

TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget Estimates 2019–20 (Workplace Safety)

Melbourne—Friday, 14 June 2019

Members

Mr Philip Dalidakis—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr Gary Maas

Mr Danny O'Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Ingrid Stitt

Ms Bridget Vallence

WITNESSES

Ms Jill Hennessy, Minister for Workplace Safety,

Ms Rebecca Falkingham, Secretary, and

Ms Peta McCammon, Deputy Secretary, Family Violence, Justice and Social Services Coordination and Workplace Safety, Department of Justice and Community Safety; and

Ms Clare Amies, Chief Executive, WorkSafe.

The CHAIR: All right, everybody. Welcome back. I declare open this hearing of the Public Accounts and Estimates Committee. If that is not what you are wanting, you are in the wrong room and you have tuned into the wrong webcast. On behalf of the Parliament, the committee is conducting this inquiry into—wait for it—the 2019–20 budget estimates. Its aim is to continue to scrutinise public administration and finance to improve outcomes for the Victorian community, and I am confident that never before have we done it so well. The committee will now begin consideration of the portfolio of workplace safety. I welcome once again to the table the Minister for Workplace Safety, the Honourable Jill Hennessy, and officers from the department, and I thank you all for appearing before the committee this morning.

All evidence given is protected by the Parliamentary Committees Act. This means that it attracts parliamentary privilege and is protected from judicial review. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty, which includes watching a whole complete re-run of every estimates hearing to date.

Minister, I invite you to make a brief opening statement or presentation of no more than 5 minutes, followed by questions from the committee.

Visual presentation.

Ms HENNESSY: Thank you very much, Chair, and welcome to my additional representatives here as well today. I am very delighted to brief the committee on our government's initiatives in the workplace safety portfolio. As is evident by the very establishment of the new portfolio, our government is committed to and takes very, very seriously protecting the safety of Victorians at work. Essentially it is our position that no-one should die or be injured whilst they are doing their job.

We have a very ambitious agenda in this portfolio, as the slide before you demonstrates. We took to the election a very comprehensive reform plan that spans the introduction of laws around workplace manslaughter to direct safety initiatives like investment in further inspectors, particularly in areas of specialty; a new workplace infringement notices regime; supporting the mental health of workers in the initial stage through the provisional payments pilot for emergency workers; establishing a forum in the Latrobe Valley around the issue of asbestos; and a commitment to protect workers compensation rights.

As you can see on this slide, we are delivering on our agenda with some specific initiatives provided in this year's budget. Specifically this includes \$16.6 million to support WorkSafe's activities, including the introduction of the infringement notice scheme; and \$8.5 million to, among other things, deliver the provisional acceptance scheme pilot for emergency workers.

As you can see from this slide, in respect of performance the WorkCover scheme is in healthy shape, with an accounting funding ratio of 123 per cent or an economic funding ratio of 158 per cent. This demonstrates that the scheme has more than enough capital to meet its liabilities. Inspector visits are at a record high, and WorkSafe's activities to prevent workplace injury are reaping benefits with the claims per millions of hours worked and four-week claims per millions of hours worked rates at the lowest they have been for some time, if ever. Of course there is always more to do in this regard, and I am very sure that over the course of the hearing we will talk some more about some of those initiatives.

As shown on the previous slide, WorkSafe's inspection regime is lifting, with a record number of inspectors on the ground and a record number of inspection visits that have been recorded in 17–18. That we would expect to not only continue but to rise as more inspectors are hired in line with our commitment. You can also see that the prosecution success rate was very high. One of the prosecutions was actually a significant milestone with WorkSafe securing the first imprisonment of a person under Victoria's Occupational Health and Safety Act following a tragic incident in which a worker was killed in 2017. I was also very, very pleased recently to launch the state's first silicosis action plan.

We are continuing to roll out the quad bike safety strategy as well, recognising that quad bikes and tractors are the leading causes of fatalities on Victorian farms, despite agriculture only constituting 3 per cent of Victorian workers. So that strategy includes rebates on replacing or improving quad bikes, industry engagement and advertising together with compliance and enforcement activity. Since the announcement of the rebate, and up until 9 April this year, 4420 applications to access the rebate have been approved, with over \$3.9 million being paid to farmers. In the last 14 months WorkSafe inspectors conducted 1356 visits and issued 461 improvement notices directly related to the safe operation of quad bikes and small utility vehicles.

