

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2026–27 Budget Estimates

Melbourne – Tuesday 19 May 2026

MEMBERS

Sarah Connolly – Chair

John Pesutto – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Richard Riordan

Meng Heang Tak

WITNESSES

Ben Carroll MP, Minister for WorkSafe and the TAC;

Chris Barrett, Secretary,

Camille Kingston, Deputy Secretary, Commercial, and

Tracey Slatter, Chief Executive Officer, Transport Accident Commission, Department of Treasury and Finance; and

Cathy Henderson, Chief Executive Officer, WorkSafe Victoria.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee. I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2026–27 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside of this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is broadcast live on the Parliament's website. The broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during hearings, and anything you say may be picked up and captioned, even if you say it quietly.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream and other committee members.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for WorkSafe and the TAC the Honourable Ben Carroll as well as the Secretary and officials from the Department of Treasury and Finance. Minister, I invite you to make an opening statement or presentation of no more than 5 minutes, after which time the committee will ask you some questions. Your time starts now.

Ben CARROLL: Thank you, Chair. I am pleased to be here at my second hearing as the minister for WorkSafe and the Transport Accident Commission. I am joined by Chris Barrett and Camille Kingston from the Department of Treasury and Finance on my right and Cathy Henderson, CEO of WorkSafe, and Tracey Slatter, CEO of the TAC, on my left.

As the Minister for WorkSafe and TAC, with the Minister for Roads and Road Safety, I am jointly responsible for overseeing the Transport Accident Commission. The TAC is responsible for promoting road safety and supporting those injured on Victoria's roads.

Visual presentation.

Ben CARROLL: In 2024–25 the TAC provided nearly \$1.9 billion in supports and compensation to help over 43,000 Victorians injured on our roads. The TAC continues to deliver its *Make Every Day Matter* strategy to achieve better outcomes for all stakeholders. This includes \$1 million funding invested to boost research that will improve recovery and rehabilitation supports for clients.

The TAC takes its responsibility to the Victorian community seriously, with a long history of social investment and partnerships. In 2024–25 this included \$11.8 million to community partnerships and \$2.8 million in local road safety grants. In 2024–25 the TAC recorded an operating profit of \$1.1 billion, largely driven by a reduction in claims and strong investment returns. The TAC's economic insurance result was over \$900 million, and its insurance funding ratio, the key measure of the TAC's financial position, was 152.5 per cent as at 30 June 2025. This is well above the upper limit of the preferred range of 100 to 140 per cent. The

TAC's strong financial position means it is well placed to support road trauma prevention and support clients now and into the future. The TAC's strong financial performance means it has capacity to pay dividends to the state while maintaining a strong financial position. The TAC is estimated to pay dividends totalling \$2.4 billion between 2026–27 and 2029–30. The Minister for Roads and Road Safety will be well placed to detail Labor's record road maintenance investment and how this will improve road safety.

As the Minister for WorkSafe and the TAC, I am responsible for WorkSafe, Victoria's workplace safety regulator and provider of Victoria's workers compensation scheme. WorkSafe's strategy aims to reduce workplace deaths by 30 per cent and injuries by 20 per cent and strengthen return-to-work pathways. WorkSafe's compliance and enforcement activities play a critical role in reducing injuries, illness and deaths in Victorian workplaces. In 2024–25 WorkSafe conducted over 57,000 workplace visits and issued almost 15,000 improvement notices. The Allan Labor government has invested and committed \$22.4 million in the 2026–27 budget to delivering safer workplaces for Victorians and to improving return-to-work outcomes.

In terms of support WorkSafe provides when someone is injured at work, in 2024–25 WorkSafe supported over 109,000 injured workers with over \$3.7 billion in total scheme payments. Progress has been made towards scheme sustainability, with the insurance funding ratio increasing from 105.8 per cent as at 30 June 2024 to 115.9 per cent as at 31 December 2025. While this improvement is promising, the ratio remains below the target of 120 per cent, which is the midpoint of its preferred range of 100 to 140 per cent. The average WorkCover premium rate will remain at 1.8 per cent of remuneration in 2026–27.

Our Labor government is taking action to prevent risk to workers' mental health and create psychologically safe workplaces through our psychological health regulations. WorkSafe is supporting employers to implement the new regulations as well as education campaigns like Don't Cross the Line.

Finally, WorkSafe's engagement through sponsorships, partnerships and grants extends its reach and has driven cultural and behavioural change within the community, making sure Victoria is one of the safest places in the world to work. The Allan Labor government will continue to use all levers to ensure Victorian workers return safely every day. That is the conclusion, Chair, of my presentation.

The CHAIR: Thank you very much. The first 7 minutes is going to go to Ms Benham.

Jade BENHAM: Thank you, Chair. Good morning, Minister and officials. You would be familiar now with the story last week from Nick McKenzie and Lachlan Abbott reporting on the alarming story about violent men cashing in on Allan's pro-women policy on government infrastructure projects. The company was owned by a male serial domestic violence abuser who had links to drug trafficking, bikies and criminals. Had WorkSafe investigated this company prior to this report?

Ben CARROLL: Thank you, Ms Benham. I will ask the Chief Executive Officer to supplement my answer, but can I say at the outset there is no place for violence, aggression or sexual harassment at any workplace. Victorians deserve to feel safe and be respected in their workplace. We have a zero-tolerance approach to this illegal behaviour. What I can do is say, as WorkSafe is an independent regulator with clear powers and responsibilities under the *Occupational Health and Safety Act*, I will ask the CEO to provide an answer.

Jade BENHAM: Thank you.

Cathy HENDERSON: Thank you. Ms Benham, I am not myself aware that we previously investigated that organisation, but I might not be aware, so we can see if there is further information that we can provide to you on that.

