

WORKERS COMPENSATION, PREMIUMS

82. Hon C L Edwardes to the Minister for Labour Relations

- (1) I refer to Labor's Direction Statement on Workers Compensation released in December 2000, which stated that a Labor Government will open up greater access to common law for injured workers, and ask what has been the recommended premium rates reductions by the Premium Rates Committee since the 1999 Workers Compensation Amendments?
- (2) Does the Government/Minister have a policy direction on what percentage of employees wages employers ought to pay towards workers compensation?
- (3) Is the Minister aware that opening up common law by the Victorian Labor Government has increased premiums?
- (4) What proposals for changes to common law is the Government considering?

Mr KOBELKE replied:

- (1) There have been a number of changes in recommended premium rates in recent years:  
June 98 13.6% increase  
June 99 35.3% increase  
November 99 10% reduction  
1 July 2000 3.9% reduction  
1 July 2001 8.2% for claims performance and  
3.5% for brokerage
- (2) The Government is reviewing this in line with the Pearson Review Executive Summary which identified a range of between 2.4 to 2.7% as being mutually acceptable to employees and employers when achieved.
- (3) I am aware that there are a number of factors in any workers' compensation system to which increases in premiums may be attributable. The reintroduction of common law access which had been removed by the Kennett Government would have been one of those factors.
- (4) The Government's proposals for changes to common law access will be announced in due course. Any changes will be subject to full cost analyses and based on the cost savings derived from reform of the workers' compensation system.