

**Submission  
No 301**

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

**Organisation:** Divall's Bulk Haulage

**Date received:** 17/05/2012

---

DENRITH PTY LTD  
TRADING AS  
DIVALL'S EARTHMOVING & BULK HAULAGE  
INCORPORATING  
GOULBURN SAND & SOIL  
ABN 44 038 434 971



282 CARRICK ROAD  
GOULBURN NSW 2680  
TELEPHONE (02) 4829 8200  
FACSIMILE (02) 4829 8257



15<sup>th</sup> May 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.**

Employers will hesitate to employ personnel, due to increased costs. This in turn will retard growth within the industry.

- **Any increase in premiums will further weaken the competitiveness of NSW employers.**

NSW businesses are already struggling to compete against their interstate competitors, due to the vast gap in premium costs. Any further premium increase will take away future opportunities for 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.**

In addition to this, we feel that some Medical Practitioners are signing WorkCover Medical Certificates, deeming the worker unfit, when they have limited knowledge of the Workplace, & its functions. It is far too an easy process for workers to obtain 'Unfit for Work' Certificates from the majority of Medical Practitioners.

- **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.**

It is disappointing that it becomes impossible, & improbable; for employers to employ personnel, who have been injured in a previous workplace. The prospective employer then bears any further repercussions from the prior injury. A system that allows the prospective employer to be separated from any costs etc that may arise for prior workplace injuries would be welcomed.

- **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,  
ANDREW G DIVALL  
DIRECTOR

This submission is made of behalf of the above organisation.

**NOTE: If you would like your submission to be confidential you must mention so here.**