

WORKPLACE RELATIONS MINISTERS' COUNCIL

Comparative Performance Monitoring Report

Comparison of occupational health and safety
and workers' compensation schemes
in Australia and New Zealand

Tenth Edition
August 2008

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Important Notice

The Department of Education, Employment and Workplace Relations through the Australian Safety and Compensation Council (ASCC) provides the information given in this document to improve public access to information about occupational health and safety information generally. The vision of the ASCC is Australian workplaces free from injury and disease. Its mission is to lead and coordinate national efforts to prevent workplace death, injury and disease in Australia.

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Foreword

The Labour Ministers' Council, now known as the Workplace Relations Ministers' Council (WRMC), released the first Comparative Performance Monitoring (CPM) report in December 1998. The CPM reports provide trend analysis on the occupational health and safety (OHS) and workers' compensation schemes operating in Australia and New Zealand. Information in the report is designed to help gauge the success of different approaches undertaken by the various workers' compensation and OHS authorities to reduce the incidence of work-related injury and disease. This is the tenth annual report of the CPM project.

The CPM is complemented by the *Compendium of Workers' Compensation Statistics*, which provides more detailed analysis of national workers' compensation data using key variables such as occupation, industry, age and gender with supporting information on the circumstances surrounding work-related injury and disease occurrences. The Compendium series can be found at ascc.gov.au.

Statement of purpose

Provide measurable information to support policy making and program development by governments on OHS and workers' compensation, to meet the goal of Australian and New Zealand workplaces free from injury and disease and to enable durable return to work and rehabilitation for injured and ill workers. The information should provide:

- (a) measurement of progress against national strategies
- (b) identification of factors contributing to improved OHS and workers' compensation performance (which includes consideration of resources), and
- (c) measurement of changes in OHS and workers' compensation over time, including benchmarking where appropriate.

Data

Readers should be aware that data presented here may differ from jurisdictional annual reports due to the use of different definitions and the application of adjustment factors to aid the comparability of data. Explanatory commentary on the data items are contained within each chapter with additional information included in Appendix 1 - Explanatory Notes, at the end of this publication.

Data for this report are collected from:

- the various workers' compensation schemes and OHS authorities as follows:
 - New South Wales — WorkCover New South Wales
 - Victoria — WorkSafe Victoria
 - Queensland — Workplace Health and Safety Queensland, Department of Employment and Industrial Relations, Q-COMP and WorkCover Queensland
 - Western Australia — WorkCover Western Australia and WorkSafe Division, Department of Consumer and Employment Protection
 - South Australia — WorkCover Corporation South Australia and SafeWork SA
 - Tasmania — Workplace Standards Tasmania and WorkCover Tasmania
 - Northern Territory — NT WorkSafe and Department of Employment, Education and Training
 - Australian Capital Territory — Australian Capital Territory WorkCover and the Office of Regulatory Services within the Department of Justice and Community Services
 - Australian Government — Comcare
 - Seacare — Seacare Authority (Seafarers Safety, Rehabilitation and Compensation Authority), and
 - New Zealand — Accident Rehabilitation and Compensation Insurance Corporation.
- the Australian Heads of Workers' Compensation Authorities' *Return to Work Monitor*, the full results of which can be accessed at hwca.org.au/reports_rtw.php, and
- the Australian Bureau of Statistics, which provides denominator data, based on the *Labour Force Survey*, the *Survey of Employment and Earnings* and the *Survey of Employment, Earnings and Hours*.

Coordination

This report has been compiled and coordinated by the Office of the Australian Safety and Compensation Council (ASCC), Department of Education, Employment and Workplace Relations with assistance from the CPM Technical Group, comprised of representatives from all OHS and workers' compensation authorities in Australia and New Zealand.

The role of the ASCC is to lead and coordinate national efforts to improve OHS and workers' compensation arrangements. The ASCC also declares national standards and codes of practice for OHS and provides policy advice to WRMC on OHS and workers' compensation arrangements. The ASCC, however, is not a regulatory authority and does not make or enforce laws. OHS and workers' compensation in Australia is primarily state-based and legislation is the responsibility of state and territory OHS and workers' compensation authorities, with the Commonwealth authority (Comcare) responsible for the OHS and workers' compensation of commonwealth employees.

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Summary of findings

Performance against the *National OHS Strategy 2002–2012*

The reduction in the incidence rate of injury and musculoskeletal claims between the base period (2000–01 to 2002–03) and 2006–07 was 16%, which means the interim target of a 20% reduction by 2006–07 has not been met. It is also below the rate of improvement needed to meet the long term target of a 40% improvement by 2012. The rate of decline in the incidence of claims will need to accelerate in future years if the target is to be achieved. Four jurisdictions however, met the interim target of improvement: NSW with 29% improvement, the Australian Government with 27% improvement and South Australia and Seacare each recorded 24% improvement. Although these four jurisdictions recorded improvements higher than the 20% required, considerable efforts will be required by all jurisdictions if the national target is to be met.

The number of fatalities recorded for 2006–07 is lower than in previous years, increasing the percentage improvement from the base period. The incidence of compensated fatalities from injury and musculoskeletal disorders decreased by 16% from the base period to 2006–07, thus the interim target of a 10% reduction by 2006–07 has been surpassed. The national incidence rate is still 'on target' to meet the 20% reduction required by 2011–12, however there is a considerable amount of volatility in this measure and consistent improvement is required.

The National OHS Strategy also includes an aspirational target for Australia to have the lowest work-related traumatic fatality rate in the world by 2009. Analysis of international data indicates that in 2006–07, Australia recorded the sixth lowest injury fatality rate, with this rate decreasing more quickly than many of the best performing countries in the world. However, despite this improvement, it is unlikely that Australia will meet the aspirational goal unless substantial improvements are recorded in the next few years.

OHS performance

There has been a fall of 10% in the rate of serious injury and disease claims over the past five years; falling from the rate of 16.9 claims per 1000 employees reported in 2002–03 to the rate of 15.2 claims per 1000 employees reported in 2005–06. The preliminary workers' compensation claims data for Australia indicate that in 2006–07 the incidence of serious injury and disease claims was 14.2 claims per 1000 employees. It is expected that this rate will increase by around 2% when the liability on all the claims submitted in 2006–07 is determined.

There have been 236 compensated fatalities recorded so far for Australia for 2006–07, of which 177 were from injury and musculoskeletal disorders and 59 were from other diseases. It is expected that this number will rise slightly when all claims are processed. The number of compensated fatalities has decreased from 302 recorded in 2002–03 to 254 recorded in 2005–06.

The preliminary workers' compensation claims data for New Zealand indicate that in 2006–07 the incidence of serious injury and disease claims was 15.7 claims per 1000 employees. New Zealand recorded a 12% increase in incidence rates from 2002–03 to 2005–06. This is different to the result shown in the previous report as adjustments have been made to the number of employees used in this report to more accurately remove self-employed workers. This change has resulted in incidence rates for New Zealand being higher than incidence rates in Australia.

There were 94 compensated fatalities in New Zealand in 2006–07, down from 105 recorded in 2005–06 but still an increase on the 91 recorded in 2002–03.

Body stressing continued to be the mechanism of injury/disease which accounted for the greatest proportion of claims (42%). Claim numbers for this group have shown little change over the past five years. This mechanism is receiving attention under the National OHS Strategy. Claims for *Sound and pressure* recorded the greatest percentage increase of all mechanism groups: 14% over the period from 2002–03 to 2005–06. These claims represent 3% of all serious claims.

In 2006–07 over 114 000 visits were made to workplaces around Australia (excluding NSW). Australian jurisdictions issued 62 100 notices, 574 businesses were prosecuted and \$18 million in fines were handed out by the courts.

The highest incidence rates were recorded in the Manufacturing industry (27.6 claims per 1000 employees) followed by the Transport and storage industry (25.7), the Agriculture, forestry and fishing industry (25.3) and the Construction industry (22.1). All these industries together with the Health and community services industry, are receiving attention under the National OHS Strategy.

Workers' compensation scheme performance

Australia's standardised average premium rate fell 20% from 2.16% of payroll in 2003–04 to 1.73% of payroll in 2006–07. Most Australian jurisdictions recorded falls over this period, while the Australian Government scheme recorded a 4% increase over this period. The Australian Government scheme recorded the lowest premium rate of all jurisdictions at 1.17% of payroll in 2006–07.

The New Zealand standardised average premium rate was 0.94% of payroll in 2006–07, unchanged from the previous year, though still lower than Australia's rate. One reason for the lower rate in New Zealand is that it does not provide the same level of coverage for occupational diseases as the Australian schemes provide.

In 2006–07 the Australian average funding ratio rose to 127% from 115% in 2005–06. Stronger investment performances have contributed to this increase with five of the eight Australian schemes recording improvements from last year. A number of schemes have also introduced reforms which have helped reduce liabilities. Western Australia recorded a notable increase from 113% to 129% following stronger investment performances.

In 2006–07, Australian workers' compensation schemes expended \$6051 million, of which 53% was paid direct to the injured worker in compensation for their injury or illness and 22% was expended on medical and other services costs. Claims management expenses made up 16% of the total expenditure by schemes, up from 14% in 2002–03.

The durable return to work rate decreased from last year with 77% of workers returning to work in 2006–07 following a work-related injury or disease. This is lower than the peak of 80% in 2005–06. Tasmania and Seacare were the only jurisdictions to record an increase in the durable return to work rate (2 and 7 percentage points increase respectively). The Northern Territory recorded the biggest drop in the return to work rate (5 percentage points decrease).

The rate of disputation on claims fell to 7.3% of all new claims lodged in 2006–07, down from 8.8% in 2005–06. Tasmania and New South Wales recorded the largest percentage falls in disputation rates since 2002–03. The time taken to resolve disputes has not shown any improvement since 2002–03.

Chapter 1 – Progress against the National OHS Strategy

The National OHS Strategy provides the framework for collective efforts to improve Australia's OHS performance. The National OHS Strategy sets national targets to reduce the incidence of work-related injury fatalities by at least 20% and reduce the incidence of workplace injury (including musculoskeletal disorders) by at least 40% by 30 June 2012. Interim targets to be achieved by 30 June 2007 are to reduce work related fatalities by 10% and to reduce workplace injury by 20%.

A standard definition of 'serious claims due to injury or musculoskeletal disorders' has been used for analysis to enable greater comparability in the jurisdictional data. Serious claims include all fatalities, all permanent incapacity claims (as defined by the jurisdictions) and temporary claims for which one or more weeks of time lost from work has been recorded. This definition takes into account the different employer excesses that exist in the various schemes.

Achievements against the national targets for injury and fatality are measured using the *National Data Set for Compensation-based Statistics* (NDS). The baseline for the national targets is taken from the data for the three-year period 2000–01 to 2002–03. This move was motivated by the desire to publish jurisdictional level data where one year of data may not be typical. A three-year base period will smooth much of this volatility, resulting in a more typical starting point at which to measure progress against the targets. As in the previous publication, the most recent updated data is used instead of the use of preliminary data. While the base period data are considered stable, revisions are likely for the more recent years. To ensure a more accurate measure of improvement is calculated, the most recent year of data have been projected forward to indicate the likely incidence rate once updated data are received.

Since its adoption in May 2002, the National OHS Strategy has informed the work and strategic plans of all Australian OHS authorities as well as driving the work of the ASCC in the area of OHS. The ASCC is working to achieve the goals of the National OHS Strategy through a variety of means including developing and reviewing national OHS standards and codes of practice, supporting the development of national OHS units of competency to be included in all vocational education training, encouraging excellence in OHS through the National Safe Work Australia Awards and improving the collection and analysis of OHS data and research to inform policy and the development of regulatory frameworks.

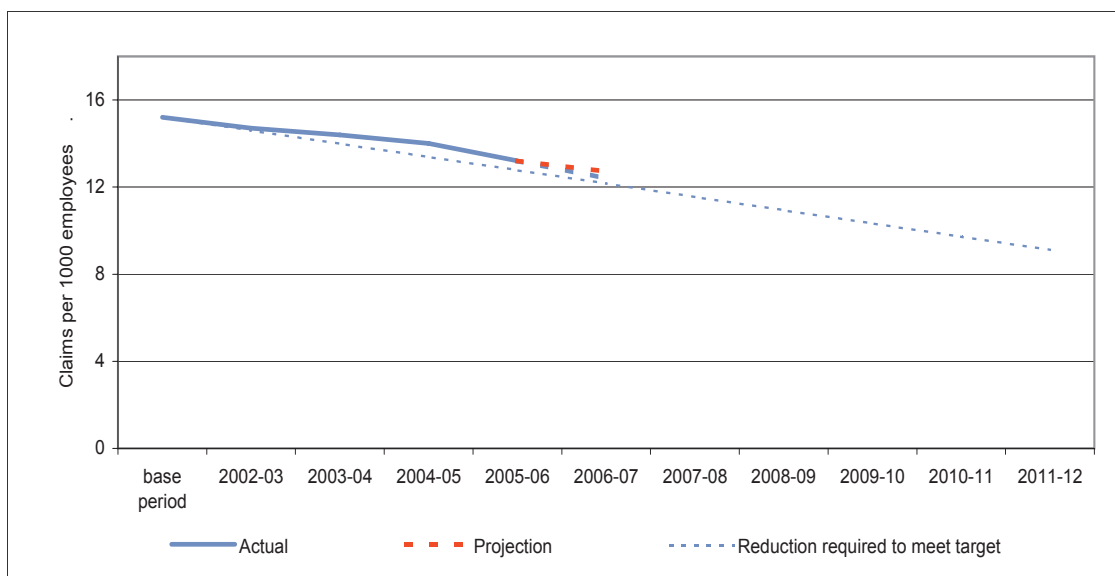
National compliance and intervention campaigns initiated by the Heads of Workplace Safety Authorities (HWSA) demonstrate the emergence of coordinated and collaborative national programs relating to the priority injury risks and industries under the National OHS Strategy. National campaigns undertaken in 2006–07 covered a range of areas such as demolition/asbestos in the construction industry, hazardous substances in manufacturing (particularly boat builders using fibreglass reinforced products), agricultural plant manufacturers, suppliers and importers, and creating a national register of incidents involving amusement devices. Further national campaigns were conducted in the areas of large mobile plant, manual handling in manufacturing and labour hire in the food processing industry.

All parties to the National OHS Strategy are committed to achieving a steady improvement in OHS practices and performance and a corresponding decline in both incidence and severity of work-related injuries.

Injury and musculoskeletal target

Indicator 1 shows there was a 16% improvement recorded in the incidence of injury and musculoskeletal claims between the base period (2000–01 to 2002–03) and projected 2006–07 data, which means the interim target of a 20% reduction by 2006–07 has not been met. It is also below the rate of improvement needed to meet the long term target of a 40% improvement by 2012. The rate of decline in the incidence of claims will need to accelerate in future years if the target is to be achieved.

Indicator 1 – Incidence rate of serious* compensated injury and musculoskeletal claims, Australia, base period (2000–01 to 2002–03) to 2006–07



* Includes accepted workers' compensation claims for temporary incapacity involving one or more weeks of compensation plus all claims for fatality and permanent incapacity.

Jurisdictional progress

Indicator 2 shows how the jurisdictions are progressing towards the injury target. To have met the interim target, jurisdictions would need to have recorded a 20% improvement from the base period. New South Wales (29%), the Australian Government (27%), Seacare (24%) and South Australia (24%) all exceeded this level. Victoria recorded a 13% improvement, while the Northern Territory recorded an 11% improvement. Western Australia was the only jurisdiction not to record an increase from the base period, while the Australian Capital Territory recorded no change.

Changes to scheme operations since the base period can affect the percentage improvements shown in this indicator. Achievement of the target may be more difficult in the Australian Capital Territory Private Scheme due to reforms introduced during the base period that resulted in a higher level of reporting of claims since 2001–02.

Indicator 2 – Incidence rates (claims per 1000 employees) and percentage improvement of serious* compensated injury and musculoskeletal claims by jurisdiction.

Jurisdiction	Base period	2003–04	2004–05	2005–06	2006-07 preliminary	2006-07 projected	Percentage improvement (%)**
New South Wales	17.3	15.7	15.1	13.0	11.9	12.3	28.9
Australian Government	9.4	9.4	8.9	7.9	6.4	6.9	26.6
Seacare	36.7	40.7	24.9	32.4	25.7	27.8	24.3
South Australia	18.7	18.1	17.8	16.0	13.8	14.2	24.1
Victoria	12.1	10.8	10.2	11.0	10.3	10.5	13.2
Northern Territory	13.3	13.0	13.5	13.6	11.9	11.9	10.5
Queensland	17.2	16.7	16.4	16.2	16.1	16.3	5.2
Tasmania	16.4	15.8	16.2	16.1	15.4	15.9	3.0
Australian Capital Territory	13.7	16.9	14.3	14.2	13.2	13.7	0.0
Western Australia	12.7	13.6	13.8	12.9	12.1	12.8	-0.8
Australia	15.2	14.4	14.0	13.2	12.4	12.7	16.4

* Includes accepted workers' compensation claims for temporary incapacity involving one or more weeks of compensation plus all claims for fatality and permanent incapacity.

