



Safety, Rehabilitation and Compensation Commission

STATEMENT OF INTENT – September 2024

This statement sets out my intentions as the Chairperson of the Safety, Rehabilitation and Compensation Commission (SRCC) of how the SRCC will meet the expectations outlined by the Minister for Employment and Workplace Relations (Minister) under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) in the Ministerial Statement of Expectations of 29 May 2024.

Overview

The SRCC is a statutory body that administers the regulatory functions of the SRC Act not attributed to Comcare, and has a range of functions under the *Work Health and Safety Act 2011*. 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 their workers' compensation liabilities. As the regulator of self-insurance licences, the SRCC monitors compliance and sets performance standards and measures for the injury prevention, claims management and rehabilitation functions of licensees.

The SRCC does not have any staff of its own. Comcare provides secretariat and administrative support and resources required for the SRCC to undertake its functions.

The SRCC will exercise its functions and powers in good faith, to the best of its ability and consistent with the Government's regulatory reform agenda.

Principles of regulator best practice

The SRCC has embedded the principles of regulator best practice, as set out in the Department of Finance's *Regulator Performance (RMG 128)*, within its regulatory framework: the Licence Compliance and Performance Model (LCPM).

1. Continuous improvement and building trust

The SRCC is committed to adopting a whole-of-system perspective and continuous improvement in its performance, capability and culture to build trust and confidence in Australia's regulatory settings. To achieve this the SRCC has committed to:

- Accountability – explaining decisions and providing avenues for feedback, complaints or appeals which are responded to in a timely fashion.
- Flexibility – encouraging flexibility to achieve outcomes, including an integrated approach to work health and safety, rehabilitation and claims management.
- Consistency and proportionality – ensuring that decision making is consistent and proportionate, taking into account the particular circumstances.
- Lawfulness – adhering to the requirement for compliance with relevant legislative provisions and legal standards.



- Transparency – ensuring that regulatory decisions demonstrate balance, impartiality and integrity.
- Cost effectiveness and efficiency - ensuring that regulation is necessary and is delivered in the most effective and efficient manner.

2. Risk-based and data driven

The SRCC will manage risks proportionally and maintain essential safeguards while minimising regulatory burden, and leverage available data and appropriate digital technology to support those it regulates to comply and grow. The SRCC has committed to the following to achieve this:

- A systems-based approach- applying a flexible systems-based approach directed to the attainment of desired outcomes, rather than meeting specified process requirements.
- Data driven – using available data to monitor performance and support regulatory decision making.

3. Collaboration and engagement

The SRCC acknowledges that regulators need to be transparent and responsive communicators, implementing regulation in a modern and collaborative way. To achieve this, the SRCC will be:

- Contemporary – reviewing, monitoring and updating policies and practices, including clearly defined corporate governance arrangements, to ensure the regulatory framework remains contemporary and relevant.
- Consultative – encouraging effective consultation and collaboration with, and participation by, all affected parties including workers.

To achieve the above, the SRCC has committed to:

- engage and genuinely consult with stakeholders – including Comcare, government, employers and their representatives, and employees and their representatives – with critical information shared promptly;
- be receptive to feedback and diverse stakeholder views;
- clearly communicate regulatory processes and seek to increase transparency in decision making processes; and
- provide up to date, clear and accessible guidance and information to assist self-insured licensees to continuously improve their prevention, rehabilitation and claims management performance outcomes, and work collaboratively with self-insured licensees to secure compliance with the SRC Act.

The SRCC commits to embedding and acting in accordance with the Government’s principles of regulator best practice in conducting its operation, as well as striving for continuous improvement against these principles.

In exercising its functions and powers in accordance with these principles, the SRCC will:



- remain committed to continuous improvement in its processes and capabilities;
- continue building public confidence in Australia's regulatory settings;
- remain flexible and responsive to changed circumstances in exercising its powers and delivering legislated functions;
- continue adopting a risk-based and transparent approach to regulation and decision making;
- leverage data and digital technology to inform its approach to compliance and enforcement;
- improve efficiency by prioritising resources on areas of greatest risk;
- have accountability processes encouraging procedural fairness, accessibility and responsiveness that build public trust; and
- assess risks that may compromise its ability to administer its functions under the SRC Act and respond in a proportionate way.

Innovation and regulatory change

In support of the Government's objective of continual improvement and as a modern regulator, the SRCC will continue to monitor the environment in which it operates to ensure that the regulatory approaches keep pace with changes in technology, industry practices and community expectations. The SRCC will also continue to regularly review, and where necessary adjust policies, protocols and operating procedures, to ensure it can respond to the changing social, technological and commercial context in which it operates.

The SRCC monitors its LCPM to ensure that it remains contemporary and does not impose unnecessary regulatory burden on licensees.

The SRCC seeks high levels of compliance against the LCPM by ensuring regulatory requirements are as uncomplicated as possible and readily understood, as well as ensuring that the direct and indirect transaction costs of compliance are as low as practicable. These are factors that can lead to non-compliance, which defeats the purpose of regulation and compromises business growth and innovation.

Regular reviews of the LCPM will be carried out to ensure that licensees and the SRCC can respond to the changing social, technological and commercial context in which they operate, while ensuring compliance with regulatory requirements.

The Government's policy priorities and objectives

Regulatory reform agenda

The SRCC supports the Government's regulatory reform agenda as a key component of the Government's plan to support economic recovery and will look for opportunities to work



with states and territories to effect regulatory reform to reduce duplication and boost productivity, and to account for impacts of regulation on individuals (not just businesses).

With a focus on regulatory reform and improving regulator performance, capability, and culture through stewardship, the SRCC will:

- seek opportunities to remove duplication and streamline processes in order to improve efficiency and lift productivity;
- act in accordance with regulator best practice in its decision making, policies, processes and communication practices, in order to maximise transparency and minimise compliance costs;
- apply the Regulator Performance (RMG 128) to its regulatory functions to assess its performance and engagement with stakeholders; and
- incorporate regulator performance reporting into its reporting processes to support greater transparency and accountability of regulator performance.

The SRCC will report on its regulatory performance through its Annual Report.

Relationship with Minister and portfolio

I acknowledge the role the SRCC has in assisting you, as the Minister for Employment and Workplace Relations, and the Government to respond promptly to issues affecting Commonwealth workers' compensation arrangements. I undertake to provide you with accurate and timely advice on any significant issues that may arise.

The SRCC acknowledges the role of the Department of Employment and Workplace Relations (Department) as the primary source of advice on policy development and the performance of the portfolio's regulatory systems. The SRCC will continue to work collaboratively with the Department on significant issues relating to strengthening Commonwealth workers' compensation arrangements. .