



23 February 2016

Mr. Anthony Lean
Chief Executive
State Insurance Regulatory Authority

NSW Business Chamber Limited
140 Arthur Street
North Sydney NSW 2060
Postal address
Locked Bag 938
North Sydney NSW 2059
DX 10541 North Sydney
t 13 26 96
f 1300 655 277
e businessshotline@nswbc.com.au

By email: lauren.sayer@sira.nsw.gov.au

Re: Guidelines for claiming compensation benefits

Dear Mr. Lean,

The NSW Business Chamber (the Chamber) welcomes the opportunity to provide feedback to the State Insurance Regulatory Authority (SIRA) on the *Guidelines for Claiming Compensation Benefits* (“the Guidelines”).

As you may be aware, the Chamber is one of Australia’s largest business support groups, with a direct membership of more than 19,000 businesses, providing services to over 30,000 businesses each year. Tracing its heritage back to the establishment of the Sydney Chamber of Manufactures in 1825, the Chamber works with businesses ranging in size from owner-operators to large corporations, and spanning all industry sectors from product-based manufacturers to service provider enterprises.

Operating throughout a network of offices in metropolitan and regional NSW, the Chamber represents the needs of business at a local, regional, state and federal level, advocating on behalf of its members to create a better environment for industry.

The Chamber welcomes the review of the Guidelines as a means to further improve the workers compensation system. From its review of the proposed changes, the revised Guidelines should provide clarity for injured workers making a claim and help employers better understand the processes involved in claiming compensation benefits. As serious workplace injuries are, thankfully, an uncommon event in most workplaces, most employers have only intermittent experience with the workers compensation scheme beyond premium payments. A logical and easy to follow guide that enhances the understanding of the process and the obligations for employers who might be working through the system for the first time is welcome.

Changes to a plain English writing style and a restructure of the document to a more logical step-based approach will help to improve the accessibility of the Guidelines

amongst stakeholders. Aligning terminology in the Guidelines with that terminology used in the new legislation will also aid understanding.

The Chamber supports the inclusion of *Domestic Assistance* and *Property Damage, Commutations and Death* benefits in the Guideline as it will ensure stakeholders are clearly aware of all compensation benefits that may be claimed, and eliminate the need to review multiple documents.

While it has been consistently demonstrated that the earlier an injured worker is provided with the appropriate treatment and services for their workplace injury, the better the outcomes will likely be for both the worker and employer, the Chamber does hold some concerns in relation to expanding the capacity of injured workers to seek (and incur expenses) for medical, hospital and rehabilitation treatments without prior insurer approval. The Chamber can appreciate the policy driver behind such a change (to help recover injured workers to receive treatment in a more timely fashion) and see them return to work more quickly. However there is potential such a change could drive up medical and other costs without a significant improvement in return to work rates (and therefore claims costs). The Chamber is happy to see the change implemented but suggests that it be monitored closely over the next 6-12 months to ensure that is serving to support effective return to work outcomes.

At this stage, the Chamber does not support the suggestion that content from the existing Guidelines outside SIRA's legislative authority should be retained in the revised Guidelines. The consultation paper does not sufficiently detail the benefits, risks and mitigation measures of doing so. The Chamber would welcome further advice in relation to these items prior to the Gazettal of the revised Guidelines.

For more information, please contact Craig Milton, Policy Analyst on (02) 9458 7913 or craig.milton@nswbc.com.au

Yours sincerely

A handwritten signature in black ink that reads "Paul Orton".

Paul Orton
Director, Policy and Advocacy