



Dominic Perrottet MP

Minister for Finance and Services

MEDIA RELEASE

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WORKERS COMP REPORT RECOMMENDS RESPONSIBLE APPROACH

NSW Minister for Finance and Services, Dominic Perrottet, today said that the findings of a statutory review of the 2012 amendments to workers compensation in NSW show that sound financial management is needed for the Scheme to remain sustainable.

“The independent report, conducted by the Centre for International Economics, found that although the amended Scheme is showing early signs of success it is too early to tell whether it will be sustainable in the long-term,” Mr Perrottet said.

“While the Scheme being back in the black is good news, two thirds of the improvements in the most recent valuation were due to better than expected investment returns which may be a one-off,” said Mr Perrottet.

“This highlights the need for further prudent financial management as we continue to deliver our objective of a fair and sustainable scheme.”

“Ideally, the Government would have preferred to undertake this review at a later date to enable a more decisive review, but an earlier review was triggered by the Nominal Insurer Scheme returning to surplus quicker than expected.”

Mr Perrottet said that the NSW Government had been quick to pass on the benefits of the Workers Compensation Scheme being in surplus.

“In the last week we’ve announced several enhancements to the 2012 Workers Compensation Scheme reforms to better support injured workers return to work,” he said.

“The early positive results have also allowed us to announce responsible premium reductions as part of the 2014-15 Budget.”

Minister Perrottet said he is considering the review and will ask WorkCover to develop a plan to address its key findings.

“The Government will carefully consider the report and continue to manage the workers compensation system to ensure appropriate support for seriously injured workers and better assistance for injured workers to return to work.”

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