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Queensland 2026 industrial relations and workers' compensation scheme review

The Australasian Faculty of Occupational and Environmental Medicine (AFOEM) of the **Royal Australasian College of Physicians (RACP)** provides workplace health services which are critical to the outcomes of workers' compensations schemes across Australia. These include measures to reduce workplace injury and illness (including psychosocial ill health); diagnosis, treatment and condition management; impairment assessments; addressing workplace functionality and return to work programs; liaison with general practitioners (GPs) and other healthcare professionals; and providing advice and guidance to employers.

The feedback offered by AFOEM primarily relates to the *Workers' Compensation and Rehabilitation Act 2003*. Our three key issues for the Reviewers are:

1. Accommodate cumulative and longer latency workplace conditions and injuries better within the workers' compensation scheme.
2. Update the Guidelines for the Evaluation of Permanent Impairment and accredit impairment assessors.
3. Introduce a robust clinical governance structure.

The Workers' Compensation and Rehabilitation Act 2003 (WCR Act)
This Review recognises the increasing primary and secondary psychological injury claims. As medical practitioners with a key vantage point in the worker compensation system, our physicians' experience is that there has been no practical addressing of medical elements of the workers compensation scheme (the Scheme) since the 2023 Review. Certain medical elements are critical to making the Scheme fit-for-purpose. Our physicians are disappointed that various recommendations relating to medical services from that earlier review remain unaddressed.

The areas below should be directly addressed by this Review for it to be fit-for-purpose:

Injuries and work-related illness

- The Scheme needs to better acknowledge, recognise and provide for workplace injuries and illnesses that develop gradually over time, particularly those caused by repeated small stresses (micro trauma), which is how many physical and especially mental health conditions arise.
- Because the Scheme is skewed towards injury and tends to be accident-based or accident-centric, limited recognition is given to complex or cumulative conditions and mental health (except more defined categories like post-traumatic stress disorder (PTSD)). The Scheme does not deal well with long-term health problems caused by work. A case in point of a long-latency occupational disease claim is silicosis, where national policy work to improve compensation arrangements for workers diagnosed with silicosis is important. Workers Compensation Authorities, across Commonwealth, state and territory bodies, and those responsible for workers' compensation regulation must develop best practice principles for workers with silicosis and related diseases. The need for this is relevant in Queensland.
- Our physicians state significant causes of work-related deaths are being missed. This is because many of these cases are not recognised as work-related and are not identified within the Scheme. We know key causes of work-related death are

cardiovascular, cancer and occupational lung diseases. The Scheme should be reviewed in terms of equity and addressing systemic discrimination so that early detection and medical monitoring can be accessed.
- This Review must consider workers in regional, rural and remote areas who have more limited access to health care, including medical specialists and rehabilitation providers. Increasing fly-in-fly-out workers may increase this issue.

Injury management and return to work
- The Scheme promotes claim closure over rehabilitation and more effective return to work injury management. In contrast, a capability focus (rather than impairment focus) would achieve better outcomes from medical and evidence-informed practice.
- It is suggested that rehabilitation be explored for individuals to promote the prompt return to work of injured workers.
- Return to work and rehabilitation systems need addressing. Our physicians noted that often rehabilitation providers are approved as companies, rather than individuals or the skills of individual staff. Those providers often work in a silo from medical care, which means return to work plans can be less effective due to coordination and communication issues.
- There appears to be no place for the status category “stable but stationary” as a medical term when medical management is considered (including medication, psychological support, Occupational Rehabilitation and Return to Work). This illustrates the Scheme’s orientation to move to assess impairment (quantification) stages rather than being oriented to functional work capacity.
- The RACP-AFOEM developed the It pays to care approach to workers’ compensation based on evidence to enhance outcomes, and ensure that Scheme cultures, systems and processes don't create unnecessary barriers to recovery. A biopsychosocial approach should characterise approaches to return to work.
- Our physicians observed that clinical psychologists have been underutilised in workers compensation rehabilitation management.
- The medical management of injured workers could be improved. GPs need to refer to a consultant physician/specialist earlier. For example, if a claim lasts more than 3-4 weeks, the worker should be referred to a specialist.

Impairment
- In this Scheme, impairment is measured over capacity to function and work. The WCR Act is disproportionately impairment-driven, which works to constrain what medical practitioners can deliver, but also influences outcomes for the regulator, employers and workers. The answer is to emphasise functional work capacity, workplace redesign, and vocational/return to work outcomes. For example, some workers can work with impairment while others cannot return to work despite low impairment, eg. in individuals with chronic pain, the impairment may technically be low but the functional restriction is high. If the operationalisation of the Scheme managed disability and focused first on capability/capacity over impairment, that approach would align with a Return to Work objective.
- A system to accredit, select and review impairment assessors must be developed and implemented. This is essential for the integrity of the Scheme. Currently, the Act (2003) does not directly establish a detailed accreditation scheme for impairment assessors. Instead, it is limited to stating the types of professionals who may assess impairment and that assessments must follow Scheme directions.
- Our physicians strongly urge that the Queensland Guidelines for the Evaluation of Permanent Impairment (GEPI 2nd Edition) are reviewed within twelve (12) months.

