



Legislative Assembly for the
Australian Capital Territory

Standing Committee on Economics,
Industry and Recreation

Submission Cover Sheet

Inquiry into insurance costs in the ACT

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Submission
ACT Legislative Assembly
Standing Committee of Economics,
Industry and Recreation

Insurance Costs in the ACT



ClubsACT 2025 Board & Management



Inquiry into Insurance Costs in the ACT

Terms of Reference

The Committee will inquire into and report on the cost and availability of insurance in the ACT, including:

- 1) the significantly rising costs of insurance premiums, particularly for local businesses and community organisations;
- 2) the impact of trends in insurance costs and availability on the viability of small and medium-sized businesses;
- 3) trends in public liability claims, litigation behaviour and insurance premiums;
- 4) barriers to accessing insurance for non-governmental organisations and other community initiatives;
- 5) how insurers assess risk and the extent to which public and private sector initiatives to reduce risk are taken into account by insurers;
- 6) causes and effects of jurisdictional differences in insurance costs between the ACT and other states and territories, particularly for workers' compensation insurance;
- 7) insurance requirements pertaining to the use of government venues and facilities, and the consequences of such requirements for community sport, recreation and the creative arts;
- 8) the impact of climate change on insurance costs and availability;
- 9) models for the provision of public sector insurance policies for community organisations, including as may be in operation interstate or internationally; and
- 10) any other related matter.

INTRODUCTION

ClubsACT welcomes the opportunity to provide comment on behalf of the ACT Not-for-Profit Community Clubs sector to the Standing Committee of Economics, Industry and Recreation Inquiry into Insurance Costs in the ACT. ClubsACT was established in 1974 and is an industry association recognised by the ACT Government and its agencies as the principal representative for the ACT Club movement. The main objectives for ClubsACT are to be an effective advocate for ACT clubs, and to promote policies which maintain a dynamic and prosperous club sector, as well as enhancing the club experience for the broader community.

Canberra clubs play a vital part in the Canberra community and are seen to contribute substantially to the Canberra economy each year. Not only do clubs contribute financially, but they are also contributors to many facets of life in Canberra. This includes but is not limited to contributions to community sport, maintenance of community infrastructure, support provided to local employment and form a key provider of entertainment and hospitality to Canberrans. There are 47 licenced clubs operating across Canberra. ClubsACT represent 43 of those clubs spanning Sport, Cultural and Social Clubs of all sizes and representing approximately 500,000 members. Canberra Clubs employ a workforce of approximately 5,000 full time, part time and casual employees across a wide variety of functions.

ClubsACT represents small, medium and large Member Clubs including:

ACT Rugby Union Club Turner	Southern Cross Yacht Club
Austrian Australian Club	Canberra Deakin Football Club
Ainslie Football and Social Club	Eastlake Football Club Griffith
Gungahlin Lakes Golf Club	Eastlake Calwell
Australian-Croatia Club	Eastlake Gungahlin
Belconnen Bowling Club	Federal Golf Club
Burns Club	Harmonie German Club
Canberra Services Club	Hellenic Club
Canberra Labor Club	Mawson Club
Canberra Irish Club	Murrumbidgee Country Club
Canberra Racing Club	National Press Club of Australia
Belconnen Soccer Club	Royal Canberra Golf Club
Commonwealth Club	Spanish Australian Club
Raiders Gungahlin	Tradies Club
Raiders Belconnen	Vikings Erindale
Raiders Weston	Vikings Lanyon
Southern Cross Club Tuggeranong	Vikings Chisholm
Southern Cross Club Jamison	Vikings Town Centre
Southern Cross Club Woden	Yowani Country Club
RMC Golf Club	

INSURANCE COST ISSUES FACING EMPLOYERS IN THE AUSTRALIAN CAPITAL TERRITORY

Employers in the Australian Capital Territory (ACT) face a unique set of challenges related to insurance costs. These costs have become a pressing concern due to a variety of economic, regulatory, demographic, and industry-specific factors. Insurance—ranging from workers' compensation to public liability and professional indemnity—constitutes a significant component of overheads for businesses operating in the region. Rising premiums, evolving risk profiles, legal obligations, and the broader economic landscape all contribute to the financial burden and complexity employers must manage.

