

SENATE STANDING COMMITTEE ON ECONOMICS: ENQUIRY INTO NON-CONFORMING BUILDING PRODUCTS

Mr Barry Sherriff, Chairperson, Safety, Rehabilitation and Compensation Commission

OPENING STATEMENT

Thank you for the opportunity to appear before this Committee. I am here to talk to you about the role of the Safety, Rehabilitation and Compensation Commission of which I am the Chairperson.

SRCC's role and functions

The Safety, Rehabilitation and Compensation Commission (the Commission) is established under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act).

The Commission administers regulatory functions of the SRC Act, other than those functions attributed to Comcare.

The Commission is the statutory body responsible for the granting and on-going management of self-insurance licences to entities eligible to apply under the SRC Act.

The Commission also has functions in respect to workplace health and safety under the *Work Health and Safety Act 2011* (WHS Act).

The Commission is not the regulator of rehabilitation under the SRC Act however the Commission is required to satisfy itself that:

- licence applicants have the capacity to meet the standards set by the Commission for the rehabilitation of the applicant's employees, and
- the applicant will, if licensed, meet the standards set by the Commission for rehabilitation of the applicant's employees.

The Commission is not the regulator of work health and safety under the WHS Act, however the Commission is required to satisfy itself that licence applicants have the capacity to meet the standards set by the Commission for the prevention of injury, illness or disease of the applicant's employees.

SRCC composition

Membership of the Commission is predominately representative (or tripartite). The Commission consists of:

- a Chairperson - whose responsibilities include convening and presiding over quarterly meetings of the Commission;
- the Chief Executive Officer of Safe Work Australia;
- three members nominated by the Australian Council of Trade Unions (ACTU);
- two members with qualifications or experience relevant to the Commission's functions or the exercise of its powers (the expert members); and
- four other members who, in the Minister's opinion, represent each of the following four groups: licensees, the Commonwealth and Commonwealth authorities, the interests of

members and former members of the Defence Force and the interests of the Australian Capital Territory's public sector employers.

A full list of the Commission's Membership can be tabled for the Committee's reference.

Comcare provides secretariat support to the Commission.

Licence Compliance and Performance Model

On 1 July 2016 the Commission introduced a revised model for the regulation of self-insured licensees under the SRC Act.

The *Licence Compliance and Performance Model* seeks to ensure compliance with licence conditions.

The model replaced the tier-based model previously used. The model focuses on licensee performance against set standards and measures in the areas of claims management, rehabilitation and Work Health and Safety.

Under the model, the Commission sets licence conditions, monitors licensee performance against endorsed performance standards and measures, and licence conditions and decides on the regulatory response to be taken based on licensees' performance.

SRCC consideration of issues relating to John Holland

John Holland has three licences (granted on 1 January 2007) and are covered by both the SRC Act and the WHS Act. Since the introduction of the Work Health and Safety Act 2011 (WHS Act), new self-insurers are not automatically covered by this Act.

The Commission agreed (at its March 2016 meeting) to extend the licences of John Holland licensees under section 106 of the SRC Act to apply from 1 July 2016 until 30 June 2024. In extending the licences, the Commission also discussed Determining Authority Key Performance Indicator (DAKPI) performance and future monitoring.

At its September 2016 meeting the Commission discussed the issue of asbestos having been found at the Perth Children's Hospital construction site. Comcare advised the Commission that the relevant safety regulators had visited the site and that formal investigations were underway.

In response to specific questions

Please note that I can only answer in a representative capacity as a Commission member.

**Membership of the Safety, Rehabilitation and Compensation Commission
(Commission) as at 22 September 2017**

Mr Barry SHERRIFF	Chairman
Ms Michelle BAXTER	CEO Safe Work Australia
Mr Dominic ANDREACCHIO	Member representing the Licensees
Mr Michael BOROWICK	Member nominated by the Australian Council of Trade Unions (ACTU)
Mr Trevor GAULD	Member nominated by the ACTU
Ms Lisa NEWMAN	Member nominated by the ACTU
Vice Admiral Ray GRIGGS AO CSC	Member representing the Interests of Members and Former Members of the Australian Defence Forces
Mr Steve KIBBLE	Member representing the Commonwealth and Commonwealth Authorities
Ms Catherine HUDSON	Member representing ACT Public Sector Employers
Ms Jane HALL	Member with relevant qualifications or experience
Mr Stephen SOMOGYI	Member with relevant qualifications or experience