MITEZ
ECONOMIC DEVELOPMENT

SUBMISSION

# Industrial Relations and Other Legislation Amendment Bill 2026

Workers' compensation, workforce and council employment arrangements in the Mount Isa to Townsville corridor

**Submitted to:** State Development, Infrastructure and Works Committee, Queensland Parliament

**Submitted by:** MITEZ (Mount Isa to Townsville Economic Development Zone Inc.)

## 1. Executive summary

MITEZ Economic Development (MITEZ) supports the Industrial Relations and Other Legislation Amendment Bill 2026 (the Bill), subject to targeted safeguards and practical implementation support. The reforms should improve productivity and administrative efficiency, maintain a fair and sustainable workers' compensation scheme, and deliver practical benefits for North and North West Queensland.

MITEZ represents industries, local governments and regional partners across the Mount Isa to Townsville corridor. Our position draws directly on the MITEZ Strategic Plan 2026–2030 priority to reduce barriers and the cost of doing business, and the Advocacy Plan 2026–2027 priority of Workforce Pipeline & Liveability.

The independent Industrial Relations and Workers' Compensation Scheme Review (the Review) identifies emerging pressures, notwithstanding Queensland's financially strong workers' compensation scheme. The Queensland Government response, released on 14 October 2026, accepted 75 of 104 recommendations and a further 14 in principle. MITEZ supports the legislative direction and seeks transparent implementation, regional service access and proportionate safeguards.

Our eight recommendations concern financial transparency, psychological injury eligibility, rehabilitation, regional medical access, fair recruitment, regulatory efficiency, council arbitration and continuity of essential services. They are set out in section 7.

## 2. About MITEZ

MITEZ advocates for the conditions that enable established industries to remain competitive, invest and expand, and new industries to establish across the approximately 900-kilometre Mount Isa to Townsville economic corridor. Its economic base includes natural resources and minerals processing, manufacturing, agriculture and AgTech, transport and logistics, tourism, defence and supporting services.

Its seven local government members are Mount Isa City Council, Cloncurry Shire Council, McKinlay Shire Council, Richmond Shire Council, Flinders Shire Council, Charters Towers Regional Council and Townsville City Council. Distance, constrained specialist labour markets and the cumulative cost of providing services are central to MITEZ's interest in this Bill.

Queensland councils operate under the state industrial relations system, while most private-sector employers are covered by the Commonwealth Fair Work Act 2009. Workers' compensation reforms also affect employers insured under the Queensland scheme, including licensed self-insurers; some employers are covered by other compensation arrangements.

## 3. Workers' compensation and the cost of doing business

### 3.1 Financial sustainability and psychological injury (clause 121)

The Review records a WorkCover Queensland funding ratio of 137.1% at 30 June 2026 and an average premium of $1.343 per $100 of wages, unchanged since 2024–25. Over five years, statutory claim volumes increased 14.7% and average claim duration rose 6.8 days. The Review describes an existing cost advantage but growing pressure on premiums.

*Source: Review, section 2.1.4, pp. 109–110.*

Primary psychological injury lodgements rose from 4,367 in 2016–17 to 10,638 in 2025–26, an increase of 143.6%. Accepted primary psychological claims represented 5.3% of all accepted claims but approximately 15.7% of gross statutory payments. The Review estimates that reinstating the "major significant contributing factor" test may result in approximately 180 fewer accepted primary claims per quarter and potential scheme savings of $50.5 million per injury year. This is a scheme-level estimate, not an established reduction in employer premiums.

*Source: Review, sections 2.2.1–2.2.2, pp. 112, 116 and 122–123.*

MITEZ supports clause 121 and clarification of reasonable management action. The Review records opposition from worker and medical representatives and notes that Queensland's scheme was more strongly funded than some interstate schemes when they reformed. MITEZ supports proactive reform to maintain scheme sustainability, provided implementation is evidence-based, proportionate and supported by clear safeguards. Implementation must provide clear assessment guidance, accessible review rights, continued recognition of compensable work-related aggravations and ongoing workplace psychosocial hazard prevention. The Government has accepted WCS Recommendations 1–4, including independent evaluation of the reforms. MITEZ seeks a published evaluation timetable, measures and findings.