Jade BENHAM: That would be great. Thank you very much. Minister, when did you first hear that government infrastructure projects using this program were unsafe for women?

Ben CARROLL: I think it was when I read about it in the newspaper.

Jade BENHAM: Given this horrendous situation – and as you just said, it is a horrific situation – are government infrastructure projects safe for women?

Ben CARROLL: First and foremost, in every project, government or private sector, wherever women are, safety is paramount, but in terms of infrastructure, that was probably a question for the transport infrastructure

minister yesterday. Having said that, though, as the Minister for WorkSafe, making sure a woman – or any person, for that matter – gets up and goes to work, is not harassed, comes home safely and has not been mistreated is paramount in everything we do for me as minister but also in everything we do at WorkSafe. That Don't Cross the Line campaign that I spoke about earlier is a call to arms and a call to action. For every single Victorian out there: when you are at any sort of worksite or you are going anywhere, always think, if that was your daughter or that was your mother or your sister, how you would feel.

Jade BENHAM: Correct.

Ben CARROLL: Put yourself in other people's shoes. Safety is non-negotiable, and the safety of women is non-negotiable in the workplace.

Jade BENHAM: Ms Henderson, were you aware of the situation? This is a story that has been floating around in the media for six months. Were you aware of the situation before the news last week?

Cathy HENDERSON: The allegations about that particular organisation I was not aware of before the news article last week.

Jade BENHAM: But you were aware that there were some issues with bullying, harassment and sexual harassment on Big Build sites?

Cathy HENDERSON: We have a significant effort that goes into workplace health and safety in the construction industry and in the government Big Build sites as well. Of our specialised construction inspection teams, one is focused specifically on the Big Build, and we visit swiftly and daily for any issues that are raised at WorkSafe. I am not aware of issues around this particular company.

Jade BENHAM: Do you have then figures around how many times WorkSafe has investigated government infrastructure projects about these claims specifically related to women and how many were validated?

Cathy HENDERSON: I was not aware of the allegations around this particular company until the articles that appeared late last week. In terms of our effort around improving, educating and enforcing safety, what I can say is that of our 57,000 workplace visits in 2024–25, which was a big increase on the number of workplace visits in the previous year, over 30 per cent were at construction sites, and that is because we know construction sites are high risk.

Jade BENHAM: How many of those are government construction sites?

Cathy HENDERSON: I do not have that information before me of how many visits.

Jade BENHAM: Are you able to provide that?

Ben CARROLL: We can have a look at that. Government construction sites are public–private partnership construction sites as well.

Jade BENHAM: I understand that. We are just trying to get to how many claims there have been on those worksites and how many times WorkSafe has attended. Yesterday during the hearings the Minister for Women said that sexual harassment was prominent in the dataset, so has the Minister for Women or her office asked WorkSafe specifically to investigate the claims in relation to Victorian government infrastructure projects?

The CHAIR: Ms Benham, I have warned members before to be careful how they are paraphrasing particular hearings. Could you ask that question again?

Jade BENHAM: Has the Minister for Women asked the Minister or WorkSafe to investigate women in construction?

Ben CARROLL: I know the Minister for Women, wearing her hats as the ministers for women, transport infrastructure and active and public transport, is always at the forefront of making sure women's rights are protected, is always rolling out the latest government initiatives and has always been focused, as we all are as members of the government. As every member that has been before this committee has said repeatedly, there is zero tolerance and we will not accept any of this behaviour.

Jade BENHAM: But did the Minister for Women approach you as WorkSafe minister or WorkSafe at all?

Ben CARROLL: The minister, whenever I talk to her, is always making sure that every workplace is safe for women, men, young people and apprentices. It goes without saying we take our duty very seriously when it comes to workplace safety.

The CHAIR: Thank you, Minister. We are going to Mr Galea.

Michael GALEA: Thank you, Chair. Good morning, Minister, Secretary and officials. Minister, in your presentation you talked about the various measures that WorkSafe is undertaking to support the mental wellbeing of workers. Indeed you mentioned the Don't Cross the Line communications campaign, which has been very important indeed for those frontline service, retail and other sorts of frontline workers. The new psychological health regulations are seeking to reduce the psychological injuries faced by Victorian workers: can you talk to me a little bit more about how that process is being rolled out?

Ben CARROLL: Thank you, Mr Galea. Shortly after being appointed as the minister for WorkSafe I was really proud to announce that our government would introduce psychological health regulations by the end of this year. It goes without saying that psychological health and mental health injury are essentially one of the fastest growing parts of our workers compensation scheme. On 1 December we delivered on this commitment, introducing new regulations to protect the psychological health and safety of all Victorian workers. These changes do respond to recommendations made by the Boland review, the Royal Commission into Victoria's Mental Health System and the Productivity Commission inquiry into mental health. We know that mentally healthy workplaces experience up to 43 per cent fewer sick days – how good is that for the economy and for that workplace. Mentally healthy workplaces experience up to 72 per cent more productivity than work environments with poor mental health. So it goes without saying addressing mental health risks benefits every corner of this economy and every corner of this society.

Our regulations now align with regulations introduced in other states and territories. They strengthen existing employee duties to manage risks to psychological health in the workplace. They also make sure that hazards, including bullying, sexual harassment, high job demands, aggression or violence or exposure to traumatic events, are addressed also. The regulations focus on risk management by creating specific obligations to Victorian employers to identify and control psychosocial hazards in the workplace. We know that all workplaces are unique and they are all individuals, so employers, in consultation with workers, have flexibility to determine the control measures most effective in their workplace and adjust them when circumstances change or need to be changed. This was a big reform effort, and I do thank all stakeholders who helped shape the regulations, including stakeholder reference groups, comprised of representatives from unions, employers, peak bodies and legal bodies. Psychological hazards and mental injuries impact wellbeing and productivity across our community and economy, and it makes sense to do everything we can to prevent them, because every worker deserves a safe workplace, including one that is psychologically safe.

