
Attachment 1:



Note: An appeal pursuant to s.120 (C2006/2617) was lodged against this decision.

PR972197

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AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

Workplace Relations Act 1996
s.99 notification of industrial dispute

**Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia**

and

Australian Postal Corporation
(C2005/5990)

Postal services

SENIOR DEPUTY PRESIDENT DRAKE

SYDNEY 8 MAY 2006

Requirement to attend for medical examinations: workplace related injuries

DECISION

[1] This decision concerns a dispute lodged by the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia (the CEPU) on 5 December 2005 pursuant to section 99 of the pre-reform *Workplace Relations Act 1996 (the Act)* regarding the application of the *Australia Post General Conditions of Employment Award 1999 (the Award)* by the Australian Postal Corporation (Australia Post).

[2] The matter first came before me for conciliation by teleconference on 14 December 2005. I conducted a preliminary hearing on 16 January 2006, at which I issued directions. I then heard the matter on 10 February 2006. Mr Dwyer and Mr Metcher appeared for the CEPU, and Mr Woodbury appeared with leave for Australia Post.

[3] In their dispute notification lodged on 5 December 2005, the CEPU described the dispute as being:

" -- in relation to Australia Post employees being directed and harassed into attending sick leave fitness for duty examinations with company doctors following the notification of a workplace related injury under the Commonwealth Safety, Rehabilitation and Compensation Act.

...
Background

Following the notification of a workplace injury by an employee, Australia Post is directing its employees to attend for examination by company general medical practitioners known as facility nominated doctors (FNDs) for the alleged purpose of controlling workplace injury Compensation claims and removing employees Workers Compensation rights and entitlements.

Workplace injured Australia Post employees are further harassed via telephone and home visits conducted by management representatives for employees to attend FNDs under an invalid authority of sick leave Sub-sections 26.5.10 and 26.5.11 of the Australia Post General Conditions of Employment Award 1999”.

[4] Mr Dwyer submitted that Australia Post is engaging in “-- a deliberate scheme to manipulate the workers’ compensation claims by use of clause 26.5.10 in the [A]ward. “ 1 . The CEPU relied on material, including statements and medical documents, from 16 employees to support its contention that such a course of conduct was in progress. There was no sworn evidence from these employees, although the CEPU indicated that it was prepared to provide that evidence if required². Australia Post did not concede the factual matters or the inferences from those factual matters relied on by the CEPU.

[5] The CEPU has identified 9 categories of “factual matters” associated with the employee examples 3. These categories detail specific allegations in relation to the conduct of Australia Post in managing its injury management programme and its treatment of employees who have been injured at work, and are as follows:

1. Australia Post is “requesting” injured employees to undertake treatment by an FND following the notification of a workplace injury or illness
2. Australia Post is “directing” injured employees, and in a majority of cases, under duress, to attend a medical assessment by an FND
3. Australia Post is “harassing” injured employees via
 - (a) Private telephone and
 - (b) Attending the employee’s private residence
 to direct employees to attend FND treatment and assessment
4. Australia Post is
 - (a) influencing and communicating directly with FNDs re treatment and assessments and/or
 - (b) obtaining from FNDs, employee medical treatment and/or assessment reports for determining liability for workers compensation claims
 - (a) without the knowledge of, or
 - (b) authority or consent of the injured employee.
5. Australia Post employees are subjected to threats of injury to their employment and/or loss of Workers Compensation entitlements if they fail to abide by the direction to attend the FND assessment.
6. Australia Post is failing at times to provide employees with injury/incident report forms (P400) and/or Workers Compensation claim documents.
7. Australia Post, having obtained FND reports in what the CEPU say is an unlawful way, is then openly favouring FND reports when determining Workers Compensation claims.
8. Australia Post is failing to accept liability for workplace injury or incapacity if an employee fails to abide by directions to attend an FND. (This does not include s57 referrals under the SRC Act)
9. Australia Post is at times not accepting liability for workplace injury claims due to their failure to maintain proper injury/incident reporting records.

