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## **Workers comp thrown into chaos by government indecision**

The Law Society of NSW and the NSW Bar Association say that in announcing its timetable for implementation of the workers compensation reforms today, the Government continues to prevaricate on key aspects of how the system will actually work.

In publishing the implementation schedule, the Government has completely ignored calls by the Law Society, the Bar Association and others to withdraw amendments which would require injured workers to pay their own legal costs. This key element has been entirely omitted from the Government's timetable.

President of the Law Society of NSW, Justin Dowd, and President of the Bar Association, Bernie Coles QC, said that by refusing to declare its real position on access to legal costs, the Government is risking chaos in the NSW workers compensation system.

“By failing to deal with the costs amendments, the Government is causing enormous uncertainty. These amendments, moved by the Christian Democrats and supported by the Government, mean that injured workers will bear the cost of their legal claims,” Mr Dowd said.

“Under this new system, insurers will have the privilege of being able to fund their defence from employer premiums, whilst injured workers will have to bear their own legal costs, even where a legitimate claim has been denied.

“We are seriously concerned that this removes the incentive for insurance companies to support legitimate claims,” he said.

Mr Dowd and Mr Coles said that these changes have created a serious imbalance in the system which favours the insurance companies and not injured workers.



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“Without meaningful advocacy in a highly technical area of the law, injured workers will suffer and the system will be at risk of chaos. Many injured workers will be forced to represent themselves or will elect not to pursue their legitimate right to compensation,” Mr Coles said.

“It has become apparent that the government is seeking to shelter behind the Christian Democratic Party amendment in the Upper House - which it supported.

“The Government should not use the deficit in the workers compensation scheme as a front for an ineffective and chaotic package which is going to produce devastating outcomes for many injured workers.

“It is disingenuous of the government to claim that there are winners under the new system until the critical question of access to legal costs is resolved.

“The Law Society of NSW believes that this legislation should be abolished and that we should go back to the drawing board to develop a system based on consultation that achieves the aims that the Government said they wanted to achieve,” Mr Dowd said.

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