

WorkCover
Tasmania Board
ANNUAL REPORT
2005-06



WorkCover
T A S M A N I A

Through the Workplace Safe campaign, the WorkCover Tasmania Board supported a campaign to reduce the number of workplace injuries in the rural industry. The rural campaign, with the slogan “she’ll be right is never alright”, was launched May 2005. More information on the rural campaign can be found within this *Annual Report*.

Through out this *Annual Report* are faces and words from farmers who featured on promotional posters for Agfest 2006, a key activity for the rural campaign.

WorkCover
Tasmania Board

**ANNUAL
REPORT**
2005-06

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WorkCover Tasmania

PO Box 56

Rosny Park

Tasmania 7018

Glossary

ACFR	all claims frequency rate
ASCC	Australian Safety and Compensation Council (formerly NOHSC)
the Act	the <i>Workers Rehabilitation and Compensation Act 1988</i>
the Board	the WorkCover Tasmania Board
the Branch	the WorkCover Branch
the Department	Department of Justice
the Minister	the Minister for Justice and Workplace Relations
OHS	occupational health and safety
TSS	Tasmanian State Service
Rutherford Review	A review conducted to identify any unintended consequences of the benefits model introduced by the <i>Workers Rehabilitation and Compensation Act 2000</i> and associated matters.
2005–06; this year	the reporting period of 1 July 2005 to 30 June 2006

The Hon. Steven Kons MHA

**Minister for Justice, Planning
and Workplace Relations**

**WorkCover Tasmania Board
Annual Report for 2005 – 2006**

On behalf of the WorkCover Tasmania Board, I have pleasure in submitting to you, for presentation to Parliament, the Board's Annual Report for the year ended 30 June 2006.

The financial statements prepared in this report have been prepared in accordance with the provisions of the *Financial Management and Audit Act 1990*.

A handwritten signature in black ink, appearing to read 'Peter Hoult', is centered on the page.

Peter Hoult

Chair

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Workcover Tasmania Board



*We have a responsibility
to provide a safe workplace
for ourselves, our family and
our employees*

Property "Mountainvale"
Roger Swain

Message from the Chair

This is the fifth report of the WorkCover Tasmania Board, which was established in July 2001 following amendments to the *Workers Rehabilitation and Compensation Act 1988*. The WorkCover Board oversees the operation of Tasmania's workers rehabilitation and compensation scheme, reviews the incidence and cost of workplace injuries, and provides advice to the Minister on the effectiveness of the scheme and the associated legislation.

The 12 months to 30 June 2006 have continued to be characterised by a plateauing in the rate of decline of workplace injury and illness. A major part of this Annual Report is a statistical analysis of the performance of the workers compensation scheme. The statistical report shows that during the 12 months to 30 June 2006, the number of workers compensation claims lodged was 2.2% fewer than for the previous year (10,018 compared to 10,248). Regrettably, there were nine compensable fatalities, which means that 34 Tasmanian workers have lost their lives during the last five years.

This injury claims trend reflects the national and international trend of plateauing injury numbers. With this in mind, the Tasmanian Government has commissioned and commenced a review of the *Workplace Health and Safety Act 1995*. This review has been consultative in nature and I look forward to seeing an improved safety performance in individual Tasmanian workplaces as the learnings from this review are implemented.

The actual average premium rate paid by employers in 2005-06 was 2.18% of wages. This is a decrease of 12.5% from the previous year's 2.46% of wages and comes on the back of a 10.5% decrease in the previous year when premiums were 2.75% of wages. However, it is not surprising to note that the Actuary still advises that it will be another two to three years before we see the stable and true effect of recent legislative amendments.

The Board has recently reviewed and strengthened its claims management, safety and financial requirements for the scheme's self-insurers. The level of financial security (bank guarantees) was made significantly higher and the results of audits of self-insurers show improved claims management and safety performance. An emerging challenge is to balance proper scrutiny of the State's self-insurers while at the same time avoiding unnecessary duplication and red tape for those self-insurers with a multi-jurisdictional presence. It was very pleasing to note that the largest percentage decrease in claim numbers occurred in the self-insurer sector where claims were down by 4.4%.

Another key focus for the Board is the improvement of injury management in Tasmania. The Board is working with doctors, insurers, employers, unions and others to improve and streamline the management of workplace injury and illness. This injury management model will draw on the best features of existing approaches to injury management. The Board has also contracted the Division of General Practice (Tasmania) to commence a 'Quality Management of Workplace Injuries in General Practice' project specifically aimed at reinforcing the doctor's crucial role in managing workers recovery from workplace illness and injury.

The Board is also commencing, in conjunction with the University of Tasmania, a 'Long Term Benefits Study' that will evaluate the social, financial and health outcomes of long term injured workers.

The Board remains committed to the Workplace Safe campaign. The campaign reinforces the fundamental message that 'it is not acceptable for workers to be injured at work'. In addition to media advertising, the campaign conducts seminars and produces a range of publications and other support material.

Workplace Safe Week was held in the last week of October 2005, during which many Tasmanian businesses were visited to reinforce the safety message and provide assistance to businesses, particularly small business.

I would like to congratulate the 39 Tasmanian businesses that entered the Workplace Safe Awards in 2005. The Overall Winner was D Williams Builders Pty Ltd. As well as being the Overall Winner the company won 'Best workplace health and safety practices in small business'. The company instigated the development of an OHS management system to improve the overall health and safety practices of the organisation, as well as ensuring all work safety standards were being met and maintained. The other award winners were Shaw Contracting (Best workplace health and safety management system), Australian Paper Tasmania (Best solution to an identified workplace health and safety issue), Zinifex Hobart Smelter (Best return-to-work program) and Caterpillar Elphinstone Pty Ltd (Best 'new worker' program).

For the first time, last year's Workplace Safe Awards were part of the inaugural national Safe Work Australia Awards. Shaw Contracting was a finalist at the national level and D Williams Builders Pty Ltd and Australian Paper Tasmania each won their national award categories. I would particularly like to congratulate the staff and management of these companies.

During the year administrative responsibility for the *Workers Rehabilitation and Compensation Act 1988* moved from the Department of Infrastructure, Energy and Resources to the Department of Justice. A consequence of this change was that the chairmanship of the Board moved from Mark Addis to myself. Mark was Chair of the Board from 30 June 2001 to 1 May 2006. During this time; the number of workplace injuries declined, workers compensation premiums fell, a substantial

review of workers compensation arrangements took place (Rutherford Report), the Board professionally discharged its legislated functions and in particular continued to provide its Minister with well considered advice and recommendations for the improvement of Tasmania's OHS and workers rehabilitation and compensation schemes. Mark would have every right to feel proud of these achievements but I am sure that in his humility he would give much credit to his fellow Board members and staff of the WorkCover Branch.

I am looking forward to working with the Board members and staff to ensure that we continue to build on the solid foundation that has already been laid.

But now is not the time for complacency and I encourage each of you to join with the Board to strive to achieve safer and healthier workplaces thus making Tasmania an even better place to work and live.

Peter Hault
Chair

Functions of the Board

The WorkCover Tasmania Board is established by the *Workers Rehabilitation and Compensation Act 1988* (the Act) and is responsible for:

- making recommendations to the Minister on the policy and objectives of legislation relating to workers rehabilitation and compensation and OHS in Tasmania, and the amendment or replacement of that legislation



Standing, left to right: Amanda Keygan (Executive Assistant), Neale Buchanan, Dr Rob Walters, Dallas Both, Martin Shirley (Secretary)
Seated, left to right: Simon Cocker, Leigh Mackey, Peter Hoult, Damon Thomas
Absent: Peter Tullgren

- monitoring and reporting to the Minister on the operation and effectiveness of that legislation and on the performance of the systems to which the legislation relates
- monitoring and reviewing the Department's exercise of powers and the performance of functions under this Act and the *Workplace Health and Safety Act 1995*
- controlling and administering the Workers Compensation Fund
- promoting the prevention of injury and disease in the workplace, and promoting the development of healthy and safe workplaces
- promoting and supporting the effective injury

management of injured workers

- monitoring and reviewing the performance of licensed insurers and self-insurers and the operation of the Nominal Insurer
- monitoring and reviewing premium rates and, so far as is practicable, ensuring insurance arrangements are efficient and competitive
- collecting and publishing statistics on any matter the Board considers necessary or relevant to the performance of its functions under, or the administration of, this Act
- promoting an understanding of this Act and the *Workplace Health and Safety Act 1995* through education and any other appropriate means
- advising the Minister on any matter relating to this Act that the Minister refers to the Board
- issuing guidelines for the assessment of permanent impairment under this Act.

Under the *Workplace Health and Safety Act 1995*, the Board is responsible for:

- promoting the prevention of injury and disease in the workplace, and the development of healthy and safe workplaces
- inquiring into and reporting to the Minister on any matter relating to this Act referred to it by the Minister
- making recommendations to the Secretary on any matter relating to this Act referred to it by the Secretary
- making recommendations to the Minister or the Secretary with respect to such matters as it considers necessary for the purposes of this Act.

Statement of Board members' role

Chair

The Chair of the Board:

- convenes meetings of the Board
- ensures that procedures of the meeting are adhered to
- is responsible for the conduct of business at Board meetings, subject to any legislated procedure and any other specified procedures determined by the Board.
- is the public spokesperson for the Board, and will delegate to other members the role of spokesperson, where a spokesperson with specific subject expertise is required
- is the Secretary of Justice.

Voting members

Only those Board members appointed by the Minister from a list of names conveyed to him from the Tasmanian Chamber of Commerce and Industry and Unions Tasmania have voting rights.

To ensure equity is maintained, if (for any reason) a member appointed from one of those lists is absent, there are standing alternates appointed who can take their place: Warwick O'Conner (TCCI) and Darren Mathewson (Unions Tasmania).

Non-voting members

The composition of the Board is designed to bring together a range of expertise from the interests and disciplines upon which the exercise of the Board's functions will most directly impact.

To this end, the following members of the Board are appointed:

A **medical advisor**, whose current role is to provide (or arrange for the provision of) informed and expert opinion and advice to the Board on the practical operation of the Act; in particular, on matters relating to medical and allied medical services within Tasmania's workers rehabilitation and compensation scheme.

Currently, only an accredited medical practitioner can validly write the workers compensation medical certificate. The medical adviser performs a significant role as a conduit between accredited medical practitioners and the Board.

A **legal advisor**, who is a legal practitioner with experience in workers rehabilitation and compensation matters, and is nominated by the Minister. They will:

- provide (or arrange for the provision of) informed and expert opinion to the Board on the practical operation of the Act and the *Workplace Health and Safety Act 1995*
- provide informal legal assistance to the Board in the discharge by the Board of its functions, pursuant to the above acts
- act as a conduit between the legal profession in general and the Board.

An **insurance advisor**, who is an insurance expert with significant experience in workers compensation insurance. They will:

- provide (or arrange for the provision of) informed and expert opinion to the Board on the practical operation of the Act; in particular, on matters relating to licensed insurers and self-insurer issues
- act as a conduit between members of the insurance industry and the Board.

Board Member	Number of Meetings Absent	Conflict of Interest	Audit Committee	LRAC	Workplace Safe Steering Committee	Injury Management Model Working Group	Rehab. Providers Working Group
Mark Addis (ex Chair)	0	0					
Peter Hoult (new Chair)	0	0					
Dallas Booth	0	0	✓				
Neale Buchanan	0	0		✓	Chair	✓	
Simon Cocker	1	0	✓		✓	✓	
Leigh Mackey	1	1		Chair			
Damon Thomas	2	0	Chair				Chair
Peter Tullgren	1	0		✓			✓
Robert Walters	1	0				✓	✓

Committees and working groups

Audit Committee

Membership

Damon Thomas (Chair)

Dallas Booth

Simon Cocker

WorkCover representatives:

John Hitchcock

Ray Pickett

Martin Shirley

Charter

The Board will decide the membership of this committee, based on the following guidelines:

- all members will be members of the Board
- one member will act as Chair
- the Chair will not already be the Chair of the Board
- members of the committee will be appointed for a term of two years.

The Secretary of the Board (or its delegate) will be appointed Secretary to the committee. The Secretary, in conjunction with the Chair, will draw up an agenda which will be circulated at least a week before each meeting, to committee members and other relevant people.

The agenda will include (as a standing item) a process for committee members to declare any interests or conflicts.

The Chair will call a committee meeting if requested by any committee member or Board member.

Board members will be given notice of all meetings and have the right to attend and speak on relevant agenda items.

Meetings will be held as and when required but, as a minimum, quarterly.

A quorum will be two members of the committee.

The committee may (as necessary) invite staff from the Branch or Workplace Standards to attend meetings.

The committee will consider any matters relating to the financial affairs of the Board and/or to any internal and external audit it considers necessary. The committee will also examine any other matters referred to it by the Board and/or the Chair of the Board.

The responsibilities of the committee in particular include:

- reviewing and endorsing financial information that is distributed externally, including annual financial statements
- contributing to and monitoring corporate risk assessment processes and the controls and mitigating actions arising from these
- monitoring the establishment of, and ongoing compliance with, an appropriate internal control framework
- reviewing the nomination and performance of the external auditors
- reviewing the nomination and performance of the internal auditors
- monitoring the activities of the internal audit function, including ensuring that there is an appropriate charter for the function
- reviewing and approving the scope of the internal audit function
- liaising with the internal and external auditors and ensuring that their audits are conducted in an efficient and effective manner
- reviewing internal and external audit reports to ensure that, where major deficiencies or breakdowns in controls or procedures have been identified, management takes appropriate and prompt remedial action.

Committees and working groups *continued*

The duties of the committee may also include:

- monitoring the procedures in place to ensure that the Board is complying with legislative and reporting requirements
- reviewing the declaration from Branch managers about compliance with statutory responsibilities
- reviewing reports on any major defalcations, frauds and thefts from the Board and monitoring procedures developed to mitigate the risk of fraud
- ensuring that the guiding principles for the Board are established and periodically reviewed
- initiating and handling special investigations, initiated either by the committee or requested by the Board
- reviewing policies on sensitive issues, initiated either by the committee or requested by the Board
- reviewing policies to avoid conflicts of interest and reviewing past or proposed transactions between the Board and Branch managers
- reviewing significant transactions that are not part of the ordinary course of business
- reviewing reports on the adequacy of insurance coverage.

The committee will have the authority to seek any information it requires from any Branch or Workplace Standards staff member; if necessary, these staff members will be instructed by the Board to respond to such enquiries.

The committee is authorised to take such independent professional advice as it considers necessary.

The Chair will report the committee's findings and recommendations to the Board after each committee meeting.

The minutes of all committee meetings will be circulated to Board members.

The committee's charter may only be amended by separate resolution of the Board.

The committee will have no executive powers in its findings and recommendations.

Achievements

The committee strengthened the internal financial controls and budgetary processes for the Branch and the management of the workers compensation fund. As a result of this, the Board now receives monthly financial reports together with statements of variation from budget managers where actual expenditure varies from projected expenditure by plus or minus 10%.

The committee strengthened scrutiny and control procedures around the use of the Board delegations and use of the Board seal.

The committee met with officers of the State Audit Department to gain an understanding of and to contribute to the audit strategy for the Board. In addition to this, the committee scrutinised and made recommendations to strengthen the presentation of the Board's annual financial statements, thus ensuring that the statements were a true and accurate record of the Board's financial dealings for the year ended 30 June 2006.

One of the most significant achievements of the committee was the advancement of the Board's strategic planning. The committee developed a scheme effectiveness planning document which the Board accepted as the basis for the development of the Board's 3–5 year strategic plan. It is anticipated that this work will result in the Board's strategic planning being completed in the first half of the coming year.

Committees and working groups *continued*

Legislative Review Advisory Committee

Membership

Leigh Mackey (Chair)

Neale Buchanan

Peter Tullgren

Stephen Carey

Brian Aherne

Phillip Jackson

Mathew Wilkins

Sandra Taglieri

Rod Lethborg

Tania Foale

Terms of reference

To identify any drafting defects and anomalies in the Act and the *Workers Rehabilitation and Compensation Regulations 2001*; and make recommendations for fixing any defects and anomalies.

To advise the Board on the impact and effectiveness of recent amendments aimed at:

- clarifying entitlement to workers compensation for certain classes of workers
- extending the definition of injury
- reducing the number of disputes referred to the Workers Rehabilitation and Compensation Tribunal.

To advise the Board on any other matter that the Board may, in its absolute discretion, refer to the committee.

In undertaking the above terms of reference, the committee will consult widely with relevant stakeholders and will take into account the decisions of the Workers Rehabilitation and Compensation Tribunal and the Supreme Court of Tasmania.

The committee will establish and advise the Board of an appropriate timeframe for completing its review.

Achievements

The committee met four times during the year. The major focus was to review the drafting of further amendments to the Act. Many of the amendments are legally complex and the Committee has played a key role in resolving stakeholder concerns and in ensuring the amendments will achieve the desired outcome.

The amendments considered include amendments to:

- clarify entitlement to compensation for industrial deafness
- ensure workers are not disadvantaged by liability disputes between insurers and between employers
- restore the right of an employer to seek recovery or indemnity from a third party
- establish a fairer method of determining the rate of weekly compensation.

Other issues considered during the year were:

- the definition of worker
- work-relatedness test for injury and disease (section 25 of the Act)
- the claim form used by dependents of deceased workers
- the discount rate applied to lump sum settlements under section 39 of the Act.

Committees and working groups *continued*

Workplace Safe Steering Committee

Membership

Neale Buchanan (Chair)
Simon Cocker
Christine Bray
Rod Lethborg
Jane Melross
Don Schofield
Martin Shirley

Terms of reference

Consistent with the overall direction and within the budget set by the Board, this committee will:

- promote the prevention of injury at the workplace and the development of healthy and safe workplaces
- promote the effective injury management of injured workers
- promote an understanding of the Act and the *Workplace Health and Safety Act 1995* through education and any other appropriate means.

Achievements

This committee oversees the achievements and activities of the Workplace Safe campaign. For details of this, see page *Scheme Improvement — Achievements*.

Injury Management Model Working Group

Membership

Martin Shirley (Chair)
Neale Buchanan
Simon Cocker
Robert Walters
Martin Broad
Rod Chandler
Dr Philip Thomson
Bob Walker
Natalie Boxall
Tania Foale
Rod Lethborg
Caroline Noonan

Terms of reference

To develop an injury management model for the Tasmanian workers compensation system, identifying and specifying:

- the key principles and strategies of the model
- the roles, relationships and interactions between the parties involved in the injury management model
- any legislative, regulatory or other considerations.

To provide advice and recommendations to the project team and/or Project Steering Committee on:

- specific issues within the project
- any matter referred to the working group by the project team or Project Steering Committee.

To facilitate small short-term working parties, and/or consult with and take advice from relevant experts and specialists where necessary, on specific issues or matters that emerge through the process.

In undertaking the above terms of reference, the working group is to take account of the issues identified at the stakeholder workshop held on 7 December 2004; and consider relevant research, developments and procedures in other jurisdictions.

Committees and working groups *continued*

In undertaking the above terms of reference, the members of the working group are expected to meet regularly with a commitment to project timeframes; and arrange a proxy when they are unable to attend meetings.

Achievements

In October 2004, the Board approved a project to develop an injury management model for the Tasmanian workers compensation scheme.

The purpose of the model is to provide an improved framework for guiding the management of work-related injuries, focusing on a co-ordinated and managed process to facilitate recovery and restore an injured worker to pre-injury work capacity. It is a holistic approach, ultimately aiming to reduce the human and financial impact of work-related injuries.

The model will reflect the fundamental belief that effective injury management relies on the co-operative efforts of employers, workers, insurers, medical practitioners and other allied health and rehabilitation practitioners.

The model is also expected to provide a framework for reviewing and modifying existing legislation, standards, policies and practices.

An Injury Management Stakeholder Workshop was held in December 2004. Following the workshop, the Injury Management Working Group was established, with terms of reference endorsed at the first meeting on 25 January 2005.

Membership of this working group includes representatives from key stakeholder groups:

- workers (Unions Tasmania)
- employers and self-insurers (Tasmanian Chamber of Commerce and Industry)
- licensed insurers (Insurance Council of Australia)
- State Government claims handling (Tasmanian Risk Management Fund)
- medical practitioners (Southern Tasmanian Division of General Practice)
- the Workers Rehabilitation and Compensation Tribunal.

The working group met fortnightly and made significant progress towards completing a two-module approach to the model. The high-level principles have been agreed upon, along with supporting elements and strategies. The roles and obligations of stakeholders involved in the injury management process are being drawn from these strategies.

The working group presented a consultation draft of the Model to stakeholders on 16 February 2006. Stakeholders were asked to consult with their constituents and provide feedback to the working group by 17 March 2006; this date was subsequently amended to 31 March due to numerous requests from stakeholders for more time to prepare submissions. The response from stakeholders was very good and provided many suggestions for improving the Model. The working group continues to review the comments from stakeholders and further refine the Model.

Committees and working groups *continued*

Regulation of Workers Compensation Rehabilitation Providers Working Group

Membership

Damon Thomas (Chair)

Peter Tullgren

Robert Walters

Rod Lethborg

Martin Shirley

Gillian Groom

Maureen Rudge

Terms of reference

To determine the definition of and the services provided by rehabilitation providers for the purposes of this review.

To identify the involvement of rehabilitation providers in the workers compensation process, particularly the number of referred cases, the outcomes of their involvement, the cost to the system, and an analysis of these matters.

To obtain and consider the views of all parties regarding the role and the performance of rehabilitation providers.

To consider if it is necessary and/or appropriate to regulate the services delivered by rehabilitation providers; if so, to recommend what form any regulation should take. The committee may consider:

- the skills required to undertake the services identified in the first term of reference listed here
- entrance training and/or qualifications
- the need for competency-based performance standards
- the incorporation of a code of practice into the approval/accreditation system.

To determine the cost and benefits of any of the options identified in the preceding term of reference.

In addressing the terms of reference, the working group will respond to the Board on:

- the time frame for the completion of the review
- a list of recommendations at the conclusion of the review.

Achievements

The working group researched various models for the regulation of rehabilitation providers and developed a discussion paper, which will be released to stakeholders in August 2006. This discussion paper seeks stakeholder views on several issues:

- entrance training and qualifications
- transition arrangements for unqualified providers
- length of accreditation
- the need for competency-based performance standards
- incorporation of a code of practice into the accreditation system
- improved data collection
- regulation of fees by way of introducing a schedule of fees and consistent billing practices.

The discussion paper also seeks views on the definition of and services provided by rehabilitation providers, and looks at performance standards, prohibited conduct and disciplinary action.

The discussion paper contemplates the establishment of a WorkCover Tasmania Rehabilitation Advisory Committee, to:

- review, analyse, evaluate and advise the Board about the accreditation of rehabilitation providers including the extent, scope and effectiveness of the accreditation arrangements
- conduct (or cause to be conducted) regular audits of rehabilitation providers as provided for under the accreditation arrangements
- conduct reviews and or analysis of the effectiveness of occupational rehabilitation services and consumer satisfaction about the functions performed, services provided and employment outcomes achieved.

It is anticipated that the working group will be in a position to make a final recommendation to the Board in December 2006.