[6] Australia Post "*categorically denies*" the assertions made by the CEPU that there is a deliberate scheme to manipulate workers compensation claims. It contends that it has a right pursuant to clause 26.5.10 to require employees to furnish a medical report or undergo a medical examination by an Australia Post nominated medical practitioner in certain circumstances, and that it has at all times sought to comply with that clause 4.

Conclusion

[7] I do not intend to make findings in relation to the specific factual circumstances surrounding each of the individual employees identified by the CEPU.

[8] The resolution of this application requires examination of clauses 26.5.10 and 26.5.11 of the Award. These are set out below.

26.5.10 Employee to Provide Medical Report

Australia Post may require an employee to furnish a medical report or undergo an examination by a medical practitioner nominated by Australia Post where the employee:

26.5.10(a) may be unfit or incapable of discharging duties;

26.5.10(b) may be a danger to other employees or members of the public due to state of health;

26.5.10(c) has been absent through illness for a continuous period exceeding 13 weeks;

26.5.10(d) has been absent through illness and the authorised employee believes that the employee is not fit to resume duty.

26.5.11 Timing of Medical Report

An employee who is required to furnish a medical report or undergo a medical examination under 26.5.10 must do so as soon as practicable."

[9] The ordinary and natural meaning of the words used in the clauses and their context in the award make it clear that it is the purpose of these clauses to allow the employer to obtain medical evidence to ascertain the fitness of an employee who Australia Post may consider is possibly unfit or incapable of discharging their duties.

[10] The clause is intended to prevent an employee who may be working whilst unfit or who has been absent because of unfitness from continuing to work without the employer having an opportunity to test fitness. Australia Post's entitlement to arrange and direct an attendance at a medical examination with an FND does not extend to workers compensation or sick leave applications.

[11] Clause 26.5.10 is not a clause whose function entitles the employer to a medical examination when a claim for workers compensation arising from a work related injury is made or is anticipated to be made. It is also not a clause that has any relationship to an application for sick leave whether that leave is for a possible work related injury or not.

[12] Sick leave and workers compensation leave and the absences related to that leave, as well as

the medical examinations to which the employer may be entitled arising out of that leave, are separate matters not intended to be encompassed by the operation of clause 26.5.10 or 26.5.11.

[13] Given my conclusions regarding the operation and application of clauses 26.5.10 and 26.5.11 of the Award it is not necessary to deal with the balance of the submissions of the parties.

[14] A number of matters might arise out of the directions issued by Australia Post to its employees, the role of the FND's and other matters related to the factual summaries which were provided to me. These are not matters for determination by the Commission. They are matters that need to be dealt with pursuant to the relevant workers compensation legislation. An application may be made in relation to those matters before the relevant tribunal or court. They do not arise in this application.

[15] If the parties consider conciliation in relation to the summarised factual circumstances would be of benefit they should advise my chambers and a conference will be arranged.

BY THE COMMISSION:

SENIOR DEPUTY PRESIDENT

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<Price code A>

- 1 Transcript PN196
- 2 Transcript PN179
- 3 Exhibit CEPU 1
- 4 Further Contentions on Behalf of Australia Post, pg 1

Attachment 2:



AP 09/62
4.6-021

7th October, 2009.

Mr. Rod McDonald,
Group Manager,
Corporate Human Resources,
Australia Post,
321 Exhibition Street,
MELBOURNE. VIC. 3000.
By fax: (03) 9204 7255

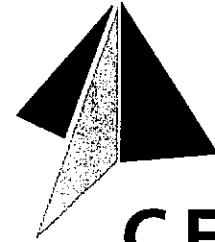
Dear Mr. McDonald,

RE: CEPU'S OBJECTIONS TO AUSTRALIA POST'S USE OF FACILITY
NOMINATED DOCTORS

During discussions held on Wednesday 23 October 2009 about a proposed future enterprise agreement for Australia Post employees, the corporation requested from the CEPU a re-iteration of our long-standing opposition to the use of Facility Nominated Doctors within the corporation.

