AUSTRALIA'S SAFEST WORKPLACES

Australian Government

Comcare

Comcare Annual Report 2008–09

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Letter of transmission to the Minister

Australian Government
Comcare

GPO Box 9905, Canberra ACT 2601
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The Hon. Julia Gillard
Deputy Prime Minister
Minister for Employment and Workplace Relations
Parliament House
CANBERRA ACT 2600

Dear Deputy Prime Minister,

As the sole Director of Comcare, I am responsible under section 9 of the *Commonwealth Authorities and Companies Act 1997* for the preparation and content of a report of operations in accordance with the Finance Minister's Orders.

In meeting with that responsibility, I am pleased to present to you the Comcare Annual Report for the year ended 30 June 2009.

This Report is also provided in accordance with section 90 of the *Safety, Rehabilitation and Compensation Act 1988* and section 75A of the *Occupational Health and Safety Act 1991*.

Following its tabling in Parliament, the Report will be placed on Comcare's website at www.comcare.gov.au.

Yours sincerely

Paul O'Connor

Paul O'Connor
22 September 2009

AUSTRALIA'S SAFEST WORKPLACES

About this Report

This Annual Report documents the activities and performance of Comcare from 1 July 2008 to 30 June 2009. As a key accountability document, it complies with the requirements contained in the *Commonwealth Authorities and Companies Act 1997* (CAC Act) and in particular Part 2 of the *Commonwealth Authorities and Companies (Report of Operations) Orders 2008*.

Structure

The Report is presented in seven parts.

Executive summary: This part provides a report from Comcare's Director and a summary of our financial performance.

Part A — Comcare overview: This part describes the structure and function of Comcare

Part B — Report on performance: This part provides a report on Comcare's performance in relation to the outcome and outputs framework described in the 2008–09 Portfolio Budget Statements. The six sections of this part reflect the outputs that contribute to the outcome of safe and healthy workplaces, and cost-effective and fair compensation.

- Safety, Rehabilitation and Compensation Act regulation
- Occupational Health and Safety Act regulation
- Management of premium claims
- Management of pre-premium claims
- Provision of support to the Seafarers Safety Rehabilitation and Compensation Authority
- Management of common law asbestos claims

Part C — Management and accountability: This part provides details on internal and external scrutiny, Comcare's corporate governance framework, human resources and business capability.

Part D — Financial statements: This part contains Comcare's audited financial statement for 2008–09.

Part E — Appendices: The Report includes six appendices which contain mandatory information and statistics.

Part F — References: This part contains a glossary of terms and acronyms, a compliance index and a general index.

Online Report

An online version of this Report is available at <www.comcare.gov.au>.

Enquiries about this Report should be addressed to:

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Executive summary

Comcare's Director 2008–09

Martin Dolan

Mr Martin Dolan was the Director of Comcare from 1 July 2008 to 30 June 2009 under section 76 of the *Safety, Rehabilitation and Compensation Act 1998*. As a consequence, he was the sole Director of Comcare for the purposes of the *Commonwealth Authorities and Companies Act 1997* and responsible for the preparation of Comcare's Annual Report.

Martin joined Comcare in the position of Deputy CEO in March 2006.

Previously, Martin had undertaken various corporate management roles in the Australian Energy Market Commission, Department of Transport and Regional Services, and Department of Agriculture, Fisheries and Forestry.

As CEO during 2008–09, Martin was ex officio a member of the Safety, Rehabilitation and Compensation Commission (SRCC). He was also the Minister for Employment and Workplace Relations' nominee on the Military Rehabilitation and Compensation Commission (MRCC) and a member of the Australian Safety and Compensation Council (ASCC).

On 29 June 2009, the Minister for Infrastructure, Transport, Regional Development and Local Government officially announced Martin's appointment as Chief Commissioner of the Australian Safety Bureau effective from 1 July 2009.

On 31 August 2009, the Minister for Employment and Workplace Relations, the Hon Julia Gillard, announced the appointment of Mr Paul O'Connor as Comcare's Chief Executive Officer. Paul began his new role with Comcare on 1 September 2009.

Paul brings to Comcare an impressive record in safety promotion, risk management, insurance and reinsurance in Australia and overseas. Paul has worked across both the public and private sectors — he was based in Sydney and Melbourne before emigrating to the United States to live in Washington, DC. He also lived in London and Singapore.

Paul returned to Australia to work in senior leadership roles in accident compensation, firstly with WorkCover Queensland. Most recently, Paul served as the CEO of Victoria's Transport Accident Commission.

As Comcare's new CEO, Paul brings energy and twenty-two years insight and experience to the Comcare scheme community. He is passionate about the need to improve workplace health and safety and helping people return to health, work and independence following injury. Paul's training was in labour studies and law, graduating from QUT, SACAE, the University of Sydney and the University of Adelaide.

Director's review

I take on the stewardship of Comcare in its 21st year of operations. Its strength is a testament to the hard work and focus of a generation of people working together. I pay tribute to Martin Dolan, the former Director, for his leadership and for leaving the scheme in such a strong position, poised to embrace the challenges of its third decade.

Paul O'Connor

Comcare's work is to make workplaces safer and healthier. During the past year, Comcare has continued to build strong partnerships with the scheme's community. Through these partnerships we have helped reduce the human and financial cost of workplace injury and disease.

The Comcare scheme is an integrated system of safety promotion, rehabilitation from injury and compensation to support that recovery. The scheme applies no matter which Australian state or territory an employer operates in or where its workers are located.

Comcare's focus is on improved workplace safety, service delivery and sustainability.

Workplace safety

Comcare continues to make workplaces safer. We set high safety standards. Comcare scheme employers are large and have mature OHS systems that aim to provide the best possible safety outcomes for their employees.

During the past five years, Comcare's OHS scheme achieved a low rate of injury. The number of claims (received and accepted) has reduced by 23 per cent since 2002–03. Comcare remains on track to meet the extended National OHS Strategy target of a 40 per cent reduction in serious injury and disease claims by 30 June 2012.

These improvements, while welcome and appropriate, are of little comfort to the families touched by the workplace toll. It means little for those coping with the effects of injury and disease.

That's why Comcare's people need to uphold the scheme's high safety standards and to investigate potential breaches of the law. The number of investigators employed by Comcare has almost trebled since 2004–05 in response to the rapid growth in the scheme. Our investigators undertake proactive investigations and respond promptly to incidents, near misses and alleged breaches of the OHS laws.

Comcare's approach to safety regulation emphasises prevention. Training and education, cooperative programs and compliance assistance help promote best practice and a safety culture.

When required to, Comcare uses its wide range of enforcement powers under federal law to deal effectively with OHS breaches. In 2008–09, Comcare pursued civil court-based actions. We also accepted enforceable undertakings which deliver ongoing benefits to workplace safety for workers.

Service delivery

Comcare is committed to delivering services valued by the scheme's 404 000 employees and 200 employers. We advise, assist and support our scheme partners to achieve excellent health and safety outcomes.

One of our key services is supporting Comcare scheme employers to get their workers back to work. This year, the Comcare scheme achieved a return to work rate of 94 per cent—higher than the national average of 83 per cent.

Comcare has helped the scheme's community achieve these results through better practice networks, information and guidance. We also provide events such as the Comcare conference and national seminars, and relaunched a more user-friendly website in December 2008.

In 2008–09, Comcare partnered with the Australian Public Service Commission to offer a new nationally accredited qualification in injury rehabilitation management. This certificate provides a nationally recognised qualification for rehabilitation case managers, human resource managers and approved rehabilitation program providers working within the Comcare scheme. The new qualification represents Comcare's commitment to developing tailored services and collaborating with our scheme partners to achieve excellent outcomes for the Australian community.

During the year, Comcare commissioned an external review into the way we determine new workers' compensation claims. The review found that we needed to improve the quality of our decisions and the capability of our people. While we are implementing the recommendations from this review, more will need to be done in the coming year to improve quality, consistency and timing.

I am also pleased to report that our services have rated well in the employer satisfaction survey conducted with scheme partners in March this year. In particular, Comcare's helpdesks, website, events, magazines, and publications all received very high levels of satisfaction. Again, we cannot be complacent. More needs to be done to promote safety and its place at the centre of management and business systems.

A sustainable scheme

To ensure we provide excellent safety and service to our community, we are committed to maintaining a financially strong and viable scheme — a scheme that has the necessary resources to regulate workplace safety as well as supporting injured workers return to health and work.

The Comcare scheme remains fully funded with adequate provision for risk. This is a solid achievement given the difficult financial environment of the past year.

I am pleased to note that the overall premium rate for the Commonwealth sector has decreased again this year. As a proportion of wages and salary, the premium has dropped from 1.55 per cent in 2007–08, to 1.36 per cent in 2008–09, and 1.25 per cent in 2009–10. This result reflects an overall reduction in claim frequency through the effective prevention of workplace injuries.

Our people

Comcare is an organisation that values diversity and seeks to reflect the community we represent. Comcare's employees each contribute unique skills and experiences to produce good outcomes for our partners who are as diverse as we are.

Our employees take their work seriously. They enjoy making a difference. The 2009 Comcare employee survey shows a high level of engagement in, and understanding of, Comcare's safety promotion, rehabilitation and compensation activity. The survey indicates that Comcare employees are strongly committed

Artwork: Graham Fransella, Kimberly River II

to delivering high quality services. The overall results were higher than benchmarks for both public and private sector employers.

These findings are also supported by the Australian Public Service Commission's recent *State of the Service* survey which reveals Comcare's employees are the second most satisfied of all APS agency employees.

Through our own workplace health and safety focus, Comcare has more than halved its own workers' compensation premium rate from last financial year. We have also continued to reach our reduced absence target negotiated in the Comcare Certified Agreement.

Comcare's high regard as an employer of choice has improved our capacity to recruit and retain quality employees with fantastic life skills and experience. They value Comcare's commitment to providing employee incentives such as study options, work-life balance, a career pathway and a strong focus on learning and development opportunities.

The year ahead

I bring fresh thinking and renewal to Comcare's agenda and its impact in the community.

While we approach the year ahead with a clear set of priorities and commitments, we recognise we can and must do better. We have to reshape our service delivery and regulatory focus to reflect the needs and expectations of the scheme's community.

Most importantly, we will be working with our government and business partners to ensure the timely and smooth implementation of the agreed national harmonised OHS laws in the Commonwealth jurisdiction.

We plan to build relationships with the scheme's community to help deliver the Government's OHS harmonisation agenda. This will involve collaborating with government, regulatory and industry bodies to ensure knowledge is shared and legislative proposals are developed appropriately.

We will focus on how we work with employers to proactively assess their OHS systems and identify a set of priorities to address the main workplace hazards that exist in our community.

We also aim to strengthen our community partnerships and improve our service delivery to injured workers. We intend to listen to the needs of employees, and work with their employers to support their injured workers and families cope with change, challenge and disability. We will focus on their return to health, as well as their return to meaningful work and independence in the communities they live in.

I am pleased to present the Annual Report for 2008–09.

Paul O'Connor, Chief Executive Officer

Financial review

In 2008–09, Comcare made significant investments in the enhancement of its business systems and processes to support its regulatory activities. Internally, the focus was on strengthening its financial management and governance frameworks to appropriately support the changing business needs of Comcare.

Comcare finished 2008–09 in a strong financial position with an operating surplus of $13.9 million and continued to build cash reserves to fund future claims liabilities.

In 2008–09, sixty-seven per cent of Comcare's revenue came from Commonwealth agencies and private sector organisations through a range of cost-recovery mechanisms — primarily workers' compensation premiums and regulatory charges. The remaining revenue was provided through interest revenue and Government appropriations.

Revenue from workers' compensation premiums decreased from $222 million in 2007–08 to $207 million in 2008–09. This was due to Comcare reducing the premium pool rate from 1.55 per cent in 2007–08 to 1.36 per cent in 2008–09. An act made possible by lower claim frequency, attributable in equal part to a reduction in the incidence of workplace injury and to changes to the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) that removed compensation coverage for most journeys to and from work.

Revenue from regulatory charges was $21.8 million in 2008–09, compared to $17.9 million in 2007–08. The increase in charges has been used to enhance Comcare's regulatory capacity and capability. In order for Comcare to efficiently and effectively regulate both the SRC Act and the *Occupational Health and Safety Act 1991* (OHS Act) within its jurisdiction, it has been necessary to establish and maintain sufficient capacity to meet the needs of a growing jurisdiction.

The *Asbestos Related Claims (Management of Commonwealth Liabilities) Act 2005* (ARC Act) appropriates to Comcare from the Consolidated Revenue Fund (CRF) the funds necessary to discharge common law liabilities in relation to asbestos-related conditions and diseases. Section 90D of the SRC Act provides a special appropriation from the CRF to pay workers' compensation and administration costs resulting from injuries sustained before 1 July 1989.

Comcare carries provisions to cover future claims liabilities for workers' compensation and common law asbestos-related disease claims. Having regard to these provisions, Comcare maintains a high level of liquidity to ensure that sufficient funds are available to pay for claims as and when they fall due. As at 30 June 2009, the funding ratio for the premium business (claims resulting from injuries post 1 July 1989) was 110 per cent, compared to 113 per cent at 30 June 2008. This ratio includes a risk margin to achieve 75 per cent probability of sufficiency of the claims provisions.

The current economic climate has affected (and is likely to continue to affect) Comcare's valuation of its workers' compensation assets and liabilities, although the scheme remains fully funded. Equally, scheme participants are experiencing increased financial pressures with

potential risks both to the resources available to achieve workplace health and safety outcomes and to the ongoing capability of self-insured employers to meet their ongoing liabilities to injured workers. Comcare's plans and activities are designed to mitigate these risks.

During 2008–09, Comcare continued to improve the availability and quality of financial management information through the completion of phase one of the implementation of the new Financial Management Information System (FMIS). This work will continue in 2009–10 with the implementation of phase two of the FMIS including invoice scanning and the development of a procurement and contracts module.

Comcare will continue to review the efficiency of its operations to ensure the pricing of its services reflects an appropriate allocation of resources to regulate the jurisdiction and the provision of efficient and effective claims management services.

Part A: Comcare overview

Ministers served during 2008–09

The Hon. Julia Gillard MP

Minister for Employment and Workplace Relations

Auditors

Australian National Audit Office

Achieving Comcare's vision

Comcare's vision is Australia's safest workplaces.

What are we here for?

To work in partnership with employers and employees as they create safe and healthy workplaces and assist injured workers.

Who do we work with?

- employers and employees, including health and safety representatives (HSRs)
- the Safety, Rehabilitation and Compensation Commission (SRCC)
- our Minister
- the Australian Government
- the Australian community.

What are we committed to?

- understanding safety and rehabilitation imperatives and listening to stakeholders
- making decisions that are transparent, accountable, consistent and proportionate
- developing tailored solutions to improve safety, rehabilitation and compensation outcomes
- regulating effectively and cooperatively.

How do we do this?

- information, education and consultation
- policy and strategy
- practical workplace advice
- quick and accurate decisions
- assurance and enforcement.

In 2008–09 Comcare was a member of the following bodies, all of which have a national consistency or scheme harmonisation agenda:

- Heads of Workers' Compensation Authorities (HWCA)
- Heads of Workplace Safety Authorities (HWSA)
- Australian Safety and Compensation Council (ASCC) — replaced by the Safe Work Australia Council from April 2009.

The Comcare scheme

Comcare is a statutory authority established under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act). With the SRCC, it administers both the Commonwealth's statutory framework for rehabilitation and workers' compensation under the SRC Act, and its occupational health and safety (OHS) framework under the *Occupational Health and Safety Act 1991* (OHS Act). These arrangements are referred to as the 'Comcare scheme'.

The Comcare scheme provides all scheme employers, including licensed corporations, with an integrated safety, rehabilitation and compensation system, no matter what Australian state or territory an employer operates in or where its employees are located.

The scheme aims to:

- work in partnership with employers and their employees to prevent workplace injuries and diseases
- use regulatory sanctions appropriately for any demonstrable failure of the employer's duty of care
- empower employers to work with their employees to maintain an injured employee at work or to achieve an early, safe and durable return to work (RTW)
- give employers a duty to provide injured employees with suitable employment
- provide injured employees with a statutory package of economic and non-economic benefits, such as:
  - a high standard of income support (until retirement age if necessary)
  - medical assistance, household services, permanent impairment, aids and certain alterations, and other benefits.

Compared to other schemes in Australia, the Comcare scheme has the:

- best injury prevention and RTW outcomes
- lowest incidence rate for serious injury and disease
- lowest average standardised premium rate (premium component).

The Comcare scheme — a snapshot

- two pieces of legislation in operation:
  - *Safety, Rehabilitation and Compensation Act 1988*
  - *Occupational Health and Safety Act 1991*
- workers' compensation liabilities of $1.60 billion and assets of $1.54 billion (as at 30 June 2009) under the SRC Act
- income of $345 million in 2008–09
- twenty-nine licensees
- over 95 per cent of organisations in the scheme employ more than 100 people
- employer members of the Comcare scheme operate in diverse environments and across a range of occupations with diverse risk profiles

- over 200 employers and 404 000 full time equivalent (FTE) employees covered nationally by the OHS Act (186 000 employees of Australian Government bodies; 164 000 employees of licensees that self-insure under the SRC Act; 54 000 members of the Australian Defence Force (ADF) while on service in Australia; ADF cadets and the Reserve are also covered but the numbers fluctuate)
- number of employers and employees covered by the SRC Act differs to that for the OHS Act — the SRC Act covers around 18 000 employees of the Australian Capital Territory (ACT) Government who are not covered by the OHS Act, and since July 2004 the SRC Act has not covered new injuries sustained by members of the Australian Defence Force (these are covered by the *Military, Rehabilitation and Compensation Act 2004*).

The Safety, Rehabilitation and Compensation Commission and the Seafarers Safety, Rehabilitation and Compensation Authority

The Safety, Rehabilitation and Compensation Commission

The SRCC is established under the SRC Act. It is a statutory body with regulatory functions in relation to Comcare and other authorities which determine workers' compensation claims under the Commonwealth scheme. The SRCC also has regulatory functions under the OHS Act.

The SRCC administers the regulatory functions of the SRC Act and the OHS Act, other than those functions ascribed to Comcare. The major functions of the SRCC are to:

- provide advice to the Minister in relation to the SRC Act and the OHS Act
- determine applications by Commonwealth authorities and eligible corporations wishing to self-insure or manage their own claims under licence
- provide strategic direction for OHS in the Commonwealth jurisdiction and ensure compliance with the OHS Act
- develop general policy direction for scheme administrators on the operation of the SRC Act
- ensure, as far as practicable, consistency in the administrative practices and procedures used by scheme administrators
- act as a review body for premiums and regulatory contributions.

The SRCC seeks improvement in OHS, rehabilitation and workers' compensation in the Commonwealth jurisdiction by:

- setting targets to improve health and safety standards in the workplace
- monitoring performance in relation to OHS, rehabilitation and compensation
- providing advice to the Minister on issues relating to improving OHS, rehabilitation and workers' compensation.

The SRCC is an eleven-member, tripartite body. Each member is appointed by the Governor-General. The current Chairman of the SRCC is Mr Les Taylor. Mr Taylor was a former Chief Solicitor and General Counsel for the Commonwealth Bank of Australia.

Comcare provides the SRCC with secretarial and other assistance. Comcare also makes the services of its staff available as required to enable the SRCC to perform its functions and exercise its powers.

The Seafarers Safety, Rehabilitation and Compensation Authority

The Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority) assists the Australian maritime industry in minimising the human and financial costs of workplace injury.

The Seacare Authority comprises an independent Chairperson and Deputy Chairperson, the CEO of the Australian Maritime Safety Authority (AMSA), two employer representatives and two employee representatives.

The Seacare Authority has the following functions conferred on it by the *Seafarers Rehabilitation and Compensation Act 1992* (Seafarers Act):

- monitor the operation of the Seafarers Act
- promote high operational standards of claims management and effective rehabilitation procedures by employers
- cooperate with other bodies or persons with the aim of reducing the incidence of injuries to employees
- publish material relating to the functions of the Seacare Authority
- advise the Minister for Employment and Workplace Relations regarding the Seacare Authority's functions and powers, as well as other matters relating to the compensation and rehabilitation of employees.

The Seacare Authority has the following functions conferred on it by the *Occupational Health and Safety (Maritime Industry) Act 1993* (OHS(MI) Act):

- ensure, in accordance with the OHS(MI) Act and the Regulations, that the obligations imposed by or under the OHS(MI) Act and the Regulations are complied with
- advise operators, employers or contractors, on OHS matters
- collect, interpret and report information relating to OHS
- formulate policies and strategies relating to the OHS of employees
- accredit OHS training courses for the purposes of section 47 of the OHS(MI) Act
- liaise with other bodies concerned with OHS
- advise the Minister for Employment and Workplace Relations on the performance of the above functions.

The Seacare Authority does not have its own staff. Comcare makes staff available to support the Seacare function, operating from a unit known as the Secretariat and Seacare Management Section (SSMS). The SSMS, in performing its functions for the Seacare Authority, has access to Comcare legal services, financial management services, communication services and related corporate support services.

The SSMS, under the direction of the Seacare Authority, is responsible for:

- providing secretariat, policy and strategic support to the Seacare Authority, and for implementing its decisions
- administering Seacare scheme legislation and monitoring the operation of such legislation
- managing the annual appropriation for supporting the Seacare function
- monitoring, and reporting on, Seacare scheme performance
- preparing an Annual Report to Parliament
- reporting to the Minister
- liaising and communicating with scheme stakeholders and other like regulators
- promoting the objectives of the Seacare scheme, particularly the reduction of the human and financial costs of workplace injury in the Australian maritime industry.

Legislative framework

The OHS Act and the SRC Act are two pieces of complementary legislation administered by Comcare.

The OHS Act administered by Comcare embodies the principles of the 1972 'Robens' model of the United Kingdom. The philosophy of the Robens model was to move away from the approach of laws that existed pre-1972 of prescription, policing and punishment, to a single OHS statute promoting a concept of general duty of care. The Comcare OHS legislative framework consists of a layered approach with a principal Act outlining a general duty of care, supported by Regulations and Codes of Practice, which are in turn supported by guidance material. This is indicative of the Robens model. The Regulations and Codes of Practice are based on agreed national standards. The range of approved Codes is based on the identified hazards and industries for which the scheme has regulatory responsibility. The legislation provides for regulatory sanctions for any demonstrable failure of the employer's duty of care.

Under the OHS Act, employers are responsible for taking all reasonably practicable steps to protect the health and safety of their employees at work, and for complying with the regulatory requirements of the legislation.

Comcare is responsible for working with employers to reduce the incidence and severity of workplace injuries and for administering the workers' compensation scheme under the SRC Act. The SRC Act provides for a statutory rehabilitation and compensation scheme for the employees of both premium paying Commonwealth agencies and licensees. For licensees, it also provides an appropriate management framework, under the regulation of the SRCC, for employers to self-insure their SRC Act liabilities in order to administer claims either in-house or through a claims agent and to provide SRC Act benefits to their employees. Uniquely, the SRC Act provides for the employer, whether as a premium payer or licensee, to be the 'rehabilitation authority' for its employees. This provides the employer with a direct function and responsibility to arrange for the assessment and delivery of a rehabilitation program to an injured or impaired employee.