Workcover Branch



*We all take safety seriously at
“Benham”. People are one of the
greatest assets of our business*

Property “Benham”
Rob O’Connor

**Minister for Justice,
Planning and Workplace Relations**
The Hon Steven Kons MHA

**Workers Rehabilitation
and Compensation Act 1988**

Department of Justice
Secretary: Peter Hoult

Workplace Standards Tasmania
General Manager: Roy Ormerod

**WorkCover
Tasmania Board**
Chairman: Peter Hoult
Neale Buchanan
Damon Thomas
Simon Cocker
Peter Tullgren
Leigh Mackey
Dallas Booth
Robert Walters

Nominal Insurer
Chair: Bob Walker

**Workers
Compensation
Tribunal**
Chief Commissioner: Stephen Carey

**Legislative
Review
Advisory
Committee**
Chair: Leigh Mackey

**Audit
Committee**
Chair: Damon Thomas

**Workplace Safe
Steering
Committee**
Chair: Neale Buchanan

Secretariat
A Keygan
A Backhouse

WorkCover Branch
Director: Martin Shirley

**Injury
Management
Working Group**
Chair: Martin Shirley

**Rehabilitation
Providers
Accreditation
Working Group**
Chair: Damon Thomas

Scheme Improvement
Manager: Ray Pickett

Scheme Monitoring & Regulation
Manager: Brad Parker

**Practical
Guidance**
C Daly
2 x Vacancies

**Major
Outputs**
Identify key employer /employee workplace OHS skills requiring development to support workplace safety management
Develop effective OHS management systems guidance and auditing mechanisms
Raise OHS awareness, expectation and commitment by industry to manage their own safety
Develop meaningful guidance materials
Provide guidance through targeted workplace assistance
Provide face-to-face advice

Promotions
Manager J Melross
C Bray
C Curry
E Gylar
F Maja
2 x Vacancies

**Major
Outputs**
Publications
Workplace Safe Week
Workplace Safe Awards
Workplace Issues magazine
Campaigns and events
Seminars and presentations
Library

**Scheme
Analysis &
Research**
D Davidson
L Khull
T Foale
1 x Vacancy

**Major
Outputs**
Research, analysis and reporting includes:
Increased research of workers rehabilitation, compensation and safety issues
Development of position papers on outcomes of national forums
Liaising with other jurisdictions
Analysing legislative trends nationally
Analysing relevant case law and trends
Providing support to key Board projects

**Data
Management
Unit**
A Lynch
P Spencer
A Salter
A Izzard

**Major
Outputs**
Collection, coding and storage of scheme data
Systems maintenance and development

**Scheme
Regulation**
1 x Vacancy

**Major
Outputs**
Insurer and Self-Insurer regulation
Accreditation
Management of Board agreements and contracts
Management of web information

Projects
1 x Vacancy

**Major
Outputs**
Managing and implementing projects

Audit
A Portanger

**Major
Outputs**
Fee for Service
Auditing of OHS and Injury Management Systems
Surveillance
Audits

About the branch

WorkCover Branch gives effect to the decisions of the Board to achieve the Board's strategic direction. During the year, the structure of the Branch became more closely aligned to its function. The Branch still comprises two sections but these have been changed from the Promotions section and WorkCover section to:

- Scheme Improvement Section
- Scheme Monitoring and Regulation Section.

This year has been a productive one. The 12 months to 30 June 2006 have continued to be characterised by a plateauing in the rate of decline of workplace illness and injury. The number of workers compensation claims lodged was 2.2% fewer than for the previous year (10,018 compared to 10,248). The actual average premium rate paid by employers was 2.18% of wages. This is a decrease of 12% from the previous year's 2.46% of wages and comes on the back of a 10.5% decrease in the previous year when premiums were 2.75% of wages.

The Branch continued its audit program and conducted audits of licensed insurers to facilitate the Board's decisions regarding the reissuing of licences to insure employers for their workers compensation liabilities.

The Workplace Safe campaign, which is overseen by the Workplace Safe Steering Committee, has continued to maintain an OHS awareness, particularly in the rural industry.

Workplace Safe Week was held in the last week of October 2005 during which many Tasmanian businesses were visited to reinforce safety messages and provide assistance to businesses, particular small businesses.

Thirty nine Tasmanian businesses entered the Workplace Safe Awards in 2005. The overall winner was D Williams Builders Pty Ltd. As well as being the overall winner, the company won 'Best workplace health and safety practices in small business'. The other award winners were Shaw Contracting (Best workplace health and safety management system), Australian Paper Tasmania (Best solution to an identified workplace health and safety issue), Zinifex Hobart Smelter (Best return-to-work program) and Caterpillar Elphinstone Pty Ltd (Best 'new worker' program).

For the first time, last year's Workplace Safe Awards were part of the inaugural national Safe Work Australia Awards. Shaw Contracting was a finalist at the national level and D Williams Builders Pty Ltd and Australian Paper Tasmania each won their national award category.

There are two types of medical accreditation. Only medical practitioners accredited under section 77 of the Act can issue medical certificates in Tasmania. At 30 June 2006, there were 908 resident doctors accredited in Tasmania to issue certificates. This year, 122 new doctors were accredited. Only medical practitioners accredited under the Act can assess impairment. At 30 June 2006, there were 426 medical practitioners accredited to assess impairment

During the year, administrative responsibility for the Act moved from the Department of Infrastructure, Energy and Resources to the Department of Justice.

The Board has considered and suggested amendments to the Act to clarify entitlements to compensation for industrial deafness, the right of an employer to seek recovery or indemnity from a third party and establishing a fairer method for determining the rate of weekly compensation.

A detailed description of legislative changes appears later in this report.

Our people

The Branch recognises the value and quality of its team members through its commitment to learning and development for staff at all levels.

To help staff maintain up-to-date subject knowledge in a variety of related discipline areas such as OHS, workers compensation, policy and auditing, targeted training and attendance at selected seminars and conferences are provided. Membership to relevant professional associations is also encouraged.

The professional development program allows the team to further develop their skills in managing and synthesising information, critical thinking, and in making innovative links between research and work practice.

Recruiting and retaining capable and committed staff

The achievements detailed in this report would not have occurred were it not for the combined efforts of the staff of the WorkCover Branch. Many people work for the Branch because they believe in its goals, projects and work, and the Board values this commitment.

The Board tries to recruit and retain capable and committed people and is mindful of the strong competition for staff from the private sector.

About the branch *continued*

Competitive remuneration is an ongoing challenge. In December 2005, the State Service Wages Agreement delivered a 3.5% salary increase; a further 3.5% increase is scheduled for 2006. These increases, when coupled with generous leave entitlements and other conditions of employment, have helped to offset the perception that private industry provides better remuneration. Nevertheless, the Branch continues to experience some difficulties in recruitment for specialist staff positions. A recent staff survey and the program of performance management have highlighted that having a good career path is a high priority for staff.

We have established a process to identify skills, knowledge and abilities for each position and assess each staff member's development needs against those requirements. We will be linking the Branch's training program to the performance management program.

There is a strong emphasis on ensuring safety at work, and actively managing work-related illness and injury. The Branch continues to develop a culture that encourages early reporting of workplace illness or injury, and to promote a zero tolerance approach to bullying and harassment in the workplace. Access to staff counselling services is provided, but statistics are not kept on this at the Branch level (so confidentiality remains protected).

The modern State Service is a demanding workplace and a continuing challenge for management is to ensure it helps staff achieve a reasonable work/life balance. The Branch will continue to engage short-term contract staff to ensure peak workload times do not result in excessive demands on permanent staff. The Branch will also continue to encourage flexible work arrangements. It will also identify and develop exit strategies for programs of work that no longer delivers efficient outcomes for the community.

About the branch *continued*

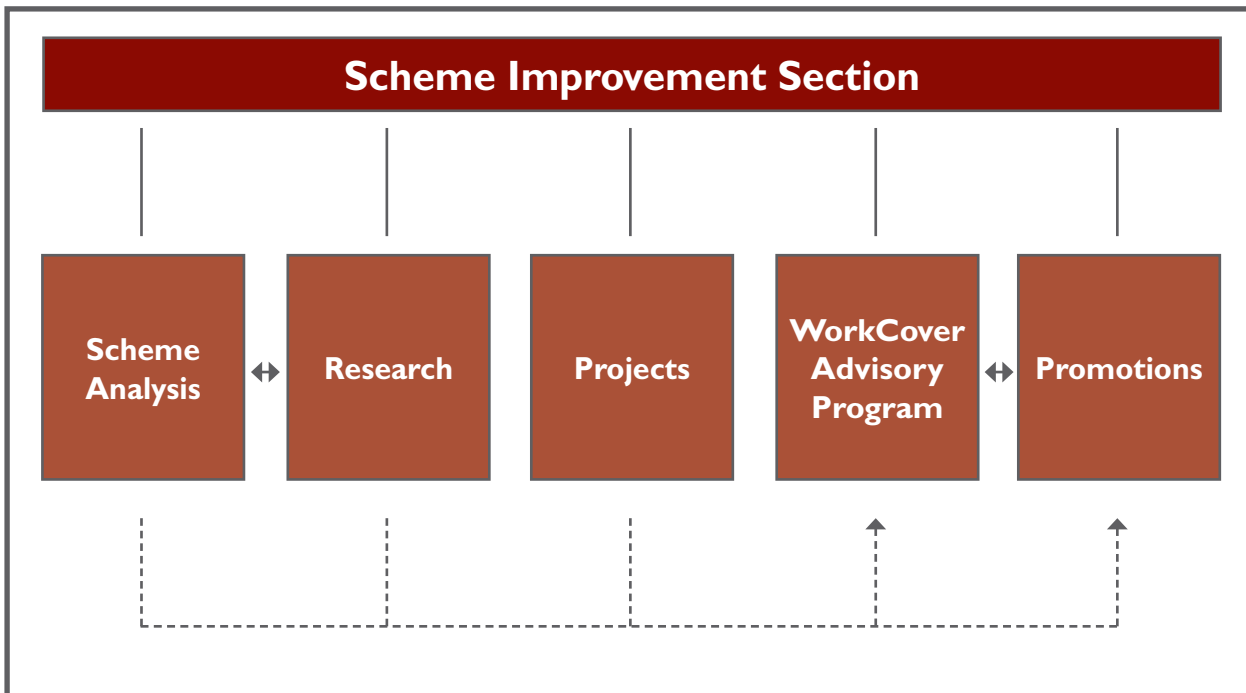
Scheme Improvement Section

This section performs a number of functions for the Board, including:

- effectively analysing scheme performance and forecasting emerging issues and trends from available data sources
- performing high-level research to inform the Board
- promoting key Board safety messages and develop meaningful guidance materials
- delivering high-quality OHS and injury management advisory services through providing consultative, educative, informative and advisory initiatives
- managing and implementing key Board projects as required.

The section works closely with the other business units within the Branch; there will be opportunities for an interchange of staff to support specific programs in each area.

To fulfil this role, the section delivers the services outlined below.



Sub-units

Scheme Analysis — This area uses existing resources (senior business analyst and statistician) and the Board's contracted actuaries to strategically analyse data and other available knowledge, in order to identify problem areas of the scheme and identify emerging trends.

Research — This area has two specialist researchers to identify national and local emerging issues; seek feedback from those attending national forums; and provide advice to the Board on contemporary OHS and injury management issues.

Projects — This area identifies and implements key projects identified by the Scheme Analysis and Research areas and endorsed by the Board.

WorkCover Advisory Program — This area assists employers in priority industries to improve their OHS and injury management performance.

Promotions — Promotional services will continue to be delivered by the existing Promotions unit. It will be driven by data and research and will, where appropriate, strategically link with the activities of the WorkCover Advisory Program.

Promotions is responsible for promoting messages relating to OHS and injury management, primarily through the Workplace Safe campaign. The unit works under the guidance of the Workplace Safe Steering Committee.

About the branch *continued*

Scheme Monitoring and Regulation

The role of this section is to monitor and regulate those activities that the Board have approved in administering the Tasmanian workers compensation scheme. The section consisted of four units that undertake a range of activities associated with the collection, storage and maintenance of data to enable the effective monitoring and regulation of scheme participants:

- Audit Unit
- Data Management Unit
- Scheme regulation Unit
- Projects Unit.

The functions of this section are to:

- regulate scheme participants awarded special status by the Board
- monitor the activities of licensed insurers and self-insurers
- accredit individuals and groups that the Board chooses to regulate. This includes:
 - accrediting medical practitioners before they can issue a workers compensation medical certificate
 - accrediting medical practitioners who wish to assess the level of permanent incapacity of an injured worker
 - auditing scheme participants against Board approved performance standards
- collect, store and maintain data from scheme participants
- establish and monitor arrangements associated with the services purchased by the Board
- implement projects associated with administration of the scheme.

Audit Unit

This unit undertakes audits of self-insurers and licensed insurers; and evaluates the management systems used by scheme participants awarded special status by the Board to ensure performance standards are being satisfied.

The unit conducts surveillance audits and fee for service audits.

Surveillance audits of all self-insurers and licensed insurers are conducted annually. Fee for service audits typically occur at licence renewal time or as requested.

The tool used for safety management systems is SafetyMap (Fourth edition); for injury management systems it is InjuryMap. AS 4801 Management Systems is also used.

Data Management Unit

This unit is responsible for the collection, storage and maintenance of scheme data. It ensures the integrity of data and associated systems. The unit:

- collects data from scheme participants in timely fashion
- enters and codes data (both manually and electronically) ensuring data accuracy and quality
- stores data to ensure data is of the highest quality
- complies with all relevant legislative requirements associated with data
- maintains systems to ensure that all data storage systems are functional, effective and provide for the timely retrieval of scheme data.
- develops systems.

About the branch *continued*

Scheme Regulation Unit

This unit ensures that scheme participants satisfy Board approved performance standards and exhibit appropriate behaviour. The unit:

- ensures that Board agreements and contractual arrangements are developed in consultation with legal advisors
- ensures that Board agreements and contractual arrangements are monitored and enforced
- undertakes the administrative processes associated with accrediting those individuals and groups regulated by the Board, including taking appropriate action in order to ensure desired behaviour is achieved
- ensures that all legislative obligations placed on the Board are satisfied
- ensures that the information available via the Board's website is accurate, relevant and available in a timely manner
- ensures that the management systems employed by the Branch (to monitor and undertake Board activities) are developed and maintained effectively.

Projects Unit

This unit is responsible for implementing projects approved by the Board. The unit:

- manages the implementation of projects approved by the Board
- liaises with stakeholders on these projects
- reports on the progress of these projects
- monitors and reports on the progress of service providers associated with these projects
- facilitates and manages the implementing the Tasmanian Injury Management Model.

Policy advice to the Minister and Departmental Secretary

Relevant legislative functions

- To make recommendations to the Minister on the policy and objectives of legislation relating to workers rehabilitation and compensation and OHS in Tasmania, and the amendment or replacement of that legislation.
- To advise the Minister on any matter relating to the Workers Rehabilitation and Compensation Act 1988 (the Act) that the Minister refers to the Board.
- To make recommendations to the Minister or the Secretary with respect to such matters as it considers necessary for the purposes of the Workplace Health and Safety Act 1995.
- To make recommendations to the Secretary on any matter relating to the Workplace Health and Safety Act 1995 referred to it by the Secretary.
- To monitor and review the Department's exercise of powers and the performance of functions under the Act and the Workplace Health and Safety Act 1995.

Achievements

Legislation

Work continued on the development of new Regulations under the *Workplace Health and Safety Act 1995*, to allow the option of infringement notices (on the spot fines) to be issued for some offences under the Act.

A review began into the *Workplace Health and Safety Act 1995*, to identify how to further reduce the incidence of accidents, injury and illness in Tasmanian workers. A discussion paper was released for public consultation on 26 June 2006.

Progress was made on a draft Bill to amend the Act to implement recommendations to provide for fairer workers compensation.

The terms of reference below were tabled in Parliament on 4 July 2006:

1. To consider and report upon a comparison of Tasmania's workers compensation statutory and common law arrangements and average premium rates with those in other Australian jurisdictions, as well as arrangements proposed by the Productivity Commission and other National inquiries.
2. While retaining the essential features of the existing Tasmanian workers' compensation system, assess and make recommendations on whether the statutory scheme provides a fair and equitable

level of compensation for workers not able to establish negligence or satisfy the 30% whole person impairment threshold for common law and are:

- unable to return to their pre-injury work
 - suffering an ongoing and significant detriment to their quality of life or
 - facing significant medical or other costs into the future.
3. In consideration of the outcomes from Terms 1 and 2 examine, as applicable, the costs and benefits of:
 - increasing statutory benefits
 - introducing a narrative test of serious injury to facilitate alternative access to common law damages.
 4. To review and report on the requirement that a worker intending to seek damages must lodge an election with the Tribunal within two years of lodging a claim for compensation (section 138AB of the Act).

Departmental Inspectorate compliance activities

The Workplace Standards Inspectorate undertook eight major statewide projects, two of which were conducted as part of a national strategy as agreed to by Heads of Workplace Safety Authorities.

- The small to medium business compliance campaign audited 200 at-risk enterprises with follow-up audits of the 60 worst performing businesses. The campaign focussed on improved awareness and compliance with OHS legislation.
- The factory workers OHS compliance project focused on the *Occupational Black Spots Tasmania Update 2003* report that identified hand injuries as a significant area of workers compensation claims, with small to medium sized businesses in the food manufacturing sector at greatest risk.
- The height safety management in light commercial and residential construction project concentrated on enforcing requirements for safely working at heights.
- The small business publication audit provided opportunity to follow up businesses targeted during Workplace Safe Week 2004 and audit the level of implementation of the guide *Making your small business safer and healthier*.
- The national agricultural plant and manufacturer supplier and importer project was a national priority

Policy advice to the Minister and Departmental Secretary *continued*

to identify the level of industry compliance regarding safe design and sale of tractors and attachments, grain augers and attachments for all terrain vehicles.

- The national compliance campaign of hazardous substances in the manufacturing industry identified the need to promote systematic management of hazardous substances in the fibre-reinforced plastics manufacturing industry, with an emphasis on boat building and repair.
- Phase two of the rural safety project phase two followed the previous year's successful rural campaign. It was designed to help the rural industry to achieve a culture that focused on a proactive and responsive approach to OHS.
- The inspection and registration of hazardous plant project targeted 48 at-risk premises, including 10 dry cleaners and laundries, to ensure compliance with inspection and registration obligations (including forklift truck compliance).

Field inspections

A key part of the Inspectorate's role is to attend workplaces to assist with and ensure compliance particularly with OHS legislation. Activity during this year included:

- *Workers Rehabilitation and Compensation Act 1988* — 483 site audits and inspections were conducted, 617 minor issues were addressed
- *Workplace Health and Safety Act 1995* — 3,117 site audits and inspections were conducted, 931 minor issues were addressed, 411 notices were issued, (288 requiring improvements, 123 requiring cessation of work). 93% of the workplaces visited were substantially compliant with the requirements of this Act.

Prosecutions

The average fine imposed for the year was 37.5% of the maximum fine possible. The maximum penalty imposed was \$25,000 (the maximum penalty possible for this offence is \$150,000).

- *Workers Rehabilitation and Compensation Act 1988* — 22 cases were referred to the Court of Petty Sessions, 15 defendants were found guilty, seven cases were still proceeding. A total of \$30,503 was awarded against employers for insurance premiums avoided

- *Workplace Health and Safety Act 1995* — 32 cases were referred to the Court of Petty Sessions, 14 defendants were found guilty, 18 cases were still proceeding.

Telephone enquiries and publication requests

The first point of contact for telephone enquiries to Workplace Standards Tasmania is the Helpline.

The Helpline deals with queries concerning workers compensation, OHS, the Workplace Safe campaigns, and all other legislation administered by Workplace Standards. It receives notification of accidents and incidents that may require immediate response from any of Workplace Standards' three regions. Stakeholders are provided with relevant information and matters requiring further research are directed to other parts of Workplace Standards.

Telephone calls are received during business hours, and an after hours emergency service is maintained. The Helpline also attends to requests for information by email; provides advice for internet users; and helps people choose and order appropriate publications (which it then supplies).

This year, 49,545 calls were received for a range of subjects relevant to Workplace Standards' activities and responsibilities (the previous year, 56,589 calls). A drop in the number of calls was largely due to the reduced coverage of state-based awards following the introduction of the federal WorkChoices legislation in March 2006. For example, there was a reduction by 4,676 for calls relating to state industrial relations matters.

Subject	2005-06
Building standards and regulation	592
Dangerous goods	688
Federal industrial relations	6,096
Long service leave	1,705
OHS	11,067
Other	443
State industrial relations	24,452
Statutory holidays	648
Workers rehabilitation and compensation	3,854
TOTAL	49,545

The Department also received and attended to 1,820 emails; processed more than 3,430 requests for publications relating to OHS and or workers rehabilitation and compensation; and provided more than 97,920 publications to stakeholders.

Scheme monitoring and regulation

Relevant legislative functions

- *To monitor and report to the Minister on the operation and effectiveness of that legislation and on the performance of the systems to which the legislation relates.*
- *To monitor and review the performance of licensed insurers and self-insurers and the operation of the Nominal Insurer.*
- *To monitor and review premium rates and, so far as is practicable, ensure insurance arrangements are efficient and competitive.*
- *To collect and publish statistics on any matter the Board considers necessary or relevant to the performance of its functions under, or the administration of, this Act.*

Achievements

Monitoring scheme performance

Bateup Actuarial & Consulting Services Pty Ltd conducted a review of the Scheme performance as at 31 December 2005 and develop suggested industry premium rates for the 2006–07 year for the Tasmanian workers compensation scheme.

This summary draws out the key findings of these investigations. By its nature, this summary is brief and does not cover every aspect of the investigations. It is not a stand-alone document and must be read in conjunction with the full report (Volumes 1 to 6) to be found at www.workcover.tas.gov.au/workcoverpublish/attach/2005scheme.pdf

The analysis and projections undertaken are subject to a number of important reliances and limitations, which are detailed in the full report. It is essential that these be read and understood by users of this summary.

Scheme performance to 31 December 2005

- There were 10,194 claims reported in 2005. This is almost identical to the number reported in 2004 (10,200).
- The number of late-reported claims was broadly consistent with the projections from the previous Scheme review.
- Total claim payments were \$89.5 million, 6.3% (or \$6.0 million) lower than total payments in 2004.
- Payments in respect of weekly benefits and medical & related services increased during 2005, reversing the trend of year-on-year reductions. Weekly payments in 2005 totalled \$26.4 million (2004: \$25.0 million). Medical & related payments totalled \$25.1 million (2004: \$23.7 million).
- Payments as redemptions and negotiated settlements have reduced since the previous review, with reductions primarily evident in the first year or two following injury.
- Payments were below the projections from the previous Scheme review (Insured segment: 65% of projected; combined self-insured and TSS 93% of projected). The largest differences were in respect of common law payments. At this stage, very few common law claims subject to the serious injury restrictions have been settled.