WorkSafe WorkWell is a five-year program delivered in partnership with the Department of Health and Human Services, and it aims to promote mental health and prevent mental injury in Victorian workplaces; \$12.5 million has been allocated to 11 projects in the first two rounds of funding, and we have got one further round to come.

Finally, as I mentioned before, WorkSafe currently has a record low average premium rate of 1.272 per cent of remuneration for the fifth year running. This remains the lowest rate in the scheme's history and is the third lowest average premium rate amongst jurisdictions across Australia. I believe I am about to run out of time, Chair. There is more that I would like to talk about. I hope we get to do that in the course of this hearing. Essentially they go to dangerous goods law reform, which I would be delighted to talk about. I look forward to answering your questions.

Ms STITT: Thank you, Minister. You will be pleased to know that I am going to give you the opportunity to talk about dangerous goods straight off the bat and talk to you about your work in this area. Minister, both you and I represent western suburbs communities, and obviously the alarming factory fire that happened in West Footscray is something that our communities have been very concerned about. I wanted to ask you what is being done in the area of dangerous goods enforcement given the illegal storage in that facility of dangerous goods.

Ms HENNESSY: Thank you very much for your question, Ms Stitt, as well as doffing your hat to Melbourne's west. As you would be aware, since about 28 December there has been a multi-agency task force that has uncovered 13 warehouses in Campbellfield, Craigieburn and Epping that were illegally storing large quantities of liquid chemical waste in bulk containers and drums. WorkSafe has since had to step into 12 of those sites and to clean out those stockpiles in order to really satisfy ourselves that we could keep the community safe. We know that a further chemical fire occurred at Bradbury Industrial Services on 5 April. That was one of the other ones at the Campbellfield site as well.

One of the important commitments that I have is to also ensure that the penalties regime around those that engage in illegal behaviour that has enormous costs and consequences to potentially human life and the wellbeing of people's local environments as well holds them to account. So we have made a commitment to make sure that we really do go from looking at a dangerous goods regulation regime to really bringing that into the modern age, in essence to better reflect some of the activity that we see occurring in some of these industries.

We are making a commitment to introduce a dangerous goods amendment penalty increase bill, and that will increase the maximum penalty specified for certain offences under the Dangerous Goods Act and will introduce a new maximum penalty for reckless conduct that endangers life. The current penalty is a fine of 1000 penalty units, and that is about \$161 000, and up to four years of imprisonment for an individual, and 5000 penalty units, which is a bit over \$800 000, for a body corporate. We want to get greater alignment between the sorts of penalties that we see in the Occupational Health and Safety Act and the dangerous goods space.

So we want to implement a new offence and penalty that will have a maximum term of 10 years imprisonment for an individual and a penalty unit of 40 000—that is about \$6.4 million—for a body corporate, and that would cover reckless conduct in either the manufacture, the storage, the transport, the transfer, the sale or the use of dangerous goods where that conduct potentially places another person in danger of death. Increasing the financial penalties is important. Getting greater alignment with the penalties that are in place in the Occupational Health and Safety Act is important.

I should also take the opportunity to say by and large most businesses do the right thing and contract with legitimate, licensed businesses to dispose of their dangerous goods and their chemical waste. But it is fair to say, I think, that dangerous goods, particularly the treatment and the disposal of dangerous goods, is a relatively small industry when you compare that with the broader waste industry. I know that you would have talked about the waste management industry with Minister D'Ambrosio. But it also means that there are fewer operators that have the capacity and the capability to safely treat and transport these materials.

A consequence of what has really happened in that market is we have seen the emergence of rogue operators in the dangerous goods industry. They undercut the price because they are operating illegally, they are sometimes stockpiling waste, and the consequence of that for us is all of the risks to human life, worker safety and community and local environment as well rather than safely treating and transferring the waste. And of course it also undermines the business model of the legitimate businesses in this space as well. Increasing the penalties is important, but it is only really one part of the response that we need to deal with this very, very challenging set of issues.

