

FOREWORD

I am pleased to release on behalf of the Workplace Relations Ministers' Council, the second Comparative Performance Monitoring Report for Australia's occupational health and safety and workers' compensation systems.

The Comparative Performance Monitoring project is a cooperative effort by all Australian governments and the New Zealand government. All governments are represented on a Working Party that is responsible for the development and management of the project. The Working Party receives valuable input from national employer and employee bodies and members of the Insurance Council of Australia. It is pleasing to note that the second report has been produced with the active cooperation of the insurance industry, who provided timely and reliable data. The extent of cooperation is a recognition by all that we must work together to address the human and economic costs associated with workplace safety.

In 1997, Australian Ministers responsible for workplace health and safety endorsed 'the reduction of the incidence, severity and cost of workplace injury and disease' as the 'high level objective' for Australia's occupational health and safety and workers' compensation programs. To help achieve this objective, Ministers agreed to the establishment of the comparative performance monitoring system. This compares outcomes in a number of key areas under the OHS and workers' compensation programs in each jurisdiction.

The aim of the comparative performance monitoring system is to inform governments, employers, employees and other interested parties upon how different approaches and activities influence outcomes in workplace safety and workers' compensation. In the long term, this will help to improve performance and to promote greater national consistency in arrangements.

The second report builds upon the first report released in December 1998. There are a number of new performance measures included, both for occupational health and safety and workers' compensation. In addition, valuable information on trends in performance across the jurisdictions is available for many of the indicators. Further work has also been undertaken to improve the comparability of data used in the measurement of performance.

The project is an evolutionary one and it can be expected that other performance measures will be added over time. An important goal is continuous improvement in the comparability and reliability of the data used. The first report attracted considerable interest and it had widespread distribution. I am sure that the second report will be of considerable value to many stakeholders and will benefit the Australian community by informing the debate on these vital issues.



PETER REITH
Chair, Workplace Relations Ministers' Council
Federal Minister for Employment, Workplace Relations and Small Business
3 April 2000

CONTENTS

Foreword		ii
Table of Contents		iii
Table of Charts		v
Introduction		1
Part A	Occupational Health and Safety	3
	Comparison of injuries resulting in compensated time off work and compensated fatalities	
<i>Appendix A</i>	<i>Explanatory notes</i>	<i>36</i>
<i>Appendix B</i>	<i>Adjustment Factors</i>	<i>39</i>
Part B	Workers' Compensation	40
	Comparison on Average Premium Rates, Recognition of Liabilities Benefit to Employees and other scheme costs and Level of Benefits	
Part B1	Average Premium Rates	47
<i>Appendix A</i>	<i>Development of Comparative Measure</i>	<i>55</i>
<i>Appendix B</i>	<i>Factors Affecting Premium Rates</i>	<i>57</i>
<i>Appendix C</i>	<i>Premium Rates in New Zealand</i>	<i>61</i>
Part B2	Recognition of Liabilities	58
Part B3	Comparison of benefits paid to employees and other scheme costs	61
<i>Appendix A</i>	<i>Expenditure determinants and Agency Functions</i>	<i>76</i>
Part B4	Level of Benefits - Examples	78
Part C	Return to Work	89
	Comparison of return to work performance across the workers' compensation schemes	
	Jurisdictional comments	97