Claim frequency

- The claim frequency appears to be stabilising for both the insured segment (at around 1.63 claims per \$million wages) and the TSS (at around 1.24 claims per \$million wages).
- Reductions in frequency continue to emerge for the self insured segment (currently at 1.48 claims per \$million wages).
- The proportion of all reported claims involving payment for lost time is increasing in all segments, with the sharpest increases in the TSS and insured segments. Current estimated levels are 60% for the TSS, 53% for self-insurers and 47% for the insured segment. At this point it appears that much of the increase may be in the smaller, lower-severity claims, however the trend should be monitored as it can be a lead indicator of higher claim duration and weekly benefit costs – an important driver of Scheme costs.

Scheme monitoring and regulation *continued*

Average claim size

- The selected average claim size for each segment is shown below, together with the assumptions from the previous Scheme review:

TABLE I			
Assumed Average Claim Size (\$Dec-05 values)			
	Current Review	Previous Review	Change
Insured Segment	9,571	10,802	(11)%
Self Insured Segment	10,358	11,925	(13)%
Tasmanian State Service	11,965	11,925	0%

- The reduction in assumed size for the insured segment follows lower than expected payments, reinforcing lower average size experience.
- The self-insurer experience indicates a lower average size than the TSS (previously they were considered as one group). The selected size also recognises the impact of changes to the industry mix of the self-insurer group since the late 1990s.
- We have also reduced the assumed rates of superimposed inflation in the Scheme.
- These results may indicate higher than expected savings from the 2000 legislative reforms. The ultimate level of savings will only be reliably assessed when common law claims emerge from these years.

Claim duration

- There is some evidence of a higher proportion of claims since 2000 receiving a weekly benefit in the second year. Beyond year two, the proportion appears to be reducing. The continuance experience should be monitored as changes may provide early warning of changes in Scheme performance and / or participant behaviour.
- The majority of payments are expected to be made within two or three years after the year of accident.

Estimated scheme cost

- The total estimated cost of the Scheme for the four years 1997–2000 is 2.21% of wages. For the 2005 year, the estimated cost is 1.50% of wages. We therefore estimate that there has been a 30% reduction in Scheme cost, relative to wages, since the introduction of the 2000 amendments. In addition to the amendments themselves, other factors contributing to the reduction in estimated Scheme cost may include the following:
 - reduction in claim frequency
 - improvements in injury management and claimant rehabilitation
 - a shift in industry and claim mix
 - a “honeymoon period” following the 2000 amendments.

Licensed insurer premiums and profitability

- Our analysis indicates that average premiums reduced by approximately 11% in 2005. This brings the total reduction since 2001 to around 30%.
- We estimate that premiums from 2000 have been profitable in terms of their ability to meet the cost of claims and expenses arising in the year. The estimated profit for 2005 is 13% of gross earned premium.

Suggested premium rates

- The estimated required average premium rate for 2006–07 is 2.32% of wages. This translates to a target premium pool of \$128.6 million.
- The target rate and premium pool from the 2005–06 Suggested Rates report were 2.45% of wages and \$118.6 million respectively (the latter has not been adjusted for inflation).
- The key source of change is the reduction in assumed average claim size. The current estimate is 8% lower than the assumption in the previous report. This is in response to the comparison of actual and expected experience and our re-evaluation of the underlying experience.

Scheme monitoring and regulation *continued*

Monitoring the performance of insurers

All licensed insurers and self-insurers continued to satisfy permit and license conditions during the year.

Self-insurers

No new self-insurers entered the scheme during the year and no self-insurers exited the scheme.

September 2005 saw the first anniversary of the self-insurer's permit to self-insure. Permit conditions required self-insurers to undertake a self-audit of their injury and safety management systems and to forward a copy of the report to the Board; these reports initiated surveillance audits by WorkCover auditors.

Surveillance audits were undertaken using SafetyMAP-Initial Level and injuryMAP-Level 1 as a basis to assess the management systems. These audits focussed on ensuring the management systems were effective and that they were being applied in the workplace.

These audits identified many opportunities for improvement; hazard management ranked highly in the majority of cases. Self-insurers prepared action plans to address the issues identified. Injury management systems were typically operating effectively, and there was a noticeable decline in the number of claims being received from self-insurers as prevention strategies take effect.

The Board continued to hold bank guarantees against the liabilities of self-insurers; in 2006, the aggregate value of the guarantees was \$37.4 million.

Licensed insurers

The Board approved eight new 'licenses to insure' to insurers at the beginning of the year following a rigorous application process. Licenses were issued for a period of two years and self-assessment audits began in June; surveillance audits will begin in early 2006–07.

Accreditation and assessment of permanent impairment:

To issue medical certificates: Only medical practitioners accredited under section 77 of the Act can issue medical certificates in Tasmania. At 30 June 2006, there were 908 resident doctors accredited in Tasmania to issue certificates.

This year:

- 122 new doctors were accredited
- 1,065 Form 1 and 24 Form 2 pads were issued to doctors during the year

To assess impairment: Only medical practitioners accredited under the Act can assess impairment. At 30 June 2006, there were 426 medical practitioners accredited to assess impairment. 330 were based on the mainland.

Future identified work

Knowledge management project

The Board recognises the significance of the collection, storage, manipulation and reporting of data, as these provide the means to gauge the effectiveness of the Tasmanian Workers Compensation Scheme.

This also enables the Board to:

- monitor the behaviour of scheme participants
- assess the effectiveness of Board programs and projects
- identify high risk activities
- provide information to develop future activities.

A large volume of data is collected from self-insurers and licensed insurers and is processed prior to storing in the workers compensation management system database.

In April 2005, the Board engaged Hansen International to assess the functionality of the current management system, and advise on the system's current and future capacity to satisfy the Board's requirements. Hansen International identified that the system had reached the end of its software development life cycle, and was inefficient and inadequate for meeting the Board's future requirements.

It was acknowledged that continued investment in developing the database was no longer efficient, and that a replacement should be sourced.

Other drivers for a new system are:

- the implementation of ANZIC 2006 to enable reporting by 2008
- the introduction of the new Injury Management Model within the next 18 months, which will include performance indicators
- the need to improve information accessibility for Board and Branch management, in order to facilitate planning and decision making
- improved actuary management and provision of information to facilitate actuary services
- the need to provide high-quality reporting, including simplifying and improving the reporting process and presentation
- the expectation of stakeholders (such as insurers) for an 'online environment' for claims management and provision of data and information.

In May 2006, the Board commissioned Opticon Australia to investigate and develop an information management strategy for the Board that would develop a management information strategy (MIS) environment that will facilitate the Board's current and future requirements.

Replacing the current system provides a unique opportunity for the Board to implement an MIS environment that will provide the foundation for improved management and planning for the future. Opticon Australia has proposed a new MIS environment that is designed as a layered applications architecture using accepted service-orientated architecture principals. The proposed design allows for future changes to be made with minimal impact upon the other layers of database. This proposal will go to the Board in the next year.

Quality management of workplace injuries in general practice project

In June 2006, the Board approved the start of this project, which will be conducted by the Divisions of General Practice. It is expected that the project will take approximately three months.

The project will investigate a range of issues associated with providing medical treatment in workplace injuries, and will deliver a comprehensive plan for improving the quality management of injuries through general practice.

In formulating the plan, the Divisions will consult with all key stakeholders and incorporate the application of an evidence-based approach to quality care. The plan will also align with key aspect of the Tasmanian Injury Management Model.

The next phase of this project will incorporate key issues affecting the accreditation of medical practitioners, and will explore the training requirements associated with accredited medical providers.

A review of the approved medical certificate is also anticipated, and will address legal and medical issues associated with the form; the Tasmanian Injury Management Model will impact on the design and layout of the form.

Scheme improvement

Relevant legislative functions

- *To promote the prevention of injury and disease in the workplace, and the development of healthy and safe workplaces.*
- *To promote and support the effective injury management of injured workers.*
- *To promote an understanding of this Act and the Workplace Health and Safety Act 1995 through education and any other appropriate means.*

Achievements

Seminars and events

Promotions supports the Board's function to provide practical guidance information, and one way this is done is through seminars.

Promotions worked with the Workplace Standards Inspectorate for the second year of a rural campaign. The campaign aimed to build on the awareness of the previous year through a series of Inspectorate rural blitzes, and responded to feedback that farmers sought practical guidance. A display was held at Agfest in support of this campaign. Workplace Standards and WorkCover staff provided practical OHS information and guidance, and promoted the many safety solutions that had been implemented by farmers during the rural campaign. Free statewide seminars aimed at rural workers were held once again (in August 2005) and these were co-presented by the Branch and the Workplace Standards Inspectorate.

Promotions supported a Workplace Standards campaign aimed at workers in the food, beverage and tobacco manufacturing sector, by promoting safety issues of relevance to that industry. Promotions' involvement included promoting the campaign and co-ordinating a series of free statewide seminars aimed at factory workers in April 2006.

Publications

Another way of providing practical guidance information is with OHS publications. A full list of publications produced by the section is provided at *Appendix 1*.

New practical guidance publications produced this year included *Making your factory safer and healthier* and *Workplace health and safety basics for processing factory worker*, which supported the campaign aimed at workers in the food, beverage and tobacco manufacturing sector.

The rural publication *Take Control of Safety on your Farm* — launched in May 2004 and available only through a Workplace Standards inspector — was made freely available in May 2006 at Agfest.

The free quarterly *Workplace Issues* magazine continues to be a vehicle for sharing practical OHS solutions and encouraging legislative compliance. The circulation and readership continues to increase. Approximately 12,000 copies of the magazine are distributed to Tasmanians and Tasmanian businesses each quarter.

Workplace Safe Week and Awards

Workplace Safe Week is an annual event, facilitated by the Board and held in the last week of October to promote OHS. The Week is designed to put the spotlight on the importance of risk management for workplace safety, and to stimulate businesses and organisations to undertake additional OHS activities during the Week.

This year's theme for Workplace Safe Week was 'Making Your Small Business Safer', and it was part of the inaugural national Safe Work Australia Week.

The Board's Workplace Safe Awards are held annually to reward innovative safety programs, focus enterprises on the benefits of safe work practices, and help to share workplace safety solutions. This year there were 39 Tasmanian businesses, organisations and individuals that entered the Awards.

Future identified work

WorkCover Advisory Program

From 2006 onwards, the Board's commitment to continually improving safety in Tasmanian workplaces will be further reinforced by establishing the WorkCover Advisory Program (see *About the Branch*).

Program objectives will include:

- engaging industry and stakeholders to support poor performing industries in achieving improved OHS
- assisting poor-performing small to medium size business understand how to systematically manage OHS and comply with their legal obligations, through a program of workplace visits
- motivating government and large businesses to improve their safety performance
- responding to businesses who self-refer or who are referred to WorkCover.

The program's strategies will aim to improve OHS through providing consultative, educative, informative and advisory initiatives by:

- promoting prevention as being an integral part of a workplace safety culture and management system
- developing consultative and collaborative relationships with workers, employers and other relevant parties
- encouraging joint employer and worker involvement in OHS and supporting the principles and practices of injury management
- identifying opportunities for improvement and possible solutions that may support workplaces to address safety issues and effect a program of continuous improvement
- incorporating a follow-up strategy to gauge the progress of workplace improvement programs.

Next year, the Board will increase the research capacity of the Branch by funding an additional research/analyst position. This will allow the Branch to research, analyse, report and make recommendations on local, national and international emerging OHS and workers compensation issues. The increased research capacity will also ensure that the Board is positioned to make policy decisions or advise the Minister on key issues.

Publications

Practical guidance material will continue to be produced to support the activities of the new WorkCover Advisory Program.

Workplace Safe Week and Awards

The Board continues to support Workplace Safe Week and the Workplace Safe Awards, and encourages businesses and organisations that are interested in these events to contact the Branch.

Fund management

The Workers Rehabilitation and Compensation Fund is established by the Treasurer under section 147 of the Act. Money is paid into the Fund by insurers and self-insurers to enable the Board to perform its required functions and exercise its powers.

Section 10(c) of the Act requires the Board to control and administer the Fund. In managing the Fund, the Board must comply with the requirements of the *Financial Management and Audit Act 1990*.

Achievements

The results of the financial management activities are provided in the Board's audited financial statements. See *Statement of Financial Performance for the year ended 30 June 2006*.

National Consistency: Self-Insurance

In September 2005, the Heads of Workers Compensation Authorities established a National Self Insurance Working Group to bring the self-insurance arrangements in Australia into closer alignment.

This working group will bring together representatives from Australian jurisdictions to harmonise the requirements for and regulation of self-insurers across jurisdictions. The working group will also consider developing a national model for self-insurance.

The scope of the working group includes all issues relevant to harmonising the requirements for self-insurance. It will:

- facilitate the pooling of opinions from all jurisdictions
- provide a mechanism for distributing information to all jurisdictions

- provide a central point for decision-making
- provide an interface to stakeholders
- make recommendations to the Heads of Workers Compensation Authorities.

One of the working group's key projects is to facilitate the development of a national OHS audit tool and common audit standard. A separate working group, comprising regulators from the jurisdictions, is developing this project.

Publications list

This list was correct at the time of preparing this report, in August 2005.

Those marked * are permanently found on the internet at www.workcover.tas.gov.au

Catalogs, reports, directories

- GB012 Workers Compensation Insurers Tasmania List of Main Offices*
- GB054 Publications List
- GB063 Video Catalog
- GB104 Potential Target Areas for the Strategic Prevention of Workplace Injuries*
- GB104.1 Occupational Black Spots Tasmania Update 2003*
- GB121 Workplace Standards flyer

CDs

- CD001 Publications CD

Building standards and regulation

- GB151 Maintenance of Essential Safety and Health Features and Measures
- GB160 Maintenance of Essential Safety and Health Features in Existing Commercial Buildings*

Codes of practice

- COP001 A Guide to Developing Codes of Practice*
- COP003 Managing the Risk of Falling in Housing Construction*
- COP004 Working at Heights in Commercial Construction*
- COP006 Forest Safety Code (Tasmania) 2002*
- COP007 Code of Practice for the Safe Use of Reinforced Plastics*
- COP008 Code of Practice for the Tasmanian Abalone Industry*
- COP011 Hairdressing Industry Code of Practice*
- COP012 Code of Practice for Risk Management of Agricultural Shows and Carnivals

Construction Work

- SB034 Skin Cancer and Outdoor Work
- GB109 Play it Safe: Working at Height
- GB131 Workplace Health and Safety on Residential Housing Projects
- GB134 Construction Industry: A Guide to Occupational Health and Safety

Electrical safety

- ESS005 Code of practice for the sale of electrical installation products to the public
- ESS006 Electrical Licensing in Tasmania
- ESS007 Electrical Industry Bulletin (quarterly)
- ESS008 Electrical Safety for Older Homes/Buildings
- ESS009 Electrical Safety Guide to Best Practice
- ESS010 Electrical Safety for Plumbers
- ESS011 RCDs: A Switch to Safety
- ESS012 Safe Electrical Goods
- ESS013 Electrical Safety Tips
- ESSP1 Install Safety Switches (poster)
- ESSP2 Do It Yourself: Dead On Arrival (poster)
- ESSP3 Electricity Kills (poster)

Hazardous substances and chemical safety

- GB023 How to HAZCHEM placard premises storing dangerous goods
- GB084 Play it SAFE with Chemicals: A guide to managing hazardous substances in the workplace
- GB149 Asbestos in Your Home
- SB028 Working with Lead and Products Containing Lead in Industry
- SB030 Chemical Safety in the Rural Industry

Publications list *continued*

Health and safety

- GB013 What You Don't Know Can Hurt You
- GB081 Hazard Management: Play it SAFE
- GB109 Play it Safe: Working at Height
- GB119 A Guide to First Aid in the Workplace
- GB136a Stress, Bullying, Alcohol and other Drug Misuse: Hidden Hazards: A Guide for Employers
- GB136b Stress, Bullying, Alcohol and other Drug Misuse: Hidden Hazards: A Guide for Workers
- GB150 Craig's Story

Health and safety representatives

- GB138 ESR Handbook
- GB139 A Guide to the Election of ESRs

Legislation

- GB005 Enforcement Policy
- GB014 Workers Rehabilitation and Compensation Act 1988 Summary Poster — A4
- GB060 Employment and Industrial Relations Basics*
- GB068 Long Service Leave Guide — A Guide to the Long Service Leave Act 1976*
- GB112 A Guide to Workers Compensation In Tasmania
- GB133 A Guide to the Workplace Health and Safety Legislation*
- GB155 Prosecution Policy

Manual handling

- GB114 Body Strain Prevention Kit
- GB124 Body Strain Prevention for Workers

New workers

- GB140A Welcome to the Workplace: Guide for Employers
- GB140B Welcome to the Workplace: Guide for New Workers

Plant, machinery and equipment: OHS

- GB137 A Guide to the Operation of Mobile Plant or Equipment Near Overhead Powerlines
- SB005 The Safe Use of Brushcutters
- SB008 How Loud?
- SB018 Abrasive Wheels: Safety in the Use of Portable Disk and Angle Grinders
- SB027 The Safe Use of Chainsaws

Plant registration and licensing

- GB086 Plant Safety: Registration and Record Keeping Requirements Applying in Tasmania
- GB101 Industrial Equipment Requiring an OHS Certificate of Competency

Posters

- PO001 Eye Protection: Wear It
- PO007 Farm Safety
- PO009 SAFE
- PO010 Injured Hand
- PO013 Injured at Work
- PO015 Pause Exercise poster
- PO016 Every Worker has the Right
- PO017 If It's Not Working Speak Up
- PO018 New Job

Publications list *continued*

Rural and outdoor work

- GB046 Rural Workplace Human Resources Management Guide
- GB128 15 Minute Farm Safety Checklist
- GB129 Child Safety on Farms Checklist
- GB142 How to Use Your ATV Safely
- GB156 Rural Facts Sheets*
- GB157 Take Control of Safety on Your Farm
- SB030 Chemical Safety in the Rural Industry
- SB031 Tractor Safety
- SB033 Protective Canopies for Excavator-type Machines Used in Forest Operations
- SB034 Skin Cancer and Outdoor Work
- SB035 Safety in the Shearing Shed
- SB047 It's your Farm, It's your Tractor, It's your Responsibility

Safety alerts

- SA063 Chain Shot: A High Level of Risk to Forest Workers

Other occupations and industries

- GB102 Workplace Health and Safety Basics for Cleaners
- GB113 Tasmanian Transport Industry Guide to OHS Duty of Care*
- GB148 Making Your Small Business Safer and Healthier
- GB161 Making your Factory Safer and Healthier
- GB162 Workplace Health and Safety Basics for Processing Factory Workers

Workplace Issues magazine

- GB064 Workplace Issues magazine

Licensed and self-insurers

Licensed Insurers as at 30 June 2006

Allianz Australia Insurance Limited
Catholic Church Insurances Limited
GIO General Limited
Guild Insurance Limited
Insurance Australia Limited
QBE Insurance (Australia) Limited
Vero Insurance Limited
Zurich Australian Insurance Limited

Self-Insurers as at 30 June 2006

Australia and New Zealand Banking Group Limited
Blundstone Australia Pty Ltd
Cadbury Schweppes Pty Ltd
Coles Myer Ltd
Comalco Aluminium (Bell Bay) Ltd
Commonwealth Bank of Australia
Forestry Tasmania
Gunns Forest Products Pty Ltd
Inghams Enterprises Pty Limited
National Australia Bank Limited
National Foods Milk Limited
PaperlinX Limited
Tasmanian Electro Metallurgical Co Pty Ltd
Westpac Banking Corporation
Woolworths Limited
Zinifex Australia Limited

Freedom of information requests

Freedom of Information requests are administered by the Policy, Planning and Services Branch of Workplace Standards Tasmania. The number of Freedom of Information requests has varied marginally from 42 in 2004–05 to 38 this year.

Number and source of requests	
Individuals	1
Solicitors and clients	16
Members of Parliament	–
Companies	8
Other jurisdictions	13
Total	38
Request status	
Carried over from previous year (2005)	–
Awaiting decision at 30 June 2006	–
Decided	38
Withdrawn	–
Transferred externally	–
Outcome of requests	
Decided – Full access	12
Decided – Partial access	1
Decided – Denied access	–
Personal files amended	–
Personal files not amended	–
Information not in possession of agency (S22)	25
Information able to be purchased or otherwise available (S9)	–
Outside scope of the Act (S5)	–
Other (S8, S10, S18, S20)	–
Decision Time (days)	
1–30 days	38
More than 30 days	–

Freedom of information requests *continued*

Refusal reasons

S23 Executive Council information	–
S24 Cabinet information	–
S25 Information not relating to official business	–
S26 Information communicated by other States	–
S27 Internal working information	1
S28 Law enforcement information	–
S29 Information affecting legal proceedings	–
S30 Personal Privacy	–
S31 Trade secrets of undertakings	–
S32 Trade secrets of agency	–
S33 Information obtained in confidence	–
S34 Procedures and clients	–
S35 Information likely to affect State economy	–

Fees and charges

Total calculated	362.40
Waived or reduced	–

Waiving reasons

Routine request	–
Personal information	–
General public interest	–
Impecunious applicant	–
Member of Parliament	–
Other (Other jurisdiction's investigation)	–

Contracts 2005-06

Summary of participation by local businesses (for contracts and tenders greater than \$50,000)	
Total number of contracts awarded	1
Total number of contracts awarded to Tasmanian suppliers	1
Total value of contracts awarded	\$1.2M
Total value of contracts awarded to Tasmanian suppliers	\$1.2M
Total number of tenders called	1
Total number of bids received	5
Total number of bids received from Tasmanian businesses	5

Contracts with a value greater than \$50,000 (excluding consultancy contracts)				
Name of contractor	Location of contractor	Description of contract	Period of contract	Total value of contract \$
Not applicable				

Consultancy contracts with a value greater than \$50,000				
Name of contractor	Location of contractor	Description of contract	Period of contract	Total value of contract \$
Bateup Actuarial and Consultancy Services Pty Ltd	Melbourne, Victoria	actuarial services	30 June 2006- 31 December 2007	\$187,000
Clemenger Tasmania	Hobart Tasmania	advertising services	1 September 2005 – 31 March 2007 with an option to extend to 30 September 2008	\$1.2M

Consultancy contracts with a value less than or equal to \$50,000				
Name of contractor	Location of contractor	Description of contract	Period of contract	Total value of contract \$
Not applicable				

Scheme Performance



*It's all in the mind.
Being safe never hurts*

Property "Bellevue"
Doug French

Introduction

This is an extract from the Workers Compensation Statistical Report July 2005 - June 2006 for inclusion in the WorkCover Tasmania Board annual report for the year ending 30 June 2006. The full version report is available at www.workcover.tas.gov.au.

Executive Summary

Trends at a Glance

The following table highlights the trends between 2004-05 and 2005-06.

	Overall Scheme	Licensed Insurers	Self Insurers	Tas State Service
Claims numbers	2.2% ↓	3.1% ↓	4.4% ↓	3.5% ↑
Average lost time per lost time claim	6.5% ↑	15.4% ↑	3.2% ↑	16.2% ↑
Average claim costs	10.4 ↓	11.4 ↓	21.2 ↓	1.6 ↑
Scheme expenditure - Payments	6.4% ↓	4.3% ↓	0.7% ↑	15.8% ↓
Scheme expenditure - Administration costs	16.2% ↓	23.0% ↓	39.4% ↑	3.4% ↓

Claims Reported

1. Overall, the total number of claims reported in 2005-06 was 10,018. This is 230 claims fewer than the total number of claims reported in 2004-05 (10,248), a decrease of 2.2%.
2. There has been a steady decline in the number of claims reported since 1995-96, although the rate of decline over the past four years has slowed.
3. On average, there were 48.04 claims per thousand workers during 2005-06. This was a slight decrease on 2004-05 of 0.7%, but continues a trend seen over the past 5 years in which the average incidence rate has fallen 14.6% from 56.26 in 2001-02.