As you are well aware, we have objected to the following aspects of your use of FNDs:

1. The fact that under your Principal Determination, employees are compelled to visit FNDs;
2. Post denies this compulsion exists, claiming that employees can "volunteer" to visit an FND - despite the CEPU citing the written evidence and verbal advice provided to your supervisors that demonstrates that they can and do compel employees to meet with FNDs;
3. That - after calling on us to substantiate our claims by providing evidence of impropriety - Post then refuses to acknowledge the written evidence and tendered statements of our members demonstrating that they have been told in no uncertain terms:
 - i. Employees refusing to attend FNDs can be subject to disciplinary action;
 - ii. That employees entitlements to workers compensation may be threatened if they do not attend an FND.
4. Further, after refusing to acknowledge or failing to act on this evidence, Post then refuses to accept evidence that supervisors have admitted that they have made these threats to employees after receiving advice from HR. Instead, Post seeks to sheet blame on the supervisor, claiming that they are not familiar with your system, and that this has contributed to supervisor error.
5. Post has further denied that this establishes proof of endemic or systemic problems with this process, thereby allowing Post to ignore the fact that employees are being coerced into involving themselves in a process that may endanger their long-term wellbeing and financial position.



CEPU

COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION

COMMUNICATIONS
DIVISION

ABN 22 401 014 998

Len Cooper
Divisional President

Ed Husic
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139-155 Queensberry St
[PO Box 472]
Carlton South
Victoria 3053
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Ph: 03 9349 2100
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E-mail: cdco@cepu.asn.au
Web: www.cepuconnects.org

6. Finally, and most importantly, Post uses the fitness for duty assessments to make determinations on workers compensation applications - which flies in the face of Comcare's own jurisdictional advice. This long-standing jurisdictional advice from Comcare clearly states, and we quote:

"If information regarding an employee's medical condition is collected for an employment related purpose (for example, to record absences from work or to assess their fitness for duty) it should not, in principle, be used for a compensation-related purpose (for example, to support a decision to continue or cease liability)."

The CEPU believes this system is purely designed to artificially reduce statistics measuring Lost Time Injury performance - and, furthermore, the savings in workers compensation generated by this reduction in LTI statistics are then redistributed via remuneration bonuses to managers.

For these reasons, we argue that Post should take the proper and decent step to ensure that this system is dismantled. It should also ensure the corporation's actions conform with the expectations of Comcare - and your own employees.

The CEPU wants to see:

1. An end to employees being forced to attend FNDs - it should be entirely on a voluntary basis;
2. An end to the use of threats of disciplinary action to compel employees to not exercise their free choice to attend their own treating GP instead of a FND;
3. A recognition by Post that employees can elect to see their own treating GP, without threat or disadvantage to their rights. We contend that treating GPs have a far better understanding of their patient's medical history and capabilities. These GPs have equal and requisite qualifications to their FND counterparts. We further contend that no reasonable person could accept that a one hour training/familiarisation course better equips FNDs to understand Post's systems and processes than compared with a "non-FND trained" GP.
4. Finally, we want to see Post comply with Comcare's jurisdictional advice and ensure that FND fitness for duty assessments are no longer used for compensation related-purposes (other than involvement specifically mandated under s.57 of the *Safety, Rehabilitation and Compensation Act 1988 (Cth)*).

The CEPU and its members look forward to your positive response to this letter.

Yours faithfully,



Ed Husic,
NATIONAL PRESIDENT.
DIVISIONAL SECRETARY.

cc. CPSU

Attachment 3:





Your ref: 09/63
2.1-406

15 October 2009

Mr E. Husic
National Divisional Secretary
CEPU – Communications Division
PO Box 472
CARLTON SOUTH VIC 3053

CORPORATE HUMAN RESOURCES

GPO Box 1777
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Level 14, 321 Exhibition Street
MELBOURNE VIC 3000
Telephone +61 3 9204 7411
Facsimile +61 3 9204 7255
auspost.com.au

BY FACSIMILE

Dear Mr Husic

Australia Post : CEPU Proposed Enterprise Agreement with Australia Post

I refer to the above matter and in particular to your letter of 12 October 2009.

