

## INQUIRY INTO 2023 REVIEW OF THE WORKERS COMPENSATION SCHEME

**Organisation:** Supplementary submission - Independent Review Office  
**Date Received:** 8 September 2023

---



Independent  
Review Office

IRO Ref: 2023/107

8 September 2023

The Hon Greg Donnelly MLC  
Chair  
NSW Legislative Council Standing Committee on Law and Justice

By email: [law@parliament.nsw.gov.au](mailto:law@parliament.nsw.gov.au)  
(FAO Talina Drabsch, Principal Council Officer)

Dear Chair,

**2022 Review of the Workers Compensation scheme – response to request for update submission**

Thank you for your letter of 28 August 2023 advising of the resolution of the Standing Committee on Law and Justice (Committee) to finalise the *2022 Review of the Workers Compensation scheme* (2022 Review), and providing an opportunity for the Independent Review Office (IRO) to submit an updated version of our July 2022 submission<sup>1</sup> to the Committee.

I note the Committee intends to table a report in November 2023 incorporating evidence from the 2022 Review, any updated submissions, as well as an update from icare and the State Insurance Regulatory Authority with a focus on the financial aspects of their evidence.

The Committee resolved that the focus of the 2022 Review was on the increase in psychological claims, and this was the theme of our July 2022 submission. After receiving your invitation we reviewed the most current IRO data as it concerns psychological injury claims, and confirm that the same trends outlined in our submission remain relevant. For example:

- more workers with psychological injuries continue to require the assistance of Approved Lawyers through the Independent Legal Assistance and Review Service (ILARS) – administered by the IRO – with 4,439 grant applications in 2022/23 where the primary injury was psychological – an increase of 16 per cent from 2021/22.
- these matters remain over-represented in applications made to ILARS, with 20 per cent of all ILARS grant applications in 2022/23 arising from psychological injuries, although these injuries make up less than eight (8) per cent of all claims<sup>2</sup>.

---

<sup>1</sup> [031 Independent Review Office.pdf \(nsw.gov.au\)](#)

<sup>2</sup> [Claims data - SIRA \(nsw.gov.au\)](#) – accessed 7 September 2023

We also confirm that the observations in our July 2022 submission of the challenges for workers with psychological injuries at every step of the claims process (at paragraph 6.2, page 24) are as relevant today as they were last year.

We also responded to supplementary questions of the Committee in October 2023<sup>3</sup>. The only significant matter to update the Committee on is in response to question 7: *What do you think are the most pressing issues regarding the workers compensation system?* In addition to the matters outlined in response (at pages 7-8), our view is that there is a pressing need to address gaps that have arisen as a result of changes to how people work (for example, gig economy workers) to ensure that all workers have access to workers compensation. For example, our 2022 Annual Report<sup>4</sup> (at page 34) highlights the challenge for the families of some gig economy workers to obtain compensation after the death of the worker, because of uncertainty as to whether workers compensation laws apply. This is but one example of the impact of current arrangements that demonstrate the need for reform.

I consent to this update to our July 2022 submission being published by the Committee.

Yours sincerely

Simon Cohen  
**Independent Review Officer**

---

<sup>3</sup> [AQoN and supplementary questions response - Mr Simon Cohen, Independent Review Office.pdf \(nsw.gov.au\)](#)

<sup>4</sup> [IRO Annual Report 21-22 FINAL - 07Dec22.pdf \(nsw.gov.au\)](#)