

WORKSAFE WEEK

Statement by Minister for Labour Relations

MRS EDWARDES (Kingsley - Minister for Labour Relations) [9.12 am]: This week marks the sixth annual WorkSafe week - a week designed to educate and inform, as well as recognise excellence in approaches to safety and health. The week has several highlights: A three-day safety and health exposition at Challenge Stadium and associated events around the State; the inaugural WorkSafe youth achievement award; and the recognition of excellence through award presentations and acknowledgment of endeavour.

WorkSafe Western Australia continues to work with industry parties to reduce the incidence of lost time injury and disease. Some positive results have been achieved. In the 1998-99 financial year there was a 9 per cent reduction in the rate of work-related injury and disease, reinforcing a long-term downward trend. Since the coalition Government came to office, the injury rate has fallen 34.6 per cent.

WorkSafe's approach requires a fine balance, combining education and awareness-raising strategies with a firm but fair approach to enforcement. This strong focus on prevention of injury and disease has been combined with an equally strong focus on rebuilding the workers compensation system. The Government's objective has been to provide fair and adequate cover for injured workers and affordable costs for employers.

The Government in 1999 commissioned a review of the workers compensation system that was chaired by Des Pearson. Since that time, further reviews have been held into medical and associated costs and insurance arrangements in the workers compensation system. Recommendations from those reviews are currently being considered. At the time of the Pearson review, premium rates had increased 35 per cent, with actuarial estimates forecasting future increases in the order of 50 per cent a year. Such increases were unsustainable and the Government undertook to bring greater transparency and accountability into the system. I am pleased to advise the House that the escalation of costs has begun to be contained. Rather than the projected increase, actuarial advice indicates the cost of workers compensation payments for the June quarter is 6 per cent lower than the same period last year. Total payments have reduced over the past three quarters, and common law payments have decreased by 26 per cent.

As intended, redemptions to the statutory system have increased by over 1 500 per cent indicating that injured workers are availing themselves of the opportunity to redeem their claims, move out of the workers compensation system and get on with their lives. In meeting this objective, an emphasis has been placed on a total injury management approach. All parties are encouraged to work together to assist injured workers in their recovery, rehabilitation and return to work. The bottom line is that this Government is serious about safety and protecting workers, and ensuring they get fair and reasonable benefits should they be injured at work. It is serious about providing a workers compensation system that does not put employers' and employees' livelihoods at risk through out-of-control cost blowouts. More will be done, but the process is on track.