- Our physicians expressed concerns with the evaluation methodology in the GEPI 2nd Edition.
- The GEPI was last updated in 2016. Since then, there has been a change in disease profile, with an increase in mental health. These changes are not reflected in the current version of GEPI. More specifically, there is no comment made around infectious diseases or the more diagnostically challenging conditions like post-concussion syndrome, chronic fatigue, long COVID, etc.
- Further, the significant disparity between our current worker cohort and their disease profile compared to the last update means sectors of the workforce at risk of being marginalised, eg. impacting female immigrant workers in low-income jobs.
- The latest edition of the of the American Medical Association's (AMA) GEPI should be used to allow for a more accurate assessment of worker impairment in Australia in our localised versions. Currently this is the AMA GEPI 5th Edition. However, the AMA 6th Edition is more comprehensive and supports a better estimation of permanent impairment (used in Western Australia).

Accessing medical services

It is unclear to our physicians how case managers access medical resources like that of the WorkCover Medical Advisory Panel (MAP) and how appropriate opinion is sought on claims.

Training for medical practitioners and certification

- The Regulator needs to see there is better training and awareness for medical practitioners issuing certification for and managing patients entitled to Workers Compensation benefits. It is critical that training include an understanding of the bearing the work environment has on work capacity and return to work. Training and guidance should embed a biopsychosocial approach.
- It is recommended that the Regulator ensure those providing Medical Assessment Tribunal (MAT) opinions and injury assessment:
  - Consider functional capacity in real workplace settings
  - Incorporate occupational medicine principles, including the workplace environment, the impact of ergonomics over the short- and long-term into Impairment Assessment decisions.
- Unless medical practitioners and claims managers in the Scheme are trained well and this could lead to poor decisions about injuries, treatment or work capacity.

The Medical Assessment Tribunal (MAT)

- Disability management (stable and stationary) and resulting capability and capacity should be key focal points for the MAT.
- The MAT should include appropriate specialist consultants, including Rehabilitation Medicine Physicians and Occupational and Environmental Medicine Physicians.

Governance, regulation and oversight

- It is considered of real importance that there be **a robust clinical governance system** designed and introduced within the current worker compensation scheme. *Refer also to the 2023 review of the operations of the Queensland workers' compensation scheme (recommendation 52)*.
- Insurers need clinical governance and for this, our physicians saw the need for them to **appoint a Chief Medical Officer**, recommending an occupational specialist with at least 5 years' experience to serve the Scheme's needs.

- The lack of clinical governance can result in poor evidence informed decisions being made, within organisations and at every level of insurance, eg. which injuries/diseases are deemed work related. Our physicians feel non-work-related cases are being classified as work-related conditions, while other legitimate medical conditions that may be work-related are not accepted. Our physicians report that insurer decisions cannot be reproduced, claims acceptance is less reliable, and there are increased reviews/appeals in insurer decisions, instances of inappropriate use of medical resources and overall significant increased costs to the Scheme.
- **Medical auditing** criteria for insurers is missing from within the worker compensation system. If introduced, results from these audits could be made available and discussed with Regulator Clinical Governance Committees which would facilitate and support appropriate recommendations and quality assurance at the regulator level.
- Insurers need proper systems to ensure that medical and work capacity decisions are consistent and based on evidence.
- We encourage the Regulator to more frequently draw on medical advice. The experience of physicians is a valuable source of expertise.

Artificial Intelligence (AI)
The Regulator needs to provide clear guidance on the use of AI in worker assessment and treatment. This is absent regarding diagnosing, evaluation and treating injured workers. More specifically, there has been no commentary or direction provided where medical service providers utilise AI to generate specialised medical opinion. Without proper control use of this resource the Regulator risks incorrect opinions, treatment strategies and adverse worker outcomes.

The RACP recently released its 'Using artificial intelligence in clinical practice' position statement. The resource outlines key principles for using AI tools in clinical practice and identifies barriers and enabling strategies for their effective use. We encourage the Regulator to draw on the RACP's expertise in implementing, interfacing with, and monitoring AI tools to ensure AI is equitably and effectively embedded in the workers compensation scheme. We also encourage collaboration to develop resources that provide clear and tangible guidance on AI use to frontline works across the scheme.

Closing comment
The vital element that is missing from the Scheme is medical input into an injury and illness-based compensation scheme. We welcome a discussion with the Reviewers as we want to see the Scheme work effectively. You can contact Dr Kathryn Powell, Senior Policy Officer, via policy@racp.edu.au to arrange a suitable time.

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