

29 September 2023

TIME FOR REFORM: REPORT CALLS FOR ACTION ON WORKERS COMP

The state's beleaguered workers compensation scheme has failed injured workers, stifled businesses and needs a major overhaul, according to a landmark report released by Business NSW, parent organisation of Business Illawarra.

The report, entitled [Fixing the NSW Workers Compensation Scheme](#), identifies problems in the system and key reforms needed to get it back on track and reflects strong feedback provided over many years by almost 150 businesses, including many from the Illawarra.

Most recently, Business Illawarra hosted a forum with the Minister for Industrial Relations, Hon Sophie Cotsis MP, in Wollongong during July where a number of local business leaders shared concerns about the operation of the scheme and the significant costs involved.

Business Illawarra Executive Director Adam Zarth said that hiking premiums and decreasing benefits was not the solution to fix the ailing scheme.

"While Business Illawarra and its members commend the NSW Government for pushing back on icare's eye-watering proposal for a 22 per cent average premium increase – instead opting for 8 per cent – more needs to be done," Mr Zarth said.

"We would like to see the NSW Government commit to important actions in three areas: injury and claims management, statutory safeguards and the scheme's fitness for purpose."

"The unsustainability of the NSW workers compensation scheme threatens to either send more businesses fleeing to more favourable scheme states like Queensland or, worse still, close them permanently."

"A do-nothing scenario could also lead to the regulator considering cutting benefits for injured workers."

"There must also be greater stakeholder oversight of the scheme to ensure the best outcomes for employers and their workers."

Revealing how compromised the system is, regulator SIRA reports that only 65 per cent of workers return to work four weeks post-injury, compared to more than 75 per cent in 2015.

"It is critical for the state's economic wellbeing and injured workers that the scheme is sustainable and works for employers and employees," Mr Zarth said.

The report recommendations include:

- Refining programs to help employers who are, for good reason, unable to provide their injured worker with suitable duties;
- Increasing stakeholder oversight; and
- Improving the level of information and guidance for employers and workers to make it easier to access support and review services.

[Read a copy of *Fixing the Workers Compensation Scheme* report here.](#)

— ENDS —

Media Contact – Adam Zarth 0404 146 829

About Business Illawarra

Formerly the Illawarra Business Chamber, Business Illawarra is the region's peak business organisation, and the regional office of Business NSW responsible for the south-east of the state, including the Southern Highlands.