

Submission: Draft Terms of Reference - Independent Review of the Tasmanian Workers Rehabilitation and Compensation Scheme

1. Overview

COTA Tasmania welcomes the proposed independent review of the Tasmanian Workers Rehabilitation and Compensation Scheme. We support a review that tests whether the Scheme is fair, sustainable, effective, person-centred and capable of supporting safe and durable return to work.

Our principal concern is the way the draft Terms of Reference frames the ageing workforce. Under section 2.3, workforce ageing is identified primarily in terms of its potential financial impact on the cost of the Scheme. This is too narrow.

In Tasmania, older workers are an increasingly important part of the State's workforce capacity, and the Scheme should be assessed on how well it supports them to recover, remain connected to employment and return to suitable work.

COTA Tasmania therefore recommends that the Review treat workforce ageing as both a sustainability issue and a workforce participation issue. It should examine age equity, injury prevention, rehabilitation, workplace adjustment, durable return to work, regional access, and the risk of premature workforce exit.

2. About COTA Tasmania

COTA Tasmania is the leading voice for older Tasmanians. We work to advance the rights, interests and wellbeing of older people and to ensure their experiences and perspectives are reflected in public policy and service design.

Tasmania has the oldest population profile of any Australian state. Older Tasmanians are an important and growing part of the State's workforce, economy and communities. Policies affecting workforce participation, workplace health, rehabilitation and return to work therefore have particular significance for Tasmania.

COTA Tasmania is also a small not-for-profit employer and therefore has a direct interest in the practical operation of the Scheme. This submission reflects both COTA's advocacy role on behalf of older Tasmanians and our experience of the challenges smaller employers can face in supporting rehabilitation and sustainable return to work.

3. Recommendations

COTA Tasmania recommends that the final Terms of Reference:

- broaden the treatment of the ageing workforce beyond its financial impact on Scheme costs, to include workforce participation, retention and equity;
- review statutory and other age-based limits within the Scheme to ensure they reflect contemporary workforce participation and do not disadvantage people who continue working beyond traditional retirement age;

- require the Review to examine whether rehabilitation and return-to-work outcomes differ by age, gender, geographic location and employment type;
- include durable workforce retention as a Scheme outcome, rather than relying only on initial return-to-work measures;
- consider access to flexible duties, workplace adjustment, retraining and redeployment for workers who cannot safely resume their previous role;
- examine the impact of ageism and age-based assumptions on rehabilitation, retraining, redeployment and return-to-work decisions;
- consider whether regional and rural workers have equitable access to timely treatment, rehabilitation and alternative employment pathways;
- ensure Scheme data can be appropriately disaggregated to identify systemic barriers and outcomes for older workers;
- engagement should continue through the Review's recommendations and any subsequent development of legislative or regulatory reforms, rather than being confined to the initial consultation stage;
- ensure the Review considers the practical experience of small and not-for-profit employers, including access to clear guidance, rehabilitation support, and workable return-to-work options; and
- specifically include older workers and organisations representing older people in the Review's consultation process.

Commented [BW1]: Yes - and i wonder if there is any way that WC claims involving potential discrimination can be referred to Anti Discrimination Commissioner as part of the process? both as an educative piece and a regulatory process?

4. Detailed Comments

4.1 An ageing workforce is a workforce capability issue, not simply a cost pressure

COTA Tasmania supports consideration of the financial sustainability of the Scheme. However, describing workforce ageing principally through its financial impact risks framing older workers as a liability rather than as a significant part of Tasmania's present and future workforce.

COTA's 2025 State of the Older Nation (SOTON) Tasmanian analysis reinforces this point. Forty-four per cent of Tasmanian respondents aged 50 and over were employed, self-employed or running a business. Among those who had not yet retired, 51% said they would prefer to continue working the same amount in paid employment, while 43% did not believe they would ever fully retire.ⁱ

These findings demonstrate that many older Tasmanians expect, and want, to remain in paid employment.

