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0th September 2012,
Research Director,
Finance and Administration Committee,
Parliament House,
George ST. BRISBANE 4000

Re Workers Compensation Submission.

We would like to add our thoughts for the submission to the above review.

Firstly – The method used for calculating the premium percentage. If we have 60 some workers our premium is based on 5.7 % of our total wage. Wherein in reality 15 of those workers are office and administration staff, not involved in any workshop activity. We feel that there should be 2 rates – with the workshop rate being 5.7% (or whatever the going rate is) and the Office and Administration staff at the separate rate of 1.2% (or whatever the going rate is).. This can only be achieved by my setting up 2 companies at additional costs.

Secondly – When there is an accident and you have a wages bill of say \$2.5 Million any increase in premium should be based on that \$2.5 Million, NOT on your expanded business wages of say \$4.0 Million by the time the claim reaches a Civil Claim. Probably 2 years after the event.

Thirdly – Workcover should have some means of giving credit to Companies who are proactive in reducing accident or incidents. Companies that spend extra money introducing safety procedures and policies should receive some consideration to be levied below the average premium.

Fourthly – One of the biggest cause for increased claims is the “no win no fee” mentality that has crept into our legal fraternity. This has been a major windfall for the legal fraternity, who in many cases end up with more than the claimant. The Legal fraternity will claim they take all the risk, which they might, but results show that if you make a claim – you will get something and Workcover seems only too happy to settle out of Court and make a settlement. Sure the worker has to have access to legal representation, but today they advertise liberally on TV just to get a case to handle. Workcover needs to get harder on these cases. RSI claims arise on the basis that if you claim you’ll get something (just one example). It is all too easy to claim.

Fifthly – Investigations should be able to commence immediately if requested by the employer. We have had experience where no investigation is carried out by Workcover until the case is ready to go to Court. All the documentation that we had collected was used and was helpful, but lacked professional advice and expertise. If Workcover had have had an investigator on the job from the start the claim would not have gone as far as it did and at extravagant cost to ourselves and Workcover, when it was 2 years after the incident.

Sixthly – There should be no percentage increase until after the Common Law claim has been finalised. In our case it amounted only to the cost of defending the claim but we were charged for the extra % based on Workcovers assessment of what the Civil claim would be. In this case extremely excessive and as I have stated earlier, - an early investigation would have reduced this amount there and then.

Seventh – Doctors are all too easy to give out Workers Compensation claims thinking with the mentality that it’s only the government that’s paying, when in fact it’s the Industry – Individuals, and Companies, some private some public, some just Mum and Dads.

Eighth – A limit should be placed on the maximum of a civil Claim as has been in other states. This makes claim limitations more certain for Workcover.

WE trust that the foregoing expresses our concern for the future of Workcover and, sure we need insurance, but feel a better outcome could result from change.

Yours Sincerely,



Jason McPherson
Managing Director,

c/c David Gibson MP
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