Under the SRC Act, employers are responsible for reducing the incidence, severity and cost of workplace injuries and for collaborating with Comcare to return injured employees to work safely and quickly.

Comcare is also responsible for managing the Commonwealth's asbestos-related claims liabilities under the *Asbestos Related Claims (Management of Commonwealth Liabilities) Act 2005* (ARC Act). The ARC Act defines an asbestos-related condition as asbestosis, an asbestos-induced carcinoma, an asbestos-related non-malignant pleural disease, mesothelioma or any other condition caused by inhaling asbestos dust or fibres.

Regulatory framework

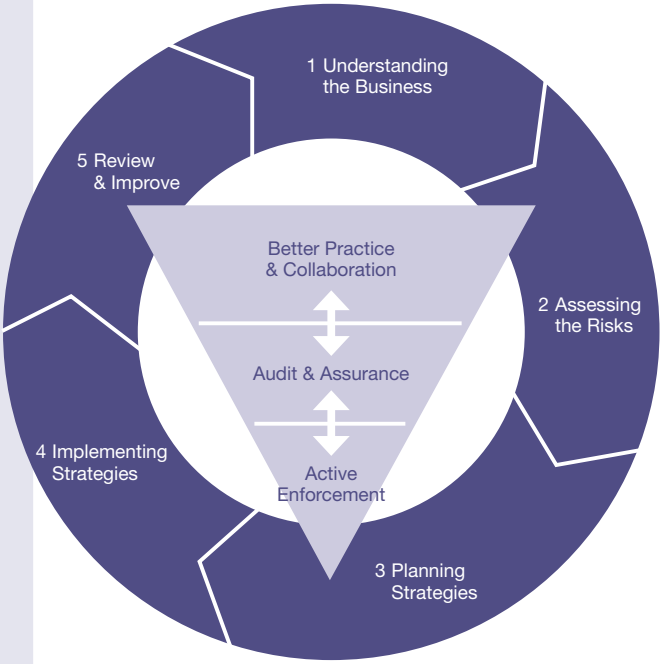
Comcare's principal role is as a regulator and its activities include:

- managing compliance and enforcement activities under the OHS Act
- promoting prevention as the primary means of reducing human and financial costs of injury and disease
- identifying and targeting priorities and evaluating results
- developing and administering safety policy aimed at improving the regulatory framework to ensure that it provides strong accountability, reflects risks and is outcome based.

Comcare has established the following regulatory principles:

- systems-based approach directed at attaining desired outcomes as the preference over rules-based requirements
- integrated approach to OHS, rehabilitation and claims management
- effective and regular consultation by Comcare with stakeholders leading to better practice regulation
- better practice regulation leading to efficiencies for employers, other stakeholders and Comcare
- transparent, accountable, consistent and proportionate regulatory decisions.

Figure 1: Regulatory framework



Comcare's regulatory model follows a planned sequence of steps. This acknowledges the joint responsibilities that Comcare and its partners have in ensuring safety and rehabilitation outcomes are achieved.

By systematically profiling employers and assessing risks, Comcare is able to undertake a planned program of activities. These activities foster open working relationships and encourage cooperative compliance, leading to reductions in injury rates, costs and regulatory burdens.

The key steps in Comcare's regulatory model are:

1. Understanding the business

To assist in effective targeting of assurance activities, Comcare undertakes segmentation and market analysis using its extensive data experience combined with ongoing employer profiling and environmental monitoring.

2. Assessing the risks

Comcare assesses the compliance risks by applying a risk matrix. This assessment is informed by up-to-date information including intelligence and research, knowledge of employers' systems and cultures, emerging hazards, industry type and employers' workers' compensation claims history.

3. Planning strategies

Comcare uses a range of regulatory strategies to address the varying levels of identified risks. Balancing education, prevention and enforcement, the strategies include:

- compliance assistance, which involves Comcare working cooperatively with employers and employees in the jurisdiction to:
  - provide information and better practice advice on compliance with laws
  - promote prevention as the primary means of reducing human and financial costs of injury and disease
  - promote the development of better practice OHS and rehabilitation management systems
  - assist organisations in adopting a regular cycle of performance auditing
- development and administration of safety, rehabilitation and workers' compensation policies to improve the regulatory framework, ensuring that it provides strong accountability, reflects risks and is outcomes based
- enforcement of laws that protect the health and safety of employees and others through an active regulatory assurance program.

Comcare's reactive investigation capability and analysis of lag indicators and incident notifications run parallel to the proactive elements of Comcare's regulatory strategy.

4. Implementing strategies

In implementing regulatory strategies, Comcare uses cost-effective and flexible solutions to ensure that the desired regulatory outcomes are achieved. This allows movement up and down the regulatory framework pyramid (that is, through collaboration, audit and active enforcement).

5. Review and improve

By measuring the efficiency and effectiveness of regulatory strategies, and communicating the outcomes, Comcare provides a basis for continuous improvement in the overall scheme performance. The outcomes of the regulatory activities inform appropriate policy or legislative responses. Comcare's regulatory approach also takes account of broader developments such as wider government policies and legislative changes.

The way we work

In our day-to-day business we work with:

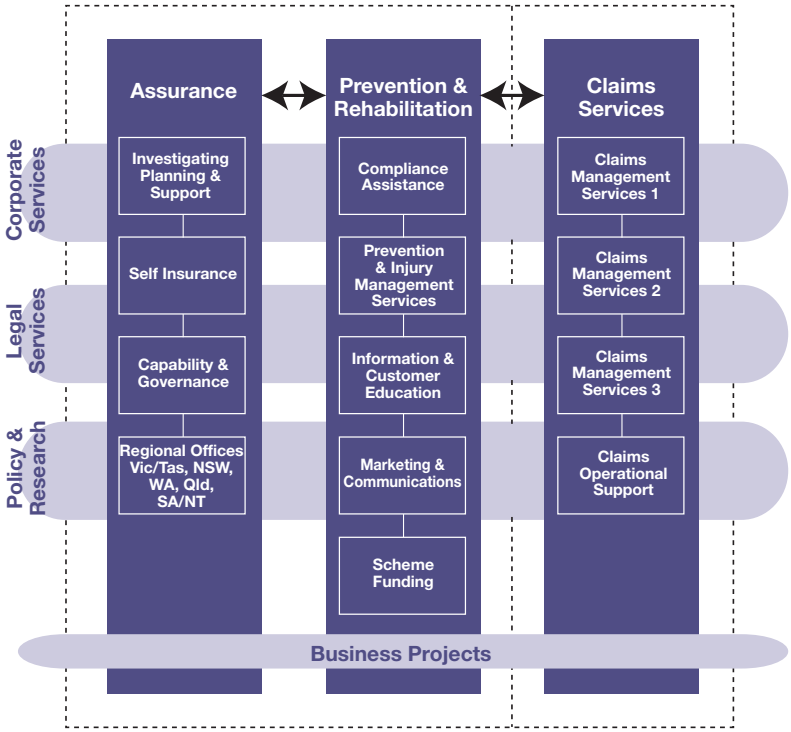
- employers and employees, including health and safety representatives (HSRs)
- the Safety, Rehabilitation and Compensation Commission (SRCC)
- our Minister
- the Australian Government
- the Australian community.

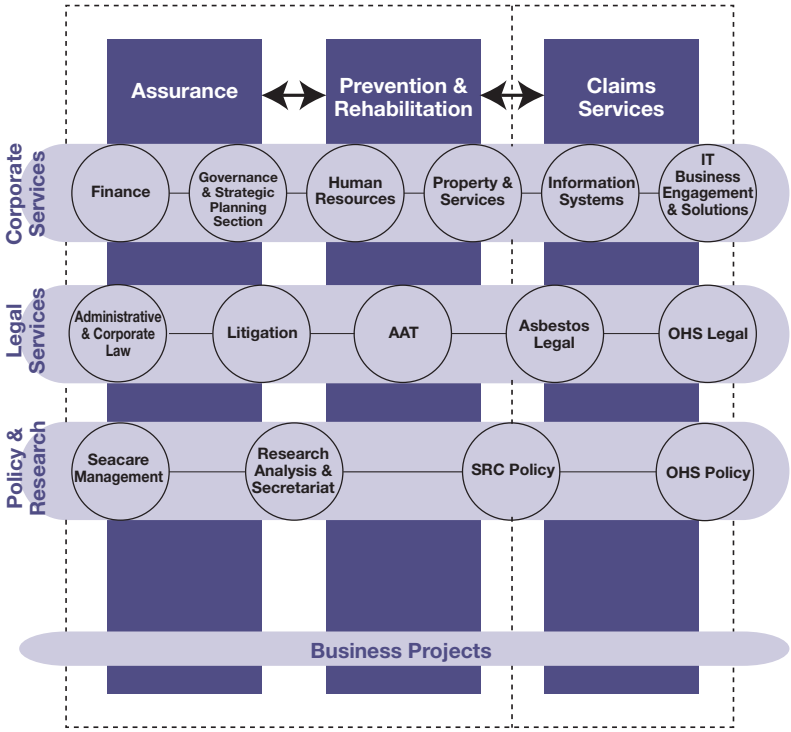
Comcare employees are guided by the following themes:

- Partnerships. Employees build partnerships with the people they work with based on informed trust.
- Accountability. Employees are held to account for their decisions. They need to be able to explain their decisions; their work must be sustainable through a system of appeals.
- Engagement. Employees want to work in Comcare.
- Authenticity. Employees bring themselves to work.
- Empathy. Employees understand what their partners think and feel. To do their job well, they must be able to walk in their partner's shoes.
- Consultation. Employees involve others in their decisions because what they do impacts on others. They observe procedural fairness and recognise the value of communication skills.
- Decisiveness. Employees do what needs to be done and when it needs to be done. How they plan to engage with their mistakes is important.

Comcare's organisational structure graphic over page illustrates how Comcare aligns itself to deliver its integrated services.

Figure 2: Comcare's organisational structure





Ethical standards, social access and equity

Comcare continued to promote the importance of the Australian Public Service Values and Code of Conduct, as specified in the *Public Service Act 1999*. These are readily accessible to all staff through the intranet. Certain CEO Guidelines were reissued during the year as CEO Directions with an emphasis on identifying employee responsibilities and assisting staff to recognise their obligations in relation to matters such as dealing with gifts and benefits, use of credit cards, official hospitality and outside employment. Comcare now has an Ethics Contact Officer who is able to provide staff with information and advice about ethical issues. The Ethics Contact Officer also raises awareness within Comcare and is a Member of the Australian Public Service Commission's Ethics Contact Officer Network.

Comcare works in partnership with employers and employees as they create safe and healthy workplaces and assist injured workers. In this role, Comcare has contact with thousands of people each year. As a result, Comcare is committed to ensuring its services and operations fulfill the principles of social access and equity. The following points demonstrate some of Comcare's activities in these areas during 2008–09:

- all Comcare publications and other information about Comcare's services can be accessed through the Comcare website
- the website provides direction to translating and interpreting services offered by Comcare (services are available in fifteen languages) to assist those employers and employees that require assistance with accessing the information
- the public can access any area of Comcare through the call centre on 1300 366 979 or by completing an online enquiry form
- Comcare mails publications and other information directly to injured employees, employers and service providers.

Claimant Charter

Comcare's Claimant Charter provides information about what can be expected from Comcare when a claim for workers' compensation is lodged, what the claimants' responsibilities are in these circumstances, and how they can let Comcare know if its doing well or could improve its performance in service delivery. Comcare's responsibilities and service standards, detailed in the Charter, relate mainly to the provision of accurate and timely information and decisions. The Charter also details the behaviours that Comcare employees should display including respectfulness, courteousness and fairness. A review of the Charter was commenced in 2008–09 and will be completed in 2009–10.

Feedback on our service delivery

Return to Work Monitor

The RTW Monitor is conducted biannually across Australian and New Zealand workers' compensation jurisdictions. It is prepared for the HWCA. The population surveyed consists of injured workers who have had ten days or more compensation paid, including 240 claimants who have dealt directly with Comcare as the 'insurer'. Surveys are conducted in November and May each year.

The RTW Monitor provides a basis for comparing customer service outcomes between jurisdictions. Most of the measures of service in the RTW Monitor correlate to the standards of service to which Comcare is committed and include:

- attitude to the claim
- response to enquiries
- provision of accurate information
- helpfulness
- understanding of worker's situation
- communication with the worker
- provision of advice about the claim
- provision of advice about rights.

Nationally, the average rating of customer service has steadily improved for each year of the twelve years of the RTW Monitor, from 3.1 (out of a possible score of 5) in 1997–98 to 3.6 in 2008–09. This past year, Comcare achieved a customer service rating of 3.4. Comcare received its highest ratings in the areas of provision of accurate information and provision of advice about rights. The RTW Monitor in 2008–09 highlighted that Comcare could improve in the areas of communication, an understanding of the claimant's situation, and provision of advice about the claim. Giving advice about the claim was one of the lowest rated areas of performance nationally.

Employer satisfaction research

In March 2009, Comcare conducted employer satisfaction research with 411 members in the Comcare scheme through an online survey.

Licensees and premium paying agencies were well represented and spent time sharing their perceptions of our services, information products and people.

Four main organisational groups were involved in the research:

- premium paying Australian Government agencies
- the Australian Defence Force
- the ACT Government
- licensees.

The participants in the research included:

- OHS managers/officers
- HSRs
- case managers
- HR managers/officers
- CEOs.

Summary of findings

Employers expressed satisfaction with Comcare in many areas, in particular:

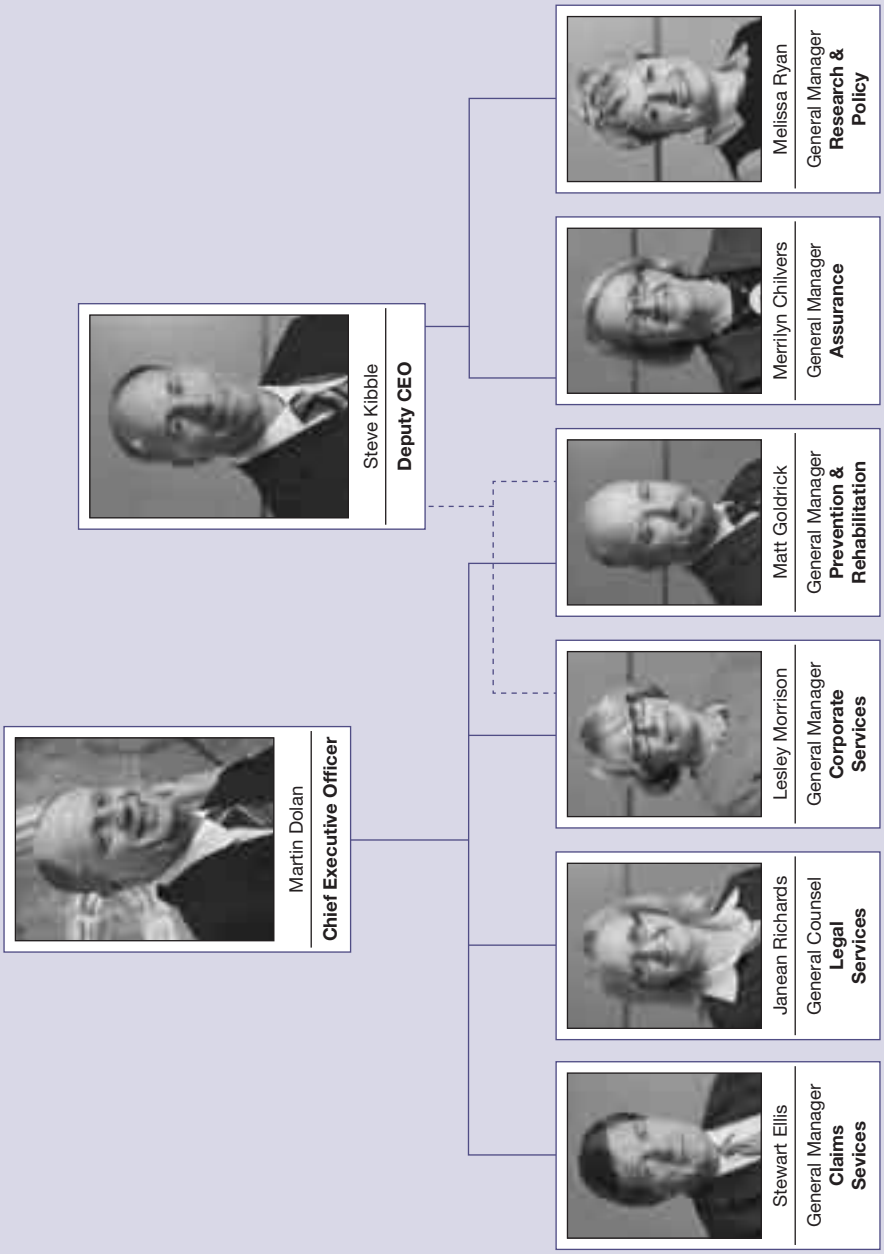
- the open, honest and balanced approach
- the information sessions and events
- the publications
- the learning and development courses
- the call centre
- the accessibility in terms of information, products and services.

The survey findings also offered constructive feedback. In particular, the results highlighted the need for Comcare to focus on timeliness and responsiveness in its dealings with the jurisdiction. For instance, the timeliness in processing new claims, Administrative Appeals Tribunal (AAT) matters and OHS investigations were raised as areas for improvement.

The research findings will enable Comcare to use its current performance level as a benchmark and compare these results with future employer satisfaction results. The research is planned to be repeated in 2011.

Organisational structure

Figure 3: Executive Organisation Chart 2008-09



For the purposes of the *Commonwealth Authorities and Companies Act 1997* (CAC Act), the CEO is the sole Director of Comcare. The CEO is assisted in his or her corporate governance functions by Comcare's executive team. The team consists of the CEO, Deputy CEO and General Managers, forming two committees.

The Executive Management Committee is established by the CEO to oversee the management of Comcare by driving the organisation's strategic direction as well as making key operational decisions as required. The Committee is chaired by the CEO of Comcare with Committee members providing input and making decisions

The Executive Management Committee is responsible for the following functions:

- finance
- information
- people
- conformance
- performance
- risk.

The Comcare Governance Committee is established by the CEO to make strategic decisions as stewards of Comcare. The Committee is chaired by the CEO of Comcare with Committee members providing input and making decisions.

The Comcare Governance Committee is responsible for the following functions:

- strategic finance
- strategic planning
- strategic intelligence
- conformance
- performance
- risk.

Locations and contact details

Canberra Office
(Australian Capital Territory OHS Unit)

Level 4 (Reception)
14 Moore Street
Canberra ACT 2600

Melbourne Office
(Victoria/Tasmania OHS Unit)

Level 6
535 Bourke Street
Melbourne VIC 3000

Sydney Office
(Central New South Wales OHS Unit)

Level 30
477 Pitt Street
Sydney NSW 2000

Newcastle
(Regional New South Wales OHS Unit)

Level 6, Suite A
T&G Building
45 Hunter St
Newcastle NSW 2300

Adelaide Office
(South Australia/Northern Territory OHS Unit)

Level 22
25 Grenfell Street
Adelaide SA 5000

Brisbane Office
(Queensland OHS Unit)

Level 8
410 Queen Street
Brisbane QLD 4000

Perth Office
(Western Australia OHS Unit)

Level 5
89 St Georges Terrace
Perth WA 6000

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Canberra ACT 2601

Telephone: 1300 366 979
Website: www.comcare.gov.au

Part B: Report on performance

Part B: Report on performance

This year we have focused on reporting against the indicators that are stated at the output level in Comcare's Portfolio Budget Statements (PBS). This ensures increased transparency and allows the reader to see clear links between the performance targets set out in the PBS and Comcare's performance outcomes and achievements.

Where there is variance between the performance targets and actual performance results we have included a description of why variance has occurred. The report also includes details of challenges and achievements. The purpose of these features is to accurately illustrate Comcare's performance and engage the reader.

Comcare will continue to review and improve its annual reporting processes in 2009–10.

Comcare's outcome and outputs framework

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the past year.

Comcare has one outcome:

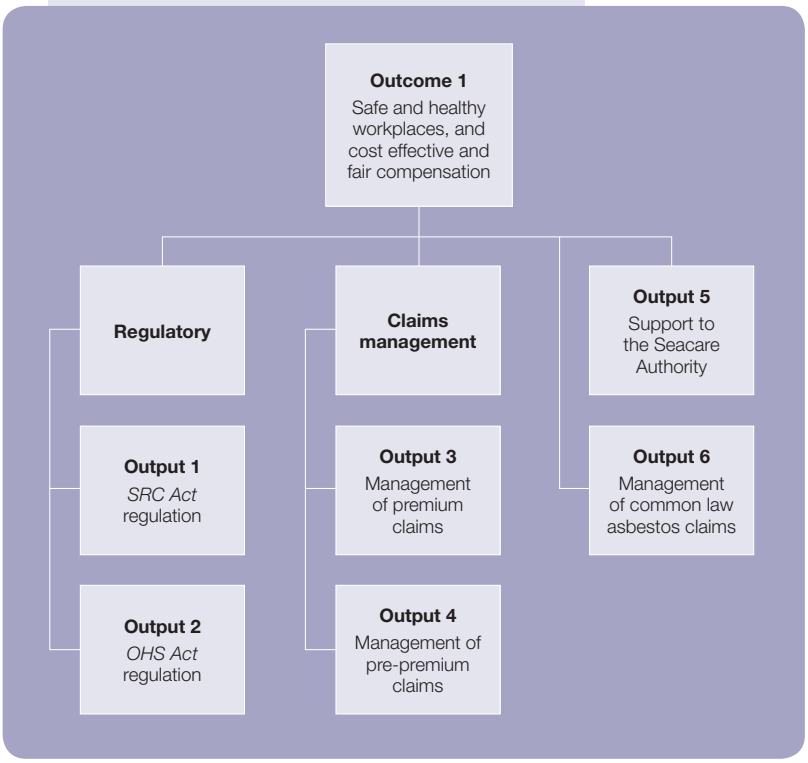
Safe and healthy workplaces, and cost-effective and fair compensation

Comcare set out to achieve this outcome during 2008–09 by:

- working in partnership with employers and employees to create safe and healthy workplaces and assist injured employees
- developing tailored solutions to improve safety, rehabilitation and compensation outcomes
- regulating effectively and cooperatively
- making decisions that are transparent, accountable, consistent and proportionate.

This chapter details the output groups identified by Comcare that contribute to the outcome of safe and healthy workplaces, and cost-effective and fair compensation.

Figure 4: Outcome and outputs framework



Output 1: Safety, Rehabilitation and Compensation Act regulation

This output contributes to the outcome through improved rehabilitation and workers' compensation frameworks, while maintaining the integrity and accountability of the Commonwealth scheme.