*Sources: Review, section 2.2.2, pp. 120–124; Queensland Government Response, printed pp. 22–23 (WCS Recommendations 1–4).*

### 3.2 Premium transparency and self-insurance

The Explanatory Notes do not quantify the expected effect of the Bill on employer premiums, which also depend on wages, industry classification and claims experience. MITEZ asks the Government to publish the assumptions and modelling behind the expected effect of clause 121 and the fraud measures, and to report actual outcomes annually, so employers can judge whether scheme savings reach them.

As at July 2026, Queensland had 27 licensed self-insurers across about nine sectors, including local government, mining and resources, manufacturing and transport. Self-insurers carry claims liabilities directly, so changes to eligibility, review and rehabilitation affect their reserves and costs differently from WorkCover premiums.

MITEZ asks that the Government assess the financial effect on self-insurers separately. MITEZ supports extending the maximum licence period from four to five years (clause 130) and removing the requirement that rehabilitation and return to work coordinators and self-insurer functions be in Queensland (clauses 127 to 129, 132 and 144), subject to demonstrated performance. Clause 130 amends only the maximum term in section 78(2), so MITEZ asks the Committee to confirm how performance will determine the licence term, and that interstate administration does not reduce local rehabilitation service access.

*Source: Review, section 2.4.1, pp. 149–151 and Appendix A; Queensland Government Response, printed p. 26 (WCS Recommendation 14).*

### 3.3 Practical administrative improvements (clauses 125, 127–130, 132, 144)

MITEZ supports removal of the employer's requirement to issue a workers' compensation information statement when employment commences (clause 125). The existing insurer obligation to provide an information statement at claim lodgement continues. MITEZ also supports removing Queensland location requirements for relevant rehabilitation coordinators and self-insurer personnel (clauses 127–129, 132 and 144) and extending the maximum licence term for eligible high-performing self-insurers to five years (clause 130). The Regulator should publish licence-duration performance criteria and maintain effective access to local rehabilitation services.

*Sources: Bill, clauses 125, 127–130, 132 and 144; Queensland Government Response, printed pp. 26, 31–32 (WCS Recommendations 14, 33 and 41).*

## 4. Rehabilitation and access to regional services

The Review reports that the overall return-to-work rate fell from 94.4% to 90.0% over five years. For secondary psychological injuries the rate was 61.9%, compared with 93.0% for physical-only injuries. In regional labour markets, prolonged absence affects injured workers, employers and the ability to maintain operations.

*Source: Review, sections 2.1.4 and 2.2.1, pp. 109 and 116.*

The Government has accepted WCS Recommendation 3 for a claims-management code and Recommendation 19 for an insurer rehabilitation and return-to-work code. It accepted Recommendation 20 to review employer guidance and consider whether an employer code is required. MITEZ seeks implementation milestones, regional

employer consultation and public reporting against return-to-work measures, rather than a further general commitment to these already-accepted initiatives.

*Source: Queensland Government Response, printed pp. 22 and 27 (WCS Recommendations 3, 19 and 20).*

### 4.1 Authorised medical examiners and assessors (clauses 136–137, 141, 145–147 and 181)

The Bill establishes authorisation and registration arrangements for medical examiners and permanent impairment assessors. Clause 181 inserts transitional chapter 40, including proposed sections 758–761, which provide a 12-month transition with deemed authorisation arrangements for specified practitioners and assessments. The Government has accepted WCS Recommendation 31 on the register and its transition.

*Sources: Bill, clauses 136–137, 141, 145–147 and 181; Queensland Government Response, printed p. 30 (WCS Recommendation 31).*

MITEZ supports improved assessment quality and consistency, provided the change does not reduce access across the corridor. Before the new arrangements commence, the Regulator should assess and publish geographic practitioner availability and account for demonstrated shortfalls in commencement and transitional planning. Ongoing reporting should cover waiting times, travel burdens and clinically appropriate telehealth or other alternative delivery. A regional shortage under the new register has not yet been established and should be monitored rather than assumed.