Although Licensed clubs in the ACT are not-for-profit entities, they exist within the commercial environment applicable to most ACT businesses.

Unfortunately, the not-for profit sector has often limited opportunities to defray costs of operations or pass them through to patrons and so are often faced with absorbing cost increases for insurances.

GENERAL INSURANCE ISSUES

1. Workers' Compensation Insurance

In the ACT, employers are legally required to hold workers' compensation insurance to cover employees in the event of a workplace injury or illness. This is administered under the **Workers Compensation Act 1951 (ACT)**.

Amongst members of ClubsACT, workers compensation remains perhaps the most significant area of concern. Premium costs and often reduced numbers of potential insurers have seen escalating costs for our members. In this submission we will seek to provide primary focus on this Insurance area given the magnitude of concern that has been raised with us.

Over recent years, premiums in this space have been subject to fluctuations due to several key drivers:

- **Increased claims costs:** A general rise in medical treatment costs and extended periods of incapacity have contributed to higher overall claims costs. Mental health claims — often more complex and longer in duration—have increased, driven by greater awareness, reduced stigma, and legislative changes enabling more workers to claim for psychological injuries.
- **Return-to-work challenges:** Employers face higher premiums when workers are unable to return to work quickly. In the ACT, the return-to-work rate has shown periodic declines, increasing the cost burden on insurers and, in turn, employers.
- **Small business disadvantage:** Smaller businesses often lack the internal capacity to effectively manage return-to-work programs, safety compliance, and claims management. As a result, they are more likely to incur higher premiums due to poorer claims performance, even though their absolute number of claims may be lower than larger employers. The range of small clubs with only small workforce sizes and often limited Human Resource functions is not unsubstantial.

2. Public Liability Insurance

Another significant insurance cost issue arises with public liability insurance. Businesses are required to cover potential injury or property damage to third parties caused by their operations. This type of insurance has become particularly problematic in certain sectors:

- **Rising litigation and settlement costs:** Increased willingness by the public to pursue legal claims, alongside a broader trend of higher court-awarded damages, has led insurers to raise premiums significantly.
- **High-risk industries:** Hospitality, and entertainment venues are considered high-risk sectors. Employers in these fields often face disproportionately higher premiums, particularly in the ACT where public and event spaces are tightly regulated.
- **Policy limitations and exclusions:** Employers are also contending with increasingly restrictive policy terms. Insurers may exclude coverage for specific high-risk activities or events, forcing businesses to seek specialist policies at a higher cost or forego certain services altogether.

We understand that the Canberra Services Club (a member of ClubsACT) has made a submission to this inquiry regarding Public Liability Insurance and provided a case study as part of that submission. ClubsACT endorses the submission tendered by the Canberra Service Club on this matter.

3. Insurance Market Consolidation and Competition

The ACT insurance market is relatively small compared to larger states, which limits competition among insurers. A smaller pool of providers often results in higher premiums, less flexible products, and reduced bargaining power for local employers. Additionally, insurers often underwrite ACT businesses based on national or state-level data that may not reflect local conditions, leading to perceived overpricing.

Market consolidation among major insurers and brokers has also decreased competition. With fewer players offering policies, especially in niche or high-risk categories, premiums have escalated due to lack of competitive pressure.

4. Impact of Natural Disasters and Climate Risk

While the ACT has historically been less affected by natural disasters compared to other states, recent years have seen increasing exposure to bushfire smoke, hailstorms, and other extreme weather events. As insurers model future climate risks into their pricing, employers are starting to see these factors reflected in higher property insurance and business interruption premiums.

The increased frequency and severity of such events contribute to higher reinsurance costs, which are then passed down to employers in the form of premium hikes. Even businesses not directly impacted by events can face increased premiums due to their location within a designated risk area.