Ms STITT: Thanks, Minister. I mean, they are significant increases to the penalties, which I think is highly appropriate, but why the decision to bring them into line with the occ health and safety act? Can you take us through your thinking behind that?

Ms HENNESSY: Sure. There are really significant impacts on the community as a result of the illegal storage of dangerous goods. And to kind of use the Campbellfield fire as an example—again there are ongoing investigations there, so I am a bit limited about what I can say—but we saw a young man really seriously injured as a result of that fire. Often people working on these sites, some come from newly arrived communities, they are taking what work they can get and they are concerned to necessarily become whistleblowers because it is income for them. This is a cohort that is always significantly over-represented unfortunately in many of our workforce injuries, but incredibly serious injuries particularly for one man. If we have got vulnerable groups of workers and their health and safety is being put at risk as well, then the penalties need to reflect that and need to be commensurate with that around the risk to human life, because that is exactly the issue that has unfolded at Campbellfield.

You will know the impact around what has occurred at Stony Creek in West Footscray as well—

Ms STITT: Yes.

Ms HENNESSY: the significant consequences that that has for people. We have got to make sure that from a deterrence and accountability point of view we are putting in penalties that also start to try and break the business model of the rogue operators that operate outside the licensed legitimate business system and ensure people feel a higher degree of confidence that there will actually be some consequences and penalties.

Ms STITT: And not just four-legged friends of our communities significantly impacted by that fire and the pollution of Stony Creek, Minister.

Ms HENNESSY: Exactly. Ms Stitt's reference to four-legged friends goes to that Stony Creek is often used and relied upon by many dog walkers in the western suburbs, and it not being a safe place for them to frolic has consequences as well. But the impact on human life and human health, it is a really serious one.

Ms STITT: Absolutely, Minister. Thank you for your answers in relation to that. In the time left to me I want to now take you to the very serious area of workplace deaths. Can I make an observation that obviously the construction industry in Victoria is booming, but it is also a very dangerous industry. I have got sons that work in construction. It is something that I take a keen interest in. I would like to take you, Minister, to budget

paper 3, page 82, the reference to ‘Supporting workplace safety and fairness at work’ of \$16.6 million. Can you tell me if any of that is going to go to additional workplace safety inspectors, and the impact that that may have?

Ms HENNESSY: Thank you, Ms Stitt, and you are right to identify construction as one of our high-risk industries that is significantly over-represented in workplace injuries and workplace deaths. It is really for that reason that this funding is about putting 40 new specialist construction inspectors over the next four years in place. Ten inspectors will be employed every year in a range of specialist roles. A couple of those specialist roles will include civil tunnelling, cranes and electrical power generation, to help oversee the health and safety. And of course there is major construction going on in this state as well. Whether you are a public-funded program or a private-sector funded program we do not want to tolerate occupational health and safety risk. So those additional inspectors will be in addition to the 271 inspectors that are already employed by WorkSafe. That is a really significant increase.

Also, that will help us with our commitment to introduce an infringement notice penalty scheme. That will obviously be used for less serious ends. We will still be prosecuting occupational health and safety and using other enforcements, but the introduction of on-the-spot fines is something that I am also committed to delivering, where an inspector attends and you look at the system of work and there is a clear breach. At the moment we do not have an infringement system. So that is, I think, really another important reform. I know that some people may not welcome that, but it certainly will focus people’s minds and it will ensure that WorkSafe inspectors are empowered to penalise people in the there and then—in the moment—because it is often when we see people ignoring very attendant occupational health and safety risks that we see dire consequences down the track. So that also kind of will bring us into line with other jurisdictions.

As I said, construction is important. Also, having inspectors that have the specialist expertise as well—as we see different modes and methodologies of working in construction, making sure that our inspectors also have that expertise so they are able to identify where there is a safe system and where there is not. So for construction, which is about 10 per cent of the Victorian workforce yet has 23 per cent of injuries, we have got a lot of work to do.

Ms STITT: Yes. I just want to refer back to your presentation and your commitment to introduce workplace manslaughter laws. Can you tell the committee about the proposed reforms?