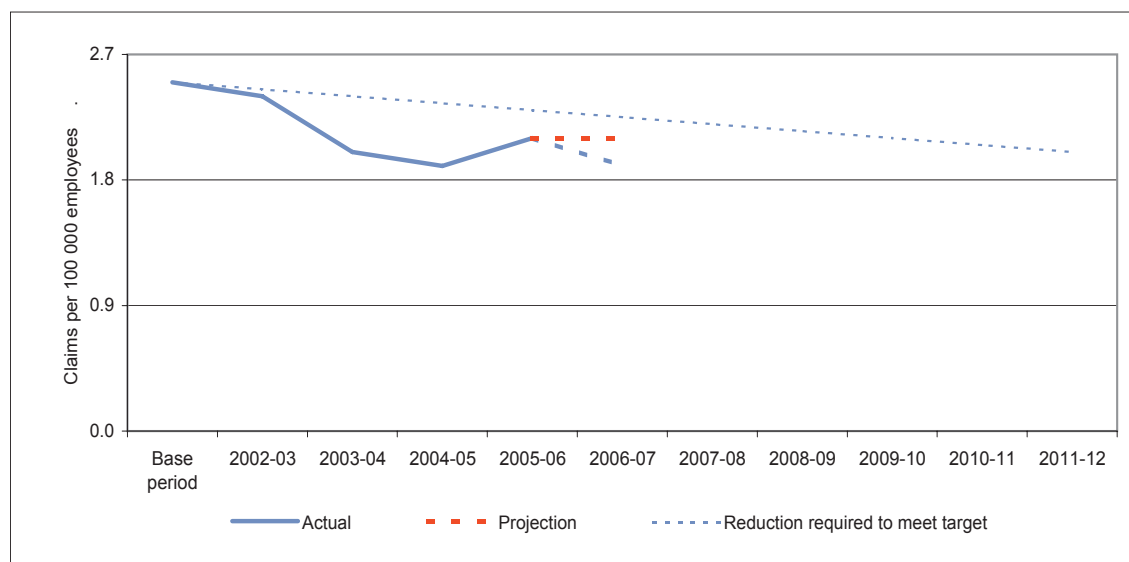
** Percentage improvement from base period (2000–01 to 2002–03) to 2006–07 projected.

Fatalities target

Indicator 3 shows progress towards the fatalities target. These data show that the incidence rate of compensated fatalities from injuries and musculoskeletal disorders decreased 16% from the base period. This is greater than the desired result for the interim target of 10% by 2006–07. However, as Indicator 3 shows, the volatility in this measure means that consistent improvement is still required to ensure the target of a 20% reduction by 2011–12 is achieved.

Note that a table of jurisdictional improvements in fatalities has not been included due to the volatility of these data. Information on the number of fatalities recorded by each jurisdiction can be found in Indicator 10.

Indicator 3 – Incidence rates of compensated injury & musculoskeletal fatalities, Australia, base period (2000–01 to 2002–03) to 2006–07



International comparison

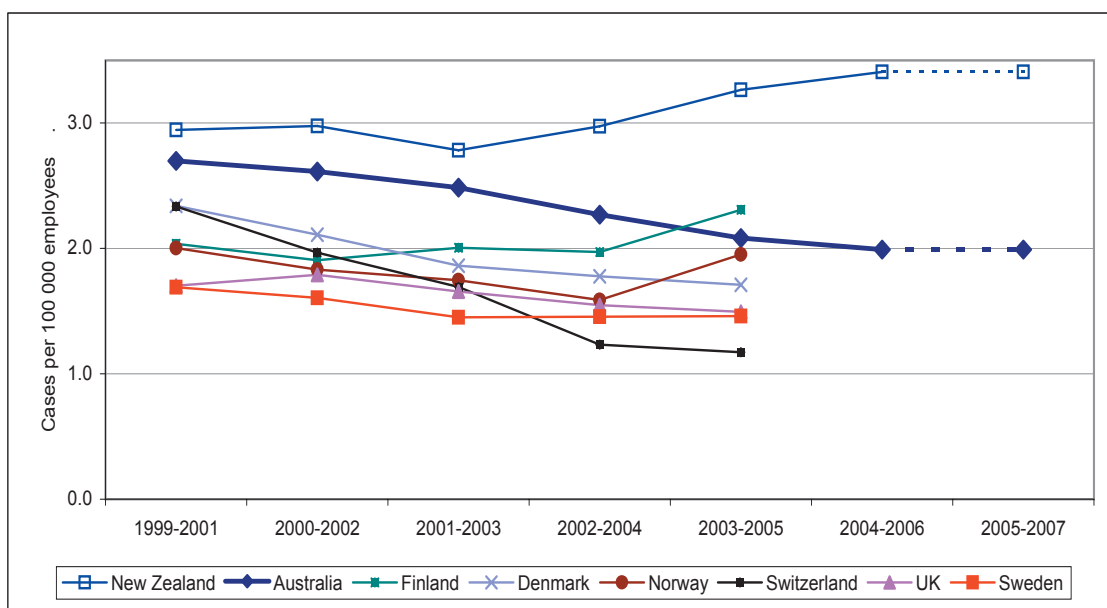
Following the first triennial review of the National OHS Strategy, WRMC adopted an additional aspirational goal of having the lowest rate of traumatic fatalities in the world by 2009. Analysis of injury fatality data using information published on the International Labor Office (ILO) website at laborsta.ilo.org was undertaken in 2004. The results of this analysis were published in a report titled *Fatal Occupational Injuries — How does Australia compare internationally?* which can be accessed at ascc.gov.au/ascc/AboutUs/Publications/.

The main aim of this report was to obtain a measure of the gap in performance between Australia and the best performing countries. Countries were therefore included in this analysis if they had a lower incidence of fatality than Australia as reported to the ILO. This resulted in most of the countries included in this comparison being European. The analysis undertaken in the report only used fatalities from injuries, making adjustments where possible for differences in scope and coverage. The data were then standardised against Australia to take account of different industry mixes and finally a three-year average was calculated to remove some of the volatility that results from working with small numbers.

Using this same methodology and continuing the data series we can see in Indicator 4 that since 1999–2001, Australia’s work-related fatality rate has generally decreased at a greater rate than the best performing countries in the world. Based on 2006–07 data and assuming no change in the rates from the other countries Australia would be in sixth place, though this has more to do with poorer performances in recent years in Finland than improvements in Australia. While the gap between Australia and the better performing countries has reduced, it is unlikely that Australia will meet this aspirational goal unless substantial improvements are recorded in future years.

It should be noted that due to differences in scope and methodology, comparisons of occupational injury fatalities data between countries have many limitations. The areas of concern lie in the exclusion of self-employed workers, the lack of data relating to road traffic fatalities and the incomplete coverage within the data of the working population. The adopted methodology has attempted to address these concerns but some issues have not been fully resolved and may impact on the final results.

Indicator 4 – Comparison of Australia’s work-related injury fatality rate with the best performing countries



Chapter 2 - OHS performance

The data used in this chapter are accepted workers' compensation claims lodged in each financial year. Workers' compensation data are currently the most comprehensive source of information for measuring OHS performance. While there are some limitations, most notably that the data reflect the injury experience of employees only and under-reports the incidence of disease, workers' compensation data still provide a good indication of OHS trends. In 2005-06 the Australian Bureau of Statistics undertook the *Work-Related Injuries Survey*. The results of this survey support the continued use of workers' compensation data as a good source of information on work-related injury.

Serious claims

As there are different employer excesses across the various schemes, a standard reporting definition of a 'serious claim' has been adopted for analysis. Serious claims include all fatalities, all permanent incapacity claims (as defined by the jurisdictions) and temporary claims for which one or more weeks of time lost from work has been recorded. More information on claims data is contained in point 1 of Appendix 1 - Explanatory Notes, at the end of this publication.

In addition, due to the different number of employees in each jurisdiction, rates have been calculated to assist with comparisons. Incidence rates assist in the comparison across jurisdictions on a 'per employee' basis while frequency rates allow a comparison on a 'per hour worked' basis.

Note: New South Wales has recently improved its NDS data extraction methodology. This change resulted in reductions in the New South Wales rates and Australian rates and should not be compared to previous publications.

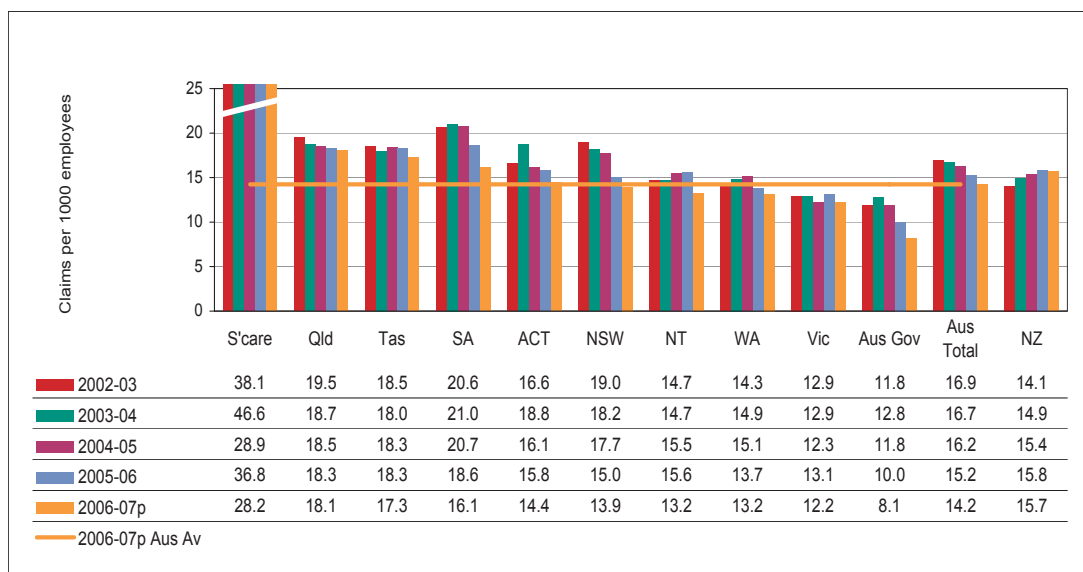
Indicator 5 shows the Australian incidence rate for serious claims has steadily declined over the past four years, decreasing 10% from a rate of 16.9 claims per 1000 employees in 2002-03 to a rate of 15.2 claims per 1000 employees in 2005-06. The preliminary data for 2006-07 indicates an incidence rate of 14.2 claims per 1000 employees. While it is expected that this rate will rise when updated data are available, the preliminary rate for 2006-07 indicates a continuing improvement in incidence rates.

Substantial falls in incidence rates from 2002-03 to 2005-06 were recorded by New South Wales (down 21%), the Australian Government (down 15%) and South Australia (down 10%). Increases in incidence rates were recorded by the Northern Territory (up 6%) and Victoria (up 2%). Seacare recorded the highest incidence rate for 2006-07 at 28.2 claims per 1000 employees with the Australian Government recording the lowest rate at 8.1 claims per 1000 employees.

These data are higher than those shown in Chapter 1 as they include all injury and all disease claims. The National OHS Strategy measurement only includes injury and musculoskeletal claims, however these two indicators show similar levels of improvement.

Over the period 2002-03 to 2005-06, New Zealand recorded a 12% increase in incidence rates, rising from 14.1 claims per 1000 employees to 15.8 claims per 1000 employees. The preliminary data show a slight decrease to 15.7 claims per 1000 employees. This is different to the result shown in the previous report as adjustments have been made to the number of employees used in this report to more accurately remove self-employed workers. This change has resulted in incidence rates for New Zealand being higher than incidence rates in Australia.

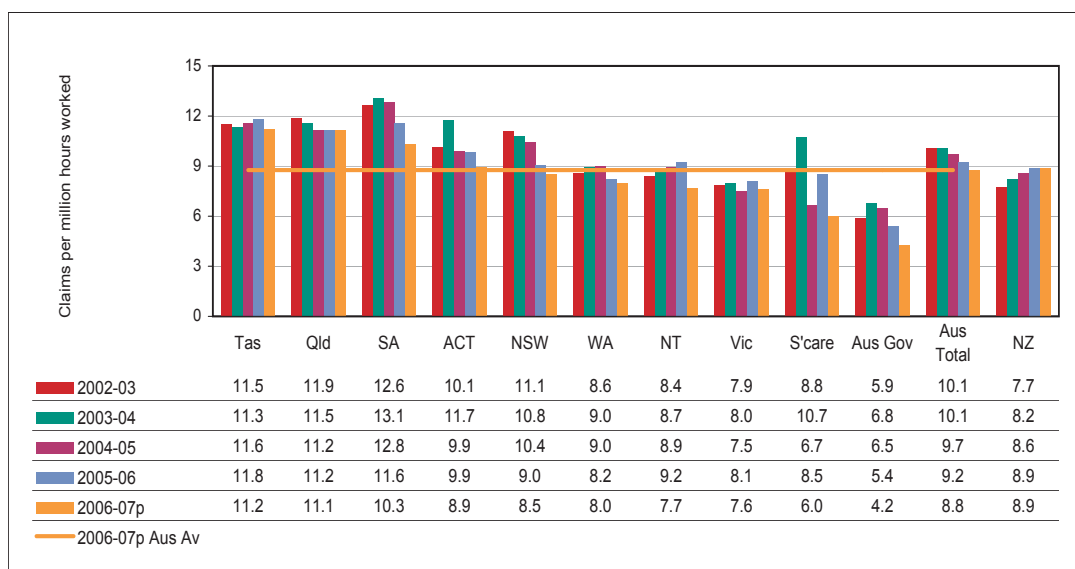
Indicator 5 – Incidence rates of serious* injury and disease claims by jurisdiction



* Includes all accepted workers' compensation claims involving temporary incapacity of one or more weeks plus all claims for fatality and permanent incapacity.

Indicator 6 shows that in 2006–07 the Australian frequency rate was 8.8 claims per one million hours worked. While the frequency rate data show a similar level of improvement for Australia, there are differences in the order of the jurisdictions: Tasmania recorded the highest frequency rate of 11.2 claims per one million hours worked but only the third highest incidence rate. Seacare also changed position due to the 24-hour basis on which their frequency rates are calculated. More information on this can be found in point 1 of the Explanatory Notes.

Indicator 6 – Frequency rates of serious* injury and disease claims by jurisdiction

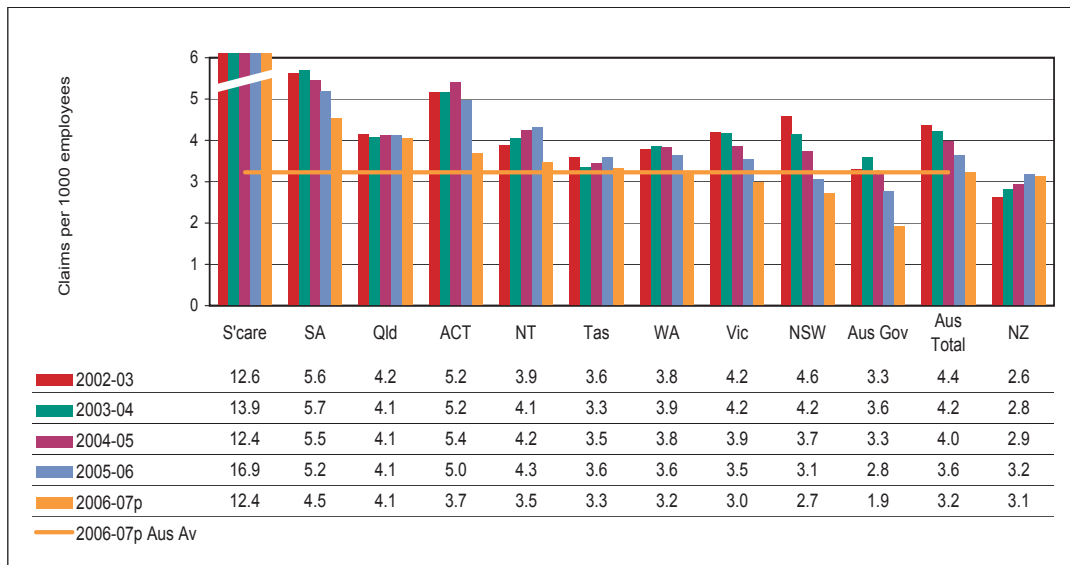


*Includes all accepted workers' compensation claims involving temporary incapacity of one or more weeks plus all claims for fatality and permanent incapacity.

Long term claims - twelve or more weeks of compensation

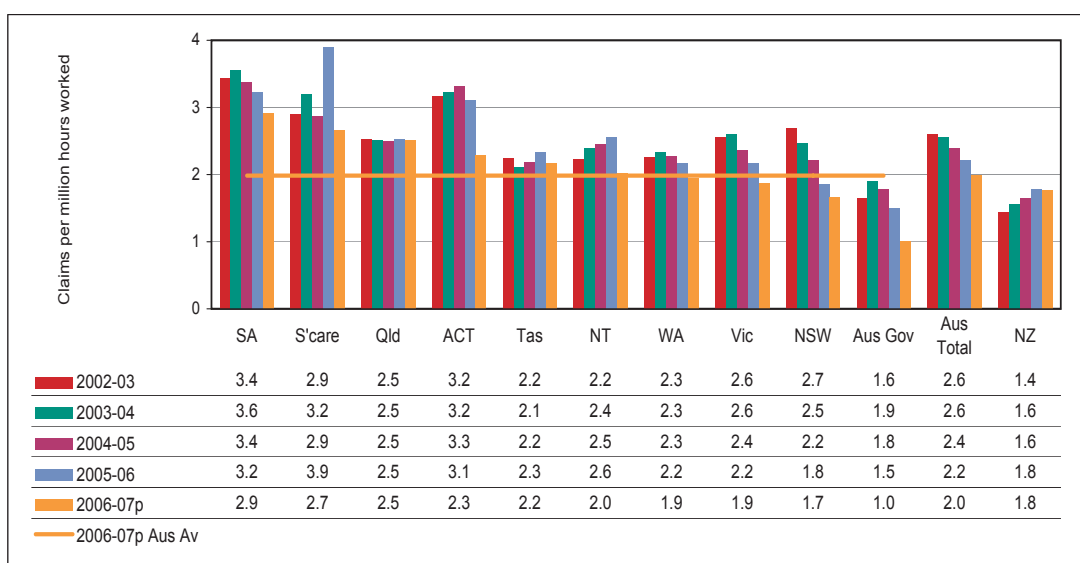
Indicator 7 shows the incidence rate for long term (involving twelve or more weeks of compensation) injury and disease claims in Australia decreased by 18% from 4.4 claims per 1000 employees in 2002–03 to 3.6 claims per 1000 employees in 2005–06. While the 2006–07 data show a continuing decrease these data should be treated with caution due to the shorter development time these claims have had compared to previous years. Around 25% of serious claims result in twelve or more weeks of compensation.