Fatalities

4. Nine compensable fatalities were reported in 2005-06.

Premiums

5. The total earned premium pool for licensed insurers in 2005-06 was \$103.8m, approximately \$13.6m or 11.6% lower than the total earned premium pool of \$117.3 for the previous year.
6. Overall, the actual average premium rate earned by licensed insurers in 2005-06 was 2.18% of earned wages, which was 0.31 percentage points lower than the actual average premium rate earned in 2004-05 of 2.49%, representing a decrease of 12.5%.

Timeliness

7. The percentage of claims not being reported by employers to insurers within 5 working days has remained consistent at around 22-23%.

Lost Time Claims

8. During the payment year 2005-06, lost time claims accounted for 37% of all active claims.
9. The average lost time per lost time claim for 2005-06 was 33.3 working days per year, an increase of 6.5% from 31.2 working days in 2004-05. This increase is in contrast to a downward trend seen in previous years.

Average Claims Cost

10. The past five years has seen a general downward trend in average estimated costs. The average cost for claims reported in 2005-06 was \$7,610, a decrease of 10.4% compared with the average estimated claim cost of claims reported in 2004-05 of \$8,497.

Scheme Expenditure – Payments

11. In 2005-06 a total of \$92.17m was paid on claims incurred prior to and during that year. This is \$6.25m less than the total amount paid during 2004-05, a reduction of 6.4%.
12. The major component of total payments in 2005-06 was *Weekly Benefits* which represented 30.0% of all payments at \$27.64m.
13. Medical and related payments accounted for \$26.97m of the total payments in 2005-06, or 29.3%.
14. Payments relating to *Common law* during 2005-06 decreased by a further 65.7% relative to 2004-05, contributing \$5.26m or 5.7% to total payments.
15. *Other lump sum payments* increased from \$22.02m in 2004-05 to \$24.84m in 2005-06.

Scheme Expenditure – Administration Costs

16. Administration costs decreased in 2005-06 to \$28.79m, a decrease of 16.2% from the previous year.

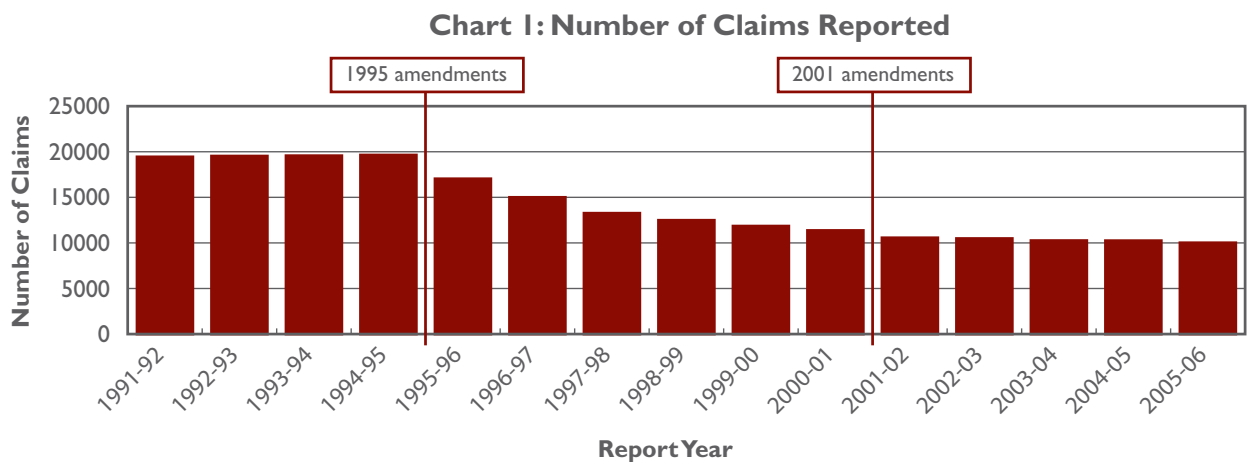
Claims Reported

Overall

Overall, the total number of claims reported¹ in 2005-06 was 10,018. This is 230 claims fewer than the total number of claims reported in 2004-05 (10,248), a decrease of 2.2% (Table 1).

There has been a steady decline in the number of claims reported since 1995-96, although the rate of decline over the past four years has slowed.

Chart 1 below details the number of claims by report year since 1991-92. The graph also shows when legislative changes were made.



¹ Claim numbers are based on the report year, that is, the year in which the claim was reported to the insurer, which may not be the same as the accident year (year in which the accident occurred). For further information, please see the Notes section at the end of this report.

Claim Numbers by Industry Division

According to ANZSIC, there are 17 industry divisions. In this report, *Forestry* has been reported as a separate industry division from the *Agriculture, Forestry and Fishing* industry to create two industry divisions, *Agriculture, Fishing and Hunting* and *Forestry*. This is due to *Forestry* being a significant industry in Tasmania. Charts 2A and 2B show the number of claims per industry over a 5-year period. The nine industries with the highest number of claims in 2005-06 are shown in Chart 2A; the remaining industries are shown in Chart 2B, but on a smaller scale.

Manufacturing continued to report the highest number of claims, with 2,016 in 2005-06, a decrease of 4.1% compared with 2004-05 (2,103). This industry is the second biggest based on hours worked, accounting for 12.5% of all hours worked. However, it represented 20.1% of all claims made (Table 2).

Health and Community Services and *Retail Trade* were also significant contributors to total claims for 2005-06, representing 11.9% and 10.7% of all claims respectively (Table 2). *Retail Trade* was the largest industry in 2005-06 based on hours worked (13.2% of total hour worked), and *Health and Community Services* was third (10.8%).

Eleven industry divisions experienced reductions in claim numbers for 2005-06, with percentage decreases on the previous year ranging between 1.6% and 38.2%. The biggest improvement was in *Agriculture, Fishing and Hunting*, down by 228 claims to 367 claims. A majority (82%) of this decrease in claim numbers was in *Aquaculture* which fell from 244 claims in 2004-05 to 60 in 2005-06. *Forestry* also improved significantly, down by 43 claims (19.5%) to 178 claims.

Seven industry divisions experienced increases in claim numbers ranging from 5.1% to 36.5%. The biggest increases were in the *Mining* industry, up 46 claims to 172, and *Cultural and Recreational Services*, up 36 claims or 22.4% to 197.

Chart 2A: Number of Claims by Industry Division

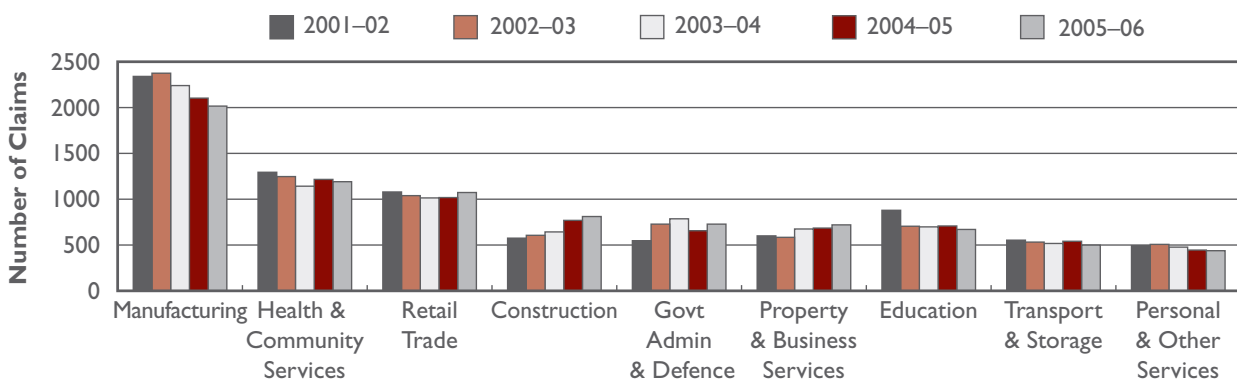
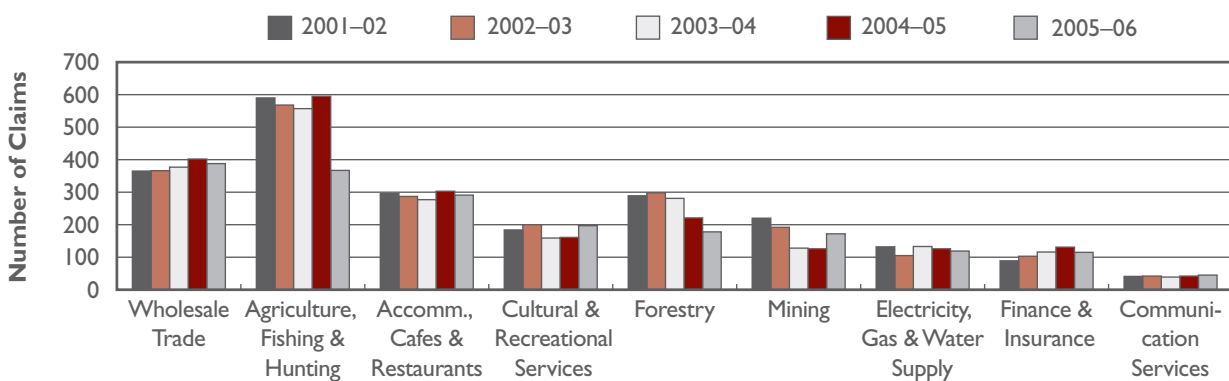


Chart 2B: Number of Claims by Industry Division



Incidence Rate by Industry Division

The incidence rate is measured as the number of claims per thousand workers² and allows analysis of claims occurrence without the distorting effects of the size of the workforce. For instance, a large industry with many workers would expect to report more claims than an industry with few workers; by viewing claims occurrence as a ratio to the number of workers within the industry, a comparison of the relative performance of industries can be made.

Charts 3A and 3B show the incidence rate of claims by industry over a 5-year period. The industries are shown in the same order as in Charts 2A and 2B.

Across all industries, there was an average of 48.04 claims per thousand workers during 2005-06. This was only a slight decrease on 2004-05 of 0.7%, but continues a trend seen over the past 5 years in which the average incidence rate has fallen 14.6% from 56.26 in 2001-02 (Table 3).

Between 2004-05 and 2005-06, ten industries had decreases in the incidence of claims per thousand workers, while 8 had increases. The greatest improvement was in *Agriculture, Fishing and Hunting* which decreased its incidence rate by 33.6% or nearly 10.5 claims per thousand workers. This corresponds with the reduction seen in absolute claim numbers in the industry between 2004-05 and 2005-06. This was followed by *Forestry*, which fell by 17.8% or nearly 12.5 claims per thousand workers.

The highest incidence rate in 2005-06 was in the *Manufacturing* industry, which recorded 96.74 claims per thousand workers, more than twice the all industries average. It was also the largest industry by number of workers, with more than 2,000. Other industries with large incidence rates were *Construction* (80.81), *Mining* (77.41) and *Government Administration and Defence* (64.28). With the exception of *Mining*, these are also some of the largest industries based on number of workers. *Agriculture, Fishing and Hunting* had the lowest incidence rate of 20.67 claims per thousand workers, followed by *Finance and Insurance* (21.43) and *Accommodation, Cafes and Restaurants* (22.82).

Over the past five years, *Mining, Forestry* and *Agriculture, Fishing and Hunting* have shown significant improvements in their claims incidence rates. *Forestry* had an incidence rate of 133.88 claims per thousand workers in 2001-02 – the highest of all industries – but this has reduced by 57.0% to 57.56 claims in 2005-06. *Mining* has reduced by 40.7% over the past 5 years, from 130.55 in 2001-02 to 77.41 in 2005-06. *Agriculture, Fishing and Hunting* has also decreased by around 40%, from 34.55 in 2001-02 to 20.67 in 2005-06, a majority of that between 2004-05 and 2005-06.

2 Number of workers declared by employers to be covered by Tasmanian workers compensation insurance. This should not be confused with the number of people employed in Tasmania.

Chart 3A: Incidence Rate by Industry Division

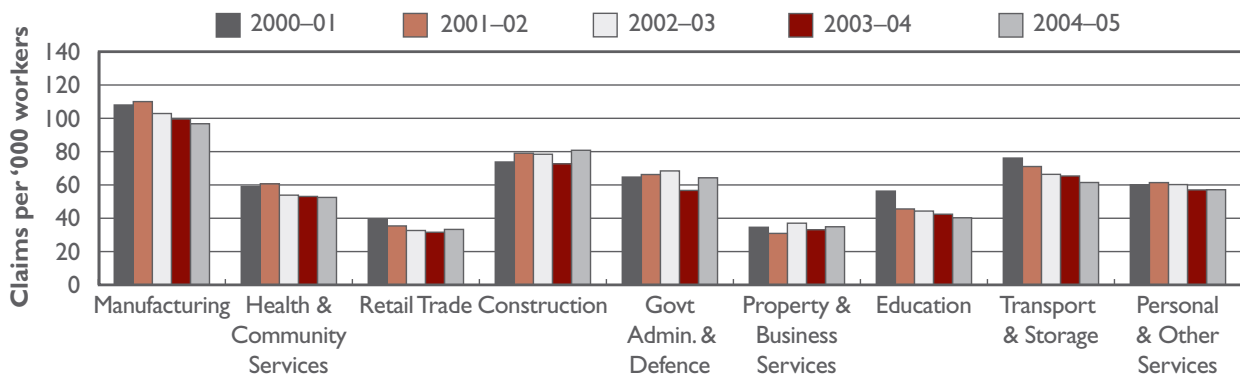
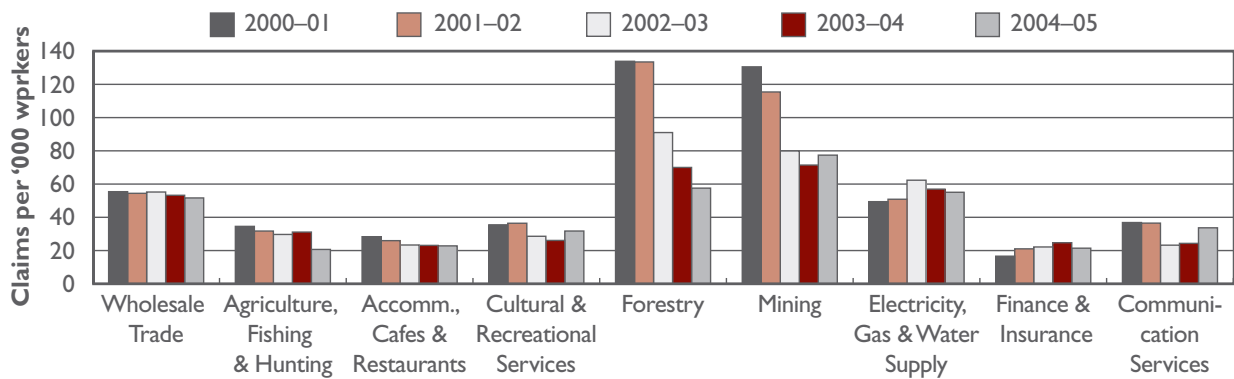


Chart 3B: Incidence Rate by Industry Division



Number of Claims by Type of Insurer

Licensed and self-insurers both experienced a small decrease in the number of claims reported in 2005-06 compared with 2004-05. Licensed insurers had 248 fewer claims, a 3.1% decrease to 7,652 from 7,900 in 2004-05. Self-insurers fell by 36 claims to 783, a 4.4% decrease on 2004-05 (819) (Table 4).

The Tasmanian State Service (TSS) recorded a 3.5% increase in claim numbers in 2005-06, up 54 claims to 1,583 compared with 1,529 claims in 2004-05. This followed three years of decreasing claim numbers.

Fatalities

This section details compensable fatalities. Compensable fatalities include all fatalities which are covered by the Tasmanian Workers Compensation Scheme. Some fatalities, though work related, are not covered by workers compensation due to the deceased person being a contractor or self-employed, thus the number of compensable fatalities should not be confused with the total number of work related fatalities.

The compensable fatalities here are reported by accident year or the year in which the fatality occurred³.

Accident Year	Number of Compensable Fatalities
2001-02	5
2002-03	10
2003-04	6
2004-05	4
2005-06	9

Nine fatalities were reported in 2005-06 and comprised:

- Two separate motor vehicle accidents
 - A truck driver in the *Road Freight Transport* industry
 - A driver in the *Taxi and Other Road Passenger Transport* industry
- Two workers were killed in the same incident as the result of an explosion when fitting a sensor to a waste fuel tank. The workers were working in the *Waste Disposal* industry at the time.
- Two logging workers were killed in separate incidents in the *Logging* industry.
- A freight and furniture handler in the *Road Freight Transport* industry died while there was an active stress claim.
- A truck driver suffered a heart attack at work in the *Road and Bridge Construction* industry.
- A mining support worker was killed as a result of a rock fall in the *Gold Ore Mining* industry.

Timeliness of Claims Reporting

There is evidence of a correlation between claim costs and lag-times in claims reporting, with long lag-times often resulting in higher costs. The sooner a claim is reported, the sooner management of the injury and claim can commence, leading to improved outcomes for the worker and the employer with regards to treatment and cost of the injury.

Worker to Employer

Between 2004-05 and 2005-06 there was a small decrease in the proportion of claims being reported by workers to their employers within one week of injury. For claims reported during 2005-06, 48.2% were reported within one week, while for 2004-05 just over half (50.2%) were reported within one week. This is fairly consistent with previous years, where on average about half of all claims are reported within this timeframe (Table 5).

Of all claims occurring in 2005-06, just under 70% had been reported after 14 days (68.2%), and after 43 days 90% had been reported.

Employer to Insurer

It is a requirement under section 36 of the *Workers Rehabilitation and Compensation Act 1988*, that an employer must forward a claim to the insurer within five working days. The percentage of claims not being reported by employers to insurers within 5 working days has remained consistent at around 22-23%. The percentage for 2005-06 was 23.5%, which is the highest for the 5-year period (Table 6).

³ Previous reports have reported fatalities based on report year or the year the accident was reported to the insurer.

Lost Time Claims

Overall

During the payment year 2005-06, lost time claims accounted for 37% of all active claims⁴ (claims where a payment has been made during the payment year). Active claims not involving lost time include those receiving only medical treatment, and claimants who have returned to work but are awaiting payment of a lump sum benefit.

Despite decreases in the number of both active and lost time claims, the total lost time in 2005-06 increased relative to 2004-05 by 2.5% to 197,444 days. This led to increases in the average lost time for both active and lost time claims (Table 7).

The average lost time per lost time claim for 2005-06 was 33.3 working days per year, an increase of 6.5% from 31.2 working days in 2004-05. This increase is in contrast to a downward trend seen in previous years.

The average lost time per active claim for 2005-06 was 12.4 working days per year, an increase of 4.0% from 12.0 working days in 2004-05.

Average Lost Time Per Lost Time Claim by Type of Insurer

Historically the Tasmanian State Service has had the highest average lost time per lost time claim. However, this average has been falling over the 5-year period 2001-02 to 2005-06, including a 16.2% decrease between 2004-05 and 2005-06, to be currently only slightly higher than licensed insurers (Table 8).

In contrast, both the licensed insurers and self-insurers saw increases in the average lost time per lost time claim between 2004-05 and 2005-06, of 15.4% and 3.2% respectively.

The differences in average lost time for the 3 insurer types have been narrowing over the 5-year period.

Average Lost Time Per Lost Time Claim by Industry Division

Average lost time increased in 2005-06 relative to 2004-05 for 12 industries, ranging from between 15.4% (*Transport and Storage*) to 404% (*Communication Services*)⁵, while it decreased in 6 industries by between 6.5% (*Government Administration and Defence*) and 34.8% (*Finance and Insurance*) (Table 9).

The industry with the highest average lost time per lost time claim was *Forestry*, with an average lost time in 2005-06 of 63.0 working days. This was a 19.1% increase on the previous year (52.9 working days). *Mining* had the second highest average lost time in 2005-06 with 55.4 working days, a 25.4% increase relative to 2004-05 (44.1).

In addition, the following industries had average lost time in 2005-06 greater than the all industries average of 33.6 working days: *Agriculture, Fishing and Hunting* (45.9); *Accommodation, Cafes and Restaurants* (43.2); *Transport and Storage* (42.3); *Wholesale Trade* (37.0); *Education* (34.7); *Construction* (34.5); *Electricity, Gas and Water Supply* (34.2); and *Communication Services* (34.1).

4 The count per payment year of active claims includes those with negative amounts in the payments and leave columns, which are adjustments to previous years.

5 *Communication Services* shows a negative average lost time for 2004-05. This is due to a large adjustment for one claim made during 2005-06 on payments and lost time that relate to prior payment years. Given the small size of this industry and how few claims it has, the average is more volatile and can be substantially affected by movements in individual claims.

Average Claim Cost

The Tasmanian Workers Compensation Scheme provides direct benefits to injured workers as well as covering the medical, rehabilitation and legal costs of the worker.

This section examines the costs of claims, that is, the cost (payments) made against claims where the claim was incurred in that year. The analysis does not include administration costs which are examined separately in a later section.

The total estimated incurred cost of a claim is equal to the total payments made against a claim plus the insurer estimate of future payments (referred to as outstanding case estimate). The average estimated incurred cost is calculated as the total estimated incurred cost divided by the total number of claims reported.

Many of the claims included in this analysis are still open and receiving payments. This fact makes comparison difficult as older claims are more developed, that is, the claim has been finalised or stabilised meaning the final cost of the claim can be more accurately predicted. Conversely, more recent claims have had less time to develop and there is greater uncertainty regarding estimates of future payments.

To enable meaningful comparison two series of average estimated incurred costs are presented.

Average estimated incurred cost as at 30 June each year

This series is based on the total estimated incurred cost at the end of June each year, with payments and outstanding case estimates adjusted for inflation. For example, for claims reported in 2002-03 total incurred cost has been estimated as total payments made to 30 June 2003 plus outstanding case estimates at 30 June 2003, adjusted for inflation. This allows the average estimated incurred cost to be compared from year to year, at the same stage of development.

When examined this way, the past five years has seen a general downward trend in average estimated incurred costs. The average incurred cost for claims reported in 2005-06 was \$7,610, a decrease of 10.4% compared with the average estimated incurred cost for claims reported in 2004-05 of \$8,497 (Table 10).

Average estimated incurred cost as at 30 June 2006

This series is based on total estimated incurred cost as at 30 June 2006, with payments adjusted for inflation. For example, for claims reported in 2002-03 total incurred cost has been estimated as total payments to 30 June 2006 adjusted for inflation, plus outstanding case estimates at 30 June 2006. It should be noted that for this series the total estimated incurred cost for more recent years would be subject to further development. This development may be upwards if future payments and estimates exceed those already recorded or downwards if the estimates have been found to have been too high.

