



234



Submission in response to
**Inquiry into the operation of Queensland's workers' compensation
scheme – reducing red tape for employers**

Submission of
The Recruitment and Consulting Services Association (RCSA)

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RCSA Submission:

Inquiry into the operation of Queensland's workers' compensation scheme – reducing red tape for employers

Introduction to RCSA

The Recruitment and Consulting Services Association Australia & New Zealand (RCSA) is the leading industry and professional body for the recruitment and the human resources services sector in Australia and New Zealand. It represents over 4,400 Corporate and Individual members.

RCSA members provide permanent full time, permanent part time, casual and on-hire workers to a range of businesses across almost all industries throughout Australia and New Zealand. On-hire workers are often referred to as 'labour hire workers', 'agency workers', 'temporary employees' and a range of other titles. The term on-hire has been incorporated into Modern Awards and will be used for the purpose of clarity.

Members of RCSA provide advice, information, support and guidance in relation to recruitment and employment matters to employers and workers from small and medium sized businesses to multinationals.

The RCSA membership is focused on ensuring the most positive outcomes for business, workers and workplace relations across Australia. The RCSA sets the benchmark for industry standards through representation, education, research and business advisory support so Members may concentrate on their core business. All RCSA Member organisations and Accredited Professionals agree to abide by the ACCC authorised RCSA Code for Professional Conduct.

RCSA members work first hand with the Fair Work Act and Modern Awards on a day to day basis. Their knowledge, understanding, interpretation and support of the aims of the Act are evident in dealings that they have with their clients and employees on a day to day basis.

RCSA Code for Professional Conduct

The RCSA has a [Code for Professional Conduct](#) which is authorised by the ACCC. In conjunction with the RCSA Constitution and By Laws, the Code sets the standards for relationships between Members, best practice with clients and candidates, and general good order with respect to business management, including compliance. Acceptance of, and adherence to, the Code is a pre-requisite of Membership. The Code is supported by a comprehensive resource and education program and the process is overseen by the Professional Practice Council, appointed by the RCSA Board. The Ethics Registrar manages the complaint process and procedures with the support of a volunteer Ethics panel mentored by RCSA's Professional Practice barrister.

RCSA's objective is to promote the utilisation of the Code to achieve self-regulation of the on-hire worker services sector, wherever possible and effective, rather than see the introduction of additional legislative regulation.

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Response to discussion paper – Reducing Red Tape for Employers

The Q-Comp discussion paper proposes to shift the cost of medical treatment up to 50% of QOTE from WorkCover Qld to the employer, yet in the Benefits section it states the proposal is cost neutral to the scheme. It does not identify that the proposed amendment will increase the cost to employers.

The RCSA notes that a direct comparison can be made between Queensland and NSW. In NSW all claims have to be submitted to the insurer regardless of medical costs or the period of incapacity, yet the number of NSW claims relative to Qld is approximately 60% less. Two conclusions can be drawn from this – firstly, that the work environment in Queensland is more hazardous than in NSW, or secondly, a significant number of claims for compensation are submitted in Queensland for non-work related injuries. In either case, the proposed amendments will not reduce the number of claims made overall, only who processes them. Furthermore, as noted above, the cost of medical expenses of up to 50% of QOTE will transfer to employers.

Notwithstanding the increase in direct costs to the employer, the RCSA supports the proposal to remove the requirement for claims to be lodged with the insurer until 50% of QOTE is reached and with medical or compensation for loss of wages reaching \$665.25.

However it is the Association's view that the number of claims will not reduce in a material way unless there is a requirement for an injured worker to submit their claim directly with their employer. It is not uncommon that the first knowledge an employer has of a claim is when they receive communication from WorkCover that an employee has lodged a claim that originated from the medical practice. This means a worker can attend a GP, and a claim will be lodged through the GP directly to WorkCover without any discussion with the employer.

The RCSA's position is that workers should be required to submit all claims, regardless of severity, to the employer in the first instance.

The RCSA recommends this requirement be included in legislative amendments at the same time as the proposed amendment on excess payments is enacted.

The RCSA further recommends that to offset the increased direct cost of medical excess to employers, that WorkCover gives consideration to an excess rebate to employers who submit claims as required under the proposed arrangements within a set time frame. This will incentivise employers to process claims in a timely manner.