Table 1: Performance results for output 1 — Safety, Rehabilitation and Compensation Act regulation

PBS key performance indicators	Performance measures	2008–09 Target	2008–09 Achievement	Variation
Scheme performance meets the SRCC targets in the following areas: • claims and injury management • rehabilitation function • performance of licensees in meeting the conditions of licence	Scheme performance — New claims processing time (SRCC CI.1) — Injury (days)	15	13	-2
	Scheme performance — New claims processing time (SRCC CI.1) —Disease (days)	42	46	+4
	Scheme performance — Time taken to decide requests for reconsideration (SRCC CI.3) —Injury (days)	30	23	-7
	Scheme performance — Time taken to decide requests for reconsideration (SRCC CI.3) —Disease (days)	34	27	-7
	Scheme performance — Claims with six weeks lost time (SRCC RI.3)	4.6	4.1	-0.5
	Scheme performance — Claims with twelve weeks lost time (SRCC RI.4) per 1000 FTE	3.1	2.7	-0.4
	Licensee compliance with conditions of licence — Number of breaches	0	1	1

Variance explanation:

The scheme's performance, as shown above, comprises premium paying agencies in the Comcare scheme and twenty-nine licensees that were granted a licence under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) prior to 1 July 2009.

The scheme improved on its previous performance against the targets for new injury and disease claims processing time and time taken to decide requests for reconsideration.

The scheme achieved all of the Safety, Rehabilitation and Compensation Commission's (SRCC) rehabilitation targets for 2008–09. Between 2004–05 and 2007–08, substantial improvements in the incidence of claims reaching twelve weeks or more lost time were reported by both premium payers and licensees (36 per cent and 49 per cent respectively). Since then, scheme performance has remained relatively stable.

There was one breach of conditions of licence in 2008–09. Thales Australia Limited processed a number of reconsiderations in-house rather than referring them to its contracted reviewer (Australia Post). In responding to the breach the Chairman of the SRCC directed Thales Australia Limited to:

- review all reconsiderations carried out since the last reconsiderations conducted by Australia Post
- identify all invalid reconsiderations
- forward any invalid reconsideration to Australia Post to be re-reviewed.

We set out to:

- provide high quality and timely policy advice on rehabilitation and workers' compensation to the Minister and the SRCC
- regulate determining authorities under the SRC Act
- monitor and report on the performance of the SRC Act scheme.

Challenges:

- ensuring the accuracy and timeliness of claims data reported to the Commission Data Warehouse (CDW) by determining authorities
- improving the efficiency of data submissions and comparative performance reporting
- ensuring sufficient rehabilitation providers are available to rehabilitation authorities which satisfy Comcare's outcome and service standards
- delivering practical and effective guidance to rehabilitation authorities
- continuing to achieve equity of outcomes in a more diverse mix of licensees and workplaces
- promoting networks and stakeholder forums as an opportunity for employers to work collaboratively on issues of mutual concern
- developing an understanding of employers and their businesses to identify emerging issues
- ensuring employers have the tools to identify and manage gaps within their health and safety management systems
- engaging with key external partners through strategic projects and assistance
- responding to enquiries from employers accurately and in a timely manner.

Our achievements:

- We have implemented and maintained an annual training calendar and **in-house training services** were supplied across Australia to licensees and premium paying agencies, involving:
  - rehabilitation authorities
  - Approved Rehabilitation Providers (ARPs)
  - OHS managers
  - line managers and employees.

  We have trained **2581 staff from 215 organisations** nationwide.

- A **proposal to streamline and enhance scheme performance reporting** was developed and endorsed by the SRCC. The proposal addresses the need to ensure the accuracy and timeliness of claims data reported to the CDW by determining authorities.

- **Data integrity audits** for thirteen licensees were completed. The audits are conducted to evaluate compliance with data reporting requirements.

- Sixteen **jurisdictional policy advices** were prepared for determining authorities which provided new policy advice and applicable statutory rates. Comcare received positive feedback from determining authorities on the timeliness and quality of its policy documents. These documents provide advice on complex issues and take into account the views of stakeholders.

- A **review of the SRC Act** by Department of Employment and Workplace Relations was supported by Comcare. Our role involved consulting on legislative amendments to increase benefits for work-related deaths and update the definition of 'spouse' to include same-sex relationships.

- We continued to perform Comcare's SRC Part III Act **regulatory functions in respect of ARPs**. By maintaining contact with those providers who were granted 'conditional' status following the 2007 triennial approval process, we have assisted them in improving their performance in terms of the outcome and service standards. Comcare was able to lift the 'conditional' status from all such providers by January 2009.

- A project to **review the SRC Act 'Guidelines to Rehabilitation Authorities'** was commenced. The main objective of the project is to ensure that rehabilitation authorities are provided with practical and effective guidance to enable them to achieve effective, durable and safe return to work (RTW) programs for their injured employees.

- **Ongoing involvement with the Heads of Workers' Compensation Authorities (HWCA) Council.** We have participated in the HWCA Council's working party aimed at adopting a nationally harmonised process for approved rehabilitation providers. Comcare will commence its next triennial approval process under the framework approved by the working party. Comcare also chaired the HWCA Council's working party into bio-psychosocial rehabilitation. Comcare is involved in supporting the development and application of holistic models for assessing and managing the ongoing risk of long-term disability.

- **The SRCC was assisted in its function** to ensure equity of outcomes resulting from administrative practices and procedures used by determining authorities.

- **A review of Comcare's *Permanent Impairment Guide* and supporting legislative framework** was initiated in response to feedback received during the review of the Comcare scheme by the Department of Education, Employment and Workplace Relations, as well as recent court decisions that have changed or clarified the operation of the guide. An issues paper was released and stakeholder groups and other interested parties were invited to lodge submissions. Twelve submissions were received from a variety of stakeholder representative bodies and individuals. Following examination

of the feedback received, claims data analysis as well as comparisons with other Australian jurisdictions, an options paper was developed and submitted for public consultation.

- Regular **networks and stakeholder forums** meant that we could continue to work in partnership to identify better practice solutions in injury prevention and management. Employer participants within these forums actively share information and approaches on a range of issues such as organisational health, early intervention, health and safety management arrangements and prevention. The **Employer Network** is one specific example of such a forum. The Employer Network meets quarterly and is attended by representatives of premium paying agencies. It is hosted by employers and chaired by Comcare.
- An **updated tool for employers to review their RTW management systems** was produced and titled *Return to work management systems — A continuous improvement guide*. We have a systems-based approach to rehabilitation which provides a framework within which the employer is able to meet their responsibilities and achieve sustainable outcomes in rehabilitation. This guide has been developed to ensure employers have the tools to identify and manage gaps within their RTW management systems, and will be available as an online resource.

In focus — Injury rehabilitation management qualification

February 2009 marked the commencement of a strategic partnership between Comcare's Learning and Development Solutions Team and the Australian Public Service Commission (APSC) with the launch of the new Certificate IV in Government — Injury Rehabilitation Management.

Comcare and the APSC have partnered to provide access to this specialist qualification for rehabilitation case managers, HR managers and ARPs working within the Comcare scheme.

The first cohort of twenty-one candidates in the Certificate IV in Government — Injury Rehabilitation Management includes participants from Commonwealth government agencies, licensees and ARPs. Participants have varied work experiences including injury rehabilitation management, human resources and one candidate is undertaking the training as a learning pathway to enter the field of injury rehabilitation management.

To be awarded the qualification, participants will need to demonstrate skills and knowledge against fifteen units of competency. This can be achieved by the following methods:

i. participating in the Comcare and APSC training course and undertaking the assessment processes

ii. undertaking a recognition of prior learning (RPL) process with Comcare APSC

iii. undertaking a mixture of training courses, assessment and RPL.

These fifteen units have been prescribed as an essential skill set for effective case management within the Comcare scheme.

Units of competency

Table 2: Injury rehabilitation management qualification — units of competency

Module name	Program area and responsibility for delivery	Unit(s) of competency
Case management —essentials	Comcare	• undertake initial rehabilitation assessments • conduct situational workplace assessments • develop RTW plans • implement and monitor RTW plans
Case management —next steps	Comcare	• monitor and review injury management cases • manage case directions and outcomes
OHS Act in detail	Comcare	• contribute to workplace safety
Advanced communication, customer service & negotiation skills for injury management professionals	Comcare	• use advanced workplace communication strategies • undertake negotiations • deliver and monitor service to clients
Legislative unit	APSC	• encourage compliance with legislation in the public sector
Policy and progress	APSC	• apply government processes • support policy implementation
Values and diversity	APSC	• uphold and support the values and principles of public service • value diversity

Output 2: Occupational Health and Safety Act regulation

This output contributes to the outcome by maintaining and improving the health and safety frameworks for the Commonwealth scheme, while maintaining its accountability and integrity.

Table 3: Performance results for output 2 — Occupational, Health and Safety Act regulation

PBS key performance indicators	Performance measures	2008–09 Target	2008–09 Achievement	Variation
Scheme performance in the incidence of workplace fatalities and injuries meets the SRCC targets.	Scheme performance — Incidence of workplace fatalities (SRCC PI.2) — Injury	0	1.1	+1.1
	Scheme performance — Incidence of workplace injury (SRCC PI.1)	8.8	8.8 (non-commuting)	0

Variance explanation:

The National OHS Strategy 2002–2012 sets a target requiring a 20 per cent reduction in the incidence of work-related fatalities. The SRCC went further by setting a zero target for work-related injury fatalities across the scheme.

Current data shows that the scheme has failed to meet the zero deaths target each year since its introduction in 2001–02. It is likely that this target will remain difficult to achieve in the future as the number of deaths can fluctuate from year to year, often irrespective of any prevention activities. However, the view of the scheme is that workplace deaths are unacceptable and we therefore continue to strive for a target of zero each year.

The National OHS Strategy 2002–2012 sets a target requiring a 40 per cent reduction in the incidence of work–related injury. The SRCC went further by extending the national incidence target to include occupational disease.

As at 30 June 2009, the scheme has recorded a 29 per cent improvement since 2001–02. This is currently meeting the reduction target. Further improvement will be required in future years for the scheme to remain on track to meet the ten-year target, with a 32 per cent reduction since 2001–02 required in the incidence of workplace injury by 30 June 2010.

We set out to:

- cooperate at the national level to achieve harmonisation of occupational health and safety (OHS) laws
- develop and implement changes to OHS Regulations and guidance to meet identified needs and national consistency
- accredit both new and existing health and safety representative (HSR) courses
- reduce incidents/accidents and severity of risks
- eliminate hazards at the design stage
- assist employers and employees in developing their capacity to effectively manage OHS and prevent occupational disease
- ensure compliance with the *Occupational Health and Safety Act 1991* (OHS Act).

Challenges:

- building an enhanced, dedicated capacity and capability to undertake strategic, targeted investigations
- completing targeted investigations within set timeframes and budgets
- combining the resources from multiple regional offices to address the scope of large or complex investigations
- conducting targeted investigations in multiple locations to obtain a truly national view of safety issues
- issuing notices in a timely manner to ensure that evidence relevant to an investigation is not disturbed and can be appropriately tested or examined
- issuing notices in a timely manner to ensure that circumstances of immediate threat to the health and safety of persons are not allowed to continue
- issuing notices in a timely manner to assist duty holders in addressing non- compliance that may create a safety risk in workplaces
- producing quality guidance in a timely manner.

Our achievements:

- We **cooperated at the national level to achieve harmonisation of OHS laws.** We participated in the Workplace Relations Ministers Council (WRMC) and Council of Australian Governments (CoAG) considerations through the Department of Education, Employment and Workplace Relations. We recognise the need to build relationships with all parties that may assist with the delivery of the Government's agenda. These include state governments, unions, service providers and research bodies. We have liaised effectively with appropriate government, regulatory and industry bodies to ensure the required information is shared and legislative proposals are developed appropriately. Comcare will plan to adopt any new legislative proposals as early as possible to trial policy proposals and continue to share its experience with all jurisdictions.
- The **OHS Help Desk continued to provide support to employers and various stakeholders on enquiries relating to workplace health and safety**. The help desk averages 170 enquiries per month. The data collected through the service helps inform Comcare's targeted employer strategies and develop products aimed at assisting employers to comply with the legislation. For example, analysis of the help desk enquiries consistently highlights that employers require assistance with incident notification and understanding what should be notified to Comcare. New guidance material, including a step-by-step flowchart, has been developed and provided to the jurisdiction.
- Our regulatory capability was enhanced by **broadening the range of employers profiled and risk assessed**. A new employer profiling and risk assessment methodology has been implemented and the profiling functionality is now embedded into Comcare's core business.

- **A tailored workshop on OHS in contractor management** was conducted in February 2009 to encourage experienced employers across the jurisdiction to share better practice. The workshop involved thirty-eight experienced employers and Comcare staff. Participants explored common issues and themes surrounding OHS in contractor management in the jurisdiction.
- **Online channels such as Safety Alerts and Safety Essentials** were used by Comcare to directly communicate with the jurisdiction regarding OHS Act requirements.
- **Virtual Office**, an interactive online tool aimed at assisting employers and employees in identifying potential hazards in the office environment was updated. Virtual Office is a popular Comcare resource and is now more comprehensive with the addition of several rooms in the office environment.
- A **web based Research Centre** was developed to communicate Australian and international research in order to keep Comcare employees informed of developments in OHS.
- We continue to provide **support to new licensees** entering the scheme to ensure that they understand the requirements of the OHS Act. Follow up support is provided if a need is identified through audit processes.
- We **continued to develop and implement changes to OHS Regulations and guidance** to meet identified needs and national consistency. The following are examples of new and updated publication topics:
  - consultation process for health and safety matters
  - training for HSRs
  - national licensing standard regulations
  - plant licence regulations
  - use of lifts
  - use of cranes.
- The **HSR Training Accreditation program** was successfully delivered. Both new and existing HSR courses are now accredited.
- A **range of procedures were established and have been regularly reviewed to ensure compliance with the OHS Act.** The procedures need to be developed in a timely manner and provide information to a range of stakeholders, including senior management, on any changes to the OHS legislation. The following are examples of activities undertaken by Comcare in the compliance area:
  - plant licence program
  - management of 1800 to 2000 active plant licences in particular, 270 new plant licences were granted and 140 plant licences were renewed in 2008–09.
  - major hazard facilities program involving notification, classification, certificate of competence and licence applications
  - dangerous goods and hazardous substances notification program
  - Defence asbestos exemptions program.
- The **2008 National Comcare Conference** explored organisational approaches for the prevention and management of occupational injury and disease. In relation to the prevention of occupational injury and disease specifically, speakers from industry and business leaders discussed the impact of workplace culture on safety, strategies for managing risk associated with aggressive behaviour or bullying, measuring safety success, and engaging senior managers to view safety as core to business success.

  In 2008, the conference received the highest attendance ever with 517 delegates. Twenty industry providers displayed their products and services in the trade exhibition — double from the previous conference — and with the introduction of two additional social functions, conference delegates had more networking opportunities. Overall the conference received positive feedback and the highest satisfaction ratings.

- The **2009 Comcare National Seminars** were titled *Working well — health, safety and rehabilitation in focus*. Participants engaged in workshops and listened to presentations from speakers from across the Comcare scheme as well as Comcare's OHS Compliance Assistance and Prevention & Injury Management Services teams. Specific topics included implementing organisational strategies to manage the risks of injury and disease, contractor management, and the role of HSRs in the workplace.

  Comcare's annual national seminar series achieved the highest attendance ever with more than 1000 people attending in all state capitals as well as Townsville. The new format of two half-day sessions with content targeted at specific job functions was very well received by seminar attendees.

- The eighth annual **SRCC Safety Awards** were announced at the conference gala dinner in October. The awards acknowledge the dedication and commitment that organisations and individuals demonstrate in the areas of OHS, rehabilitation and RTW. Organisations under the Comcare health and safety jurisdiction, including all Commonwealth public service agencies and private sector licensees, are eligible for the awards.

  In 2008, a record number of entries were received from Government and private sector organisations from across the country.

- **Comcare built on the APSC's model of organisational health and produced a guidance tool based on a business case approach**. Building a business case to invest in OHS and organisational health ensures that employers have access to information that will enable them to improve health and safety within the broader context of organisational health and performance.

- We **produced guidance material on the prevention and management of customer aggression within the workplace**. A collaborative project was undertaken involving employers within the scheme for which customer service is a part of their day-to-day business. Comcare is seeking external consultation on the better practice guidance material that has been developed.

- We **developed guidance material for employers to manage the potentially adverse health effects of significant organisational change** titled *Looking after your employees during times of change*. This guidance addresses the challenges of a changing work environment. It also provides advice on attending to OHS and rehabilitation as part of an integrated approach to risk management and corporate planning during times of change.

- Our **quarterly, publication *Working With You*,** was produced and widely disseminated. The publication is used as a key communication channel to demonstrate best practice in OHS, injury prevention and management. Examples of some recent topics covered in the publication include model Health and Safety Management Arrangements (HSMAs), safety culture, and the prevention and management of customer aggression.

- We collaborated with other regulators as part of the **Heads of Workplace Safety Authorities (HWSA) working groups** on:
  - manual tasks and moving objects in retail, wholesale, transport and storage
  - new and young workers in the hospitality industry
  - Aboriginal and Torres Strait Islander issues
  - violence in healthcare

- Thirty-two **new investigators were employed** bringing the total number of active field investigators to seventy.

- Thirty-five **proactive investigations** were commenced in 2008–09. Targeted investigations focus on assessing the safety management systems within Commonwealth authority and non-Commonwealth licensee workplaces in relation to an identified OHS issue. The issues may be identified with a national or regional scope. Examples of proactive investigations include:
  - truck rollovers in the Victoria/Tasmania area
  - use of chrysotile by the Australian Defence Force in accordance with the granted exemption
  - hazardous substances and specific major hazard facilities
  - motorcycle safety issues.
- Two hundred and sixty **reactive investigations** were commenced in 2008–09 following notifications of incidents. Investigations were conducted into five per cent of the notifications. These investigations assess compliance with the OHS Act and Regulations. They also focus on assessing the suitability of a workplace's safety management systems in place to address identified safety risks. Only a small percentage of reactive investigations resulted in an outcome of serious non-compliance with the legislation being detected. Appropriate and proportionate enforcement actions were taken in these cases.
- A range of **enforcement actions** may be applied by Comcare when OHS legislative obligations are not met by duty holders. OHS obligations are enforced through:
  - letters of statutory obligation
  - letters of warning
  - improvement notices
  - prohibition notices
  - declarations of contravention and pecuniary penalty orders
  - injunctions
  - remedial orders
  - enforceable undertakings
  - civil court proceedings
  - criminal court prosecutions.

In 2008–09 the following notices were issued.

Four **statutory notices pursuant to section 44 — 'Removal of Plant and Substances Notices'** — were issued to allow Comcare investigators to undertake examination and testing of items for the purposes of their investigations. No appeals against such notices have been lodged.

Forty-two **statutory notices pursuant to section 45 — 'Do Not Disturb Notices'** — were issued to enable Comcare investigators preserve an accident sites for inspection and examination during their investigations. No appeals against such notices have been lodged.

Sixteen **statutory notices pursuant to section 46 — 'Prohibition Notices'** — were issued to address circumstances that were believed to pose an immediate threat to the health and safety of persons. Investigators use such notices to prohibit an activity or use of a thing in a workplace. No appeals against such notices have been lodged.

Thirty **statutory notices pursuant to section 47 — 'Improvement Notices'** — were issued by investigators to assist duty holders in improving their compliance with the legislation, where non-compliance has been detected. One appeal against such a notice has been lodged in the Australian Industrial Relations Commission (AIRC). The appeal is not yet complete.

In 2008–09 the following proceedings took place.

Comcare v Asciano Services Pty Ltd

On 23 February 2009 Comcare initiated proceedings in the Federal Court of Australia (South Australia) against Asciano Services Pty Ltd (Asciano Services) following an investigation into a dangerous occurrence which occurred at the Adelaide Freight Terminal on 28 November 2008. No injuries were sustained as a result of this occurrence.

Comcare is alleging that Asciano Services failed to take all reasonably practicable steps to protect the health and safety at work of its employees and that this failure resulted in a dangerous occurrence.

Comcare v John Holland Pty Ltd

On 2 February 2009 Comcare initiated proceedings in the Federal Court of Australia (Queensland) against John Holland Pty Ltd (John Holland) following an investigation into the death of an employee at the Dalrymple Bay Coal Terminal in Queensland on 6 May 2008.

Comcare is alleging that John Holland failed to take all reasonably practicable steps to protect the health and safety at work of its employees and that this failure resulted in a workplace fatality.

Comcare v John Holland Rail Pty Ltd

On 22 August 2008 Comcare filed proceedings in the Federal Court of Australia (Western Australia) against John Holland Rail Pty Ltd (John Holland Rail) following an investigation into an incident which resulted in a serious personal injury to an apprentice boiler maker.

Comcare is alleging that John Holland Rail failed in its duty of care to provide sufficient supervision, instruction and training to its employee and further failed in its duty to take all reasonably practicable steps to protect the health and safety at work of the employee, and that this failure resulted in the serious personal injury that was sustained.

Comcare v John Holland Rail Pty Ltd

On 22 August 2008 Comcare filed proceedings in the Federal Court of Australia (Victoria) against John Holland Rail Pty Ltd (John Holland Rail) following an investigation into an incident which resulted in a serious personal injury to a John Holland Rail contractor.

Comcare is alleging that John Holland Rail failed in its duty of care to take all reasonably practicable steps to protect the health and safety at work of its contractor, and that this failure resulted in the serious personal injury that was sustained.

In 2008–09 the following proceedings were concluded:

Comcare v John Holland Rail Pty Ltd

On 28 November 2008 Comcare filed proceedings in the Federal Court of Australia (Western Australia) against John Holland Rail Pty Ltd (John Holland Rail) following an investigation into an accident which resulted in a serious personal injury to a John Holland Rail employee.

On 20 July 2009 the Federal Court of Australia (Western Australia) declared that John Holland Rail contravened section 16(1) of the OHS Act by failing to take all reasonably practicable steps to protect the health and safety at work of its employees.

John Holland Rail was ordered to pay a civil penalty of $124 960 for the breach.

Comcare v Post Logistics Australasia Pty Ltd

On 24 December 2008, the Federal Court of Australia declared that Post Logistics Australasia Pty Ltd (Post Logistics) had contravened section 16(1) of the OHS Act by failing to take all reasonably practicable steps to protect the health and safety of a contractor and an employee.

This court finding followed a Comcare investigation into a forklift incident on 25 May 2006 that led to the death of a Post Logistics contractor.

Post Logistics was ordered to pay a civil penalty of $165 000 for the breach.

Comcare v Commonwealth of Australia (Chief of Army)

On 30 June 2009, the Federal Court of Australia declared that the Commonwealth had contravened section 16(1) of the OHS Act by failing to take all resonably practicable steps to protect the safety of its cadets.

The court proceedings followed a Comcare investigation into the tragic death of a cadet participating in a Scotch College Army Cadet Unit bivouac in the Wombat State Forest, Victoria, on 30 March 2007.

The Commonwealth was ordered to pay a civil penalty of $210 000 for the breach.

In 2008–09 the following enforceable undertaking was accepted.

Comcare v Commonwealth of Australia (Chief of Army)

Comcare has accepted a Court-enforceable undertaking from the Australian Army in relation to an alleged failure to observe its duties under the OHS Act.

The undertaking follows an investigation by Comcare into an incident which occurred on 30 March 2007 when six Australian Army Cadets failed to return to their camp site. The Australian Army Cadet section (the lost section) was not located during searches and was still unaccounted for by first light on 31 March 2007. Subsequently, on the morning of 31 March 2007, members of the lost section found their way to camp headquarters in the Wombat State Forest.