Michael GALEA: Absolutely. Minister, you can probably imagine that as a former union official I am very familiar with the Occupational Health and Safety Act and the obligations it puts on employers to provide a safe workplace. What support is your department, WorkSafe, providing to employers to make sure that they are complying with the new psychological health regulations?

Ben CARROLL: Sure, Mr Galea. Our support and our emphasis have been multifaceted – so education, building capability and strengthening evidence through partnerships. We have developed at WorkSafe under the leadership of the Chief Executive Officer and her team a range of guidance, resources and supports to help employers know their obligations under the new regulations. Some of these initiatives have included the Psychological Health Compliance Code, a key resource to help employers understand how to comply with their duties. WorkSafe has also updated and published non-statutory guidance on aggression and violence, sexual harassment and gendered violence. New tools and resources include a webinar, explainer videos, fact sheet, poster and prevention plan templates. Updates to non-statutory guidance and resources will continue to be made across 2026 in relation to emergency services, bullying, stress, exposure to traumatic events or content and fatigue, as well as, Mr Galea, family violence.

We are also undertaking to improve the usability of the WorkSafe website and ensure psychological health information is easier and faster to find, and I encourage every employer to register for WorkSafe's

psychological health basics education program. This is a free 2-hour online workshop for small to medium businesses to get practical support, and we are really proud that we are leading the way at a national level, investing \$4.5 million towards the establishment of a new national centre for workplace mental health and wellbeing, now known as Mentally Healthy Workplaces Australia. This fits with everything that Victoria and our government are about. The initiative brings together industry, unions, insurers, research academics and service providers to lead research projects which will inform real-world solutions to support mentally healthy workplaces and prevent workplace-related mental health injury.

It was wonderful, Mr Galea, to attend the launch of the new centre, hosted by Monash University last year, and I was really, truly inspired by their passion and their dedication to shifting the dial in workplaces not just in Victoria but indeed across the country and indeed be a leader in the world. But that is not all. We have got WorkSafe's WorkWell Mental Health Improvement Fund, which has enabled the delivery of more than 30 projects with over 1000 project partners, including industry leaders, unions, peak bodies and research partners, and just this year WorkSafe will invest up to \$8.8 million in five mental health advisory trials. This will be announced soon. The successful applicants will lead a group of partners to co-design and implement workplace trials aimed at preventing mental injury and keeping at-risk workers safe through the changes. That is the conclusion of my answer.

Michael GALEA: Thank you, Minister. It is great to hear that Mentally Healthy Workplaces Australia is based in the south-east with Monash as well. That is very good to note.

Ben CARROLL: I thought you would pick up on that.

Michael GALEA: I may not have time to ask the next question, but maybe I will just reiterate the importance of campaigns like Don't Cross the Line to really emphasise for these often low-paid but essential workers how important it is that they are treated with respect by customers and members of the public. Thank you for your efforts on that.

Ben CARROLL: Good call-out, Mr Galea. Often these are people at the front line as their first job, and it can have lifelong impacts if we are not mindful of how we should be treating them.

Michael GALEA: Absolutely.

The CHAIR: Thank you. We are going to go to the Deputy Chair.

John PESUTTO: Thanks, Chair. To the CEO, Ms Henderson: off the back of Ms Benham's questions about the Big Build and the controversy surrounding that, without going through all of the media reports and other controversies around that, can I just establish a few things? As the CEO of our workplace regulator in charge of workplace safety, it is true, isn't it, that WorkSafe has powers to prosecute breaches of workplace safety?

Cathy HENDERSON: Mr Deputy Chair, that is right. WorkSafe is the workplace regulator for workplace health and safety.

John PESUTTO: And it can prosecute either entities or individuals who constitute or perpetrate acts of violence or bullying in workplaces? That is a fairly simple proposition.

Cathy HENDERSON: Where matters cross over into police matters, that would be an issue that would be handled by the police, such as criminal allegations about some of the things you mentioned. But as the workplace regulator under the *Occupational Health and Safety Act*, we have significant powers, that is correct.

John PESUTTO: Right. But just for the record, can I establish: a person who constitutes or perpetrates an act of violence or intimidation or bullying in a workplace would typically face the prospect of a prosecution by the workplace regulator for breaching workplace safety, yes? I am not trying to invent things; that is just a simple fact, isn't it?

Cathy HENDERSON: I am sorry, Mr Deputy Chair. I do not know that I accept that that would be routine. I think, for instance, in the case of a serious criminal matter, it would be the police that were leading that.

John PESUTTO: But, sorry, CEO Henderson, can I just establish every single prosecution by the workplace regulator is inherently to bring to accountability a criminal act? It is a criminal act to intimidate or commit an act of violence in a workplace. That is why it has that power. Isn't that a simple proposition?

Members interjecting.

The CHAIR: Excuse me, members, including the Deputy Chair –

John PESUTTO: I have established –

The CHAIR: Deputy Chair!

John PESUTTO: I was interrupted by your colleagues.

The CHAIR: Deputy Chair, you have asked your question. Afford Ms Henderson the opportunity to reply. She is trying to reply to you, but you are not listening. Ms Henderson.

Cathy HENDERSON: Mr Deputy Chair and the committee, yes, WorkSafe launches a number of prosecutions each year, and some of them will be under other Acts. The *Occupational Health and Safety Act* sets out a variety of powers. Many of the prosecutions that we launch are for things like failing to control risks at heights or failing to add guards to machines, for instance.