When examined this way, the past five years has seen a general downward trend in average estimated costs. The average cost for claims reported in 2005-06 was \$7,610, a decrease of 7.8% compared with the average estimated claim cost of claims reported in 2004-05 of \$8,253 (Table 10).

The two series are relatively similar suggesting a close correlation between the estimation of future payments and the subsequent actual payments.

Average Claim Cost by Insurer Type

The comparison of average claim costs between insurers as presented in this section is based on the average estimated incurred cost at 30 June each year.

The average estimated incurred cost of claims for licensed insurers was \$7,892 in 2005-06, a decrease of approximately 11.0% from the average of the past three years (Table 11).

The average estimated incurred cost of claims for self-insurers has decreased to \$5,613 in 2005-06 from the relatively high average of \$7,123 recorded in 2004-05.

The average estimated incurred cost of claims for the TSS remained relatively constant at \$7,233 in 2005-06. The relatively large estimated average cost in 2002-03 was due to high outstanding estimates for future payments as estimated at 30 June 2003.

Scheme Expenditure - Payments

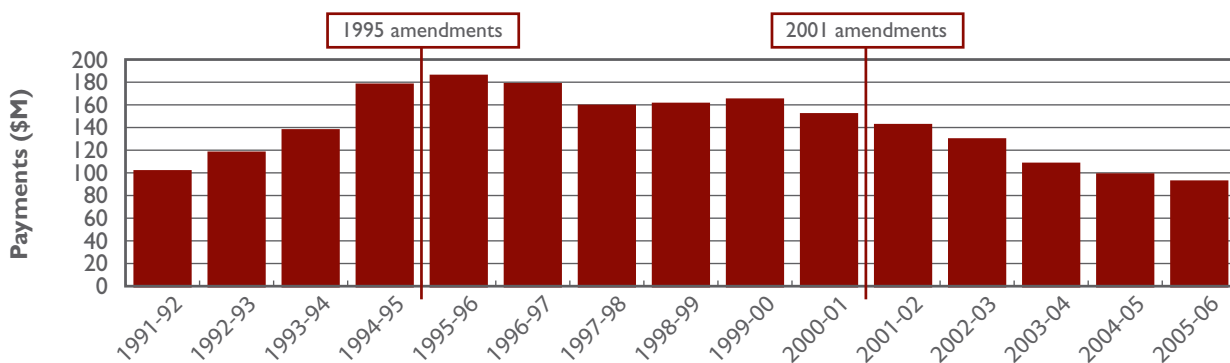
This section details the payments made in each payment year, that is, the payments made in a year to and on behalf of injured workers against a claim regardless of when the claim was incurred (as opposed to the previous section which examined the total costs of claims for claims which were reported in a given year). Payment data from past years presented in this report has been inflated to allow for more accurate analysis of payment data over time (for further information, please see the Notes section at the end of this report).

Overall

In 2005-06 a total of \$92.17m was paid on claims reported prior to and during that year. This is \$6.25m less than the total amount paid during 2004-05, a reduction of 6.4% (Table 12).

Since 1999-00, payments have been steadily decreasing to the present level.

Chart 4: Total Payments by Payment Year



Payments by Payment Type

Weekly benefits

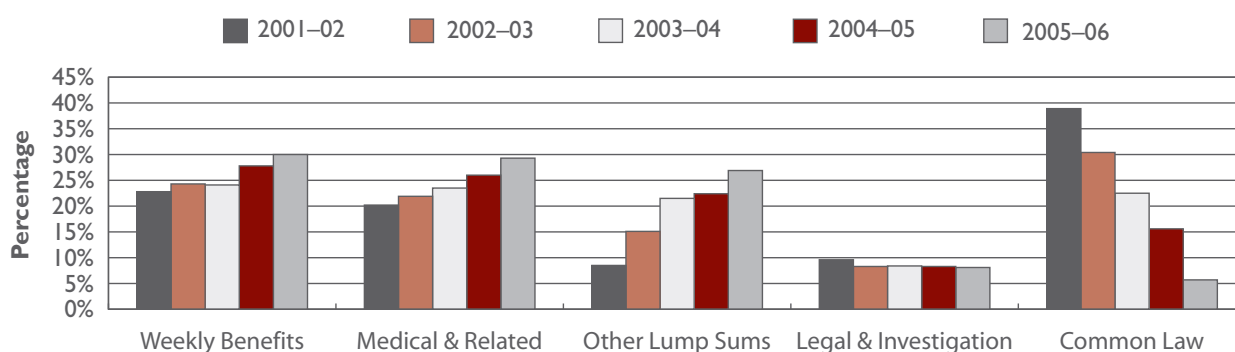
The major component of total payments in 2005-06 was *Weekly Benefits* which represented 30.0% of all payments at \$27.64m. This was an increase on 2004-05 of \$0.31m (1.1%). *Weekly benefits* have been increasing as a proportion of total payments over the past 5 years.

Medical and related payments

Medical and related payments accounted for \$26.97m of the total payments in 2005-06, or 29.3%. This equates to an increase of 5.5% on *Medical and related payments* in 2004-05 (\$25.55m). *Medical and related payments* have been increasing as a proportion of total payments over the past 5 years (Table 12).

Payments for *Doctors* made up more than a third of total medical and related payments (35.7%) in 2005-06, and increased the most between 2004-05 and 2005-06 in absolute dollar terms (\$0.73m). The greatest proportional increase was *Miscellaneous*⁶ medical payments, which increased by 27.6% (Table 13).

Chart 5: Type of Payment as a % of Total Payments



Other lump sum payments

Other lump sum payments, including settlements, redemptions, death benefits and impairment payments, increased from \$22.02m in 2004-05 to \$24.84m in 2005-06 (12.8%), making up 26.9% of total payments (Table 12).

The majority of *Other lump sum payments* is made up of *Settlements* which accounted for 82.6% of the total in 2005-06. *Settlements* have increased since the implementation of the 2001 legislative changes restricting access to common law to injuries with a whole body impairment of at least 30%. It is interesting to note *Settlements* have increased during the same time *Common law* has decreased (Table 14).

Impairment payments decreased to \$0.46m in 2005-06, down from \$0.87m in 2004-05, a reduction of 46.8%. The relatively large total of \$1.29m recorded for 2003-04 is due to 4 large claims, including 2 at the maximum benefit of approximately \$174,000. Impairment payments includes payments under the previous maims structure as well as the current impairment payments introduced in the 2001 legislative changes. The most recent year, 2005-06, is the first year in which no lump sum payments were recorded against claims incurred when the maims structure was applicable. It should also be noted the impairment payments presented here may not represent total impairment payments, as a payment for impairment could have been included in a settlement and not recorded under the impairment category.

⁶ Miscellaneous costs relate to travel or accommodation expenses incurred by worker to undertake medical treatment, including road or air ambulance, worker's transport (at insurer's request), and clothing. Also includes costs associated with modifications to the home as part of rehabilitation. Also includes payments relating to funeral expenses for accidents incurred from 1 July 2001.

Legal and investigation payments

Legal and investigation payments have experienced significant declines in recent years, falling by 8.6% to \$7.47m in 2005-06 (Table 12).

Common law payments

Payments relating to *Common law* during 2005-06 decreased by a further 65.7% relative to 2004-05, contributing \$5.26m or 5.7% to total payments (Table 12).

Payments by Insurer Type

Licensed insurers paid a total of \$64.27m in 2005-06, a decrease of 4.3% compared with 2004-05 (\$67.15m) (Table 16).

The Tasmanian State Service (TSS) paid out \$18.25m during 2005-06, a decrease of 15.8% on the \$21.68m paid in 2004-05.

Only self-insurers reported an increase in total payments in 2005-06 compared to 2004-05, of 0.7%.

Weekly benefits

Licensed insurers paid \$19.03m in weekly benefits during 2005-06, an increase of 4.5% on 2004-05 (\$18.21m). This was 68.9% of the total weekly benefits paid out by all insurer types during 2005-06 (Table 17).

During 2005-06, the Tasmanian State Service paid \$6.41m in weekly benefits, a decrease of 10.4% relative to 2004-05 (\$7.15m).

Self-insurers weekly benefits payments increased by 11.8% in 2005-06 compared to 2004-05, up to \$2.20m.

Medical and related payments

Licensed insurers accounted for 72.1% of all *Medical and related payments*, a total of \$19.43m. This was a 6.7% increase on 2004-05 figures (Table 18).

The Tasmanian State Service paid \$0.35m less in 2005-06 in medical payments than they did in 2004-05, a 6.8% decrease.

Self-insurers had the greatest proportional increase in *Medical and related payments*, up 24.8% in 2005-06 on 2004-05 to \$2.72m. A majority (51.7%) of this increase was due to a 33.3% increase in doctors' payments between 2004-05 and 2005-06.

Common law payments

All insurer types saw a significant reduction in common law payments during 2005-06 compared with 2004-05, continuing the trend of previous years. Licensed insurers accounted for 83.6% of the total, but decreased by 62.4% compared with 2004-05. The Tasmanian State Service decreased by 69.7% from 2004-05, with common law payments in 2005-06 of \$0.56m. For self-insurers, common law payments in 2005-06 were \$0.30m, or 83.2% less than 2004-05 (\$1.79m) (Table 19).

Legal and investigation payments

Licensed insurers and the TSS paid less in *Legal and investigation payments* in 2005-06 compared with 2004-05, of 10.3% and 19.1% respectively. However, self-insurers had an increase for 2005-06 on 2004-05 of 34.1% (Table 20).

Other lump sum payments

In 2005-06, *Other lump sum payments* by licensed insurers increased by 27.7% compared with 2004-05. However, 2004-05 was a low-based year, and the increase between 2003-04 and 2005-06 is much less significant (4.6%) (Table 21).

The TSS and self-insurers have been variable over the past 5 years for *Other lump sum payments*. For 2005-06 compared with 2004-05, the TSS was down 12.5% in *Other lump sum payments* and self-insurers were up 18.6%.

Scheme Expenditure - Administration Costs

Overall

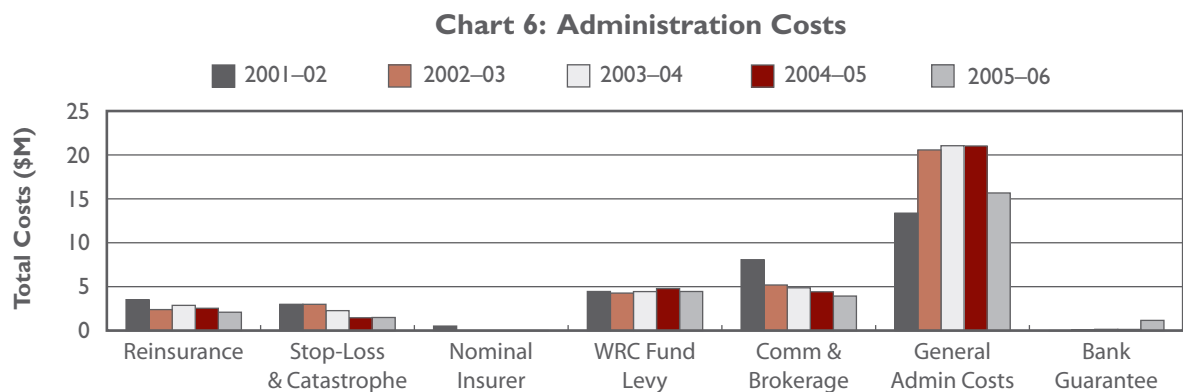
Insurers incur various administration costs in the course of writing workers compensation insurance policies and managing claims.

Total administration costs had remained relatively constant between 2002-03 and 2004-05 at around \$35m. Costs decreased in 2005-06 to \$28.79m, a decrease of 16.2% from the previous year (Table 22).

The main driver for the decrease in total administration costs is the 25.5% reduction in the *General administration*⁷ costs category which reduced from \$21.02m to \$15.67m.

Costs for self-insurers of obtaining bank guarantees have increased steadily over past four years. The cost increased from \$0.13m in 2004-05 to \$1.16m in 2005-06. This increase is due mainly to increased monitoring and regulation to ensure self-insurers have appropriate bank guarantees and the costs for obtaining these are accurately reported.

The Nominal Insurer⁸ has not sought funds from insurers since 2001-02.

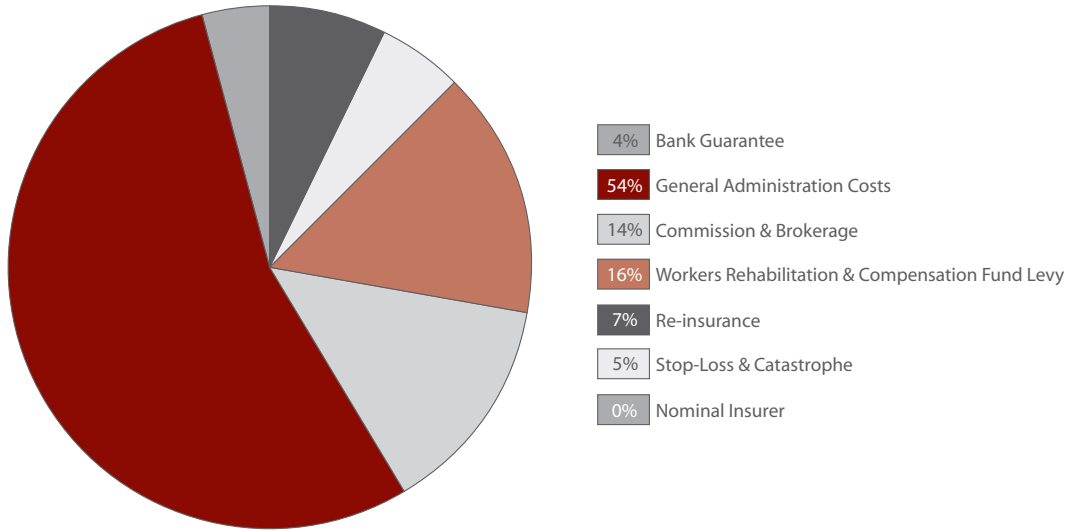


In 2005-06, *General administration* costs accounted for more than half (55.0%) of total administration costs. *Workers compensation fund levy* accounts for 15.5% and commissions and brokerage accounts for 13.6%.

7 *General administration* costs include costs relating to insurers' operational expenses such as overhead and personnel costs, office accommodation, motor vehicles, communications and computing, advertising and promotion, professional fees for accounting and auditing and medical and legal advice.

8 The Nominal Insurer is the body established by the *Workers Rehabilitation and Compensation Act 1988* to ensure workers are not disadvantaged in circumstances where an employer does not hold a policy for workers compensation insurance, cannot be located, has been declared bankrupt or has defaulted in payment.

Chart 7: Administration Costs as a Proportion of Total Administration Costs 2005-06



Administration Costs by Insurer Type

Total administration costs for licensed insurers decreased from \$28.66m in 2004-05 to \$22.06m in 2005-06 a decrease of 23.0%. Administration costs for licensed insurers represents approximately 77% of all total costs (Table 23).

Total administration costs for self-insurers increased by 39.4% from \$2.9m in 2004-05 to \$4.04m in 2005-06.

Total administration costs for the TSS has remained relatively constant.

Scheme Expenditure - Breakdown

Overall

The *Payments* section and the *Administration Costs* section detailed payments and administration costs expenditure of the scheme.

This section examines the disbursement of payments and administration costs by categorising payments and administration costs into:

- Direct compensation payments – payments directly to an injured worker including weekly benefits, common law payments and lump sum payments.
- Medical and legal payments – payments on behalf of an injured worker but paid to other entities.
- Administration costs – all administration costs.

The table and Chart 23 below show each of these categories as a percentage of total scheme expenditure.

Breakdown of Total Scheme Expenditure

Payment Year	Direct Compensation Payments	Medical and Legal Payments	Administration Costs
2001-02	57%	24%	19%
2002-03	55%	24%	22%
2003-04	51%	24%	25%
2004-05	49%	25%	26%
2005-06	48%	28%	24%

The table shows the percentage of total payments going to injured workers has been decreasing over the past five years. The proportion of medical and legal payments has remained relatively constant over the period 2001-02 to 2004-05 but has increased in 2005-06. The proportion of administration costs increased from 2001-02 to 2004-05 but decreased again in 2005-06. The analysis in this report has not extended to examining whether the decrease in direct payments is due to less money going to injured workers or whether increased claims management expenditure has resulted in injured workers being able to return to work earlier.

By Insurer

The table below shows each of the expenditure categories as a percentage of total scheme expenditure for each insurer type.

The proportion of direct compensation payments for licensed insurers has been trending downwards while the percentage of medical and legal payments and administration costs have been trending upwards.

The proportion of direct compensation payments for the TSS have been relatively constant over the past five years while administration costs have been trending upwards. The TSS has the lowest percentage of administration costs – consistently less than half that of licensed insurers and self-insurers. This may be the result of the TSS not having administration costs relating to reinsurance, catastrophe insurance, brokerage fees and bank guarantees which lessens their administration costs considerably relative to the other insurer types. It may also in part be due to the effect of economies of scale from having one centralised claims management office managing a large number of claims.

The proportion of direct compensation payments for self-insurers has been decreasing since 2002-03 while the percentage of medical and legal payments and administration costs have been trending upwards particularly in 2005-06.

Relative to the other insurer types, self-insurers have the highest level of externally influenced administration costs such as catastrophe insurance and bank guarantees. The increase in bank guarantees expenditure for self-insurers in the past few years has contributed to the proportional increase in the administration costs.

Breakdown of Total Scheme Expenditure by Insurer

Payment Year	Insurer Type	Direct Compensation Payments	Medical and Legal Payments	Administration Costs
2001-02	Licensed Insurers	58%	23%	19%
	TSS	58%	33%	9%
	Self-Insurers	47%	20%	33%
2002-03	Licensed Insurers	54%	22%	24%
	TSS	58%	33%	10%
	Self-Insurers	58%	22%	21%
2003-04	Licensed Insurers	49%	23%	28%
	TSS	58%	30%	12%
	Self-Insurers	56%	21%	23%
2004-05	Licensed Insurers	45%	25%	30%
	TSS	61%	28%	11%
	Self-Insurers	54%	23%	23%
2005-06	Licensed Insurers	46%	29%	26%
	TSS	58%	29%	13%
	Self-Insurers	44%	26%	30%

Premiums

Overall

The total earned premium pool for licensed insurers in 2005-06 was \$103.8m, approximately \$13.6m or 11.6% lower than the total earned premium pool of \$117.3 for the previous year (Table 24).

Total earned wages increased by \$48.2m from \$4.704b in 2004-05 to \$4.752b, an increase of 1.0%.

Overall, the actual average premium rate earned by licensed insurers in 2005-06 was 2.18% of earned wages, which was 0.31 percentage points lower than the actual average premium rate earned in 2004-05 of 2.49%, representing a decrease of 12.5%.

Chart 8: Average premium Rate (% of wages)



The actual average premium rate earned by insurers has been reducing since 2001-02, with significant reductions in each of the past 3 years. It should be noted the actual premium rates earned for more recent years is subject to further change over time as adjustments may be made after the end of the year for some policies.

The average premium rate recommended by the consulting actuary (Bateup Actuarial and Consulting Services) for 2005-06 was 2.45% of wages. The average premium rate actually earned by insurers (2.18%) was 0.27 percentage points lower than the rate suggested.

By Insurer

The following sections detail aspects relating to premium rates by insurer. For confidentiality reasons, individual insurers have not been identified by name, instead each insurer is identified by a randomly allocated letter.

Actual average earned premium rate by insurer

The actual average premium rates earned in 2005-06 decreased for all but one insurer, whose rate remained unchanged.

The actual average premium rate earned by insurers for 2005-06 ranged from 1.39% to 3.33% of earned wages. This range is not unexpected, as actual average premium rates differ between insurers depending on the claims experience of the insured employers, and the size and industry structure of the insurer's workers compensation portfolio. If an insurer's portfolio has a greater component of either high or low risk industries, their premium rates will reflect that level of risk.

Actual Average Earned Premium Rates by Insurer

Insurer	2004-05	2005-06	% change 2004-05 to 2005-06
A	2.45%	2.07%	-15.5%
B	3.33%	3.33%	0.0%
C	1.94%	1.75%	-9.5%
D	2.64%	2.35%	-11.1%
E	2.98%	2.21%	-25.9%
F	1.47%	1.39%	-5.6%
G	2.77%	2.29%	-17.1%
H	2.15%	1.96%	-8.8%
All insurers	2.49%	2.18%	-12.5%

Actual Industry Average Premium Rates for the Top 50 Industries

The top 50 industries were ranked based on the number of employers, earned premiums and earned wages. Again, insurers have not been identified and have been allocated a letter. Please note the letter allocated to an insurer is different from the previous section.

Top 50 industries based on number of employers

In 2005-06 the top 50 industries consisted of 8,813 employers, accounting for 59.5% of all employers (14,802) (Table 27).

The actual average premium rates earned by insurers varied considerably by industry. Among the top 50 industries based on number of employers, the highest average premium rates for all insurers were recorded for *logging* (13.41%), *beef cattle farming* (7.80%) and *sheep-beef cattle farming* (7.81%). The lowest average premium rates were recorded for *accounting services* (0.63%), *real estate agents* (0.70%) and *dental services* (0.76%).

Top 50 industries based on total earned premium

During 2005-06 the total earned premium for the top 50 industries was \$49.62m, representing 47.8% of total earned premium (\$103.8m) (Table 28).

Again, the actual average premium rates earned by insurers varied considerably by industry. Among the top 50 industries based on earned premiums, the highest actual average premium rates for all insurers were recorded for *logging* (13.41%), *vegetable growing* (8.82%), *sheep-beef cattle farming* (7.81%) and *sheep farming* (7.46%). The lowest actual average premium rates were recorded for *higher education* (0.75%), *electricity supply* (1.00%) *car retailing* (1.20%) and *pulp, paper and paperboard manufacturing* (1.22%).

Top 50 industries based on total earned wages

During 2005-06 the total earned wages for the top 50 industries was \$2.6b, representing 55.7% of the total earned wages (\$4.8b) (Table 29).

The highest actual average premium rates were recorded for *Logging* (13.41%), *log sawmilling* (7.15%) and *road freight transport* (4.94%). The lowest actual average premium rates were recorded for *accounting services* (0.63%), *real estate agents* (0.70%) and *higher education* (0.75%).

Market share and worker coverage

Market Share by Insurer

In 2005-06, individual insurers' market share, as a percentage of the total earned premium pool, ranged from 0.6%⁹ to 28.4%. Using total earned wages instead of total earned premium to determine market share yields similar results (Table 25).

In 2005-06, the three largest insurers held more than 73% of the total earned premium, and accounted for more than 76% of total earned wages.

Worker Coverage by Insurer Type

The number of workers covered by policies¹⁰ decreased in 2005-06 compared with 2004-05, by 1.5% or approximately 3,300 workers. The proportion of workers covered by policies with each insurer type has remained constant over the past 5 years, with proportions in 2005-06 of 81.8% for licensed insurers, 11.5% for the Tasmanian State Service, and 6.7% for self-insurers (Table 26).

9 It should be noted that licensed insurers are not necessarily licensed to insure all industry types and thus may have a more restricted share of the market.

10 Number of workers declared by employers to be covered by Tasmanian workers compensation insurance. This should not be confused with the number of people employed in Tasmania.

