

1st September, 2012

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The Research Director,
Finance and Administration Committee,
Parliament House
George Street,
BRISBANE

fac@parliamnet.qld.gov.au

Dear Sir,

REF: Review of the Queensland Workers Compensation and Rehabilitation Act 2001 -

We thank the Committee for the opportunity to present the Industry associations concerns, and to address these specific issues.

The Building Services Association of Australia Queensland Association is an association of members involved in the callings of:

- Contract Cleaning Industry,
- Security Industry, and
- Traffic Control Industry.

In 2007 the BSCAA, in partnership with the Queensland Government, produced an Induction Manual for the contract cleaning industry on behalf of its members for safety and risk management issues affecting all employees.

The BSCAA also provides to its members a program called "We Comply". This is a beneficial tool as it allows members of all callings to download current policies, obtain online access to their questions, and the facility to address any problems that a member may experience. We believe this tool is one that has been responsible for ensuring that our members having current policies in place for their employees.

The induction manual is a valuable tool also, and is widely used in the Contract Cleaning Industry.

The Association believes that it has taken an active role in assisting in the reduction of incidents that occur especially in the Contract Cleaning Industry.

The Association is proactive in the conduct of seminars in conjunction with government agencies for its members.

Representing
contractors for:

- Cleaning
- Facilities Management
- Grounds Maintenance
- Security
- Traffic Control

The industry has consulted with DEEWR to try and ascertain statistical information that relates to workers compensation claims for injuries. It appears that the only statistical information that is

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available relates to cleaners employed in hospitality industry, and that the statistics are high in this area. DEEWR has advised that whilst it has statistical information on the hospitality industry it does not have statistics on the contract cleaning services provided by our members.

In 2012 premiums for all callings rose dramatically and as an Industry Association we are unable to justify the 100% increase in the past 2 years to our members' premiums without the supporting evidence to justify these increases.

The base rate increase in 2012 from 3.233% to 4.041% for the contract cleaning industry was a huge leap of .80%.

TERMS OF REFERENCE FOR INVESTIGATION

- (i) The performance of the scheme in meeting its objectives under Section 5 of the Act;

Many BSCAA members have been complimented on their attention to detail in following the legislative requirements that an Employer must meet by ensuring that its paperwork is clear, concise, and supported by the required evidence. As an industry Association we do not have any issues currently with Section 5.

- (ii) How the Queensland workers compensation scheme compares to the scheme arrangements in other Australian jurisdictions;

BSCAA believes that the Qld scheme is superior to other states in its current form, however the past 2 premium increases for the contract cleaning industry may have the scheme not being as cost effective as in other states.

- (iii) WorkCover's current and future financial position and its impact on the Queensland economy, the State's competitiveness and employment growth;

The employers who have many claims are penalised by an additional imposition of a higher premium. Whilst this offsets some of the cost of the scheme however the Employers that are penalised by the rising costs appear to receive no reward for additional effort in the compliance and induction process that they may implement in their business to reduce risk. There is little or no statistical information available to this industry sector to review its performance against other like type industry sectors.

- (iv) Whether the reforms implemented in 2012 have addressed the growth in common law claims and claims cost that was evidenced in the scheme from 2007-2008; and

The growth of common law claims does not appear to have been contained with the reforms as implemented in 2012, due to the increase in level of activity by the no win no fee lawyers it would appear that common law claims are occurring at the same level as has been experienced over the past 3-4 years.

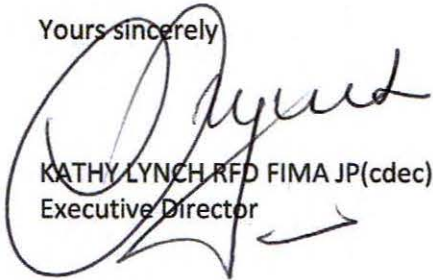
- (v) Whether the current self-insurance arrangements legislated in Queensland continue to be appropriate for the contemporary working environment.

BSCAA is not part of this arrangement for 1000 plus employees

RECOMMENDATION:

That more statistical information be made available to our industry sectors to enable us to monitor our industries performance levels.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kathy Lynch', with a large, stylized initial 'K'.

KATHY LYNCH RFD FIMA JP(cdec)
Executive Director