The Review should therefore ask not only what an ageing workforce may cost the Scheme, but what Scheme design is needed to help older workers remain productively and safely employed.

The Review should also examine whether statutory or policy-based age thresholds within the Scheme remain appropriate in the context of longer workforce participation.

Where people continue working beyond traditional retirement age, access to compensation and rehabilitation should reflect their actual employment circumstances and capacity rather than an assumption that they would otherwise have left the workforce.

COTA recommends replacing the current framing in section 2.3 with wording along the following lines:

Consider the implications of an ageing workforce for Scheme sustainability, injury prevention, rehabilitation, workplace adjustment, equitable and durable return-to-work outcomes and continued workforce participation.

4.2 Preventing premature workforce exit

For an older worker, a workplace injury can have consequences well beyond the period of incapacity. Poor rehabilitation, unsuitable duties or a failed return to work can turn a temporary absence into permanent withdrawal from employment at a stage when finding another job may be particularly difficult.

National SOTON findings show that one-third of older Australians retired earlier than planned, with health issues and medical conditions the most commonly reported reasons.ⁱⁱ This makes successful rehabilitation and workforce retention particularly relevant to a workers compensation review.

COTA recommends that the Review consider durable workforce participation as an outcome. Initial return to work is important, but it does not show whether the worker remains successfully employed six, twelve or eighteen months later. The Review should examine whether the Scheme supports sustainable employment through graduated return to work, reasonable workplace adjustment, job redesign, retraining and redeployment where previous duties are no longer suitable.

Among Tasmanian SOTON respondents who were already fully or partly retired, 25% were open to returning to work and 66% believed they still had something meaningful to contribute.ⁱⁱⁱ Scheme settings should not assume that injury later in working life naturally or appropriately leads to retirement.

4.3 Ageism can undermine rehabilitation and return to work

The effectiveness of return-to-work arrangements cannot be considered independently of ageism. Older workers may encounter assumptions that they are less adaptable, less capable, more expensive to employ or too close to retirement to justify investment in rehabilitation or retraining.

The Tasmanian SOTON findings give this issue particular weight. Among respondents who had experienced ageism since turning 50, 73% reported work-related discrimination, 48% suspected their workplace wanted someone younger, and 41% reported being sidelined, patronised or not treated as capable. Among retirees, 33% identified ageism-related barriers as influencing their reluctance to return to paid employment.^{iv}

The Review should therefore examine whether age influences access to rehabilitation, suitable duties, workplace adjustment, retraining, redeployment or other return-to-work opportunities. Rehabilitation should be based on individual functional capacity, circumstances and preferences, not chronological age.

The Review should also consider whether appropriate referral, information-sharing or educative pathways are available where rehabilitation or return-to-work processes raise potential age discrimination concerns, including the role of Equal Opportunity Tasmania.

4.4 Regional and rural access matters

Tasmania's geography can materially affect rehabilitation.

Workers outside major population centres may have less timely access to GPs, specialists, allied health practitioners and rehabilitation services, as well as fewer opportunities for redeployment or alternative employment.

In COTA's Tasmanian SOTON analysis, 42% of respondents reported difficulty accessing needed health or medical services, with long waiting lists the most frequently cited barrier.^v Where timely treatment is necessary for recovery and return to work, these access barriers may prolong absence and compromise rehabilitation outcomes.

The Review should examine whether geographic location affects claim duration, treatment access, rehabilitation and durable return-to-work outcomes, and whether additional measures are needed to provide equitable access for regional and rural workers.

4.5 Premature workforce exit can create long-term financial disadvantage

Workplace injury may also have lasting financial consequences where it causes an older worker to leave employment earlier than intended. Reduced earnings can affect retirement savings, housing security and future reliance on income support.

Only 57% of Tasmanian SOTON respondents felt positive about their long-term financial security, while 20% were living in poverty.^{vi} These findings reinforce why successful rehabilitation and workforce retention should be understood as economic and wellbeing outcomes, not simply administrative measures of Scheme performance.