Indicator 7 – Incidence rates of long term (12 weeks or more compensation) compensated injury and disease claims resulting by jurisdiction



Seacare and the Northern Territory were the only jurisdictions to record increases in the incidence rate of long term claims over the period 2002-03 to 2005-06. New Zealand recorded a 23% increase over this period, though its rate remains lower than Australia.

Indicator 8 – Frequency rates of long term (12 weeks or more compensation) compensated injury and disease claims resulting by jurisdiction



The frequency rates of long term claims in Indicator 8 show a similar pattern to the incidence rates with slightly different levels of improvement recorded but the jurisdictions remaining in the same order.

Duration of absence

The duration of absence for claims provides one indicator of the severity of injuries occurring in Australia. Indicator 9 shows the variation across the jurisdictions in the percentage of claims involving selected periods of compensation. These data are based on claims lodged in 2004–05, which is the most recent year that reliable data are available for this indicator.

Indicator 9 – Serious* claims: Percentage involving selected periods of compensation, 2004–05

Jurisdiction	Less than 6 weeks	6 weeks or more	12 weeks or more	26 weeks or more	52 weeks or more
	%	%	%	%	%
New South Wales	66	34	22	12	7
Victoria	53	47	32	19	11
Queensland	62	38	23	10	3
Western Australia	61	39	26	16	9
South Australia	62	38	27	18	12
Tasmania	66	34	19	10	5
Northern Territory	56	44	28	15	8
Australian Capital Territory	53	47	34	20	10
Australian Government	58	42	28	15	8
Seacare	33	67	43	15	10
Australian Average	61	39	25	14	8
New Zealand	68	32	20	10	5

* Includes all accepted workers' compensation claims involving temporary incapacity of one or more weeks plus all claims for fatality and permanent incapacity.

These data show that 61% of claims in Australia resulted in less than six weeks of compensation being paid. The jurisdictional rates were quite similar except for Seacare, which only recorded 33% of claims being resolved in this time. Injured workers in the Seacare scheme face unique problems in attempting to return to work, which need to be considered when interpreting the Seacare results in this indicator. More information is provided in the Explanatory notes under point 2.

South Australia had the highest percentage of claims continuing past 52 weeks of compensation (12% of claims) followed by Victoria with 11% of claims continuing beyond 52 weeks. In contrast Queensland had only 3% of claims continuing past 52 weeks of compensation – partly due to the nature of the Queensland scheme.

The New Zealand scheme finalised a greater proportion of claims within six weeks than did Australia.

Compensated fatalities

Indicator 10 shows that in 2006–07 in Australia there were 236 accepted compensated claims for a work-related fatality – made up of 177 fatalities from injury and musculoskeletal disorders and 59 fatalities from other diseases. As with the other data the number of fatalities is expected to rise as more claims lodged in 2006–07 are accepted. The historical data shows that there was a 16% fall in the number of fatalities from 2002–03 to 2005–06.

New Zealand recorded 94 compensated fatalities in 2006–07. Over the period 2002–03 to 2005–06 New Zealand recorded a 15% increase in the number of compensated fatalities, due to the increased coverage of mesothelioma and asbestosis.

Fatalities are recorded in the NDS against the date of lodgement of the claim, not the year the worker died. Data revisions from previous years can occur where a claim is lodged in one year but not accepted until after the data are collected for that year or for an injury or disease in one year where the employee dies from that injury or disease in a subsequent year. This is particularly the case with disease fatalities, where considerable time could elapse between diagnosis resulting in a claim being lodged and death.

Workers' compensation data are known to understate the true number of fatalities from work-related causes, particularly deaths from occupational diseases such as asbestosis and mesothelioma where compensation is often sought through separate mechanisms including common law. As in the previous publication, Indicator 10 reports separately on claims for fatality from asbestosis and mesothelioma. These data show the low number of fatalities reported through the workers' compensation system in some jurisdictions with Queensland and the Australian Government reporting a higher proportion of deaths from these diseases due to the way their compensation systems operate. For example, in New South Wales, fatalities from these diseases are mostly compensated through the Dust Diseases Board, data from which are not included in this publication. The ASCC is currently reporting annually on mesothelioma using data from the National Cancer Statistics Clearing House. The first of these publications *Mesothelioma in Australia: Incidence 1982 to 2004, Deaths 1997 to 2005* is available from ascc.gov.au.

Deaths in the agricultural and construction sectors are also likely to be understated in the NDS data due to the higher proportion of self-employed workers in these industries who are not covered by workers' compensation. A more accurate representation of fatalities in these industries and others is available in the *Work-Related Traumatic Injury Fatalities, Australia 2004-05* report, which in addition to workers' compensation data uses coronial information and notified fatalities data to provide an estimate of the number of fatalities from work-related injuries. The report is available from ascc.gov.au.

In addition, as compensation may be sought through the Compulsory Third Party insurance scheme for motor vehicles, work-related deaths from road traffic accidents may also be understated. Note that fatalities occurring from a journey to or from work are not included in these statistics.

Detailed information on the causes and other characteristics of fatalities reported through the NDS is contained in the *Compendium of Workers' Compensation Statistics*, which can be found at ascc.gov.au.

Indicator 10 – Compensated Fatalities by jurisdiction

Jurisdiction	2002–03	2003–04	2004–05	2005–06	2006–07p	5yr Average
Injury and musculoskeletal disorders						
New South Wales	55	50	49	63	46	53
Victoria	37	42	43	39	51	42
Queensland	48	38	41	45	43	43
Western Australia	23	19	14	16	21	19
South Australia	12	11	7	12	6	10
Tasmania	11	3	4	6	4	6
Northern Territory	4	4	4	3	2	3
Australian Capital Territory	1	0	3	2	0	1
Australian Government	6	2	3	0	4	3
Seacare	0	0	0	0	0	0
Australian Total	197	169	168	186	177	179
New Zealand	59	55	61	60	56	58
Mesothelioma and asbestosis						
New South Wales	5	1	2	2	2	2
Victoria	0	0	0	0	0	0
Queensland	34	37	42	27	27	33
Western Australia	2	0	3	2	1	2
South Australia	0	0	0	0	0	0
Tasmania	0	0	0	0	0	0
Northern Territory	0	0	0	0	0	0
Australian Capital Territory	0	0	0	0	0	0
Australian Government	8	6	6	3	3	5
Seacare	0	0	0	0	0	0
Australian Total	49	44	53	34	33	43
New Zealand	32	27	45	44	35	37
Other diseases						
New South Wales	9	12	6	4	9	8
Victoria	30	24	15	11	7	17
Queensland	10	8	9	12	6	9
Western Australia	0	6	1	0	0	1
South Australia	0	2	1	2	3	2
Tasmania	0	0	0	0	0	0
Northern Territory	1	0	0	0	0	0
Australian Capital Territory	0	1	1	2	0	1
Australian Government	6	5	1	3	1	3
Seacare	0	0	0	0	0	0
Australian Total	56	58	34	34	26	42
New Zealand	0	0	1	1	3	2
Total						
Australia	302	271	255	254	236	264
New Zealand	91	82	107	105	94	96

Notified fatalities

While workers' compensation data are currently the most comprehensive source of information for measuring OHS performance, there are some limitations. Other data sources can be used to supplement workers' compensation data and provide a more complete picture of work-related fatalities, injuries and diseases. One alternative data source is the Notified Fatalities dataset.

These data are collated from the work-related traumatic fatalities that are notified to jurisdictional OHS authorities under their OHS legislation. The use of these data addresses some of the limitations of the compensated data by capturing fatalities occurring in categories of workers not covered for workers' compensation, such as the self-employed. This data source was only established in July 2003. More information about the Notified Fatalities collection can be found at ascc.gov.au.

Indicator 11 shows the number of notified fatalities increased by 16% for workers but decreased by 6% for bystanders between 2003–04 and 2006–07.

Indicator 11 – Notified work-related traumatic fatalities, Australia

	2003–04	2004–05	2005–06	2006–07
Worker	126	128	148	146
Bystander	17	12	9	16
Total	143	140	157	162

Note that Indicator 11 underreports work-related road traffic fatalities as these fatalities are not notified to some OHS jurisdictions, whereas Indicator 10 does not include deaths of persons who are not classed as employees, such as self-employed workers and bystanders. While these data cannot be directly compared, they both indicate a decrease in the number of injury fatalities for workers in 2006–07.

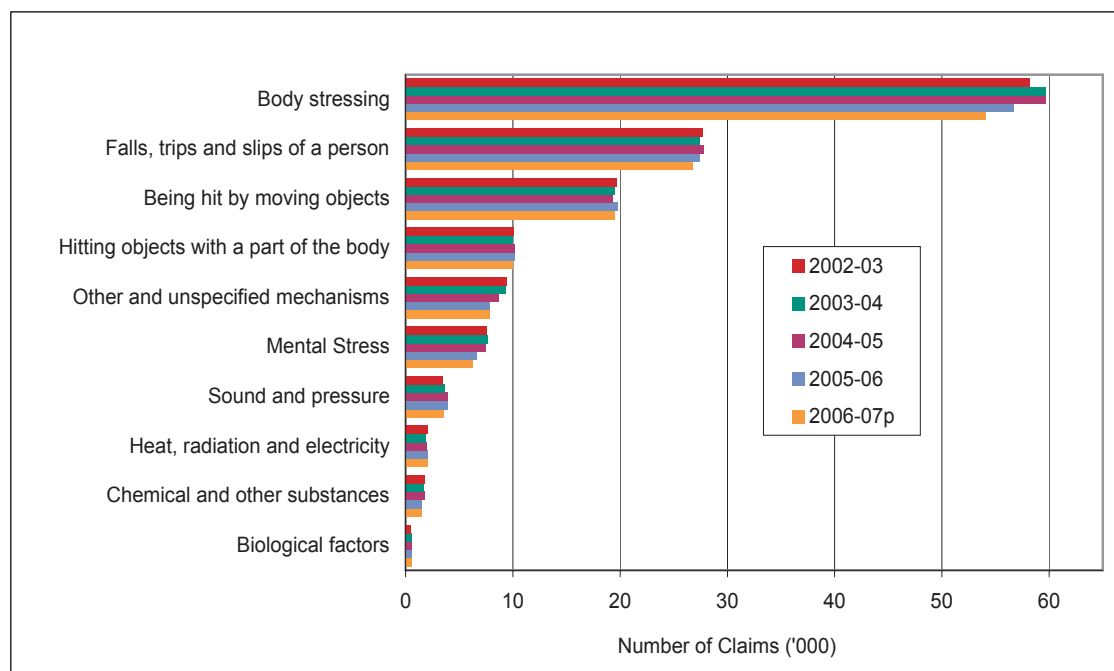
Claims by mechanism of injury/disease

Claim patterns can be analysed using the *Type of Occurrence Classification System* (TOOCS) which is a series of codes providing information on the cause of the incident and the type of injury or disease sustained. One part of this system is the Mechanism of injury/disease which is intended to identify the action, exposure or event which was the direct cause of the most serious injury or disease. More information on the TOOCS can be found on the ASCC website at ascc.gov.au.

Indicator 12 shows the number of serious claims by Mechanism of injury/disease over the past five years. Under the National OHS Strategy the following are priority mechanisms: *Body stressing*; *Falls, trips and slips of a person*; *Being hit by moving objects*; and *Hitting objects with a part of the body* and are receiving national focus. The claims data indicate that the priority mechanisms account for 83% of claims. In particular, *Body stressing* remains the most common cause of claims, accounting for 42% of claims in 2006–07. Excluding the preliminary 2006–07 data, the largest decreases in claims over the four years from 2002–03 to 2005–06 were recorded in the mechanisms of *Other and unspecified mechanisms* (down 17%), *Chemical and other substances* (down 13%) and *Mental stress* (down 12%). However these categories accounted for 6%, 1% and 5% of all claims respectively in 2005–06. Claims due to the mechanism of *Sound and pressure* increased 14%, however this category accounted for only 3% of all claims in 2005–06.

More detailed information on claims by Mechanism of injury/disease can be found in the *Compendium of Workers' Compensation Statistics*, which can be found at ascc.gov.au.

Indicator 12 – Mechanism of injury/disease: number of serious* claims by year, Australia



* Includes all accepted workers' compensation claims involving temporary incapacity of one or more weeks plus all claims for fatality and permanent incapacity.

Claims by size of business

Indicator 13 compares the incidence of serious compensated claims by size of business for 2002–03 and 2006–07. Eight Australian jurisdictions and New Zealand collect compensation data by size of business; however there are differences in the methodologies used by schemes to collect this information and caution should be exercised when making jurisdictional comparisons.

The trend across schemes over time is similar in most cases: businesses with 5–19 employees had the lowest incidence rates for compensated claims in both 2002–03 and 2006–07. However, two jurisdictions recorded increases in incidence rates over this period for this size of business, Tasmania and the Australian Capital Territory. New Zealand recorded a significant increase in incidence rate over this period for businesses with 1-4 employees due to a drop in the proportion of employees recorded in this business size group from 23% to 12% due to a recent review of their employment data.

Indicator 13 – Size of business: incidence rates (claims per 1000 employees) of serious* claims by jurisdiction

	1-4 employees	5-19 employees	20-99 employees	100 or more employees
2002-03				
Victoria	8.5	8.7	11.9	16.0
Western Australia	25.5	10.5	13.1	12.1
South Australia	23.1	17.7	31.1	17.6
Tasmania	10.0	13.1	22.9	21.0
Northern Territory	32.6	23.7	15.5	6.4
Australian Capital Territory	15.3	12.3	26.6	15.0
Australian Government	np	0.8	1.4	12.4
Seacare	0.0	0.0	37.6	38.4
Australia**	14.9	11.2	15.6	15.1
New Zealand	12.1	12.8	16.4	14.7
2006-07p				
Victoria	7.7	8.3	11.7	14.0
Western Australia	26.0	8.5	11.8	8.2
South Australia	13.8	13.8	26.8	13.6
Tasmania	11.8	16.1	12.7	21.8
Northern Territory	31.8	23.0	15.9	4.4
Australian Capital Territory	19.3	12.8	27.1	11.1
Australian Government	np	np	1.9	8.4
Seacare	0.0	0.0	8.0	33.6
Australia**	13.1	10.1	14.2	12.2
New Zealand	21.7	13.5	15.1	15.4

* Includes all accepted workers' compensation claims involving temporary incapacity of one or more weeks plus all claims for fatality and permanent incapacity.

** Consists only of Australian jurisdictions listed above

Chapter 3 – Enforcement

Jurisdictions enforce their OHS Acts using a variety of enforcement tools and protocols. Inspectors appointed under legislation may visit workplaces for the purpose of providing advice, investigating accidents or dangerous occurrences and ensuring compliance with the OHS legislation. Where breaches are detected the inspector, based on risk, may issue notices or escalate the action to formal procedures, which are addressed through the courts for serious contravention of the legislation. Indicator 14 provides details on specific enforcement activity undertaken by jurisdictions for each year from 2002–03 to 2006–07. In 2006–07 over 114 000 visits were made to workplaces around Australia (excluding NSW). Australian jurisdictions issued 62 100 notices, 574 businesses were prosecuted and \$18 million in fines were handed out by the courts.

Total workplace interventions consist of the sum of all proactive and reactive workplace interventions. Note: most interventions in the mining sector are not included in these data because mining inspectors in most jurisdictions utilise their own reporting mechanisms.

Proactive interventions are defined as all workplace visits that have not resulted from a complaint or workplace incident. They include all planned interventions, routine workplace visits, inspections/audits and industry forums/presentations (where an inspector delivers educational advice or information).

Reactive interventions are defined as attendances at work sites following notifiable work injuries, dangerous occurrences or issuing of notices where comprehensive investigation summaries (briefs of evidence) are completed. Not all requests for investigations or incidents result in a formal investigation. A range of enquiries may be made in order to inform a decision on whether an investigation is warranted.

Indicator 14 shows there has been a gradual shift to a greater proportion of interventions being proactive, with the proportion of interventions between proactive and reactive workplace visits now close to 60/40. Jurisdictions have indicated that using a more structured evidence based proactive approach for identifying where inspectorate resources should be deployed is considered a more successful approach than responding to “low risk” reactive situations.

Tasmania recorded a substantial increase in the number of reactive workplace interventions in 2006–07. This increase is due to Tasmania changing its collection techniques to more accurately align to the definition used in this publication.

South Australia also reviewed its reporting against these items and implemented a change in the classification of proactive and reactive interventions more in line with CPM definitions. Comparisons should not be drawn between 2006-07 data and previous years.

The decrease in workplace interventions within the Australian Capital Territory directly corresponds to the decrease in the number of inspectors. The decline in the number of inspectors is a result of merging ACT Workcover with other agencies within the Australian Capital Territory Government.