## 5. Fair recruitment and workforce participation (clauses 176–178)

Clause 177 inserts provisions permitting prospective employers to request a high-level workers' compensation claims-history summary with the applicant's written consent. Unauthorised use or disclosure is subject to a proposed offence under new section 571E, introduced by clause 177, carrying a maximum penalty of 100 penalty units. The Government accepted the relevant claims-history and permissible-use review recommendations in principle (WCS Recommendations 39 and 40).

*Sources: Bill, clauses 176–178, especially proposed sections 571D and 571E; Queensland Government Response, printed p. 32.*

MITEZ supports proportionate, safety-related information access where relevant to inherent requirements of a position, while opposing exclusion solely because an applicant has previously claimed compensation. The Explanatory Notes recognise the limits of recruitment-stage consent. Guidance should address genuinely informed and voluntary consent, the treatment of applicants who decline, reasonable adjustments, confidentiality and anti-discrimination obligations. MITEZ recommends evaluation of complaints, misuse and hiring effects within two years.

## 6. Councils, bargaining and essential services

The Review records about 45,870 Queensland local government workers and more than 70 certified agreements. MITEZ member councils provide roads, water, waste and community services essential to liveability and industrial activity.

*Source: Review, section 1.1.1, p. 26.*

MITEZ supports measures for more timely and efficient bargaining, including prescribed direct balloting arrangements (clauses 27 and 30), regard to operational needs when making scope orders (clause 37), relevant three-working-day notice of protected industrial action (clause 50), and payment consequences for industrial action (clauses 52 and 58). These measures should preserve fair representation and provide clear transition guidance for regional councils.

*Sources: Bill, clauses 27, 30, 37, 50, 52 and 58; Queensland Government Response, printed pp. 9–12 (IR Recommendations 23–26 and 30).*

Clause 36 adds an arbitration factor for a "public sector employer": the State's financial position and fiscal strategy, and the employer's financial position. The term is defined by reference to section 3(1) of the Fair Work (Commonwealth Powers) and Other Provisions Act 2009. The Explanatory Notes state the definition is intended to include Queensland Government employers, such as Legal Aid Queensland, TAFE Queensland, Trade and Investment Queensland and Tourism and Events Queensland. MITEZ acknowledges that intention.

MITEZ asks the Committee to seek express confirmation of how the clause 36 financial considerations apply to local governments, and, if they do not apply, to amend the clause so that a council's financial position and the impact on ratepayers are considered in arbitration.

*Sources: Bill, clause 36 (proposed section 180); Explanatory Notes, arbitration provisions; Queensland Government Response, printed pp. 13–14 (IR Recommendation 32).*

MITEZ supports proportionate protection of essential services under clauses 53 and 54. Clause 54 already provides for gazettal and circulation of ministerial declarations. Clause 54 does not itself establish a merits appeal mechanism. MITEZ requests published decision criteria, additional written reasons for declarations and directions, and consultation with affected councils where practicable, while recognising the need for urgent action in genuine public-interest circumstances.

*Sources: Bill, clauses 53–54 (proposed sections 241A–241E); Queensland Government Response, printed p. 11 (IR Recommendations 27–28).*

## 7. Recommendations

**7.1 Financial transparency.** Publish modelling assumptions for the Government's no-reform premium projections and the Review's estimated scheme savings, report actual premium and claims outcomes annually, and separately assess self-insured employers.

*Clause 121; Review pp. 109–110, 122–123; Government Response pp. 2, 22.*

**7.2 Psychological injury safeguards.** Implement the revised threshold with clear decision guidance, effective review processes and continued psychosocial hazard prevention; publish the timetable, measures and findings of the Government-accepted independent evaluation.

*Clause 121; WCS Recommendations 1–4.*

**7.3 Rehabilitation implementation.** Publish delivery dates for the accepted claims-management and insurer rehabilitation codes and employer guidance review; consult regional stakeholders and report measurable return-to-work outcomes.

