



Victor Dominello
Minister for Finance, Services and Property

MEDIA RELEASE

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INJURED WORKERS TO BENEFIT FROM DISPUTE RESOLUTION SIMPLIFICATION

The NSW Parliament has today endorsed reforms which will simplify the dispute resolution process for injured workers who make a compensation claim.

Minister for Finance, Services and Property Victor Dominello said the new laws will deliver a significant improvement to the existing system.

“The Government has listened and responded to the concerns of injured workers and their representatives including lawyers and unions,” Mr Dominello said.

“We acknowledge that the current scheme is unnecessarily complex and needs to be simplified to make it easier for injured workers to navigate in their time of need.”

Each year around \$2.7 billion is paid out in benefits to injured workers in NSW. Of the 95,000 compensation claims made each year, only 5 per cent result in a formal dispute between a worker and an insurer. Disputes typically involve matters relating to liability, calculation of pre-injury income, injury severity and work capacity.

“These reforms deliver a ‘one-stop-shop’ approach to dispute resolution and many other recommendations made by the *Legislative Council Law and Justice Committee* in its report of March 2017,” Mr Dominello said.

Key changes include:

- Establishing the Workers Compensation Commission as a ‘one-stop shop’ to deal with workers compensation disputes;
- Simplifying calculation of pre-injury earnings – a key source of disputes to make it more transparent for people and simpler for insurers to process their claims;
- Creating two clear pathways for making enquiries and lodging complaints, with the Workers Compensation Independent Review Office supporting injured workers and the State Insurance Regulatory Authority (SIRA) supporting employers, insurers and service providers; and
- Removal of mandatory insurer internal reviews for work capacity decisions.

The amendments also remove anomalies between the *Motor Accident Injuries Act 2017* and the *Workers Compensation Act 1987* to ensure that a worker’s CTP settlement is protected by limiting the amount of compensation the worker is required to pay back to the workers compensation insurer from their CTP damages.

The alignment of the two schemes also means injured workers' entitlements to ongoing treatment and care under the CTP Scheme are protected. SIRA will continue to consult widely with stakeholders. The changes will be backdated to 1 December 2017 when the new CTP Green Slip scheme began.

For more information visit www.sira.nsw.gov.au.

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