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Ms Janene Hillhouse Executive Director, Workers' Compensation Regulatory Services Workers' Compensation Regulatory Services Office of Industrial Relations 1 William Street, Brisbane QLD 4000

Submitted via email: <a href="mailto:wcschemereview@oir.qld.gov.au">wcschemereview@oir.qld.gov.au</a>

Dear Ms Hillhouse,

## APS Response to the independent review of the operation of the Queensland workers' compensation scheme

The Australian Psychological Society (APS) welcomes the opportunity to provide feedback to the independent review of the operation of the Queensland workers' compensation scheme.

The APS is dedicated to continuing to collaborate with the Workers' Compensation Regulatory Services to help achieve the best psychological outcomes for people who have experienced a work-related injury. We support Queensland's Compensation Scheme and its aim to deliver expert and quality care to injured people.

The APS notes that under the *Workers' Compensation and Rehabilitation Act 2003* (the Act) a review of the operation of the workers' compensation scheme must be completed at least once every five years.

In making this submission, the APS has considered the Terms of Reference and specific questions in the information paper. We consulted with APS members from Queensland who have specific experience and expertise in providing psychological services within the scheme and have therefore contained our responses to the specific areas of feedback received from members.

Should any further information be required from the APS, please do not hesitate to contact me on (03) 8662 3300 or at <u>z.burgess@psychology.org.au</u>.

Yours sincerely,

**Dr Zena Burgess FAPS FAICD**Chief Executive Officer

## APS Response to the independent review of the operation of the Queensland workers' compensation scheme

1. Is the scheme achieving the objects under section 5 of the Act, including balancing fair and appropriate benefits for injured workers, dependents and non-workers and ensuring reasonable costs for employers? If not, why not and what needs to change?

APS members provided feedback that overall, the Queensland workers' compensation scheme (the scheme) appears to be well funded, fair and well considered in terms of the assessment of injury, the associated processes, and from the rehabilitation perspective.

However, some APS members reported concerns regarding the administrative burden of working within the scheme, and that maintaining client files for the purposes of the scheme can be time consuming when compared to maintaining records for other clients.

The APS also acknowledges that return to work coordinators have primary responsibility to ensure that employers' meet their return to work responsibilities. Whilst the APS supports the intent of having a return to work coordinator to achieve these objectives, this role has inherent complexities. For example, return to work coordinators are often required to develop specific skills to perform this role, in addition to continuing to carry out the normal duties of their primary role. This may lead to a reduction in the capacity and effectiveness of the return to work coordinator function. Role specifications may need to be clarified in order to address this situation and to ensure that return to work coordinators are able to fulfill this function effectively, as it is a critical aspect of the workers' compensation scheme.

2. Looking ahead, what do you consider to be the emerging issues for the Queensland workers' compensation scheme (e.g., employment trends, new types of jobs, changes in the industry, occupational or injury mix), and how should these emerging issues be addressed?

Regarding claims for psychological injury, APS members have expressed concerns related to the potentially low rate of reporting of psychological injury within Queensland workplaces. This may relate to a reluctance to report psychological injury due to the potential of stigmatisation and reprisals from peers, managers or employers. Employers can play a critical role in protecting the mental health of workers and preventing stigmatisation through empowering and enabling their employees to seek early help and report risks of psychological injury without fear of adverse consequences or reactions from others in the workplace. Ultimately it is the employer's responsibility to identify, report and act on signs of potential psychological injury.

Further emerging issues and themes for the scheme may relate to mental health in the workplace during and post COVID-19. For example, COVID-19 initially disrupted routines, resulting in changes in work-related interactions and brought about new challenges in terms of navigating remote team environments and technologies. There were also more people reporting issues such as social isolation, a decreased sense of safety, and an exacerbation of symptoms related to depression and anxiety. APS members have provided feedback that people were reporting working longer hours at home than when in the office as a result of starting earlier or finishing later, as well as reducing the duration of their breaks (i.e., shorter lunch breaks). Longer hours can be associated with increased productivity, which may influence the expectations of managers in terms of maintaining a level of output that is not sustainable. This could lead to potential psychological injuries associated with working from home (e.g., stress and/or burnout).