Ms HENNESSY: Sure. Well, we made an election commitment to introduce workplace manslaughter laws. They are referred to variously in other jurisdictions—for example, in the UK they call it corporate homicide. But essentially we have established a task force, and on that task force we have represented a lot of employer associations, unions, WorkSafe. We also have the families of victims of two workplace deaths represented on that task force. The member for Sydenham, Ms Hutchins, is chairing that task force, and they have been going through and looking at what some of the policy issues are around the introduction of that as an offence. We set out in our election commitment what some of the non-negotiables of that offence would be. As I said, the ACT and Queensland have had similar offences introduced, but essentially we will be creating a new criminal offence. Under the proposed law employers will face fines of almost \$16 million and individuals responsible for negligently causing death will be held to account, with a penalty of a maximum of up to 20 years in jail.

Ms STITT: Important work.

Ms HENNESSY: It is.

Ms STITT: Can I also ask about what work is taking place to raise awareness to address safety risks in the workplace?

Ms HENNESSY: Yes, you can. Awareness is really important. Education and training are really important around prevention, and ultimately our aim is to prevent occupational injury. But we do not ever want workplace safety just to be a trend of a human resources department or government advertising or consciousness and awareness that people bring, whether their workplace is a big construction site, an office or a farm. We have run a number of awareness campaigns, particularly around issues like safety in construction and particularly around quad bike safety.

Earlier this year we launched our silicosis action plan. It is one of those illnesses and diseases that unless we get on top of—we banned dry cutting to ensure that people are aware of the occupational risk and what standards are in place. We have banned dry cutting and have committed to lower the exposure rate and to get people assessed by relevant respiratory physicians, but what we do not want to see is a bunch of 40-year-old people that have worked in those trades with silicosis and all the associated lung cancers and diseases. So we are getting on top of that with some awareness campaigns.

We have run an enforcement blitz targeting 300 high-risk workplaces across the supply chain as well. We are doing air monitoring around some of those issues. We are providing free screening for all stonemasons as well. We have seen some diagnosis and deaths of very young people working in this industry. Australians love housing renovation stories, and we have all got an interest in the construction industry being strong, but we do not want that to be at the expense of wellbeing and safety. And because of the very short latency period of silicosis, if we do not start to get to people early, our ability to get early diagnosis and to prevent people being exposed in the first place is somewhat limited. So it is educating workers, educating industry, getting people to have baseline respiratory lung function testing, getting people access to the right sorts of medical support, banning dry cutting around these essentially engineered products and making sure that we are not creating the next wave of illness and injury in the workplace, whether that is mesothelioma or some of the others that we have seen around chemical exposures and to break that circuit. That has certainly been a part of our very strong focus.

Ms STITT: Thanks, Minister. There are a just a couple of things I wanted to ask you about in regard to the medical summit and also just improving the access to compensation for workers exposed.

Ms HENNESSY: Okay. When you see the emergence of a disease like this, I must say that just towards the end of the period of time that I was health minister it would be respiratory physicians who would come and start to raise this issue, so what we were seeing was some people with expertise who were noticing changes in largely young men working in the construction industry who were exposed to either stone masonry or cutting engineered benchtops effectively, and then we have had diagnosis and then we have had deaths of young people. Part of the great challenge is often when there is the emergence of an occupational risk. And I must say, it is not like this is a new risk; we probably just have not been diagnosing the cause of lung cancers, what the original cause of lung cancers and other respiratory illnesses is, but we have got a deeper understanding.

Most people's first port of call is their local GP, so making sure that we are training GPs about how to properly assess or understand that with people working in these industries the first question we need to ask is about these issues and what their exposure is to be able to test them. We have brilliant respiratory physicians in this state. Also, to develop registries—we have cancer registries, we have mesothelioma registries and we have got dust diseases registries, but we have not really had a proper silicosis registry to start to build the base so we understand what is happening to this cohort of the workforce around what their exposures are. And as I said, because there is such a short period of time between understanding silicosis and then some of the predominately terminal illnesses it leads to, getting early intervention is just really critically important. So the summit is really about lifting people's awareness to be able to understand those issues and to make sure that GPs are not just saying, 'Where do you work?' and then moving on to deal with their cold but to use every opportunity we can to try and get to these young people working in these industries as well as the older people working in the industry.

