



The Hon Tony Burke MP
Minister for Employment and Workplace Relations
Minister for the Arts
Leader of the House

Reference: MS24-000213

[Redacted]

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Dear Mr Oliver

David

I am pleased to advise that I have appointed you as Chairperson of the Safety, Rehabilitation and Compensation Commission (the Commission) for a 3-year term. Your appointment is part-time, commencing on the date of the enclosed instrument.

Congratulations on your appointment to this important role. I look forward to continuing to work with you as the Commission advances its important regulatory and advisory functions in relation to the Comcare scheme, and the Commission's advisory and other functions under the Commonwealth's work health and safety laws.

I also want to provide you with strategic direction in the form of the enclosed Ministerial Statement of Expectations.

As outlined in the Department of Finance's *Regulator Performance (RMG128)*, Ministerial Statements of Expectations issued to a regulator provide greater clarity about Government policies and objectives relevant to the regulator in line with their statutory objectives, and the priorities the Minister expects them to observe in conducting their operations.

I would appreciate your response to this letter in the form of a Statement of Intent, outlining how the Commission intends to meet the enclosed expectations.

For transparency and accountability purposes, I request the Ministerial Statement of Expectations and your responding Statement of Intent be published and made available on the Commission's website. These statements should also be incorporated into *Public Governance, Performance and Accountability Act 2013* processes, (for example, including a link to the published Ministerial Statement of Expectations and Statement of Intent in relevant corporate documents) for best practice.

If you require any further information or assistance regarding your appointment, the contact officer at the Department of Employment and Workplace Relations is Mr Adrian Breen, who can be contacted via email at adrian.breen@dewr.gov.au.

Yours sincerely

Tony Burke

TONY BURKE

29/5 / 2024

Encl.

SAFETY, REHABILITATION AND COMPENSATION COMMISSION STATEMENT OF EXPECTATIONS - 2024

Ministerial Statements of Expectations provide greater clarity to regulators about government policies and objectives relevant to the regulator in carrying out its statutory functions. As the Australian Government Minister responsible for Employment and Workplace Relations, 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).

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 their 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 their 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 their 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

Under the Regulator Performance (RMG 128), the principles of regulator best practice are:

1. **Continuous improvement and building trust:** regulators adopt a whole-of-system perspective, continuously improving their performance, capability, and culture to build trust and confidence in Australia's regulatory settings.
2. **Risk-based and data-driven:** regulators manage risks proportionately and maintain essential safeguards while minimising regulatory burden, and leveraging data and digital technology to support those they regulate to comply and grow.
3. **Collaboration and engagement:** regulators are transparent and responsive communicators, implementing regulations in a modern and collaborative way.

Consequently, I expect the SRCC to:

- engage and genuinely consult with stakeholders – including Comcare, government, self-insured licensees 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.

I expect the SRCC to embed and act in accordance with the Government's principles of regulator best practice in conducting its operations, as well as strive for continuous improvement against these principles.

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

- 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

As a modern regulator, I expect the SRCC to continually monitor the environment in which it operates to ensure that regulatory approaches keep pace with changes in technology, industry practices and community expectations. I also expect the SRCC 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 Government's policy priorities and objectives

In addition to the core functions noted above, the Government expects the SRCC to observe and contribute to the following Government priorities and objectives.

Regulatory reform agenda

The Government's regulatory reform agenda is a key component of the Government's plan to support economic recovery by working 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). Ensuring our regulatory settings are the best they can be helps boost productivity and competitiveness and supports well-functioning markets, business investment, job creation and growth.

Under the regulatory reform agenda, the Australian Government is also focusing on improving regulator performance, capability, and culture through regulatory stewardship.

I expect the SRCC to contribute to the regulatory reform process 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;
- applying the Regulator Performance (RMG 128) to its regulatory functions to assess its performance and engagement with stakeholders; and
- incorporating regulator performance reporting into its reporting processes to support greater transparency and accountability of regulator performance.

Relationship with Minister and portfolio

The SRCC plays an essential role in ensuring that the Australian Government and I, as Minister for Employment and Workplace Relations, are well placed to respond promptly to issues affecting Commonwealth workers' compensation arrangements. The Department of Employment and Workplace Relations (the department) 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 arrangements.

Accordingly, I expect the SRCC to work collaboratively with the department on significant issues relating to strengthening Commonwealth workers' compensation 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.

May 2024