TABLE of CHARTS

<i>Part A</i>	<i>Occupational Health & Safety Performance Indicators</i>	<i>Page No.</i>
Figure 1a	1997/98 incidence of injuries resulting in 5 or more days compensated by jurisdiction, standardised for industry mix.	6
Figure 1b	1997/98 incidence of injuries resulting in 5 or more days compensated by jurisdiction, unstandardised.	6
Figure 2a	1997/98 frequency of injuries resulting in 5 or more days compensated by jurisdiction, unstandardised.	7
Figure 2b	1997/98 frequency of injuries resulting in 5 or more days compensated by jurisdiction, standardised for industry mix.	7
Figure 3a	Trends: incidence of injuries resulting in 5 or more days compensated by jurisdiction, unstandardised.	8
Figure 3b	Trends: frequency of injuries resulting in 5 or more days compensated by jurisdiction, unstandardised.	8
Figure 4a	1996/97 incidence of injuries resulting in 5 or more days compensated by jurisdiction, unstandardised.	10
Figure 4b	1996/97 frequency of injuries resulting in 5 or more days compensated by jurisdiction, unstandardised.	10
Figure 4c	Trends: incidence of injuries resulting in 30 or more days compensated by jurisdiction, unstandardised.	11
Figure 4d	1996/97 frequency of injuries resulting in 30 or more days compensated by industry, unstandardised.	11
Figure 4e	Trends: incidence of injuries resulting in 60 or more days compensated by industry, unstandardised.	12
Figure 4f	1996/97 frequency of injuries resulting in 60 or more days compensated by industry, unstandardised.	12
Figure 5a	Trends: incidence of injuries resulting in 5 or more days compensated by industry, unstandardised.	13
Figure 5b	1996/97 frequency of injuries resulting in 5 or more days compensated by industry, unstandardised.	14
Figure 6a	Trends: Mining Industry - incidence of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	15
Figure 6b	Trends: Mining Industry - frequency of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	15
Figure 6c	1996/97 Mining Industry - incidence of injuries resulting in 30 or more days compensated by jurisdiction, unstandardised.	16
Figure 6d	1996/97 Mining Industry - frequency of injuries resulting in 30 or more days compensated by jurisdiction, unstandardised.	16
Figure 6e	1996/97 Mining Industry - incidence of injuries resulting in 60 or more days compensated by jurisdiction, unstandardised.	17
Figure 6f	1996/97 Mining Industry - frequency of injuries resulting in 60 or more days compensated by jurisdiction, unstandardised.	17

Figure 7a	Trends: Agriculture, Forestry and Fishing – incidence of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	18
Figure 7b	1996/97 Agriculture, Forestry and Fishing – frequency of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	18
Figure 7c	1996/97 Agriculture, Forestry and Fishing – incidence of injuries resulting in 30 or more days compensated by jurisdiction, standardised for sub-industry mix.	19
Figure 7d	1996/97 Agriculture, Forestry and Fishing – frequency of injuries resulting in 30 or more days compensated by jurisdiction, standardised for sub-industry mix.	19
Figure 7e	1996/97 Agriculture, Forestry and Fishing – incidence of injuries resulting in 60 or more days compensated by jurisdiction, standardised for sub-industry mix.	20
Figure 7f	1996/97 Agriculture, Forestry and Fishing – frequency of injuries resulting in 60 or more days compensated by jurisdiction, standardised for sub-industry mix.	20
Figure 8a	Trends: Construction Industry – incidence of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	21
Figure 8b	1996/97 Construction Industry – frequency of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	21
Figure 8c	1996/97 Construction Industry – incidence of injuries resulting in 30 or more days compensated by jurisdiction, standardised for sub-industry mix.	22
Figure 8d	1996/97 Construction Industry – frequency of injuries resulting in 30 or more days compensated by jurisdiction, standardised for sub-industry mix.	22
Figure 8e	1996/97 Construction Industry – incidence of injuries resulting in 60 or more days compensated by jurisdiction, standardised for sub-industry mix.	23
Figure 8f	1996/97 Construction Industry – frequency of injuries resulting in 60 or more days compensated by jurisdiction, standardised for sub-industry mix.	23
Figure 9a	Trends: Transport and Storage Industry – incidence of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	24
Figure 9b	1996/97 Transport and Storage Industry – frequency of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	24
Figure 9c	1996/97 Transport and Storage Industry – incidence of injuries resulting in 30 or more days compensated by jurisdiction, standardised for sub-industry mix.	25
Figure 9d	1996/97 Transport and Storage Industry – frequency of injuries resulting in 30 or more days compensated by jurisdiction, standardised for sub-industry mix.	25
Figure 9e	1996/97 Transport and Storage Industry – incidence of injuries resulting in 60 or more days compensated by jurisdiction, standardised for sub-industry mix.	26
Figure 9f	1996/97 Transport and Storage Industry – frequency of injuries resulting in 60 or more days compensated by jurisdiction, standardised for sub-industry mix.	26
Figure 10a	Trends: Manufacturing Industry – incidence of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	27
Figure 10b	1996/97 Manufacturing Industry – frequency of injuries resulting in 5 or more days compensated by jurisdiction, standardised for sub-industry mix.	27
Figure 10c	1996/97 Manufacturing Industry – incidence of injuries resulting in 30 or more days compensated by jurisdiction, standardised for sub-industry mix.	28