Ms STITT: Yes, thank you, Minister, and I know that you have been working really hard in this area, so I commend you for that important work.

Ms HENNESSY: Compensation you raised. We need to improve the speed with which we give people compensation for this illness, and we have made that commitment as well. Again, people with silicosis and associated diseases often do not have much time, so improving that compensation is something that we are very, very committed to doing.

Mr RIORDAN: Welcome again, Minister and support crew. I refer to budget paper 5, page 23, which shows you are ripping \$700 million out of the WorkCover Authority over the forward estimates. How does taking such a massive dividend tax to the government help workplace safety?

Ms HENNESSY: Thank you, Mr Riordan, for your question. I suppose I would make a couple of points. As I outlined in my opening presentation, WorkSafe is in a very, very solid financial position. I know Mr Martine took you through what some of the accounting and economic fund benefit ratios mean, which are the measure of financial health. And I would point to the very, very healthy economic and funding ratios that WorkSafe have and make the point that our government really has a high degree of confidence that WorkSafe is more than capable of meeting all of its targets and activities and then some without this investment into productive transport infrastructure having any impact at all.

Mr RIORDAN: So, Minister, small businesses, mum and dad businesses, big businesses are paying these WorkCover premiums for an insurance; they are paying that as their duty to the community to keep their workers safer and to make sure that the systems are in place. But you are saying, 'That is okay. We will just keep charging you because it's a tax'. Are we going to change the WorkCover stationery from saying WorkCover premium to WorkCover tax? Because saying, as you have this morning, that it is perfectly okay to take premiums that people pay in good faith for an insurance and then saying you want to build infrastructure with it, Minister, is misleading. You are charging too much, because clearly if you have got nearly \$1 billion over the next four years spare to put towards bridges and roads, then that is money that can go back to small business, isn't it?

Ms HENNESSY: I would make the following points in response to your question. First and foremost, Victoria has the third comparative lowest WorkCover premium in the country and has maintained that for a number of years, and I would make the point that our WorkCover premiums are lower than when—

Mr RIORDAN: Well, they could be lower still, Minister, couldn't they?

Ms HENNESSY: your political party was last in government.

Mr RIORDAN: Minister, they could be even lower.

Ms HENNESSY: I would also make the point that when your political party was last in government you too repatriated over \$600 million—

Mr RIORDAN: Minister, we are not talking about six years ago.

Ms HENNESSY: and you did not put it into productive investment. It was not a productive investment. It just went to propping up your bottom line.

Mr RIORDAN: We are talking about your decision to turn a WorkCover premium into an infrastructure tax.

Ms HENNESSY: So we are very comfortable with the WorkCover premium, given that we have delivered one of the lowest WorkCover premiums. We are comfortable with the financial—

Mr RIORDAN: So you concede the money is not being taken for work safety; it is being taken for bridges.

Ms HENNESSY: It is not being taken from workers safety at all.

Mr RIORDAN: But it is going to bridges.

Ms HENNESSY: Sorry, I cannot—

Mr RIORDAN: It is going to bridges and road infrastructure.

Ms HENNESSY: Sorry—

Mr RIORDAN: The premiums hardworking small businesses are paying are being diverted from the TAC to bridges and roads.

Ms HENNESSY: No, the premiums are essentially funding one of the best occupational health and safety systems and insurance systems—

Mr RIORDAN: But a billion dollars of it is not.

Ms HENNESSY: and, as I said, we have delivered low premium, good performance—

Mr RIORDAN: Minister, we do not need a sales pitch.

Ms HENNESSY: lower than when the Liberal Party was in, and our investments are for productive things.

Mr RIORDAN: We just needed you to confirm what you were doing with the billion dollars, and the billion dollars is away from safety and business and it is going to infrastructure.

Ms HENNESSY: So \$600 million was what Mr Wells took out of the scheme, and I am not sure what that built.

Mr RIORDAN: Minister, at a previous Trades Hall rally—

The CHAIR: I think ‘nothing’ is that answer.

