

NSW Workers Compensation System



In June 2012, the NSW Liberal Government implemented a series of drastic cuts to the workers compensation system. NSW Labor has committed to repealing these cuts.

Unions NSW WHS & WC Committee has considered what system of workers compensation works best. We have consulted with our affiliated unions and have developed 12 Guiding Principles for reform.

12 Guiding Principles

1. Workers compensation should be available on a no-fault basis where an injury “arises out of or in the course of employment”, even where it is the aggravation of an existing injury or disease.
2. Premiums must recover the costs of the system as well as encourage safe work practices.
3. WorkCover must be adequately resourced to carry out its functions properly including an increased emphasis on prevention and compliance.
4. Meaningful tripartite consultation must be a central part of the system.
5. The system of scheme agents and self-insurers should be abolished and all workers compensation functions should be internalised within WorkCover.
6. Trade unions must have the power to enforce non-compliance with workers compensation law together with rights of entry, inspection and other investigative powers.
7. The Workers Compensation Commission should provide a quick, easy, effective and legally binding mechanism to resolve disputes about all aspects of the workers compensation system.
8. Return to work should be elevated as a central tenant of workers compensation by:
 - 8.1. placing an absolute obligation on employers to provide suitable duties;
 - 8.2. preventing termination unless the injury management plan states that the return to work goal is a different job and a different employer; and
 - 8.3. incentivising the employment of injured workers.
9. Journey claims and recess claims should be covered by the system.
10. Weekly payments should be set at a level equivalent to an injured worker’s pre-injury average weekly earnings irrespective of their fitness for work and should not be subject to any caps or step-downs.
11. Costs associated with medical and all related treatment should be covered for workers compensation purposes with no arbitrary caps or limits.
12. Work Capacity Reviews and Decisions should be removed from the workers compensation legislation. Consideration of a worker’s functionality is properly addressed as part of their rehabilitation plan.