

THE SECRETARY  
STANDING COMMITTEE ON EMPLOYMENT AND WORKPLACE RELATIONS  
HOUSE OF REPRESENTATIVES  
PARLIAMENT HOUSE  
CANBERRA ACT 2600.

DEAR SIR,

PLEASE FIND ATTACHED ADDITIONAL INFORMATION, WHICH WE BELIEVE, MAY BE OF  
CONSIDERABLE ASSISTANCE TO THE COMMITTEE IN ITS ENDEAVOUR TO COME TO GRIPS WITH THE MYSTERIES  
OF THE AUSTRALIAN WORKERS COMPENSATION SYSTEM. THE MATERIAL HAS BEEN INDEXED FOR EASY  
IDENTIFICATION AND SHOULD THERE BE ANY QUIRIES REGARDING THE CONTENTS, PLEASE DO NOT HESITATE  
TO CONTACT US.

YOURS SINCERELY



GEORGE COOPER

DIRECTOR

17/8/2001.

INJURIES AUSTRALIA  
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## **ADDITIONAL INFORMATION ON ASPECTS OF WORKERS COMPENSATION PERFORMANCE.**

ATTACHMENT 1. THE STEPS TAKEN BY TRADE UNIONISTS IN MELBOURNE TO ENABLE THEM TO HAVE ACCESS TO A "TAMPER PROOF" COMPENSATION ASSESSMENT AND TREATMENT SYSTEM. THIS AGAIN POINTS TO THE URGENT NEED FOR OUTSIDE MONITORING OF THE FUNCTIONS OF ALL OF THE STATE WORKCOVER SYSTEMS.

ATTACHMENT 2 THE TITLE TELLS IT ALL. **"DELLA COOKS THE BOOKS. WORKCOVER REFORM PACKAGE IS A RECIPE FOR INJUSTICE ALL ROUND"**. THIS ARTICLE IN THE PLAINTIFF LAWYERS MAGAZINE EXPOSES THE **CARR/DELLA BOSCA** PARLIAMENTARY LIE THAT THE N.S.W GOVERNMENT WORKCOVER SCHEME WAS RUNNING IN THE RED AND WARRANTED DRACONIAN CUTS TO THE MEDICAL AND SOCIAL PROGRAMS DESIGNED TO ASSIST WORK INJURED EMPLOYEES, PRIMARILY TO RETURN THEM TO WORK. MINISTER DELLA BOSCA IS WELL KNOWN FOR BEING QUICK ON THE DRAW WHEN HE BELIEVES SOMEONE HAS DEFAMED HIM. **WHAT IS STATED HERE MAY BE THE TRUTH AS HE WAS SILENT AFTER THIS WAS PUBLISHED, BUT HE DID** TERMINATE THE SERVICES OF THE MINISTERIAL APPOINTED ADVISORY COUNCIL WHO COMMISSIONED THE REPORT. BY CUTTING SERVICES TO THE WORK INJURED THEY SIMPLY PASSED THEIR RESPONSIBILITIES TO THE FEDERAL GOVERNMENT'S HEALTH AND SOCIAL SECURITY SYSTEMS. AT THE TIME OF THE ELECTION OF THE CARR GOVERNMENT N.S.W GOVERNMENT WORKCOVER RESERVES WERE APPROX. \$3.4 MILLION. IT IS NOW ESTIMATED TO BE OVER \$7 MILLION AND THE NUMBER OF LONG TERM CASES, WE ARE TOLD, HAVE BEEN HALVED. IT HAS BEEN SUGGESTED THAT N.S.W MAY WILL CHANGE THE RULES AND TRANSFER THE SURPLUS TO GENERAL REVENUE. ALL AT THE EXPENSE OF THE INJURED WORKERS AND THE FEDERAL GOVERNMENT WHO HAVE BEEN LEFT TO PICK UP THE MESS.

ATTACHMENT 3. THIS IS FROM THE NOW DEFUNCT N.S.W WORKCOVER ADMINISTRATION ACT (1989) WHICH APPLIED FROM 1989 TO 1998. IT CLEARLY STATES IN PART 2 THAT;

**6 (1) THE BOARD OF DIRECTORS HAS THE FUNCTION OF DETERMINING THE POLICIES OF THE AUTHORITY**

**(2) IN EXERCISING THAT FUNCTION, THE BOARD MUST, AS FAR AS PRACTICABLE ENSURE THAT THE ACTIVITIES OF THE AUTHORITY ARE CARRIED OUT PROPERLY AND EFFICIENTLY.**

**12 (1) "THE AUTHORITY HAS SUCH FUNCTION IMPOSED ON IT BY OR UNDER:**

- (A) THIS ACT; OR**
- (B) THE WORKERS COMPENSATION ACT.**
- (D) ANY OTHER LEGISLATION.**

**12 (2) IN EXERCISING ITS FUNCTION, THE AUTHORITY MUST; ENSURE THE EFFICIENT, EFFECTIVE AND EQUITABLE REHABILITATION AND COMPENSATION OF PERSONS INJURED AT WORK."**

