \$7956.00 and \$7866.16 respectively.

This means that a claim that cost QBE \$21,207, cost us \$46,754.25. In total premiums paid since June 2006 we have paid \$81,510- and have only lodged the one claim.

Workers compensation appears just to be a tax on businesses to the benefit of QBE and not an effective way of providing for the cost of injuries.