



**SENATOR THE HON MURRAY WATT  
MINISTER FOR EMPLOYMENT AND WORKPLACE RELATIONS**

MS24-000954

Mr Dave Oliver  
Chairperson  
Safety, Rehabilitation and Compensation Commission  
c/- The Secretariat  
121 Marcus Clarke Street  
CANBERRA ACT 2601

[Secretariat@comcare.gov.au](mailto:Secretariat@comcare.gov.au)

Dear Mr Oliver *Dave*

On 29 July 2024, I was sworn in as the Commonwealth Minister for Employment and Workplace Relations. As the responsible Minister for the administration of the *Safety, Rehabilitation and Compensation Act 1988* and the *Work Health and Safety Act 2011*, I am writing to provide you with strategic direction in the form of the attached Ministerial Statement of Expectations.

As outlined in the Department of Finance's *Regulator Performance (RMG 128)* guidance, Ministerial Statements of Expectations should be issued or refreshed every 2 years for all Commonwealth entities with regulatory functions, or earlier if there is a change in Minister, change in regulator leadership, or significant change in Commonwealth policy. While noting your operational independence, clear expectations from government to regulators can help drive better regulator performance, providing an enabling environment that supports the implementation of best practice.

I would appreciate your response in the form of an updated Statement of Intent, outlining how you intend to meet the updated expectations. To ensure transparency and accountability, the Statements of Expectations and Intent should be published and made available on your website. These statements should also be incorporated into *Public Governance, Performance and Accountability Act 2013* processes (for example, by including a link to the published documents in relevant corporate documents) for best practice.

Thank you for your timely assistance with this matter. I look forward to your response.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Murray Watt'.

MURRAY WATT

*12/12* /2024

Enc

## SAFETY, REHABILITATION AND COMPENSATION COMMISSION

### STATEMENT OF EXPECTATIONS

Ministerial Statements of Expectations provide greater clarity about government policies and objectives relevant to the regulator in carrying out its statutory objectives. As the Commonwealth Minister responsible for workplace relations matters, my responsibilities include the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) and the *Work Health and Safety Act 2011* (WHS Act). This statement sets out my expectations of the Safety, Rehabilitation and Compensation Commission (SRCC).

I request that this statement of expectations be incorporated into relevant *Public Governance, Performance and Accountability Act 2013* (PGPA Act) processes that apply to the SRCC, such as the Annual Report, where possible.

#### Overview

The SRCC is a statutory body that administers the regulatory functions of the SRC Act, other than those ascribed to Comcare. The SRCC plays an important role in the continued improvement of prevention, rehabilitation and workers' compensation performance outcomes in the Commonwealth jurisdiction. The SRC Act allows certain Commonwealth authorities and eligible corporations to apply to the SRCC for a licence to self-insure its workers' compensation liabilities. As the regulator of self-insurance licences, the SRCC monitors compliance and sets performance standards and measures for the prevention, claims management and rehabilitation functions of licensees.

The SRCC has a range of functions under the SRC Act, including to:

- grant, vary, extend, suspend or revoke self-insurance licences
- set any licence conditions considered necessary to ensure licensees achieve the objects of the SRC Act
- ensure that, as far as practicable, there is equity of outcomes resulting from administrative practices and procedures used by Comcare and a licensee in the performance of its respective functions
- further review Comcare's review of a determination regarding a premium or regulatory contribution charged to an agency where the Principal Officer of the relevant agency objects to the determination, and
- provide advice to me about anything relating to the operation of the SRC Act or to the SRCC's functions and powers.

The SRCC also has a range of functions under the WHS Act, including to:

- advise and make recommendations to the Minister on the operation and effectiveness of the WHS Act
- to enquire into and make recommendations to the Minister on any matter relating to work health and safety referred to it by the Minister, and
- to provide a forum for consultation between Comcare and persons conducting businesses or undertakings, workers and the bodies that represent them.

The government recognises and respects the independence of the Chairperson of the SRCC and its responsibility for regulating self-insured licensees. I expect the SRCC to exercise its functions and powers in good faith and to the best of its ability.