THIS ACT WAS REPEALED SO THAT THE GUARANTEE OF THE LEGISLATED SERVICES TO INJURED EMPLOYEES COULD BE WATERED DOWN. WHEN IN FACT THE REQUIREMENTS OF THE ADMINISTRATION ACT WERE RARELY CARRIED OUT IF AT ALL. TENS OF THOUSANDS OF ILL AND INJURED N.S.W'S WORKERS WERE UNCEMERONIOUSLY DUMPED ONTO THE FEDERAL GOVERNMENT'S HEALTH AND SOCIAL SECURITY SYSTEMS WITHOUT ONE MINUTE OF VOCATIONAL REHABILITATION AND WITH THEIR MEDICAL TREATMENT CUT OFF MID-STREAM. OVER THE YEARS THE COST TRANSFER TO THE FEDERAL GOVERNMENT MUST HAVE BEEN ENORMOUS. WHILST CHASING ALLEGED "DOLE BLUDGERS" THE FEDERAL GOVERNMENT WAS SUBSIDISING INSURANCE COMPANIES AND VARIOUS STATE GOVERNMENTS TO THE TUNE OF COUNTLESS BILLIONS OF DOLLARS. AND THE WORK INJURED AND THEIR FAMILIES WERE DENIED THEIR LEGISLATED ENTITLEMENTS.

ATTACHMENT 4. INJURIES AUSTRALIA HAS PREVIOUSLY STATED OUR VIEWS ON COMPENSATION FRAUD BASED ON THE UNHAPPY EXPERIENCES OF OUR MEMBERS. IN THIS ATTACHMENT WE HAVE LISTED HOW THIS TYPE OF FRAUD IS PERPETRATED AND BY WHOM.

THERE IS A COMMON BELIEF THAT WORKERS COMPENSATION FRAUD IS ONLY COMMITTED BY EMPLOYEES. WHAT EVER THE INJURED EMPLOYEES ARE ABLE TO OBTAIN BY FRAUD IS PEANUTS COMPARED TO WHAT THE PEOPLE WHO MAKE A COMFORTABLE LIVING FROM THE INJURED WORKER INDUSTRY ARE GETTING AWAY WITH. WE TRUST THAT WE HAVE BEEN ABLE TO GIVE THE COMMITTEE A BROADER VIEW OF THE TRUE SITUATION WHICH EXISTS.

ATTACHMENT 5. THIS IS THE 13<sup>TH</sup>.AUG.2002 EDITION OF THE WORKERS COMPENSATION REPORT, ONE OF SEVERAL PUBLICATIONS REPORTING ON THE HAPPENINGS WITHIN THE BILLION DOLLOR INJURED WORKER INDUSTRY. WE HAVE HIGHLIGHTED THREE ARTICLES. THE FIRST RECORDS HOW A EMPLOYEE HAS TRIED TO FALSIFY A COMMON LAW CLAIM IN THE ACT. THE SECOND RECORDS HOW THE PUBLIC SERVICE ASSOCIATION OF SOUTH AUSTRALIA IS QUESTIONING THE FINANCIAL FIGURES OF THE S.A WORKCOVER. THE THIRD SHOWS THAT THE SELF INSURERS ASSOCIATION DOES NOT TRUST THE FINANCIAL FIGURES GIVEN TO THEM BY THE N.S.W WORKCOVER. THIS REINFORCES THE DOUBTS WHICH INJURIES AUSTRALIA HAS RAISED IN ATTACHMENT 2.

IN CLOSING, INJURIES AUSTRALIA WISHES TO IMPRESS ON THE COMMITTEE THAT UNLESS THERE IS A TOTAL MAKE-OVER OF HOW WORK CAUSED INJURIES ARE HANDLED, THE HUGE FINANCIAL DRAIN ON THE FEDERAL GOVERNMENTS SOCIAL SECURITY SYSTEM CAUSED BY THE STATES INJURED WORKER INDUSTRY DUMPING ITS RESPONSIBILITIES, WILL SURELY INCREASE TO UNMANAGEABLE PROPORTIONS.

IT HAS LONG BEEN THE WISH OF VARIOUS FEDERAL GOVERNMENTS TO SEE INTRODUCED A NATIONAL SYSTEM OF WORKERS COMPENSATION AND WE APPLAUD SUCH A MOVE.

COLLECTIVELY, THE STATES HAVE LEFT NO DOUBT THAT THEY ARE INCAPABLE OF CONDUCTING WORKERS COMPENSATION IN AN ECONOMICAL JUST AND HUMANE MANNER.

THEY HAVE HAD THEIR CHANCE AND FAILED. PLEASE MAKE THE MOVE TO A NON-INSURANCE NATIONAL SCHEME, ONE WHICH OPERATES AS A CO-OPERATIVE BETWEEN THE INDIVIDUAL EMPLOYERS, EMPLOYEES AND THE FEDERAL GOVERNMENT.

INJURIES AUSTRALIA BELIEVES THAT INSURING HUMANS AND PARTS OF THEIR BODY AS THOUGH THEY WERE INANIMATE TOOLS IS BARBARIC. TO REMOVE THIS "COMMERCIAL"

APPROACH TO THE PROBLEM, INJURIES AUSTRALIA HAS RESEARCHED AND DEVELOPED WHAT HAS BEEN CONSIDERED TO BE A CHEAPER, MORE USER FRIENDLY AND EFFICIENT METHOD WHICH WOULD REMOVE THE WORDS WORKERS COMPENSATION INSURANCE AND BE KNOWN AS MUTUAL WORKPLACE INJURY INDEMNITY. WE WOULD BE VERY PLEASED TO BE GIVEN THE OPPORTUNITY TO FULL EXPLAIN TO THE COMMITTEE HOW THIS PROPOSAL WOULD WORK.

**THANK YOU.**