



Norfolk Island Workers' Compensation Scheme

Background

In 2019, the Norfolk Island Regional Council (NIRC) advised the Department of Infrastructure, Transport, Regional Development and Communications (the Department) that it is not in a position to provide the Norfolk Island Workers' Compensation Scheme in the future. As the largest employer on Norfolk Island, there is potential for conflicts to arise if NIRC continues delivering this service. The Department has selected Gallagher Bassett to deliver the Norfolk Island Workers' Compensation Scheme.

What will the new service look like?

The new service provider Gallagher Bassett Services Pty Limited was chosen following an open tender process. Gallagher Bassett Services Pty Ltd are experts in claim management, with extensive experience in workers' compensation.

Gallagher Bassett's role in administering the Workers' Compensation Scheme will include collecting membership fees, assessing claims for compensation, managing compensation payments and providing information and support to employers and employees who are part of the Scheme.

The cover and benefits provided by the Scheme will not change, however, Gallagher Bassett will be developing new forms (e.g. for submitting claims for compensation) and will make new information available to help employers and employees understand how the Scheme works.

People will be able to contact the new service provider through a free-call phone number and email. A new website will also be created so people can access forms and other information about the Scheme online.


What will this mean for employers?

The level of cover provided to employers will not change. The current membership fee paid by employers will also not change at this stage.

For employers, forms relating to membership of the scheme, making claims and membership fee collection will be updated. The frequency and method for membership fee payments may also change. Further information will be provided to employers before the new arrangements commence.

What will this mean for employees?

There will be some minor changes to how claims for compensation are made and assessed. This will bring the Scheme closer into line with workers' compensation schemes in the rest of Australia.



The changes will include:

- amending the definition of medical treatment to include tests and analysis
- making it easier for medical treatment to be approved
- updating the definition of incapacity to include all injuries resulting in loss of capacity to earn
- improving provisions to support rehabilitation programs
- broadening the range of medical practitioners that can undertake an assessment for incapacity and permanent loss or impairment of function
- a requirement for employees to undergo independent medical examinations if required to assess a claim
- a requirement for employees and employers to provide information to the service provider that is necessary to make a claim decision
- making the timeframes for submitting claims more flexible.

A new review process will also be available to people who are not satisfied with a decision about a claim for compensation. People will be able to seek review of a decision instead of making a complaint to the Employment Conciliation Board. This will make resolving disputes about claims easier and quicker. If a dispute cannot be resolved in this way, it can still be taken to the Employment Tribunal.

Active claims will be transferred to the new service provider to manage. Anyone with an active claim will be provided with further information before the new arrangements commence.

What are the next steps?

The Department is now working with Gallagher Bassett Services and NIRC on the hand-over arrangements, to ensure the best outcomes for the community and minimise any disruptions to the management of active claims. The key dates for transition have now been finalised with NIRC and Gallagher Bassett –the transition period will finish on 3 January 2021 and the new scheme will start effectively on 4 January 2021.

Some amendments to the *Employment Act 1988* (NI) and the *Employment Regulations 1991* (NI) will be required to allow a new service provider to administer the Scheme and to improve how it is delivered. These amendments are likely to be completed by the end of November.

Will COVID-19 affect the transition?

COVID-19 and the accompanying response has affected the timeline of the transition process. These delays have been necessary to ensure the Norfolk Island community experiences a smooth transition. The Department remains committed to providing quality services to Norfolk Island with an expected delivery date of the new scheme in January 2021.



Where can I get more information?

In keeping with the Norfolk Island Community Engagement Framework, the Department will be informing the community about the transition to the new workers' compensation scheme provider. This will include regular updates and detailed information about any changes and how to access the new service.

Please send any comments or questions about the information in this fact sheet to:

NIworkerscompensation@infrastructure.gov.au

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