

10 August 2015

Research Director  
Finance and Administration Committee  
Parliament House  
George Street  
Brisbane Qld 4000

(Submission by e-mail: [fac@parliament.qld.gov.au](mailto:fac@parliament.qld.gov.au))

Dear Finance and Administration Committee Members,

Thank you for the opportunity to provide this submission on the *Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill 2015* to the Finance and Administration Committee, on behalf of the members of the Australian Sugar Milling Council (ASMC).

On 15 July 2015 the Treasurer, Minister for Employment and Industrial Relations and Minister for Aboriginal and Torres Strait Islander Partnerships introduced the *Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill 2015* into the Queensland Parliament.

The policy aspects of the Bill that are of concern to the ASMC, as outlined in the explanatory notes are:

- Remove the current limitation on the entitlement to seek damages that requires a worker to have a degree of permanent impairment as a result of the injury greater than 5% to access common law since the date of Queensland State election.
- Establish the ability to provide additional compensation to particular workers impacted by the operation of the common law threshold, between 15 October 2013 and 31 January 2015;
- Prohibit prospective employers from continuing to access an individual's claims history as they have been able to following other changes made by the 2013 Amendment Act.

The Australian Sugar Milling Council (ASMC) is the peak policy body for Australian sugar milling companies, representing over 95% of Australian raw sugar production. Twenty four mills operate in Australia today. This submission is supported by ASMC's six member companies:



- MSF Sugar
- Isis Central Sugar Mill Company
- Bundaberg Sugar
- Wilmar Sugar
- Mackay Sugar
- Tully Sugar

The ASMC is very supportive of initiatives that deliver improved safety regulation, however we advocate that the changes to this legislation do not achieve this and generate increased cost to business in Queensland.

#### **Removal of current limitation**

It is reasonable to expect that legislation will have thresholds and limits in place that seek to consider the impact of an injury on a person's lifestyle and future employment prospects. Thresholds are regarded as the primary reason for a significant reduction in the number of compensable claims

(Source: <http://www.lawcouncil.asn.au/lawcouncil/index.php/library/clp-watch/10-divisions/101-what-were-the-major-changes-to-personal-injury-laws>).

Queensland will be out of step with other Australian jurisdictions by removing this threshold.

The Bill explanatory notes predict a financial impact on self-insured companies and we expect this to flow onto WorkCover insured companies into the future. The ASMC are concerned that the cost of doing business will increase at a time when our members can least afford. Sugar prices are down and sugarcane land is being lost to other uses.

Our members provide substantial seasonal and year round employment. They have cited the risk that the removal of common law claim thresholds and limits, and the proliferation of 'No Win No Fee' legal firms, mean an increased risk of opportunistic lodging of common law claims. A threshold limit can help ensure that genuine cases are treated fairly and not tarnished by the actions of other less genuine cases.

Substantial premium savings passed on by WorkCover in 2014/15 will potentially be lost as common law claims for matters which do not impact on an individual's 'employability' increase.

These predicted premium increases can have a flow on effect on employment numbers. This will do nothing to assist the unemployment rate in regional Queensland, which is already above the state rate of 6.1% as seen below:



### Unemployment Rates by Labour Force Region, June 2015 (15+) (%)

Labour Force Region	Unemployment Rate
Sunshine Coast	6.6
Fitzroy	7.0
Mackay	7.3
Cairns	8.2
Townsville	8.6
Wide Bay	10.4

Source: ABS Labour Force Survey, three month average original data.

#### **Prohibit prospective employer access of an individual's claims history**

It is not unreasonable for Employers to require potential Employees to provide a true, accurate and honest account of their fitness for the duties of the role they are applying for. ASMC members find that despite repeated opportunities (both in writing and verbally) throughout the recruitment process, some potential employees misunderstand or forget to disclose all of their injury history. Without a mechanism to verify this, an employer will not be able to meet their obligations under the WHS legislation. Alternatively the cost of recruitment is substantially increased in order to uncover relevant information.

Employers need greater support to meet safety legislation obligations, and not to be impeded by the withholding of information that could assist with providing a safe work environment to current and future employees. Without the prior history information the chance of exposing a new employee to inappropriate risk due to placement in a role they are not suited to is increased under this amendment.

Thank you for the opportunity to provide a submission in relation to the Bill. Should you have any further questions or wish to discuss the content of this submission further, please contact Garry Whiting on 07 3231 5000 or at [asmc@asmc.com.au](mailto:asmc@asmc.com.au).

Yours sincerely

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