

19 October 2016

Mr Robert Byrne
Manager, Self-insured
ReturnToWorkSA
Via e-mail: rob.byrne@rtwsa.com

Dear Rob,

Re: Proposed changes to the self-insurance application process

Thank you for the opportunity to comment on the Corporation's proposed changes to the self-insurance application process.

General observations

We note that the proposals appear to have three primary objectives:

1. To shorten and simplify the application process;
2. To improve transparency by ensuring that applicants are fully aware of the information provided to the Board; and
3. To introduce a self-assessment element to the process.

SISA is bound to support in principle any measures that would reduce the time and resource demands of what has in the past been an onerous and very expensive exercise. The use of an expression of interest phase should allow applicants to answer questions and build a business case for its own management in a shorter timeframe. We would also support the use of templates along the lines of those appended to the consultation paper.

Because many applicants these days are not-for-profit organisations with funding arrangements that don't allow for 'spend ahead' projects like self-insurance applications, any shortening and simplifying of the process will be welcomed.

Likewise, any improvement in transparency will have our in-principle support. However, we would observe that in recent times, the Board has made some controversial decisions that seem to have been out of line with both advice and information provided by applicants and RTWSA management and, in one case, the Code itself. No amount of transparency will assist the natural justice element of decision-making if this continues to occur.

Self-assessment

We are more guarded in our approach to self-assessment. The lack of practical detail in the paper makes it difficult to give open support. From what little information is provided, we have concerns around the place that self-assessment will have. It seems that the intention is for the applicant to conduct the self-assessment, determine what corrective actions are required and report on same to RTWSA. There is no mention of what happens to that information before it is submitted to the Board.

This gives rise to a risk that without some sort of scrutiny and sign-off on the self-assessment and corrective actions by RTWSA prior to submission to the Board, any flaws or gaps in the information will not be revealed until it is far too late. Applicants tend to rely on the evaluators' conclusions when the process is completed and the application readied for the Board. This is a crucial step that should have no scope for surprises.

What is also unclear is whether the self-assessment can be carried out by a 3rd party provider. Many applicants will lack the initial in-house capability to do such work.

Renewal process

Another point that is not addressed at all is the extent to which these proposals would be reflected in the renewal process.

Workforce consultation

We note that the proposals include, at clause D(5) of the example application template, a requirement that an applicant seek the views of its workforce (as distinct from those of industrial associations). We agree that the views of the directly-affected workforce are of considerably more relevance than those of industrial associations. We are also aware that seeking the views of associations is usually unhelpful, since most responses received (and many are not) tend to be in-principle statements based on broad policy rather than practical considerations.

This requirement would have to involve some sort of surveying of employees. While probably not onerous in itself, we observe that the following issues could affect the value of the results:

- Low response rates, (always a problem with surveys)
- Lack of understanding (few workers would know the difference between insurance and self-insurance if they have never had a claim)
- Conflicting results (for example where a workforce is partly unionised).

We raise these points at a practical level only, to facilitate further discussion. The form as it stands seeks only information on how the workforce's views were sought and any issues raised. The current wording of clause D(5) is clear that the lack of a viable result is not fatal to an application provided the efforts to seek the views were adequate.

JAS-ANZ accreditation

We note clause F(1) of the example application template and its mention of auditing under the relevant standards by a JAS-ANZ certified body. We trust that this will lead to automatic acceptance of JAS-ANZ accreditation under AS4801:2001 or ISO18001 as evidence of

conformance with the RTWSA safety standards and limit the Corporation's requirement for self-assessment to the injury management standards.

We further recommend that this clause also allow for the future international standard ISO45001 when it is approved and implemented, though our advice is that this is still some time off.

Again, we thank you for the opportunity to comment and we look forward to further discussion in order to flesh out the matters we have raised.

Yours sincerely,



Robin Shaw
Manager



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