

**Submission  
No 173**

## **INQUIRY INTO NSW WORKERS COMPENSATION SCHEME**

**Organisation:** Furnishing Industry Association of Australia Ltd  
**Date received:** 17/05/2012

---

The Hon Robert Borsak MLC  
Chair, Joint Select Committee on the NSW Workers Compensation Scheme  
Parliament House  
Macquarie St  
Sydney NSW 2000

## Workers Compensation Scheme

Dear Minister

Thank you for considering the Furnishing Industry Association of Australia Ltd to comment on the current state of the NSW Compensation Scheme. Below are some recommendations that we as an association, predominately made of small businesses, could improve the overall effectiveness of Workers Compensation in NSW.

### Premium Discount Scheme

- FIAA was instrumental in providing training and the necessary tools to provide FIAA Members to comply with the OH&S Act 2000
- Discussion with WorkCover during quarterly Industry Reference Group meetings reveal that

WorkCover themselves are happy when industry players are aligned with an Industry Association such as FIAA. The information provided by Industry Associations is one step in ensuring that businesses are meeting their obligations under the WH&S Act and Workers Compensation Act. WorkCover are far more concerned with businesses outside the Association 'tent'. Businesses without professional membership are more likely to not comply with state legislation.

- Discounts should be made available to businesses who comply or show compliance
  - o Have an accredited WH&S system that meets Australian Standards
  - o Have suitable back to work duties identified. This could be an industry initiative for the kitchen, joinery, bedding, domestic furniture, commercial furniture etc
  - o Pay their premium on time
  - o Show compliance to audiometric testing
  - o Show compliance to atmospheric testing (should be a discount on the dust disease levee)

### Designated treating Doctors

- It is far too easy for a treating Doctor just to sign off on an injured worker as there is no onus on the treating Doctor to get the injured worker back to work performing duties.
- Have the treating Doctors 'Sign Off' on the certificate and state it is a bona fide work related injury. Some accountability should rest with the treating Doctor
- The rehabilitation providers and the treating Doctors and the insurance companies should be made to discuss each individual case with the main aim to get the injured worker back to full time duties
- The treating rehabilitation company as a prerequisite should be made to visit the workplace to discuss possible suitable duties
- Most employers would not know about what suitable duties were nor would the treating Doctors.
- There should be a list of treating Doctors who specialise in Workers Compensation

### Law Firms

- More accountability should lie with Law Firms getting involved with Workers Compensation law suits. If a worker is genuinely injured during the normal course of work, the Act should provide them with the necessary compensation

#### Deemed Worker Definition

- You can go onto the ATO website and the WorkCover website and put in the same information and come out with a different outcome?
- The majority of businesses in the furnishing industry use sub-contractor arrangements due to the seasonal and peaks and troughs periods
- Give businesses a clear definition of what is a deemed worker and what constitutes a sub-contract arrangement and the revenue lost through incorrect business dealings will be recovered

#### Journey Claims

- Journey claims should be removed from travelling to and from the normal place of work. This should not apply however when an employer instructs the employees to start on-site (i.e not there normal place of work)

#### Weekly Benefits

- Step down payments would encourage injured workers back to work sooner. Agree with the Victorian model

#### Lump Sum

- Agree with the Victorian model

#### Severely injured workers

- Regular overtime and allowances should form part of the calculation when identifying the injured workers weekly take home pay. The overtime should be calculated at time only; not time and a half or double time

#### Work Capacity Testing

- Agree totally with the concept of Work Capacity Testing. Supported by the appropriate rehabilitation and monitoring, this would lead injured workers back into employment or at least to being fit for employment.

Simply making the premium higher will drive out an already struggling industry with the high AUD \$, competing with cheap imports and all the other business related expenses such as payroll tax. Good business should be rewarded in some way via a discount scheme such as the no claim bonus when you insure your car.

Any injury claim in small business normally ends up on the boss's desk and generally, he/she is too busy with customers, dealing with the books, supervising, doing quotes and the list goes on. What small business has an injury claims employee or designated person?

Unless there is incentives for businesses to comply, this will always be the case and businesses will be reactive (once an incident occurs) rather than having the necessary systems in place to manage WH&S and claims management.

Kind Regards

Dean Brakell  
General Manager  
Furnishing Industry Association of Australia Ltd