30, May 2014



Inquiry by Senate Education, Employment and the Workplace Relations Committee into the Safety, Rehabilitation and Compensation Legislation Amendment Bill 2014.

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Australian Chamber of Commerce and Industry (ACCI) submission for Inquiry into the Safety, Rehabilitation and Compensation Legislation Amendment Bill 2014

The Australian Chamber of Commerce and Industry (ACCI) is the peak council of Australian Business associations. Our member network has over 350,000 businesses represented through Chambers of Commerce in each State and territory, and a nationwide network of industry associations.

ACCI welcomes the opportunity to participate in this inquiry into Safety, Rehabilitation and Compensation Legislation Amendment Bill 2014.

These comments are provided by ACCI in its own right, without prejudice to any consideration of these matters or submission made by any of its members.

ACCI supports the Government adopting the recommendations in the <u>Hanks Report 2013</u> ¹ with respect to self- insurance under Comcare. That is that the Commonwealth re-open the scheme to organisations that meet the competition test, that the competition test be repealed and that there be a simple definition of "national employer" for purposes of self-insurance under Comcare.

While multi- state employers are a small percentage of all employers in Australia they provide employment for a significant proportion of the Australian workforce. With the exception of those multi-state employers who satisfy the current eligibility requirements to self- insure under Comcare other multi- state employers have no way of adopting a consistent national approach to workers compensation. That inconsistency gives rise to increased costs and difficulties for those businesses which wish to pursue nationally aligned employment arrangements with their staff. The proposed changes will give a greater proportion of multi—state employers the opportunity to move a national approach to the management of workers compensation in their businesses.

Specifically ACCI recommends

- a. Remove the requirement for a ministerial declaration for a corporation to be eligible to be granted a licence for self-insurance i.e. the 'competition test' which requires self-insurers under Comcare to be former government bodies or competitors with government or former government bodies;
- b. enable certain corporations to apply to join the Comcare scheme; Employers will need to be able to meet the financial and other requirements necessary for self –insurance this may well restrict applicants to larger employers. ACCI recognises that this would provide the opportunity for a commercial decision so that some multi-state employers can adopt a national approach to the management workers compensation should they wish to do so;

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Department of Education, Employment and Workplace Relations (DEEWR) Safety, Rehabilitation and Compensation Act Review REPORT—FEBRUARY 2013 (Hanks Report)

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- c. allow a former Commonwealth authority to apply to be a self-insurer in the Comcare scheme and be granted a group licence if it meets the national employer test; and enable group licences to be granted to related corporations;
- d. and extend coverage to corporations that are licenced to self-insure;
- e. Safety, Rehabilitation and Compensation Act 1988 to exclude access to workers' compensation when injuries occur during recess breaks away from an employer's premises or a person engages in serious and wilful misconduct; and
- f. Work Health and Safety Act 2011 to make technical amendments so that those corporations that obtain a licence to self-insure under the Act can do so; Although it should be noted that most jurisdictions have adopted model WHS legislation, employers will still have to deal with multiple WHS regulators

Yours Sincerely,

Carolyn Davis

Manager Work Health and Safety and Workers Compensation Policy