

Inquiry into the Safety, Rehabilitation and Compensation (Exit Arrangements) Bill 2015

ACTU Submission to the Senate Standing
Committee on Education and Employment
Legislation

About the ACTU

1. The Australian Council of Trade Unions is the peak body representing almost two million working Australians. The ACTU and its affiliated unions have a long and proud history of representing workers' industrial and legal rights and advocating for improvements to legislation to protect these rights.

About the Bill

2. We welcome the opportunity provided to make this submission in relation to the Senate Inquiry into the *Safety, Rehabilitation and Compensation Amendment (Exit Arrangements) Bill 2015* (the Bill).
3. The Bill proposes to amend the *Safety, Rehabilitation and Compensation Act 1988* (the Act) in order to provide for arrangements for a Commonwealth authority to exit the Comcare scheme. This is of particular relevance to the Australian Capital Territory, which has stated its intention to remove itself from the Comcare jurisdiction and establish its own scheme to regulate workers' compensation arrangements.
4. The Bill also enables the collection of 'exit contributions' to ensure that an exiting employer funds its existing or prospective liabilities; for example, to cover the costs of those workers who are currently in receipt of compensation under the Comcare scheme and who will continue to be compensated by Comcare after their employer has exited the scheme.

The ACTU's Position

5. At this stage, without further information, the ACTU is neither able to support nor oppose the Bill in its current form.
6. This is because there are two other Bills relating to Comcare arrangements that are currently being considered before Parliament: the *Safety, Rehabilitation and Compensation Amendment (Improving the Comcare Scheme) Bill 2015* and the *Safety, Rehabilitation and Compensation Legislation Amendment Bill 2014*. These other Bills are understood to contain amendments that, if passed, would be highly disadvantageous to workers. In

this context, it is our preference that all three Comcare Bills currently before Parliament should be read and considered as a whole, rather than being rushed through in the current piecemeal approach.

7. The ACTU remains deeply concerned that the Bill before this committee will be passed before it has been considered in this broader context.
8. Moreover, the ACT Government has yet to finalise the details of the replacement scheme that it is proposing. This means that it is unclear to us as to whether workers would be better off under the Comcare scheme, or the ACT's replacement scheme.
9. Certainly, there are some valid concerns with regards to the resourcing of the existing Comcare scheme, and the increasingly heavy workload faced by Comcare Inspectors. In this context, it is to be hoped that if a new jurisdiction emerges in the ACT, that it will be better resourced and therefore better equipped to provide proper oversight and monitoring of any new scheme that is established. However, without seeing the ACT's final proposal for such a scheme, it is impossible to say whether workers who are currently covered by Comcare would be better or worse off due to the change in jurisdiction.
10. It is also unclear as to how the Government proposes to manage the rehabilitation and compensation claims of those workers who are currently on Comcare, or whose claims are still being processed. Some further clarification on this matter would be very welcome.

Conclusion

11. On the basis of the above points, the ACTU is not in a position to definitively support or oppose this Bill, until and unless further information is received in relation to the ACT's proposed scheme and the effect this will have on workers who are presently, or may in future, be in receipt of workers' compensation. It is therefore our view that this Bill should be delayed until it can be considered in the context of the other Comcare Bills currently before Parliament.

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