Notes

Report Year versus Accident Year

Report year relates to the year (July to June) when claims were reported by employers to their insurer. Accident year relates to the year when the accident or injury occurred.

The data in this report is presented using report year. Whilst it is recognised accident year information is important both for injury intervention and workers compensation points of view, the use of accident year data for the purpose of general statistical reporting, particularly better comparability of numbers from year to year to track trends, can be problematic. The various problems include: long latency occupational diseases or illnesses that usually take time to be diagnosed and reported; administrative inefficiencies which may contribute to delays in reporting of claims; the maximum period allowed for claim lodgement following an injury as prescribed under statute.

Analysis of trends using accident year data is likely to produce different results, unless appropriate allowance for claims development (incurred but not reported (IBNR)) is factored into the data. Whilst this is achievable when reporting in aggregate numbers, this can be much more complicated when reporting at a more detailed level, for example, tracking trends in industries, occupations or type of injuries.

Adjustments of payments and costs for inflation

The analysis of claim payments and costs in this report has been based on claim payments expressed in constant November 2005 dollars.

However, the relevant tables in Appendix A have been expressed in both historical and constant November 2005 dollars. Historical dollars is the actual dollar amount as recorded at the time of payment. Constant November 2005 dollars is the value in November 2005 of amounts paid in past years, that is, the actual dollar amount paid in past years adjusted to take into account the effect of inflation.

Payments have been adjusted for inflation using the Australian Bureau of Statistics (ABS) trend series data on *Average Weekly Earnings (AWE) for Tasmania for the November quarter series, full-time adult persons ordinary time earnings*. The November quarter has been selected as this is mid-way through each financial year.

The AWEs used were:

November 2001: \$774.40

November 2002: \$819.50

November 2003: \$832.70

November 2004: \$879.80

November 2005: \$914.90

Glossary

Accident year	Year when the occupational injury occurred or when the symptoms of the occupational illness or disease were first recognised.
Administration costs	Include reinsurance, stop loss/catastrophe insurance, contribution to the Nominal Insurer, contribution to the Workers Rehabilitation and Compensation Fund, commissions to brokers/agents, and other administrations costs (ie, operating expenses in respect of workers compensation such as overhead/personnel costs, premises/office accommodation, motor vehicles, entertainment and travel, communications, advertising and promotion, professional fees for accounting, audit, management, legal interpretations (unless they relate to a specific claim in which case they should be reported as claim costs), head office expenses, safety and medical advice, finance such as banking fees and charges on transactions, and computing).
Allied medical costs	Costs associated with services provided by dentists, chiropractors, opticians, physiotherapists, podiatrists, chemists, radiologists (including x-rays), and/or payments relating to provision, maintenance, repair, adjustment or replacement of artificial limbs, eyes or teeth, crutches, splints, spectacles and other medical and surgical aids.
ANZSIC	<i>Australian and New Zealand Standard Industrial Classification 1993</i> - A system of industry classification developed by the Australian Bureau of Statistics (ABS).
Average claim cost	Estimated as total incurred cost divided by the total number of claims.
Average premium rate	Earned premium as a percentage of earned wages.
Claim payments	Payments made in respect to a claim for workers compensation and covers all the statutory benefits or entitlements provided for in the <i>Tasmanian Workers Rehabilitation and Compensation Act 1988</i> (the Act). Claim payments do not include payments for claims incurred prior to the 1988 Act.
Common law payment	<p>Represents the total economic loss component of a common law settlement or judgement after deduction of amounts for contingencies and contributory negligence. Includes any amount for pain and suffering, permanent impairment, loss of superannuation, legal expenses and future medical costs.</p> <p>Accidents prior to 1 July 2001—common law payment represents settlement for a claim where a writ has been served with respect to such claim.</p> <p>Accidents from 1 July 2001—access to common law is restricted to claims with whole of person impairment (WPI) medically assessed to be 30% or more. A writ being served is immaterial in this case because of the 30% WPI minimum threshold.</p>
Death benefit	<p><u>Lump sum</u>—benefit paid to a worker's dependant or family member(s) as a result of work related death of that worker (details in section 67 of the Act).</p> <p><u>Weekly benefit to spouse</u>—weekly payment made in addition to any lump sum payable that is made to the spouse of the deceased worker (details in section 67A of the Act).</p> <p><u>Weekly benefit to children</u>—weekly payment made in addition to any lump sum payable and any weekly benefit to the deceased worker's spouse that is made to the child(ren) of the deceased worker (details in section 67A of the Act).</p>

Glossary *continued*

<i>Doctors costs</i>	<p>Costs of services relating to treatment and reports from treating doctors, including anaesthetists, for services provided in either private clinics or public and private hospitals. Include outpatient charges for doctors' services.</p> <p>Costs also include those relating to medical reviews commissioned by the insurer that are:</p> <ul style="list-style-type: none">• Related to the medical treatment of the worker; and are• Clearly attributable to a specific claim.
<i>Earned premium</i>	<p>This is the amount of premium allocated to a given period from actual premiums collected during the previous and current period. It allocates each premium to the period of risk, irrespective of when the premium was actually paid. For example, a premium record that has an annual premium of \$1,000 but only nine months fall within the period being reported will contribute \$750 ($=\\$1,000 \times 0.75$) to earned premium.</p>
<i>Earned wages</i>	<p>This is the amount of wages allocated to a given period from actual wages expected to be earned by workers covered by a policy. For example, a policy record that has an annual wages coverage of \$100,000 but only nine months fall within the period being reported will contribute \$75,000 ($=\\$100,000 \times 0.75$) to earned wages.</p>
<i>Compensable Fatalities</i>	<p>Work related deaths where the deceased workers' dependants or family members have made a claim for compensation. Note that the number of compensable fatalities underestimates the number of work related fatalities because this number does not include deaths occurring to other workers such as contractors and the self-employed.</p>
<i>Hospital cost</i>	<p>This includes all expenses billed by hospitals. It covers charges for inpatient hospital services and includes cost of bed, operating theatre and other hospital facilities. It does not include outpatient charges. Outpatient charges billed by hospitals are included in either doctors' costs or allied medical costs, as appropriate.</p>
<i>Impairment payment</i>	<p>Payment made to worker based on level of impairment sustained by worker due to injury (details in sections 71, 72 and 73 of the Act).</p>
<i>Incidence rate</i>	<p>The number of claims per thousand workers. Used to eliminate distorting effects of the size of the workforce and allow comparison of relative performance.</p>
<i>Investigation costs</i>	<p>Costs of claims investigations such as provision of medico-legal reports, services of a loss assessor/adjuster, police reports, court attendances of doctors and witnesses during the course of investigation, etc.</p>
<i>Legal costs</i>	<p>Costs associated with services provided by lawyers/legal practitioners, payments made in respect to legal advice, legal representation and costs arising from Workers Rehabilitation and Compensation Tribunal proceedings, and legal costs incurred by worker or insurer.</p>
<i>Licensed insurers</i>	<p>Insurers that hold a licence to write workers compensation in Tasmania. A licence is one that is issued and is in force under Division 2, part IX of the Act.</p>
<i>Lost time claims</i>	<p>Claims involving a worker's absence from work of one full day (or shift) or more due to a workplace injury.</p>
<i>Maims payment</i>	<p>Payment relating to amounts paid for specific injuries under the Table of Maims. This is relevant only to claims with date of accident prior to 1 July 2001.</p>
<i>Medical costs</i>	<p>Sum of costs associated with doctor, hospital, rehabilitation, allied medical services and miscellaneous costs incurred by a worker to undertake medical treatment.</p>

Glossary *continued*

<i>Miscellaneous costs</i>	Costs relating to travelling or accommodation expenses incurred by worker to undertake medical treatment, including road or air ambulance, worker's transport (at insurer's request), and clothing. Also includes costs associated with modifications to the home as part of rehabilitation. Also includes payments relating to funeral expenses for accidents incurred from 1 July 2001.
<i>Nominal Insurer</i>	The Nominal Insurer is the body established to ensure workers are not disadvantaged in circumstances where an employer does not hold a policy for workers compensation insurance, cannot be located, has been declared bankrupt or has defaulted in payment. The Nominal Insurer Scheme is administered by a committee drawn from insurers and self-insurers and is funded by contributions from licensed and self-insurers.
<i>Settlement</i>	This relates to lump sum settlements for claims settled by common law release but for which no writ was issued. This amount includes legal costs incurred by worker and/or insurer.
<i>Outstanding case estimates</i>	Amount of liability that is yet to be paid for each claim and as estimated by insurers.
<i>Payment year or payment period</i>	Period when payments were made on workers compensation claims irrespective of when the injury occurred or when the claim was lodged. It must be noted that the payment year data used in this report cover only those claims lodged since the introduction of the 1988 Act.
<i>Premium</i>	Insurance levy paid by an insured employer for a given period of time to cover the compensation costs in respect of that insured employer's worker. Usually estimated as a percentage of wages.
<i>Redemption</i>	A lump sum amount paid to an injured worker, on application, which covers payment for weekly benefits or income maintenance for the period for which weekly benefits remain payable.
<i>Rehabilitation cost</i>	Cost directly associated with rehabilitation service provides. Includes modifications to the workplace but not the home.
<i>Self-insurers</i>	Employers who hold a permit for self-insurance for workers compensation in Tasmania. A licence is one that is issued and is in force under Division 2, part IX of the Act.
<i>Tasmanian State Service (TSS)</i>	Includes all workers employed by the State Government with workers compensation insurance arrangements being managed by the Tasmanian Risk Management Fund.
<i>Total incurred cost</i>	Calculated as: All payments made up to end of a period <i>plus</i> insurers' outstanding case estimates as at end of the same period. Note that total incurred cost includes no allowance for administration expenses.
<i>Wages</i>	Amount of remuneration declared by employers for workers compensation premium calculation purposes. The guidelines on the definition of wages is available from WorkCover Tasmania and specifies relevant inclusions and exclusions for determining the amount of wages to be declared for premium calculation.
<i>Weekly benefit</i>	Amount paid to a worker to cover loss of income due to injury.

Table 1: Claims Development

Accident Year	Report Year															
	Prior to 1991-92	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Prior to 1991-92	42,851	1,032	67	17	188	16	5	2	2	0	0	0	0	0	0	2
1991-92		18,410	1,422	43	8	5	7	1	4			1				
1992-93			18,041	1,306	47	8	6	3	1	2	1			1		
1993-94				18,203	1,425	27	6	5	2	1	1					
1994-95					17,976	1,270	22	15	2	1	1	1	1			
1995-96						15,712	1,181	25	10	8	1	3	2	1	1	2
1996-97							13,774	878	19	8	6	4	2	1	1	
1997-98								12,332	865	10	5	7	8	2		2
1998-99									11,583	793	24	10	3	4	3	2
1999-00										11,026	771	23	5	3	5	1
2000-01											10,558	729	31	8	4	4
2001-02												9,786	783	16	7	2
2002-03													9,648	757	16	6
2003-04														9,466	726	17
2004-05															9,484	724
2005-06																9,256
Report Year Total	42,851	19,442	19,530	19,569	19,644	17,038	15,001	13,261	12,488	11,849	11,367	10,565	10,484	10,259	10,248	10,018

Table 2: Number of Claims by Industry Division

Industry Division	Report Year					% change 2004-05 to 2005-06	% of Total 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06		
Manufacturing	2,340	2,375	2,240	2,103	2,016	-4.1%	20.1%
Health and Community Services	1,294	1,247	1,142	1,216	1,191	-2.1%	11.9%
Retail Trade	1,079	1,039	1,014	1,018	1,073	5.4%	10.7%
Construction	575	606	643	769	811	5.5%	8.1%
Government Administration and Defence	547	728	786	656	728	11.0%	7.3%
Property and Business Services	600	584	675	685	720	5.1%	7.2%
Education	879	705	698	708	670	-5.4%	6.7%
Transport and Storage	553	532	517	541	499	-7.8%	5.0%
Personal and Other Services	492	507	477	445	438	-1.6%	4.4%
Wholesale Trade	365	366	377	402	388	-3.5%	3.9%
Agriculture, Fishing and Hunting	590	568	557	595	367	-38.3%	3.7%
Accommodation, Cafes and Restaurants	296	287	277	303	291	-4.0%	2.9%
Cultural and Recreational Services	184	200	159	161	197	22.4%	2.0%
Forestry	289	298	281	221	178	-19.5%	1.8%
Mining	220	192	128	126	172	36.5%	1.7%
Electricity, Gas and Water Supply	132	105	133	126	119	-5.6%	1.2%
Finance and Insurance	89	103	116	131	115	-12.2%	1.1%
Communication Services	41	42	39	42	45	7.1%	0.4%
TOTAL	10,565	10,484	10,259	10,248	10,018	-2.2%	100.0%

Table 3: Incidence rate by industry division

Industry Division	Report Year					% change 2004-05 to 2005-06
	2000-01	2001-02	2002-03	2003-04	2004-05	
Manufacturing	108.00	110.04	102.88	99.58	96.74	-2.9%
Health and Community Services	59.05	60.66	53.87	53.10	52.51	-1.1%
Retail Trade	39.54	35.40	32.65	31.61	33.30	5.3%
Construction	73.79	79.05	78.43	72.69	80.81	11.2%
Government Administration and Defence	64.72	66.26	68.42	56.71	64.28	13.4%
Property and Business Services	34.59	30.91	37.04	33.11	34.89	5.4%
Education	56.30	45.59	44.32	42.43	40.28	-5.1%
Transport and Storage	76.14	71.06	66.36	65.38	61.47	-6.0%
Personal and Other Services	60.09	61.41	60.22	57.02	57.12	0.2%
Wholesale Trade	55.43	54.44	55.22	53.26	51.66	-3.0%
Agriculture, Fishing and Hunting	34.55	31.74	29.69	31.12	20.67	-33.6%
Accommodation, Cafes and Restaurants	28.34	25.96	23.34	23.11	22.82	-1.3%
Cultural and Recreational Services	35.49	36.43	28.59	26.09	31.75	21.7%
Forestry	133.88	133.48	91.00	70.01	57.56	-17.8%
Mining	130.55	115.42	79.92	71.44	77.41	8.4%
Electricity, Gas and Water Supply	49.42	50.87	62.33	56.96	55.07	-3.3%
Finance and Insurance	16.61	21.04	22.16	24.71	21.43	-13.3%
Communication Services	36.86	36.51	23.24	24.32	33.69	38.5%
TOTAL	56.26	54.21	51.26	48.36	48.04	-0.7%

Table 4: Number of claims reported by insurer type

Insurer Type	Report Year					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
Licensed	8,013	7,927	7,797	7,900	7,652	-3.1%
Tas State Service	1,637	1,586	1,550	1,529	1,583	3.5%
Self Insurers	915	971	912	819	783	-4.4%
All Insurers	10,565	10,484	10,259	10,248	10,018	-2.2%
Insurer type as a proportion of total claims						
Licensed	75.8%	75.6%	76.0%	77.1%	76.4%	-0.9%
Tas State Service	15.5%	15.1%	15.1%	14.9%	15.8%	5.9%
Self Insurers	8.7%	9.3%	8.9%	8.0%	7.8%	-2.2%
All Insurers	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 5: Worker to Employer - % of claims reported within X days

Number of Days	Report Year (%)				
	2001-02	2002-03	2003-04	2004-05	2005-06
0	11.7	11.8	11.4	12.5	13.3
7	50.8	49.8	48.1	50.2	48.2
14	70.3	69.8	68.3	70.4	68.2
21	79.7	79.1	78.1	79.7	78.1
28	85.1	84.6	83.7	84.8	83.6
35	88.1	88.0	87.3	88.4	87.1
42	90.4	90.1	89.6	90.4	89.7
49	91.7	91.6	91.1	91.9	91.4
56	92.7	92.9	92.5	93.1	92.8
63	93.6	93.9	93.6	94.0	93.6
70	94.5	94.8	94.3	94.8	94.4
77	95.1	95.4	95.0	95.4	95.0
84	95.5	96.0	95.6	96.0	95.6
91	95.9	96.3	96.1	96.4	96.0

Table 6: Employer to Insurer - % of claims taking > 5 days to be reported

Number of Days	Report Year					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
>5 days	22.2%	22.4%	22.0%	22.8%	23.5%	3.2%

Table 7: Total and average lost time

Lost Time	Payment Year (working days)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
Total lost time	219,821	214,179	181,057	192,659	197,455	2.5%
Number of lost time claims	5,664	5,964	5,729	6,167	5,937	-3.7%
Average lost time per lost time claim	38.8	35.9	31.6	31.2	33.3	6.5%
Number of active claims	17,172	17,261	16,339	16,108	15,877	-1.4%
Average lost time per active claim	12.8	12.4	11.1	12.0	12.4	4.0%

Table 8: Average lost time per lost time claim by type of insurer

Insurer Type	Payment Year (working days)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
TSS	47.2	43.6	41.9	41.7	35.0	-16.2%
Licensed Insurers	39.1	35.8	30.5	29.3	33.8	15.4%
Self-Insurers	19.4	22.1	20.9	23.9	24.6	3.2%
All insurers	38.8	35.9	31.6	31.2	33.3	6.5%

Table 9: Average lost time per lost time claim by industry division

Industry Division	Payment Year (working days)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
Forestry	52.8	45.8	43.4	52.9	63.0	19.1%
Mining	39.9	34.1	38.5	44.1	55.4	25.4%
Agriculture, Fishing and Hunting	38.8	47.6	31.8	31.1	46.1	48.0%
Accommodation, Cafes and Restaurants	35.6	38.8	29.9	35.7	43.2	20.8%
Transport and Storage	38.2	42.9	36.9	36.7	42.3	15.4%
Wholesale Trade	43.8	32.5	27.9	32.0	37.0	15.8%
Education	38.2	41.8	38.5	41.3	34.7	-16.2%
Construction	45.5	39.1	30.8	29.7	34.5	15.9%
Electricity, Gas and Water Supply	60.1	48.7	23.9	26.7	34.2	27.8%
Communication Services	50.0	32.6	16.2	-11.2	34.1	404.1%
Government Administration and Defence	34.0	30.1	27.3	34.2	32.0	-6.5%
Health and Community Services	44.6	41.1	39.1	33.9	30.3	-10.9%
Personal and Other Services	42.0	29.8	40.1	31.6	29.2	-7.7%
Property and Business Services	33.2	27.8	27.7	23.8	28.5	19.8%
Manufacturing	34.7	29.4	24.5	24.1	27.9	15.9%
Cultural and Recreational Services	53.7	43.8	30.0	40.5	27.9	-31.1%
Retail Trade	28.2	27.8	26.4	22.7	27.7	22.4%
Finance and Insurance	62.7	65.5	38.3	38.3	25.0	-34.8%
All industries	38.8	35.9	31.6	31.2	33.3	6.5%

Table 10: Estimated incurred cost

	Payment Year					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in constant November 2005 dollars						
Number of reported claims	10,565	10,484	10,259	10,248	10,018	-2.2%
Total estimated incurred cost at 30 June each year (\$m)	96.75	92.27	84.93	87.07	76.24	-12.4%
Average total estimated incurred claim cost at 30 June each year (\$)	9,158	8,801	8,279	8,497	7,610	-10.4%
Total estimated incurred cost at 30 June 2006 (\$m)	94.26	86.15	81.69	84.58	76.24	-9.9%
Average total estimated incurred claim cost at 30 June 2006 (\$)	8,922	8,218	7,963	8,253	7,610	-7.8%

Table 11: Average estimated incurred cost by insurer

Insurer Type	Report Year					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
Licensed	9,953	8,895	8,980	8,905	7,892	-11.4%
Tas State Service	7,367	10,600	6,667	7,120	7,233	1.6%
Self Insurers	5,402	5,102	5,019	7,123	5,613	-21.2%
All Insurers	9,158	8,801	8,279	8,497	7,610	-10.4%

Table 12: Scheme Expenditure - Total Payments

Type of Payment	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Weekly Benefits	27.39	28.14	23.69	26.28	27.64	5.2%
Medical & Related	24.27	25.39	23.10	24.57	26.97	9.7%
Common Law	46.79	35.21	22.05	14.76	5.26	-64.3%
Legal & Investigation	11.57	9.61	8.25	7.85	7.47	-4.9%
Other Lump Sums	10.20	17.53	21.07	21.18	24.84	17.3%
Total Payments	120.22	115.88	98.16	94.64	92.17	-2.6%
in constant November 2005 dollars						
Weekly Benefits	32.35	31.42	26.03	27.33	27.64	1.1%
Medical & Related	28.67	28.34	25.38	25.55	26.97	5.5%
Common Law	55.28	39.31	24.23	15.34	5.26	-65.7%
Legal & Investigation	13.67	10.73	9.06	8.17	7.47	-8.6%
Other Lump Sums	12.05	19.58	23.15	22.02	24.84	12.8%
Total Payments	142.03	129.37	107.85	98.42	92.17	-6.4%
type of payment as a proportion of total payments						
Weekly Benefits	22.8%	24.3%	24.1%	27.8%	30.0%	8.0%
Medical & Related	20.2%	21.9%	23.5%	26.0%	29.3%	12.7%
Common Law	38.9%	30.4%	22.5%	15.6%	5.7%	-63.4%
Legal & Investigation	9.6%	8.3%	8.4%	8.3%	8.1%	-2.4%
Other Lump Sums	8.5%	15.1%	21.5%	22.4%	26.9%	20.4%
Total Payments	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 13: Medical and related payments

Type of Payment	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Doctor	8.47	8.72	8.13	8.90	9.61	8.0%
Hospital	2.37	2.99	3.16	3.09	3.60	16.5%
Rehabilitation	7.40	7.24	6.07	6.42	6.73	4.9%
Allied Medical	4.43	4.85	4.30	4.56	4.88	7.1%
Miscellaneous	1.61	1.58	1.44	1.61	2.14	32.7%
Total	24.27	25.39	23.10	24.57	26.97	9.7%
in constant November 2005 dollars						
Doctor	10.00	9.74	8.94	9.26	9.61	3.9%
Hospital	2.80	3.34	3.47	3.21	3.60	12.0%
Rehabilitation	8.74	8.08	6.67	6.67	6.73	0.9%
Allied Medical	5.23	5.41	4.73	4.74	4.88	3.0%
Miscellaneous	1.91	1.77	1.58	1.68	2.14	27.6%
Total	28.67	28.34	25.38	25.55	26.97	5.5%
as a proportion of total medical and related expenses						
Doctor	34.9%	34.4%	35.2%	36.2%	35.7%	-1.6%
Hospital	9.8%	11.8%	13.7%	12.6%	13.3%	6.2%
Rehabilitation	30.5%	28.5%	26.3%	26.1%	25.0%	-4.4%
Allied Medical	18.2%	19.1%	18.6%	18.5%	18.1%	-2.4%
Miscellaneous	6.6%	6.2%	6.2%	6.6%	7.9%	20.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 14: Other lump sum payments

