

**Submission
No 216**

INQUIRY INTO NSW WORKERS COMPENSATION SCHEME

Organisation: Versalite Windows

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VERSALITE WINDOWS

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21 May 2012

Parliament House
6 Macquarie Street
Sydney, NSW 2000

Attention: Ms Vanessa Viaggio

RE: The Joint Select Committee on the NSW Workers Compensation Scheme

Our company employs up to 15 full time employees and has been in business for seventeen years this is our second workers compensation scheme in NSW that is now unfunded. When this current scheme was introduced with all its high compliance costs such as OHS and now WIIS it was to reduce the cost of insurance to employers and still provide cover for employees. Let me advise you that since the implementation of the current scheme our premiums have increased in excess of 300% no longer is this second scheme sustainable for the Government it is also not sustainable for all Business operating in NSW.

Under the current scheme when an injured worker needs medical attention the cost are far greater than what they would normally be for instance if a doctor refers a patient for a MRI it costs around \$180. If the doctor refers a patient for a MRI that is related to a workers compensation claim the cost is \$700. There is a large amount of over servicing and over charging happening as soon as a workers compensation claim is lodged and all of this impacts on the policy.

Another area is fraudulent claims. As the scheme now exists if an employee lodges a claim, liability has to be accepted by the insurance company. Surely when an employer has supporting evidence that the accident did not happen in the work place it should not have to be accepted by the insurance company.

Why could we not have an insurance scheme in place that could operate similar to a self-employed person where the employee owns the policy which is portable and receives a tax deduction for the premium paid. This would significantly reduce the number of claims currently being experienced which in turn would free up the medical system and resources. Also cap the charges that are being applied to these insurance claims this would also reduce the amount of over servicing which is currently happening.

Yours faithfully

Michael Myers JP
Operations Manager



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