John PESUTTO: I understand that, Ms Henderson, but can I establish that a person or an entity that bullies, intimidates or commits an act of violence is potentially criminally liable under occupational health and safety legislation, for which your organisation has the power to prosecute?

Cathy HENDERSON: Mr Pesutto, what I would say is that in relation to construction industry issues generally, the Wilson review made a raft of recommendations, which the state government accepted. As part of that, it established the alliance, of which WorkSafe is one party, with the police, with the Fair Work Commission, with the Labour Hire Authority and with other government agencies, so any coordination efforts that are required –

John PESUTTO: Are there any prosecutions at all, Ms Henderson, in relation to any Big Build project, prosecuting an individual or entity for intimidation, violence or other improper behaviour on worksites at the moment? Are you aware of any prosecutions by your organisation?

Cathy HENDERSON: We have got a number of prosecutions on foot. I will have to check as to whether there are any Big Build prosecutions at the moment.

John PESUTTO: Could you come back to this committee if you find something? Just in relation to recovery actions, it would be true, wouldn't it, the simple proposition that there would be claims that have been submitted to insurers seeking compensation, legitimately, for injuries sustained as a result of bullying and intimidation concerning Big Build activity that has been in the news? That would be right, wouldn't it?

Cathy HENDERSON: There can be claims for mental injury in any workplace.

John PESUTTO: Sure. But my question is: in relation to Big Build behaviour that has been reported on, it is true, isn't it, that there have been legitimate claims made and for which the scheme has accepted liability and is paying compensation in relation to those claims?

Cathy HENDERSON: I do not know about individual claims, Deputy Chair –

John PESUTTO: Sorry, Ms Henderson: could you come back to the committee if you find anything?

The CHAIR: Deputy Chair, Ms Henderson is trying to answer your question. Just give her an opportunity to answer your question. Ms Henderson.

Cathy HENDERSON: There are around about 34,000 claims per year that we receive, and 100,000 claims that are receiving weekly payments at any given time, of which government is one of the industries that is represented. Construction is one of the industries –

John PESUTTO: Can I put it to you this way. What I was hoping to get to and establish is: does WorkSafe have a policy of seeking to recover, as it can under the Act, amounts of compensation that it has paid out to a legitimate worker from the person who perpetrated that, if you like, stress or violence towards that person? Does WorkSafe have a policy of recovering that money?

Cathy HENDERSON: I am not aware that we routinely seek to recover costs from individuals in the case of the WorkCover compensation scheme. The scheme is set up under legislation to fund claims for mental injury as well as claims for physical injury. I can see if there is further information we have for you on that.

John PESUTTO: Thank you. Minister Carroll, you are aware of the Premier appearing before this committee and Minister Williams appearing before this committee in recent days, and I will not traverse all of the questions and answers that were given. But can I ask: are you fully satisfied, completely satisfied, in your capacity as the minister responsible for workplace safety, that the Premier and Minister Williams did all that they should have to ensure that there were not intimidation and violence?

Michael Galea interjected.

John PESUTTO: No, I am asking for a state of mind. Is he satisfied that all was done?

The CHAIR: Deputy Chair, you are asking for an opinion.

John PESUTTO: I am not asking for an opinion.

The CHAIR: We are into our third day of hearings, and every day I have told you about asking for opinions.

John PESUTTO: Does the minister wish to respond? Does more need to be done, Minister?

Ben CARROLL: I said at the outset there is no place for violence, aggression or sexual harassment at work, at any workplace.

The CHAIR: Thank you, Minister. We are moving on to Ms Kathage.

Lauren KATHAGE: Thank you, Chair, Minister and officials. I would like to draw your attention to page 95 of BP3, and that there lists funding for trialling a new model of support for families following a workplace fatality. Can you provide the committee with information about the trial and how it is going to support impacted families?

Ben CARROLL: Thank you, Ms Kathage. Like every person in this room today, we want every worker to come home safe and healthy every day. But sadly, we know too many Victorian families do know the pain of losing a loved one at work, and we are very committed to doing everything we can to ensure, as workplace fatalities have such a significant impact, that we give all the proper support for the psychological, the social and the economic impacts that they have. These bereaved families have to deal with a lot – grief, trauma and sudden preventable loss; I underline ‘preventable’ – but also navigate a complex system and process of workers compensation, the courts, financial and tax arrangements. WorkSafe currently offers what we are talking about as family liaison officers to support families during WorkSafe’s investigations and processes following a workplace fatality or serious injury.

Family members do need to be able to access immediate support. That is why we are standing up \$1.4 million for delivery of a new pilot, as you alluded to, to help families navigate the different services and supports available for them through their journey, which is a journey of grief. As part of standing up the initiative and selecting the independent service provider my department will consult closely with lived experience members of the workplace injury consultative committee and WorkSafe as well as other services such as the courts and Victoria Police. Funding has also been allocated for an evaluation in year 3 to assess the effectiveness of the pilot and determine whether we have helped deliver timely, coordinated support to those families navigating the aftermath of a workplace fatality. Ms Kathage, the pilot will be available from day one for all families who opt in, resulting in a reduction of stress, anxiety and trauma and making sure we get all the better outcomes for the families.

Lauren KATHAGE: Minister, you spoke about people with lived experience informing that. Is that through the Workplace Incidents Consultative Committee, and if so, what is their function or role in working with WorkSafe?