I would state at the outset that your attempt to gloss over the proper concerns we raised on clearly outlining your new claims by resorting to false assertions in respect to our understanding and honesty is unhelpful.

As indicated in our letter to you of 9 October 2009, we now enclose a draft agreement that Australia Post considers balances the needs of the business given the current difficult trading conditions and the needs of our employees, in particular pay and job security.

You will note that the draft agreement enclosed is a properly marked-up document. The comparator document is the final version of EBA7 as was previously agreed between the parties in October 2007.

Some changes reflect changes required as a result of the requirements of the new *Fair Work Act 2009 (Cth)*. Other changes are more substantive and reflect a changing needs of the business since the agreement was drafted in 2007. Other changes are an attempt to reach a compromise position on claims made by the CEPU or CPSU.

The draft agreement should be clear on its face, particularly given all the changes are marked. However, we acknowledge that the CEPU has indicated its desire to receive a response from Australia Post on a number of specific issues, we respond to these below:

1. Duration

Given the current trading uncertainties facing Australia Post, in particular the significant fall in mail volumes over the past 12 months and the fact that we are still awaiting ACCC approval of our price increase application, we do not consider that we are able to commit to an agreement that goes beyond the previously agreed expiry date of 31 December 2010.

2. Pay Increases

Australia Post, having committed to and paid the pay increases agreed to in October 2007, considers that those previously agreed pay increases continue to be appropriate, particularly given our position on duration. Therefore, we will be maintaining our pay offer of 2% increase in August 2010 and a further 2% in December 2010. In conjunction with the annual 4% pay increases paid in 2007, 2008 and 2009, this pay offer means that our employees have continued to receive good pay increases, ahead of CPI, at a time of great economic uncertainty.

Celebrating
200
years

3. Facility Nominated Doctors

In our meeting on 23 September 2009, you stated that you had a specific problem with the Facility Nominated Doctor network relating to its interaction with the Workers Compensation system. We sought clarification from you in writing about the details of this specific concern. We received your letter on 7 October 2009. While your letter does outline your workers compensation issue, it continues to claim that the FND system is fundamentally flawed and the whole program should be shut down. In circumstances where the FND network has the support and endorsement of the independent regulator Comcare and our program of assisting people to return to work as safely and quickly as possible has been referred to as 'best practice', we do not consider CEPU's continuing claims to close down this system to have merit. In addition, with a number of appeal mechanisms open to staff with this system, we consider there are appropriate checks and balances in relation to the use of FND's.

In these circumstances, we do not consider that there should be any changes to the FND process.

4. Use of Contractors

Given the recent written reasons issued by the Full Bench of Fair Work Australia in respect of the protected action ballot matter, we consider that it is now clear that this claim by the CEPU is prohibited and we are of the view that it should no longer be included.

5. Full Arbitration and Status Quo

Australia Post is of the view that the arbitration powers under its draft enterprise agreement are extensive and that, coupled with the provisions of the *Fair Work Act*, the interests of employees and unions are well protected and there are significant rights to seek redress over potential disputes. We certainly do not agree that extending the Dispute Settlement clause to include arbitration over any dispute to be manageable.

With the ongoing need for business change, Australia Post is of the view that the inclusion of a status quo provision in the Dispute Resolution Clause would cause unnecessary delay and frustration to necessary business activity. Given the significant protections afforded to employees and the unions under this agreement, we do not consider a status quo clause to be necessary or sustainable from a business perspective.

6. Future Delivery Design

Australia Post considers that it has gone a significant way to balance the interests of job security for existing employees with the need to implement new delivery methods to meet the changing letters market.

As is clear from our current annual results, letters decline is significant. Australia Post cannot continue to deliver mail into the future in the manner it does now. We are working hard to achieve a change program that is considered and transformational. Our commitment to maintaining the penalty rates for those PDO's currently receiving penalty rates and the extensive consultation process we have developed are both a significant demonstration of our genuine desire to resolve this issue. We consider these provisions will ensure the needs of our current employees are met, while dealing with the need for significant business change to maintain a viable business.

