

## South Australian WorkCover Improvement Project

October 2012

On Saturday 27 October 2012, South Australian Premier Jay Weatherill foreshadowed changes to the South Australian Workers' Rehabilitation and Compensation Scheme (the Scheme) by announcing a review, to be known as the WorkCover Improvement Project.

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### WorkCover Improvement Project

The WorkCover Improvement Project will involve examining and reviewing both the legislation and the administration of the South Australian Workers' Rehabilitation and Compensation Scheme. Any legislative changes stemming from the WorkCover Improvement Project are expected to be introduced to Parliament in 2013.

In announcing the WorkCover Improvement Project, Premier Weatherill noted that the current Scheme has both strengths and weaknesses. Under the current Scheme 86 per cent of claims are resolved within three months, while 90 per cent of the cost of the scheme is attributed to the 10 per cent of injured workers with moderate injuries who often spend many years involved in the scheme.

The Premier's press release is available [here](#).

### The Workers' Rehabilitation and Compensation Advisory Committee

An existing body, the Workers Rehabilitation and Compensation Advisory Committee, will act as an advisory board to the WorkCover Improvement Project.

The Workers Rehabilitation and Compensation Advisory Committee was established under the [Workers Rehabilitation and Compensation Act \(1986\)](#). The role of the Committee is to provide advice to the Minister on the formulation and implementation of policies; provide advice on aspects of the Act; to investigate work-related injury and disease; and report to the Minister as necessary.

The Advisory Committee consists of nine members appointed by the Governor, of whom:

- Three (who must include an expert in rehabilitation) will be appointed on the Minister's nomination made after consulting with associations representing employers and with associations representing employees (including the UTLC);
- Three (who must include at least one suitable representative of registered employers and at least one suitable representative of exempt employers) will be appointed on the Minister's nomination made after consulting with associations representing employers; and
- Three will be appointed on the Minister's nomination made after consultation with associations representing employees, including the UTLC.

## **The Current Scheme**

The current Workers' Rehabilitation and Compensation Scheme was established under the [Workers Rehabilitation and Compensation Act 1986](#). The Act sets up the structure of the Scheme, and in particular spells out how basic elements of the Scheme work, such as worker entitlements, rehabilitation and return to work, claims management, employer levies and dispute resolution.

The Scheme is managed by WorkCoverSA. WorkCoverSA is a statutory body itself is set up under the [WorkCover Corporation Act 1994](#).

In accordance with the legislation, an injured worker is entitled to compensation if they suffer an injury arising from their work. The worker is covered irrespective of their work status i.e. whether they are employed on a full-time, permanent, part-time or casual basis or on a fixed-term contract. It is a no-fault scheme aimed at compensating and rehabilitating an injured worker regardless of who is to blame.

The Scheme covers around 50,000 employers and about 430,000 employees throughout South Australia. In addition to those covered under the Scheme, there are around 70 self-insured employers, as well as the State public sector agencies, who manage their own claims but under the same legislation.

More information about WorkCover SA is available on their website, [here](#).

## **Medical Panels SA**

One of the changes foreshadowed by Premier Weatherill is the replacement of the current medical panel process. Premier Weatherill said this process could be intimidating to injured workers, and that changes would provide a process that treats people with more dignity.

Under the current Scheme medical panels are overseen by Medical Panels SA, a statutory authority established under Part 6C of the [Workers Rehabilitation and Compensation Act 1986](#). Medical panels answer medical questions that arise when there is a disagreement or uncertainty about aspects of an injured worker's medical condition.

When a person is referred to a medical panel, they will meet with and be examined by a panel of doctors who will then make a decision about the question(s) that have been referred. There is a 60 day statutory timeframe in which decisions must be made. A decision of a medical panel is final and binding on all parties.



More information on Medical Panels SA is available via their website, [here](#).

## **Background**

The announcement of the WorkCover Improvement Project follows a series of reforms to the state's WorkCover scheme, most notably the introduction of an Experience Rating System in 2011. The Experience Rating System is designed to reward employers with good workplace behavior by providing financial incentives for employers to improve their claims experience through good health and safety practices and return to work management.

Prior to the introduction of this system, there operated a levy system offered little financial incentive for registered employers to focus on work health, safety and claim outcomes as individual employers have little influence on the amount they must pay.

More information on the Experience Rating System is available [here](#).

In 2011 the South Australian Government also introduced the [Work Health and Safety Bill 2011 \(SA\)](#) into Parliament. This legislation This will bring South Australian workplaces into line with Queensland, NSW, ACT, Commonwealth, Northern Territory and Tasmania and is one further step towards delivering the same standards of safety for all Australian workers and businesses. The legislation is currently before the South Australian Parliament.