



Kilcoy Pastoral Company Limited

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Finance and Administration Committee
Parliament House
Alice and George Streets,
Brisbane Qld 4000
Australia



Dear Sir Madam

RE: Inquiry into the operation of Queensland's workers' compensation scheme.

Thank you for the opportunity to comment on the Q-Comp proposal aimed at reducing red tape.

Claim Numbers

It is interesting to note that WorkCover Queensland has the highest numbers of claims entering the scheme and that this is disproportionate to other jurisdictions.

Q-Comp suggest that this variance is due to the excess and claim lodgement arrangements that are applicable in Queensland, with those claim numbers estimated at approximately 50,000 claims.

The suggestion is to remove these claims does to reduce administration, whilst this would reduce number somewhat, Kilcoy Pastoral Company consider that the Queensland scheme would still appear to have the highest amount of claims in comparison to other jurisdictions.

Kilcoy Pastoral Company would suggest that the cause of this variation is because access to the scheme is unobstructed and can often require very little evidential support other than the claimant's factors despite other evidence. To support this theory KPC refer to section 32(1) of the Workers Compensation Act 2003, where it suggests that '*An **Injury** is personal injury arising out of, or in the course of, employment if the employment is a significant contributing factor to the injury*'. The wording significant contributing factor permits claims unbalanced and unhindered access to the scheme where the condition in many cases is largely non-work related.

Reducing Red Tape

If this concept is applied the most significant benefit in KPC's view is the elimination of WorkCover Queensland's need to administer low risk claims. It is also fair to say that some employers will need to perform extra administrative functions, if they are not doing this already, to manage this component.

One benefit in KPC's opinion would be a relatively small reduction in premium costs associated with the non-lodgement of those low risk claims, and then secondly the prospective savings where the administrative running costs of WorkCover should reduce as a portion of their workload is eliminated. KPC would expect that these savings should be passed on to the employers whom fund the scheme.

What must be factored into the decision making process when considering the implementation of this concept is that access to Self Insurance must still be reviewed and considered irrespectively. This concept should not be considered a substitute as it resembles self management in a fashion at the lowest degree.

With these views in mind Kilcoy Pastoral Company is not wholly opposed to the implementation of the suggestion by Q-Comp to eliminate the need to lodge low impact and uncomplicated claims.



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Ongoing Review

In closing Kilcoy Pastoral Company would like to reinforce that if this recommendation is implemented that Kilcoy Pastoral Company still consider that further recommendations that have been submitted by employers must continue to be explored and effected for a positive impact to be made to the scheme.

As a reminder I again list our five key points that was suggested in our earlier submission and we look forward to receiving the final recommendations at the conclusion of the full review.

1. Clinical Support
 - Internal medical advice for consistency and accuracy.
2. Self-Insurance
 - The reduction of the threshold for entry to Self-Insurance
3. Investigation
 - Improved exploration and management of claim decision
4. Information Sharing
 - Improve information sharing with Rehabilitation Coordinators to enhance relationship and achieve better results.
5. Common Law
 - To restrict open access for minor claims to common law.

Kind regards

Rangi Bell
Employee Rehabilitation Manager