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19 November 2003

Professor M. Woods Inquiry into National Workers Compensation and Occupational Health and Safety Frameworks Productivity Commission PO Box 80 Belconnen ACT **2616**

Attention: Monika Binder

Dear Professor Woods

Optus' response - Productivity Commission (PC) Interim Report on National Workers' Compensation (WC) and Occupational Health and Safety (OH&S) Frameworks

Optus welcomes the Productivity Commission's National Framework proposals for WC and OH&S. The PC's proposed four-stage approach appropriately utilises and extends the current national scheme.

Optus agrees with the PC's conclusion that as a first step, the Commonwealth actively encourages self-insurance applications under Comcare where employers meet the policy principles, including the competition test.

The comparative advantage held by Telstra from operating under a national WC and OH&S scheme is demonstrated in Telstra's submission. Telstra rightly explains the difficulties it would face (i.e. that Optus currently faces) if it were required to move to the state and territory schemes. A loss of national uniformity would result in:

- efficiency losses from duplications of costs, wasted resources, difficulties in benchmarking and unnecessary financial burden to employees and the community
- confusion from different return to work arrangements, procedures and medical provider understanding of requirements
- safety being more of an issue while dealing with multiple jurisdictions.

Optus would encourage the PC to complete its final report as quickly as possible so its findings can be adopted by the Commonwealth.

In the meantime, while the first stage of changes can be implemented without any modifications to existing arrangements, we will be encouraging the Government to allow Optus to operate under the national Comcare scheme without any further delay.

If you have further questions about these or other matters, please contact Judy Anderson, Manager Regulatory Policy on (02) 6222 3885.

Yours sincerely

David McCulloch

General Manager, Government Affairs

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