



18 June 2003

Re: National Worker's Compensation & Occupational Health & Safety Frameworks

Productivity Commission
PO Box 80
Belconnen ACT 2616

Dear Commissioners,

I have written this submission on behalf of Pacific Terminals (Australia) Pty Ltd and wish to thank the Productivity Commission for the opportunity to provide comment to the Commission's Inquiry into **National Workers' Compensation (WC) and Occupational Health and Safety (OHS) Frameworks** and contribute to improving two of the legislative frameworks in which we operate.

Background

Pacific Terminals (Australia) Pty Ltd is a rapidly expanding bulk and liquids storage company and operates in most major ports of Australia, including Brisbane, Melbourne, Adelaide, Perth, Tasmania and both the North and South Islands of New Zealand. In terms of employee numbers (Australia only), we are relatively small, with a total of approximately fifty (50) employees (we therefore fit into the category of Small & Medium Sized Enterprise - SME).

Pacific Terminals are committed to achieving the highest standards of Occupational Health & Safety Management. We are also committed to ensuring that our employees, in the unlikely event of a work-related incident involving injury, return to work in a timely manner that facilitates full recovery.

Existing OHS & WC Framework Issues

- As an SME, we believe that we spend a disproportionate amount of time administering both our OHS and in particular, our WC system. Principally due to the differences in the requirements for each State. This time adversely impacts on the time we should be spending out in the workplace where we have a direct impact on injury prevention and also on the vital "face to face" time when managing return to work.
- The differences across the respective State's legislative frameworks require constant review, which again impose significant costs in research and administration.
- The array of differences also increases the risk of overlooking or misinterpreting a particular requirement that may have the potential to result in a financial penalty or damage to the reputation of our organisation.
- The differences associated with "Premium Setting" are inconsistent and confusing and result in increased administration costs and has the potential to result in errors and subsequent penalties.
- Strategies employed by the various state administrators to encourage employers to adopt systematic approaches to managing OHS and WC e.g. the Premium Discount Scheme in New South Wales have little or no impact on SMEs and provide little or no real financial benefit.

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Submission

Pacific Terminals (Australia) Pty Ltd strongly support the development of “uniform template legislation models” for both OHS and WC.

We believe that there will be numerous benefits for government, business, employees, injured workers and the broader community.

1. Legislative frameworks that bring together the best elements of the existing respective State-based legislation and are consistent, clear and unambiguous in their objective, definitions and duties.
2. If the States remain responsible for administering the “uniform template legislation models”, valuable benchmarking and evidence-based research can occur both independently and cooperatively between the government instrumentalities and business. Thorough, meaningful research, the factors that feed into the occurrence of workplace injury and illness can only lead to continuous improvement based on a “level playing field”.
3. Instead of each State “reinventing the wheel” when it comes to the development of their own idiosyncratic Acts, Regulations, Codes of Practice and Guidance Material, a coordinated approach can be adopted whereby arrangements for development of the legislative material can be shared. This may have the added benefit of being able to shift surplus resources originally assigned for legislative development to an increased emphasis on provision of advice, support and compliance strategies.
4. Shared development of legislative instruments can only lead to improved quality after all, we will all share the same objective of preventing occupational injury and disease.
5. The notion that employers and employees in different States are subject to differing legislative standards is absurd. Take for example the vast difference in penalties associated with breaches of the similar sections of the respective state OHS Acts. Uniformity in the development and application of penalties for non-compliance is required.
6. Pacific Terminals (Australia) Pty Ltd believe that the OHS & WC frameworks, whilst intertwined, should remain separate. Both frameworks deal with separate issues and have their own detailed requirements.

Pacific Terminals (Australia) Pty Ltd also strongly encourage the development of initiatives that provide incentives and real financial benefits to SMEs for the adoption and implementation of systematic injury prevention and management strategies. We believe that businesses that are actively engaged in the management of OHS and WC and are achieving successful outcomes in injury prevention and management should not carry the financial burden of those businesses that have not adopted that approach.

Prevention of workplace injury and illness is paramount from both a legal and moral standpoint. Pacific Terminals (Australia) Pty Ltd expect all of its employees and visitors to go home to their families in the same state of health as they arrived. We take our responsibilities imposed by the various OHS and WC legislative instruments very seriously. We recognise that legislation and the bodies charged with the responsibility of administering the legislation play a very important role in setting and reflecting community standards and they present a significant operating and financial risk to our business if we fail to adequately manage OHS and WC.

As indicated above, we strongly support the “uniform template legislation model” for both OHS and WC and believe that all stakeholders will benefit from such an approach. We will watch with interest the progress of the inquiry and hope that improvements to the legislative environment in which we operate are given due consideration and implemented as a matter of urgency.

As a responsible corporate citizen, our organisation is willing to provide further assistance to this process as required. If you require assistance or have any questions regarding our submission, please do not hesitate to contact me on (02) 9965 5903.

Best regards



Tony Cartwright MSIA
Safety & Environment Manager
Pacific Terminals (Australia) Pty Ltd