

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

168



3rd September 2012

Dear Sir/Madam,

Re: YOUR REVIEW OF THE QUEENSLAND WORKERS' COMPENSATION SCHEME

On 13th February 2009, my company employed a senior female trainee at the request of the Salvation Army Employment Agency. The trainee had been unemployed for many months and came with positive references as to her apparent willingness to re enter the workforce. She had recently completed a course on the use of MYOB and, although more training was needed, a government grant to cover some of this training was available on signing an employment contract for a period of 6 months.

The person concerned was unreliable as far as attendance was concerned but did fit into our workplace environment to some degree, although her work became fairly sloppy and required supervision which became a problem as our company only employed two other employees.

Toward the end of her trainee period it became evident that the lady would have to be terminated because of her lack of ability to learn and the many errors she was making. We are to this day unsure whether or not the lady had a learning disability and the Salvation Army people maintained that they could not pass this type of information on even if they were aware of such a disorder. We understood this completely and although we did not advise the lady that we would not be continuing on with her contract, it probably became obvious.

About a week before our contract expired and we were to terminate the lady's services, we were moving some items around the showroom and rearranging the display. There were two open shelf cabinets with a small amount of clothing stock in the shelves which were to be relocated about two metres. The units, whilst not heavy, were bulky and the lady was instructed not to touch these as one of the men would attend to them.

The shelves were made from particle board and had to be slid over a polished painted concrete floor - a very simple operation.

Whilst no other staff member was in attendance in the area, the lady in question decided to move the cabinets herself. I personally questioned her as to who why she did this when she was told not to. Her answer was that they were very light and easy to slide so "she just did it herself" Nothing more was said in relation to the matter and for all intents and purposes, the matter was behind us and completed. This occurred on Wednesday 5th August 2009.

The following day, our office received a phone call from the employee's husband informing us that his wife had badly injured her back whilst moving a cabinet at work on the previous day and was going to see her doctor.

I immediately telephoned the Workcover office asking if a complaint or claim had been made and was advised that there was nothing received at that stage.

I believe that it was the following Monday that the Workcover office contacted me and advised that a claim had been lodged. I was advised not to pay any wages to the lady after the Wednesday in question as our policy included a clause excluding any payment after the date of the accident or incident. It was explained that should we not had that clause included in our policy, we would be liable for one weeks pay after any incident relating to a claim.

We were also advised that the lady would be sent to the department's own doctor for an opinion as to the severity of the back injury.

Our pay week ends on a Thursday end of business and our staff are paid late that day by bank transfer thus enabling the staff to generally draw on their account on the following day. Although the employee did not attend on the Thursday, we paid her for the day anyway.

About a week later on the Friday, I received a telephone call from the lady's husband asking why his wife's pay had not been banked on the Thursday as usual, and I passed on what I was advised to do by Workcover. He disputed this and became very angry and abusive and told me in no uncertain terms that I was wrong "and that he knew all the rules and laws pertaining to Workcover as he had been on it for over a year".

I reported this to [REDACTED] Workcover Southport office and was told the lady was to attend a doctors appointment in a day or so.

Some time went on, many phone calls were made and after some weeks we were advised that for all intents and purposes, the medical examinations proved inconclusive and we were asked to offer the employee light duties. We were advised that this was the law and we were obliged to do this. We agreed.

A number of appointments and start times were organized for the lady to commence light duties and she never once contacted us or showed up for her light duty appointments.

My understanding is that the lady was given several appointments with medical practitioners which she failed to attend citing that her back was too sore. I understand that there was finally an appointment made for her which she kept and I believe that the Specialist found nothing which would or could cause the pain which she maintained she had.

I kept in touch with Workcover and was finally told the lady's benefits had been stopped. I was also informed that my own opinion of her having no ailment would probably be correct and that was the reason her payments were stopped.

My final question to the department was obviously – "was this going to affect out policy premiums"? I was informed that because of the known circumstances, the policy would not be affected.

Herein lies my problem:

Our premium for the year 2008 was \$798, 2009 was \$760, 2010 was \$718, 2011 was \$989 (showing a statutory claims figure of \$21,421), 2012 was \$2,001 (showing an unchanged Statutory claims figure of \$21,421) and our 2013 premium jumped to \$4,260 with no Statutory claims figure shown.

Our premium rate increased to 2.341% above our industry rate of 1.229%, (total of 3.57%) from an initial rate of .270%.

Our wage figure did jump from \$71,000 TO \$123,000 over this period and a reasonable increase was expected because of this. We did not expect the percentage rate to jump by 3.3%.

After contacting the department and querying this, I was told that the increase was indeed related to that one and only claim we had had in around 10 years since we started the policy. I was also told that whilst this division of the department was no longer operating and there was no longer a Gold Coast office, all records had been archived and would need to be retrieved. This would take some time.

In the meantime, I was offered a payment plan over a 12 month period, as if the premium was not paid, the policy would lapse and we would not be covered which in turn would be unlawful - which we already knew. So, no alternative but accept the offer. I was informed that the files would be retrieved and the premium reviewed.

Time went by, we paid each month until recently when the new premium renewal was received. This time for \$4,133. From under \$800 just four years ago to over \$4,000 this year "rang a bell" so to speak in our office and bought about a query as to why the "error" had not been attended to last year as we were advised.

To make matters much worse, when I queried the amount shown as the lady's payments received and suggested that it was roughly \$12,000 more than my calculations, I was then told that not only did the lady receive many weekly payments over the period, but for some reason was paid a late sum of \$12,000 "to get her out of our hair" as it was put to me. Nobody can tell me why this occurred or by whose or what authority the payment was made.

I suggested that perhaps I could obtain this information through "Freedom of Information" but was informed that this could not be done in this particular circumstance.

My initial and many conversations were with [REDACTED] and some other staff members at the Gold coast office and other members in his area who came to know this file and the lady concerned very well because of the abuse that the staff received from this lady and her husband over a period of time.

I then later on spoke to a Mr Jarrad Bleijie – probably in a Brisbane office.

My question of course is – will I be receiving an explanation re the payments made to this lady through our company policy and will our premiums for the past two years be re calculated? – taking in our normal payroll increase and the usual CPI increases?

I would also seek information as to how often this happens within the department and to what extent this practice might determine increases in premiums.

It may well be questioned also as to how many Doctors in local practice issue certificates without adequate examination of the "patient".

I am willing to discuss this with the committee should you wish.

Yours faithfully,

Lindley (Lin) Petterwood

56 Peachey Rd
ORMEAU 4208
Queensland
Australia
ph. 07 55 466 785
Mobile 0407 463 002
lpetterwood@beren.com.au

CC. Mr Mark Boothman
State Member for Albert

CC. Mr Michael Crandon
State Member for Coomera