Type of Payment	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Redemption	-0.05	0.98	2.99	3.63	3.53	-2.6%
Impairment Payments	0.52	0.48	1.18	0.84	0.46	-44.7%
Death Benefits	0.57	0.32	0.18	0.50	0.33	-33.3%
Settlements	9.16	15.76	16.72	16.21	20.51	26.5%
Total	10.20	17.53	21.07	21.18	24.84	17.3%
in constant November 2005 dollars						
Redemption	-0.06	1.09	3.28	3.77	3.53	-6.3%
Impairment Payments	0.62	0.53	1.29	0.87	0.46	-46.8%
Death Benefits	0.67	0.36	0.20	0.52	0.33	-35.9%
Settlements	10.82	17.59	18.37	16.86	20.51	21.6%
Total	12.05	19.58	23.15	22.02	24.84	12.8%
as a proportion of total other lump sums						
Redemption	-0.5%	5.6%	14.2%	17.1%	14.2%	-16.9%
Impairment Payments	5.1%	2.7%	5.6%	4.0%	1.9%	-52.9%
Death Benefits	5.5%	1.8%	0.9%	2.4%	1.3%	-43.1%
Settlements	89.9%	89.9%	79.4%	76.5%	82.6%	7.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 15: Legal and investigation payments

Type of Payment	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Legal Expenses	7.01	5.05	4.34	3.76	3.65	-2.8%
Investigation Expenses	4.56	4.57	3.90	4.09	3.81	-6.9%
Total	11.57	9.61	8.25	7.85	7.47	-4.9%
in constant November 2005 dollars						
Legal Expenses	8.29	5.63	4.77	3.91	3.65	-6.6%
Investigation Expenses	5.39	5.01	4.29	4.26	3.81	-10.4%
Total	13.67	10.73	9.06	8.17	7.47	-8.6%
as a proportion of total legal and investigation expenses						
Legal Expenses	60.6%	52.5%	52.7%	47.9%	48.9%	2.2%
Investigation Expenses	39.4%	47.5%	47.3%	52.1%	51.1%	-2.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 16: Total payments by insurer type

Insurer Type	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Licensed Insurers	90.05	84.74	70.24	64.58	64.27	-0.5%
TSS	20.98	20.10	18.00	20.85	18.25	-12.5%
Self-Insurers	9.18	11.04	9.91	9.21	9.64	4.7%
All insurers	120.22	115.88	98.16	94.64	92.17	-2.6%
in constant November 2005 dollars						
Licensed Insurers	106.39	94.60	77.18	67.15	64.27	-4.3%
TSS	24.79	22.44	19.78	21.68	18.25	-15.8%
Self-Insurers	10.85	12.33	10.89	9.58	9.64	0.7%
All insurers	142.03	129.37	107.85	98.42	92.17	-6.4%
Insurer type as a proportion of total						
Licensed Insurers	74.9%	73.1%	71.6%	68.2%	69.7%	2.2%
TSS	17.5%	17.3%	18.3%	22.0%	19.8%	-10.1%
Self-Insurers	7.6%	9.5%	10.1%	9.7%	10.5%	7.5%
All insurers	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 17: Weekly benefit payments by insurer type

Insurer Type	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Licensed Insurers	19.42	18.40	16.00	17.51	19.03	8.7%
TSS	5.94	7.30	5.78	6.88	6.41	-6.8%
Self-Insurers	2.02	2.44	1.90	1.89	2.20	16.3%
All insurers	27.39	28.14	23.69	26.28	27.64	5.2%
in constant November 2005 dollars						
Licensed Insurers	22.94	20.55	17.59	18.21	19.03	4.5%
TSS	7.02	8.15	6.35	7.15	6.41	-10.4%
Self-Insurers	2.39	2.72	2.09	1.97	2.20	11.8%
All insurers	32.35	31.42	26.03	27.33	27.64	1.1%
Insurer type as a proportion of total						
Licensed Insurers	70.9%	65.4%	67.6%	66.6%	68.9%	3.3%
TSS	21.7%	26.0%	24.4%	26.2%	23.2%	-11.4%
Self-Insurers	7.4%	8.7%	8.0%	7.2%	8.0%	10.6%
All insurers	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 18: Medical and related payments by insurer type

Insurer Type	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Licensed Insurers	16.90	17.65	16.51	17.51	19.43	11.0%
TSS	5.63	5.51	4.60	4.97	4.81	-3.1%
Self-Insurers	1.74	2.23	1.99	2.01	2.72	29.8%
All insurers	24.27	25.39	23.10	24.57	26.97	9.7%
in constant November 2005 dollars						
Licensed Insurers	19.97	19.70	18.14	18.21	19.43	6.7%
TSS	6.65	6.15	5.06	5.16	4.81	-6.8%
Self-Insurers	2.05	2.49	2.19	2.18	2.72	24.8%
All insurers	28.67	28.34	25.38	25.55	26.97	5.5%
Insurer type as a proportion of total						
Licensed Insurers	69.7%	69.5%	71.5%	71.3%	72.1%	1.1%
TSS	23.2%	21.7%	19.9%	20.2%	17.8%	-11.7%
Self-Insurers	7.2%	8.8%	8.6%	8.5%	10.1%	18.3%
All insurers	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 19: Common law payments by insurer type

Insurer Type	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Licensed Insurers	36.19	30.34	17.65	11.25	4.40	-60.9%
TSS	7.31	2.47	3.35	1.78	0.56	-68.5%
Self-Insurers	3.29	2.40	1.06	1.72	0.30	-82.6%
All insurers	46.79	35.21	22.05	14.76	5.26	-64.3%
in constant November 2005 dollars						
Licensed Insurers	42.76	33.87	19.39	11.70	4.40	-62.4%
TSS	8.63	2.76	3.68	1.85	0.56	-69.7%
Self-Insurers	3.89	2.67	1.16	1.79	0.30	-83.2%
All insurers	55.28	39.31	24.23	15.34	5.26	-65.7%
Insurer type as a proportion of total						
Licensed Insurers	77.3%	86.2%	80.0%	76.3%	83.6%	9.7%
TSS	15.6%	7.0%	15.2%	12.1%	10.7%	-11.7%
Self-Insurers	7.0%	6.8%	4.8%	11.7%	5.7%	-51.1%
All insurers	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 20: Legal and investigation payment by insurer type

Insurer Type	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Licensed Insurers	8.68	7.08	6.05	5.68	5.30	-6.7%
TSS	1.95	1.76	1.53	1.56	1.31	-15.9%
Self-Insurers	0.94	0.77	0.67	0.62	0.86	39.5%
All insurers	11.57	9.61	8.25	7.85	7.47	-4.9%
in constant November 2005 dollars						
Licensed Insurers	10.26	7.90	6.65	5.91	5.30	-10.3%
TSS	2.30	1.97	1.68	1.62	1.31	-19.1%
Self-Insurers	1.11	0.86	0.73	0.64	0.86	34.1%
All insurers	13.67	10.73	9.06	8.17	7.47	-8.6%
Insurer type as a proportion of total						
Licensed Insurers	75.0%	73.6%	73.4%	72.3%	70.9%	-1.9%
TSS	16.8%	18.3%	18.6%	19.8%	17.6%	-11.5%
Self-Insurers	8.1%	8.0%	8.1%	7.9%	11.5%	46.7%
All insurers	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 21: Other lump sum payments by insurer type

Insurer Type	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Licensed Insurers	8.85	11.26	14.03	12.62	16.12	27.7%
TSS	0.16	3.05	2.74	5.67	5.16	-9.0%
Self-Insurers	1.19	3.21	4.30	2.89	3.56	23.3%
All insurers	10.20	17.53	21.07	21.18	24.84	17.3%
in constant November 2005 dollars						
Licensed Insurers	10.46	12.58	15.41	13.12	16.12	22.8%
TSS	0.19	3.41	3.01	5.90	5.16	-12.5%
Self-Insurers	1.40	3.59	4.72	3.01	3.56	18.6%
All insurers	12.05	19.58	23.15	22.02	24.84	12.8%
Insurer type as a proportion of total						
Licensed Insurers	86.8%	64.2%	66.6%	59.6%	64.9%	8.9%
TSS	1.5%	17.4%	13.0%	26.8%	20.8%	-22.4%
Self-Insurers	11.7%	18.3%	20.4%	13.6%	14.3%	5.1%
All insurers	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 22: Scheme expenditure - administration costs

Administration Cost Type	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Re-insurance	2.98	2.14	2.61	2.44	2.09	-14.4%
Stop-Loss & Catastrophe	2.53	2.68	2.07	1.41	1.49	6.1%
Nominal Insurer	0.43	0.00	0.00	0.00	0.00	0.0%
Workers Rehabilitation & Compensation Fund Levy	3.77	3.83	4.04	4.60	4.45	-3.2%
Commission & Brokerage	6.83	4.65	4.43	4.25	3.93	-7.6%
Other Administration Costs	11.32	18.43	19.16	20.21	15.67	-22.5%
Bank Guarantee	0.00	0.08	0.12	0.12	1.16	856.9%
Total	27.87	31.81	32.43	33.03	28.79	-12.8%
in constant November 2005 dollars						
Re-insurance	3.52	2.39	2.87	2.54	2.09	-17.7%
Stop-Loss & Catastrophe	2.99	2.99	2.27	1.46	1.49	2.0%
Nominal Insurer	0.51	0.00	0.00	0.00	0.00	0.0%
Workers Rehabilitation & Compensation Fund Levy	4.45	4.27	4.44	4.78	4.45	-6.9%
Commission & Brokerage	8.07	5.19	4.87	4.42	3.93	-11.1%
Other Administration Costs	13.37	20.57	21.05	21.02	15.67	-25.5%
Bank Guarantee	0.00	0.09	0.14	0.13	1.16	820.2%
Total	32.92	35.51	35.63	34.35	28.79	-16.2%
Administration cost type as a proportion of total						
Re-insurance	10.7%	6.7%	8.1%	7.4%	7.3%	-1.8%
Stop-Loss & Catastrophe	9.1%	8.4%	6.4%	4.3%	5.2%	21.7%
Nominal Insurer	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Workers Rehabilitation & Compensation Fund Levy	13.5%	12.0%	12.5%	13.9%	15.5%	11.1%
Commission & Brokerage	24.5%	14.6%	13.7%	12.9%	13.6%	6.1%
General Administration Costs	40.6%	57.9%	59.1%	61.2%	54.4%	-11.1%
Bank Guarantee	0.0%	0.3%	0.4%	0.4%	4.0%	997.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 23: Administration costs by insurer

Insurer Type	Payment Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Licensed Insurers	21.26	26.77	27.00	27.56	22.06	-20.0%
TSS	2.08	2.16	2.42	2.67	2.69	0.4%
Self-Insurers	4.52	2.88	3.01	2.79	4.04	45.0%
All insurers	27.87	31.81	32.43	33.03	28.79	-12.8%
in constant November 2005 dollars						
Licensed Insurers	25.12	29.89	29.67	28.66	22.06	-23.1%
TSS	2.46	2.41	2.66	2.78	2.69	-3.4%
Self-Insurers	5.34	3.21	3.30	2.90	4.04	39.4%
All insurers	32.92	35.51	35.63	34.35	28.79	-16.2%
Insurer type as a proportion of total						
Licensed Insurers	76.3%	84.2%	83.3%	83.5%	76.6%	-8.2%
TSS	7.5%	6.8%	7.5%	8.1%	9.3%	15.2%
Self-Insurers	16.2%	9.0%	9.3%	8.4%	14.0%	66.4%
All insurers	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 24: Actual average premium rates

	Policy Year (\$ million)					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
in historical/current dollars						
Earned wages (\$m)	3,679.6	3,851.1	4,172.4	4,523.3	4,751.9	5.1%
Earned premiums (\$m)	119.7	118.8	114.0	112.8	103.8	-8.0%
in constant November 2005 dollars						
Earned wages (\$m)	4,347.2	4,299.4	4,584.3	4,703.7	4,751.9	1.0%
Earned premiums (\$m)	141.5	132.6	125.2	117.3	103.8	-11.6%
Actual average premium rate (% of wages)	3.25%	3.08%	2.73%	2.49%	2.18%	-12.5%

Table 25: Insurer's market share - wages and premiums

Licensed Insurer	Market Share Based on Earned Premiums		% change 2004-05 to 2005-06	Market Share Based on Earned Wages		% change 2004-05 to 2005-06
	2004-05	2005-06		2004-05	2005-06	
A	0.5%	0.6%	21.5%	0.9%	1.0%	12.7%
B	19.5%	22.4%	15.2%	18.4%	20.9%	13.4%
C	25.1%	22.9%	-8.7%	29.1%	25.5%	-12.4%
D	9.2%	8.8%	-4.1%	8.3%	8.4%	1.3%
E	29.3%	28.4%	-2.8%	29.8%	30.0%	0.6%
F	7.6%	7.7%	2.1%	6.3%	7.6%	20.6%
G	7.8%	7.9%	0.7%	5.9%	5.2%	-11.7%
H	1.0%	1.1%	11.9%	1.3%	1.4%	8.3%
All insurers	100.0%	100.0%		100.0%	100.0%	

Table 26: Worker coverage by insurer type

Insurer type	Policy Year					% change 2004-05 to 2005-06
	2001-02	2002-03	2003-04	2004-05	2005-06	
Licensed Insurers	153,408	159,147	164,904	175,458	170,710	-2.7%
TSS	21,488	21,181	22,167	23,183	23,920	3.2%
Self-Insurers	12,897	13,082	13,079	13,289	14,021	5.5%
All insurers	187,793	193,410	200,150	211,930	208,651	-1.5%
Insurer type as a proportion of all insurers						
Licensed Insurers	81.7%	82.3%	82.4%	82.8%	81.8%	-1.2%
TSS	11.4%	11.0%	11.1%	10.9%	11.5%	4.8%
Self-Insurers	6.9%	6.8%	6.5%	6.3%	6.7%	7.2%
All insurers	100.0%	100.0%	100.0%	100.0%	100.0%	

Table 27: Average premium rates (% of wages) - Top 50 industries based on number of employers 2005-2006

ANZSIC	Description	Number of Employers	Industry as a % of Total Employers	Insurer (%)										All Insurers
				A	B	C	D	E	F	G	H			
5730	Cafes and Restaurants	486	3.29%	1.75		1.91	2.17	1.71	1.66	1.68	1.90	1.82		
6110	Road Freight Transport	420	2.84%		5.83	6.28	3.46	4.92	3.70	5.43	4.94			
0123	Sheep-Beef Cattle Farming	382	2.58%	12.98		5.63	8.79	10.02	6.58	5.74	4.96	7.81		
5125	Takeaway Food Retailing	380	2.57%		1.94	1.95	1.85	1.68	1.65	1.89	1.83			
4111	House Construction	331	2.24%	4.52		7.47	5.01	4.47	4.95	4.73	7.31	5.49		
0130	Dairy Cattle Farming	322	2.17%		4.83	6.37	4.34	6.08	5.07	7.25	5.66			
5710	Accommodation	293	1.98%	5.56	3.82	2.16	2.27	2.63	2.12	2.29	2.63	2.93		
9526	Hairdressing and Beauty Salons	281	1.90%	1.71		1.64	1.70	1.77	1.71	1.52	1.44	1.64		
5329	Automotive Repair and Services	275	1.86%		2.87	2.99	2.60	2.20	2.26	2.55	2.58			
0124	Sheep Farming	267	1.80%		5.54	8.52	9.94	6.75	5.98	8.06	7.46			
8621	General Practice Medical Services	257	1.73%	1.01		1.02	1.19	0.71	0.78	0.71	0.60	0.86		
7855	Business Management Services	232	1.57%	1.17		0.97	1.19	0.91	0.88	1.06	0.79	1.00		
5259	Retailing n.e.c.	215	1.45%	5.14		1.48	1.69	1.20	1.33	1.12	1.82	1.97		
7854	Business Administrative Services	207	1.39%	0.87	0.87	1.14	0.88	0.83	1.03	1.24	0.68	0.94		
4232	Electrical Services	204	1.37%		2.61	2.62	3.08	2.24	2.36	3.69	2.77			
5720	Pubs, Taverns and Bars	190	1.29%		3.22	3.46		1.94	2.19	2.01	2.57			
0113	Vegetable Growing	188	1.27%	31.97		5.53	4.71	3.69	6.02	5.15	4.67	8.82		
4210	Site Preparation Services	185	1.25%		4.02	7.68	2.98	4.53	3.68	5.25	4.69			
7834	Computer Consultancy Services	173	1.17%	1.30		1.01	0.72	0.58	0.79	1.04	0.56	0.87		
7823	Consulting Engineering Services	165	1.11%	0.82		1.10	1.22	0.95	1.09	0.88	0.58	0.95		
5221	Clothing Retailing	160	1.08%	2.07		1.02	1.12	1.12	0.89	1.26	0.90	1.20		
5251	Pharmaceutical, Cosmetic and Toiletry Retailing	156	1.05%	1.09		3.46	1.12	1.12	0.99	0.87	0.99	1.42		
4242	Carpentry Services	153	1.03%		4.70	4.76	6.87	3.96	4.75	5.76	5.13			

7842	Accounting Services	152	1.03%	0.82	0.43	0.54	0.70	0.71	0.58	0.63
5321	Automotive Fuel Retailing	144	0.97%	2.25	2.40	2.19	2.13	1.63	2.28	2.15
5243	Newspaper, Book and Stationery	139	0.94%	1.23	0.95	1.04	1.09	1.12	0.85	1.17
7720	Real Estate Agents	133	0.90%	0.96	0.53	0.56	0.66	0.61	0.54	0.70
7866	Cleaning Services	129	0.87%	4.55	6.38	5.63	4.21	4.54	6.85	5.52
5110	Supermarket and Grocery Stores	129	0.87%	2.18	2.17	1.71	1.91	1.94	2.07	2.09
8622	Specialist Medical Services	123	0.83%	1.03	0.65	0.76	0.85	0.73	0.80	0.83
0125	Beef Cattle Farming	121	0.81%	5.87	20.01	5.68	6.40	5.65	5.75	7.80
5740	Clubs (Hospitality)	119	0.80%	3.33	2.71	3.46	2.28	2.08	2.77	2.77
5233	Domestic Hardware and Houseware Retailing	116	0.78%	1.69	1.75	1.36	1.09	1.79	1.60	1.59
7841	Legal Services	116	0.78%	0.89	0.63	1.74	0.87	1.01	1.37	1.09
5124	Bread and Cake Retailing	107	0.72%	2.05	2.20	1.26	1.48	1.49	1.68	1.81
0302	Logging	107	0.72%	25.99	12.11	10.46	7.54	10.31	14.04	13.41
4231	Plumbing Services	104	0.70%	4.40	4.69	3.29	3.42	3.70	4.16	3.94
6122	Short Distance Bus Transport	99	0.67%	5.30	3.44	3.34	2.95	3.59	3.31	3.65
0219	Services to Agriculture n.e.c.	98	0.66%	3.97	4.72	4.00	6.12	3.96	7.43	5.03
8623	Dental Services	98	0.66%	0.76	0.47	0.63	1.04	0.71	0.69	0.76
9629	Interest Groups n.e.c.	96	0.65%	2.79	3.57	2.12	1.57	1.58	3.29	2.53
0122	Grain-Sheep and Grain-Beef Cattle Farming	94	0.64%	5.69	7.45	8.00	4.61	5.41	5.32	6.08
6123	Taxi and Other Road Passenger	93	0.63%	6.07	4.48	6.66	2.91	4.40	4.40	4.90
4113	Non-Residential Building Construction	86	0.58%	3.83	3.13	4.18	2.77	2.48	3.73	3.35
7821	Architectural Services	85	0.57%	1.67	0.62	0.85	0.78	0.76	0.63	0.87
8710	Child Care Services	84	0.57%	5.28	1.62	1.14	1.90	2.14	2.52	2.42
4244	Painting and Decorating Services	83	0.56%	4.01	3.97	5.27	4.34	4.53	5.47	4.60
9312	Sports Grounds and Facilities	81	0.55%	3.05	2.00	4.58	2.66	2.42	2.07	2.80
9525	Gardening Services	80	0.54%	4.07	5.03	5.05	3.62	4.73	5.26	4.63
5323	Smash Repairing	78	0.53%	3.74	2.98	2.64	2.82	3.80	3.80	3.30

2769	Fabricated Metal Product Manufacturing	0.96	0.92%	3.88	2.81	4.08	4.34	3.72	3.07	3.65
5329	Automotive Repair and Services	0.93	0.89%	2.55	2.87	2.99	2.26	2.60	2.20	2.58
0130	Dairy Cattle Farming	0.91	0.87%	7.25	4.83	6.37	5.07	4.34	6.08	5.66
4122	Non-Building Construction n.e.c.	0.84	0.81%	3.50	3.32	4.33	3.94	3.48	4.97	3.92
5233	Domestic Hardware and Houseware Retailing	0.82	0.79%	1.60	1.69	1.75	1.79	1.84	1.36	1.59
0124	Sheep Farming	0.80	0.77%	8.06	5.54	8.52	5.98	9.94	6.75	7.46
5125	Takeaway Food Retailing	0.78	0.75%	1.89	1.94	1.95	1.65	1.85	1.68	1.83
9629	Interest Groups n.e.c.	0.78	0.75%	3.29	2.79	3.57	1.58	2.37	2.12	2.95
0113	Vegetable Growing	0.76	0.73%	4.67	5.53	4.71	5.15	31.97	6.02	8.82
4121	Road and Bridge Construction	0.76	0.73%	5.70	2.97	4.98	3.72	3.93	4.88	4.36
6122	Short Distance Bus Transport	0.74	0.71%	3.31	5.30	3.44	3.59	3.34	2.95	3.65
1319	Metal Ore Mining n.e.c.	0.73	0.70%	4.31	8.56	6.77	6.77	2.63	5.42	5.54
2862	Mining and Construction Machinery Mfg	0.70	0.67%	3.68	3.68	3.53	3.53	1.92	2.63	2.94
2173	Seafood Processing	0.69	0.66%	6.33	3.97	4.20	4.20	7.04	4.18	5.15
4242	Carpentry Services	0.65	0.63%	5.76	4.70	4.76	4.75	6.87	3.96	5.13
5311	Car Retailing	0.64	0.62%	1.29	0.84	2.13	0.97	1.09	0.89	1.20
2331	Pulp, Paper and Paperboard Manufacturing	0.62	0.60%			1.58			0.85	1.22
8431	Higher Education	0.62	0.60%	0.74	1.12	0.86	0.59	0.44	1.12	0.75
4619	Machinery and Equipment Wholesaling	0.62	0.60%	3.48	2.02	2.17	1.67	1.75	2.43	2.19
8710	Child Care Services	0.61	0.59%	2.52	5.28	1.62	2.14	2.74	1.14	1.99
2129	Dairy Product Manufacturing n.e.c.	0.61	0.58%		4.11	3.65	3.56		3.23	3.64
4233	Air Conditioning and Heating Services	0.61	0.58%	2.90	5.27	2.49	3.18	3.09	2.25	3.20
3610	Electricity Supply	0.60	0.58%		1.63	0.62	0.55	2.06	0.12	1.00
0303	Services to Forestry	0.58	0.56%	4.67	6.99	7.75	4.40	8.06	6.45	6.38
0115	Apple and Pear Growing	0.57	0.55%	4.72	4.81	3.35	3.75	3.64	4.88	4.19
0219	Services to Agriculture n.e.c.	0.56	0.54%	7.43	3.97	4.72	3.96	4.00	6.12	5.03
7120	Telecommunication Services	0.55	0.53%	1.72	2.65	1.62	1.62	0.80	1.47	1.65

