



28 June 2013

The Hon. Jarrod Bleijie
Attorney General and Minister for Justice
Department of Justice and Attorney General
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Dear Attorney General,

Re: Response to recommendations of the Parliamentary Finance and Administration Committee's review of the Queensland Workers Compensation Scheme

We refer to the report recently handed down on the Queensland Workers Compensation Scheme by the Parliamentary Finance and Administration Committee.

The Australian Industry Group (Ai Group) made a number of submissions to the Parliamentary Committee and gave evidence during the Public Hearing. We are aware government are currently considering the Committee's recommendations and provide the attached submission for government's consideration in responding to the Committee's recommendations.

As you are aware Ai Group is a peak industry association in Australia which along with its affiliates represents the interests of more than 60,000 businesses in an expanding range of sectors including manufacturing, engineering, construction, automotive, food, transport, information technology, telecommunications, call centres, labour hire, printing, defence, mining equipment and supplies, airlines and other industries. The businesses which we represent employ more than 1 million employees.

Efficiency and effectiveness of the workers compensation system is consistently raised as a key issue by Queensland business and we welcome a number of the key findings of the Parliamentary Committee's review.

Recommendations around refining the definition of 'injury' represent a welcome and necessary reform. Psychological claims represent the fastest growing proportion of total claims in QLD and under the current system, employees are only obliged to demonstrate that work is 'a significant contributing factor' to the injury. The Committee's proposal to change this definition to 'the major significant contributing factor' addresses business concerns and picks up on previous Ai Group recommendations.

We also support an internal review of certain WorkCover processes; mandatory referral to return to work programs where common law damages claims include a future economic loss component; examination of industry rate groupings, and amendment of the Act to include Ministerial power to grant premium relief in certain circumstances.

Ai Group were however disappointed to see that the introduction of a minimum impairment threshold for common law claims was not supported by the Committee. This will continue to be a significant area of concern for employers and to impact on their premiums. If QLD businesses are to remain competitive it is essential that premiums be kept to a minimum.

We urge the Government to give serious consideration to our attached submission which responds in detail to each of the Committee's recommendations. It is based on consultation with and representation of member companies that employ workers in Queensland as well as by directly representing employers for over a century.

While we strongly support a fair and sensible workers' compensation scheme that provides access to high quality care and support for the seriously injured and speedy recovery and return to work for all workers who have suffered a work related illness or injury, the workers' compensation scheme needs to be efficient and cost effective.

Should you have any queries regarding this submission or wish to discuss any matters raised further, please do not hesitate to contact Jemina Dunn, Ai Group's Manager of Policy and Public Affairs (QLD) on telephone (07) 3244 1767, or Cecily Tucker, Ai Group's Principal Advisor, Workplace Relations, on telephone (07) 3244 1731.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Goodsell', written in a cursive style.

Mark Goodsell
QLD Director