



SENATE EDUCATION AND EMPLOYMENT COMMITTEE
eec.sen@aph.gov.au

DATE 01 May 2015

Dear Sir / Madam

**Safety, Rehabilitation and Compensation (SRC) Amendment (Improving the Comcare Scheme)
Bill 2015**

TNT Express strongly supports the package of change detailed in the Amendment Bill.

TNT holds the opinion that it is a balanced package that considers the interests of both injured employees and employers, and one which will improve the administrative arrangements of the scheme.

TNT considers that the Bill should be passed in its entirety.

TNT Express is a self-insured licensee operating within Comcare scheme. Licensees in the scheme, include some of the largest employers in the country across the banking, telecommunications, transport and logistics industries, and employ more than 40% of the employees covered by the scheme. The licensees are significant stakeholders in the operation of the workers' compensation scheme governed by the SRC Act.

The changes contained within the Amendment Bill are the most significant proposed since the introduction of the SRC Act in 1988. Many of the existing provisions are no longer consistent with current working conditions, health care and rehabilitation principles.

As it stands the SRC Act is significantly out of alignment with the state based workers compensation legislations.

Furthermore, a majority of the state workers compensation legislation have already undergone significant amendments, making them more practicable and aligned with current working conditions.

The proposed changes are necessary to improve scheme operation.

Changes that will address administrative arrangements include:

- Introduction of Average Weekly Remuneration and removal of normal weekly hours;
- Timeframes for determination of initial claims and reconsiderations;
- Compensation standards for ailments;
- Health practitioners to be registered or accredited; and
- Removal of 5% superannuation contribution from incapacity calculation.



TNT Express anticipates the changes in the Amendment Bill will lead to reduced 'red tape' and facilitate improved administrative arrangements.

This will enable TNT to increase its focus on delivering benefits to employees.

A number of the proposed changes address employee benefits payable under the SRC Act. TNT Express feels that the changes are balanced providing fairness and equity for injured employees and employers.

Whilst some changes are similar to the provisions provided for in State Schemes the SRC Act would continue, in many areas, to **provide the most generous benefits of any scheme in Australia.**

Employee benefits that will increase include: provisional medical expenses up to \$5000; significantly increased permanent impairment limits; and the ability to combine impairments. Whilst a reduction in benefits would include: a change in the incapacity step downs after 13 weeks to promote return to work; and secondary psychological conditions not being compensable.

A key focus of the Amendment Bill is the rehabilitation provisions of the Act. The changes proposed aim to streamline the current two stepped process through the implementation of a rehabilitation program, increase the focus on workplace-based rehabilitation, expand the suitable employment concept and formalise work readiness assessments.

TNT Express has a proven history of effective rehabilitation of injured employees and TNT Express welcomes the proposed introduction of change that will provide further opportunity to improve rehabilitation effectiveness.

It is proposed that medical expenses will be subject to set schedules. This change is important as it will address excessive fees being charged by some service providers.

The change will bring the Comcare Scheme into line with many of the State Schemes and is not expected to have an impact on employees.

TNT Express is also notes that several anomalies that have arisen through case law will be corrected. These corrections will bring the provisions back into line with the intent of the Act.

Such changes include the treating of heart and stroke type injuries as a disease rather than an injury, the ability to combine permanent impairments arising from the same injury (Canute v Comcare), defining perception (Wiegand v Comcare) and the adjustment of Normal Weekly Earnings (Comcare V Simmonds).

Another proposed change that will assist the integrity and viability of the scheme will be the power to seek indemnity from a third party where an injury results from circumstances that create a legal liability on a third party.

The current arrangements limit the opportunities for recovery from a third party.

The package of change impacts many areas of the SRC Act and in many instances are long overdue.

TNT Express considers that the change package is fair and equitable and balanced between the interests of employees and employers.



TNT Express supports the whole package being passed to ensure the integrity of this balance.

Yours faithfully,

Chris Zichy-Woinarski
General Manager Workplace Risk
TNT Express