*WCS Recommendations 3, 19 and 20.*

**7.4 Regional medical access.** Assess authorised practitioner distribution before commencement; monitor waiting times and travel costs; support clinically appropriate alternatives; and address demonstrated shortages through transition planning.

*Clauses 136–137, 141, 145–147 and 181; proposed sections 758–761; WCS Recommendation 31.*

**7.5 Fair recruitment.** Publish guidance on informed voluntary consent and the treatment of applicants who decline, inherent role requirements, reasonable adjustments and anti-discrimination; review outcomes and misuse within two years.

*Clauses 176–178; WCS Recommendations 39 and 40.*

**7.6 Administrative efficiency.** Support removal of the employer information-statement requirement, Queensland-location requirements and the five-year maximum self-insurer licence term, with transparent licence criteria and regional service safeguards.

*Clauses 125, 127–130, 132 and 144; WCS Recommendations 14, 33 and 41.*

**7.7 Council arbitration.** Obtain express clarification of whether clause 36's additional public-sector financial considerations apply to councils; if they do not, provide an appropriate mechanism for councils' financial circumstances, ratepayer impacts and service obligations to be considered.

*Clause 36; Fair Work (Commonwealth Powers) and Other Provisions Act 2009, s. 3(1).*

**8. Essential service safeguards.** Publish criteria for the Commission's and Minister's intervention powers; supplement existing declaration publicity requirements with written reasons and consultation with affected councils where practicable.

*Clauses 53–54; proposed sections 241A–241E.*

## 8. Member Consultation

"Regional councils have a responsibility to provide essential services while managing limited resources and the financial pressures facing our communities. Industrial relations reforms must recognise councils' capacity to pay, the impact of employment costs on ratepayers and the importance of maintaining reliable services. Fair and efficient bargaining arrangements are important for our employees, our communities and the industries that depend on local government infrastructure and services."

**Tim Rose**
Chief Executive Officer, Mount Isa City Council

"Regional councils like Cloncurry face unique challenges in managing workers' compensation, accessing timely rehabilitation services and attracting and retaining skilled workers, making it essential that legislative reforms recognise the operational realities of remote communities."

**Tammy Parry**
Chief Executive Officer, Cloncurry Shire Council

"Businesses investing in regional Queensland need a regulatory environment that supports growth rather than creating additional uncertainty. In steel fabrication and construction, the ability to retain skilled workers, manage employment costs and deliver projects on time is essential. Reforms that improve efficiency and provide clear, consistent workplace arrangements can strengthen the capacity of regional manufacturers to support mining, infrastructure and emerging industries across the Mount Isa to Townsville corridor."

**Gavin Starr**
Business Development Manager, Custom Steel Fab

"Operating a business in rural and remote Queensland presents unique challenges, from attracting and retaining skilled workers to managing higher operating costs and delivering services across vast distances. We welcome reforms that reduce unnecessary red tape, improve administrative efficiency and provide greater certainty around employment and workers' compensation costs. However, the real measure of success will be whether these reforms deliver meaningful cost savings, support business confidence and make it easier for regional businesses to invest, grow and create local employment opportunities."

**Hari Boppudi**

Managing Director, RRETS Group

## 9. Conclusion

MITEZ supports the Bill's aims of improving workplace productivity and maintaining a fair and sustainable workers' compensation scheme. For corridor employers and councils, the benefit will depend on how the reforms operate in practice. Financial transparency, accessible regional assessment and rehabilitation services, recruitment safeguards and clarity for councils in bargaining are needed to deliver those aims in regional and

remote Queensland. MITEZ asks the Committee to reflect these outcomes in its report and the Government's implementation program. Thank you for the opportunity to contribute this submission.

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**Principal references**

Ferguson G and Black G, Industrial Relations and Workers' Compensation Scheme Review, Final Report (September 2026), pinpoint sections and pages cited in text.

Queensland Government, Response to the 2026 Review of the Industrial Relations Act 2016 and Workers' Compensation and Rehabilitation Act 2003 (released 14 October 2026), printed pages cited in text.

Queensland Parliament, Industrial Relations and Other Legislation Amendment Bill 2026 (as introduced 14 October 2026); Explanatory Notes.