5. Cyber Insurance and Emerging Risks

Another growing area of concern is **cyber insurance**, which is becoming essential for businesses handling sensitive customer data or operating online platforms. Cybersecurity threats have escalated dramatically, and the ACT—home to many government contractors and tech-focused firms—is particularly exposed.

Many employers in the ACT are seeing:

- **Premium surges:** Cyber policies have become much more expensive in the past few years, especially after several high-profile breaches in Australia. Two ACT Clubs were directly impacted by data breaches in the past 18 months.
- **Policy limitations:** Many cyber policies now have tighter exclusions or limits on payout, meaning businesses must pay more for effective coverage.

6. Regulatory Compliance and Penalties

Employers must also navigate the administrative burden of ensuring all insurance obligations are met. Non-compliance with workers' compensation laws can result in substantial fines. Keeping up with changing regulatory requirements—such as updates to coverage limits, obligations for contractors, or safety standards—adds indirect costs in the form of legal advice, audits, and policy reviews.

7. Managing Rising Costs

Clubs have often limited options managing rising costs, but many are exploring a variety of strategies to contain or mitigate these rising insurance costs:

- **Workplace health and safety investment:** Clubs are placing greater emphasis on safety culture, risk prevention, and employee wellbeing to reduce claims frequency and improve return-to-work outcomes.
- **Broker negotiation and bundling:** Some businesses are leveraging brokers more effectively to negotiate discounts, bundle multiple policies, or access group insurance schemes that offer better rates. This is an increasingly difficult area to manage outcomes in with many clubs having already maximised their possible outcomes through this process.

WORKERS COMPENSATION SPECIFIC ISSUES

After extensive consultation with ClubsACT members, we raise the following matters for the consideration of the Committee:

ClubsACT recommends a specific review of the Workers Compensation legislation with particular attention to whole body impairment threshold & unlimited common law. ClubsACT is also seeking greater harmonisation between the ACT and NSW jurisdictions in this area as a way of containing costs.

WHOLE BODY IMPAIRMENT (WPI/WBI)

Whole Person Impairment (WPI), or Whole-Body Impairment (WBI), ratings are used in workers compensation schemes in Australia to assess the degree of permanent impairment after a workplace injury. While the Nationally Consistent Framework exists, each jurisdiction has its own legislation, thresholds, and compensation models, including New South Wales (NSW) and the Australian Capital Territory (ACT).

A COMPARISON BETWEEN ACT AND NSW IS AS FOLLOWS:

Feature	NSW	ACT
Legal Framework	Workers Compensation Act 1987 (NSW)	Workers Compensation Act 1951 (ACT)
WPI Guidelines	AMA5 + NSW Guidelines (SIRA)	AMA5 only
Lump Sum Threshold	10% WPI (some exceptions)	No strict threshold
Serious Injury Threshold	30% WPI	More flexible, starts around 30%
Weekly Benefits Beyond 5 yrs	21% WPI minimum	No such fixed threshold
Medical Benefits Duration	Limited unless 30%+ WPI	Potentially longer access
Assessment Authority	SIRA-approved assessors	ACT-appointed assessors

COMPENSATION ENTITLEMENTS BY WPI LEVEL

WPI Level	NSW Entitlements	ACT Entitlements
<10%	No lump sum (except hearing loss if ≥6%)	May receive lump sum compensation (no strict threshold)
10-14%	Eligible for lump sum compensation	Lump sum increases with WPI percentage
15-20%	Eligible for commutation (settlement)	Higher lump sum: other benefits may apply
21-29%	Access to weekly payments beyond 5 years	Potential for extended benefits based on impairment
30%	Classified as seriously injured: lifelong weekly & medical benefits	May qualify as seriously injured: enhanced rights & long-term support

THE TABLE OF MAIMS ISSUES

The Table of Maims is a schedule used in workers' compensation schemes to determine compensation for specific permanent injuries. In the Australian Capital Territory (ACT), this table outlines compensation amounts for various injuries based on their severity and impact on an individual's ability to work.