In my letter of 6 October 2009, I had advised that the number of PDOs on non-penalty shifts as at 21 September 2009 was 4345 and the number of PDOs on penalty shifts was 7445. Unfortunately, this information is incorrect and requires amendment.

We have subsequently identified that the methodology used to determine these figures was flawed, as all PDOs on leave on 21 September 2009 not in receipt of shift penalties were incorrectly assumed to be working non-penalty shifts.

Analysis of the rostered shifts of all PDOs as at 21 September 2009 indicates that 2357 PDOs were rostered to work non-penalty shifts and 9433 PDOs were rostered to work shifts that attract a shift penalty.

7. Consultation

The CEPU's claim that consultation with the unions should commence prior to a business decision being made is unworkable in our view. If such discussions did occur, we consider that there would be many unnecessary discussions (where proposals don't proceed), potential for misinformation (employees told of job impacts that may never occur) as well as delaying business critical decision making. We consider the current consultation clause to be a robust and comprehensive clause. In addition, the re-establishment of the formal JCC process at the state and local level means that those workplace changes can be discussed and dealt with at that level.

8. Use of Casuals and Agency Personnel

We have included updated clauses in the attached draft which we consider will go some way to meet the concerns of the union in respect of these matters. We also note that you have provided an updated Agency Personnel clause in your letter of 14 October 2009 relating to our concerns regarding non-permitted matters. We are currently considering that clause and will advise you before next Wednesday's meeting as to our position of your proposal.

Future Meetings

As to future meetings, we wrote to you earlier today proposing a meeting next Wednesday, 21 October 2009. We await your response to this proposal.

Yours sincerely



Rod McDonald
Group Manager Corporate Human Resources

cc. Kim Barnes, CPSU

Attachment 4:



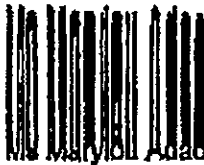


(02) 9202 6397

MEDICAL SERVICES UNIT

319-241 Cleveland Street
STRASBERG HILL NSW 1423

Facsimile 02 9202 6608
support.com.au



Ms Marylou Adao
40/29-33 Kildare Rd
BLACKTOWN NSW 2148

Dear Ms Adao

The purpose of this letter is to advise that an appointment has been organised for you with Dr Michael Gilksman, Occupational Physician in relation to your current fitness for duty.

The appointment details are as follows:

Time 2pm
Date: Friday, 5 September 2008
Location Level 7, Suite 708
37 Bligh St (Corner of Hunter St)
Sydney NSW 2000

The Australia Post Principal Determination states that:

CLAUSE 10 - FITNESS FOR DUTY

- (a) Australia Post may direct an employee to:
- (i) obtain and furnish to Australia Post a report from a registered medical practitioner concerning a medical assessment of the employee's fitness to perform all or part of his or her duties; and/or
 - (ii) submit to a medical examination by a registered medical practitioner determined by Australia Post, for the purpose of a medical assessment and a report to Australia Post concerning the employee's fitness to perform all or part of his or her duties.
- (b) If Australia Post considers that an employee is incapable of performing duty or constitutes a danger to other employees or the public due to the employee's state of health, Australia Post may direct the

- (i) obtain and furnish Australia Post a report from a registered medical practitioner; or
 - (ii) submit to a medical examination by a registered medical practitioner determined by Australia Post.
- (c) On receipt of the medical report provided in accordance with clause 10(b), the employee may be directed to take sick leave for a specified period, or, if already on sick leave, or other leave, the employee may be directed to continue on leave for a specified period, and the absence shall be regarded as sick leave.
- (d) An employee to whom a direction is given under clause 10(a) or 10(b) must comply with the direction.
- (e) Where an employee fails to comply with a direction under clause 10(a) or 10(b) without reasonable cause, the employee may be subject to the Employee Counselling and Discipline Process and the fees payable for the examination may be charged against the employee and deducted from salary.

Please ensure that you take any recent medical reports i.e. X-rays/ investigations etc that you may have in your possession to assist Dr Gliksmann in determining your fitness for duty.

