

**SENATE STANDING COMMITTEE ON
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

**QUESTIONS ON NOTICE
SUPPLEMENTARY ESTIMATES 2009-10**

Outcome 5

DEEWR Question No. EW552_10

Senator Siewert provided in writing.

Question

The Report indicates that "The reason for the retention of these arrangements is to ensure that no one among this group would be disadvantaged."

What disadvantage would occur if the deduction was removed?

Does the government intend to make any further response to the review of Comcare, other than the announcements made by the Minister on 25 September 2009?

Answer

The paragraph from the Department's report on the Comcare Review which is referred to in the question states, in full, that:

"For employees who retired before April 2007, the previous arrangements continue to apply. Some of these claimants continue to be critical of these arrangements. The reason for the retention of these arrangements is to ensure that no one among this group is disadvantaged."

The pre-April 2007 arrangements provide for a deduction of between 0% and 5%. The post-April 2007 arrangements provide for a standard 5% to be deducted. The above-mentioned quote refers to the reason why the post-April 2007 arrangements are not applied to pre-April 2007 claimants.

If the deduction was removed, this would lead to retired injured employees receiving a higher rate of take-home pay than injured employees who are attempting to return to work, as many injured employees are required to contribute 5% of their normal weekly earnings to their superannuation scheme.

Whether the Government makes any further response to the Comcare Review is a matter for the Government.