Where interventions by an inspector identify a breach under OHS legislation, a notice may be issued. The total number of notices issued by the Australian jurisdictions has seen a downward trend in the past five years. The use of infringement notices, sometimes referred to as on-the-spot fines is the least used of the three notice types. In 2006–07, 1521 of this type of notice were handed out around Australia compared to 6678 prohibition notices and 53 898 improvement notices. Note: Data for

notices cannot be directly compared across jurisdictions as notices are defined by legislation in each jurisdiction. In some instances a single notice may be issued for multiple breaches of the legislation while in other instances multiple notices are issued for each breach identified.

In 2006–07 17 440 visits were made to workplaces in New Zealand with 1917 notices issued. In October 2005, the New Zealand Department of Labour changed its procedures for issuing and recording improvement notices so that they would be issued only where employers were unwilling to comply with required improvements. This resulted in a sharp decline in the number of improvement notices issued from 10 691 in 2004-05 to 1345 in 2006-07.

Indicator 14 shows a steady increase in the number of field active inspectors employed around Australia. Field active inspectors are defined as gazetted inspectors whose role is to spend the majority of their time enforcing provisions of the OHS legislation directly with workplaces i.e. a compliance field role. They do not include managers of the inspectorate. Current vacancies are included in these numbers and mines inspectors have been excluded from the data due to different legislation operating across jurisdictions. Due to this definition it is possible that the number of field active inspectors shown in this report may differ to inspectorate numbers shown in jurisdictional reports.

There has been a change in the way New South Wales approaches its compliance activities. Greatest value and effort is given to its advisory and assistance products and services. Prosecution is used strategically where there is a compelling need to act upon a significant breach in legislation. As a result of these changes substantially fewer legal proceedings were commenced in 2006–07.

The number of prosecutions resulting in conviction during 2006-07 in Victoria significantly underestimates prosecution success, as courts can impose fines and penalties without conviction. *Victoria's Sentencing Act* requires the application of separate criteria to the decisions on sentence and conviction. In addition to the 35 convictions, there were 33 other prosecutions resulting in fines or penalties without conviction in 2006-07.

Substantial increases in the total amount of fines awarded by the court on offenders were recorded in most jurisdictions over the past five years. Information on penalty provisions can be found in the publication *Comparison of OHS Arrangements in Australia and New Zealand* available on the web at workplace.gov.au/cpm. In some instances the courts declare that penalty amounts are to remain confidential. Therefore the data recorded in Indicator 14 are only those amounts known publicly.

Indicator 14 – Enforcement activity by jurisdiction

	NSW	Vic	Qld	WA	SA	Tas	NT	ACT	Aus Gov ^a	Seacare	Total Aus	NZ
Total workplace interventions	n/a	48 425	17 375	8 774	12 582	6 003	2 233	n/a	194	n/a	95 586	23 552
	n/a	43 719	21 615	10 085	16 931	4 523	3 188	1 360	245	191	101 857	24 503
	n/a	41 842	21 068	11 708	21 841	6 964	4 384	2 476	203	277	110 763	20 989
	n/a	41 163	26 218	11 356	18 908	6 506	5 522	3 960	189	206	114 028	21 064
	n/a	42 924	25 741	10 112	19 983	7 436	5 566	2 008	264	239	114 183	17 440
<i>Number of proactive workplace interventions</i>	n/a	37 878	n/a	^b 5 072	n/a	2 788	1 542	n/a	113	n/a	47 393	12 278
	n/a	33 606	13 251	^b 5 809	8 973	1 915	2 393	n/a	146	181	66 274	12 124
	n/a	33 601	17 023	^b 7 028	10 081	2 857	3 597	n/a	133	275	74 595	9 748
	n/a	27 834	23 344	^b 6 310	9 075	2 953	4 623	n/a	113	201	74 453	10 985
	n/a	27 103	22 775	^b 4 992	^c 6 075	2 947	4 624	n/a	93	228	68 837	7 591
<i>Number of reactive workplace interventions</i>	n/a	10 547	n/a	3 702	n/a	3 125	691	n/a	81	12	18 248	11 274
	n/a	10 113	8 364	4 276	7 958	2 608	795	n/a	99	10	34 223	12 379
	n/a	8 241	4 045	4 680	11 760	4 107	787	n/a	70	3	33 693	11 241
	n/a	13 329	2 874	5 046	9 832	3 553	899	n/a	76	5	35 614	10 079
	n/a	15 821	2 966	5 120	^c 13 818	^a 4 489	942	n/a	171	11	43 338	9 849
<i>Number of infringement notices issued</i>	1 289	n/a	289	^e n/a	n/a	n/a	242	0	n/a	n/a	1 820	0
	915	n/a	488	^e n/a	n/a	n/a	31	0	n/a	n/a	1 434	6
	1 652	n/a	462	^e n/a	n/a	n/a	7	8	n/a	n/a	2 129	32
	1 195	n/a	499	^e n/a	n/a	n/a	47	28	n/a	n/a	1 769	20
	726	n/a	614	^e n/a	n/a	n/a	173	8	n/a	n/a	1 521	23
<i>Number of improvement notices issued</i>	12 646	14 964	11 136	10 263	1 977	346	22	80	18	0	51 452	14 652
	17 927	12 492	16 200	11 848	2 748	198	29	202	17	1	61 662	14 044
	18 213	12 117	13 348	12 391	4 688	423	17	163	12	9	61 381	10 691
	14 832	11 168	16 463	11 691	3 573	297	49	427	12	6	58 518	1 743
	13 243	12 040	14 583	10 365	3 258	188	30	137	37	17	53 898	1 345
<i>Number of prohibition notices issued</i>	779	2 904	1 256	895	364	131	56	48	9	2	6 444	990
	1 139	2 303	1 696	870	814	87	14	90	6	1	7 020	1 117
	1 421	2 308	1 788	963	899	266	14	66	20	6	7 751	745
	1 212	1 876	2 223	708	623	125	54	68	10	19	6 918	417
	1 127	1 538	2 406	638	732	105	65	57	6	4	6 678	549

Indicator 14 – Enforcement activity by jurisdiction *continued*

	NSW	Vic	Qld	WA	SA	Tas	NT	ACT	Aus Gov	Seacare	Total Aus	NZ
Number of field active inspectors	301	236	148	70	57	n/a	10	12	16	2	852	161
	301	236	155	94	'89	25	12	12	16	'85	945	168
	301	236	189	94	89	27	12	12	16	3	979	166
	301	227	206	103	89	29	12	12	22	3	1004	157
	313	225	228	103	89	30	12	6	45	3	1054	144
Number of field active inspectors per 10 000 employees	1.1	1.1	1.1	0.9	0.9	n/a	1.1	1.0	0.7	6.3	1.0	1.0
	1.1	1.1	1.1	1.2	1.4	1.4	1.4	1.1	0.7	15.4	1.1	1.0
	1.1	1.1	1.2	1.1	1.4	1.4	1.4	1.0	0.6	8.7	1.1	1.0
	1.1	1.0	1.3	1.2	1.4	1.5	1.4	1.0	0.8	8.2	1.1	1.0
	1.1	1.0	1.4	1.1	1.3	1.5	1.3	0.5	1.4	8.5	1.1	0.9
Number of legal proceedings commenced	'462	'217	122	43	16	38	0	2	0	0	900	136
	'336	'206	136	65	45	9	1	27	0	0	825	138
	'587	'188	190	64	45	7	0	14	0	2	1 097	110
	459	'136	174	37	71	15	0	19	1	0	912	80
	213	'107	126	24	68	27	2	6	1	0	574	97
Number of prosecutions resulting in conviction	'443	105	101	38	22	24	0	2	0	0	735	119
	'399	110	120	43	30	7	0	5	0	0	714	100
	'384	93	156	48	31	7	0	11	0	1	731	119
	340	70	143	41	51	12	0	5	0	0	662	79
	300	35	102	29	56	22	2	2	1	0	551	80
Total amount of fines awarded by the courts (\$'000)	\$13 000	\$2 997	\$1 994	\$152	\$379	\$199	\$0	\$3	\$0	\$0	\$18 724	NZ\$899
	\$13 330	\$4 159	\$2 024	\$385	\$628	\$87	\$0	\$55	\$0	\$0	\$20 668	NZ\$1 037
	\$11 500	\$3 294	\$3 344	\$457	\$439	\$78	\$0	\$32	\$0	\$0	\$19 145	NZ\$1 859
	\$13 878	\$3 532	\$3 823	\$383	\$1 042	\$157	\$0	\$134	\$0	'\$0	\$22 949	NZ\$1 929
	\$11 086	\$1 716	\$2 953	\$457	\$1 299	\$224	\$23	\$135	\$198	\$0	\$18 091	NZ\$1 751

^a Aus Gov data cannot be compared directly with the other jurisdictions for more information please see page 43 of Appendix 1. ^b In WA, 'proactive workplace interventions' does not include inspectors delivering educational advice or information. ^c SA implemented a change in the classification of proactive and reactive interventions more in line with CPM definitions. ^d Tasmania modified definition to more accurately align with CPM definitions. ^e There is no legislative requirement for infringement notices in WA. ^f New inspector intake training occurred in SA in January 2004, full duties commenced in mid June 2004. ^g Includes inspectors who investigate unsafe asbestos. ^h NSW previously reported the number of breaches rather than the number of companies being prosecuted. ⁱ Victoria data is for legal proceedings completed. ^j Seacare are awaiting sentence of the court regarding the legal proceeding resulting in conviction listed above.

Chapter 4 – Workers' compensation premiums and entitlements

Standardised average premium rates

The rates in this chapter are for policies that provided coverage during the reference financial years. The premium rates reported are 'earned premium', which is defined as the amount allocated for cover in a financial year from premiums collected during the previous and current financial years. The premiums reported are allocated for defined periods of risk, irrespective of when they were actually paid, enabling rates to be compared for each financial year. GST charged on premiums is not included in the reported rates as most Australian employers recoup part, or all, of this tax through input tax credits.

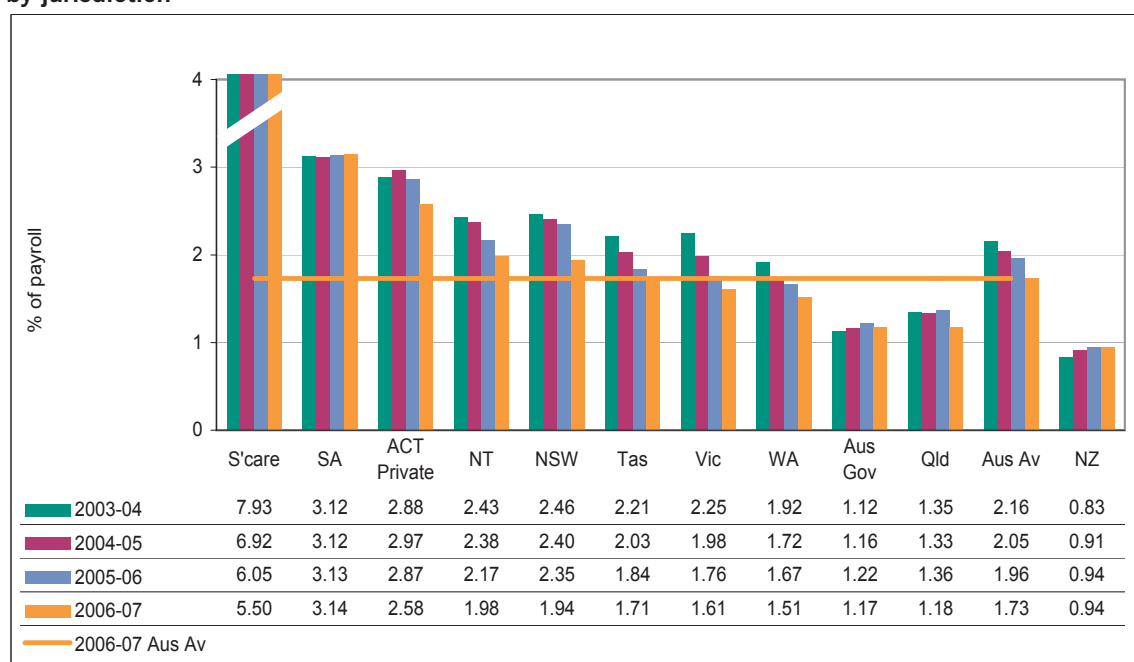
Indicator 15 shows that in 2006–07 the standardised Australian average premium rate was 1.73% of payroll, a 12% decrease on last year's rate of 1.96%. This decrease was the result of falls in most jurisdictions.

The New South Wales scheme recorded the largest percentage decrease (17%) from the last financial year. This drop was mainly due to the positive investment returns and improved business efficiencies resulting in \$812m surplus allowing setting a target collection rate to 1.77% of remuneration down from 2.57% in 2005.

Queensland recorded the second largest drop (13%). The Queensland scheme is a predominantly lump sum scheme because of the relatively open access to common law provisions, and there are also slightly lower continuance rates. The resulting lower administrative costs along with strong financial and claims management, and business efficiencies allows for lower premiums.

The Australian Government scheme recorded the lowest premium rate of all jurisdictions at 1.17% of payroll.

Indicator 15 – Standardised average premium rates (including insured and self-insured sectors) by jurisdiction



The Australian Government scheme as a whole comprises a diverse range of occupations and industries including police, custom services, communications, freight services, engineering and transport. Recent inclusions to the scheme also include some self-insurers which may have competed directly for business with current or former Australian Government owned companies. Data for the Australian Government does not include the Australian Capital Territory Public Service.

Western Australia recorded a 10% drop in premium rates. The Victorian and Northern Territory schemes each recorded a drop in premium rates of 9%.

Seacare recorded the highest premium rate in 2006–07 at 5.50% of payroll due to the high risk nature of this industry. This is still a substantial drop of 30% from the 2003-04 premium rate of 7.93%.

The New Zealand standardised average premium rate remained steady at 0.94% of payroll, which is still much lower than the rate recorded for Australia. One reason for the lower rate in New Zealand is that its scheme does not provide the same level of coverage of disease cases, as the Australian schemes.

Note that these data will be different to published rates from the jurisdictions due to the adjustments made to the data to enable more accurate jurisdictional comparisons. The principal regulatory differences that affect comparability and for which adjustments have been applied in this indicator are: the exclusion of provision for coverage of journey claims; the inclusion of self-insurers; the inclusion of superannuation as part of remuneration; and the standardisation of non-compensable excesses imposed by each scheme. The effect of each of these adjustments is shown in Appendix Table 4 in the Explanatory Notes at the back of this report. Information on published rates can be found in the *Comparison of Workers' Compensation Arrangements* publication at ascc.gov.au.

Entitlements under workers' compensation

Premium rates are set at a level to ensure sufficient funds are available to cover the entitlements payable under workers' compensation in the event an employee is injured or develops a work-related disease. Hence different entitlement levels across the jurisdictions can explain some of the differences in premium rates. Data provided in other chapters of this report should also be considered when comparing entitlements provided under the various workers' compensation schemes.

The following examples have been included to provide indicative entitlements payable in each jurisdiction. A brief summary on how entitlements are calculated is contained in Appendix 2: Table 8. More detailed information can be found in the *Comparison of Workers' Compensation Arrangements* publication at ascc.gov.au. These entitlements are based on legislation current as at 1 January 2007.

Temporary incapacity

This example examines how jurisdictions compensate low, middle and high income employees during selected periods of temporary incapacity. Three profiles are shown for this example to highlight the statutory maximum entitlements payable plus the low income example highlights some differences where the worker is employed under an award. Entitlements for an injured employee

are shown in the following table using pre-injury earnings of \$600 gross per week (award wage, this figure differs from the \$500 used in the previous report to align with minimum wage requirements), \$1000 gross per week (non-award wage) and \$2000 gross per week (non-award wage).

Scenario

The employee has a dependent spouse and two children (aged 7 and 8). The employee injured their back and has lower back strain as a result. The employee remains unable to work for a period of time before returning to their previous duties on a full-time basis.

Indicator 16 – Percentage of pre-injury earnings for selected periods of incapacity, as at 1 January 2007

Level of pre-injury income	NSW	Vic	Qld	WA	SA	Tas	NT	ACT	Aus Gov	NZ
13 weeks of incapacity										
Low income	100	95	100	100	100	100	100	100	100	80
Middle income	80	95	85	100	100	100	100	100	100	80
High income	75	60	85	80	100	100	100	100	100	77
26 weeks of incapacity										
Low income	100	85	100	100	100	93	100	100	100	80
Middle income	80	85	85	93	100	93	100	100	100	80
High income	75	60	85	80	100	93	100	100	100	77
52 weeks of incapacity										
Low income	100	80	100	100	100	89	95	94	99	80
Middle income	70	80	80	89	100	89	88	83	97	80
High income	53	60	80	80	100	89	88	83	97	77
104 weeks of incapacity										
Low income	100	78	98	100	90	87	93	90	94	80
Middle income	65	78	73	87	90	87	82	74	86	80
High income	41	60	73	73 ^(a)	90	87	81	74	86	77

(a) In Western Australia the prescribed maximum amount for weekly benefit (\$145 892) would be exhausted during the 96th week of compensation. After this time, if there were exceptional circumstances a further amount of \$109 419 could be approved. This example assumes there were no exceptional circumstances.

For low income earners, New South Wales and Western Australia provide the highest percentage of pre-injury earnings for 104 weeks of incapacity, providing 100% of pre-injury earnings in compensation. This is because these jurisdictions provide full coverage of earnings for employees working under awards. Reductions in compensation payments would have occurred for non-award employees. Victoria provides the lowest percentage of pre-injury earnings for 104 weeks of incapacity (78%) due in part to the step-down in benefits to 75% of pre-injury earnings after 13 weeks of compensation.