Ben CARROLL: It is really important that lived experience voices are heard; people who have been affected personally by serious injury, illness or death deserve to have their voices heard. That is why in 2020 we were really proud that with the introduction of the workplace manslaughter laws the Victorian Labor government announced that we would create the Workplace Incidents Consultative Committee. This was all about, Ms Kathage, strengthening the lived experience and the voice getting to the decision-makers at the table. These are people that have faced incredible trauma and ongoing trauma and challenges about losing a loved one where they wished them goodbye over breakfast and they never came home. Currently the committee, whom I have met with, comprises nine members: eight with lived experience of a serious incident, and one government co-chair, Gary Maas, the Member for Narre Warren South. We continue to use this committee to provide advice to government to ensure we do everything we can to support these families.

With the CEO just recently we met some of the families at the workers memorial day and heard directly from them. They come with their grandkids that never got to meet the grandad and all sorts of things. You just know how important it is that we continue to work in partnership with Trades Hall, our union partners, and do everything we can to make sure workers that go to work come home that night. That is why there is nothing more important for a Labor government and a Labor minister than to get up every day and make sure workers come home safely and that they come home at night. That is why we have the workplace injury consultative committee and the work it is doing with workplace injury rehabilitation and compensation. It is why we are ensuring everyone, every family member, gets the support they need.

I do want to acknowledge the committee's list of achievements. They provide advice on WorkSafe's return-to-work initiative. They have designed the bereavement support service; they have helped in the support and publishing of videos of their personal stories with workplace safety messages on the committee website on the Department of Treasury and Finance website. We have also got a video there of Brett Struhs. Brett was the co-chair of the workplace injury consultative committee. I have met Brett. His son Kyle tragically died in November 2018 after falling off a ladder while installing solar panels in Bendigo. It is hard to fathom – a young worker in the prime of his life, to then hear from his dad sharing his story, but then for them to know that they are not alone, that we are there as a regulator to support them and help them.

Ms Kathage, it is truly a privilege to be the minister for WorkSafe, to work with these families. I value the input of the Workplace Incidents Consultative Committee, ensuring lived experience is at the heart of our government's workplace safety reforms. We have always said we have got more work to do. While it is not an easy task to discuss personal experience, particularly when you have been through such grief and trauma, these people do not want it to ever happen to anyone else. Sadly, we are continuing to have workplace deaths, so our work will go on. We need to do everything we can to eliminate workplace injury and workplace deaths. The people who have this lived reality bring their insights. The way they help shape policy, the way they help shape systems – we are truly thankful for that. I would like to just thank them for their work that they are continuing to do. We would not be where we are as a workplace regulator without that lived experience.

Lauren KATHAGE: Thank you, Minister.

The CHAIR: Thank you, Ms Kathage. We are going to Mr Riordan.

Richard RIORDAN: Thanks, Chair. Changing tack, Minister, I wish to pose a question to the CEO of TAC Ms Slatter.

Ben CARROLL: Sure.

Richard RIORDAN: You have been very generous in recent years – nice billion-dollar dividends or a bit better each year to the government. CEO, when the TAC budget is prepared each year, do you factor in the likelihood of having to pay the Treasurer more than a billion dollars each year because the government asks you for it, or is it a result of your trading?

Tracey SLATTER: Is it a result of what, sorry?

Richard RIORDAN: Or is it a natural consequence that you report to the minister, then the minister says, ‘Can I please have that?’ Do they expect you to deliver a billion dollars?

Tracey SLATTER: The forward estimates present the estimates of dividend payments to be made by the TAC. However, the process of determining the dividend is outlined in the *Transport Accident Act*. What that involves is consultation, usually towards the end of the financial year, with the Transport Accident Commission to ascertain the scheme’s financial sustainability, taking into account, for example, the management of claims over the year but also particularly investment returns with the likely profit at the end of the year. So the TAC is consulted on an annual basis to determine whether or not we are able to pay a dividend, and that is based on the financial strength of the scheme.

Richard RIORDAN: So if you did not pay that dividend, of course that would be more money you would have for road safety.

Tracey SLATTER: No, the actual amount of money that is considered for the dividend is taken into account after our commitments for road safety. For example, in the 2024–25 financial year we invested more in road safety than in the previous financial year. So the commitments to road safety are paramount and significant.

Richard RIORDAN: Right. As your mission at the TAC is to care for the lives of everyone who travels on Victoria’s roads, in part, as a fellow regional road traveller it must distress you as CEO to notice, as you cannot avoid them in regional Victoria particularly, that with the billions that your organisation invested in road safety barriers in particular, they are now littered from one end of the state to the other in a broken, not cared for state, with faded orange poles littering all sides of every highway and freeway and byway of the countryside. Do you have an opportunity to present back to the minister that we need more funding to prop up an investment that we put in that has now made our roads less safe? And when I say less safe, Maurice Blackburn, the motorists, everyone reports that broken wire barriers are actually more dangerous than if they were not there. Does that concern you and your organisation, and do you report that to the minister?

Tracey SLATTER: The TAC continually invests in road safety infrastructure, including both the development of additional wire rope barriers as well as supporting the maintenance of the wire rope barriers. We are really pleased to have invested most recently the \$350 million in action plan 2, which includes significant funds for additional infrastructure. But in relation to the maintenance of the flexible barriers, that would be a question predominantly for the Department of Transport and Planning through the Minister for Roads and Road Safety.

Richard RIORDAN: As an organisation that has spare cash, which is unusual for a government agency, and with the mission of caring for people’s lives on the roads, do you have an opportunity to suggest where extra funding could go?

Tracey SLATTER: We work as one of the key partners in the road safety partnership, which is led by the Department of Transport and Planning. We are a key partner in that, and we put forward, from a TAC perspective, investments that will have the purpose of cost-effectively reducing the cost of compensation, which is a key requirement under the *Transport Accident Act*. So we are investing every single year in new and additional road safety mechanisms, whether they be infrastructure, cameras, initiatives by Victoria Police, education campaigns. It is a comprehensive, integrated process that together is seeing really positive effect in reducing tragic fatalities and serious injuries on our roads.

