

Dissenting Report

In respect of the Report on the Workers' Compensation System in the ACT, I wish to dissent from the following recommendations for reasons outlined.

Recommendation 4

The Committee recommends that the legislation be amended to require employers to provide quarterly declarations of their wage and salary bills to insurers.

REASON: I see no purpose in adding to the costs of business by requiring quarterly reports, especially in the light of the logic at 3.56 of the ACT and Region Chamber of Commerce and Industry.

Also I find the dogmatism of Recommendation 4 at odds with the Committee's more sensible approach outlined at 3.61.

Recommendation 5

The Committee recommends that the Government support the Workers' Amendment Compensation Bill 1999 in its entirety.

REASON: While there may be much of merit in this Private Member's Bill, any responsible Government could and should be expected to examine its amendments carefully and to consult both widely and with those locally involved.

No doubt these processes now are taking place and the Government certainly should not be bullied into a blanket acceptance of this Bill by an impatient committee.

Recommendation 9

The Committee recommends that the Government increase the number of WorkCover inspectors available to conduct workplace inspections to provide better coverage for the 13,500 businesses operating in the ACT.

REASON: WorkCover itself is not in the Report requesting more staff, whereas the Insurance Council of Australia is in the Report stating that insurance companies do undertake independent audits of a company's books.

I fail to see why the taxpayer should be burdened with the expense of more WorkCover inspectors when insurance companies already conduct these independent audits at their own cost and, as the Report itself suggests, extra inspectors would be used to check up on complacent employers rather than those who might be guilty of greater offences. I would hope we could use our public workforce more profitably than this.

Recommendation 11

The committee recommends that the Government amend the Workers' Compensation Act 1951 to allow employee organisations to conduct inspections of employers' wage and salary records for the purpose of confirming adequate workers' compensation insurance cover.

REASON: Apart from a possible difficulty in drafting legislation that would restrict this impudent suggestion only to wage and salary records for the purposes set out, one wonders where such inspections could expand to once the precedent was set?

Should not the employers be given similar access to employee organisations? And why do you want more WorkCover inspectors (Recommendation 9) if employee representatives are going to do the job?

Finally, as the employers are paying the insurance cover, they should have the right to nominate who legally inspects their books. There is no clear evidence provided in the Report and thus no justification to suggest that the officials who currently have this right and responsibility are not doing their job. Again, I see no reason to change existing law.

Recommendation 13

The Committee recommends that the Government put in place a workers' compensation subsidisation scheme for group training organisations and employers that take on apprentices or trainees.

REASON: As the Committee admits (4.3) the 1987 Workers' Compensation Rebate Scheme was abandoned several years later because of administrative complexity, duplication of existing Commonwealth programs and potential for abuse.

There is no evidence in the report to suggest that the current situation has changed and these unsatisfactory aspects of the 1987 Scheme now have been overcome.

Indeed, there is tacit admission (4.8) that these problems still exist and therefore I believe it is premature to recommend the setting up of the Scheme again. At least we should delay such an unqualified recommendation until the problems identified have been corrected.

To do otherwise simply perpetuates "rorting, duplication and administrative burden".

Recommendation 14

The Committee recommends that there be no reduction in the rights and benefits of employees through the reformation of the private sector workers' compensation system, including access to common law and travelling to work provisions.

REASON: This blanket call for no reduction in rights and benefits is impractical and unrealistic, because the very inflexibility of the recommendation might lead to workers being disadvantaged at some future time.

In the specific matters of access to common law and travelling to work provisions, I am aware that there are differing opinions and these issues still are under examination.

Therefore and without prejudice, I am not prepared to give unqualified support for the proposals at Recommendation 14.

CONCLUSION

There is one final matter I will address in this dissenting Report and that is the matter of bias.

The major impetus for the inquiry is set out at 1.3 and 1.4 and is reflected in the Terms of Reference.

The Report diligently follows the approach laid down by the paragraphs noted above and by the Terms of Reference. This has resulted in so much comment and criticism of employers, insurers and of workers' rights and benefits that I thought I had been transported back to a 1950's "Them and Us" debate.

My feeling of unease about these employer criticisms however, was magnified by the absence of any real evidence that the sins of omission, even commission, had occurred to any considerable extent. As the Report itself states (1.5) "... the Committee did receive anecdotal evidence (my emphasis) and ... the Committee was not able to empirically quantify (my emphasis) the level of premium avoidance due to the paucity of ACT WorkCover data."

So although we have no real evidence that premium avoidance occurs, we suspect it does but we cannot decide the level through lack of data.

I am prepared to agree that some premium avoidance occurs, through oversight, ignorance or mistake as well as by deliberate decision. I am not prepared to accept the inference that it **is** more widespread than is thought simply because WorkCover lacks the data to prove that it is **not** more widespread.

I am disappointed that a more even-handed approach was not adopted, ie to include an examination of sorting by employees and its effect upon premium rates.

As I do not wish to be associated with a "political" report from this (or any other) Select Committee of the Assembly, I am adding these general dissenting comments to those enumerated above in relation to specific recommendations of the Report.