For middle income earners, South Australia provides the highest percentage of pre-injury earnings, at 90%, followed by Western Australia (87%) and Tasmania (87%). New South Wales provides the lowest percentage of pre-injury earnings for the full period of incapacity (65%) due to the lower payments from the first day of injury for non-award workers and the restrictions applied after 26 weeks. In the New South Wales scheme, once 26 weeks of compensation have been paid, the injured worker is entitled to the lesser of 90% of Average Weekly Earnings (as defined by the Australian Bureau of Statistics) or the indexed statutory rate, plus extra entitlements for dependants (see Appendix 2: Table 8 for more details).

In contrast to the low income scenario, where eight of the nine Australian jurisdictions provided full income protection for the first 13 weeks, the high income scenario shows that only five jurisdictions provided full income protection for high income earners for this period of incapacity.

Permanent incapacity

This scenario shows the entitlements payable for a degree of permanent incapacity caused by a workplace injury. Each jurisdiction has a predetermined statutory maximum lump sum payment for injuries causing permanent impairment. Maximum amounts are payable in cases of full and permanent impairment. Appendix Table 8 lists entitlements under workers' compensation schemes for each jurisdiction. The following scenario is indicative only for these types of payments.

Scenario

The employee's pre-injury earnings were \$1000 gross per week. The employee is 35 years of age and has a dependent spouse and two children aged 7 and 8 – the younger child entered the workforce at 16 and the older child remained in full-time education until age 25. The employee contributed to a superannuation fund. There was no contributory negligence on his part, however there was negligence on behalf of the employer.

As a result of the workplace incident, the employee was diagnosed with complete tetraplegia below the 6th cervical neurological segment. This resulted in paralysis of his hands, impaired upper body movement and paralysis of the trunk and lower limbs. He lost all lower body function and was wheelchair-bound. Incapacity was total and permanent and there was no real prospect of returning to work.

Indicator 17 details the entitlements payable to the injured employee. The statutory component includes the weekly benefits payable for the remainder of the employee's working life (30 years in this instance) and all lump sum payments for permanent incapacity. The common law component is an estimate of the additional payment available under a common law settlement, where applicable. All figures exclude medical and like services such as attendant care. Appendix Table 7 identifies the jurisdictions that have access to common law. While the Australian Capital Territory has this option, the payment under this scenario would be less than the amount paid by the compensation authority and hence no common law amount is shown. Similarly workers for the Australian Government are more likely to accept the statutory lump sum payment than to pursue a common law settlement.

Excluding Western Australia, total entitlements range from \$1.9 million in New South Wales to \$1.2 million in the Australian Capital Territory.

In Western Australia and New South Wales there is no upper limit on compensation that could be expected from a common law claim under this scenario. A figure of \$1.9 million was provided by New South Wales and is considered to be a realistic estimate for this scenario. Statutory benefits are repaid by the worker to compensation schemes if common law damages are awarded.

The entitlements provided by the New Zealand scheme in this scenario are comparable to those provided by the Australian jurisdictions. However, there is no access to common law under the New Zealand scheme.

Workplace fatality

This example examines the entitlements payable to dependants of an employee who died following a workplace incident. Entitlements to dependants are paid by way of a lump sum and/or weekly benefits, depending on the employee's circumstances and scheme design. The date of death for this example was 1 January 2007.

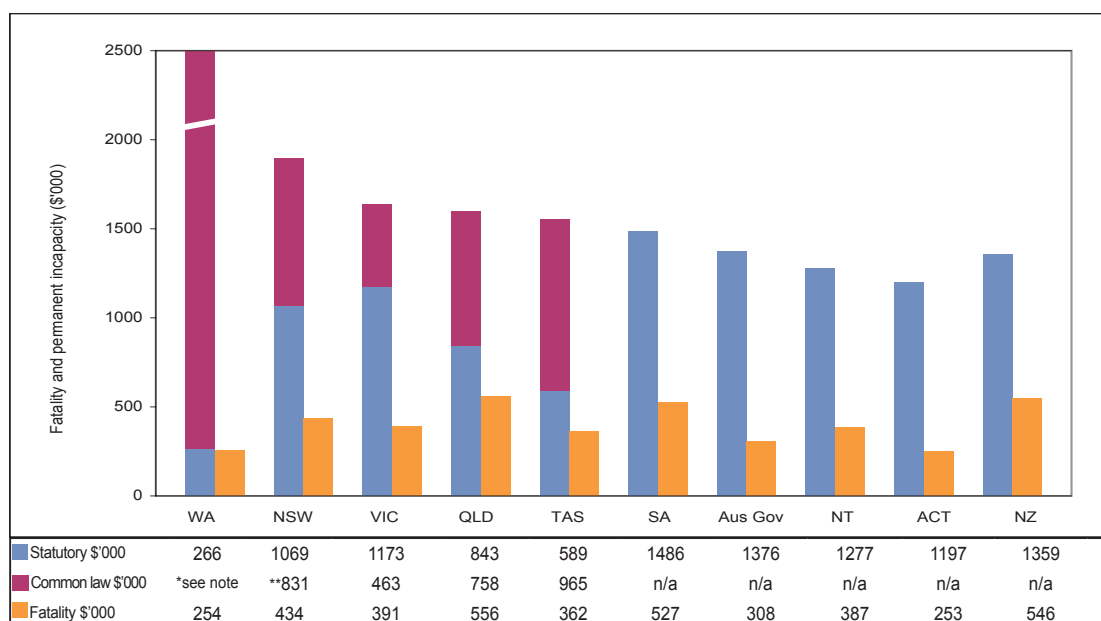
Pecuniary entitlements may be affected by common law payments in jurisdictions where there is access to common law redress. South Australia and the Northern Territory have no access to common law, while the Australian Government has limited access to common law. In Victoria there may be access to an additional lump sum under the Wrongs Act.

Scenario

The deceased employee and family circumstances in this scenario are the same as in the previous example but in this case the workplace incident resulted in death. The spouse did not re-enter the workforce or re-marry for ten years.

Indicator 17 shows that a number of jurisdictions provide similar benefits. Queensland provides the highest entitlement payable to dependants in Australia following a workplace incident resulting in a fatality at \$556 000 followed by South Australia at \$527 000. The lowest entitlements for fatality were provided in the Australian Capital Territory (\$253 000) and Western Australian (\$254 000). The New South Wales figure for entitlements for fatality is not indexed, hence not comparable to that in previous publication. Appendix 2 provides more details on how these entitlements are calculated.

Indicator 17 – Level of entitlements for permanent incapacity or fatality as at 1 January 2007



*In WA there is no upper limit on compensation that could be paid from a common law claim.

**NSW has provided an estimated common law figure for this scenario, however as there is no upper limit on compensation that could be paid from a common law claim this figure is a guide only.

In New Zealand \$546 000 is payable to dependants, higher than all Australian jurisdictions except Queensland. The New Zealand scheme provides little in the way of lump sum amounts but provides high weekly benefits to the spouse and children while the children remain dependants.

Chapter 5 – Workers’ compensation scheme performance

There are significant differences in the funding arrangements for the various schemes around Australia. The schemes that are centrally funded (New South Wales, Victoria, Queensland, South Australia, Comcare and New Zealand) have their OHS and workers’ compensation functions, staffing and operational budgets funded by premiums. For those jurisdictions with privately underwritten schemes, funding for the non-workers’ compensation functions comes directly from government appropriation. This may have an impact on the data shown in this section.

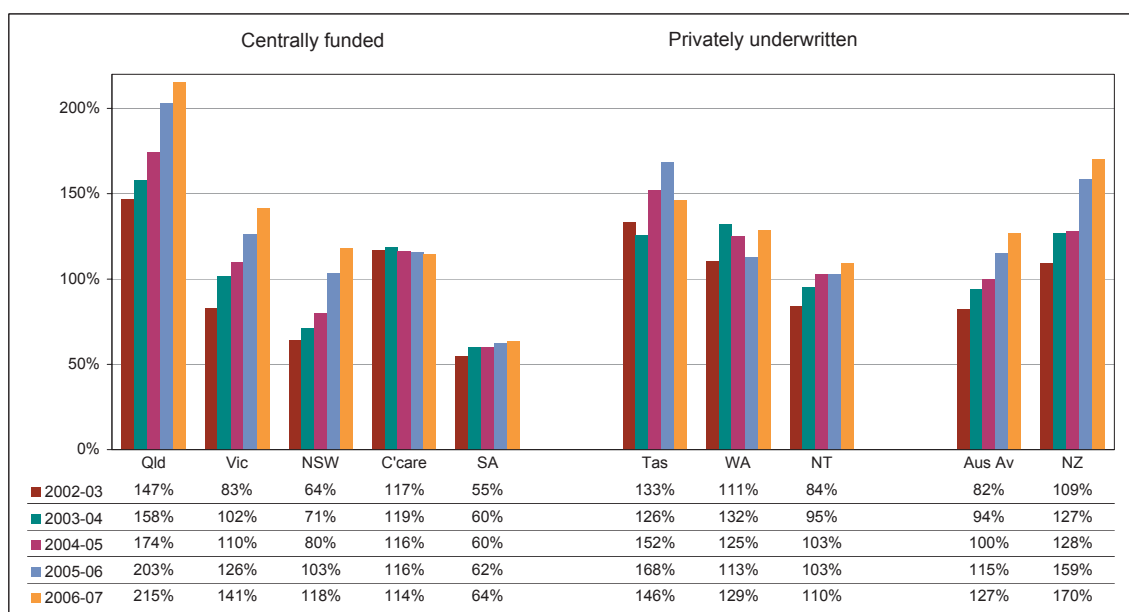
Assets to liabilities ratio

Indicator 18 reports the standardised ratio of assets to net outstanding claim liabilities (funding ratio) for each jurisdiction over the past five years.

This indicator is a measure of the adequacy of the scheme to meet future claim payments. Ratios above 100% indicate that the scheme has more than sufficient assets to meet its predicted future liabilities. Conversely, low ratios could be an indication of the need for a scheme to increase its premium rates to ensure assets are available for future claim payments. Funding ratio trends should therefore be considered in conjunction with the premium rates reported elsewhere in this report.

Indicator 18 shows that the Australian average funding ratio has risen to 127% due to better investment returns over recent years and reforms introduced into a number of schemes designed to improve their financial position. All jurisdictions, except South Australia, have funding ratios above 100%, indicating that assets are sufficient to meet future liabilities.

Indicator 18 – Standardised ratio of assets to net outstanding claim liabilities



There have been improvements in the viability of many jurisdictional schemes over the past five years. Good investment returns, strong wages growth increasing premium revenue, changes in the amount of benefits, improvements in incidence rates of injury, legislative changes and changes to claims management procedures are some of the main reasons for these improvements.

The substantial improvement in the funding ratio for Queensland since 2004–05 is due to the factors mentioned above and to a change to workers' compensation legislation surrounding latent onset injuries, such as those caused by asbestos exposure. For these injuries the injury date is now deemed to be when first diagnosed by a medical practitioner rather than the date at which the exposure occurred. As the legislation also states that outstanding claim estimates are only required for those injuries that have been diagnosed (but not settled), approximately \$500 million previously held in provision for asbestos claims not yet received is no longer required. This has substantially increased the ratio of assets to liabilities for Queensland.

The data shown in this indicator may differ from jurisdictions' annual reports due to the use of a standard definition of assets and liabilities. In addition, differences will arise from the standardisation applied to account for the different economic and actuarial assumptions used in valuing liabilities across the jurisdictions.

While a standard definition of the funding ratio of net outstanding claim liabilities has been adopted to improve comparability across jurisdictions, there still remain fundamental differences between centrally managed and privately underwritten schemes. For this reason, schemes within each group are more comparable. The Seacare and Australian Capital Territory Private schemes are privately underwritten, but no data are currently available for this indicator. More information is contained in point 4 of Appendix 1 - Explanatory notes, at the back of this report.

Scheme expenditure

Indicator 19 shows the proportion of total scheme expenditure paid out in payments to injured employees plus administrative costs for the periods 2002–03 and 2006–07.

This indicator shows that in 2006–07, compensation paid direct to the worker accounted for just over half (53%) of all scheme expenditure. Direct compensation is paid to injured employees either as weekly benefits, redemptions, common law settlements (excluding legal costs) and non-economic loss benefits. Direct payments as a proportion of total scheme expenditure were highest in Queensland (66%) and lowest in Tasmania (43%) and New South Wales (46%). Generally the privately underwritten schemes have higher proportional expenditure on administrative costs and lower direct payments. This is due to the profit margins built into the administration costs.

New South Wales recorded an increase in the proportion of claims management costs due to the introduction of new agent remuneration arrangements, which include incentives to improve performance, particularly in the tail and recovery areas. The remuneration package for New South Wales was also structured to drive insurer performance. Total scheme expenditure decreased 28% over this period when increases were observed in all other jurisdictions except Tasmania. Through the combination of all these factors there has been a significant improvement in the scheme's performance.

Indicator 19 – Total scheme expenditure

Scheme Costs	NSW	Vic	Qld	WA	SA	Tas	NT	Comcare	Seacare	Australia	NZ
Expenditure (\$M)											
2002-03											
Direct to worker	1 588.1	633.2	419.9	204.8	251.0	56.0	26.4	135.5	3.2	3 318.2	91.2
Services for worker	681.9	309.2	80.7	86.7	82.7	22.2	9.9	41.5	0.5	1 315.2	86.4
Claims management costs	359.4	196.9	60.3	98.7	42.8	27.2	10.3	20.2	0.6	816.4	16.2
Other administration costs	192.5	146.0	83.5	45.9	36.4	4.8	4.2	21.3	0.5	535.0	32.1
Total scheme expenditure	2 821.9	1 285.3	643.9	436.1	412.8	110.2	50.7	218.4	4.9	6 208.4	225.9
2006-07											
Direct to worker	944.1	854.6	572.8	309.2	299.7	39.2	34.4	139.7	4.1	3 197.8	173.2
Services for worker	508.2	329.4	140.8	143.5	105.0	23.3	13.0	61.9	1.1	1 326.2	173.0
Claims management costs	399.6	247.0	72.3	133.3	42.5	25.1	12.0	24.3	0.7	956.8	26.7
Other administration costs	186.7	171.2	77.8	54.5	38.8	4.3	4.1	28.2	1.4	569.9	58.4
Total scheme expenditure	2 038.7	1 602.3	863.5	640.5	486.0	91.9	63.5	254.1	7.3	6 050.7	431.3
Percentage of total expenditure (%)											
2002-03											
Direct to worker	56.3	49.3	65.2	47.0	60.8	50.8	52.0	62.0	66.0	55.5	40.4
Services for worker	24.2	24.1	12.5	19.9	20.0	20.1	19.5	19.0	10.8	22.0	38.2
Claims management costs	12.7	15.3	9.4	22.6	10.4	24.7	20.4	9.2	12.1	13.7	7.2
Other administration costs	6.8	11.4	13.0	10.5	8.8	4.3	8.2	9.7	11.1	8.9	14.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2006-07											
Direct to worker	46.3	53.3	66.1	48.3	61.7	42.7	54.1	55.0	55.9	52.9	40.2
Services for worker	24.9	20.6	16.2	22.4	21.6	25.4	20.5	24.4	15.0	21.9	40.1
Claims management costs	19.6	15.4	8.3	20.8	8.7	27.3	18.9	9.6	10.3	15.8	6.2
Other administration costs	9.2	10.7	9.3	8.5	8.0	4.6	6.4	11.1	18.9	9.4	13.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Services for worker expenditure (such as medical treatment, rehabilitation, legal costs, return to work assistance, transportation, employee advisory services and interpreter costs) is used to assist employees to recover from injury. The proportion of services for worker expenditure were lowest in Seacare (15%) and highest in Tasmania and New South Wales (25%).

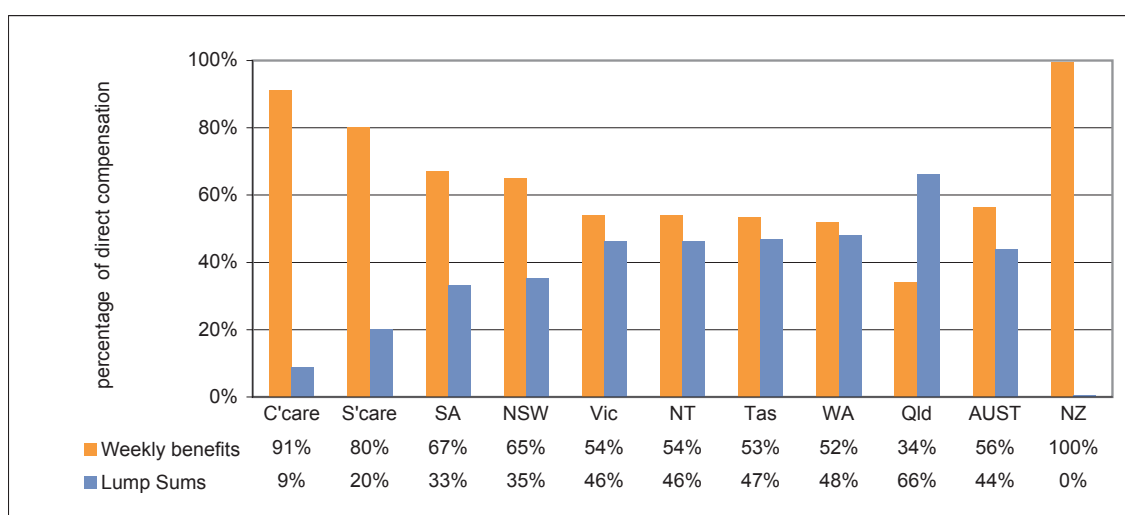
Claims management costs encompass: registration of employers, collection of premiums, claim investigations, medical reports, case management, coordinated care programs and other costs associated with the management and payment of claims. Other administration costs are predominantly costs associated with disputation.