The Table of Maims exists to provide a clear, consistent, and administratively efficient way to assess and compensate for permanent physical impairments resulting from workplace injuries.

There are real benefits if an effective Table of Maims for all parties such as:

1. Standardisation and Fairness

A maims list ensures that similar injuries are compensated in a consistent and predictable manner. Without it, different workers might receive wildly different compensation for the same type of injury, depending on who assessed the claim or how persuasive their legal representation was.

2. Administrative Efficiency

It simplifies and speeds up the claims process. Rather than going through lengthy medical and legal debates for each injury, the Table provides predefined compensation values for specific injuries (e.g., loss of an eye, amputation of a limb).

3. Legal Certainty

It gives both employers and employees a clear framework for expectations. Employers can better assess potential liabilities, and workers know upfront what compensation they may receive for certain injuries.

4. Lump Sum Compensation

The maims list supports lump sum payments for permanent injuries. These payments are typically **non-economic**, meaning they're not tied to lost wages but to the loss of bodily function or quality of life.

5. Simplifies Disputes

By codifying injury values, the Table reduces the likelihood of disputes over how much an injury is "worth." While disagreements still happen—especially around causation or severity—the list provides a useful benchmark.

6. Historical and Legislative Precedent

The concept of a maims list has been part of workers' compensation schemes for decades across Australia. It's built into legislation, such as the ACT's *Workers Compensation Act 1951*, and reflects long-standing policy decisions about how injury compensation should be handled.

However, whilst desirable, there are several issues have been identified with the current Table of Maims in the ACT:

1. Limited Scope of Injuries Covered:

The existing Table of Maims lists only specific body parts and types of injuries, which can exclude certain conditions from compensation. For example, injuries leading to chronic pain or psychological conditions may not be adequately addressed, leaving affected workers without appropriate compensation.

2. Outdated Terminology and Classifications:

Some terms used in the table, such as "loss of mental powers," have been considered outdated and were replaced by terms like "brain damage" under amendments. However, these changes may not fully capture the range of cognitive impairments that can result from workplace injuries, potentially leading to inadequate assessments and compensation.

3. Lack of Provisions for Pain and Suffering:

The table primarily focuses on physical impairments and does not consistently account for pain and suffering associated with injuries. This omission can result in compensation that does not fully reflect the injured worker's experience and challenges during recovery.

4. Inflexibility in Assessing Combined Injuries:

Workers who sustain multiple injuries may find that the Table of Maims does not adequately address the cumulative impact of these injuries. The table's structure may lead to assessments that consider each injury in isolation, potentially underestimating the overall impairment and its effect on the worker's life and employment.

TABLE OF MAIMS - ACTUARIAL REVIEWS EVERY 5 YEARS

There is a significant need for a recurrent 5-year actuarial review to be done of the Table of Maims to ensure its ongoing viability. An actuarial review of the table of maims every 5 years could include analysing data, benchmarking, adjusting for inflation, testing equity, modelling impacts, and recommending updates, all to ensure the table remains accurate, fair, and financially sound.

Actuarial Reviews should address the following every 5 years:

1. Data Collection & Analysis

Analysing claims data from the past 5 years to check if the real-world experience aligns with what's on the current maims table. Including:

- Frequency of each type of injury (e.g. how often someone loses a thumb vs. an eye).
- Severity and cost of claims.
- Actual payouts vs. table values.
- Trends in injury types, claim behaviour, and medical outcomes.

2. Benchmarking & Market Comparison

Make sure the table is competitive, compliant, and aligned with medical/industry standards by comparing the current maims table to:

- Other insurers or jurisdictions (if applicable).
- Medical guidelines or occupational standards.
- Legal or regulatory changes (e.g. new rules around disability compensation).

3. Economic & Inflation Adjustments

Maintain the real value of compensation over time adjust compensation percentages or monetary values to reflect:

- Wage inflation.
- Cost of living increases.
- Medical cost trends.