Richard RIORDAN: In light then of the way that you arrive at your forecasts, the forecast for the 2027–28 year shows a very modest dividend for the government of only \$8 million, which is like a billion dollars less than this year. What is leading to such a dramatic drop in potential dividend?

Tracey SLATTER: That is not a matter for –

Ben CARROLL: That is probably one for the Secretary of Treasury and Finance.

Chris BARRETT: I can answer that if that is helpful, Mr Riordan. That \$8 million –

Richard RIORDAN: Sorry, just on that, I thought that you developed the budget.

Tracey SLATTER: No.

Richard RIORDAN: So you are going to be asking for less.

Chris BARRETT: No. Actually the \$8 million in 2027–28 is the ongoing efficiency payment. We require agencies to pay an ongoing efficiency payment. It is effectively an efficiency dividend. So that is not a dividend, that \$8 million – it is effectively an efficiency payment.

Richard RIORDAN: Oh, right. So that will be on top of hopefully another billion, from your perspective.

Chris BARRETT: I would not speculate at this point in time.

Richard RIORDAN: You would be most hopeful. Minister, do you agree that without the dividend payment, the Victorian government – without people paying their rego and their funds into keeping people safe on the roads – we would not have a surplus in the Victorian budget?

Ben CARROLL: No. I reject the premise of that question. The dividends have been a longstanding feature of the TAC scheme, and –

Richard RIORDAN: That is all. You have answered the question.

Ben CARROLL: I want to – because this got glossed over. The reason we can pay a dividend is because the TAC is so well managed, and the operating surplus is \$1.13 billion. But you have got to remember too, the TAC, Mr Riordan, provided \$1.87 billion in support to more than 43,000 TAC clients to help them recover and return to independence –

Richard RIORDAN: So just finally, on the money that the TAC –

Ben CARROLL: and what could be more important for an insurer than getting people back on their feet?

Richard RIORDAN: Finally, on the money that the TAC does dish out, they are no longer clearly disclosing who we sponsor. Is there a reason for why we have gone –

The CHAIR: Thank you, Mr Riordan. We are going to Mr Tak.

Meng Heang TAK: Thank you, Chair. Deputy Premier, I draw your attention back to your presentation earlier and refer to WorkSafe's five-year strategy. Could you please provide more information for the committee about WorkSafe's goals for the next five years and what they are doing to achieve these?

Ben CARROLL: I certainly can, Mr Tak, and thank you for drawing attention to the WorkSafe five-year strategy. That is really important in making sure that we align our strategy and also our OH&S initiatives to prevent injuries. We launched the five-year strategy in February last year. It is ensuring we remain at the forefront of workplace health and safety. The strategy has clear goals: reduce deaths, reduce injuries, improve return-to-work rates. We continue to do everything we can to drive improvement.

Meng Heang TAK: Thank you. Also back to the presentation, which details the range of regulatory activities undertaken by WorkSafe in 2024–25, Deputy Premier, that is including prosecutions, workplace visits and improvement notices. Could you please provide the committee with further details about WorkSafe's activities to ensure employers are complying with health and safety law?

Ben CARROLL: Yes, certainly, Mr Tak, and I will go straight to what our WorkSafe inspectors do. They encourage duty holders' commitment to a planned approach to health and safety; duty holders' commitment to continuous improvement of health and safety; effective workplace communication and meaningful employee involvement at all levels; the control of risks at their source; appropriate provision of training, information, instruction and supervision; and workplaces to make health and safety considerations a core part of their operations.

Every Victorian should feel safe and every Victorian should work in a workplace that is safe. Every Victorian every single day should come home. I am proud of the actions WorkSafe is taking not only to keep Victoria one of the safest places in the world but the work we are doing to have a target of zero workplace deaths. And I

highlighted this earlier: every workplace death or injury is preventable. As the key safety regulator we are doing everything we can to make sure our health and safety laws ensure the health, safety and welfare of employees and other people at work. We are making sure our laws are modern; eliminate risks to the health, safety and welfare of employees, including contractors and the public; ensure the activities of employers and self-employed persons place no risks on the health and safety of members of the public; and involve employers and employees and their representatives in workplace health and safety issues. Mr Tak, we are doing everything we can to promote a culture of safety across everything we do at WorkSafe. The WorkSafe inspectorate, under the leadership of the CEO, continues to focus on targeting those most prevalent causes of fatalities and to focus on priority industries which do have a high number of injuries.

Meng Heang TAK: Thank you. That includes prosecutions to enforce the workplace function to deal with alleged health and safety issues and breaches of health and safety law. Deputy Premier, can you explain to the committee what action WorkSafe has taken in the past year to enforce Victoria's workplace health and safety law?

Ben CARROLL: Yes, certainly, Mr Tak. WorkSafe have been taking action. At the outset let me be very clear: we will not tolerate any employer that gambles with workers' lives. Unsafe workplaces have no place in the state of Victoria. That is why we recently launched a stronger, more targeted approach to targeting workplace harm, including a range of remedial and punitive measures to encourage compliance and deter noncompliance by employers, which does include prosecutions and infringements.