In 2006–07, claims management costs in Australia accounted for 16% of total expenditure, up from 14% in 2002–03. These costs were highest in Tasmania, accounting for 27% of expenditure.

The New Zealand proportions display a different pattern to the Australian schemes with a lower proportion in direct payments but a higher proportion in medical and other services costs. This is due to the nature of the scheme where a greater proportion of workers' medical costs are identified as work-related. In Australia, the Medicare system would most likely pick up some medical costs for work-related injuries where a workers' compensation claim is not submitted.

Administrative costs are impacted on by the type of scheme in operation. Indicator 20 shows the distribution of direct payments into weekly benefits and lump sums. The payment of long term weekly benefits results in higher administration costs. This indicator shows that the Australian Government, New South Wales and South Australian schemes pay out more as weekly benefits, while Queensland is a predominantly lump sum scheme. The New Zealand scheme has little provision for lump sum payments.

Indicator 20 – Direct compensation payments by type and jurisdiction, 2006–07



In 2006-07, lump sum payments accounted for 46% of direct compensation payments in Victoria, up from 32% in 2005-06. This shift is mainly due to an increase in lump sum amounts paid for impairment and common law claims.

South Australia recorded a decrease in lump sum payments due to a decrease in the number of redemptions offered and the amounts paid for these redemptions.

Durable return to work

This section presents the durable return to work rate compiled from data published in the *2006–07 Australia and New Zealand Return To Work Monitor (RTW Monitor)*, which reports on return to work outcomes and injured workers' perceptions of the return to work process. The report can be found at hwca.org.au/reports_rtw.php. The survey includes injured workers who have been paid 10 days or more compensation by a workers' compensation authority or their employer, but does not include injured workers from organisations who self-insure their workers' compensation risk. Western Australia and the Australian Capital Territory do not participate in this survey.

The sample selected for all RTW Monitor surveys consisted of injured workers who had:

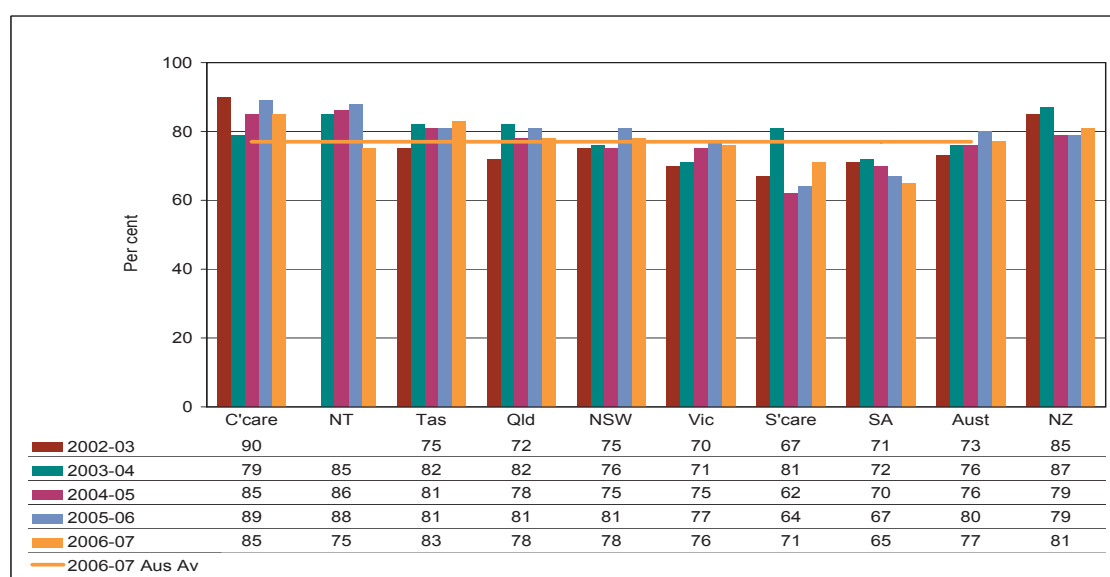
- submitted a claim seven to eight months before the date of the survey or seven to nine months for Tasmania, the Northern Territory and the Australian Government, due to the small number of claims in these jurisdictions. For Seacare, due to their even smaller size, the entire population of claimants were invited to be interviewed over four rounds in August, November, February and May, and
- 10 days or more compensation paid, inclusive of any excess.

Durable return to work refers to an injured worker who returned to work and was still working at the time of the survey, seven to nine months after their claim and is measured by the injured worker reporting their work status, sources of income and compensation status.

Indicator 21 shows that the 2006–07 Australian average rate for durable return to work was 77%. This is lower than the peak of 80% in 2005–06, but remains higher than the prior years. Seacare and Tasmania were the only jurisdictions to record an increase in the durable return to work rate with increases of seven and two percentage points respectively. The Northern Territory recorded the biggest drop in the return to work rate (13 percentage point decrease).

Each jurisdiction faces varying challenges in their endeavours to improve RTW rates. Some drivers of RTW are defined by legislation and can be influenced by the nature of the scheme design (whether it is short or long tail in nature). For example, common law arrangements can influence RTW, as can the benefit structure, the associated step down provisions, and legislative differences regarding early claims reporting, and employer obligations.

Indicator 21 – Durable return to work rate



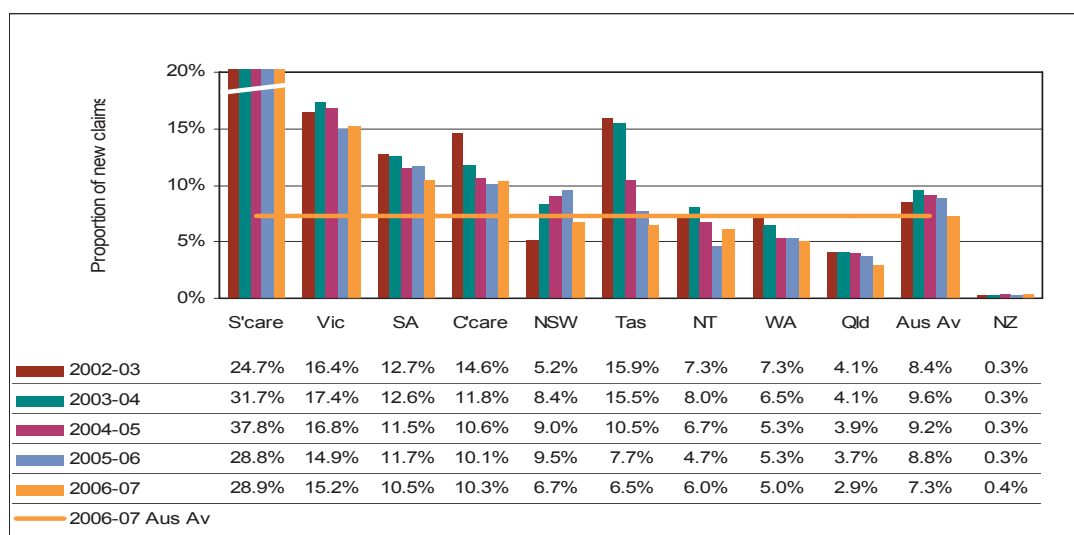
Disputation rate

A dispute is an appeal to a formal mechanism, such as a review officer or conciliation or mediation service, against an insurer's decision or decisions relating to compensation. Disputes exclude common law and also exclude redemptions and commutations unless processed as disputes through the jurisdictions' dispute resolution system.

Indicator 22 shows the number of new disputes as a proportion of new claims lodged in the reference financial year. Therefore the dispute may not be in relation to a claim lodged in the same year. It should also be noted that the number of new claims used in this calculation is all claims lodged within a jurisdiction. Indicator 22 shows that the Australian disputation rate decreased to 7.3% of claims lodged in 2006–07, the lowest rate in the past five years.

Decreases from the previous year were recorded in five jurisdictions with increases recorded in four. Queensland reported the lowest disputation rate of all the Australian jurisdictions at 2.9% of claims lodged, with Seacare recording the highest rate at 28.9% of claims lodged.

Indicator 22 – Proportion of claims with dispute



In South Australia, there is provision for deeming delayed, non-exempt decisions as disputes. This may increase the rate for this scheme compared to other jurisdictions.

The disputation rates for Comcare differ from previous publications due to the inclusion of data for licensed self insurers.

The disputation rate for Tasmania is influenced by the existence of a preliminary dispute process that was originally intended to protect workers against frivolous and vexatious disputes by employers. In July 2004, a 'reasonably arguable case' test was introduced to determine disputes and the period allowed to determine liability was increased from 28 days to 84 days. These changes have had a dramatic impact on the number of initial liability disputes.

The New Zealand disputation rate is very low because of the universal nature of New Zealand's accident compensation scheme. Since people who have accidents are covered whether the accident occurs at work, home, on the road, playing sport etc., and whether they are employed, self-employed or a non-earner (child, pensioner, student, unemployed), there are very few disputes relating to cover.

Dispute resolution

Only some jurisdictions can supply data on the time involved to resolve disputes. The speed that disputes are resolved depends very much on the systems and processes in place for each jurisdiction. Generally, the simpler the process, the faster the dispute is resolved. Where there is a lag in the collection, exchange and lodgement of information by one or more parties, disputes are likely to be more adversarial and therefore more costly. A high percentage of disputes resolved in a longer timeframe may also indicate that there are a high number of more complex disputes being dealt with within a jurisdiction, or that there are some mandatory medical or legal processes in place which inherently delay resolution.

Indicator 23 shows that there has been little change during the past four years in Australia with regards to the proportion of disputes resolved after one month. The percentage of disputes resolved within one month has fallen 38%.

Indicator 23 – Percentage of disputes resolved within selected time periods (cumulative)

Jurisdiction	Within 1 month (%)	Within 3 months (%)	Within 6 months (%)	Within 9 months (%)
2002–03				
NSW	n/a	n/a	n/a	n/a
Victoria	3.7	55.1	77.1	89.1
Queensland	28.4	81.1	89.2	92.8
Western Australia	30.0	59.0	76.4	84.8
Tasmania	29.7	69.7	82.5	89.5
Comcare	7.8	16.4	29.7	47.4
Australia*	14.0	57.8	75.6	85.8
New Zealand	15.8	68.6	92.8	96.4
2006–07				
NSW	2.8	51.9	87.6	97.3
Victoria	2.3	51.9	74.3	87.6
Queensland	14.7	77.3	90.0	94.2
Western Australia	24.0	56.0	79.2	87.2
Tasmania	45.2	59.9	77.0	85.1
Comcare	4.6	14.5	29.0	44.8
Australia*	8.7	54.4	74.4	85.5
New Zealand	8.0	70.7	91.6	95.6

* includes only those jurisdictions listed above but excludes NSW.

In 2006–07, Tasmania resolved nearly half of disputed claims within one month, but held a lower proportion of resolved disputes after nine months compared to the rest of Australia.

On average half the disputes were resolved within three months from the date of lodgement with Queensland resolving 77% of disputes, Tasmania 60% and Western Australia 56%.

In contrast, less than 3% of disputes were resolved within one month in both the New South Wales and Victorian scheme.

The resolution times for New South Wales are impacted on by the fact that the Workers' Compensation Commission incorporates a mandatory binding medical assessment process into its proceedings in relation to disputes over the quantum of permanent impairment entitlements. Entitlement to compensation for permanent impairment is disputed in over 70% of Applications to Resolve a Dispute lodged with the Commission.

Similarly, the resolution times for Victoria are impacted by the compulsory conciliation process which may or may not involve medical panel referral and the fact that court litigation can only occur at the conclusion of the compulsory conciliation process.

Comcare disputes generally took more time to resolve than disputes in other jurisdictions. As Comcare disputes proceed to an external and independent body, Comcare has no control over the associated timeframes for dispute resolution. These disputes tend to be quite complex and require a longer time to resolve.

New Zealand has adjusted current and historic figures for new claims to include all claims received regardless of cover decision. This is different from previous data which only included claims that received cover. The resolution rates for New Zealand are better than most Australian jurisdictions, however as noted in Indicator 22, this scheme has very few disputes to resolve.

Chapter 6 – Industry information

Claims by industry

Indicator 24 shows the incidence rate of claims across industries in Australia in descending order based on the 2006–07 year. In 2006–07, the Manufacturing industry reported the highest incidence rate at 27.6 claims per 1000 employees followed by the Transport and storage industry (25.7), the Agriculture, forestry and fishing industry (25.3) and the Construction industry (22.1).

Under the National OHS Strategy the following industries have been identified as priorities for improvement: Transport and storage, Manufacturing, Construction and Health and community services. Following the triennial review of the National OHS Strategy, the Agriculture, Forestry and Fishing industry was added to this list from 2005–06. These five industries account for 35% of all employees in Australia. The four highest incidence rates have been recorded in industries receiving focus under the National OHS Strategy.

Decreases in the incidence rate of claims from the previous year were recorded in all industries except for Electricity, gas and water supply which recorded a minor increase and Government administration and defence which recorded no change. A decrease from the previous year is expected as the 2006–07 data are preliminary and will rise as more claims lodged in that year are accepted.

Excluding these preliminary data, falls in the incidence rate of claims were recorded in most industries over the period 2002–03 to 2005–06. The greatest percentage falls in incidence rates over this period were recorded by the Mining industry which decreased by 31% and the Communication services industry which decreased by 26%.

More detailed information on claims by industry can be found in the *Compendium of Workers' Compensation Statistics*, which can be found at ascc.gov.au.

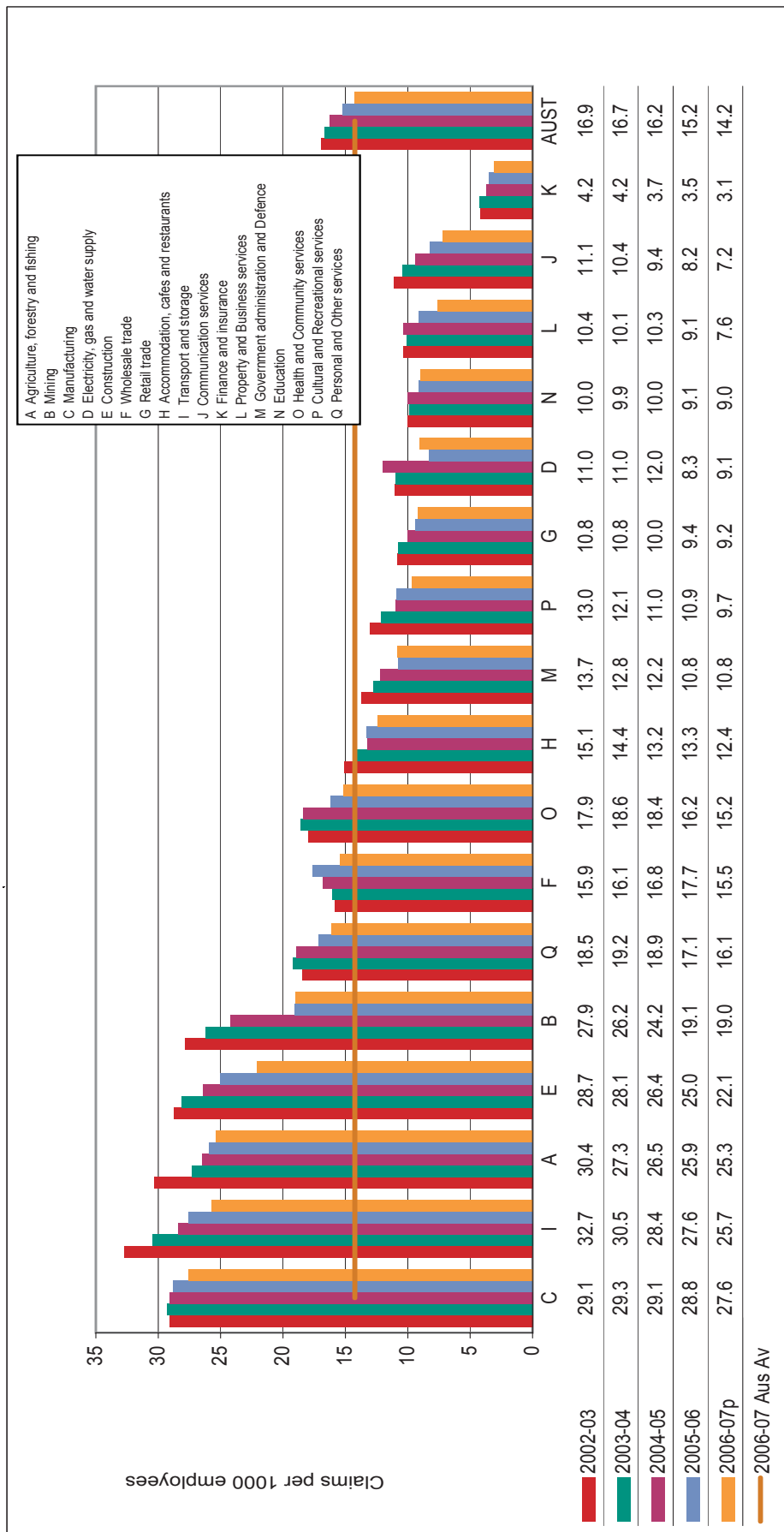
Premium rates by industry

Indicator 25 shows average premium rates by industry in Australia, in descending order for the years 2003–04 to 2006–07. These data show that the Agriculture, forestry and fishing industry recorded the highest average premium at 3.9% of payroll. The lowest premium rate was recorded by the Finance and insurance industry at 0.4% of payroll.