4. Fairness & Equity Testing

Actuaries could avoid overcompensating or undercompensating certain injuries by testing:

- Whether the table treats similar injuries consistently.
- If compensation ratios are appropriate for the degree of impairment.

5. Modelling Financial Impact

The review could ensure the insurer can remain solvent and profitable under the new table by simulating how changes to the table would affect:

- Premiums.
- Claims costs.
- Loss ratios.
- Reserve requirements.

6. Stakeholder Engagement

Actuaries should make sure everyone's aligned, and the changes are practical through consulting:

- Underwriters (on how changes affect pricing).
- Claims teams (on practical application).
- Legal and compliance teams (on regulations).
- Sometimes even external medical consultants.

7. Documentation & Recommendations

The Actuary review should provide clear case for updates through a detailed report with:

- Findings from the review.
- Proposed changes.
- Justification and expected impact.

ClubsACT believes that the identified issues highlight the need for a comprehensive review and update of the Table of Maims in the ACT to ensure it accurately reflects modern medical understandings and provides fair compensation for all types of workplace injuries.

The advice we have received is that the compensatory values of the Table of Maims do not currently provide a significant enough incentive for employees not to seek civil damages claim which is putting upward pressure on premiums.

PREMIUM COSTS

Many ACT Cubs, especially smaller ones, are having difficulty with the increasing costs of premiums often driven by the Insurers settling on claims against the protestation of the employer. There is a view amongst many in the industry that an unfortunate incentive has occurred for insurer settlements at substantial costs flowing through to premium costs, when the employer disputes the claim or strongly view the claims as having no merit. The current operation of insurance in this area is not risk based and often leaves employers who have strong safety records subject to costs driven by poor performing employers. We recommend that this matter be considered as a priority.

SOLICITOR FEES

The no win no fee promotions and costs of legal fees to plaintiff solicitors needs to be reviewed with a view to capping costs in a similar manner to the NSW jurisdiction.

LICENSING COSTS

We understand that Licensing costs being charged by the ACT government to insurers to participate in the scheme are an issue of concern. We have been advised that insurers pay a fee on the Gross Written Premiums (GWP) that they collect & is a flat percentage based on market share. ACT's total GWP is lower than bigger states due to its small population and workforce. However, on a per-employee or per-\$100 of wages basis, premium rates in the ACT can be comparable to or higher than other states. Premium variability is also affected by industry risk, claims experience, and whether the system is privately underwritten (like ACT and NSW) or state-run (like QLD and VIC).

JOURNEY CLAIMS – WORKERS COMPENSATION AND CTP

Journey claims Should be reviewed. These claims need to be handled by the CTP insurers, not under the workers compensation scheme for the following reasons:

1. Casual Connection with work

Workers Compensation is designed to cover injuries that arise "out of or in the course of employment." Commuting is often not directly controlled by the employer e.g., route taken, mode of transport, timing so it's argued the injury isn't sufficiently connected to the employment duties. This scenario also makes it difficult for an employer to manage and limit exposure to risk due to this casual connection.

CTP insurance, on the other hand, is specifically designed to cover motor vehicle accidents, regardless of purpose, so it's a better fit when a car crash is involved.

2. Duplication of Coverage

If someone is injured in a car accident on their way to work, they may be able to claim under:

- Workers' compensation
- CTP insurance (if another driver was at fault)
- Private income protection

Covering journey claims under workers comp creates overlap, making the system more expensive and inefficient.

3. Moral Hazard and Cost Blowout

Jurisdictions like the ACT and Tasmania (which allow unrestricted journey claims) have higher premiums because of increased claims frequency. In contrast, NSW and QLD have restricted or abolished journey claim coverage under workers comp to control costs and reduce moral hazard (i.e., the risk people make claims for events only tangentially connected to work).

4. CTP is Already Set Up for Road Injuries

CTP insurers already manage claims involving:

- Injury causation
- Fault (in fault-based systems)
- Medical and rehab costs

They're experienced and structured to handle transport-related injury cases, including crash dynamics and liability which are not the core focus of workers compensation.