Figure 10d	1996/97 Manufacturing Industry – frequency of injuries resulting in 30 or more days compensated by jurisdiction, standardised for sub-industry mix.	28
Figure 10e	1996/97 Manufacturing Industry – incidence of injuries resulting in 60 or more days compensated by jurisdiction, standardised for sub-industry mix.	29
Figure 10f	1996/97 Manufacturing Industry – frequency of injuries resulting in 60 or more days compensated by jurisdiction, standardised for sub-industry mix.	29
Figure 11a	1996/97 incidence of compensated injuries resulting in 5 or more days by age group and jurisdiction, unstandardised	30
Figure 11b	1996/97 frequency of compensated injuries resulting in 5 or more days by age group and jurisdiction, unstandardised	30
Figure 12a	1997/98 incidence of compensated injuries resulting in 5 or more days by size of business	31
Figure 12b	1996/97 incidence of compensated injuries resulting in 5 or more days by size of business	31
Figure 13	1996/97 incidence of injuries resulting in 5 or more days compensated by mechanism of injury	32
Figure 14	1996/97 incidence of injuries resulting in 5 or more days compensated by bodily location of injury	33
Figure 15a	Trends: incidence of compensated fatalities by jurisdiction	34
Figure 15b	Trends: frequency of compensated fatalities by jurisdiction	34
Figure 16a	Incidence of compensated fatalities by industry	35
Figure 16b	Frequency of compensated fatalities by industry	36

<i>Part B1</i>	<i>Workers Compensation – Comparison on Average Premium Rates</i>	<i>Page No.</i>
Figure 1	Average Premium Rates 1997/98 and 1998/99	51
Figure 2	1998/99 – ANZSIC Groups A-D	53
Figure 3	1997/98 – ANZSIC Groups A-D	54
Figure 4	1998/99 – ANZSIC Groups E-H	55
Figure 5	1997/98 – ANZSIC Groups E-H	55
Figure 6	1998/99 – ANZSIC Groups I-L	56
Figure 7	1997/98 – ANZSIC Groups I-L	56
Figure 8	1998/99 – ANZSIC Groups M-Q	57
Figure 9	1997/98 – ANZSIC Groups M-Q	57
Figure 10	1998/99 - Breakdown of New Zealand's Premium Rate	64
Figure 11	1998/99 – Average Premium Rates for New Zealand by ANZSIC Group	65
<i>Part B2</i>	<i>Workers Compensation – Comparison on Recognition of Liabilities</i>	
Figure 1	Ratio of Assets to Liabilities 1997/98 and 1998/99	68

<i>Part B3</i>	<i>Comparison of benefits paid to employees and other scheme costs</i>	<i>Page No.</i>
Figure 1a	Benefits paid as a proportion of total expenditure	71
Figure 1b	Medical and other services as a proportion of total expenditure	71
Figure 1c	Administration as a proportion of total expenditure	72
Figure 2a	Total scheme expenditure as a proportion of total scheme income	73
Figure 2b	Benefits to injured employees as a proportion of total scheme income	74
Figure 2c	Medical and other services payments for injured employees as a proportion of total scheme income	74
Figure 2d	Administration costs as a proportion of total scheme income	75
Figure 3a	Scheme expenditure related to wages and salaries	76
Figure 3b	Benefits paid to injured employees related to wages and salaries	77
Figure 3c	Medical and other services paid for injured employees related wages and salaries	78
Figure 3d	Administration costs related to wages and salaries	78
<i>Part B4</i>	<i>Level of Benefits - Examples</i>	
Example 1	Comparison of Pre-injury earnings and benefits payable	83
Example 2	Comparison of the capacity for work and availability of work	84
Example 3	Benefits to high-income employees	85
Example 4	Chart A: Workplace Fatality – benefits to dependents	86
Example 4	Chart B	87
Example 5	Partial/gradual return to work – benefits payable	88
Example 6	Permanent impairment – loss of part of body	89
Example 7	Permanent incapacity	90
<i>Part C</i>	<i>Return to Work</i>	
Figure 1	Proportion of injured workers returning to work	93
Figure 2a	Reasons for not returning to work or non-durable return to work 1998/99	94
Figure 2b	Reasons for not returning to work or non-durable return to work 1997/98	94
Figure 3	Durable return to work rates – full and partial return to work	95
Figure 4a	Partial return to work upon resumption of work	95
Figure 4b	Partial return to work at the time of the interview	96
Figure 5a	Alternative duties when first returned to work	97
Figure 5b	Alternative duties at the time of the interview	97
Figure 6a	Proportion of injured workers with return to work plan	98
Figure 6b	Proportion claiming RTW plan was “helpful”	98