The enforceable undertaking is a legally enforceable commitment by the Army and has been accepted as an alternative to Comcare pursuing civil proceedings. It commits the Australian Army to making a number of improvements to its systems to protect cadet safety.

For example, the enforceable undertaking requires the production of a field activities handbook to assist in the planning and conduct of Australian Army Cadet field activities. A new risk management process is being implemented from 1 May 2009.

Comcare will oversee compliance with the undertaking for its duration, which expires on 1 April 2010.

The following undertakings are still at hand.

Australian Postal Corporation

Comcare has accepted a court-enforceable undertaking from the Australian Postal Corporation (Australia Post). The undertaking is a legally enforceable commitment by Australia Post which has been accepted by Comcare as an alternative to Comcare pursuing civil proceedings against Australia Post in relation to the alleged breach of the OHS Act.

Australia Post has undertaken to:

- work with the Monash University Accident Research Centre to design and conduct a significant research study to provide for substantial and sustainable improvements in the safety of motorcycle delivery operations
- implement, in relation to its operations, counter-measures to address any work practices and organisational safety climate factors that have been identified by the study as contributing to the incidence of motorcycle-operations-related injuries
- make available to Comcare the results of the study for its use to the broader benefit of the community.

Comcare is continuing to oversee compliance by Australia Post with the undertaking for its duration.

Department of Defence

Comcare has accepted a court-enforceable undertaking from the Department of Defence (Defence) through the Chief of the Defence Force. The undertaking is a legally enforceable commitment by Defence which has been accepted by Comcare as an alternative to Comcare pursuing civil proceedings against Defence in relation to the alleged breach of the OHS Act.

Defence has undertaken to:

- review the Australian Army's risk management framework and work with Comcare to design and conduct a significant research project into OHS
- review the procedures relating to the type of repair that was conducted on the vehicle involved in the June 2005 accident and amend its policies and procedures where required
- provide training to all Australian Defence Force and civilian mechanics on the new procedures
- provide a case study of the item of equipment involved in the June 2005 accident to all potential Royal Australian Electrical and Mechanical Engineer Corps (Army) supervisors before promotion.

Comcare is continuing to oversee compliance by Defence with the undertaking for its duration.

In focus — Education on key occupational health and safety issues in remote Australian workplaces

Our Compliance Assistance team and regional Investigators from Western Australia and the Northern Territory ventured to remote areas of Western Australia (Karratha, Port Hedland and Broome) and the capital cities of Perth and Darwin in November and December 2008.

The purpose of the trip was to provide information sessions addressing OHS legislative requirements to organisations with workplaces in these areas. Comcare benefits from these interactions as attendees are able to gain an insight into the risks faced by remote employees. In addition to an overview on safety awareness and Comcare's role, the presentations addressed issues concerning:

- working remotely
- promoting workplace safety culture
- procedures for incident notifications.

Government agencies, licensees and the Australian Defence Force attended the sessions. Representatives from the organisations included:

- HSRs
- HR staff
- OHS advisors
- supervisors and managers
- employees.

Some of the following issues were raised:

- There is a strong awareness of the role of the HSR. Presenters emphasised the importance of effective and meaningful consultation between the HSR and their respective employer. Feedback suggested that Comcare facilitate a HSR network or forum. Consequently, the March National Comcare Seminars were targeted at HSRs to assist them in addressing OHS issues and provide their employers with an insight into the importance of their role as a key contributor in addressing safety in the workplace. HSRs had the opportunity to network and exchange ideas with each other during the breakfast session on the second day of the seminars.
- The majority of attendees were unaware of the function of both Health and Safety Management Arrangements (HSMA) and Health and Safety Committees (HSC). Discussions focused on the development of HSMAs and the requirement of a National HSC. Everyone acknowledged that there is plenty of room for improvement in the time taken to communicate information from national offices to the regional offices.

- Workplace culture was another area of strong interest. Participants reported that the increasing number of unskilled workers in remote workplaces is presenting challenges in promoting a safe working culture. There was concern over the existence of unsafe work practices and poor behaviours, such as drug and alcohol misuse. A further issue discussed was the importance of OHS obligations and duty of care for managers running projects with tight deadlines. There were a number of programs being used by various organisations that have delivered positive outcomes both on the individual and organisational level. Some of the initiatives mentioned included:
  - corporate social initiatives such as sporting events
  - unlimited counselling support for personal issues regardless of work involvement.
- Attendees benefited from the interactive notification scenarios. Discussions centred on methods for managing incidents and developing procedures for internal reporting, as well as the importance of efficiency in the notification process. Participants also requested more information on determining which incidents are notifiable. In response to the request, Comcare provided attendees with *The Guide to Incident Notification and the Incident Notification Flowchart*. Requests were also made for more industry specific scenarios.
- Risk management was another popular topic as many of the attendees were involved in high risk work. The value of achieving consistency in risk management procedures through effective consultation at both national and local levels was underlined. An example of a situation that required a thorough risk assessment was transport to remote areas without appropriate emergency equipment.

The small size of the audiences in the regional areas enabled closer examination of the key issues facing each organisation. Discussions about local issues were more open than larger group discussions. This allowed the formation of strong networks and led to suggestions such as tailoring future presentations to workplace locations and including case studies relevant to the types of workplaces represented.

Feedback and outcomes

The feedback was very positive with both content and delivery praised. There were also some useful recommendations that Comcare will take on board for future presentations. Several of these key learning outcomes are listed below:

- Stronger targeting of proposed audiences from both a local and a national perspective. Tailored presentations should address the specific needs of organisations attending. This may result in more detailed information on just one or two topics.
- Developing networking opportunities that encourage the sharing of information and better practice.
- Providing organisations with take-away presentations that they can deliver in their workplace (particularly for remote workplaces).
- Specific topic areas that Comcare may target in future presentations include:
  - An HSMA education campaign with a focus on effective internal consultation/communication processes.
  - Education and activities focusing on the workplace safety culture framework (systems, symbols and behaviours).

Output 3: Management of premium claims

This output contributes to the outcome by determining and managing claims and by paying workers' compensation benefits to Australian and Australian Capital Territory (ACT) Government employees in accordance with the SRC Act for claims with a date of injury after 1 July 1989. Comcare also provides advice to Australian and ACT Government employers and injured employees to assist them to achieve an early and safe RTW.

Table 4: Performance results for output 3 — Management of premium claims

PBS key performance indicators	Performance measures	2008–09 Target	2008–09 Achievement	Variation
Financial viability of the premium scheme	Ratio of total assets (including notional reserve) to liabilities	Total assets (including notional reserve) exceeds total liabilities	Total assets (including the notional reserve) exceeded total liabilities by 10%	Nil
	Sound actuarial assessment of the cost of claims is the key basis for setting premiums	Premiums reflect sound actuarial assessment of the costs of claims	Sound actuarial assessment of the cost of claims was the key basis for setting 2008–09 premiums	Nil
Scheme performance meets the SRCC targets in the areas of claims management and rehabilitation	Comcare performance — New claims processing time (SRCC CI.1) — Injury (days)	15	24	+9
	Comcare performance — New claims processing time (SRCC CI.1) — Disease (days)	50	65	+15
	Comcare performance —Time taken to decide requests for reconsideration (SRCC CI.3) — Injury (days)	30	34	+4
	Comcare performance — Time taken to decide requests for reconsideration (SRCC CI.3) — Disease (days)	35	32	-3
	Comcare and premium paying employers' performance — Claims with six weeks lost time (SRCC RI.3)	4.3	4.5	+0.2
	Comcare and premium paying employers' performance — Claims with twelve weeks lost time (SRCC RI.4) Per 1000 FTE	2.9	3.1	+0.2

Variance explanation:

The performance of premium paying employers includes the Australian and ACT Governments. Only the claims management indicators (CI.1 and CI.3) apply directly to Comcare.

Under the SRC Act, annual premiums fund the cost of claims for workers' compensation for injuries sustained after 30 June 1989. Each year when setting the total amount it will collect in premiums, Comcare considers advice from consultant actuaries on the overall amount needed to adequately fund the scheme.

The SRCC's targets for Comcare in relation to the time taken to determine new claims (range forty-five to fifty-five days for disease claims and ten to twenty days for injury claims) were not met with Comcare achieving sixty-five and twenty-four days on average respectively.

While not yet within the target range, performance to date indicates that current initiatives aimed at improving claims management processing are yielding positive results. Improvements are evident when compared to Comcare's 2007–08 results: a five-day improvement for the processing of injury claims and a two-day improvement for disease claims. Comcare expects that the strategies it has employed will see continued improvement in its performance over the coming year.

The proportion of injury claims that incurred lost time of one day or more (lost time claims) for premium paying employers decreased from just over 60 per cent of accepted claims during the three years from 2004–05 to 2006–07 to around 50 per cent in the last two years. During this time, there has been an ongoing reduction in the number of accepted lost time disease claims from premium paying employers, from 71 per cent of accepted claims in 2004–05 to 55 per cent in 2008–09.

We set out to:

- provide effective claims management services with the need for accurate and quick decision making
- provide advice to employers to assist them in preventing injuries at work and to achieve the early and safe RTW of their injured employees
- ensure that premium paying employers and their employees have the information and assistance they need to understand the processes involved in lodging and determining claims
- ensure the accurate and sound calculation of premiums so the scheme remains fully funded and appropriately reflects premium paying employers' performance.

Challenges:

- The number of new claims received has continued to decline. Largely this decline has been in the number of simple injury claims. The number of disease claims has also fallen since the changes to the SRC Act in 2007–08 but to a much lesser degree. The number of complex claims has increased as a percentage of all claims.

  While a reduction in claims numbers should lead to a reduction in resources required to determine and manage claims, the reality has been that the work required to determine new claims and process reconsiderations has not reduced. This is because the more complex claims require a greater level of investigation, including the use of medical specialists and legal assistance.

  However, the reduction in claims numbers is leading to an overall decrease in the number of accepted claims and a reduction in the resources required to manage claims once liability has been determined.
- The identification of appropriate qualifications and competencies for Claims Services Officers in order to develop a training framework that will improve and recognise their skills.

Our achievements:

- An **external review** was undertaken to **identify opportunities to improve the quality, cost and timeliness of new claims processing.** A number of recommendations were made including:
  - restructuring of the areas responsible for determining new claims and reconsiderations
  - enhancement of the quality assurance process for decisions
  - continuing development of staff capability.

  These recommendations are being implemented.

- We improved the **suite of claims management performance reports** to ensure an appropriate focus on quality, quantity, timeliness and the cost of claims decision making and management. The revised performance reports will be introduced in 2009–10 with continuous improvement expected as the quality of data improves and other areas for reporting are identified.

- We have established the structure and content of a **competency based training framework for Claims Services Officers** in Comcare. The framework will be finalised in the first half of 2009–10 and delivery is expected to commence in the second half of the year.

- A **review of all active claims from the 2003 calendar year** was commenced. The 2003 injury year was selected for this review because of a higher than usual level of outstanding estimates for claims from that year. The purpose of the review is to ensure effective ongoing management of these claims in line with legislative requirements and to confirm ongoing entitlements to compensation.

- The provision of effective reporting services to internal and external stakeholders. Our **Customer Information System** (CIS) provides premium paying employers with access to injury management and claims information. The data can be used to improve the measurement and monitoring of injury management and claims performance. We maintain a CIS Help Desk to ensure that these employers are able to use the system effectively.

- **Electronic interaction between Comcare and premium paying employers for workers' compensation-related correspondence** was increased. Comcare has extended the electronic interaction with two ACT Government agencies, improving both cost effectiveness and timeliness of service delivery.

- A **project to review the content and style of workers' compensation letters issued automatically by Comcare's computer system** was completed in 2008–09. The second stage of the project will include a review of the content and style of user-generated workers' compensation letters. The second stage is due for completion in 2009–10.

- Work to develop an **on-line procedures manual for Claims Services staff** continued during 2008–09 with the project 90 per cent complete. The manual is due to be completed and implemented in 2009–10 and will form the basis for a robust quality assurance framework and support the introduction of a competency based training framework for Claims Services Officers beginning with a Certificate IV in Government — Injury Claims Administration.

- A **project to review the process for payment of requests for aids and appliances** was completed. The findings of the review are being used to improve management of such requests in the future.

- **Operational management reports were developed and implemented in July 2008 to assist with the regular review process of ongoing claims.** The reports have been used throughout the 2008–09 year to review payment trends for all medical and like payment types and identify areas for improvement in our processes and procedures. In addition to payments for aids and appliances, the procedures relating to massage, household services, pharmacy and hospital payments have been identified as areas requiring further investigation and possible refinement.
- We **provided policy advice and assistance to employers, employees and Comcare's Claims Services staff** in relation to the operation of the *Safety, Rehabilitation and Compensation Act 1988*. The number of requests for assistance that were received through the policy help desk from both internal and external sources for 2008–09 was 662. The number that were addressed in 2008–09 was 646.
- We provided **regular reports to the Safety, Rehabilitation and Compensation Commission on performance against claims management and rehabilitation indicators**. A proposal to streamline and enhance this scheme performance reporting was developed and endorsed by the SRCC in 2008–09.
- We have undertaken several **research projects** to keep stakeholders informed of emerging issues and trends:

  Management of psychological injury cases

  Claims costs associated with mental stress are second only to body stressing injuries and account for around 30 per cent of total claims costs. The project focused on employer management of psychological injury cases in order to evaluate better practice approaches. The research will now be translated into practical advice and guidance for use by all tiers of management in a diverse range of organisations.

  Long duration claims drivers

  The first part of this project involved the examination of potential risk factors to assess their relevance in identifying, at the time of claim lodgment, those claims that are most likely to benefit from early rehabilitation intervention (that is, identifying those risk factors that may be useful predictors of potentially long duration claims). Part two of the project will seek to identify improvements to the criteria Comcare uses to identify claims for early rehabilitation intervention.

  Comcare workers' compensation and OHS statistical data compendium

  The pilot compendium is designed to provide a statistical snapshot of various elements of the Comcare scheme. A publication is due to be completed by the end of the 2009 calendar year.
- The **2008 National Comcare Conference** explored organisational approaches for the prevention and management of occupational injury and disease. In relation to the management of occupational injury and disease specifically, speakers from industry and business leaders discussed early intervention strategies to manage workplace stress, preventing long term disability through effective injury management procedures, and appropriate management of psychological injuries and slow onset musculoskeletal injuries.
- The **2009 Comcare National Seminars** were titled *Working well — health, safety and rehabilitation in focus*. During the two half-day sessions participants engaged in workshops and listened to presentations from speakers from across the Comcare scheme as well as Comcare's OHS Compliance Assistance and Prevention & Injury Management Services teams. Specific topics included rehabilitation responsibilities under the SRC Act, the effective management of employees with psychological injury, and better practice in RTW from an employer's perspective.

- The eighth annual **SRCC Safety Awards** were announced at the conference gala dinner. These awards are designed to recognise and reward individuals, companies and agencies that have achieved excellence in OHS, rehabilitation and RTW practices in their respective fields.
- We have delivered a **regular *Rehabilitation management report* to rehabilitation authorities,** which highlights claims identified to be, or at risk of becoming, high cost and long duration claims. International research demonstrates that psychosocial risk factors are far more important than the physical factors of the injury when predicting which injured employees are at risk of a poor rehabilitation outcome. The report gives senior injury prevention and management personnel an explanation of some of the identified risks on individual cases.
- An ongoing **Prevention and Injury Management Help Desk** (PIMS. Help) provided support to employers on rehabilitation and RTW management issues. Use of the service has increased in 2008–09 with an average of forty-four enquiries received per month. The data collected from this service is used to inform Comcare's planning of targeted employer strategies and the development of future resources aimed at building the capability of employers to effectively manage rehabilitation and RTW.
- **Recovery of common law damages** continued under sections 45, 48, 50 and 51 of the SRC Act. Comcare is presently recovering 88 per cent of our legal costs directly from the responsible third party insurer.
- We **actively managed over 600 applications before the Administrative Appeals Tribunal** during 2008–09. This is a reduction in the number of cases from over 700 cases during 2007–08.
- A **Better Practice Guidance to Decision Making** was released. The publication annotates the *Best Practice Guides to Decision Making* published by the Administrative Review Council. This new guidance material has been developed specifically for decision makers within Comcare. It identifies the various statutes under which decisions are made by Comcare, the CEO, the SRCC, the Seacare Authority and Investigators appointed under the OHS Act.

In focus — website redevelopment

Using an evidence-based approach, including results from an independent expert review and usability testing, the Comcare website has been redeveloped to ensure it meets the needs of its various target audiences.

In particular, the redevelopment focused on ensuring the website was:

- organised — consistent structure site-wide
- accessible — follows accessibility guidelines
- attractive — a clean look and feel
- safe — personal details protected
- accurate — content up-to-date and complete
- authoritative — clear guidance on legal obligations
- helpful — practical advice on compliance
- clear — plain English used and jargon explained.

The new website is more intuitive. It uses a subject-based content structure so that all users can easily find what they are looking for without any prior knowledge of Comcare. Some of the key features of the new website include:

- latest news and features on the homepage along with clear navigational routes to content
- quick links for key audience groups including OHS practitioners, HSRs, and case managers
- an interactive Virtual Office providing users with the ability to identify hazards and control risks in a typical office environment
- a dedicated site for the SRCC — www.srcc.gov.au
- online enquiry forms and information on interpreter services in multiple languages
- two directories enabling users to quickly locate information on approved rehabilitation providers and permanent impairment assessors.

The new website has significantly improved the user experience by making information more accessible with an intuitive subject-based content structure using plain English.

In addition, the new website publishing model ensures that quality control mechanisms, including content approval, workflow and accessibility compliance checks, are in place to support the ongoing maintenance of the Comcare website.

Since the December 2008 launch, Comcare has sought feedback in a number of ways; for example, through an online survey, at national seminars and recently in a further round of usability testing. Overwhelmingly, the responses have been positive with task completion rates increasing from 0 per cent to 100 per cent on many tasks. In addition, we have received feedback and suggestions from users (both directly and through independent testing) that will inform future developments and enhancements.

Output 4: Management of pre-premium claims

This output contributes to the outcome by providing workers' compensation services to Australian and ACT Government employers and employees under the SRC Act for claims with a date of injury before 1 July 1989.

Table 5: Performance results for output 4 — Management of pre-premium claims

PBS key performance indicators	Performance measures	2008–09 Target	2008–09 Achievement	Variation
Effective management of pre-premium liabilities	Pre-premium liabilities valuation reflects actuarial assessment of costs of claims	Pre-premium liabilities valuation reflects sound actuarial assessment of costs of claims	Unqualified audit opinion on financial statements reflects that valuation was sound.	Nil
Effective management of the pre-premium claims	Run-off of liabilities predicted by actuary is achieved (actual pre-premium expenses versus actuarial forecasts for 2008–09)	$40m	$40.8m	+2%
Effective review and approval of all claims payment requests prior to payment	Effective review and approval of all claims payment requests prior to payment (measure is the date a process for review is in place)	By 30/6/09	Process implemented for all requests for payment for aids and appliances. This process also being progressively applied to other payment types.	
Timely processing of all incapacity payment requests	Timely processing of all incapacity payment requests (measure is for claims with no outstanding issues)	Nil delays	Incapacity payments made by Comcare directly to injured employees were processed on time each fortnight.	
Regular review of ongoing claims to ensure appropriate payment of entitlements to claimants	Regular review of ongoing claims to ensure appropriate payment of entitlements to claimants (measure is the date that a review process is in place).	By 30/6/09	All long term claims have regular reviews. Review process developed specifically for high risk, long term claims for implementation in 2009–10.	

Variance explanation:

Under the SRC Act, the Budget funds payments for costs relating to injuries sustained before 1 July 1989. Each year Comcare contracts consultant actuaries to estimate outstanding liabilities for these claims. As part of the external audit process the Australian National Audit Office (ANAO) contracts separate consultant actuaries to review the estimate.

The run-off of liabilities was two per cent above the level predicted by the actuary which is not a material variatian.

As at 30 June 2009, the estimate of outstanding liabilities for these claims was $406.5 million.

Challenges:

- Comcare manages pre-premium claims to ensure the timely determination and payment of benefits to these long-term claimants. The claimant population consists of current and ex-employees with the application of the SRC Act transitional provisions where incapacity benefits may be payable beyond the age of sixty-five. Overall, Comcare manages some 3000 pre-premium claims.

Our achievements:

- During 2008–09, we continued to **develop and issue publications about workers' compensation**. The biannual newsletter, *Comcare News*, was issued to ex-employees, including a significant number of pre-premium claimants. The newsletter is designed to provide ex-employees with some general information that will give them a better understanding of how Comcare operates, as well as covering general topics about compensation benefits. *Comcare News* is used as a vehicle to provide ex-employees with information specifically about the impact of superannuation increases on their compensation benefits and to advise them of the national wage cost index increase every year on 1 July. We also use *Comcare News* to advise these claimants about the need to provide medical evidence in support of their claim, redemption of their incapacity payments and any topical issues.

Output 5: Provide support to the Seafarers Safety Rehabilitation and Compensation Authority

This output contributes to the outcome by providing support to the Seacare Authority work to minimise the human and financial costs of workplace injury in the Australian maritime industry.

Table 6: Performance results for output 5 — Provide support to the Seafarers Safety Rehabilitation and Compensation Authority

PBS key performance indicators	Performance measures	2008–09 Target	2008–09 Achievement	Variation
Incidence of workplace injury	Reduced incidence of workplace injury	4% decrease	2.7% increase	7.7% increase over target
Incidence of work-related fatalities	Incidence of work related fatalities	0	3 fatalities	+3
Seacare scheme performance meets Seacare Authority requirements	Seacare Authority survey of Seacare scheme performance	Seacare Authority rates Seacare Scheme performance as 'Satisfactory'	Unsatisfactory	3 fatalities have occurred in the jurisdiction

Variance explanation:

In 2008–09, the Seacare scheme recorded its first increase in the incidence rates of workplace injury for three years. The scheme reported an injury incidence rate of 33.15 compared to 30.1 in 2007–08.

During a period from late November 2008 to early March 2009, three seafarers died as a result of accidents on vessels in the Seacare scheme. The Australian Maritime Safety Authority (AMSA) is currently investigating the circumstances relating to the fatalities on the *Spirit of Esperance* and the *Oceanic Discoverer* and is cooperating with the National Offshore Petroleum Safety Authority (NOPSA) in their investigation of the fatality on the *Karratha Spirit* facility. These tragic events follow a period of over fourteen years with no fatalities in the Seacare scheme.

The Seacare Authority rates the performance of the Seacare scheme during 2008–09 as unsatisfactory based on the fact that three fatalities have occurred in the jurisdiction and the scheme failed to meet the target for the reduction in the incidence of workplace injuries. The increased incidence of injuries and the number of fatalities represent a significant challenge for the management of the Seacare Authority in the coming year.

In response to the fatalities and other safety issues associated with the offshore petroleum industry, the Minister for Resources and Energy, the Hon. Martin Ferguson AM MP, announced an inquiry into the safety regulation of the offshore industry. Among the issues to be considered by the inquiry is the complementary role of NOPSA and AMSA in ship safety regulation for vessels engaged in the industry.

The Seacare Authority continues to monitor the scheme's performance and to refine its business plans and programs to ensure that the Seacare Authority's requirements are being met to its satisfaction.