### **Principles of regulator best practice**

I expect the SRCC to act in accordance with, principles of regulator best practice set out in Resource Management Guide (RMG) 128 *Regulator Performance*, issued by the Commonwealth Department of Finance, as well as strive for continuous improvement consistent with these principles.

In exercising their functions and powers in accordance with these principles, I expect the SRCC to have regard to:

#### **1. Continuous improvement and building trust**

- Stay informed, aware and responsive to the changing context and operating environment of regulated entities.
- Actively share lessons learned and insights by engaging with other regulators and stakeholders to encourage best practice.
- Build and maintain collaborative relationships with other regulators to minimise regulatory burden and reduce duplication.
- Hold themselves to account through internal accountability processes that foster a culture of continuous improvement and reflection.
- Actively build the SRCC's capability, including ensuring the SRCC has relevant knowledge of the legislative framework to address stakeholder needs.

#### **2. Risk-based and data-driven**

- Use intelligence and data to inform a risk-based and proportionate approach to compliance and enforcement activities.
- Actively monitor and plan for risks, taking a preventative approach to non-compliance by raising awareness of common misconceptions and through early identification and remediation of compliance issues.
- Consider the risks, cost effectiveness and impact of regulatory action.
- Remain flexible and responsive to changes by adopting reasonable, supportive and transparent processes to build and maintain trust, accountability and integrity within the regulatory system to encourage compliance.

#### **3. Collaboration and engagement**

Open, transparent and consistent engagement with stakeholders including regulated entities, unions, government and the broader community is crucial to maintaining competent and innovative regulatory practices. Consequently, I expect the SRCC to:

- engage genuinely and regularly with stakeholders, and to encourage, promote and facilitate meaningful engagement
- work cooperatively with stakeholders to encourage voluntary compliance with the SRC Act among self-insured licensees
- be receptive to feedback and diverse stakeholder views
- be transparent in its operations, policies and decision-making processes including by publishing formal regulatory decisions and performance results

- provide up-to-date, clear and accessible guidance and information to stakeholders, and
- provide informative and practical tools to assist self-insured licensees to continuously improve its prevention, rehabilitation and claims management performance outcomes.

### **The government's policy priorities and objectives**

I expect the SRCC to contribute to the government's policy priorities and objectives by:

- seeking opportunities to remove duplication and streamline processes in order to improve efficiency and lift productivity
- acting in accordance with regulator best practice in its decision-making, policies, processes and communication practices, in order to maximise transparency and minimise compliance costs
- incorporating observations on performance in their reporting processes to support greater transparency and accountability of regulator performance, and
- increasing the use of digital technology and resources to meet stakeholder needs, reduce the cost of compliance and improve regulatory outcomes.

#### **1. Relationship with Minister and portfolio**

The SRCC plays an essential role in ensuring that the government and I, as Minister for Employment and Workplace Relations, are well placed to respond promptly to issues affecting Commonwealth workers' compensation and work health and safety arrangements.

The Department of Employment and Workplace Relations also supports and advises me by providing advice on policy development and the performance of the portfolio's regulatory systems. The department takes into account the knowledge and expertise of the SRCC when considering changes to policy and legislation that impact on Commonwealth workers' compensation and work health and safety arrangements.

Accordingly, I expect the SRCC to work collaboratively with the department on significant issues relating to strengthening Commonwealth workers' compensation and work health and safety arrangements. As the responsible Minister, I will provide an enabling environment for the SRCC to consistently implement best practice by ensuring you are well informed of the government's policy direction as specific initiatives and strategies are being considered.

#### **2. Innovation and regulatory change**

I expect the SRCC to continually monitor its operating environment in which it operates to ensure that regulatory approaches keep pace with changes in technology, industry practices and community expectations. I also expect it to review and, where necessary, adjust policies, protocols and operating procedures regularly, to ensure prompt and proportional responses to the changing social, technological and commercial context in which it operates.

December 2024