## **MEDIA RELEASE**













#### **24 November 2021**

# INDUSTRY GROUPS THANK THE NSW GOVERNMENT FOR TAKING ACTION OVER WORKERS COMPENSATION ACT

Industry groups have welcomed the NSW Government's move to repeal section 19B of the *Workers Compensation Act 1987* (NSW).

Section 19B of the Act applies a presumption that an employee diagnosed with COVID-19 contracted the virus in the course of work, even though they may have become infected in a public place or in the presence of a family member or friend.

ClubsNSW, the Australian Hotels Association NSW, Restaurant and Catering Australia, the NSW Pharmacy Guild, the NSW Minerals Council and Tourism Accommodation Australia NSW believe section 19B places an unfair burden on businesses.

"It's impractical for businesses to prove that an employee contracted COVID-19 outside of the workplace, effectively making them liable for events to which they have no connection or fault," said ClubsNSW CEO Josh Landis.

"Section 19B will cause insurance premiums to skyrocket, placing undue financial pressure on businesses that are still trying to get back on their feet after being closed for an extended period."

COVID case numbers are expected to surge in the coming months and it is expected that businesses could be held responsible for claims if the Act remains as it is.

The presumption in NSW goes beyond that which applies in any other Australian or international jurisdiction, and industry groups are particularly concerned that there is no expiry date for section 19B.

"The workers compensation scheme exists to provide support to employees who sustain an injury or illness in the course of their employment — it's not a universal safety net to compensate people for getting sick in the ordinary course of their lives," said AHA NSW CEO John Whelan.

"If the repeal is passed, an employee who can establish they have contracted COVID at work still has full access to a workers compensation claim. That strikes a fair balance for employees and employers."

There are multiple tools for employees to trace their diagnosis to their workplace, including NSW Health case alerts and requirements for employers to monitor and report COVID-19 diagnoses among employees.

"All business owners support their workers when they're sick or unable to work. However, this current arrangement will only serve to bankrupt insurers that help keep workers in the first place," said Restaurant and Catering Australia CEO Wes Lambert.

"If this happens, we don't see how any long-term support could ever be provided to those who need it.

"Workers' safety and wellbeing is at the forefront of every venue operator's mind. Reform in this space is absolutely critical to achieve that."

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