We set out to:

- work with the industry to secure the health, safety and welfare at work of maritime industry employees by providing an OHS regulatory framework adapted to the needs of the maritime environment
- assure that employers provide safe and healthy workplaces and effective injury management systems
- promote a fair, efficient and effective scheme of rehabilitation, RTW and compensation for maritime industry employees including managing efficiently the Seafarers Safety Net Fund
- foster a cooperative, consultative and effective relationship between employers and employees on health and safety at work and management of injured employees
- determine and pay claims in a timely manner.

Our achievements:

- The **memorandum of understanding with the NOPSA** was reviewed and renewed to ensure effective operations.
- Negotiations were conducted with the **AMSA on compliance and enforcement policy.**
- The **Seacare Awards and Conference** were held on 16 October 2008 as part of the Safe Work Australia Week. The event was timed to mark the Seacare Authority's Sea Safe Work Day.

  The theme of the conference was **Best Practice OHS in the Australian Maritime Industry**. The conference featured OHS experts from outside the industry with experience in improving OHS outcomes in high-risk industry sectors.

  Ninety-two delegates attended the conference and 120 attended the awards dinner. The delegates included industry employers (shipowners, ship operators, crewing agents), employees (seafarers, officers, onshore OHS and HR staff), representatives of employers and employee associations, government agencies, OHS and rehabilitation professionals, trainers and educators, insurance providers and legal professionals. Sponsors and delegates expressed satisfaction with the event.
- We continued to engage employers, seafarers and other scheme stakeholders through **regular communication channels**. For example, two issues of *Seacare News* were published for 2008–09 and Seacare Notices have been distributed as required. The Seacare website has also been maintained and updated to ensure that the content is current and the information provided is comprehensive.
- The **HSR training course accreditation guidelines** were revised and the **Seacare HSR Handbook** was published. Three HSR training courses are now accredited.
- We continue to **manage the Seafarers' Safety Net Fund**. Claims against the Fund have been assessed and determined. The quarterly levy collection has been completed and a re-insurance policy investigated.
- We have promoted **best practice claims management** as a key means of reducing the cost of workplace injury. For example, Comcare has **engaged with the AAT** to identify strategies to reduce time taken to resolve Seacare claim disputes.

In focus

The Seacare Authority, in association with AMSA held its inaugural Seacare Health and Safety Representatives Forum 2008 on 25 September. The forum, held at the Port of Melbourne Education Centre, was for the Seacare scheme's HSRs and other onboard employees. The forum also formed part of the Seacare Authority's activities on Sea Safe Work Day.

The theme for the forum was 'Involving HSRs and onboard employees in OHS'.

The aim of the forum was to raise the profile of HSRs in the Seacare jurisdiction, to emphasise their role as active and significant players in injury prevention, and to indicate the Seacare Authority's support for HSRs and other seafarers with regard to the part they play in improving OHS outcomes.

Fifty-eight participants from around Australia heard presentations from unions, regulators and marine operator representatives, as well as HSR trainers. They also took part in a workshop to identify issues and challenges faced by HSRs and seafarers with the aim of identifying strategies that the Seacare Authority could consider to assist HSRs and seafarers in achieving better OHS outcomes.

The main objectives of the forum were to:

- improve operator/employer awareness of the workplace consultative arrangement processes provided for by the *Occupational Health and Safety (Maritime Industry) Act 1993* (OHS(MI) Act)
- encourage consultation between operators/employers and their onboard employees, including HSRs, regarding OHS matters
- encourage greater onboard employee involvement in achieving improved OHS outcomes
- improve mechanisms for HSRs to share knowledge and information
- identify key issues facing HSRs and develop possible solutions.

Output 6: Management of common law asbestos claims

This output contributes to the outcome through the management of common law asbestos claims made against the Commonwealth. Management of these claims will be in accordance with the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005*.

Table 7: Performance results for output 6 — Management of common law asbestos claims

PBS key performance indicators	Performance measures	2008–09 Target	2008–09 Achievement	Variation
Level of satisfaction with Comcare's administration of *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005*	Minister's level of satisfaction with Comcare's administration of legislation – timeliness of claims process	Minister is satisfied with Comcare's administration of the legislation	Comcare is not aware of any unsatisfactory performance issues. Comcare increased the amount of monies recovered from concurrent tortfeasors (and paid into the Consolidated Revenue Fund) $2 201 489 in the 2008–09 year (up from $520 845 in 2007–08).	Nil
Manage claims in accordance with Legal Services Directions and Comcare's policy statement	Manage claims in accordance with Legal Services Directions and Comcare's policy statement	100% compliance	Comcare is not aware of any non-compliance reports	Nil
Manage claims in a timely manner	Manage claims in a timely manner	Respond within 24 hours	While data is not available to determine the time taken to acknowledge receipt of new claims, every effort is made to ensure that acknowledgement of the matter is issued within 24 hours. Primary claims are managed in a timely fashion, with the average duration of primary claims in the 2008–09 year being 3.8 months.	Nil

Variance explanation:

Comcare has achieved all of the performance measures associated with management of common law asbestos claims made against the Commonwealth. Comcare has managed these claims in accordance with the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* and has considerably improved its performance in relation to the management of the claims in a timely manner. The average duration of primary claims received and finalised within the same financial year reduced from 5.2 months in the 2007–08 year, down to 3.8 months in the 2008–09 year.

We set out to:

- manage common law asbestos-related claims and pay compensation in accordance with the Act and Comcare's policy statement
- manage liabilities and respond to claims.

Challenges:

- Claims of similar nature are often litigated in various jurisdictions with different Court Rules. Judgments made in other jurisdictions can cause difficulty with managing claims consistently in accordance with Comcare's obligations set out in the Legal Services Directions.
- There is a growth in the volume of primary asbestos-related disease claims managed by Comcare. In June 2008, Comcare managed fifty-two open claims and this has increased to 103 claims in June 2009. This is largely attributed to Comcare's assumption of the management of asbestos-related disease claims against the Department of Defence since 2008.
- There are difficulties obtaining evidence due to a claimant's death/illness or the lapse of time since the alleged exposure occurred.
- There are difficulties managing Comcare's liabilities for asbestos-related disease claims due to the liquidation of responsible third parties or an inability to locate a third party as a result of a change in corporate name.

Our achievements:

- We have **managed common law Asbestos Related Disease claims and paid compensation in accordance with the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* and in the order of priority set out in Comcare's policy statement**. Seventy-two asbestos-related disease claims have been served on Comcare since 1 July 2008 and resolved by consent.
  - Comcare has not received any complaints during 2008–09 in relation to the manner in which these claims were managed.
  - The average duration of the claims was 3.8 months (the average claim duration in 2007–08 was six months).
  - The fastest claim settlement was thirty-one days from service on Comcare.
  - None of these claims proceeded to a court hearing in 2008–09.
- We have effectively **managed liabilities for asbestos-related disease claims** with an increase in quantum of money recovered from third parties in the 2008–09 financial year by at least 50 per cent.
  - As at 3 March 2009, Comcare had recovered $1 116 036.55 from third parties and forwarded the money to the Consolidated Revenue Fund. In comparison, the amount recovered by Comcare in 2007–08 was $520 645.36.
- We **provided the required data to external actuaries for the purpose of estimating the Australian Government's future liabilities**. The data provided in 2008–09 has been materially accurate and reliable.

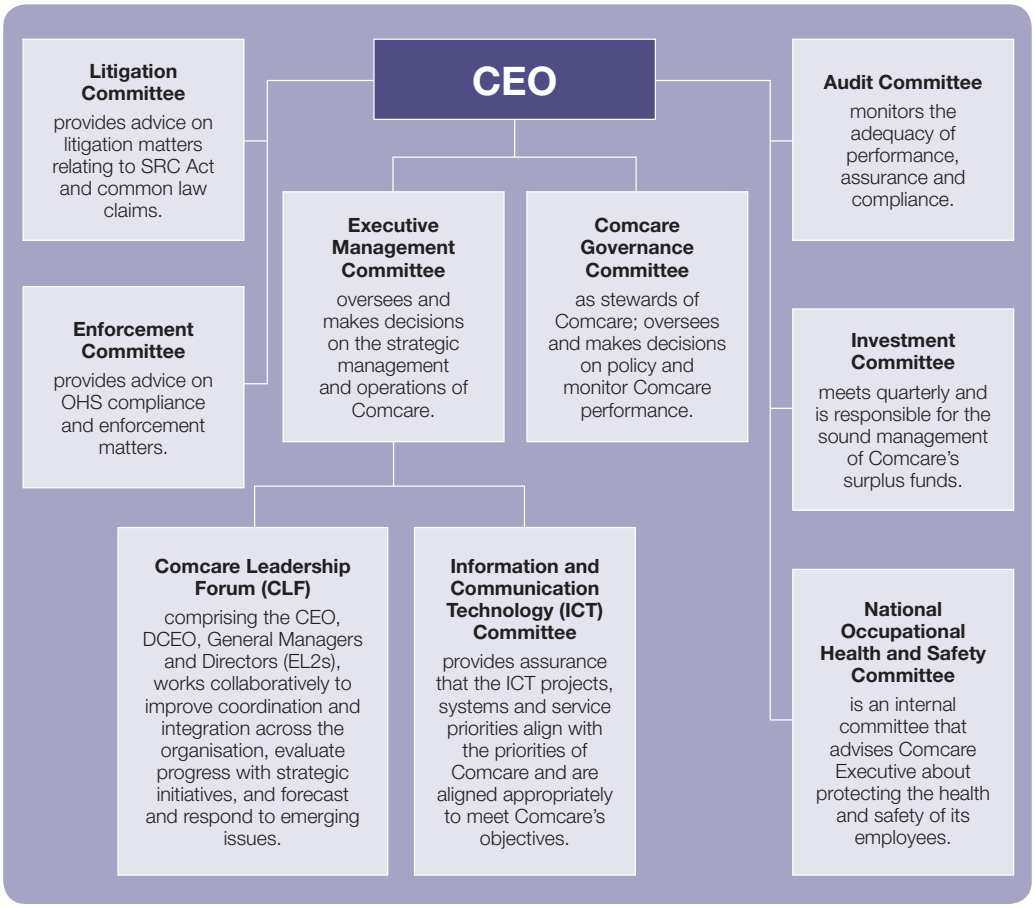
Part C: Management and accountability

Governance

Comcare's role is defined in the *Safety Rehabilitation and Compensation Act 1988* (SRC Act), the *Occupational Health and Safety Act 1991* (OHS Act) and the *Seafarers Rehabilitation and Compensation Act 1992* (Seafarers Act). Comcare is a statutory authority with body corporate status, managed under the provisions of the *Commonwealth Authorities and Companies Act 1997* (CAC Act).

Comcare's corporate governance framework is directed at supporting the achievement of organisational goals and ensuring that all legal and regulatory requirements are met.

Figure 5: Comcare's corporate governance framework



Audit Committee

The CEO of Comcare established the Audit Committee in compliance with section 32 of the CAC Act. The objective of the Committee is to provide independent assurance and assistance to the CEO on the organisation's risk, control and compliance framework, and its external accountability responsibilities.

The CEO is responsible for the appointment of Committee members. The Audit Committee consists of up to three members and not more than five independent members in total. Members are appointed for an initial period of two years after which they are eligible for extension or re-appointment.

In 2008–09, Comcare's Audit Committee comprised three independent members, including the Chair. Comcare's Deputy CEO, Comcare's Financial Officer, the internal audit provider (outsourced to Oakton) and the Australian National Audit Office regularly attended Audit Committee meetings as observers.

The Committee is directly responsible and accountable to the CEO for the exercise of its responsibilities. The Committee responsibilities relate to risk management, Comcare's control framework, external accountability, legislative compliance, and internal and external audit.

The Audit Committee met on five occasions during 2008–09. Details of attendance at the meetings are provided below.

Table 8: Attendance at Audit Committee meetings 2008–09

Name	Position in Comcare	Eligible to attend	Attended
Mr Dale Boucher	Independent Chair of the Audit Committee	5	5
Ms Vanessa Fanning	Independent Member of the Audit Committee	5	5
Dr Margo Wade	Independent Member of the Audit Committee	4	4
Mr Steve Kibble	Deputy CEO	3	3
Mr Matt Goldrick	General Manager, Prevention and Rehabilitation Branch	1	1

Internal audit

The internal audit program is a key element of the Comcare corporate governance framework. The program was developed using a risk-based approach and identified priorities of the organisation. The internal audit program provides assurance to the Audit Committee, the CEO and senior management and assists the area being audited to improve its efficiency and effectiveness.

Comcare's internal audit service provider prepared the plan for 2008–09 taking into consideration:

- Comcare's plan
- Comcare's strategic risks
- discussions with Comcare Executive
- knowledge of internal audits in other Commonwealth public sector organisations
- previous audit programs
- consultation with management by the Audit Committee Chair including an assessment of current risk management and assurance measures.

The internal audit program also takes into account the focus of Australian National Audit Office (ANAO) audits that may be relevant to Comcare. The internal audit program may be adapted by the Audit Committee in response to areas of focus by ANAO.

The internal audits for 2008–09 included:

- travel and credit cards
- response to audits of physical and protective security and management of asbestos liabilities
- investigation documents
- Seacare financial and administration management
- business continuity management
- financial compliance and claims and payment processing
- system for workers' compensation payments in lieu of salary direct to claimants
- research and analysis approaches to data quality
- self-insurance
- financial management information system implementation
- information technology security and access control
- inappropriate usage of email and internet
- information technology change management.

The internal audits conducted in 2008–09 indicate that overall there has been:

- a reduction in the number of audit recommendations relating to effective strategy indicating that significant work has been undertaken at a strategic level within the organisation
- an increase in the number of better practice recommendations, indicating that work has been done to achieve maturity in particular areas
- a reduction in the number of technology issues, indicating that earlier issues have been, or are being, addressed
- an improvement in communication.

While issues with procedures, processes and documentation continue to make up the majority of audit recommendations, recently these recommendations have been more minor in nature with a lower risk rating of medium or low.

In 2009, Comcare will move to more of a compliance focus to ensure we are complying with policies and procedures now in place. Some branches will continue with a performance-focused review of specific business areas and this is reflected in the program for 2009–10.

Risk management

Comcare's business planning framework is underpinned by strategic and operational risk assessments. Ongoing risk management is the responsibility of all Comcare Executive members as part of their normal operations. The risk management framework is reviewed annually by the Audit Committee.

A comprehensive update of Comcare's risk management framework was conducted during the year. This process used the Comcover risk-management benchmarking standards to enhance risk-management guidance and tools for managers and staff.

In November 2008, Comcare Executive revised Comcare's key strategic risks, the potential impacts, and the related controls and treatments. The revised risks are:

- Comcare is not prepared for occupational health and safety (OHS) harmonisation by 2011
- Comcare loses its reputation
- Comcare has inadequate financial resources to meet its liabilities and regulatory responsibilities
- Comcare suffers regulatory failure
- Comcare does not have the capacity to do its job
- Comcare is not positioned to meet future business challenges.

Comcare is continuing to build capacity and capability in roles which mitigate these risks. Comcare also endeavours to link business planning to resource and risk planning in order to treat these risks.

Key treatments for Comcare's strategic risks in 2008–09 include:

- operation of the Smarter Regulation Program
- effective management of the Commission Data Warehouse
- implementation of a robust performance measurement framework.

Smarter Regulation Program

The Smarter Regulation Program was developed in response to recommendations made about Comcare's compliance framework. A number of the accepted recommendations aim to enhance Comcare's compliance framework and further build on our regulatory performance. The range of projects that will achieve this are known as the Smarter Regulation Program. Several of the projects have been completed including the development of an effective employer profiling system.

Commission Data Warehouse

Comcare assists the Safety Rehabilitation and Compensation Commission (SRCC) in performing its statutory functions by managing a data repository known as the Commission Data Warehouse (CDW). The establishment of CDW was supported by an external review in 2004 of the robustness and consistency of data collected by Comcare. The CDW gives Comcare the capacity to compile performance reports for the SRCC and to assess licensees' performance against their statutory requirements and conditions of licence.

Performance management framework

Comcare has released an internal *Guide to performance measurement and reporting*. The guide is designed to be used by the executive, directors and team leaders when identifying performance information as part of the annual business planning process or during the ongoing development of business strategy. Work has also been completed during 2008–09 to select appropriate performance indicators and measures for the organisation. These have been integrated into Comcare's Corporate Plan 2009–12.

Comcare participated in Comcover's Risk Management Benchmarking Program and received an overall performance rating of 6.8 in 2009 which exceeded the average for Commonwealth agencies of a similar size (6.4).

Fraud control

Comcare is fully committed to complying with the *Commonwealth Fraud Control Guidelines 2002* to minimise the incidence of fraud through the development, implementation and regular review of a range of fraud prevention and detection strategies. The desired outcome of this commitment is the elimination of fraud.

To do this Comcare:

- investigates and prosecutes instances of fraud against Comcare's programs
- maintains and publishes a fraud control plan in accordance with the *Commonwealth Fraud Control Guidelines*
- maintains and improves awareness of fraud
- develops and documents fraud control procedures and policies
- encourages professional and ethical conduct by our employees and providers
- maintains, supports and fully respects confidentiality in accordance with the *Privacy Act 1988*
- seeks to recover our losses and take appropriate action against offenders
- monitors, reviews and continually improves performance.

All managers are accountable for the implementation and management of fraud control measures in their areas of responsibility. All staff are responsible for reporting suspected fraudulent activities in line with CEO Directions. Comcare's Fraud Control and Investigation Team manages the investigation of suspected cases of fraudulent activity in accordance with relevant legislation, policies, procedures and guidelines.

Fraud Control Certificate

Australian Government
Comcare

GPO Box 9905, Canberra ACT 2601
1300 366 979 www.comcare.gov.au

The Hon. Julia Gillard
Deputy Prime Minister
Minister for Employment and Workplace Relations
Parliament House
CANBERRA ACT 2600

Dear Deputy Prime Minister,

As the Chief Executive Officer of Comcare, I am accountable for fraud control within my agency. I am also responsible for certifying that I am satisfied that my agency has prepared fraud risk assessments and fraud control plans, and has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures that meet the needs of the agency and comply with the *Commonwealth Fraud Control Guidelines.*

I am satisfied that during the 2008–09 financial year Comcare has:

- prepared fraud risk assessments and fraud control plans that comply with the *Commonwealth Fraud Control Guidelines*
- maintained appropriate fraud prevention, detection, investigation and reporting procedures and processes
- collected and reported annual fraud data that complies with the *Commonwealth Fraud Control Guidelines.*

Yours sincerely

Paul O'Connor
22 September 2009

AUSTRALIA'S SAFEST WORKPLACES

Freedom of Information

Section 8 of the *Freedom of Information Act 1982* (FOI Act) requires Comcare to publish information about the following items:

Organisation, functions and decision-making powers

Information on the organisation, functions and powers of Comcare is given in Part A of this Report.

Arrangements for outside participation

Comcare has regular contact with claimants, employers and other stakeholders. There are formal and informal consultative mechanisms in place to allow organisations and people to participate in the formulation and administration of policy by Comcare.

These include:

- Commonwealth Compensation Liaison Committee
- Licensee Comcare Consultative Forum
- Employer Network
- Comcare National Conference
- Comcare National Seminar Series.

Comcare also has a general policy of inviting comment on significant policy issues before decisions are made. This includes consulting with industry groups and welcoming feedback from other interested parties.

Categories of documents

The following documents are available for inspection at Comcare offices or on Comcare's website:

- documents relating to Comcare's administration, including documents relating to personnel, finance, property and resource management
- briefing papers, submissions and reports relevant to Comcare's functions
- internal publications for the guidance of Comcare officers and others
- hard copy and electronic files on the range of the organisation's activities.

Full details of the documents held by Comcare are in the statement prepared in order to comply with section 9 of the FOI Act and are available upon request. Comcare produces a range of publications. Information about Comcare's publications may be obtained by contacting Comcare on 1300 366 979, or by visiting Comcare's website at <www.comcare.gov.au>.

Access to documents

Under section 59 of the SRC Act, injured employees may request copies of all documents relating to their claims. Similar rights are conferred on employers to request information or documents held by Comcare relating to their employees. This method of requesting documents results in limited numbers of requests under the FOI Act. Where Comcare receives a request under the FOI Act from a claimant for documents relating to their claim under the SRC Act, Comcare will process the request under section 59 of the SRC Act wherever possible (without charge to the applicant). Where documents cannot be processed under section 59, Comcare will consider whether they can be processed under the FOI Act (although the ordinary charges will apply).

In relation to matters other than claims management, Comcare will, wherever possible, meet requests for access to documents that satisfy the requirements of the FOI Act.

Access to documents is usually given by providing photocopies of the documents, but alternative arrangements (such as inspection of original documents) can be arranged.

Requests for copies of documents under the FOI Act should be referred to the Freedom of Information Contact Officer who can be contacted on 1300 366 979.

There were nine requests under the FOI Act during 2008–09.

Safety, Rehabilitation and Compensation Commission and the Seafarers Safety, Rehabilitation and Compensation Authority

Comcare also provides secretariat support and assistance to the SRCC and the Seacare Authority including processing of any applications under the FOI Act.

Privacy

Comcare needs to collect personal and often sensitive information about people in order to perform its functions effectively. Comcare takes seriously its privacy obligations, as set out in the *Privacy Act 1988*, and is committed to meeting the highest standards when collecting, storing, using and disclosing personal information.

Comcare actively participates in forums run by the Office of the Federal Privacy Commissioner and is kept abreast of impacts on the privacy environment.

For information about your privacy you should contact Comcare's Privacy Contact Officer on 1300 366 979.

Privacy complaints received by Comcare 2008–09

Complaints on hand as at the last reporting period

Complaints from individuals

- one individual privacy complaint was on hand as at the last reporting period.

Complaints referred by the Office of the Privacy Commissioner

- five Office of the Privacy Commissioner (OPC) complaints were on hand as at the last reporting period

Complaint summary

Complaints from individuals

- six privacy complaints have been received from individuals
- six individual complaints have been finalised during period
- one individual complaint was outstanding at end of period.

Complaints referred by the Office of the Privacy Commissioner

- three complaints have been referred by the Office of the Privacy Commissioner (OPC)
- four complaints have been finalised during period
- there were four OPC complaints outstanding at end of period.

Ministerial Directions

Comcare is required under paragraph 12 of the *Commonwealth Authorities and Companies (Report of Operations) Orders 2008* to provide particulars of any Directions issued by the responsible Minister, or other Minister, under Comcare's enabling legislation or other legislation.

Certificate of compliance

Section 16(1)(c) of the CAC Act requires Comcare to give the Finance Minister such reports, documents and information in relation to its operations as requested by the Finance Minister.

The Department of Finance and Administration issued *Finance Circular No. 2008/05 Compliance Reporting — CAC Act Bodies* during the 2007–08 financial year. The circular requires Comcare's CEO to issue a compliance report in respect of the preceding financial year to both the Finance Minister and the Minister for Employment and Workplace Relations by 15 October each year. This requirement is a Ministerial Direction for the purposes of paragraph 12(1)(a) of the *Commonwealth Authorities and Companies (Report of Operations) Orders 2008*.