5. National Consistency & Simplicity

Most Australians are covered under CTP for road accidents. Moving journey claims into the CTP scheme could standardize compensation for road injuries across all situations, regardless of whether the trip was for work, school, or leisure.

DIRECTORS LIABILITY INSURANCE

Prior to the last ACT election, the ACT Legislative Assembly unfortunately passed the Property Developers Bill without considering our representations seeking exemptions for the Directors of not-for-profit clubs from the Directors Liability provisions of the Bill. ClubsACT is now gravely concerned about the impact of this Bill and the upward pressure it is now placing on Directors Liability Insurance for our members and the disincentive it has now created for clubs to be more broadly involved in housing developments.

Under the provisions outlined in the Legislation, the Registrar can hold directors of the developer (i.e. Club Director) personally liable to rectify defects and Non-compliance would result in a personal fine up to \$320,000.

Directors can be made personally liable for rectification if the Registrar intends to issue a Rectification Order to a corporate property developer; the developer is deregistered; subject to a winding-up order; in administration; receivership or liquidation; or the Registrar has considered whether a latent defects insurance policy covers the defect.

It is therefore not unreasonable to anticipate that third parties will look to sue developers as early, and for as much value, as possible. This is a foreseeable consequence since either the company will be exposed, or its directors will if these lawsuits force it into administration or winding up for example. Some serious risks arise for clubs and other not-for-profit entities from the possibility of personal liability being attached to formal and *de facto* directors (someone who controls the entity).

The scheme then creates a perfect storm of severe risk to our members and other associated not-for-profit entities through provisions that provide:

1. That a director could be held liable for work that was completed up to 10 years ago;
2. That a director could be held liable for work that was completed before they became a director of the developer; and
3. That developers and their directors are especially vulnerable to third-party lawsuits

The provisions of section 55 of the legislation entitle the Territory to ‘pierce the corporate veil’ in circumstances where the ‘developer’ and its directors have not engaged in any form of misconduct. The current legislation provides that the mere existence of the circumstances of a serious defect and the insolvency of the developer is sufficient to entitle the Territory to make an order against the directors.

The ability to make directors personally liable for company actions ‘piercing the corporate veil’ is rarely used by courts or included in legislation and, it is a key principle in Australian corporations’ law that a corporation is a separate legal entity from its directors and shareholders.

To deny a director the protection of the corporate limitation of liability where they have engaged appropriately qualified consultants and a licensed builder under arm’s length contracts is unprecedented and lacks justification. The only justification appears to be the presumption that the developer, and by extension, the director has profited financially from the project and that therefore must be held responsible for defects and deficiencies of the licensed builder and consultants retained by the developer.

This scant justification does not exist where the developer is a Not-for-profit Licensed Club, or other not-for-profit entity that has engaged in residential development activity. The boards and management committees of these entities do not get any financial benefit from providing their time and, where the entity is a charity, cannot by law benefit from the proceeds of a development that the charity has engaged in.

The potential for incurring substantial liability for defects in buildings that are the responsibility of others, places a chilling effect on current and future directors of a Club, or other not-for-profit entity that has engaged in development activity. The retrospective nature of the liability is a substantial concern.

The provisions are of real and significant concern to our members and other not-for-profit entities. The scheme creates a framework where resigned directors, receivers and administrators can fall under the broad 'de facto director' banner and be liable.

Given that resigning will likely still not protect directors from liability, we are concerned these provisions have a real risk of creating an environment where volunteer Directors and Board members may see bankruptcy become a strategic reality.

Should these provisions remain unchanged we see a very real threat that directors will rethink their positions, and it will either see a resistance by our members to expose themselves to residential developments or it may in a very real way deter people from volunteering to become directors of our members and other exposed not-for-profit entities.

Most significantly with all the new risk exposures created by this scheme ClubsACT has a very real concern that the legislation will either significantly slow or completely stonewall the active participation of our members in seeking to meet the objectives of the Diversification policy of Government or the objectives of the ACT Government's Housing Strategy at a time when the Government has committed to building 100,000 new dwellings by 2050.