In 2025, to go to the data, WorkSafe issued a total of \$17.4 million in fines, costs and undertakings for breaches of the OH&S act and the *Dangerous Goods Act*. This includes the fine for the state's first workplace manslaughter conviction being increased to a record \$3 million on appeal, as well as three other seven-figure penalties and 29 outcomes worth more than \$100,000. In the last financial year inspectors conducted 57,000 workplace inspections, almost 20,000 more than they did in 2021–22. Mr Tak, 16,300 workplace notices were issued to unsafe workplaces. That is up from 13,943 workplace compliance notices the previous year. We have also taken action against workplace bullying and harassment, and we are doing everything we can to ensure that criminal prosecution, substantial fines and potential imprisonment await employers who fail to meet their legal obligations to protect workers' lives.

Not putting up guardrails for a quick roofing job or letting an apprentice work alone may seem like easy ways to save a bit of time or money, but the reality is you are often gambling with a young apprentice's life or a family member of a loved one. We have zero tolerance to any of this behaviour. As we have said repeatedly, every workplace death is unacceptable. We have zero tolerance and will continue to have zero tolerance into the future.

Meng Heang TAK: Thank you, Minister. You also mentioned that WorkSafe is focused on targeting the most prevalent causes of fatalities and is prioritising the industries with the highest number of injuries. I refer to budget paper 3, page 95. How will the 2026–27 budget funding help strengthen WorkSafe's ability to target those high-risk industries?

Ben CARROLL: Thank you, Mr Tak. The construction, health care, social assistance, government, agriculture and manufacturing industries account for, I think, 60 per cent of all workplace-related deaths and injury claims – completely unacceptable. We know we have got so much more work to do, and we will continue to make the investments needed.

Meng Heang TAK: Thank you. Unless Ms Henderson wants to add something.

Cathy HENDERSON: No.

Ben CARROLL: No.

Meng Heang TAK: Thank you.

The CHAIR: Okay. Thank you, Mr Tak. I will go to Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Good morning, Minister and officials. My question is for the CEO of WorkSafe. I understand following the passage of the Workcover reforms from this term of Parliament, there

was a plan that WorkSafe would develop guidelines that provide that workers who have an unstable whole-person impairment of 20 per cent will remain in receipt of weekly payments, including beyond 130 weeks. I understand that instability in that context is defined as a worker who has received impairment assessments that differ by 3 per cent in a 12-month period and that under this plan all interim decisions will be reviewed again when the injury has stabilised and the decision can be finalised. CEO, are you aware of these guidelines having been developed?

Cathy HENDERSON: Mr Puglielli, I am aware that that was an action that was identified, and I believe I am going to have to see what further information we have got for you on that.

Aiv PUGLIELLI: Okay, thank you. To your awareness, have these guidelines been used in practice?

Cathy HENDERSON: I will need to see what information we have got for you on that.

Aiv PUGLIELLI: Okay, thank you. If you are following that up, if you could see where they are published for public review, that would be appreciated. WorkSafe uses a number of agents to manage workers compensation claims, done by companies like Allianz Australia, Gallagher Bassett, Employers Mutual Limited and DXC Claims Management Services. Why is that work outsourced to private companies rather than undertaken by WorkSafe directly?

Cathy HENDERSON: Thanks, Mr Puglielli. That service model has been in place for some time. It is a way that we have of trying to ensure the best service to claimants. As I said before, we get about 34,000 new claims each year. We have got about 100,000 claims being managed – 100,000 injured workers being supported, at any given time, over the year. That system of having four providers enables us to require specific targets of those four providers. It sets up a situation where they are trying to achieve against those targets and trying to achieve better than the other providers. It sets up a system where we can hold them to account in regular reviews for them meeting targets and outcomes. There are a variety of review mechanisms for every single claim, both within agents and within WorkSafe and within other dispute mechanisms, and all of that provides a safety net for claimants so that their claim can be dealt with fairly and supportively.

Aiv PUGLIELLI: What are those targets? Can you take us through some of those?

Cathy HENDERSON: The targets are things like how fast agents have got back to claimants once they have made contact. Their targets are things like the quality of their response. We require high quality in responses. We also of course have measures around the number of decisions that are independently appealed. I am not sure if that is a target for agents, but it is certainly a target that we monitor – the extent to which agent decisions around claims are being overturned during dispute processes.

Aiv PUGLIELLI: Could you just explain that more broadly? What does that mean?

Cathy HENDERSON: As we have been implementing new legislation, the interpretation of that legislation of course has had to proceed for the first time since 2024 over time. Any claimant who has been refused ongoing benefits under that system can go through a disputes process, and that can result through a couple of mechanisms through an independent review of the decision that the agent originally made. Of course we want to get to a situation where the decisions of agents are so robust that there are minimal disputes that show an overturning of that decision later. That is part of what we monitor. It is a quality mechanism as well as an appeal mechanism.

Aiv PUGLIELLI: I appreciate that information. How frequently is that occurring? Is there any data set that you can provide where that is being required to occur, that overturning of decisions by the agents?

Cathy HENDERSON: There is regular lodging of appeals and disputes by claimants. That is part of the system, that they have that ability to do so by lodging an application for conciliation with the workplace injury commission or for seeking a review within the insurance agent. That is part of the system which supports injured workers.

Aiv PUGLIELLI: Does it occur frequently?

Cathy HENDERSON: Disputes are notified frequently because it is the right of injured workers to do that. In terms of regular reviews of performance of the agents, yes, the contracts are managed very, very hard by

WorkSafe staff. There are regular, multiple times per year, meetings with insurance agents to hold them to account to ensure that they are making good quality decisions and providing good service to injured workers.

Aiv PUGLIELLI: Is it not the case that skilled public servants could be doing this work rather than external agents?

Cathy HENDERSON: Mr Puglielli, there are lots of different public policy arguments about what should be conducted in-house and what should be conducted externally. At a time when we have been implementing lots of change as a result of the 2024 legislative reforms it has been important that we have some stability around aspects of service provision whilst we are implementing lots of change. You would appreciate there is 2500 FTE spread across those four agents. It is a very significant service provision to the workers of Victoria there.