Mr D O’BRIEN: Thanks, Chair.

Mr RIORDAN: Thank you, Chair, for your contribution.

The CHAIR: Thank you, Mr O’Brien.

Mr RIORDAN: Minister, at a previous Trades Hall rally, your Premier, Daniel Andrews, told an injured worker, Terry Williams that taking dividends from WorkCover was tantamount to stealing. Do you agree with what Daniel Andrews said about taking money from WorkCover?

Ms HENNESSY: Well, I am not accepting what your assertions are—

Mr RIORDAN: Are you saying he did not say that?

Ms HENNESSY: and I am not here to pass opinions. You asked me a question around what our position was. Our position is set out in the budget papers, and I am very comfortable with the position set out in the budget papers—

Mr RIORDAN: No, I am just interested. In the last four years—

Ms HENNESSY: and the performance of WorkSafe and delivering the lowest premiums, which is something that the Liberal Party was not able to do.

Mr RIORDAN: No, no, but you are now delivering a massive tax. So for four years your Premier, your leader, Daniel Andrews, said taking money from WorkCover was ‘stealing’, and now you are happy to steal it and use it to prop up budgets for infrastructure, meanwhile saying that they are low premiums but clearly a billion dollars is a lot of money to hand back to small businesses. There are a lot of mum and dad businesses out there that could do with a WorkCover premium cut.

Ms HENNESSY: Well, that is your characterisation; it is not my characterisation, in terms of the prelude to your question.

Mr D O’BRIEN: It was the Premier’s.

Mr RIORDAN: Well, that was the Premier’s.

Ms HENNESSY: And what I would say is that putting this matter to the Victorian—

Mr RIORDAN: I will give you another quote—

Ms HENNESSY: Well, you can quote till the cows come home, Mr Riordan.

Mr RIORDAN: I am just trying to get where the government's philosophy is.

Ms HENNESSY: Well, I am not here to outline our philosophy; I am here to answer questions about the budget paper, and I have answered your question.

Mr RIORDAN: The next question is: Premier Andrews is on the record as saying taking dividends from WorkCover will actually hurt business and mean fewer jobs. Do you agree with that statement?

Ms HENNESSY: I am not here to play Q and A with you, Mr Riordan. If you have got a question around the budget papers—

Mr D O'BRIEN: Actually you are. That is exactly what you are here for.

Ms HENNESSY: Sorry, Q and A related to the budget I am here for.

Mr RIORDAN: Yes. So we can sort of take this as a movement from this government that we can just keep premiums higher on these important instruments the government has.

Ms HENNESSY: No, Mr Riordan, you should read no more into it other than we went to the election; we identified that we would be repatriating some funds from some of the assurers where we were able to do so—

Mr RIORDAN: Repatriating funds is a very, very jazzy word for 'tax'; it is a jazzy word for tax, Minister.

Ms HENNESSY: into productive transport infrastructure, and that is exactly what we have done whilst we have delivered the lowest premium rates and some of the best workplace—

Mr RIORDAN: As a former small business person myself, I did not write out my WorkCover cheque with, 'Dear Mr WorkCover, here is my remittance this year. Please give a big percentage of that to the infrastructure fund'.

Ms HENNESSY: Well, perhaps you should have told Mr Wells that when he delivered you high WorkCover premiums and took money out of WorkSafe as well.

Mr RIORDAN: Minister, you are in a position to keep—

Mr D O'BRIEN: And in response to that the Premier then said that was stealing.

Ms HENNESSY: Well, I have answered your question.

Mr RIORDAN: Okay. So you support the theft of WorkCover funds?

Ms HENNESSY: No, Mr Riordan, I do not support and I will not be verbed. I will not be verbed into unnecessary acceptance of your characterisation. I have answered on the basis of the facts that are in the budget paper.

Mr RIORDAN: Okay. With a commitment from this government to continue to repatriate—read, in brackets, 'steal'—money from WorkCover, I guess you are going to rule out an opportunity to reduce the WorkCover premium.

Ms HENNESSY: The government has no plans to increase the WorkCover premiums of course.