The Government saw fit to amend the Bill before passing to exempt registered Social Housing providers from the Directors liability provisions. Despite our protests this exemption was not extended to not-for-profit Clubs. We are now advised that member clubs are facing significant potential increases in Directors Liability Insurance Premiums where their clubs are involved in housing developments. We understand there are no existing insurance products that contemplate this situation and there are very real risks this issue will now inhibit clubs from being involved in future housing development options.

Whereas previously there were several joint venture projects being contemplated by clubs with Social Housing providers, we understand that now that club directors potentially face 100% of the personal liability risk for rectification issues that clubs are reassessing their appetite for this risk and the increased insurance costs associated with it.

RECOMMENDATIONS

ClubsACT submits the following recommendations:

1. Modernise and Expand the Table of Maims

The current table is outdated and doesn't cover many common or emerging injuries, especially psychological injuries. The Table should provide fairer compensation for a broader range of injuries, including mental health conditions. This would then provide more clarity and less legal wrangling due to ambiguous or uncategorized injuries, which would then reduce disputes and legal costs. We recommend Government conduct a clinical and legal review of the maims list every 5 years, including

a thorough actuarial revision as outlined above and including consultation with allied health experts and employer and worker advocates.

2. Introduce Risk-Based Premium Incentives

Not all employers face the same risk profile, and good performers should be rewarded. Those with strong safety records or successful return-to-work programs could access lower premiums and this would encourage safer workplaces and better post-injury support. We recommend the implementation of a transparent, tiered premium model that rewards proactive employers while maintaining fair base coverage for small businesses.

3. Streamline Return-to-Work (RTW) Processes with Shared Resources

Many employers, especially small ones, struggle to manage complex return-to-work plans. The recommendation would provide quicker, more coordinated return to work. Access to shared RTW coordinators or pooled resources can lower administrative costs and improve outcomes. We recommend the Government fund a centralised RTW support unit or portal through Access Canberra or WorkSafe ACT that SMEs can use to design and manage RTW plans.

4. Digitise Claims and Injury Management

Paperwork-heavy claims processes slow everything down and increase administrative costs. Digitisation would provide faster processing and better transparency around claim status. This should also produce lower overheads, fewer delays, and better data to monitor injury trends. We recommend Government build a secure digital claims platform that integrates insurers, employers, workers, and health providers, with real-time status updates and documentation sharing.

5. Invest in Prevention Through Tailored Industry Support

Prevention is far cheaper than compensation, but generic safety campaigns don't always reach the right people or address specific risks. We believe that fewer injuries and safer workplaces would be encouraged through better tailored industry support. We are confident that it would lower injury rates, lower premiums and achieve less downtime.

Target government funding toward industry-specific prevention initiatives (e.g., mental health training in education and healthcare, manual handling in retail and logistics), possibly in partnership with industry associations.

6. Real-Time Data

Create a real-time injury dashboard for the ACT, showing trends by industry and injury type. This would help everyone see what's working and where the risks are growing.

7. CTP Should cover Journey Claims

ClubsACT recommends removing travel claims from the Scope of Workers Compensation coverage and moving it to CTP insurance.

8. Developers Legislation

Amend the Developers legislation to exempt Club Directors from personal liability for rectification costs in a similar manner to the exemption provided to Social Housing Providers.



CONCLUSION

Insurance costs are a growing concern for employers in the ACT, affecting businesses across sectors and sizes. From rising workers' compensation premiums to the emerging threat of cyber risk, employers must navigate a complex and often volatile insurance landscape.

Strategic planning, proactive risk management, and policy advocacy are essential to ensure that businesses in the ACT can remain financially sustainable and competitive in the face of these challenges. Addressing these issues may also require coordinated action between insurers, employers, and government bodies to ensure fair pricing, adequate coverage, and regulatory clarity.

Kind Regards,



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4 April 2025