4.6 Better data is essential

COTA Tasmania strongly supports the proposed examination of Scheme data. The Review should specifically assess whether the available data can identify differences in claim incidence and type, claim duration, access to rehabilitation, dispute rates, return-to-work rates, durable employment outcomes and workforce exit according to age, gender, geographic location and employment type.

Without appropriate disaggregation, systemic barriers affecting older workers may remain invisible. The Review should also consider whether current measures distinguish between an initial return to work and a genuinely sustainable employment outcome.

4.7 Older workers should be included in consultation

COTA Tasmania welcomes the proposed consultation with workers, people with lived experience and peak and representative organisations. Given Tasmania's demographic profile and the explicit inclusion of workforce ageing in the Terms of Reference, older workers should be deliberately included in that process.

This should include people who have successfully returned to employment after workplace injury; people who were unable to return to their previous occupation; workers who moved to different duties or employment; regional and rural workers; and people who left employment earlier than intended following injury.

5. COTA Tasmania as an employer

COTA Tasmania also has an interest in the Scheme as an employer.

As a small not-for-profit organisation, COTA is conscious that workplace injury can have significant operational consequences even where only one employee is affected.

Small organisations may have limited capacity to absorb extended absences, backfill positions, redesign duties or navigate complex rehabilitation and compensation processes without dedicated human resources or return-to-work expertise.

From an employer perspective, COTA considers that the Scheme should support early and practical intervention, provide clear guidance about employer responsibilities, and facilitate timely access to rehabilitation advice and workable return-to-work options.

COTA believes that the Scheme should support:

- early and practical intervention following injury;
- clear guidance about employer responsibilities;
- timely access to rehabilitation advice and suitable return-to-work support;
- realistic approaches to modified duties, particularly where organisations have small workforces and limited capacity to redeploy staff;
- effective communication between workers, employers, insurers, treating practitioners and rehabilitation providers; and
- processes that resolve issues early and minimise unnecessary dispute, delay and administrative burden.

COTA also notes the increasing cost of workers compensation insurance as a significant pressure for small not-for-profit employers. While premium-setting may fall outside the immediate scope of this Review, Scheme sustainability should not be considered solely from the perspective of aggregate Scheme costs. Affordability for small employers is also relevant to the long-term sustainability and effectiveness of the Scheme.

COTA also considers that effective rehabilitation is in the interests of both workers and employers. A well-functioning Scheme should enable employers to support injured workers without creating unnecessary complexity or discouraging continued workforce participation.

6. Conclusion

COTA Tasmania supports the proposed independent review and considers the draft Terms of Reference provide a sound basis for it. Our principal recommendation is a change in emphasis: Tasmania's ageing workforce should not be viewed principally as an emerging financial risk to the workers compensation system.

Older workers are an important part of Tasmania's workforce capability. Many want and need to remain economically active, while ageism, health barriers, geography, and financial vulnerability can make premature workforce exit particularly consequential.

A contemporary rehabilitation and compensation scheme should help workers of all ages recover, remain connected to employment, and return to safe, appropriate and sustainable work. For older workers in particular, effective rehabilitation can mean the difference between a temporary workplace injury and premature permanent withdrawal from the workforce.

COTA Tasmania would welcome the opportunity to continue contributing as the Review progresses.

In particular, we consider it important that older workers, representative organisations and small employers are engaged not only in shaping the Review, but also in considering its recommendations and any subsequent legislative, regulatory or administrative reforms.

Ongoing consultation will be important to ensure that proposed changes are workable in practice, do not unintentionally disadvantage older workers, and support the broader objective of enabling people to remain safely and productively engaged in work for as long as they choose.

ⁱ COTA Tasmania, *Briefing Paper: [2025 State of the Nation – Tasmania](#)*

ⁱⁱ COTA Australia, *State of the Older Nation [2025](#)*

ⁱⁱⁱ COTA Tasmania, *Briefing Paper: [2025 State of the Nation – Tasmania](#)*

^{iv} *ibid*

^v *ibid*

^{vi} *ibid*