The CHAIR: Minister, just one second. Deputy Chair, I will give you a little bit of extra time for this, but the fact remains you are also talking to the most senior law official in the state. Please do not refer to her as stealing anything. Continue on.

Mr RIORDAN: I did say 'repatriating'.

The CHAIR: Yes, and then you added 'theft', so I am just asking you to keep it—

Mr RIORDAN: Well, I am just saying people—

The CHAIR: I just asking you—

Mr RIORDAN: Chair, my point basically is: small businesses around Victoria do not pay their WorkCover premiums to have a percentage of that given off to other government priorities. They have paid in good faith that it will be there when their business and their business needs—

The CHAIR: Deputy Chair, I have given you a lot of latitude. I just asked you not to refer to the senior most lawmaker in the state as stealing. That is all.

Mr RIORDAN: Okay. Well, I think lots of people might think that.

The CHAIR: I might also add that we have had a lot of payroll tax threshold concessions—this government and the last government—and none in the previous government.

Mr RIORDAN: So you are now commenting.

The CHAIR: I am allowed to editorialise.

Mr RIORDAN: Minister for ministers. Again, minister for ministers.

The CHAIR: It is part of my job description—editorialiser-in-chief.

Mr RIORDAN: In the time remaining, Chair—

The CHAIR: Yes, I have given you till 10.55—a full minute more.

Mr RIORDAN: Referring to another IT project—I refer to budget paper 5, page 55, with financial oversight of WorkSafe now sitting with your department, can you give us a breakdown of any IT projects that WorkSafe has on foot for the next year, for the coming—

Ms HENNESSY: I might invite the CEO to speak to those existing ICT programs.

Ms AMIES: Thanks very much for the question. We are currently undertaking a number of programs in terms of improving our infrastructure. So you will know in the current period we have updated our website and moved it to a digital website, which will enable employers in the next few months to be able to register in the My WorkSafe portal to be able to pay their premium. We will also be looking at updating that in the next 12 months to ensure that injured workers and treaters might be also able to interact with WorkSafe online.

Mr RIORDAN: Have you got budgeted amounts for these?

Ms AMIES: We do, yes. We are about to go live with a digital licensing program. WorkSafe Victoria issues all the high-risk work licences for the state, so that will be able to be done online. At the moment that is through Australia Post and through paper-based applications and then payments. So the new digital—

Mr RIORDAN: So can we expect that this, unlike the other two examples we have heard about this morning, will be able to be transitioned in an effective and efficient way—that we will not see blowouts and delays?

Ms AMIES: At this point we do not have any blowouts or delays, and it is absolutely my objective to ensure that these are delivered on time and hopefully within or under budget.

Mr D O'BRIEN: Minister, WorkSafe has provided \$40 000 to the ETU to undertake blood testing of Esso workers for PFAS contamination. Why is that being done against the advice of both state and federal health departments that blood testing is not necessary?

Ms HENNESSY: I will have to take that on notice, Mr O'Brien. WorkSafe provides funding to a range of employer and employee organisations around occupational health and safety issues. I am not aware of the advice. I am aware of some of the PFAS issues and debates, but I will have to take that on notice.

Mr D O'BRIEN: Maybe Ms Amies might be able to answer.

Ms HENNESSY: If Ms Amies is able to provide any other illumination—but I suppose I feel cautious about your assertion that it is against the advice of the state and federal health departments. I do not know that to be true, so with that caution I do not necessarily dispute what you say, but that is really the reason why I asked for the opportunity to be able to provide a response on notice.

Mr D O'BRIEN: Can I ask whether there was a tender process for this grant of \$40 000?

Ms HENNESSY: I do not believe that there are tender processes for grants at that level of funding across government.

Mr D O'BRIEN: So how often does this happen? Perhaps on notice we could get a list of—

Ms HENNESSY: Absolutely, because we provide the VFF with a whole range of supports that are right and appropriate, and the fact that—

Mr D O'BRIEN: There is a process that needs to be gone through. That is what I am asking about, Minister.

Ms HENNESSY: Well, no, Mr O'Brien—not in all cases.

Mr D O'BRIEN: Could I ask on notice for a list of all the grants that WorkSafe has provided in the last 12 months?