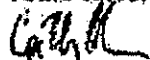
If you are unable to keep the appointment you should ring me on 9202 6689 and an alternative appointment will be arranged.

Therefore, you are directed to attend the above appointment under clause 10 (a, d and e) of the Principal Determination.

Please complete the enclosed "acknowledgement" and return it in the enclosed envelope.

If you have any questions please do not hesitate to contact me on 9202 6689.

Yours sincerely



Cathy Boreham
Medical Services Unit
Human Resources Department

2 September 2008

Medical Appointment**Acknowledgment of Receipt of Advice**

Medical Services Unit
Human Resources Department

I, Ms Marylou Adam, acknowledge receipt of your advice that I am to attend a medical appointment, in connection with determining my fitness for duty.

I acknowledge that the appointment details are as follows:

Time 2pm
Date: Friday, 5 September 2008
Location Level 7, Suite 708
37 Bligh St (Corner of Hunter St)
Sydney NSW 2000

I should take along any medical reports or X-rays / Investigations that may assist the Dr Gilksman with his examination.

I understand that it is important that I attend on time for this appointment but that in the event that an unexpected emergency prevents my attendance I should ring 9202 8397 so that an alternative appointment may be arranged.

I also understand that failure to attend this appointment may result in action under the Employee Counselling and Discipline Process and that the fees payable for the examination may be deducted from my salary where there is no reasonable explanation for failure to attend or to provide adequate notice of reasons for non-attendance.

Signature: _____



Date: 04/09/08

Att'n: CATHY BOREHAM

Attachment 5:

Case Studies have been provided on confidential basis to the Committee.



Attachment 6:

Proof Committee Hansard

ENVIRONMENT, COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS LEGISLATION COMMITTEE

SENATE ESTIMATES -- MONDAY, 13 FEBRUARY 2006 CANBERRA

Australia Post Mr Rod McDonald, Group Manager, Human Resources

[IMPORTANT NOTE - THESE ARE SELECTED EXTRACTS]

Senator CONROY-Sure. I understand that Australia Post states this preference for your FND opinions for determining compensation claims repeatedly in compensation documents. Is that right?

Mr McDonald-I would need to check that. I do not know.

Senator CONROY-Let me read to you from a letter from Tanya MacGregor for Australia Post compensation which says:

Australia Post prefers the opinion of Dr Sim- Dr Sim is identified as an FND- as he is conversant with Australia Post's practices, workplace duties and reviewed on the date of incident.

It is quite clearly stated here in a letter to one of your employees that you prefer the opinion of your FND.

Mr McDonald-In that particular case and in that particular circumstance. I do not know the case. I do not have the letter in front of me. The assessment is made by the delegate according to all the facts they have. If they need further information or opinion, they get that. As I said earlier, there is a right of appeal if the individual does not like the assessment. Finally, there is a right of appeal to an independent body, the AAT. But it is up to the delegate to get whatever information is required to make a fair and objective assessment.

Senator CONROY-I have other examples where Post has clearly stated its preference for an FND. I understand that overwhelmingly you indicate that you prefer your FNDs to a family doctor. I understand that that is the case. Does Australia Post agree that if an Australia Post doctor treated an injured Post worker it would be unethical and grossly improper for that same doctor to act for Australia Post in a compensation process?

Mr McDonald-I do not know whether we have instances where a medical opinion by an FND is taken into account in a compensation claim.

Senator CONROY-Do you think that a treating doctor acting secretly for the employer would not have a conflict of interest? Someone is actually on your books; they are going to have a conflict of interest, aren't they?

Mr McDonald-The compensation assessment at the end of the day is not made by the doctor. It is made by the delegate taking into account medical information. That information may include briefs and medical assessments. I do not see an issue with that.

Senator CONROY-Is it not a fact that when staff are persuaded voluntarily to go to an FND for treatment they are not informed that the FND will also be acting for Australia Post in the workers comp claim process?

Mr McDonald-When they go to an FND voluntarily there is not a workers' compensation claim. Once a workers' compensation claim is triggered it is handled under a different process. The injury management prevention program is a voluntary program which is separate from the workers' compensation process.