All industries recorded decreases since 2003–04. The largest percentage falls were recorded in the Education industry which fell 29% and the Personal and other services industry which fell 27%.

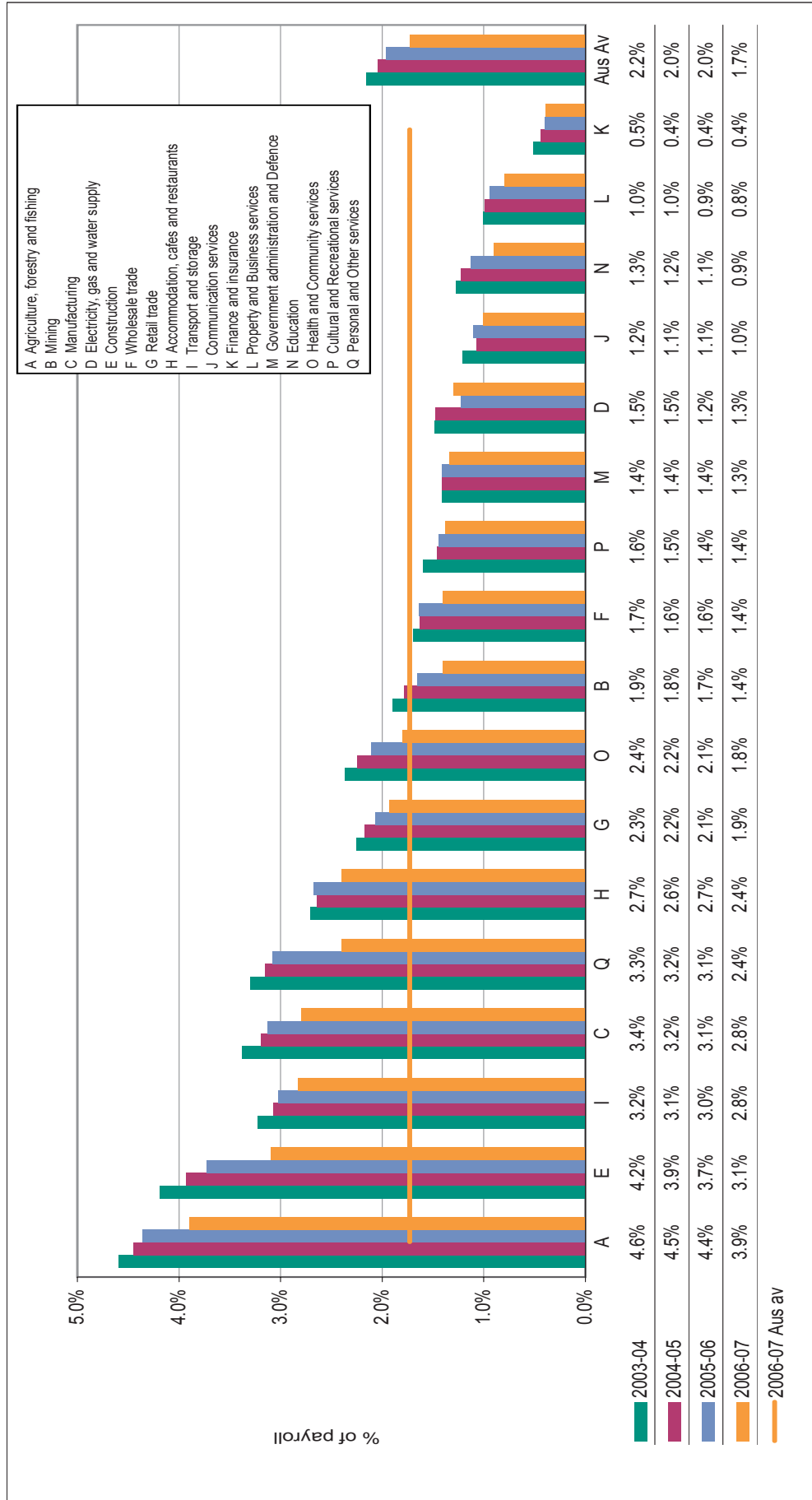
The published industry rates for a number of schemes are not necessarily based solely on risk-profile or performance, as some schemes cross-subsidise premiums. The premium rates quoted in this section of the report are based on premiums in each industry divided by remuneration in that industry.

Indicator 24 – Incidence rate of serious* claims by industry



* Includes accepted workers' compensation claims for temporary incapacity involving one or more weeks of compensation plus all claims for fatality and permanent incapacity

Indicator 25 – Australian average premium rates by industry



Appendix 1 - Explanatory notes

1. Workers' compensation claims data

Scope

The data presented in this report are collected through the *National Data Set for Compensation-based Statistics* (NDS) and are compiled annually from claims made under the State, Territory and Australian Government workers' compensation Acts. The New Zealand Accident Compensation Corporation also collects data in accordance with the NDS. This report is restricted to claims which resulted in a fatality, permanent disability or a temporary disability with an absence from work of one working week or more excluding those occurring on a journey to or from work. One working week is defined as being lost when the number of hours lost is greater than or equal to the number of hours usually worked per week.

The data in this report do not cover all cases of occupational injury and disease as generally only employees are covered by workers' compensation. Therefore many contractors and self-employed workers are not covered by these data. The exclusion of self-employed persons is likely to result in an understatement of the number of cases for industries where self-employed persons are common, for example, Agriculture, forestry and fishing; Construction; Transport and storage - Road transport; and Retail trade. However the incidence and frequency rates shown in this report for all industries can be considered reliable as the denominators used in the calculation of the rates have been adjusted to also exclude self-employed persons.

In addition the following have been excluded from the data in this report:

- temporary disability occupational injuries resulting in absences from work of less than one working week
- military personnel within the Defence Forces
- cases not claimed as workers' compensation or not acknowledged as being work-related, and
- claims for compensation to the Dust Diseases Board of New South Wales.

The estimates for number of employees and hours worked are supplied by the Australian Bureau of Statistics and are based on the Labour Force Survey and the Survey of Employment and Earnings data. These data are matched to the scope of the claims data but may not be exact, particularly in the smaller jurisdictions due to the number of employees being derived from a survey of the population rather than a census. The Australian Bureau of Statistics also conducts a full census of the population every five years. The labour force estimates are then benchmarked against the Census.

Australian Government employees working in each jurisdiction have been included in Australian Government figures rather than State or Territory results. The Australian Capital Territory Public Service employees are covered by the Comcare scheme but operate under the OHS provisions of the Australian Capital Territory. As such, these employees and their claims have been combined with Australian Capital Territory Private sector employees for reporting outcomes in Chapters 1 and 2 of this report.

The following table shows: the preliminary number of claims that resulted in a fatality, permanent incapacity or a temporary incapacity with an absence from work of one or more weeks; an estimate of the number of employees in each jurisdiction; and an estimate of the number of hours worked in each jurisdiction in 2006–07. Note that the number of claims shown for Victoria include the adjustment factors as explained later in these notes. The employee and hours figures in the table below are those used to calculate the incidence and frequency rates in this report. Please note that the number of claims shown will increase when updated information is provided by the jurisdictions for next year's report.

Appendix Table 1 – Summary of key jurisdictional data, 2006–07

Jurisdiction	Claims	% of claims	Employees	% of employees	Hours ('000)	% of hours
New South Wales	41 050	31.2	2 944 890	31.8	4 824 082 900	32.0
Victoria	28 030	21.2	2 303 890	24.8	3 663 719 520	24.3
Queensland	30 790	23.3	1 704 850	18.4	2 762 138 270	18.3
Western Australia	12 670	9.6	962 160	10.4	1 585 221 650	10.5
South Australia	10 860	8.2	673 760	7.3	1 051 114 250	7.0
Tasmania	3 390	2.6	196 390	2.1	302 135 070	2.0
Northern Territory	1 250	0.9	95 010	1.0	163 038 083	1.1
Australian Capital Territory	1 744	1.3	120 860	1.3	195 499 390	1.3
Australian Government	2175	1.6	267 380	2.9	512 623 400	3.4
Seacare	100	0.1	3 540	0.0	16 577 060	0.1
Australian Total	132 055	100.0	9 272 740	100	15 076 149 580	100
New Zealand	25 220		1 604 170		2 840 707 060	

Time series and adjustment of scheme data

The incidence and frequency rates shown for historical data are different from those presented in previous reports. This is primarily due to the fact that the number of accepted claims changes annually due to further data development.

Data shown in this report for 2006–07 are preliminary, unless otherwise stated, as they are taken from an earlier stage of claims processing than data for previous years shown in this publication. Therefore, these data are likely to be understated and comparison of 2006–07 data with previous annual data should be undertaken with caution. In analysing trends over time, consideration needs to be given to any changes to jurisdiction-specific legislation during the period concerned. Where provided, commentary relating to these comparisons should be read carefully.

Frequency rates for the Seacare scheme have been calculated using a 24-hour basis in recognition of the 24-hour risk of exposure due to the nature of maritime industry employment. This definition is consistent with data published by the Seacare Authority.

Due to difficulties obtaining time lost in hours for the Northern Territory, data have been estimated using the definition of a working week of five working days. To make the data reported from the Northern Territory and data reported for all other jurisdictions comparable, the data for the Northern Territory has been increased by a factor of 3.3% from 2000–01 onwards.

Definition of injury and disease

Occupational injuries are defined as all employment-related injuries which are the result of a single traumatic event, occurring while a person is on duty, or during a recess period, and where there was a short or non-existent latency period. This includes injuries which are the result of a single exposure to an agent(s) causing an acute toxic effect.

Occupational diseases are defined as all employment-related diseases which result from repeated or long-term exposure to an agent(s) or event(s), or which are the result of a single traumatic event where there was a long latency period (for example, the development of hepatitis following a single exposure to the infection).

In this report Indicator 10 reports data on fatalities from injuries separately to disease. In this indicator the injuries data also include claims for musculoskeletal disorders (MSD). This change was necessitated by the introduction of a new coding system in Victoria in 2002–03 which resulted in a high number of claims previously coded as *strains and sprains* (injuries) being coded as *diseases of the musculoskeletal system and connective tissue*, more accurately reflecting the repetitive and long term muscle stress that results in these conditions. To minimise the effect of this coding change on time series consistency, musculoskeletal diseases have been combined with the data on injuries for all years and all jurisdictions in this report. A similar change in coding practices across all other jurisdictions will occur progressively from 2005–06 as the 3rd edition of the Type of Occurrence Classification Scheme (TOOCS) is introduced in each jurisdiction.

Adjustment of Victorian data

Only claims involving one or more weeks of compensation have been used for analysis in Chapters 1 and 2 to enable greater comparability in the jurisdictional data. This takes account of the different employer excesses that exist in various schemes. However under the Victorian workers' compensation scheme the employer is generally liable for the first 10 days of lost wages by the injured worker plus the first \$546 (in 2006–07) of medical services, unless the employer has elected the Excess Buyout option. More information on the Excess Buyout option can be found at worksafe.vic.gov.au.

As employers do not always provide WorkSafe Victoria with information on claims lasting less than 10 days an adjustment factor needs to be applied in order to compare Victorian claims data with other jurisdictions. To calculate the Victorian under 10 day excess impact, the percentage of claims of one and two weeks duration for Victoria was compared with the percentage of one and two weeks claims for other Australian jurisdictions (averaged over the period 2003–04 to 2005–06 to allow adequate claim development). From this comparison, the number of Victorian one and two weeks claims was increased by a factor so that the percentage of such claims was similar to the Australian average for one and two weeks duration claims. The analysis was undertaken at the industry division level to allow for a greater degree of homogeneity in respect of claim duration. The application of the factors has increased the claims supplied by WorkSafe Victoria from 23 387 to 28 026.

Size of business

The number of employees in each business size has been provided by the Australian Bureau of Statistics. Employment data has been collected from the *Employment, Earnings and Hours* survey (EEH). Data on the number of claims is collected in each jurisdiction by a variety of methods, some via the claim form and others by imputing estimates from the data supplied by employers.

Self insurers joining Comcare - adjustment of claims

On 15 March 2007 new legislation came into effect, which extended the coverage of the *Occupational Health and Safety Act 1991* to organisations licensed to self-insure under the *Safety Rehabilitation and Compensation Act 1988*.

Previously, former Commonwealth authorities and licensed private sector corporations operated under the Commonwealth workers' compensation regime, but were covered by state and territory OHS legislation in the jurisdictions in which they operated. This amendment removed the need for multiple compliance regimes. However as the number of employees and hours worked are only available from the OHS jurisdictions workers' compensation claims from those authorities and companies self-insuring with Comcare have been allocated to their OHS jurisdictions for 2005–06 and 2006–07. This situation will change from 2007–08.

2. Return to work data

Data for the *2006–07 Australia and New Zealand Return to Work Monitor* (RTW Monitor) are drawn from a survey conducted by Campbell Research and Consulting on behalf of the Heads of Workers' Compensation Authorities. The survey is conducted in November and May each year. The 2006–07 sample consisted of 3019 injured workers who had made a workers' compensation claim. The figures reported in this section for Comcare include the Australian Capital Territory Public Service. The Australian Capital Territory Private Sector and Western Australia do not participate in this survey. The Australian average for each year is calculated using the jurisdictions that participated in the survey for that year. The full RTW Monitor can be viewed at hwca.org.au.

Appendix Table 2 – Sample size by jurisdiction 2006–07

Jurisdiction	Total Sample Size
New South Wales	600
Victoria	602
Queensland	600
South Australia	400
Tasmania	400
Northern Territory	121
Comcare	241
Seacare	55
TOTAL of Australian jurisdictions	3 019
New Zealand	608

Sampling error

The following paragraph is taken from the RTW Monitor.

A sample of all eligible injured workers are surveyed, as such the statistics produced have sampling error associated with them. That is, estimates from the survey may differ from the numbers that would have been produced if all eligible injured workers had been surveyed. The statistical estimate of sampling error is the standard error. The standard error provides a basis for measuring the precision to which the sample estimate can estimate the population value. There is about a 5% chance that the true value lies outside a range of two standard errors either side of the sample estimate. Such a range defines a 95% confidence interval for that estimate.

Appendix 3 shows the standard errors for the current sample size at the 95% confidence interval. This table indicates that if the survey estimate produced a value of 50% then we can be 95% certain that the true value would lie between 48.2% and 51.8% if the entire population was surveyed.

Appendix table 3 – Survey estimates of 50% and 80% at 95% confidence interval

Sample size	Survey estimate of 50%			Survey estimate of 80%		
	Confidence interval	Lower band	Upper band	Confidence interval	Lower band	Upper band
3019	+/- 1.8%	48.2%	51.8%	+/- 1.4%	78.6%	81.4%

Interpretation of Seacare Authority return to work results

Seacare Authority injured workers face unique problems in attempting to return to work which need to be considered when interpreting Seacare results. To facilitate graduated return to work for an injured seafarer, a supernumerary position on a ship needs to be found and there are few supernumerary positions available. Also, it can be difficult to include shore-based duties as part of a graduated return to work, as many seafarers live in different locations to their employers' offices.

Injured seafarers have to be passed as medically fit under fitness-for-duties regulations to resume full pre-injury duties. The injury time for seafarers may also be extended by the fact that ships are away from port for four to six weeks, meaning that injured workers may not be able to resume work immediately after they are deemed fit to do so. These factors can result in injured workers waiting additional time to return to work.

3. Standardised average premium rates

The most significant difference between the schemes in the definition of remuneration for the purpose of premium calculations is whether or not employer superannuation contributions are included. The inclusion of superannuation increases the base on which premiums are calculated, thereby reducing the percentage premium rate, meaning the rates across schemes are not comparable. From this publication the definition of remuneration has been changed to include superannuation for the calculation of standardised average premium rates, where previous publications removed superannuation.

Other issues affecting the comparability of premium rates across the schemes include:

- differences in benefits and coverage for certain types of injuries, in particular the coverage of the journey to and from work
- different levels of accident frequency and severity
- differences in claims management arrangements
- variations in the funding arrangements for delivery of occupational health and safety (OHS) services, with some jurisdictions providing degrees of cross-subsidisation
- differences in the definitions of wages for premium setting purposes and different scheme excess deductibles (note that wage under-declaration has not been accounted for as it is considered to have a similar prevalence in each jurisdiction)
- different levels of self-insurance
- different industry mixes

- differences in premium calculation methodology, for example, some schemes have experience rating formulae and some have exemptions for employers with low payrolls
- different actuarial assumptions used in the calculation of premium rates, and
- Queensland levies stamp duty on premiums. In Western Australia stamp duty on workers' compensation premiums was abolished from 30 June 2004.

The premium rate data in this report take into account differences in remuneration, self-insured premiums, employer excess and journey claim coverage.

Premiums in the self-insured sector

Most jurisdictions allow large employers to self-insure their workers' compensation if they prove they can manage the associated financial and other risks. Jurisdictions with a large proportion of employees under self-insurance arrangements include New South Wales, South Australia, Tasmania and the Australian Government. Significantly fewer self-insurers operate in Victoria, Queensland, Western Australia and the Australian Capital Territory Private Scheme. A number of methodologies are employed in this report to obtain an estimate of the amount of premium that self-insurers would pay.

Employer excess factors

Some schemes have non-compensable excesses whereby the employer pays the first five or ten days compensation and/or meets medical expenses to a maximum amount. To improve comparability of premium rates, a common deductible of the first five days compensation with no medical costs has been applied. The factors applied to the insured sector data in each jurisdiction are shown in the Appendix Table 4. Adjustment factors are also applied to the self-insured sector to make the data consistent with the common deductible of the first five days compensation with no medical costs.