Aiv PUGLIELLI: Do you anticipate that arrangement changing at any point over the forward estimates?

Cathy HENDERSON: That will be under review as part of any major contract provision. They would come under review when you get towards the end of major contracts.

Aiv PUGLIELLI: Okay, thank you. Thank you, Chair.

The CHAIR: Thank you very much, Mr Puglielli. I am going to go to Mr Hilakari.

Mathew HILAKARI: Thank you, Deputy Premier and officials, for your attendance this morning. Minister, I will take you to silicosis and engineered stone. It is a matter that has been discussed on this committee before in the context of WorkSafe. I am just checking if there is any update on the progress of the work that we are doing in that space as a government.

Ben CARROLL: Yes. Thank you, Mr Hilakari, and I would be remiss if I did not give your predecessor Ms Hennessy a shout-out for the work she did as WorkSafe minister in particular in relation to this engineered stone that we know has caused so much grief and destruction out there and was just commonplace in home renovations and kitchens. We have done a lot in terms of our update on that. We were a state that led in terms of getting rid of that product. We have also been a state that has done so much in terms of the fatality of a disease that has affected more than 700 Victorian workers since 2018.

As of 13 December, state and territory work health and safety ministers agreed to prohibit its use. Implementation of the ban – and credit to my predecessors – has run smoothly, with consumers and builders substituting a different material for their products, such as porcelain or natural stone. In the first 12 months of the engineered stone ban – that is, 1 July 2024 to 30 June 2025 – WorkSafe conducted 463 site inspections and issued 159 compliance notices. WorkSafe continues to undertake inspections and focus on engineered stone and will continue to issue compliance notices where breaches are identified. I should also point out that WorkSafe has partnered with the Alfred, a really important obviously tertiary health hospital, to open Australia's first dedicated occupational respiratory clinic, and we are really proud of that. That is a centralised comprehensive, multidisciplinary approach to diagnosis and management of occupational respiratory diseases. We also know the federal government rightly has followed suit on the importation of engineered stone benchtops, panels and slabs. That came into force at the beginning of last year, and that again, Mr Hilakari, does just provide that extra layer of prevention at the border.

Mathew HILAKARI: Thank you very much, Minister. The presentation that you gave around return to work listed 26,060 injured workers returning to work over the 2024–25 financial year. Could you just talk to some of the return-to-work programs that are helping injured workers and employers? That is an extraordinary number of people who are able to get back to a more regular life.

Ben CARROLL: Look, it is fantastic, Mr Hilakari. If we go back to May 2023, when our government announced we would establish Return to Work Victoria, alongside the reform to the WorkCover scheme, we have helped workers get healthy and back to work after injury. We are really proud of the \$50 million over three years that has been invested in this initiative, and we know the last budget had \$22.4 million over four years to boost return to work and create safer workplaces for Victorians. We know that injury can occur in any setting. That is why we committed to establish Return to Work. It has been operational since 2024. It does centralise claims management, recovery and return to work. Can I say its core purpose has been to drive

outcomes for injured workers, which you alluded to, so it is ensuring that treatments and services provided to injured workers are helping them achieve their recovery goals. It is optimising return-to-work outcomes through targeted programs and interventions and improving support available to workers transitioning off the scheme.

The return-to-work innovations program is responsible for delivering on the \$50 million commitment to partnering with organisations on the trial. In line with the Allan government's commitment to engaging with experts and stakeholders in developing pilots to support injured workers, the return-to-work advisory committee was established by the former minister in 2024. We are really proud of this.

It goes without saying, Mr Hilakari, we do not want to see anyone languishing on the WorkCover scheme. Every worker deserves the dignity of a safe workplace but also a rewarding return to work, as you alluded to, and the return-to-work initiative – the body we have set up and the funding we have provided in successive budgets – is central to that mission.

Mathew HILAKARI: That is right. I think when we do talk to injured workers, we know how desperate they are to return to the workplace and how good that is for them as well. I am hoping you can talk about some of the trials and the piloting and the grants that have been initiated through those processes.

Ben CARROLL: Yes, certainly. Some of these grants, Mr Hilakari, have removed barriers to workers' recovery. They have developed educational and capability uplift. They have applied a holistic approach to workers' needs. They have helped forge collaborations and partnerships to drive innovation and best practice. We are really proud of the free mental health coaching program that has been delivered with WorkSafe support at Beyond Blue. There is the VPS pilot, which is testing workplace mobility as a way to support improved return-to-work outcomes in the public service. There is up to \$500,000 in funding available for grants for organisations to trial new initiatives that improve recovery and the return-to-work experience of injured workers.

We know we have always got more work to do, but we want to be a government that is at the cutting edge of policy and initiatives. We are continuing to work. We are continuing to make sure that our funding is targeted and that our interventions are in those high-risk industries: manufacturing, construction, transport, postal and warehousing. But it is also that collaboration with unions, with employers, with industry groups, with peak bodies and with social enterprises to make sure we are doing everything we can to get the word out there that return to work is so critically important for you, your loved ones and the broader Victorian community.

Mathew HILAKARI: Thank you very much, Minister. I could not agree more. The TAC I might just take us to and the 43,000 people supported in the last financial year. I am just hoping you could outline some of those supports that are available for people injured on our roads.

The CHAIR: Apologies, Mr Hilakari –

Ben CARROLL: Lots of support, Mr Hilakari.

The CHAIR: Minister and officials, thank you very much for taking the time to appear before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee will take a very short break before beginning its consideration of the medical research portfolio at 12:05 pm. I declare this hearing adjourned.

Witnesses withdrew.