Finance Minister's (CAC Act Procurement) Directions 2004

The Minister for Finance and Administration issued Directions under subsection 47A(2) of the CAC Act on 1 December 2004. They detail the extent to which *Commonwealth Procurement Guidelines* apply to relevant CAC Act bodies such as Comcare.

Prime Minister's Public Service Directions 1999

The Prime Minister's Public Service Directions 1999 detail leave without pay provisions for employees wishing to take up employment with the Governor-General's Office or with a Member of Parliament. The Directions also allow Comcare to engage a person for the purpose of the person gaining skills and experience under several training schemes.

Finance Minister's (A New Tax System) Directions 2005

These Directions are made to give effect to the Parliament's intention in relation to the application to the *Commonwealth of the A New Tax System (Goods and Services Tax) Act 1999*, the *A New Tax System (Luxury Car Tax) Act 1999* and the *A New Tax System (Wine Equalisation Tax) Act 1999*.

Government policies

Cost recovery guidelines

On 14 May 2003 the Department of Finance and Deregulation notified Comcare under sections 28 and 43 of the CAC Act that it must comply with the *Cost Recovery Guidelines*. Comcare has complied with this policy and the CEO endorsed a cost recovery impact statement for the *Occupational Health and Safety Act 1991* component of licence fees on 7 May 2008.

Consultants — competitive tendering and contracting

Policy and probity

In line with the principles of the *Commonwealth Procurement Guidelines*, the Comcare policy on selection and engagement of consultants is based on the principles of:

- value for money
- open and effective competition
- ethics and fair dealing
- accountability and reporting
- national competitiveness and industry development
- support for other related Australian Government policies.

Consultancy services

Consultancy services are one particular type of service delivered under a contract for services. They are distinguished from other contracts by the nature of the work performed. A consultant is an entity (individual, partnership or corporation) engaged to provide professional, independent and expert advice or services. In general, the term, 'consultancy services' is used to describe the application of expert and professional skills to:

- investigate or diagnose a defined issue or problem
- carry out defined research, reviews or evaluations
- provide independent advice, information or creative solutions to assist the agency in management decision making.

A consultancy contract will usually define the nature, purpose and duration of the task to be performed but does not detail the manner in which the task is to be performed. The consultant is usually paid on completion of milestones or in a lump sum. Consultants are not employees of Comcare and are not paid wages or other employee entitlements. A contract for consultancy services is based on a principal/consultant relationship.

Details of contracts for consultancy services

During 2008–09, 12 new consultancy contracts were entered into with a contract value of $1 198 537. In addition, 27 ongoing consultancy contracts, with a value greater than $10 000, were active during the 2008–09 year, involving actual expenditure of $1 812 167.

Details of the consultancy services let during 2008–09 with a contract value of $10 000 or more, (GST inclusive) are outlined below.

Table 9: Consultancy services

Consultant	Description of services	Contract value	Selection process	Justification
C3 Business Solutions Pty Ltd	Business Intelligence Services	$132 000	Under Commonwealth contract	Specialised skills not available in Comcare in required timeframe
Wisdom Learning	Development of Operational Procedures Manual	$18 150	Select tender process	Lack of in-house resources. Specialised skills not available in Comcare in required timeframe
Infohrm Pty Ltd	Job Family Development and Implementation	$84 216	Select tender process	Specialised skills not available in Comcare in required timeframe
Harriss Wagner Management Consultants	Phase 1 and 2 of the matter management system for Legal Services	$55 000	Select Tender Process	Specialised skills not available in Comcare in required timeframe
Michael D'Aprix	Comcare Pracsys Review System	$44 000	Select Tender Process	Specialised skills not available in Comcare in required timeframe
Deloitte Touche Tohmatsu	Evaluation of new claim processes within Comcare.	$158 000	Select Tender Process	Specialised skills not available in Comcare in required timeframe
Deloitte Touche Tohmatsu	Data Analytics Review	$40 000	RFQ	Specialised skills not available in Comcare in required timeframe
Richardson O'Rourke Consulting Pty Ltd	SRP18 Regulatory Management System	$271 524	Select tender process	Specialised skills not available in Comcare in required timeframe
SecureLink Pty Ltd	Disaster Recovery Project Manager	$105 875	Select tender process	Specialised skills not available in Comcare in required timeframe
Professor Duncan Campbell	Research on management of customer aggression	$33 772	RFQ	Specialised skills not available in Comcare in required timeframe
Deloitte Touche Tohmatsu	IT Consultancy ICT Strategic Plan	$80 000	RFQ to three Suppliers	Specialised skills not available in Comcare in required timeframe
Finity Consulting Pty Ltd	Actuarial Services	$176 000	Select tender process	Specialised skills not available in Comcare in required timeframe

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website at <www.tenders.gov.au>.

Indemnities and insurance

Comcare purchased directors and officers' liability insurance and professional indemnity insurance for 2008–09 from Comcover.

The insurance provided coverage for the CEO, senior executive staff and SRCC members. Directors and officers' liability insurance covered the consequences of any wrongful act of these officers.

Comcare is also required to notify Comcover within thirty days of the expiry of the cover of any incidents that may give rise to a claim under this cover. There is no excess payable in the event of a claim under this insurance cover.

The cost to Comcare of directors and officers' insurance for 2008–09 was $29 023.34 (not including GST).

There was one claim against the directors and officers' liability insurance during 2008–09.

Professional indemnity insurance indemnifies the above officers for damages or judgments and legal costs awarded against the officers arising from the execution of or breach of their duty. Comcare is required to pay the first $20 000 of any claim made for professional indemnity.

Comcare is also required to notify Comcover within thirty days of becoming aware of a claim for loss in respect of this insurance. The cost to Comcare for professional indemnity insurance for 2008–09 was $23 430.55 (net of GST).

There were zero claims against the professional indemnity cover during 2008–09.

Advertising and market research

During the 2008–09 financial year, advertising payments to organisations by or on behalf of Comcare were $335 502.42. These payments are detailed below.

Table 10: Advertising and market research

Service	Agency	Amount
Employer satisfaction research	TNS Social Research	$48 609 (not including GST)
Recruitment	Regional newspapers, online advertising, university websites, specialised publications and magazines including *Indigenous Times*	$286 893.42 (not including GST)

Legal services expenditure

During the 2008-09 financial year, Comcare's total legal services expenditure was $27 583 073. This expenditure is detailed below.

Table 11: Legal services purchasing expenditure report 2008–09

Description	2008–09
Agency's total legal services expenditure	**$27 583 073**
Agency's total external legal services expenditure	**$19 812 210**
External expenditure on professional fees	$16 216 058
External expenditure on disbursements	$2 017 509
Number of male counsel briefed	79
Value of briefs to male counsel	$1 307 084
Number of female counsel briefed	26
Value of briefs to female counsel	$271 559
Number of male counsel briefed directly	3
Number of female counsel briefed directly	2
Agency's total internal legal services expenditure	**$7 770 863**
Total Costs Recovered	$573 805

External scrutiny

External audit

In 2008–09, Comcare participated in a survey conducted by the ANAO in regard to a cross-agency audit of green office procurement and sustainable office management.

The audit found that Comcare had taken a number of actions to improve environmental performance.

The report also suggested improvements in the following areas:

- strengthening the energy management plan with renewed targets and cost- effective energy efficiency initiatives
- improving compliance with statutory reporting requirements under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*
- incorporating environmental considerations into building refurbishments and the management of waste
- incorporating environmental considerations into Chief Executive Instructions and internal policies.

Appendix vi, 'Ecologically sustainable development and environmental performance' details Comcare's progress in regard to these suggestions.

Ombudsman

Comcare received thirty-one enquiries from the Commonwealth Ombudsman's Office during 2008–09.

Comcare received thirteen follow-up enquiries regarding the above matters during 2008–09.

Of all the matters received by Comcare, twenty-three were resolved to the satisfaction of the Commonwealth Ombudsman and subsequently closed.

Administrative deficiency was recorded on six* occasions by the Commonwealth Ombudsman in relation to human error, unreasonable/undue delay, procedural deficiency and communication in Comcare dealings with injured employees' concerns.

Comcare has responded to sixteen matters that are yet to be closed by the Ombudsman.

One matter is ongoing.

*The six findings were attributed to four matters raised by the Ombudsman.

Review of decisions

There were no judicial decisions or decisions of administrative tribunals made in 2008–09 that have had a significant impact on Comcare's operations.

People are our business

Comcare has some 581 staff (as at 30 June 2009) located in Canberra and all states, except Tasmania. It undertakes assurance and compliance activities out of all its offices. Additionally, Comcare undertakes education and prevention assistance as well as injury management services in its Canberra head office and in its Melbourne office.

Staffing profile

Comcare collects Equal Employment Opportunity (EEO) data on employees when they commence employment which is required for the Australian Public Service Commission's State of the Service Report. Data for this purpose covers gender, Aboriginal or Torres Strait Islander origin, disability and non-English speaking background. Apart from gender, identification is voluntary on the part of the individual employee.

Comcare employees come from diverse backgrounds. By harnessing this diversity we can help to ensure that all our people contribute their best and develop to their full potential. The benefits of a diverse workforce potentially include:

- increased capacity for **innovation** — a diverse workforce with a range of different backgrounds and perspectives can give the organisation a broader range of ideas and insights to draw on
- improved **client service** — a workplace that reflects its client base will understand its clients better and be able to communicate more effectively, based on a deep understanding of their needs
- increased **productivity** — an organisation that values and capitalises on employee diversity has an enriched working environment that can make for a more productive and fulfilling workplace, which is an important factor in attracting, developing and retaining high quality employees in a competitive environment.

Table 12: Equal employment opportunity data

EEO group	Comcare 30 June 2009 %	APS 30 June 2008 %
Proportion of female employees	60	57.6
Female executive level employees	50	45
Female SES employees	50	37
Indigenous Australians	0.3	2.1
People with a disability	1.2	3.1
Non-English speaking background	17.2	10

The representation of Indigenous Australians and people with a disability within Comcare is below the APS average. Overall the representation of these groups across the APS has declined since 2007. Comcare's representation of employees from a non-English speaking background is above the APS average.

Comcare's Diversity Program 2009–2013 reinforces the benefits of understanding and encouraging the differences in perspectives, backgrounds, ideas and ways of working within Comcare's workforce, and using them to enhance the quality and outcomes of our work.

The Diversity Program is complemented by Comcare's Reconciliation Action Plan (RAP) 2009–2012. Soon to be registered by Reconciliation Australia, Comcare's RAP will represent our public contribution towards the national effort to close the seventeen-year life expectancy gap between Indigenous and non-Indigenous children.

Comcare's RAP aims to contribute to creating a fairer society, an improved ability to 'know our customer' and to develop a workforce that is more representative of the community in which we operate.

Figure 6: Comcare gender by classification as at 30 June 2009

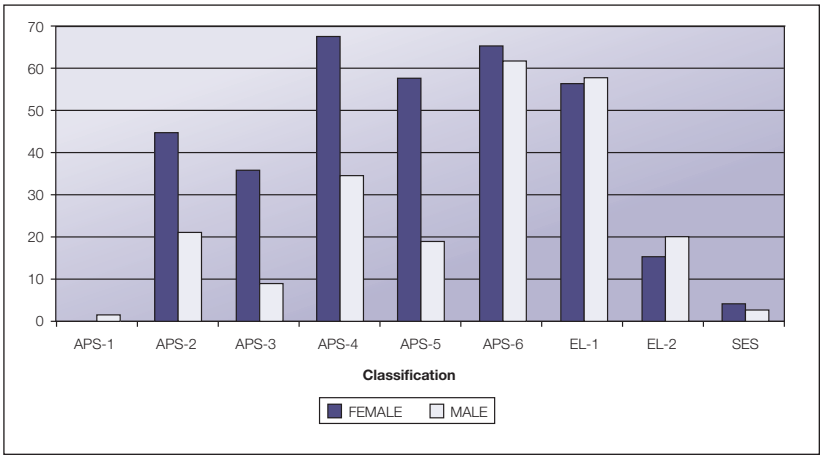
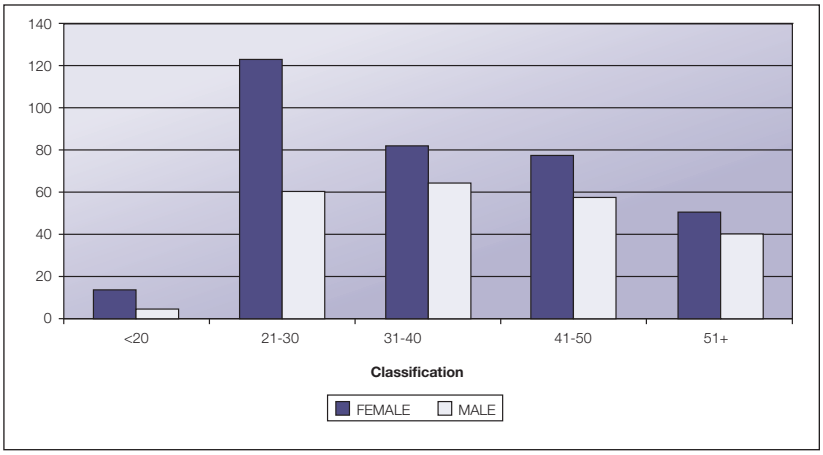


Figure 7: Comcare gender by age range as at 30 June 2009



From the above graphs it can be seen that female employees are well represented across all age ranges and classifications within Comcare.

Comcare currently has a number of workplace diversity initiatives in place or in the development phase. These include:

- Workplace Diversity Program
- prevention of bullying and harassment policy and guidelines
- workplace equity and diversity modules within the corporate induction.

Comcare is also a member of the Australian Employers Network on Disability.

Remuneration and conditions of service

The current Comcare Collective Agreement took effect from 1 August 2007 and will nominally expire on 31 July 2010. The Collective Agreement states the terms and conditions of employment for all employees not covered by individual agreements and applies to all non-SES employees within Comcare employed under the *Public Service Act 1999*. Some key features of the 2007–2010 Collective Agreement include:

- pay increases of up to 13.3 per cent over three years
- absenteeism reduction targets determine eligibility for part of pay increases
- individual performance is linked to all pay increases
- travel arrangements require the use of credit cards and acquittal for expenses.

Comcare's Executive Level Remuneration Strategy is designed to reward and remunerate employees reasonably and appropriately for their performance and contribution to Comcare. It is also intended to assist Comcare in attracting and retaining a high calibre, market-leading workforce.

During 2008–09 Comcare revised the Executive Level Remuneration Strategy to align with the Fair Work Australia legislation and the Government's bargaining framework, and to transition employees from individual arrangements to collective arrangements. Employees agreed to voluntarily terminate individual arrangements as part of this strategy from 30 June 2009.

The terms and conditions of employment of most Executive Level employees in Comcare are now contained in CEO Determinations made under a collective section 24(1).

The CEO can determine individual allowance payments at any time and for any period. Payment of the allowance is contingent on receiving a performance rating of at least satisfactory in the preceding financial year. It is also subject to any particular requirements specified when determining the allowance payment, such as length of time in job or completion of a project.

Additional bonuses and allowances

The revised Executive Level Remuneration Strategy removed performance related bonuses from executive level remuneration in 2008–09.

The Comcare Collective Agreement outlines the allowances that eligible employees may receive including overtime, first aid and higher duties allowances.

Reward and recognition

As part of its culture and as a representation of its values, Comcare recognises that:

- high performing staff are the key to its success
- staff who perform well should be recognised for their efforts
- mechanisms to recognise and/or reward outstanding effort should be in place.

Comcare Executive actively promotes and endorses individual and team organisational awards under the Reward and Recognition Program. A CEO letter of commendation and presentation has been a key feature of the program.

The criteria for nomination are:

- efforts above and beyond those expected of staff in equivalent positions
- successful completion of a particularly intensive, onerous or non-routine task, project or activity
- sustained high quality effort
- innovative ideas, approaches or concepts that lead to improvements in the workplace
- service to the community at large (that is, not necessarily work related).

Rewards and awards are tailored to the person/event being recognised and Comcare Executive decides on the nature of the awards as appropriate. Some examples of rewards that may be offered are gift vouchers, meals, movie tickets, time off and Comcare-sponsored functions.

Comcare Executive granted awards to fourteen individuals and six teams during 2008–09. The individuals and teams were recognised for a range of attributes and achievements including positive leadership, high standard of customer service and successful project completion. Comcare also recognised the achievement of three individuals and three teams who received Australia Day medallions in January 2009.

September 2008 marked the twentieth anniversary of the SRC Act. To coincide with this milestone, a number of employees who have completed twenty years of service with Comcare were recognised for their dedication to the organisation and presented with certificates by the CEO.

Building internal capability

Improved business capability was enabled by the development and implementation of the following initiatives by the Human Resources area over the last financial year:

- A revision of **Comcare's career and capability framework** was undertaken, incorporating a review of Comcare roles and required capabilities, the mapping of roles to the Australian and New Zealand Standard Classification of Occupations (ANZSCO) and the identification of career streams. The outcomes of this project will further enhance and support workforce planning, career management, capability development and succession planning within Comcare.
- **The Comcare Leadership Program** expanded this year to include APS 5 and APS 6 staff. The emphasis is on self awareness and targeted development plans to assist staff to be the best that they can be in achieving Comcare's vision of Australia's safest workplaces.
- A review to assess the **legislative training requirements** for different branches was commenced. After the review is finalised Comcare will move to more competency-based training, targeted at relevant job roles. Learning and development options will be aligned with the career and capability framework to facilitate more streamlined and effective training and development within Comcare.
- The **Strategic Recruitment Plan 2008–2010** was developed to:
  - attract the right people in a competitive labour market to accommodate the growing business demands of Comcare
  - meet organisational capability needs to support business delivery now and into the future
  - promote best practice in recruitment and selection methodologies and practices.
- The Comcare **Entry Point Strategy**, which identifies and sources employees at entry level (APS 2) within the Benefit Processing Team and the Records Management Centre, continued to assist employees with career development and ongoing employment within the organisation. This strategy will ensure retention of employees and Comcare's long-term growth.
- Compulsory **'Getting that Selection Right' training sessions** were held for all staff to provide the necessary skills, knowledge and insights into conducting an effective, transparent recruitment and selection process.
- **Regular workforce planning and reporting** was undertaken, including the development of an annual organisational workforce plan and quarterly workforce reports. The outcomes of the workforce planning process assist Comcare to deliver its business now and into the future by focusing on ensuring that the workforce has the right capability, structure and composition to respond to change as it occurs. Priorities identified throughout the workforce planning and reporting process continue to guide the implementation of Comcare's People Plan 2008–2010.

Workplace health and safety

Comcare places a high priority on workplace health and safety. The maintenance of a safe and healthy workplace is identified as a key strategy in the 2008–2010 People Plan.

Activities undertaken by Comcare's Workplace Health and Safety Team in 2008–09 to support a safe and healthy workplace included:

- workstation assessments for new starters: 98
- physical preventative and early intervention activities, including provision of heat/ ice packs, eye testing, physiotherapy, psychological assistance and exercise therapist sessions: 480
- access to an Employee Assistance Program: 65 clients, 114 hours of usage (annual usage rate 13.64 per cent).

The combined investment on prevention and early intervention activities for the year was $246 636 or $523 per full-time equivalent average employee (FTE-A).

Comcare claim performance

The implementation of early workplace safety intervention strategies and a focus on organisational prevention strategies led to a significant reduction in Comcare's average premium rate in 2008–09. The Comcare premium rate of 1.28 per cent is now lower than that of the Australian Government average of 1.36 per cent.

There has continued to be a decrease in the frequency of claims with no accepted claims for the 2008–09 financial year to date. Moreover, average claims costs and lost time continues to decline at a time when the costs to Australian Government agencies is on average increasing.

Health month

Health month, launched by the CEO in November 2008 featured the theme 'Healthy Body, Healthy Mind, Healthy Organisation'.

Physical activities included tai chi and yoga classes, a walk with the CEO, pedometer challenges and onsite massages; while seminars focused on emotional and financial wellbeing, nutrition and health, and building strong relationships.

Events were extremely well attended and valued by staff, with feedback including:

> 'Fantastic — I feel like Comcare cares about ME!'
>
> 'I've decided to stop eating lunch at my desk and go outside and rejuvenate at lunchtime.'
>
> 'I like that we are looking at prevention instead of waiting until it is too late … many, many thanks!'

Plans are underway for Health Month 2009.

Health and Safety Management Arrangements

Comcare's Health and Safety Management Arrangements (HSMAs) were in place by 15 September 2008 as per the requirements of the OHS Act. The HSMAs were developed in consultation with Comcare employees and endorsed by Comcare's National Occupational Health and Safety Committee (NOHSC) and the Comcare Leadership Forum.

The HSMAs are designed to meet the needs of Comcare's employees and ensure the safety of workplaces, taking into account the relevant hazards, organisational culture and workforce of Comcare. The HSMAs provide a framework which is supplemented by OHS policies and procedures.

Comcare's HSMAs include:

- mechanisms to give effect to the mandatory criteria for HSMAs outlined in section 16(2)(d) of the OHS Act
- agreements between Comcare, its employees and their employee representatives about continuing consultation on OHS matters, or other matters agreed between the parties
- an outline of roles and responsibilities in relation to OHS
- mechanisms for supporting the effectiveness of Comcare's OHS Management System
- mechanisms for supporting and ensuring the training of employees with specific OHS responsibilities
- mechanisms for ensuring the implementation of relevant OHS matters.

Since the HSMAs were endorsed in September 2008 work has been underway to implement the arrangements and there has been progress in the following areas:

- Comcare's designated work groups (DWGs) were established after consultation with all staff. Following a nomination and selection process all DWGs have a health and safety representative (HSR) and deputy HSR.
- All HSRs have received the appropriate HSR training.
- Five employee representatives were selected by staff as their National Health and Safety Committee (NHSC) representatives.
- The National Health and Safety Committee (formally the National Occupational Health and Safety Committee) met with its new committee members on 26 May 2009. This committee oversees the strategic development of health and safety within Comcare. The committee is made up of five employer representatives including the CEO, five employee representatives and a HSR.
- The Occupational Health and Safety Operations Committee (a sub-committee of NHSC) has been formed. The primary objective of the committee is to deal with operational OHS issues in Comcare. The committee is made up of all HSRs, First Aid Officers, Harassment Contact Officers, Chief Fire Wardens, Workplace Health Manager, a Property and Services delegate and OHS Officer.
- The First Aid Officer network has been updated and the majority of First Aid Officers have undergone the necessary training.

Over the last twelve months a number of measures have been put into place to ensure staff have a healthy and safe working environment. These measures include:

- an increased focus on the prevention of body stressing injuries as well as addressing the impact psychosocial factors play in these injuries
- placing a high priority on early intervention, encouraging staff to report any symptoms early to prevent the development of chronic injury or illness
- on-boarding workstation assessments for all new staff and workstation assessments for any staff experiencing discomfort in their work environment, this also includes the provision of any necessary ergonomic equipment
- review and update of the dedicated health and safety section on the intranet accessible by all staff
- health-related workshops for staff including health assessments, information sessions and fitness classes.

Occupational health and safety statistics

Under section 68 of the OHS Act, Comcare is required to notify Comcare Australia of any accidents or dangerous occurrences arising out of work undertaken by any of its employees. One incident was reported to Comcare Australia in 2008–09

Investigations

Under section 74(1)(f) of the OHS Act, Comcare is required to include (in the Annual Report) any investigations conducted during the year into any of its undertakings. No investigations were conducted in 2008–09.

