

Legislative Council

Thursday, 27 May 2010, Page 294

WORKCOVER CORPORATION

The Hon. R.L. BROKENSHERE (14:51): I seek leave to make a brief explanation before asking the minister responsible for government business a question about WorkCover.

Leave granted.

The Hon. R.L. BROKENSHERE: We are now in the second year since the draconian WorkCover legislation was passed by the government. Many people have received redemptions; however, many people are now being seriously affected by this legislation. As an employer myself I keep getting this propaganda from your department, which frankly does little to assist employers when it comes to equity and WorkCover levy rates. My questions are:

1. Does the minister still claim that the Labor government 2008 draconian WorkCover legislation is fair to injured workers?
2. Did the government intend to see families seeking food hampers as a result of their anti-worker legislation?
3. Where is South Australia positioned as of today against other states re the percentage of WorkCover levy in the wages dollar?
4. What is the amount of money spent in the last year by WorkCover on television, radio and print of the insulting campaign 'Return to work, recover your life'?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (15:42): It is coming up (I think at the end of this year) to two years since the introduction of changes to the WorkCover scheme, and of course the honourable member would be well aware that the legislation requires a review to begin at the end of this year, and that will be an opportunity to examine its impact.

The honourable member asked: is it fair to injured workers? The changes to the WorkCover legislation, as the honourable member will well know, were to seek a balance between the needs of injured workers and to have a competitive workers compensation and rehabilitation scheme. When I say 'competitive', that is, competitive with other states so that the higher levels of levy rates we have had in this state did not act as a deterrent to employing workers in this state relative to those in other states. What we do know is that the previous WorkCover scheme was an expensive scheme to employers. It still has a higher cost than some other state schemes, and part of the reason for that—almost entirely the reason for that—is that it had a very poor return-to-work record.

The honourable member's last question is: how much has been spent on the return-to-work campaign? I am happy to get that information for him, but I want to stress the fact that what we know, categorically, is that the longer a worker is away from the workplace and the support mechanisms that apply there, the more likely that worker is to become depressed and suffer other mental illness.

It has long been recognised that the best thing we can do for workers is to get them back to work safely as soon as we possibly can—and that has been the focus of the advertising

campaign—and everyone here should fully support that. It will be good for workers to get back to work as soon as they safely can, because we know it will reduce the level of depression and other mental illness associated with their coming to terms with being out of the workforce. It will be not only good for the worker but also good for the financial health of the scheme. That is simply what it was all about: we need a workers compensation scheme that is fair to injured workers, and the best way to achieve that is by ensuring, first, that we reduce injury in the workplace.

We need to do everything we can, and there are a number of measures in the occupational health and safety area to reduce the incidence of worker injury, but once workers are injured the best thing we can do is ensure that those workers return to work as quickly as they possibly can in a safe manner. I will examine the honourable member's question and see what information I can provide on the cost of it, but I defend the emphasis of the scheme in getting workers back to work as quickly as possible as that is clearly in their interests and in the interests of the WorkCover scheme generally.

The Hon. A. BRESSINGTON (14:56): By way of a supplementary question, will the minister outline for the chamber what improvements, if any, have been made to return-to-work initiatives, and is he aware of any injured workers who have requested retraining for the workplace and have been denied that retraining?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:57): Given the number of cases involved in WorkCover, I am sure there will be many instances where allegations will be made—and probably some will be true—in relation to refusals, and the like, for various requests.

Members interjecting:

The Hon. P. HOLLOWAY: WorkCover has to run its scheme in a way that is consistent with legislative requirements and gets workers back to work as quickly and safely as they possibly can, and protects the viability of the scheme. At the end of the day it is not in the interests of workers, injured or otherwise, to have a workers compensation and rehabilitation scheme that is not financially viable in the long term. In relation to what is happening with the return-to-work scheme, the evidence to date has been that there has been an improvement, which is why the WorkCover board presumably made the decision to reduce the levy. Clearly it would not have done so unless there was some improvement in the scheme.

As I indicated in answer to an earlier question, there will be a comprehensive review of the scheme beginning towards the end of this year, which will enable those factors to be properly examined. I know that a number of new measures were introduced in the legislation in 2008—medical panels and the like. The information I have is that some of the cases now before the tribunal have yet to necessarily set a pattern of behaviour that might allow those decisions to be interpreted. That is evolving as cases come before the relevant tribunals, and that will set the standards. The government will monitor them to see that they are fair to injured workers and that they act within the spirit of the scheme, and that is evolving.

Yes, 18 months have passed since the legislation came in, but some features of it increasingly have been put in place during that period. When we have the review of the scheme beginning later this year we will be able to more accurately estimate the impact of those changes. In the meantime, I will see what information I can get for both honourable members in relation to their specific questions

The Hon. A. BRESSINGTON (15:00): I have a supplementary question arising from the last answer.

The PRESIDENT: Just be careful with it.

The Hon. A. BRESSINGTON: Will the minister confirm that it has now cost WorkCover Corporation some \$4 million for fly-in IMEs who, according to the legal profession, are very pro WorkCover, rather than using the medical examiners we already have in South Australia?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (15:00): I will see what information can be provided in relation to the cost of medical panels. However, it is very easy to use this inflammatory language. Where workers have been unable to return to work for reasons of workplace injury, particularly if it has been a longstanding injury, one can understand why they become frustrated with that situation—I think anyone in that situation would become frustrated—and it is easy to make accusations about biases these panels might have. We have to ensure that those panels act in a fair way. I am sure the vast majority of injured workers do not rot the system; unfortunately, we know that there is a small proportion who do, and that is why any scheme needs protection. I do not accept the accusation that panels are necessarily unfair, but these are all matters which will be—

The Hon. A. Bressington: Fly-ins, the IMEs are flown in at a cost of \$4 million.

The Hon. P. HOLLOWAY: I will check that information and bring back a response for the honourable member