Ms HENNESSY: We absolutely will provide you with that where it is appropriate to do so.

Mr D O'BRIEN: Thank you. And the process that they went through to provide those grants.

Mr HIBBINS: Thank you, Minister and team for appearing. This question might—

Ms HENNESSY: Mr Hibbins, I am an ageing lady. Could you move into the microphone?

Mr D O'BRIEN: Oh, stop it!

Mr RIORDAN: I would never believe that, Minister.

Ms HENNESSY: Thank you. Okay, not quite middle-aged, but heading there pretty quick!

Mr HIBBINS: Hello?

Mr D O'BRIEN: He has been struggling all week.

The CHAIR: I must admit—and I will give you extra time as well, Mr Hibbins—that a shout-out must go to Mr Hibbins, who has been under the weather all week and has done an amazing job turning up day after day, hour after hour, representing the interests of himself and the Greens with aplomb.

Mr HIBBINS: All Victorians!

The CHAIR: There was no need to correct me—representing the interests of the Greens. Continue on, Mr Hibbins.

Mr HIBBINS: We will see how we go next week for everyone. I can ask on behalf of all Victorians—and I will, as they say, lean into this question. This might be best answered by yourself, Ms Amies. In terms of the claims agents engaged by WorkSafe to handle claims, do they have KPIs or performance indicators that relate to the number or percentage of statutory claims that are accepted or rejected by them?

Ms HENNESSY: I will hand over to Ms Amies to answer that question. I have just a very brief contribution. We currently have independent oversight around claims agents, establishing the performance improvements that we agreed to when there was an Ombudsman's report into this matter some years ago. Having said that, I will enable Ms Amies to perhaps provide you with some useful information.

Ms AMIES: The agents do have a number of KPIs, but of course there is no KPI on how many claims can be accepted or rejected. The agents are required to adhere to the legislation under the work act and ensure that every claim is determined as per the legislation.

Mr HIBBINS: Can I ask in regard to giving emergency workers the benefit of the doubt in processing WorkCover claims—

Ms HENNESSY: Provisional payments?

Mr HIBBINS: Yes. I understand obviously you have got, as you have indicated, low premiums and, as has also been indicated, you are also taking money out of the dividend. Are you ensuring that that will not have any negative impact on the claims from other workers who are not covered under that scheme? Whilst this is a good project, I am just hoping there are not any adverse consequences on the claims accepted by other workers.

Ms HENNESSY: I just cannot understand what you are saying, but I am going to answer what I think you asked. We do not believe that the financial decisions set out in the budget papers, set out in Labor's financial statement before the last election, inhibit us in any way, Mr Hibbins, on delivering provisional payments to the emergency services cohort. The purpose of the pilot is for us to examine how we might roll that out to other employees in the future in respect of their mental health and wellbeing claims.

Mr HIBBINS: Just picking up on that assurance that the financial arrangements that you have made in this budget will not impact on your statutory obligations, I note from the 2018 WorkSafe annual report comments regarding the challenge of an increase in more complex injuries, including mental injuries, together with the continuing challenge of common-law applications continuing to pose a risk to the financial viability of the workplace scheme. Can I ask how that is being addressed?

Ms HENNESSY: Yes, and I will ask Clare, but those issues are the ones that the board of WorkSafe as an independent statutory authority monitor and manage as part of business as usual. The issue around complex claims, one of the great challenges that we have, goes to return to work. Return to work for people, particularly those with mental injury, is very, very challenging, because of course people do not want to go back necessarily to the source of occupational experience that potentially injured them in the first place. Complex claims, again, are another great challenge for us, and I might invite Ms Amies to speak to what steps WorkSafe are taking in order for us to be more effective at that, and by effective I do not mean managing these people out of the system; I mean effective rehabilitation, better return-to-work experiences.

The CHAIR: Minister, I am not going to be able to allow that to happen. You will have to take that on notice, my apologies, because we have come to the end of your portfolio time before us. Thank you and the rest of the committee very much for appearing before us today. The committee will follow up on any questions taken on notice in writing, and responses will be required within 10 working days of the committee's request. I declare this hearing adjourned.

Witnesses withdrew.