In focus

The Australian Human Resources Institute (AHRI) National Awards Program is Australia's premier HR and people management awards program. It recognises outstanding individuals and teams that demonstrate tangible improvements in business performance.

Comcare was judged an Australian Capital Territory (ACT) finalist for the National HR Impact Award in recognition of Comcare's commitment to its people. Ms Shona Moloney, HR Director, accepted this award which was presented by AHRI's ACT State President, Mr Ron Watts, at AHRI's annual Leadership Conference in September 2008.

The HR Impact ACT Finalist Award recognises the performance and impact of a HR department, and Comcare was particularly recognised for:

- reporting on human capital data information to Comcare's Executive and the wider organisation to drive business decisions and manage workforce demands
- managing a general talent model to improve employee selection, development and performance
- building an organisational/employee roadmap that embeds the strategic changes of the business.

Comcare's corporate initiatives aim to achieve organisational capability by building a responsive, flexible and engaged workforce. This is vital to achieving our vision of *planning for Comcare people today to deliver our business tomorrow.*

Business support

The capacity and business capability of Comcare employees were enabled through the initiative of two key areas — information technology and infrastructure, and governance and planning.

Information technology and infrastructure

- Effective **records management systems were enhanced** to support business needs and legislative requirements including the completion of a census of all paper-based files at the Records Management Centre. Records management training was carried out in all states and a new Records Authority was developed and approved by the National Archives of Australia.
- Comcare continued **to improve its electronic records management**. All new claims for compensation are now scanned when received. During 2008–09, Comcare commenced scanning incoming correspondence related to pre-2003 claim files as well as scanning the relevant paper-based claim file.
- **Business continuity management planning and procedures were tested and updated**. Enhanced security measures were introduced and resulted in a stronger security environment and improved performance when measured as part of our internal audit program.
- Processes and procedures were implemented to facilitate **engagement with Comcare's business areas**. This has resulted in an increased understanding of the requirements of business areas. As a result, a number of **information and communications systems solutions** have been implemented to meet the needs of Comcare as a growing organisation. For example:
  - all Microsoft 2000 servers have been decommissioned
  - a new virtualised server management tool has been implemented
  - the telephone call management system has been upgraded
  - a document archival solution has been implemented.
- The **capacity of Comcare's information and communications systems was been managed effectively throughout the organisation's period of growth**. A reduction in the number and severity of system outages was recorded.
- The security of Comcare's information and communications systems was ensured with the **implementation of increased password complexity** and laptop encryption, and a successful trial of secure mail.

- Cost-effective infrastructure solutions were achieved including the r**efurbishment of our Canberra, Sydney and Melbourne offices**. Information and communications technology was delivered to new and refurbished sites with no unexpected system outages.
- A **new desktop and laptop contract** was established and a replacement program has been commenced.
- Construction of a **new data centre and network and infrastructure configuration** was completed.
- An **improved performance reporting system to assist the Claims Services Branch** in the effective management of their role was provided.
- Ongoing **support to business areas with general reporting enquiries** was provided. Requests from business areas have been met during a year where there has been a significant increase in project work requiring reporting initiatives.

Governance and planning

- Comcare's **performance and reporting framework was developed and implemented** with the *Comcare guide to performance measurement and reporting* published in February 2009.
- **Performance measures were established for the key business objectives and strategies outlined in Comcare's 2009–10 Corporate Plan and Portfolio Budget Statement.** The initial preparation of performance measures has highlighted several areas where Comcare can improve data collection and reporting mechanisms to support decision making.
- A **planning framework was developed and implemented** that meets the organisational and business needs. The framework has been structured to incorporate a **'Corporate Plan 2009–2012'** which will support and strengthen Comcare's foundation now and into the future by linking the Comcare Plan to operational plans.
- Comcare's **committee framework was further developed** to improve the effectiveness of committee governance arrangements across the organisation. The newly formed Comcare Governance Committee endorsed the committee framework in January 2009. Comcare committees now operate with improved governance arrangements leading to improved transparency, knowledge sharing and operations.

Employer premium performance

Employers are financially accountable for the cost of work-related injury and disease through the payment of an annual premium.

Comcare ensures soundly based calculation of premiums and utilises consulting actuaries to assess liabilities and determine annual amounts. The ANAO also undertakes independent reviews of Comcare.

The premium rate that Comcare sets for each employer responds to that employer's claim frequency and average claim cost, as well as to overall claim trends and the total amount that Comcare needs to collect from all employers to cover the cost of work-related illness and injury.

Therefore, the rate for each employer provides an indication of the employer's effectiveness in preventing injury or illness and in helping its employees to return to work quickly and safely after a work-related injury or illness.

The publication of employers' premium rates over a number of years contributes to increasing leadership accountability for prevention and injury management.

The following table shows premium rates for employers that had more than 100 employees in 2008–09 and in the previous three years.

Caution is needed in interpreting premium rates for employers for the following reasons:

- The premium rate of each employer responds to overall claim trends and the total amount that Comcare needs to collect, as well as to each employer's claim frequency and average claim cost. The response to the employer's claim performance is faster for larger employers than it is for smaller employers.
- Comparison between employers may not be valid because employees in different organisations may face inherently different risks. For example, the nature of duties and type of workplace may be different.
- Year-to-year comparisons for some employers may also not be valid due to machinery-of-government changes where parts of organisations with higher or lower risk have moved between employers.

Table 13: Employer premium performance

Customer name	2006–07 Revised rate	2007–08 Revised rate	2008–09 Revised rate	2009–10 Prescribed rate	2009–10 Rate Quartile
Aboriginal Hostels Ltd	5.07%	3.69%	3.15%	3.07%	4
ACT Government (1)	3.03%	2.74%	2.66%	2.74%	4
Administrative Appeals Tribunal	0.99%	0.84%	0.74%	0.73%	2
Airservices Australia	0.31%	0.40%	0.46%	0.53%	1
Attorney-General's Department	1.45%	0.63%	0.38%	0.36%	1
Australian Broadcasting Corporation	1.07%	0.88%	0.63%	0.59%	2
Australian Bureau of Statistics	1.53%	1.69%	1.46%	1.50%	4
Australian Communications and Media Authority	1.03%	1.19%	1.30%	0.81%	3
Australian Competition and Consumer Commission	0.92%	0.63%	0.49%	0.37%	1
Australian Crime Commission	0.43%	0.54%	1.03%	1.15%	4
Australian Customs and Border Protection Service	1.93%	2.52%	2.24%	2.10%	4
Australian Electoral Commission	1.45%	1.22%	1.49%	0.95%	3
Australian Federal Police	3.57%	3.36%	3.70%	3.55%	4
Australian Film, Television and Radio School	2.02%	1.60%	1.29%	1.03%	3
Australian Fisheries Management Authority	1.22%	1.23%	0.94%	0.98%	3
Australian Government Solicitor	0.59%	0.63%	0.70%	0.56%	1
Australian Hearing	0.79%	0.65%	0.71%	0.57%	2
Australian Institute of Health and Welfare	1.06%	0.91%	0.96%	0.95%	3
Australian Institute of Marine Science	0.67%	0.45%	0.76%	0.62%	2
Australian Maritime Safety Authority	0.41%	0.44%	0.23%	0.29%	1
Australian National Audit Office	0.71%	0.54%	0.61%	0.44%	1
Australian National Maritime Museum	1.30%	1.21%	1.02%	1.07%	3
Australian National University	0.93%	1.03%	0.86%	0.86%	3
Australian Nuclear Science and Technology Organisation	0.74%	1.07%	1.29%	1.12%	3
Australian Pesticides and Veterinary Medicines Authority	0.79%	0.92%	0.93%	0.63%	2
Australian Prudential Regulation Authority	0.65%	0.53%	0.25%	0.34%	1
Australian Public Service Commission	1.39%	1.09%	0.85%	0.66%	2
Australian Radiation Protection and Nuclear Safety Agency	0.82%	0.66%	0.52%	0.66%	2
Australian Rail Track Corporation Ltd	0.46%	0.50%	0.30%	0.53%	1
Australian Securities and Investments Commission	0.94%	0.77%	1.06%	1.03%	3
Australian Sports Commission	1.81%	1.40%	1.09%	0.91%	3
Australian Taxation Office	2.89%	2.52%	2.03%	1.64%	4
Australian Trade Commission	0.43%	0.27%	0.18%	0.25%	1

Customer name	2006–07 Revised rate	2007–08 Revised rate	2008–09 Revised rate	2009–10 Prescribed rate	2009–10 Rate Quartile
Australian Transaction Reports and Analysis Centre	0.91%	0.60%	0.34%	0.41%	1
Australian War Memorial	1.38%	1.26%	1.51%	1.07%	3
Bureau of Meteorology	0.97%	0.64%	0.54%	0.42%	1
Central Land Council	0.78%	0.59%	0.60%	0.62%	2
Centrelink	2.50%	2.19%	2.14%	1.71%	4
Civil Aviation Safety Authority	1.13%	1.19%	0.69%	1.01%	3
Comcare	2.54%	2.18%	1.23%	0.62%	2
Commonwealth Ombudsman	1.29%	0.86%	0.63%	0.63%	2
Commonwealth Scientific and Industrial Research Organisation	0.72%	0.54%	0.47%	0.37%	1
Commonwealth Superannuation Administration	2.23%	2.22%	1.99%	1.96%	4
Defence Housing Australia	1.45%	0.88%	0.85%	0.72%	2
Department of Agriculture, Fisheries and Forestry	2.60%	2.22%	1.99%	2.05%	4
Department of Broadband, Communications and the Digital Economy	1.11%	0.90%	0.65%	0.57%	2
Department of Climate Change		1.02%	1.00%	0.67%	2
Department of Defence	1.47%	1.27%	1.10%	1.28%	4
Department of Education, Employment and Workplace Relations		0.96%	1.00%	0.89%	3
Department of Families, Housing, Community Services and Indigenous Affairs	1.73%	1.36%	0.98%	0.96%	3
Department of Finance and Deregulation	1.09%	0.67%	0.57%	0.61%	2
Department of Foreign Affairs and Trade	0.70%	0.52%	0.76%	0.50%	1
Department of Health and Ageing	1.70%	1.49%	0.94%	1.26%	4
Department of Human Services	3.25%	2.46%	1.33%	1.37%	4
Department of Immigration and Citizenship	1.93%	1.82%	1.50%	1.17%	4
Department of Infrastructure, Transport, Regional Development and Local Government	1.10%	0.91%	0.79%	0.58%	2
Department of Innovation, Industry, Science and Research		1.42%	1.22%	1.09%	3
Department of Parliamentary Services	2.06%	1.40%	2.42%	2.49%	4
Department of Resources, Energy and Tourism		0.75%	0.63%	0.51%	1
Department of the Environment, Water, Heritage and the Arts	1.66%	1.36%	1.31%	1.39%	4
Department of the House of Representatives	0.75%	0.93%	0.83%	0.89%	3
Department of the Prime Minister and Cabinet	0.74%	1.05%	1.21%	0.56%	1
Department of the Senate	1.37%	1.31%	1.41%	0.92%	3

Customer name	2006–07 Revised rate	2007–08 Revised rate	2008–09 Revised rate	2009–10 Prescribed rate	2009–10 Rate Quartile
Department of the Treasury	0.63%	0.56%	0.76%	0.72%	2
Department of Veterans' Affairs	2.66%	1.70%	1.12%	0.91%	3
Family Court of Australia	1.90%	1.92%	1.48%	1.59%	4
Federal Court of Australia	1.12%	0.88%	0.67%	0.63%	2
Food Standards Australia New Zealand	0.62%	0.45%	0.30%	0.21%	1
Great Barrier Reef Marine Park Authority	0.72%	0.47%	0.46%	0.56%	2
Health Services Australia Ltd	0.97%	0.67%	0.71%	0.51%	1
Indigenous Business Australia	0.36%	0.36%	0.62%	0.63%	2
Insolvency and Trustee Service Australia	0.63%	0.75%	0.66%	0.48%	1
Medibank Private Ltd	1.00%	0.82%	0.62%	0.40%	1
Medicare Australia	2.43%	1.74%	1.60%	1.61%	4
National Archives of Australia	1.15%	0.95%	0.99%	1.01%	3
National Gallery of Australia	2.55%	1.85%	1.42%	1.28%	4
National Library of Australia	1.84%	1.12%	1.06%	1.03%	3
National Museum of Australia	2.27%	1.72%	2.10%	2.50%	4
National Native Title Tribunal	1.35%	0.94%	0.75%	0.56%	2
Northern Land Council	2.00%	1.57%	2.01%	1.84%	4
Note Printing Australia Ltd	2.10%	2.15%	1.26%	1.19%	4
Office of National Assessments	0.60%	0.56%	0.35%	0.23%	1
Office of the Commonwealth Director of Public Prosecutions	0.78%	0.96%	0.86%	0.83%	3
Productivity Commission	0.61%	0.38%	0.22%	0.22%	1
Screen Australia	1.00%	0.92%	1.11%	0.92%	3
Snowy Hydro Limited	0.53%	0.41%	0.85%	0.76%	2
Special Broadcasting Service	1.16%	0.81%	0.46%	0.47%	1
The Australia Council for the Arts	0.56%	0.50%	0.61%	0.56%	2
Tourism Australia	0.25%	0.28%	0.17%	0.11%	1

(1) ACT Government does not receive a "Revised Rate". These are "Prescribed Rates".

Part D: Financial statements

Australian National
Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Minister for Education, Employment and Workplace Relations, and for Social Inclusion

Scope

I have audited the accompanying financial statements of Comcare for the year ended 30 June 2009, which comprise: a statement by Director and Chief Financial Officer; income statement; balance sheet; statement of changes in equity; cash flow statement; schedule of commitments; schedule of contingencies and notes to and forming part of the financial statements, including a summary of significant accounting policies.

The Director's Responsibility for the Financial Statements

The Director is responsible for the preparation and fair presentation of the financial statements in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards (which include the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Comcare's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Comcare's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director, as well as evaluating the overall presentation of the financial statements.

GPO Box 707 CANBERRA ACT 2601
19 National Circuit BARTON ACT 2600
Phone (02) 6203 7300 Fax (02) 6203 7777

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial statements of Comcare:

(a) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards; and

(b) give a true and fair view of the matters required by the Finance Minister's Orders including Comcare's financial position as at 30 June 2009 and its financial performance and cash flows for the year then ended.

Australian National Audit Office

Pupa Dash

Pupa Dash
Executive Director

Delegate of the Auditor-General

Canberra
12 August 2009

STATEMENT BY DIRECTOR AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2009 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*.

In our opinion, at the date of this statement, there are reasonable grounds to believe that Comcare will be able to pay its debts as and when they become due and payable.

Steve Kibble
Director/Chief Executive Officer (Acting)
12 August 2009

Dermot Walsh
Chief Financial Officer
12 August 2009

COMCARE
INCOME STATEMENT
for the year ended 30 June 2009

	Notes	2008/09 $'000	2007/08 $'000
INCOME			
Revenue from Government	4A	92,792	133,534
Sale of goods and rendering of services	4B	23,957	19,459
Workers compensation premiums	4C	207,424	222,147
Interest	4D	20,113	18,912
Other revenue	4E	227	342
TOTAL INCOME		344,513	394,394
EXPENSES			
Employee benefits	5A	48,213	37,432
Suppliers	5B	28,440	23,036
Depreciation and amortisation	5C	2,312	2,565
Finance costs	5D	63	45
Write-down and impairment of assets	5E	476	-
Losses from asset sales	5F	10	130
Workers compensation claims expense	5G	274,995	253,604
Common law asbestos related disease claims expense	5J	(23,871)	7,523
TOTAL EXPENSES		330,638	324,335
Surplus attributable to the Australian Government		13,875	70,059

The above statement should be read in conjunction with the accompanying notes.

COMCARE
BALANCE SHEET
as at 30 June 2009

	Notes	2008/09 $'000	2007/08 $'000
ASSETS			
Financial assets			
Cash and cash equivalents	6A	**208,603**	184,104
Trade and other receivables	6B	**2,252,549**	2,230,929
Other financial assets	6C	**1,838**	10,348
Total financial assets		**2,462,990**	2,425,381
Non-financial assets			
Infrastructure, plant and equipment	7A	**9,814**	8,426
Intangibles	7B	**1,489**	1,477
Other non-financial assets	7D	**557**	285
Total non-financial assets		**11,860**	10,188
TOTAL ASSETS		**2,474,850**	2,435,569
LIABILITIES			
Payables			
Suppliers	8A	**2,555**	2,415
Workers compensation claims payable	8B	**2,506**	2,802
Other payables	8C	**5,895**	3,129
Total payables		**10,956**	8,346
Provisions			
Employee provisions	9A	**8,282**	6,827
Workers compensation claims	9B	**1,602,000**	1,544,500
Common law asbestos related disease claims	9C	**653,357**	685,643
Other	9D	**1,134**	1,161
Total provisions		**2,264,773**	2,238,131
TOTAL LIABILITIES		**2,275,729**	2,246,477
NET ASSETS		**199,121**	189,092
EQUITY			
Contributed equity		**605**	605
Asset revaluation reserve		**-**	3,846
Retained surplus		**198,516**	184,641
TOTAL EQUITY		**199,121**	189,092
Current assets		**469,681**	462,052
Non-current assets		**2,005,169**	1,973,517
Current liabilities		**280,587**	282,067
Non-current liabilities		**1,995,142**	1,964,410

The above statement should be read in conjunction with the accompanying notes.

COMCARE
STATEMENT OF CHANGES IN EQUITY
as at 30 June 2009

	Retained earnings		Asset revaluation reserve		Contributed equity/capital		Total equity	
	2008/09	2007/08	**2008/09**	2007/08	**2008/09**	2007/08	**2008/09**	2007/08
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Opening balance	**184,641**	114,582	**3,846**	317	**605**	605	**189,092**	115,504
Income and expense								
Net surplus / (deficit) for the period	**13,875**	70,059	**-**	-	**-**	-	**13,875**	70,059
Revaluation adjustment	**-**	-	**(3,846)**	3,529	**-**	-	**(3,846)**	3,529
Transactions with Owners								
Contributions by Owner	**-**	-	**-**	-	-	-	**-**	-
Closing balance as at 30 June	**198,516**	184,641	-	3,846	**605**	605	**199,121**	189,092

COMCARE
CASH FLOW STATEMENT
for the year ended 30 June 2009

	Notes	2008/09 $'000	2007/08 $'000
OPERATING ACTIVITIES			
Cash received			
Goods and services		**27,050**	19,036
Appropriations		**68,407**	67,951
Interest		**28,566**	14,073
Workers compensation premiums		**228,250**	244,651
Other cash received		**227**	342
Total cash received		**352,500**	346,053
Cash used			
Employees		**45,362**	35,658
Net GST paid to the Australian Taxation Office		**15,501**	19,627
Suppliers		**31,800**	24,707
Workers compensation claims		**215,022**	210,425
Asbestos related disease claims		**12,272**	5,417
Total cash used		**319,957**	295,834
Net cash flows from/(used by) operating activities	**10**	**32,543**	50,219
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		**29**	79
Total cash received		**29**	79
Cash used			
Purchase of property, plant and equipment		**8,073**	4,397
Total cash used		**8,073**	4,397
Net cash flows from/(used by) investing activities		**(8,044)**	(4,318)
Net increase in cash held		**24,499**	45,901
Cash and cash equivalents at the beginning of the reporting period		**184,104**	138,203
Cash and cash equivalents at the end of the reporting period	**6A**	**208,603**	184,104

The above statement should be read in conjunction with the accompanying notes.

COMCARE
SCHEDULE OF COMMITMENTS
as at 30 June 2009

	2008/09 $'000	2007/08 $'000
BY TYPE		
Commitment receivable		
GST receivable on commitments	**(2,302)**	(1,863)
Capital commitments		
Infrastructure, plant and equipment	**1,233**	168
Total capital commitments	**1,233**	168
Other commitments		
Operating leases	**23,485**	20,093
Other commitments	**599**	226
Total other commitments	**24,084**	20,319
Net commitments by type	**23,015**	18,624
BY MATURITY		
Commitments receivable		
One year or less	**(2,302)**	(1,863)
Commitments payable		
Capital commitments		
One year or less	**1,233**	168
Total capital commitments	**1,233**	168
Operating lease commitments payable		
One year or less	**5,460**	4,635
From one to five years	**15,644**	14,258
Over five years	**2,381**	1,200
Total operating lease commitments payable	**23,485**	20,093
Other commitments		
One year or less	**599**	226
Total other commitments	**599**	226
Net commitments by maturity	**23,015**	18,624

Note: Commitments are GST inclusive where relevant.
Operating leases are effectively non-cancellable and comprise:

Leases for office accommodation
Lease payments are subject to an annual increase in accordance with upwards movements in the Consumer Price Index ranging from 3.5% to 5%. Options to renew leases are contained in only two of the eight leases held which are Newcastle (1 x 2 years) and Perth (1 x 3 years).

Lease for records management centre
Canberra

- Lease payments are subject to annual increases of 4%.

Agreements for the provision of motor vehicles
No contingent rentals exist. There are no renewal or purchase options available to Comcare.

COMCARE
SCHEDULE OF CONTINGENCIES
as at 30 June 2009

Contingent liabilities	Future statutory asbestos related disease claims		Legal actions		Total	
	2008/09	2007/08	**2008/09**	2007/08	**2008/09**	2007/08
	$'000	$'000	**$'000**	$'000	**$'000**	$'000
Balance from previous period	**54,200**	43,600	-	-	**54,200**	43,600
Re-measurement	**(8,600)**	10,600	-	-	**(8,600)**	10,600
New	**-**	-	-	-	**-**	-
Total contingent liabilities	**45,600**	54,200	-	-	**45,600**	54,200

Details of each class of contingent assets and liabilities, including those not included above because they cannot be quantified, are disclosed in Note 11: Contingent Liabilities and Assets.

The above schedule should be read in conjunction with the accompanying notes.

COMCARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

COMCARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Objectives of Comcare

Comcare is structured to meet one outcome, as follows:

Outcome 1: Safe and healthy workplaces, and cost effective and fair compensation.

Comcare's activities contributing toward this outcome are classified as departmental. Departmental activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by Comcare in its own right.

Departmental activities are identified under six Outputs as follows:

Output 1.1 *Safety, Rehabilitation and Compensation 1988 (SRC) Act* regulation
Output 1.2 *Occupational Health and Safety Act 1991 (OHS) Act* regulation
Output 1.3 Management of premium claims
Output 1.4 Management of pre-premium claims
Output 1.5 Provide support to the Seafarers Safety Rehabilitation and Compensation Commission
Output 1.6 Management of asbestos claims common law

1.2 Basis of preparation of financial statements

These financial statements and notes are required by clause 1(b) Schedule 1 of the *Commonwealth Authorities and Companies Act 1997* and are a General Purpose Financial Report.

The continued existence of Comcare in its present form and with its present programs is dependent on Government policy and on continuing appropriations by Parliament for its administration and programs.

The Financial Statements and notes have been prepared in accordance with:

- Finance Minister's Orders (FMOs) for reporting periods ending on or after 1 July 2008; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FMOs, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to the entity and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an accounting standard.

