



LETTER TO POLICYHOLDERS

We have been advised by our solicitors concerning the amendments to the Workers' Compensation Act which have now been passed by the Upper House of the Victorian Parliament. It is understood that those amendments will come into operation in the second week of October next. A copy of their written advice can be made available, if requested.

Would you please familiarise yourself with the amendments to the Workers' Compensation legislation.

We particularly draw your attention to the fact that the amendments now provide that the employer **is required** to commence weekly payments, no later than **twenty-one days** after a worker has lodged with the employer a medical certificate, together with a claim in writing for compensation. If there is a dispute the employer only has twenty-one days to apply to the Workers' Compensation Board for an Order that he is not required to commence making weekly payments. You will realise that time will be of the essence in each and every workers' compensation claim from hereon.

A penalty of up to \$1,000 applies **if you as the employer** do not ensure that weekly payments are commenced in accordance with the Act.

We also specifically draw your attention to the fact that an employer of a partially incapacitated worker will now be required to furnish suitable light work to the worker during the period of his partial incapacity. If there is no light work available the insurer will have to pay the worker as if he were totally incapacitated at a consequently higher rate. It will be in your own interests to consider the provision of light work in appropriate circumstances.

Upon receipt of a medical certificate and claim form from an injured worker, would you please take the following steps:

1. Notify our company by telephone of the occurrence.
2. Immediately complete the relevant claim forms and post them to us as a matter of urgency.
3. Make appropriate enquiries and record details of the alleged incident in which the worker suffered injury with names of witnesses and any other relevant material.
4. Co-operate fully with the assessors who will be appointed by us to investigate any claim.
5. Advise us immediately you receive any information which could be of assistance in assessing liability for the claim.

Please do not hesitate to contact us if you wish to clarify any of the matters raised in the attached correspondence.

Yours faithfully,

M. J. BUTLER
Manager for Victoria
(Metropolitan Branch)

I. G. TURNER
Manager for Victoria
(Country Branch)

30 June 1983

**WORKERS COMPENSATION –
POTENTIAL GOVERNMENT MONOPOLY**

We believe you should be concerned re an item in the recent State Budget under the heading "Major Tasks to be Completed in 1984/85" wherein it is stated that "A single fund for all Workers' Compensation Insurance is also planned".

We decry this proposed intrusion into the Private Insurance Industry as also we express extreme concern should any such single government scheme be on an unfunded basis.

The State Superannuation schemes are a prime example of such short sighted financial disasters along with unfunded liabilities of \$339 million in the Motor Vehicle Compulsory Third Party accounts as at 30th June, 1983.

The Canadian Government compensation schemes are unfunded to the extent of \$5 billion and the relatively new New Zealand Government scheme was unfunded to the extent of \$101 million at June, 1983.

Employers eventually have to meet these shortfalls in funds to pay claims.

The Cooney Committee of Enquiry came down with a recommendation to retain private insurers in the Workers' Compensation arena. One could be justified in reaching the conclusion that convening the Committee was a sham in view of the Government's statement in the Budget Papers.

We believe employers who feel strongly on this matter must make their opinions known as a matter of URGENCY to the Premier and their representatives in both Houses of Parliament.

Its up to you to protect your long term interests. Write now before its too late.