

**Submission
No 120**

INQUIRY INTO NSW WORKERS COMPENSATION SCHEME

Organisation: Tomola Motors Pty Ltd t/as Ryde Toyota
Date received: 15/05/2012

I am a NSW franchise motor vehicle retailer and repairer with 50 employees and a turnover of approximately \$46 million. I am a member of the MTA and i give unilateral support for the MTA submission for reopening the specialised insurance scheme and allowing industry associations to manage their own workers compensation scheme.

My highest cost are salaries, workers compensation premiums, insurance and soon superannuation. All these costs have a significant impact on my recruiting intentions and ability to employ. This restricts my endeavours to expand my custom base due to the associated risk of increasing capacity prior to increasing return. Coupled with restrictive work relations systems this makes attempts to expand and grow very risky.

I am a member of a group of dealers from all over Australia who meet regularly ever 6 months and discuss many aspects of business practices. These are called business improvement forums. We study each others methods of business, marketing, operating systems and costs. NSW business owners always have the highest costs associated with workers compensation per employee, dollare in sales and dollar in gross profit. It is a huge burden on our business.

Our premium is a mystery to me. I am staggered by the cost and the complexity of calculating our premium. My premium is calculated by the insurer and i have this checked by my own external auditor and we are fortunate enough to have a progressive association that negotiates from time to time.

I run a relatively safe workshop and business. 27 of my staff are employed in areas of warehouse and work shop. My claims are minimal and only expensive when members are injured on journeys. Yet I still pay a staggering in premiums.

All my injured staff are supported by my company. I have never had the need for work cover to assist. The insurance companies do a good job. We have recently changed to QBE through the MTA and are extremely happy with the support provided and the reduction in premium negotiated by the MTA. I feel this would only be improved if the system were changed to that suggested by the MTA. The option should be there for industries with a strong and progressive association like the Motor Industry.

I honestly believe that the MTA would be best suited to control an industry superannuation scheme for the motor trade that best provided for the large range of employment classifactions held by its member businesses and would ultimately benefit all my employees and those that are not yet working for me due to the chains of regulation attached to my feet.