

Friday 8 February 2013

Finance and Administration Committee
Parliament House
George Street
BRISBANE QLD 4000

205

submitted via email

To whom it may concern:

**RE: Supplementary Submission (2) to the Inquiry into the Operation of
Queensland's Workers' Compensation Scheme**

Further to the Chamber of Commerce and Industry Queensland's (CCIQ) supplementary submission dated 7th December 2012 the Chamber has had an opportunity to meet with QCOMP to be briefed on their proposal to introduce an employer excess for 'medical expense only' claims as proposed during the Parliamentary Committee Hearing on 28 November 2012.

CCIQ wishes to provide an updated response to the committee following this meeting. Accordingly this submission should be seen as CCIQ's current position in response to QCOMP's recommendation.

Verbally CCIQ has been advised that conceptually the existing 'lost time' excess equal to 100% of Queensland Ordinary Time Earnings (QOTE) would be split. The 'lost time' excess would now be capped at 50% of QOTE with the implementation of a 'medical expense only' excess also equal to 50% of QOTE.

Accordingly the total amount of excess that an employer would need to pay would remain unchanged. CCIQ regards as crucially important the need to ensure that any proposal before the Committee is revenue neutral and ideally delivers real savings to Queensland employers.

Therefore the proposal has some merit particularly given its intent to reduce claim numbers. However whilst cost-neutrality is crucially important the proposal still requires some refinement as it does not address the 'net' red tape that would be created by it.

As stated in our 7th December 2012 submission CCIQ has concerns over the non-dollar burden on small business that the proposal could potentially create through the employer having to now manage the medical expense process. CCIQ has reservations over already time-poor employers being burdened by the complexity of payment of medical bills, general process oversight and familiarisation.

In essence the benefit of a reduction in claims is borne out of a newly created responsibility for employers to have to manage for themselves the claim that otherwise would be administered by WorkCover.

For business community support to be given this issue would need to be meaningfully addressed in some way. Red tape reduction is a key platform of the State Government's commitment to improve the business operating environment in Queensland. It is critical the reporting aspects of the scheme are considered when evaluating changes and the impact on local businesses.

QCOMP is to be commended for their genuine intent to reduce overall claim numbers and improve revenue efficiency in the Scheme. CCIQ avails itself to assist the Committee, WorkCover and QCOMP on any further discussion in relation to this issue.

Yours sincerely,

Np [Signature]

Nick Behrens General Manager – Advocacy
Chamber of Commerce and Industry Queensland