Senator CONROY-But my point is that if you are using the same doctor who has actually examined you, when he goes to the next stage with your employer and you are calling that person as your witness there is a conflict of interest. They are on the employer's payroll.

Mr McDonald-They are paid according to the service they provide, as is any doctor we refer people to, or the person representing the employee may refer them to. I can check that process. I do not see that, taking into account medical information, as an issue. It has to be assessed fairly and objectively and there are rights of appeal to make sure that is done.

Senator CONROY-I just think it is one of the core issues here that if a person is persuaded-legitimately; not using the sort of tactic that we have talked about previously-to go to a doctor who is one of your FNDs, they do not know at the time that this person could end up being a witness against them on your behalf. And you do not think that is conflict of interest? They are on your payroll; you pay them, and then they turn up as your witness against the poor person who went to them voluntarily.

Mr McDonald- People who go voluntarily are not people who have lodged the workers' compensation claim.

Senator CONROY-But they could end up being one.

Mr McDonald-They could subsequently.

Senator CONROY-And then the person that they have been talking to ends up as the witness against them.

Mr McDonald-Let me check what the process is in relation to that particular circumstance.

Senator CONROY-I am happy for you to come back to us on that one.

Senator CONROY-Thank you. In a case currently before the AIRC, I understand that the commissioner has heard evidence that in New South Wales when an injured worker is referred to the facility nominated doctor for treatment, six per cent of patients are found to be unfit for duty. If an injured worker goes to their own GP, 95 per cent are found to be unfit. That seems an extraordinary range, wouldn't you say? It is a huge difference in outcomes.

Mr McDonald-I would be very pleased if a substantial number of employees were found to be able to go back into the Australia Post workplace.

Senator CONROY-But that is a fact, isn't it?

Mr McDonald-I am unaware of what information was given to the AIRC on Friday, but I can tell you the facts for New South Wales.

○ Senator CONROY-You are not answering the question I have asked you, Mr McDonald. I appreciate your getting some information about the success of your program, but what I am trying to get to is that there seems to be an extraordinary difference-when workers go to your FND six per cent are unfit but 95 per cent are found to be unfit when they go to their doctors. Surely this issue of conflict of interest is going to be relevant here.

Mr McDonald-I think that reinforces the success of the program insofar as I said earlier, Senator-

Senator CONROY-If they are on your payroll I am not surprised.

Senator CONROY-So, as I said, 8,000 referrals, \$1.42 million-this amounts to an average cost of \$177.50 for a GP consultation. In contrast, an average GP visit costs around \$45 to \$50. Why is Australia Post paying such a massive premium to its facility nominated doctors?

○ Mr McDonald-The nature of that consultation could include physiotherapy or other forms of processes-

Senator CONROY-From a GP? Do GPs give physiotherapy? I haven't met one.

Mr McDonald-The injury management prevention program provides for up to six visits, three being of a general nature and three could be for particular circumstances that apply to that case. I would need to check that.

Senator CONROY-This is referring to the 8,000 facility nominated doctor referrals and the cost for the doctor referrals, not for ancillary services, which are all excellent things to do. If this \$1.42 million does not apply to just the doctor visits you might let us know, but that was the answer you gave previously.

Mr McDonald-I do not know what particular service the doctor has given in each case, Senator.

Senator CONROY-I am just reading one of your previous answers. You were asked how much the service costs and how you actually pay the doctors. You said that in the last two years the cost of this service was \$1.42 million.

Mr McDonald-Yes.

Senator CONROY-According to the evidence I mentioned earlier, FNDs only finds the worker unfit in six per cent of cases-that must considerably reduce your compensation liability. You said earlier at the beginning of questions that you have massively reduced it, that you have had a huge success.

Mr McDonald-Yes.

○ Senator CONROY-So Australia Post is prepared to pay 3.5 times the standard GP fee to guarantee this sort of outcome?

Senator IAN MACDONALD-That does not necessarily follow.

(Our emphasis)

○