Table 29: Average premium rates (% of wages) - Top 50 industries based on earned wages 2005-2006

ANZSIC	Description	Industry as a % of Total Earned Premium (\$m)	Industry as a % of Total Earned Wages	Insurer (%)										All Insurers
				A	B	C	D	E	F	G	H			
8113	Local Government Administration	161.79	3.40%	1.76	1.91	1.08	1.08	2.18	1.95	1.66	1.76	1.76		
3610	Electricity Supply	135.67	2.86%	1.63	0.55	0.12	0.12	0.62	2.06	1.00	1.00			
8431	Higher Education	133.25	2.80%	0.59	0.59	1.12	1.12	0.74	0.86	0.44	0.75			
8613	Nursing Homes	124.57	2.62%	2.75	3.49	3.00	3.00	2.81	3.28	3.90	3.20			
6110	Road Freight Transport	112.95	2.38%	5.83	3.70	4.92	4.92	5.43	6.28	3.46	4.94			
8611	Hospitals (Except Psychiatric)	84.71	1.78%	0.78	0.78	1.75	1.75	5.66	3.11	2.82	2.82			
5710	Accommodation	73.92	1.56%	2.16	2.29	2.12	3.82	2.63	2.27	5.56	2.93			
5730	Cafes and Restaurants	70.52	1.48%	1.91	1.68	1.66	1.66	1.90	2.17	1.71	1.82			
2130	Fruit and Vegetable Processing	65.71	1.38%	5.20	2.98	0.84	0.84	2.36	2.99	2.88	2.88			
5311	Car Retailing	64.51	1.36%	0.84	0.97	0.89	0.89	1.29	2.13	1.09	1.20			
7720	Real Estate Agents	61.96	1.30%	0.96	0.61	0.66	0.66	0.54	0.53	1.07	0.70			
5233	Domestic Hardware and Houseware Retailing	59.62	1.25%	1.69	1.79	1.09	1.09	1.60	1.75	1.36	1.59			
8423	Combined Primary and Secondary	58.47	1.23%	0.58	0.58	1.25	1.57	0.78	0.91	0.77	0.97			
9322	Casinos	58.40	1.23%						0.86	0.86	0.86			
7855	Business Management Services	54.43	1.15%	0.97	1.06	0.88	0.88	0.79	1.19	0.91	1.00			
5720	Pubs, Taverns and Bars	52.67	1.11%	3.22	2.19	1.94	1.94	2.01	3.46	2.57	2.57			
7861	Employment Placement Services	52.42	1.10%		3.40	1.79	1.79	2.34	2.03	2.39	2.39			
4210	Site Preparation Services	51.28	1.08%	4.02	3.68	4.53	4.53	5.25	7.68	2.98	4.69			
4232	Electrical Services	49.29	1.04%	2.61	2.36	2.24	2.24	3.69	2.62	3.08	2.77			
7823	Consulting Engineering Service	48.98	1.03%	1.10	0.88	1.09	1.09	0.58	1.22	0.95	0.95			
8621	General Practice Medical Services	48.91	1.03%	1.02	0.71	0.78	0.78	0.60	1.19	0.71	0.86			
7842	Accounting Services	45.59	0.96%	0.82	0.71	0.70	0.70	0.58	0.43	0.54	0.63			
8729	Non-Residential Care Services	44.71	0.94%	5.67	1.85	3.48	3.48	1.47	2.82	3.80	3.28			

5125	Takeaway Food Retailing	44.54	0.94%	1.94	1.65	1.68	1.89	1.95	1.85	1.83
2331	Pulp, Paper and Paperboard Manufacturing	44.36	0.93%		0.85			1.58		1.22
0420	Aquaculture	42.41	0.89%	4.64	3.91	3.46	4.72	4.19	2.02	3.82
7834	Computer Consultancy Services	40.92	0.86%	1.01	1.04	0.79	0.56	0.72	0.58	1.30
7862	Contract Staff Services	40.00	0.84%	5.46	3.57	3.29	8.55	4.94		1.79
2421	Newspaper Printing or Publishing	39.38	0.83%		1.84	0.69			1.10	1.21
5329	Automotive Repair and Services	38.97	0.82%	2.87	2.26	2.20	2.55	2.99	2.60	2.58
4113	Non-Residential Building Construction	38.10	0.80%	3.83	2.48	2.77	3.73	3.13	4.18	3.35
7841	Legal Services	37.91	0.80%	0.89	1.01	0.87	1.37	0.63	1.74	1.12
7854	Business Administrative Services	37.59	0.79%	1.14	1.24	1.03	0.68	0.88	0.83	0.87
0302	Logging	36.36	0.77%	25.99	10.31	7.54	14.04	12.11	10.46	13.41
1314	Gold Ore Mining	35.22	0.74%			1.55			0.75	1.15
6402	Scheduled Domestic Air Transport	35.02	0.74%	2.94	2.05	2.24			1.32	2.14
2862	Mining and Construction Machinery Mfg	34.48	0.73%		3.53	2.63	3.68		1.92	2.94
7120	Telecommunication Services	34.20	0.72%	2.65	1.62	1.47	1.72		0.80	1.65
5251	Pharmaceutical, Cosmetic and Toiletry Retailing	32.75	0.69%	3.46	0.87	0.99	0.99		1.12	1.42
4519	Farm Produce and Supplies Wholesaleing	32.60	0.69%	2.59	2.16	1.07	2.17	4.39	1.39	2.29
2311	Log Sawmilling	31.74	0.67%	9.45	5.84	1.19	10.44	7.98	8.03	7.15
8622	Specialist Medical Services	30.98	0.65%	1.03	0.73	0.85	0.80	0.65	0.76	1.00
5259	Retailing n.e.c.	29.05	0.61%	1.48	1.12	1.33	1.82	1.69	1.20	5.14
5124	Bread and Cake Retailing	28.95	0.61%	2.05	1.49	1.48	1.68	2.20	1.26	2.49
7519	Services to Finance and Invest	28.44	0.60%	1.01	1.11	0.58	0.65	0.72	0.51	0.83
7869	Business Services n.e.c.	28.32	0.60%	2.91	1.57	1.42	1.26	1.83	2.17	1.86
8721	Accommodation for the Aged	28.23	0.59%	3.93	3.49	3.56	4.00	3.32	2.75	3.51
5221	Clothing Retailing	27.74	0.58%	1.02	1.26	0.89	0.90	1.12	1.12	2.07
2769	Fabricated Metal Product Manuf	26.87	0.57%	2.81	4.34	3.07	3.88	4.08	3.72	3.65
7422	General Insurance	26.48	0.56%		0.54	0.89	1.71	0.89	0.93	1.40

Fund Performance



*We place a lot of time
and effort into training of
contractors and staff*

Property "Symmons Plains"
Andrew Legro (Field Ops Manager)



INDEPENDENT AUDIT REPORT

To the Members of the Parliament of Tasmania

WORKCOVER TASMANIA BOARD

Financial Report for the Year Ended 30 June 2006

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This audit report relates to the financial statements published in both the annual report and on the website of the WorkCover Tasmania Board for the year ended 30 June 2006. The WorkCover Tasmania Board's Directors are responsible for the integrity of both the annual report and the website.

The audit report refers only to the financial statements and notes named below. It does not provide an opinion on any other information that may have been hyperlinked to/from the audited financial statements.

If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements in the WorkCover Tasmania Board's annual report.

Scope

The financial statements and the Directors' responsibilities

The financial statements comprise the income statement, balance sheet, statement of cash flows, accompanying notes to the financial statements, and the statement from a Director of the WorkCover Tasmania Board for the year ended 30 June 2006.

The Directors are responsible for the preparation and true and fair presentation of the financial statements in accordance with Section 15(1) of the *Workers Rehabilitation and Compensation Act 1988*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

Audit approach

I conducted an independent audit in order to express an opinion to the members of the Parliament of Tasmania. My audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial statements are free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

I performed procedures to assess whether in all material respects the financial statements presents fairly, in accordance with the *Workers Rehabilitation and Compensation Act 1988*, the Treasurer's Instructions, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the WorkCover Tasmania Board's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial statements, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Directors.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.

The Audit Opinion expressed in this report has been formed on the above basis.

Independence

In conducting my audit, I have met applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In my opinion the financial statements of the WorkCover Tasmania Board:

- a) Presents fairly the financial position of WorkCover Tasmania Board as at 30 June 2006, and the results of its operations and its cash flows for the year then ended; and
- b) Is in accordance with the *Workers Rehabilitation and Compensation Act 1988* and applicable Accounting Standards and other mandatory financial reporting requirements in Australia.

TASHMANIAN AUDIT OFFICE



R Luciani
ASSISTANT DIRECTOR
Delegate of the AUDITOR-GENERAL

LAUNCESTON
24 October 2006

Income Statement for the Year Ended 30 June 2006

	Note	2005-06 \$'000	2004-05 \$'000
Revenue from ordinary activities			
Contributions	2(a) & (b)	3,807	4,040
Interest on trust account		86	85
Other revenue	2(c)	64	37
Total revenue from ordinary activities		<u>3,957</u>	<u>4,162</u>
Expenses from ordinary activities (excluding borrowings)			
Employee entitlements	3(a)	1,133	1,384
Depreciation	1(f) & 7(b)	7	8
Advertising and promotion	3(b)	500	610
Communications		43	43
Consultancies	3(c)	261	265
Information technology		19	18
Travel and transport		66	67
Other operating expenses	3(d)	889	686
Transfer to Tribunal		1,039	1,081
Total expenses from ordinary activities (excluding borrowings)		<u>3,957</u>	<u>4,162</u>
Net operating surplus (deficit) from ordinary activities	2(b)	<u>...</u>	<u>...</u>

Notes 1-12 form an integral part of these accounts.

Balance Sheet as at 30 June 2006

	Note	2005-06 \$'000	2004-05 \$'000
Current Assets			
Treasury Trust Account Balance	5	1,885	1,516
Receivables and prepayments	6		...
Total current assets		<u>1,885</u>	<u>1,516</u>
Non-current Assets			
Property, plant and equipment	7(a)	3	10
Total non-current assets		<u>3</u>	<u>10</u>
Total Assets		<u>1,888</u>	<u>1,526</u>

Current Liabilities			
Creditors and accrued expenses	8	1,644	1,219
Employee entitlements	9	141	143
Total current liabilities		<u>1,785</u>	<u>1,362</u>
Non-current Liabilities			
Employee entitlements	9	103	164
Total non-current liabilities		<u>103</u>	<u>164</u>
Total Liabilities		<u>1,888</u>	<u>1,526</u>
Net assets (liabilities)	2(b) & 4	<u>...</u>	<u>...</u>

Notes 1-12 form an integral part of these accounts.

Statement of Cash Flows for the Year Ended 30 June 2005

	Note	2005-06 \$'000	2004-05 \$'000
		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities			
Cash inflows			
Industry contributions		4,199	4,506
Interest		86	85
Other cash receipts		65	43
Total cash inflows		<u>4,350</u>	<u>4,634</u>
Cash outflows			
Employee entitlements		1,172	1,397
Other cash payments		2,809	2,834
Total cash outflows		<u>3,981</u>	<u>4,231</u>
Net cash from (used by) operating activities	10(b)	<u>369</u>	<u>403</u>
Cash flows from investing activities			
Net cash from (used by) investing activities		<u>...</u>	<u>...</u>
Net increase (decrease) in cash held		369	403
Cash at the beginning of the year		1,516	1,113
Cash at the end of reporting period	5 & 10(a)	<u>1,885</u>	<u>1,516</u>

Notes 1-12 form an integral part of these accounts.

I. Summary of Significant Accounting Policies

(a) Basis of Accounting

WorkCover Tasmania is a body corporate, established by the *Workers Rehabilitation and Compensation Act 1988*. The financial statements are a general purpose financial report and have been prepared in accordance with:

- the Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990*; and
- Australian Accounting Standards, in particular AAS 29 'Financial Reporting by Government Departments' and Urgent Issues Group Abstracts.

The financial statements have been prepared using historical cost accounting, with the exception that where applicable land, buildings, infrastructure, heritage and cultural assets are valued at their current value to the Board, determined by reference to the asset's fair value.

Assets and liabilities are recognised in the Board's Statement of Financial Position when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured.

Revenues and expenses are recognised in the Board's Income Statement when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

(b) Operations of the Board

The role of WorkCover Tasmania Board is to oversee, promote, review, and ensure the efficient operation of (so far as is practicable) workers rehabilitation and compensation procedures in accordance with the *Workers Rehabilitation and Compensation Act 1988*. Integral to this role is advising the Minister on matters relating to workers rehabilitation and compensation in this State. Other major functions within this role include reviewing the performance of licensed insurers and self-insurers and the operation of the Nominal Insurer, and managing the Workers Rehabilitation and Compensation Fund. A more comprehensive explanation of WorkCover Tasmania's activities is contained in the body of the Annual Report.

(c) Statutory Matters

The Department of Infrastructure, Energy and Resources was established under the *Administrative Arrangements Order (No.2) 1998* and provided administrative support for the WorkCover Tasmania Board until 31st March 2006. Under the *State Service (Restructuring) Order 2006* the Department of Justice assumed responsibility for providing administrative support for the WorkCover Tasmania Board from 1st April 2006.

By virtue of Section 15 (1) of the *Workers Rehabilitation and Compensation Act 1988* the Board is required to report to the Minister for Justice on its operations.

(d) Adoption of Australian Equivalents to International Financial Reporting Standards

The Financial Statements have been prepared in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS).

(e) Valuation of Non-Current Assets

Valuation of assets is undertaken in accordance with the Department of Treasury and Finance publication "Guidelines for the Recording, Valuation and Reporting of Non-Current Physical Assets in Tasmanian Government Departments 2002". The guidelines mandate that land, buildings, infrastructure, heritage and cultural assets are to be valued on the fair value basis and other classes of non-current assets are to be valued on the historic cost basis.

In accordance with Treasurer's Instructions the asset capitalisation threshold adopted by the Board is \$5,000. Assets valued at less than \$5,000 are charged to the Income Statement in the year of purchase.

(f) Depreciation on Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. Depreciation on assets is provided for on a straight-line basis using the rates as detailed in note 7(b).

(g) Provision for Employee Entitlements

Employee entitlements include entitlements to wages and salaries, annual leave, sick leave, long service leave and superannuation benefits.

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. The liability for sick leave is not material and has not been recognised.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage and salary levels plus on costs, experience of employee departures and periods of service. On-costs include payroll tax and employer superannuation contributions and exclude workers' compensation premiums and fringe benefits tax. Expected future payments are discounted using interest rates attaching, as at the reporting date, to Commonwealth Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows. WorkCover Tasmania uses reliable estimations based on the process outlined above to determine its Long Service Leave Provision.

Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid.

(h) Superannuation

No superannuation liability is recognised for the accruing superannuation benefits for employees. This liability is held centrally and recognised within the Finance-General Division of the Department of Treasury and Finance.

During the reporting period, the applicable percentage of salary in respect of contributory members of the Retirement Benefits Fund was paid into the Superannuation Provision Account within the Special Deposits and Trust Fund. The appropriate Superannuation Guarantee Charge was paid into the nominated superannuation fund in respect of non-contributors. Under these arrangements there is no further superannuation liability for the past service of employees.

(i) Comparative Figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

(j) Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars unless otherwise stated.

(k) Tax Status

The Board is exempt from all forms of taxation except fringe benefits tax, payroll tax and the goods and services tax. The Board's obligations for the goods and services tax are included in grouping arrangements

with the Department of Justice. Accordingly, no payments or receipts of goods and services tax are recorded directly against the Board's operations.

2. Revenue from Ordinary Activities

(a) Funding of WorkCover Tasmania's Operations

As soon as it is practicable in respect of each financial year, the Board is obliged to estimate the amount of money required for the payment or discharge of expenses, charges and obligations of the Board and to estimate the amounts to be received by WorkCover Tasmania. A recommendation is then made to the Minister for Justice of the rate to be levied on the premiums of licensed insurers and the notional premiums of self-insurers.

An advance contribution or levy payable by insurers is determined by calculating the percentage that the budget of WorkCover Tasmania bears to the Total Premium Income Pool and applying this percentage to the premium of each insurer. The amounts used for the Total Premium Income Pool and the premium of each insurer refer to the immediately preceding financial year.

Subsequent to the end of the financial year, and once the expenses of WorkCover Tasmania and the actual premiums of licensed insurers and the notional premiums of self insurers are known, a final apportionment of the WorkCover Tasmania's expenses for the year is made.

(b) 2005-06 Contributions Determination

Income for the financial year ending 30 June 2006 includes the final determination, under the terms of the *Workers Rehabilitation and Compensation Act 1988*, of contributions from Licensed Insurers and Self-Insurers for 2004-05.

As detailed in 2(a) WorkCover Tasmania is funded by contributions from licensed insurers and self-insurers with the contributions based on an estimate of the amount of money required for the payment or discharge of expenses, charges and obligations of the Board. Therefore, WorkCover Tasmania does not accumulate surpluses with the necessary accrual adjustment made to contributions revenue to reflect this.

(c) Other Revenue

Other revenue represents proceeds from fines issued under the *Workplace Health and Safety Act 1995* and *Workers Rehabilitation and Compensation Act 1988*, workers compensation recoveries, and fee revenue from auditing services provided for injury and safety systems in workplaces.

3. Expenses from Ordinary Activities

(a) Employee Entitlements

The decrease in expenditure relates to a decrease in the provision for Accrued Annual and Long Service Leave and a reduction in the number of workers funded.

(b) Advertising and Promotion

The decrease relates to reduced activity while the advertising and promotion activities are refocussed on the appropriate groups.

(c) Consultancies

The majority of expenditure for consultants relates to actuarial services provided to the Board and the development and implementation of public relation strategies in support of the Workplace Safe campaign.

(d) Other operating Expenses

WorkCover Tasmania recognises administrative costs charged by the Department of Infrastructure, Energy and Resources and the Department of Justice against "Other Operating Expenses".

4. Accumulated Surpluses

As detailed in note 2(b), WorkCover Tasmania does not accumulate any surpluses.

5. Treasury Trust Account

WorkCover Tasmania processes all transactions through a Treasury Trust Account entitled T435 *Workers' Rehabilitation and Compensation Act 1988* Fund Account. The transactions of the Workers Rehabilitation and Compensation Tribunal which are processed through the Department of Justice's Operating Account are reimbursed on a monthly basis out of the T435 Account. The cash balance as at 30 June 2005 is represented by:

	2005-06	2004-05
	\$'000	\$'000
Treasury Trust Account T435	1,885	1,516
Total	<u>1,885</u>	<u>1,516</u>

6. Receivables and Prepayments

	2005-06	2004-05
	\$'000	\$'000
Receivables
Prepayments
Total	<u>...</u>	<u>...</u>

7. Non-current Assets

(a) Items

	2005-06	2004-05
	\$'000	\$'000
Plant and equipment at Cost	8	8
Accumulated Depreciation	(8)	(6)
	<u>0</u>	<u>2</u>
Computer Equipment at Cost	63	63
Accumulated Depreciation	(60)	(55)
	<u>3</u>	<u>8</u>
Leasehold Improvements at Cost	-	43
Accumulated Depreciation	-	(43)
		<u>...</u>
Total Non-Current Assets	<u>3</u>	<u>10</u>

(b) Depreciation Allocated and Useful Lives

	Useful Lives (years)	2005-06 \$'000	2004-05 \$'000
Office Equipment	10	2	1
Computer Equipment	3	5	7
Total Depreciation		<u>7</u>	<u>8</u>

8. Creditors and Accrued Expenses

	2005-06 \$'000	2004-05 \$'000
Creditors and accrued expenses	75	42
Accrual refund for contributions	1,569	1,177
Total	<u>1,644</u>	<u>1,219</u>

9. Employee Entitlements

	2005-06 \$'000	2004-05 \$'000
Accrued Salaries	9	5
Provision for Annual Leave	84	105
Provision for Long Service Leave	151	197
Total	<u>244</u>	<u>307</u>

Classified as:

Due within 12 months	141	143
Due in more than 12 months	103	164
	<u>244</u>	<u>307</u>

10. Cash Flows

(a) Reconciliation of Cash per Statement of Financial Position to Statement of Cash Flows

	2005-06 \$'000	2004-05 \$'000
Cash at year end per Statement of Cash Flows	1,885	1,516
Balance Sheet Cash	1,885	1,516

(b) Reconciliation of Operating Surplus/(Deficit) to Net Cash used in Operating Activities

	2005-06	2004-05
	\$'000	\$'000
Net operating surplus / (deficit)
Depreciation	7	8
(Increase)/decrease in receivables and prepayments		48
Increase/(decrease) in refunds to contributors	393	466
accrual		
Increase/(decrease) in creditors and accrued expenses	32	(115)
Increase/(decrease) in employee entitlements	(63)	(4)
Net cash flows from operating activities	369	403

II. Additional Financial Instruments Disclosures

(a) Credit Arrangements

WorkCover Tasmania does not have any credit stand-by arrangements or loan facilities.

(b) Interest Rate Risk Exposures

The interest rate applicable on Treasury trust account balances was an average of 5.33% for the year ended 30 June 2006. Exposure to interest rate and credit risks is considered to be minimal.

(c) Credit Risk Exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets, excluding investments, of WorkCover Tasmania which have been recognised on the balance sheet, is the carrying amount, net of any provision for doubtful debts.

WorkCover Tasmania extends 30 day credit terms for sundry receivables, and receives standard commercial credit terms for sundry creditors.

WorkCover Tasmania is not materially exposed to any individual overseas country or individual customer.

(c) Net Fair Values of Financial Assets and Liabilities

The carrying amount of Treasury trust account balances, receivables and prepayments, creditors and provisions for employees' entitlements approximates the net fair value because of the short term to maturity.

12. Operating Lease Commitments

	2005-06	2004-05
	\$'000	\$'000
Total Lease Commitments	24	16
	24	16

Future lease payments, rentals and commitments not provided in these statements include:

	2004-05	2004-05
	\$'000	\$'000
Not later than 1 year	18	16
Later than 1 year and not later than 5 years	6	...
Later than 5 years		...
	24	16

WorkCover Tasmania leases are represented by vehicle lease costs.

There is no difference between the value of minimum lease payments and the value of Total Lease Commitments.

Certification of Financial Statements

The accompanying financial statements of WorkCover Tasmania are in agreement with the relevant accounts and records and have been prepared in compliance with Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990* to present fairly the financial transactions for the year ended 30 June 2006 and the financial position as at end of the year.

At the date of signing, I am not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

Dated this 17th day of October 2006

Peter Houlton

(Chair)

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WorkCover
Tasmania Board
ANNUAL REPORT
2005-06



WorkCover
T A S M A N I A

Through the Workplace Safe campaign, the WorkCover Tasmania Board supported a campaign to reduce the number of workplace injuries in the rural industry. The rural campaign, with the slogan “she’ll be right is never alright”, was launched May 2005. More information on the rural campaign can be found within this *Annual Report*.

Through out this *Annual Report* are faces and words from farmers who featured on promotional posters for Agfest 2006, a key activity for the rural campaign.

