

Submission  
No 48

## INQUIRY INTO NSW WORKERS COMPENSATION SCHEME

**Name:** Name suppressed

**Date received:** 11/05/2012

---

Partially Confidential

10<sup>th</sup> May 2012

Re: NSW Workers Compensation Scheme

With reference to the threatened increase in workers compensation premiums by 28% from 1 July 2012 we would like to express our extreme concern.

Our company is heavily involved in the building industry which at the present time is in a recession and we find it very tough to make ends meet.

The government is well aware of the state of the building industry as several builders have recently gone broke.

Work is scarce and competition is fierce with very low or non-existing margins and we have had to ask our workers to delay any increases in their E.B.A. indefinitely to ensure that the business will survive.

Our administration personnel has had to be reduced considerably to ensure fixed overheads are kept at the bare minimum.

In recent times the owners have had to borrow more funds to put into the business to enable it to continue trading.

Our company in the last 5 years has paid over \$ 1.7m in premiums which, together with other imposts such as payroll tax and compulsory super, have massively affected our ability to be profitable.

Our company is fully committed in ensuring that our employees work in a safe manner at all times and a lot of effort and moneys has been spent in promoting and managing safety on building sites. These additional costs have not been able to be reflected in our prices which have been falling due to the high competition.

An increase in workers compensation premiums of 28% would represent the last nail in the coffin for our business as we would not be able to fully pass on such an increase to our customers in the form of higher prices for our work and we would not be in the position to absorb any more costs.

This would also put the job of 124 employees in jeopardy.

We appeal to the State Government to urgently reform the NSW Workers Compensation Scheme with the view of making the scheme affordable to employers and fair and equitable to genuinely seriously ill or injured workers.