In scenarios where people are not able to continue to work flexibly post COVID-19, some difficulties are emerging regarding reintegration back into physical work environments. This may negatively influence people's sense of safety, capability and workplace predictability, thereby increasing the potential of psychological injury. The conduct of employers can play a key role with assisting workers in this transition through activities that aim to promote and maintain the wellbeing of workers. Building positive workplace culture, leadership, and promoting the general principles of the health and productivity benefits of "good work" are critical to preventing or reducing the incidence of workplace psychological injury.<sup>1</sup>

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<sup>&</sup>lt;sup>1</sup> National Return to Work Strategy 2020-2030

3. What, if anything, should be done to increase the proportion of injured workers returning to work or recovering at work, and/or to reduce the duration of claims? Should different arrangements be put in place for specific industry sectors or injury types (such as psychological injury)?

Early intervention is critical to increase the potential of an injured worker returning to work. As outlined in the consultation paper, we note that the Queensland WorkCover scheme increased early intervention supports in October 2019, with approximately 53% of people who lodged a psychological injury claims having accessed these supports. The APS endorses early intervention initiatives and suggests greater promotion and awareness of these services to encourage increased take-up.

A coordinated early intervention approach to managing workers' compensation claims is essential for both primary and secondary psychological injuries. That is, all claimants should have appropriate access to early intervention supports, regardless of whether a psychological injury occurs as the primary injury or secondary to a physical injury.

Identifying issues early and receiving the appropriate targeted psychological treatment increases the potential of possible barriers around returning to work to be effectively addressed earlier in the life of a claim. This may lead to improved and more timely recovery, better return to work rates and less need for treatment over the longer term.

It is also important that the scheme, insurers, and employers are aware of and promote the importance of returning injured workers to meaningful and quality employment. This is a significant determinant of psychological health and wellbeing. Whether the experience of work is beneficial or detrimental depends on key factors such as the quality of the work experience and internal and external stressors that place health at risk. The concept of self-efficacy can also play an important role; that is, the empowerment of employees and their ability to return to work in a self-determined way can be ultimate arbiters of the success of a workers compensation scheme.

Further, it is important to recognise the challenges of returning to work following either a physical or psychological injury. That is, whilst there is compelling evidence that participating in work is good for health and wellbeing, workers who are pressured to return to work before they are physically and/or psychologically ready to do so, may experience a negative impact on their mental health as a result. It is therefore important to consider the balance of returning to and staying in work with the potential of exacerbating a worker's mental ill-health.

There can also be more complex challenges for certain individuals when returning to work following a psychological injury, depending on its cause. For example, when the demand for output exacerbates symptoms (due to stress related to KPIs), or there is exposure to triggers related to a traumatic incident, or someone who has been subjected to bullying is forced to work with the other party in the absence of appropriate support from management.

In such situations, it may be important to provide feedback to employers regarding appropriate changes, and/or other measure that may be required to facilitate a claimant's return to work. This highlights an important predictor of healthy workplaces. That is, the attitude and behaviour of employers toward their workforce. When people undertake work that they feel is meaningful, are respected for their contribution and input into workplace health and safety and feel cared for; they are capable of enhanced levels of functioning.

4. To date Queensland has undertaken significant reforms to both the Act and the scheme to better support workers suffering from psychological injury. In your view, what further practical actions can be taken to improve experience of injured workers in the scheme?

APS members reported that the scheme has made some important and positive changes as part of the 2018 review. This includes changes to early intervention and support services. Our responses to questions one, two and three provide some examples of potential practical actions that the Queensland workers compensation scheme could consider to improve the experience of injured workers.

5. Is the current claims management process adequate to address the wide breadth of injuries and diseases in the Queensland scheme? What improvements, if any, should be made to the current claims management process?

Based on member feedback, the APS recommends the following improvements to the claims management process:

- To validate the legitimacy of claims, and potentially prevent future injury, as part of the claims process, a standard question needs to be asked of workplaces regarding whether a review of the incident was conducted and to encourage (or mandate) such reviews where they have not been undertaken.
- Improved understanding on the part of insurers about how an existing psychological injury may be aggravated, for example, by returning to work prematurely or to a psychologically unsafe work environment. A training program for assessors and claims managers, highlighting the complexities of psychological injuries and the difficulties of managing these claims, may be beneficial.
- Specific industry knowledge is required for all people involved in a claim to ensure an adequate understanding of the key functions of a claimant's role and to avoid misaligned and unrealistic expectations of people returning to work.

The APS would like to acknowledge and sincerely thank the members who so kindly contributed their time, expertise, knowledge and experience to this submission.