

24 August 2012

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

Dear Sir/ Madam,

**Re: Submission in relation to the Operation of the Queensland Workers' Compensation Scheme**

Thank you for the opportunity to provide a submission for consideration in the Inquiry of the operation of the Queensland Workers' Compensation Scheme.

The Cook Care Group operates aged care facilities in both New South Wales and Queensland. We would like to submit our views and experience for consideration in the Inquiry of the operation of the Queensland Workers' Compensation Scheme. Specifically we wish to comment on the comparison of the schemes in the two states in relation to the cost of common law claims and the impact it has on our premium.

**Common Law in NSW:**

- An injured worker must be assessed with at least 15% Whole Person Impairment (WPI) in order to access common law.
- Statutory and common law claims costs are premium impacting for three years and together are capped at \$150,000.

In NSW, The Cook Care Group have received 86 workers compensation claims over the last three years (premium impacting years). Of the 86 claims, no common law claims have been received.

**Common Law in QLD:**

- Injured worker can make a common law claim even if they have 0% Work Related Impairment (WRI).
- Statutory Claims costs are impacting for 3 years and are **not** capped
- Common Law claims are impacting for 5 years and capped at \$175,000.

In QLD, The Cook Care Group have received 125 Workers Compensation claims over the last 5 years (premium impacting years). Of the 125 claims, 8 claims have been received for common law and are estimated at a cost of approximately \$750,000.

As a result, our QLD premium for 2013 increased by 18% despite:

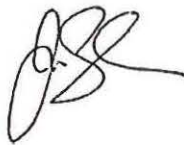
- Claim numbers in the 2012 financial year reducing by approximately 50% from 25 to 13 claims
- Wage increase only by 3%
- Our provision of suitable duties (at times on a supernumerary basis) to assist the injured worker with their rehabilitation and return to work.

We recommend the Inquiry into the Operation of the Queensland Workers' Compensation Scheme considers:

- reducing the capped amount for statutory and common law costs
- reducing the number of years a claim is premium-impacting
- restrict access to common law claims by increasing the Work Related Impairment threshold

Thank you for taking the time to consider our submission.

Yours sincerely,



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