Appendix Table 4 – Premium rate adjustment factors (%)

Jurisdiction	Employer excess factors			Journey factor
	Insured sector		Self insured sector	
	Time lost excess	Medical expenses excess	Time lost excess	
New South Wales	n/a	n/a	-4.2	-7.1
Victoria	2.3	1.6	-4.2	n/a
Queensland	n/a	n/a	-4.2	-5.9
Western Australia	-4.0	n/a	-4.0	n/a
South Australia	2.0	n/a	2.0	n/a
Tasmania	n/a	1.2	-4.2	-0.8
Northern Territory	-5.0	n/a	n/a	-1.3
Australian Capital Territory Private	-6.2	n/a	-6.2	-4.3
Australian Government	-2.5	n/a	-2.5	-8.5
Seacare	Excess adjustment factors reviewed annually			-6.4
New Zealand	n/a	n/a	n/a	n/a

Journey factors

All jurisdictions except Victoria, Western Australia, South Australia and New Zealand provide some level of coverage for journey claims. Hence an estimated amount equal to the cost of providing this coverage has been removed from the premium rates of the jurisdictions who provide this type of coverage. The factors applied are shown in the Appendix Table 4. In New Zealand journey claims are covered by a different scheme.

Seacare scheme

Seacare scheme policies often include large excesses, ranging from \$5000 to \$100 000, representing approximately three weeks to more than 12 months compensation, with the majority of policies containing excesses in the \$5000 to \$25 000 range. An adjustment factor has been developed to take into account the large and variable deductible. The impact of this factor is observed in the notable difference between Seacare's raw premium rate and the premium rate after the employer excess adjustment has been applied (see columns 3 and 4 of the Appendix Table 5).

Effect of adjustment factors on premium rates

Appendix Table 5 presents average premium rates with various adjustments to assist comparability. Each column in this table represents progressively adjusted premium rates as follows:

- Column 1. These data are average premium rates for insured employers only, calculated using the definition of remuneration as used by that jurisdiction, i.e. superannuation included where applicable. GST was excluded in all cases. Rates are applicable to the employer and medical excesses that apply in each jurisdiction and hence should not be compared.
- Column 2. These rates are average premium rates for the insured sector adjusted to include superannuation in the definition of remuneration. Estimates of superannuation were applied to Western Australia, Tasmania, the Northern Territory and Australian Capital Territory Private. All other jurisdictions were able to provide appropriate data. Data for New Zealand were also adjusted to include superannuation.
- Column 3. These rates are the average premium rates for each jurisdiction including both the insured and self-insured sectors before any adjustment factors are applied.
- Column 4. These rates adjust the rates in column 3 to account for the different employer excesses that apply in each jurisdiction. The adjustment made to the data from the self-insured sector may be different to that applied to the premium paying sector due to the assumption that a nil employer excess applies to the self insured sector. More information on the adjustment factors used in this calculation is included in the Explanatory notes at the end of this section.
- Column 5. These rates further adjust the rates in column 4 to remove a component comparable to the cost of providing workers' compensation coverage for journeys to and from work. These adjustments apply to all jurisdictions except Victoria, Western Australia, South Australia and New Zealand where the coverage for these types of claims is outside the workers' compensation system.

Appendix Table 5 – Effect of adjustment factors on premium rates in 2006–07

Jurisdiction	Average premium rates for premium paying sector		Total ^(a) average premium rate	Total ^(a) average premium rate adjusted for employer excess	Total ^(a) average premium rate adjusted for employer excess and journey claims
	Unadjusted	Adjusted to include super-annuation			
	1	2	3	4	5
NSW (b)	2.24	2.24	2.11	2.09	1.94
Vic	1.61	1.61	1.55	1.61	1.61
Qld (c)	1.20	1.20	1.26	1.25	1.18
WA (d)	1.68	1.52	1.51	1.51	1.51
SA	3.06	3.06	3.08	3.14	3.14
Tas	1.95	1.77	1.73	1.72	1.71
NT	2.38	2.33	2.09	2.01	1.98
ACT Private	3.15	2.86	2.88	2.70	2.58
Aus Gov	1.70	1.45	1.31	1.28	1.17
Seacare (e)	3.39	3.39	3.39	5.88	5.50
Australia	1.84	1.80	1.79	1.80	1.73
NZ	0.88	0.83	0.91	0.94	0.94

(a) Total of adjusted premium for insured sector plus calculated premium for self-insured sector.

(b) The NSW average premium rates also include the dust diseases levy which is not part of the WorkCover New South Wales scheme but is payable by employers in that State.

(c) Queensland includes stamp duty levied at a rate of 5% of the premium including GST.

(d) Western Australia includes a temporary levy to meet the costs associated with the failure of HIH Insurance Ltd.

(e) Note that there are no self-insurers in the Seacare scheme.

4. Assets to liability ratio data

Different measures of assets to liabilities can arise from different economic and actuarial assumptions in valuing liabilities as well as differences in the definitions of:

- assets and net assets, and
- liabilities, such as allowance in some schemes for prudential margins, and allowance for different levels of claim handling expenses.

Different definitions of net assets have been addressed in this publication by the application of a consistent definition. For centrally funded schemes, net assets are equal to the total current and non-current assets of the scheme minus the outstanding claim recoveries as at the end of the reference financial year. For privately underwritten schemes, assets are considered to be the insurers' overall balance sheet claims provisions.

A consistent definition of net outstanding claim liabilities has also been adopted, but there are still some differences between jurisdictions in the measurement of net outstanding claim liabilities. These relate to the different claim handling expense assumptions by jurisdictions for which adjustments have not been applied.

For centrally funded schemes, net outstanding claim liabilities are equal to the total current and non-current liabilities of the scheme minus outstanding claim recoveries as at the end of the reference

financial year. For privately underwritten schemes, liabilities are taken as the central estimate of outstanding claims for the scheme (excluding the self-insured sector) as at the end of the reference financial year.

For jurisdictions with a separate fund dedicated to workers' compensation (centrally funded schemes), the assets set aside for future liabilities can be easily identified from annual reports. Centrally funded schemes operate in Victoria, Queensland, South Australia, Comcare and New Zealand.

For jurisdictions where workers' compensation is underwritten by insurance companies (privately underwritten schemes), assets are set aside to meet all insurance liabilities but the insurance companies do not identify reserves specifically for workers' compensation liabilities. For these schemes, net assets are considered to be the balance sheet provisions made by the insurers at the end of each financial year. Privately underwritten schemes operate in Western Australia, Tasmania, the Northern Territory, the Australian Capital Territory and Seacare. It should be noted that not all of these schemes carry out independent reviews of liabilities each year. In addition, the ratios for privately underwritten schemes do not include the solvency reserves held by private insurers. The ratio for these schemes is therefore not a comprehensive indicator of the adequacy of insurer assets.

Seacare is shown as having a 100% funding ratio due to the way in which the two major insurers writing seafarer workers' compensation policies structure the Seacare portfolio. There is 100% asset backing for those liabilities.

The New South Wales scheme is a managed fund, combining some of the features of centrally funded schemes and privately underwritten schemes. Under the WorkCover Scheme, insurers have been licensed as fund managers on behalf of WorkCover Authority of New South Wales.

Prudential margins

Many jurisdictions add prudential margins to their estimates of outstanding claims liabilities to increase the probability of maintaining sufficient assets to meet the liabilities estimate. This is done in recognition that there are inherent uncertainties in the actuarial assumptions underlying the value of outstanding liabilities. The addition of a prudential margin will lower the assets to liabilities ratio for that jurisdiction. As some jurisdictions do not have prudential margins, these margins have been removed from the estimates to enhance comparability. For jurisdictions that use prudential margins in determining their liabilities, there will be a greater discrepancy between the ratios shown in this report and those shown in their annual reports. The margins that have been removed are:

- NSW — risk margin of 1% removed from 2004–05, 3% from 2005–06 and 13% from 2006–07
- Victoria — prudential margin of 8.5% removed from 2005–06 and 2006–07
- Queensland — prudential margin of 15% removed from 2002–03, 2003–04 and 2004–05; 11.6% from 2005–06 and 11.8% from 2006–07
- South Australia — a prudential margin of 7% removed from 2002–03, 2003–04 and 2004–05 and 5% removed from 2005–06 and 2006–07
- Northern Territory — prudential margin of 15% removed all years
- Comcare — prudential margin of 10.6% removed from 2002–03 and 2004–04; no prudential margin was applied in 2004–05 or 2005–06. In 2006–07 a prudential margin of 6.9% was removed from premium business and a 7.5% margin for pre-premium business.

The liabilities for the remainder of the schemes are central estimates, without prudential margins.

Actuarial assumptions

Another area of difference is in the various economic and actuarial assumptions used by each jurisdiction. To aid comparability, outstanding claim liabilities for each jurisdiction were adjusted to a consistent economic basis as follows:

1. calculate an Australian average inflation rate and discount rate using the inflation and discount rates information from each jurisdiction
2. replace jurisdictional rates with the Australian average rates of inflation and discount for each jurisdiction
3. calculate adjusted outstanding liabilities for each jurisdiction

Appendix Table 6 contains the inflation and discount rates for each jurisdiction, as well as the Australian average of those rates.

Appendix Table 6 – Economic and actuarial assumptions, 2006-07

Jurisdiction	Discount rate % ^(a)	Inflation rate % ^(b)
New South Wales	6.34	4.00
Victoria	6.35	3.86
Queensland	6.50	4.50
Western Australia	6.53	4.80
South Australia	6.50	4.31
Tasmania	3.20	4.25
Northern Territory	6.40	4.00
Comcare	5.89	3.30
Australian average	6.33	4.04
New Zealand	6.59	2.62

(a) Several of the discount rate assumptions are weighted averages of assumptions that vary for the first and subsequent years.

(b) Several of the inflation rate assumptions are weighted averages of assumptions that vary for the first and subsequent years, and vary by payment type.

5. Comment on enforcement data

Australian Government data are not comparable with other jurisdictions' data. As at 30 June 2007, Comcare had 45 staff appointed as investigators working out of five regional areas across Australia. Comcare also contracts a panel of private sector organisations and appoints appropriately skilled and qualified people from these organisations as investigators under the *Occupational Health and Safety Act 1991* (OHS Act) to undertake investigations when required by Comcare.

From 2005–06 to 2006–07, the size of the Commonwealth jurisdiction increased by 15% and Comcare doubled the number of its active field investigators. Commensurate with this growth, during this period Comcare increased its investigative interventions by 28%.

In terms of workplace interventions, the data for Comcare only represent interventions which resulted in a comprehensive investigation report. They do not include visits to workplaces for providing advice, routine workplace visits or industry forums and presentations.

Appendix 2 - Key features of Australian Workers' Compensation Schemes

Appendix Table 7 – Key features of Australian workers' compensation schemes, 2006–07

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Australian Capital Territory Private	Australian Government
Fund Type	Managed fund	Central fund	Central fund	Private insurers	Central fund	Private insurers	Private insurers	Private insurers	Central fund
Cover for journey claims	Yes	No ^(a)	Yes	No	No	No	Yes - limited	Yes	As of 13 April 2007 the SFC declared no coverage for non-work related journeys or recess breaks.
Common law available	Yes	Yes - limited	Yes	Yes	No	Yes	No	Yes	Yes - limited
Redemptions/Settlements available	Yes	Yes - limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes - limited
Number of employees^(b)	2 945 000	2 304 000	1 705 000	962 000	674 000	196 000	95 000	101 000	267 000
Number of self-insurers	64	38	25	27	70 plus crown	16	5 plus crown	8	17 (+3 in Jan, +2 in Apr)
Standardised avg. premium rate (%)	1.94	1.61	1.18	1.51	3.14	1.71	1.98	2.58	1.18
Funding ratio (%)	118	141	215	129	64	146	110	not available	114
Disputation rate (%)	6.7	15.2	2.9	5.0	10.5	6.5	6.0	n/a	10.3
Durable return to work rate(%)	78	76	78	n/a	65	83	83	n/a	85

(a) Note that journey claims are covered by the TAC in Victoria for injuries sustained to/from work. Journey injuries sustained in the course of work are compensable under the Accident Compensation Act 1985.

(b) The number of employees is supplied from the Australian Bureau of Statistics using Labour Force Survey data as a base, with a number of adjustments applied to account for differences in workers compensation coverage for some jurisdictions.

Appendix Table 8 – Entitlements under Australian workers' compensation schemes as at 1 January 2007.

	New South Wales	Victoria	Queensland	Western Australia	South Australia	Tasmania	Northern Territory	Australian Capital Territory	Australian Government
Entitlements expressed as a percentage of pre-injury earnings									
0-13 weeks (total incapacity)	100% (excl overtime)**	95%	85% of NWE*** (or 100% under industrial agreement)	100%	100%	100%	100%	100%	100%
14-26 weeks (total incapacity)	100% (excl overtime)**	75%	85% of NWE*** (or 100% under industrial agreement)	85%	100%	85%	100%	100%	100%
27-52 weeks (total incapacity)	The lesser of 90% AWE### excl overtime or \$354.40pw + allowances*	75% (excl O/T)	75% NWE or 70% QOTE***	85%	100%	85%	75%	65% or Stat Floor	27-45 wks 100% 46-51 wks 75%
53-104 weeks (total incapacity)	The lesser of 90% AWE### excl overtime or \$354.40pw + allowances*	75% (excl O/T)	65% NWE or 60% QOTE***	85%	80%	52-78 weeks 79-104 weeks	85% 80%	65% or Stat Floor	75%
104+ weeks (total incapacity)	The lesser of 90% AWE### excl overtime or \$354.40pw + allowances*	75% (excl O/T, subject to work capacity after 130 weeks)	65% NWE or 60% QOTE*** (subject to work-related impairment)	85%	80% subject to capacity review	80%	75%	65% or Stat Floor	75%
Other entitlements									
Lump Sums- maximum	>75% back impairment: \$231 000 + \$50 000 pain & suffering	\$373 420	\$200 000+ if >50% impairment \$182 620	\$152 070 + 114 953 in special circumstances	\$136 000 + \$91 800 where lump sum >55%	\$208,370	\$215 000 permanent impairment	\$170 719	\$141 351 + \$53 007 non-economic loss
Limits- medical and hospital	\$50 000 (medical) + \$50 000 (hospital) or greater amount prescribed or directed by WC Commission	52 weeks from cessation of weekly payments	Medical - no limit. Hospital - 4 days (>4 days if reasonable)	\$45 621+ in special circumstances	No limit	No limits, but entitlements cease after 9 years	No limit	No limit	No limit
Death benefits (all jurisdictions pay funeral expenses to differing amounts)	\$319 250 + \$100.40pw for each dependant child	\$250 000 (shared) + pre-injury earnings-related pensions to a maximum of \$1190pw for dependant partner/s and children	\$374 625 + \$20 000 for dep. children + \$10 000 for dep. spouse + \$77pw per child to spouse for up to 6 children + \$97pw per child to spouse for children > 6	\$208 470 + \$39,90pw for each dependant child + max of \$45 621 for medical expenses	\$277 800 + \$500 to totally dependant spouse + \$125pw for each dependant child##	\$208,370 + 100% weekly payment 0-13weeks, 85% weekly payment 14-78 weeks, 80% weekly payment, 79-104 weeks + \$56.70 for each dependant child	\$268 788 + \$103.38pw for each dependant child to max of 10 children	\$170 719 + \$56.19pw for each dependant child	\$190 824 + \$10 601 + \$70.65pw for each dependant child

* Payment thresholds and specific benefit arrangements may also apply. The relevant jurisdiction should be contacted directly if further information is required.

** Benefits shown for employees working under an industrial award. If not under an award, benefits are 80% of pre-injury earnings for first 26 weeks. Different rates apply after 26 weeks.

*** NWE - normal weekly earnings, OTE - Seasonally adjusted amount of Queensland Full-time adult persons ordinary time earnings

Lump sum shared under statutory formulae between spouse and children. Pension payable to partner for 3 years and to children until age of 16 (or 21 in full-time study)

weekly earnings refers to notional weekly earnings of deceased worker

AWE - average weekly earnings.

Appendix 3 – Jurisdictional contact information

Jurisdiction	Organisation	Contact details
New South Wales	WorkCover NSW	WorkCover Assistance 13 10 50 contact@workcover.nsw.gov.au www.workcover.nsw.gov.au
Victoria	WorkSafe Victoria	Advisory Service 1800 136 086 info@worksafe.vic.gov.au www.worksafe.vic.gov.au
Queensland	Workplace Health and Safety Queensland – Department of Employment and Industrial Relations	www.whs.qld.gov.au
Western Australia	WorkCover WA	(08) 9388 5555 www.workcover.wa.gov.au
South Australia	SafeWork SA	(08) 8303 0245 www.safeworksa.gov.au
	WorkCover SA	13 18 55 www.workcover.com
Tasmania	WorkCover Tasmania and Workplace Standards	Helpline 1300 366 322 (inside Tas) (03) 6233 7657 (outside Tas) wstinfo@justice.tas.gov.au www.wst.tas.gov.au
Northern Territory	NT WorkSafe	1800 250 713 ntworksafe.deet@nt.gov.au www.worksafe.nt.gov.au
Australian Capital Territory	WorkCover - Office of Regulatory Services	(02) 6205 0200 www.workcover.act.gov.au
Seafarers	Seacare Authority	(02) 6275 0070 seacare@comcare.gov.au www.seacare.gov.au
Australian Government	Comcare	1300 366 979 www.comcare.gov.au
New Zealand	Accident Compensation Commission	64 4918 4295 www.acc.co.nz