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8 August 2002

Committee Secretary  
Standing Committee on Employment and Workplace Relations  
House of Representatives  
Parliament House  
CANBERRA ACT 2600  
AUSTRALIA

Dear Sir/Madam,

**Re: Inquiry into aspects of Australian workers' compensation schemes**

Please find attached a copy of the Victorian Trades Hall Council Submission to the above Inquiry

VTHC is available to present oral submissions to the Committee if required.

Please contact me directly if you have any queries regarding this correspondence or our Submission.

Yours sincerely

**LEIGH HUBBARD**  
**SECRETARY**

**If all pages are not received please call our office on 96623511**

**PARLIAMENT OF AUSTRALIA**  
**HOUSE OF REPRESENTATIVES**  
**STANDING COMMITTEE ON EMPLOYMENT AND**  
**WORKPLACE RELATIONS**

**Inquiry into aspects of Australian workers' compensation schemes**

**SUBMISSION OF**

**VICTORIAN TRADES HALL COUNCIL**

**8 AUGUST 2002**

1. The Victorian Trades Hall Council (VTHC) makes this submission on the above inquiry. The VTHC represents over 50 affiliated union organisations (including some divisions of unions which have maintained separate affiliation), representing approximately 400,000 Victorian union members.
2. It is a basic tenet of the VTHC that all Victorian workers are entitled to work in healthy and safe workplaces, free from discrimination, exploitation, violence and danger.
3. Further it is the position of VTHC that:
  - If accidents or hazards in the workplace require workers to spend time away from work then workers should be appropriately compensated for both wages they could have expected to earn if they were able to remain at work and for non-economic loss.
  - If injured workers require medical assistance then this assistance should be of the highest standards available and tailored to the needs of individuals.
  - Injured workers require unconditional guarantees that when they are able they can return to the workforce in the knowledge that their job is still open for them, or failing this, an equivalent and meaningful job.
4. The VTHC finds the Terms of Reference for this inquiry to be ill conceived and inappropriate. Matters effecting workers compensation systems are best dealt within the jurisdiction in which they are founded.
5. The VTHC submits that affiliate unions would prefer to comment at the federal level on issues regarding the promotion of national consistency between workers compensation systems rather than the 'broad-brush' matters referred to this rarely utilised Committee for this inquiry.
6. As the Committee is aware, the Victorian WorkCover Authority (VWA) administers the *Accident Compensation Act 1985 (Vic)*, together with other relevant legislation, that regulates the workers compensation system in this State.

7. The VTHC has been supportive of the initiatives of the Bracks Government in the area of workers compensation since the election of this Government in 1999.
8. The VTHC has also generally been supportive of the initiatives of the new leadership of the Victorian WorkCover Authority since changes to the senior management group of the VWA occurred in 2000.
9. Both the Bracks Government and the VWA have engaged stakeholders in consultation regarding Victorias' workers compensation system and offered sensible alternatives to the excesses of the previous State government. This has occurred in a context where significant improvements have been made to the Victorian system (including the return of common law rights), but Victorian premiums have remained the second lowest of the States.
10. The VWA publications *Strategy 2000* and *The Case for Change* detail areas of the work of the VWA that require improvement. We submit that the focus of the VWA since the release of these documents has been to develop and deliver processes that seek to achieve the outcomes identified in these publications.
11. The matter of the management of claims by the VWA was the subject of a report of the Auditor General of Victoria in November 2001. The VTHC commends this report and recommendations to the Committee as it provides an important independent evaluation of the VWA reform agenda.
12. The VTHC submits that employers have a responsibilities to workers injured in their workplaces. Employers have the responsibility to ensure:
  - that injured workers are treated with respect, compassion and dignity;
  - that injured workers claims are treated with genuineness and forwarded to claims agents in a timely fashion; and,
  - that injured workers are afforded the opportunity to return to work, when they are able, to their previous position or failing this to an equivalent position agreeable to the worker, their treating medical practitioner and other representatives.

These employer responsibilities are enshrined in the *Accident Compensation Act 1985 (Vic)*.

13. Evidence from the VWA is that:
  - *'Despite a statutory obligation for employers to forward a claim to their authorised agent within ten days, the data shows that a significant number of employers are failing to do this – 40% of claims are reported late.'* (The Case for Change, Victorian WorkCover Authority, page 9). The VTHC notes that this amounts to approximately 12,000 injured workers claims per year.

- 26% of injured workers do not return to work due to 'loss of job attachment'. 9% are dismissed or retrenched, 7% resign or retire and 10% find that work is no longer available due to its nature (seasonal) or employer close down. (The Case for Change, Victorian WorkCover Authority, page 14).
14. The VWA has responded to these damning statistics and introduced a number of measures to counter the affects of this employer action.
  15. The VTHC submits that employers are failing to meet their legislated responsibilities through either naivety or an open disregard for the laws of Victoria.
  16. VTHC submits that employer associations have an obligation to play a far more substantial role in the education of employers of the benefits of early claim reportage and providing return to work opportunities.
  17. The VTHC submits that the Committee should also inquire on the inadequacy of unfair dismissal laws as they currently operate in Victoria, with respect to the dismissal of injured workers who make claims under the *Accident Compensation Act 1985 (Vic)*.