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## **Securing the future of the NSW Workers Compensation Scheme**

The NSW Government has today announced that new specialised workers compensation insurers would not be permitted entry to the state's workers compensation system.

NSW Industrial Relations Minister, John Della Bosca, said he had accepted a recommendation from the WorkCover Board to prevent new entrants.

"The NSW Scheme has experienced a major improvement in efficiency and performance, with a projected deficit of over \$3 billion in December 2002 returned to surplus in less than four years," Mr Della Bosca said.

"This strong performance has allowed the Government to reduce workers compensation premium rates by an average of 30 per cent and increase statutory benefits twice since December 2005.

"The scheme's existing structure has been pivotal to this remarkable turnaround.

"Prohibiting the entry of new specialised insurers will reinforce the recent achievements in stabilising and enhancing the NSW workers compensation system, by ensuring that it maintains a size and industry mix that helps to provide stable and affordable premiums.

"The WorkCover Board believed permitting the entry of new specialised workers compensation insurers would effectively involve the private underwriting of a significant section of the Workers compensation scheme.

"This would not be in keeping with the November 2007 announcement that the NSW workers compensation scheme would not be privately underwritten.

"The Board took the decision that the entry of new specialised insurers should cease immediately and I accepted its advice.

"I intend to introduce legislation making this decision effective from today, the day of its announcement.

"Business groups representing small, medium and large employers have supported the continuation of the Scheme's managed fund structure to increase value for employers and deliver improved health and social outcomes for injured workers," the Minister said.

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