Unless alternative treatment is specifically required by an accounting standard, revenues and expenses are recognised in the income statement when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

1.3 New accounting standards

Adoption of new Australian Accounting Standard requirements
No accounting standard has been adopted earlier than the application date as stated in the standard. Of the new standards, amendments to standards and interpretations issued by the Australian Accounting Standards Board that are applicable to the current period, Comcare has determined that they will not have a material financial impact.

Future Australian Accounting Standard requirements
Of the new standards, amendments to standards and interpretations issued by the Australian Accounting Standards Board that are applicable to future periods, Comcare has determined they will not have a material financial impact.

1.4 Principles of accounting for workers compensation claims

Comcare manages workers compensation claims for Commonwealth employees and employees of the ACT Government under the SRC Act. Workers compensation claims for work related injuries and illness sustained on or after 1 July 1989 are referred to as 'premium claims' or 'premium business'. Workers compensation claims for work related injuries sustained by Commonwealth employees prior to that date are referred to as 'pre-premium claims' or 'pre-premium business'.

For premium claims, premiums are received from employers covered under the SRC Act. They are calculated using a system and methodology developed by an independent actuary and are intended to fully fund all liabilities incurred over the life of these claims. All premiums are charged up front for the full financial year. As a result there are no unearned premiums or deferred acquisition costs at the end of the financial years. Changes to premiums arising from wage and salary adjustments are recognised in the year they become payable or receivable.

Premiums are not levied in respect of pre-premium claims as they are funded by parliamentary special appropriations on an emerging cost basis.

In accordance with Section 128A of the SRC Act, a provision is not required to be made for liabilities incurred prior to 1 July 1989 in respect of Public Trading/Government Business Enterprises.

As a result of a Federal Court decision, statutory workers compensation claims for asbestos-related diseases are now recognised on the earliest of dates on which the employee dies, becomes incapacitated, impaired, or seeks medical treatment as a result of the disease. Previously these were recognised by reference to the date of inhalation.

1.5 Claims provisions

The liability for workers compensation claims (both premium and pre-premium) and common law asbestos related disease claims are determined in accordance with the requirements of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets.* Provisions for claims are recognised when:

- Comcare has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Where there are a number of similar obligations for each claim type, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same claim type may be small.

The expected future payments are discounted to present value using a risk adjusted rate. The expected future payments also include those in relation to claims reported but not yet paid claims incurred but not reported (IBNR) and anticipated claims handling costs. Claims handling costs can either be associated directly with individual claims, such as legal and other professional fees, or associated indirectly with individual claims, such as claims administration costs.

The value of each claims provision is measured as the central estimate of the present value of expected future payments against claims incurred at the reporting date. This represents a change in accounting policy whereby the claims provisions were previously calculated based on the central estimate plus a risk margin. Comcare has reviewed the requirements of AASB 137 in a Commonwealth Government context and concluded that use of the central estimate for the valuation of the provisions is better aligned with "best estimates" requirements of the standard.

In accordance with requirements of AASB108 *Accounting Policies, Changes in Accounting Estimates and Errors* the following table outlines the impact of the above change in accounting policy.

Summary of impact of change in accounting policy for claims provisions:

	Previously reported 2007/08 $'000	Adjustment $'000	**Restated 2007/08 $'000**
INCOME STATEMENT			
Income			
Revenue from Government	150,938	(17,404)	**133,534**
Expenses			
Workers compensation claims expense	292,285	(38,681)	**253,604**
Common law asbestos related disease claims expense	8,923	(1,400)	**7,523**
Surplus attributable to Australian Government	**47,382**	**22,677**	**70,059**
BALANCE SHEET			
Financial Assets			
Trade and other receivables	2,628,311	(397,382)	**2,230,929**
Provisions			
Workers compensation claims	1,690,302	(145,802)	**1,544,500**
Common law asbestos related disease claims expense	959,900	(274,257)	**685,643**
NET ASSETS	**166,415**	**22,677**	**189,092**
EQUITY			
Retained surplus	161,964	22,677	**184,641**
TOTAL EQUITY	**166,415**	**22,677**	**189,092**

1.6 Revenue

The revenues described in this note are revenues relating to the core operating activities of Comcare.

Other types of revenue
Revenue from the sale of goods is recognised when:

- The risks and rewards of ownership have been transferred to the buyer;
- The seller retains no managerial involvement nor effective control over the goods;
- The revenue and transaction costs incurred can be reliably measured; and
- It is probable that the economic benefits associated with the transaction will flow to the entity.

Revenue from the rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- The amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- The probable economic benefits with the transaction have flowed to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion the costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any allowance for impairment. Collectability of debts is reviewed at balance date. An allowance for impairment is made when collectability of the debt is no longer probable.

Interest revenue is recognised using the effective interest method as set out in AASB139 *Financial Instruments: Recognition and Measurement*.

Revenues from Government
Funding received or receivable from agencies is recognised as Revenue from Government unless they are in the nature of an equity injection.

1.7 Employee benefits

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for short term employee benefits (as defined in AASB119 *Employee Benefits*) and termination benefits due within 12 months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

Leave
The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of Comcare is estimated to be less than the annual entitlement for sick leave.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

The leave liabilities are calculated on the basis of employees' remuneration, including Comcare's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2009. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

Separation and redundancy
Provision is made for separation and redundancy payments in circumstances where Comcare has formally identified positions as excess to requirements and a reliable estimate of the amount of the payments can be determined. Comcare recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation
Staff of Comcare are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or other superannuation schemes.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance and Deregulation as an administered item.

Comcare makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the cost to the Government of the superannuation entitlements of Comcare's employees. Comcare accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June 2009 represents outstanding contributions for the final fortnight of the year.

1.8 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased noncurrent assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Comcare does not hold any finance leases.

1.9 Cash

Cash and cash equivalents include notes and coins held and any deposits in bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

1.10 Financial assets

Comcare classifies its financial assets in the following categories:

- 'held-to-maturity investment'; and
- 'loans and receivables'.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon 'trade date'.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets 'at fair value through profit or loss'.

Held-to-maturity investments
Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that Comcare has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loan and receivables
Trade receivables loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loan and receivables'. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate. Comcare has no loans.

Impairment of financial assets
Financial assets are assessed for impairment at each balance date.

Financial assets held at amortised cost - If there is objective evidence that an impairment loss has been incurred for receivables or held-to-maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Income Statement.

1.11 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss are initially measured at fair value.
Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Supplier and other payables
Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (irrespective of having been invoiced).

1.12 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

1.13 Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements which does not apply to Comcare.

1.14 Infrastructure, plant and equipment

Asset recognition threshold
Purchases of infrastructure, plant and equipment are recognised initially at cost in the balance sheet, except for purchases costing less than $3,000 (excluding desktop computers), which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'makegood' provisions in property leases taken up by Comcare where there exists a potential obligation to restore the property to its original condition. These costs are included in the value of Comcare's leasehold improvements with a corresponding provision for the 'makegood' recognised.

Revaluations
Fair values for each class of assets are determined as shown below:

Asset class	**Fair value measured at:**
Office machines and equipment	Market selling price
Leasehold improvements	Depreciated replacement cost
Motor vehicles	Market selling price

Following initial recognition at cost, infrastructure, plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not materially differ to the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through the operating result. Revaluation decrements for a class of assets are recognised directly through the operating result except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Depreciation and amortisation
Depreciable infrastructure, plant and equipment is written off to its estimated residual values over its estimated useful life to Comcare using the straight-line method of depreciation.

Depreciation rates (useful lives), residual value and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2008/09	2007/08
Office machines and equipment	**2-10 years**	2-10 years
Leasehold improvements	**Lease term**	Lease term
Motor vehicles	**2 years**	2 years

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed at Note 5C.

Impairment
All assets were assessed for impairment at 30 June 2009. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if Comcare were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.15 Intangibles

Comcare's intangibles comprise computer software which is carried at cost less accumulated amortisation and accumulated impairment losses. Computer software represents Comcare's costs of the purchase of software licences. Comcare does not capitalise the costs of internally generated software as the annual cost of internally generated software approximates the amount that would be amortised each year if these costs were capitalised.

Intangible assets are amortised on a straight line basis over their anticipated useful lives. Useful lives are estimated at:

	2008/09	2007/08
Computer software	**3-10 years**	3-5 years

1.16 Taxation

Comcare is exempt from all forms of taxation except for fringe benefits tax and goods and services tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO); and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet. Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from or payable to the ATO are classified as operating cash flows.

1.17 Insurance

Comcare has insured for various business risks through the Australian Government's insurable risk managed fund, called 'Comcover'.

1.18 Comparatives

Comparatives have been restated where applicable to ensure consistency with current year accounting policies.

1.19 Significant accounting judgements and estimates

Comcare makes estimates and assumptions in respect of certain key assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas in which critical estimates are applied are described below.

A judgement has been made regarding the application of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* to the pre-premium, premium workers compensation, and asbestos related disease business. Although such business exhibits many of the characteristics of insurance, it was judged that Comcare's statutory relationship with its customers and the Commonwealth was not of the nature of an insurance contract as defined under AEIFRS and therefore AASB 1023 *General Insurance Contracts* does not apply.

For information purposes, the table below provides details of Comcare's claims provisions based on the central estimate plus a risk margin that would be used to achieve 75% probability of a sufficiency of the claims provisions.

Illustrative impact of risk margins at 75% probability of sufficiency:

	Note	**2008/09**	2007/08
		$'000	$'000
Pre-premium business			
Risk margin percentage		***12.7%***	*9.0%*
Actuary assessed gross outstanding liabilities	9B	**406,500**	411,700
Risk margin		**51,626**	37,053
Net outstanding claims liability (including risk margin)		**458,126**	448,753
Asbestos related claims business			
Risk margin percentage		***40.0%***	*40.0%*
Actuary assessed third party recoveries	6B	**(21,500)**	(17,643)
Actuary assessed gross outstanding liabilities	9C	**653,357**	685,643
Risk margin		**252,743**	267,200
Net outstanding claims liability (including risk margin)		**884,600**	935,200
Premium business			
Risk margin percentage		***11.8%***	*9.6%*
Actuary assessed third party recoveries	6B	**(38,800)**	(44,900)
Actuary assessed gross outstanding liabilities	9B	**1,195,500**	1,132,800
Risk margin		**136,491**	104,438
Net outstanding claims liability (including risk margin)		**1,293,191**	1,192,338

The ultimate liability arising from claims made

Provisions are made at the year end for the estimated cost of claims incurred but not settled at the reporting date, including the cost of claims incurred but not yet reported (IBNR) to Comcare.

The estimated cost of claims includes direct expenses to be incurred in settling claims gross of the expected value of recoveries. Comcare takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

The estimation of claims IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to Comcare, where more information about the claim event is generally available. IBNR claims may often not be apparent to the insured until many years after the events giving rise to the claims have happened. In calculating the estimated cost of future claim payments, Comcare uses a variety of estimation techniques, generally based upon statistical analyses of historical experience, which assumes that the development pattern of the current claims will be consistent with past experience.

Allowance is made, however, for changes or uncertainties which may create distortions in the underlying statistics or which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims including:

- changes in Comcare processes which might accelerate or slow down the development and/or recording of paid or incurred claims, compared with the statistics from previous periods;
- changes in the legal environment;
- the effects of inflation;
- movements in industry benchmarks; or
- medical and technological developments.

The best estimate for the claims provisions has been based on the central estimate. Details of the specific assumptions used in deriving the claims liabilities at year end are detailed in Notes 9F-H.

Note 2: DISCLOSURE OF FUNDING FOR COMCARE

Pre-premium business

Workers compensation claims resulting from injuries that occurred prior to 1 July 1989 are referred to as 'pre-premium' claims. Expenses associated with these claims are funded from Australian Government special appropriations. Comcare's actuary has estimated that the outstanding liability for these claims as at 30 June 2009 is $406.5m (2008: $411.7m).

The following table summarises the sources of funds available to Comcare to settle the outstanding claims for the pre-premium business.

	2008/09	2007/08
	$'000	$'000
Special appropriation receivable	**399,542**	408,118
Cash and cash equivalents	**6,958**	3,582
Actuary assessed gross outstanding liability for payment of pre-premium related claims	**(406,500)**	(411,700)
Surplus funds in excess of claims liabilities	**-**	-

Asbestos related disease business

Comcare is also responsible for the management of asbestos related personal injury common law disease claims against the Commonwealth. Expenses associated with these claims are funded from Australian Government special appropriations. Comcare's actuary has estimated that the outstanding liability for these claims as at 30 June 2009 is $653.4m (2008: $685.6m).

The following table summarises the sources of funds available to Comcare to settle the outstanding claims for the asbestos related disease business.

	2008/09	2007/08
	$'000	$'000
Special appropriation receivable	**631,781**	667,620
Cash and cash equivalents	**76**	380
Actuary assessed third party recoveries	**21,500**	17,642
Actuary assessed gross outstanding liability for payment of pre-premium related claims	**(653,357)**	(685,642)
Surplus funds in excess of claims liabilities	**-**	-

Premium business

Premium business refers to workers compensation claims resulting from injuries that have occurred since 1 July 1989.

In accordance with Section 97C of the SRC Act, Comcare calculates premiums to be charged for each financial year based on the liability for claims expected to be incurred during that year and estimated administrative costs for that year. The calculation of the Comcare premium pool takes into account notional interest expected to be earned on the premium funds collected.

Prior to being repealed (effective 1 July 2002), Section 97A (1) of the SRC Act required that premiums collected by Comcare be paid to the Australian Government. These funds will be returned to Comcare through parliamentary appropriations as required for payment of claims relating to incidents occurring between 1 July 1989 and 30 June 2002. As at 30 June 2009 the notional balance of these funds was $1,218.3m (2008: 1,169.6m). However, only $1,156.7m (2008: $1,087.6m) was able to be recognised as a receivable on the balance sheet, being the amount required to meet existing premium claims liabilities. Premiums received since 30 June 2002 are administered by Comcare.

The funds held with the Australian Government earned notional interest of $48.7m in 2008/09 (2008: $80.5m) calculated as part of the requirements of Section 90C of the SRC Act. This interest was recognised as special appropriation receivable as at 30 June 2009. The interest rate used is the rate of return on six month overnight indexed swaps as reported by the Reserve Bank of Australia.
The following table summarises the sources of funds available to Comcare to settle the outstanding claims for the premium business.

	2008/09	2007/08
	$'000	$'000
Net premiums held in the Commonwealth Official Public Account (recognised in the balance sheet)	**1,156,700**	1,087,600
Cash and cash equivalents	**201,569**	180,143
Actuary assessed third party recoveries	**38,800**	44,900
Actuary assessed gross outstanding liability for payment of premium related claims	**(1,195,500)**	(1,132,800)
Surplus funds in excess of claims liabilities	**201,569**	179,843

Note 3: EVENTS AFTER BALANCE SHEET DATE

No significant events have occurred since the reporting date requiring disclosure in the financial statements.

	2008/09 $'000	2007/08 $'000
Note 4: INCOME		
4A Revenue from Government		
Special appropriation drawndown	**62,635**	62,191
Add: appropriation received in advance in the previous year	**3,962**	2,970
Less: appropriation received in advance in the current financial year	**(7,034)**	(3,962)
	59,563	61,199
Annual appropriations	**5,772**	5,760
	65,335	66,959
Add: funding for movement in claims provisions	**27,457**	66,575
Total revenue from Government	**92,792**	133,534
4B Sale of goods and rendering of services		
Provision of goods – external entities	**2**	2
Rendering of services – related entities	**14,468**	12,377
Rendering of services – external entities	**796**	364
Licence fees	**8,691**	6,716
Total sale of goods and rendering of services	**23,957**	19,459
4C Workers compensation premiums		
Related entities	**175,301**	191,035
External entities	**32,123**	31,112
Total workers compensation premiums	**207,424**	222,147
4D Interest		
Deposits	**20,113**	18,912
Total interest	**20,113**	18,912
4E Other		
Miscellaneous	**227**	342
Total other revenue	**227**	342
Total revenues	**344,513**	394,394

	2008/09 $'000	2007/08 $'000
Note 5: OPERATING EXPENSES		
5A Employee benefits		
Wages and salaries	**35,674**	28,213
Superannuation:		
Defined contribution plans	**6,441**	4,695
Leave and other entitlements	**4,497**	3,396
Separation and redundancies	**180**	43
Other	**1,421**	1,085
Total employee benefits	**48,213**	37,432
5B Suppliers		
Provision of goods - external entities	**1,264**	985
Rendering of services - related entities	**696**	858
Rendering of services - external entities	**21,780**	17,349
Operating lease rentals:		
Minimum lease payments	**4,700**	3,844
Total supplier expenses	**28,440**	23,036
5C Depreciation and amortisation		
Depreciation		
Infrastructure, plant and equipment	**367**	708
Total depreciation	**367**	708
Amortisation		
Leasehold improvements	**1,633**	1,626
Intangibles – computer software	**312**	231
Total amortisation	**1,945**	1,857
Total depreciation and amortisation	**2,312**	2,565
5D Finance costs		
Unwinding of discount	**63**	45
Total finance costs	**63**	45
5E Write-down and impairment of assets		
Asset write-downs and impairments from:		
Revaluation of infrastructure, plant and equipment	**476**	-
Total losses from asset sales	**476**	-
5F Losses from asset sales		
Infrastructure, plant and equipment:		
Proceeds from sale	**(29)**	(80)
Carrying value of assets disposed	**39**	210
Total losses from asset sales	**10**	130
5G Workers compensation claims expense		
Workers compensation claims expenses paid and payable (gross)	**211,395**	210,705
Add/(less) net movement in workers compensation claims provision	**63,600**	42,900
Total workers compensation claims expense	**274,995**	253,605

	2008/09 $'000	2007/08 $'000
5H Pre-premium claims expense		
Incapacity	**28,656**	29,924
Legal including common law	**1,842**	8,028
Medical, travel and other	**10,350**	12,701
	40,848	50,653
Less: recoveries from third parties	**-**	-
	40,848	50,653
Add movements during reporting period:		
Pre-premiums claims provision	**(5,200)**	(7,100)
Total pre-premium claim expenses	**35,648**	43,553
5I Premium claims expense		
Incapacity	**102,620**	95,271
Legal including common law	**16,976**	15,813
Medical, travel and other	**59,554**	58,130
	179,150	169,214
Less: recoveries from third parties	**(8,603)**	(9,162)
	170,547	160,052
Add movements during reporting period:		
Premium claims provision	**62,700**	61,923
Recoveries receivable	**6,100**	(11,923)
	68,800	50,000
Total premium claims expenses	**239,347**	210,052
5J Common law asbestos related disease claims expense		
Common law asbestos related disease claim payments	**12,272**	4,023
Add/(less) net movements during reporting period:		
Common law asbestos related disease claims provision	**(36,143)**	3,500
Total common law asbestos related disease claims expense	**(23,871)**	7,523

	2008/09 $'000	2007/08 $'000
Note 6: FINANCIAL ASSETS		
6A Cash and cash equivalents		
Cash at bank and on hand	**7,603**	2,575
Deposits at call	**15,000**	2,529
Term deposits	**186,000**	179,000
Total cash and cash equivalents	**208,603**	184,104
6B Trade and other receivables		
Goods and services	**401**	687
Workers compensation premiums	**-**	491
	401	1,178
Appropriations receivable	**2,188,023**	2,163,638
Third party claim recoveries receivable	**38,800**	44,900
Third party claim recoveries receivable – common law asbestos claims	**21,500**	17,643
	60,300	62,543
Claims recoveries	**4,305**	3,808
Other receivables	**535**	709
	4,840	4,517
Total trade and other receivables (gross)	**2,253,564**	2,231,876
Less impairment allowance account:		
Claims recoveries	**(1,015)**	(947)
Total trade and other receivables (net)	**2,252,549**	2,230,929
Receivables are represented by:		
Current	**258,684**	267,316
Non-current	**1,993,865**	1,963,613
Total trade and other receivables (net)	**2,252,549**	2,230,929
Receivables (gross) are aged as follows:		
Not overdue	**2,249,824**	2,228,718
Overdue less than 30 days	**63**	601
Overdue 30 to 60 days	**413**	174
Overdue 61 to 90 days	**224**	48
Overdue more than 90 days	**3,040**	2,335
Total receivables (gross)	**2,253,564**	2,231,876
The impairment allowance account is aged as follows:		
Overdue more than 90 days	**(1,015)**	(947)
Total impairment allowance account	**(1,015)**	(947)

	2008/09 $'000	2007/08 $'000
Reconciliation of the impairment allowance account:		
Opening balance	**947**	957
Amounts written off	**(182)**	(214)
Increase/(decrease) recognised in net surplus	**250**	204
Closing balance	**1,015**	947

6C Other financial assets		
Interest accrued	**1,785**	10,238
Other	**53**	110
Total other assets (current asset)	**1,838**	10,348

	2008/09 $'000	2007/08 $'000

Note 7: NON-FINANCIAL ASSETS

7A Infrastructure, plant and equipment

Office machines and equipment		
- work in progress	**751**	31
- fair value	**1,092**	770
- accumulated depreciation	**(347)**	-
Total office machines and equipment	**1,496**	801
Leasehold improvements		
- work in progress	**708**	453
- fair value	**7,584**	7,088
- accumulated amortisation	**-**	-
Total leasehold improvements	**8,292**	7,541
Motor vehicles		
- fair value	**41**	84
- accumulated depreciation	**(15)**	-
Total motor vehicles	**26**	84
Total property, plant and equipment		
- work in progress	**1,459**	484
- fair value	**8,717**	7,942
- accumulated depreciation/amortisation	**(362)**	-
Total property, plant and equipment (non-current)	**9,814**	8,426

Comcare does not have any leasehold improvements that relate to special purpose buildings.

All revaluations are independent and conducted in accordance with the revaluation policy stated in Note 1. In 2007/08, an independent revaluation was conducted by Pickles Valuers which resulted in a $3,925,951 revaluation increment. Pickles Valuers confirmed that the assets on hand were at fair value as at 30 June 2008 and no indicators of impairment were found for infrastructure, plant and equipment.

In 2008/09 an independent valuation was conducted for Comcare's leasehold improvements by Pickles Valuers. This resulted in a revaluation decrement of $4,412,414. The asset revaluation reserve was written back to a nil balance (a debit of $3,846,119) and an impairment loss of $680,596 was recognised through the income statement.

Adjusting for the discounting of the make good provision recognised a $204,519 credit to the income statement resulting in a closing impairment loss balance of $476,078.

7B Intangibles

Computer software purchased		
- work in progress	**37**	833
- at cost	**10,015**	8,894
- accumulated amortisation	**(8,563)**	(8,250)
Total intangibles (non-current)	**1,489**	1,477

No indicators of impairment were found for intangible assets.

Note 7C: Analysis of infrastructure, plant and equipment

TABLE A– Reconciliation of the opening and closing balances of infrastructure, plant and equipment and intangibles (2008/09)

Item	Infrastructure, plant & equipment $'000	Computer software purchased $'000	TOTAL $'000
As at 1 July 2008			
Gross book value	8,426	9,728	18,154
Accumulated depreciation/amortisation	-	(8,251)	(8,251)
Net book value 1 July 2008	**8,426**	**1,477**	**9,903**
Additions:			
by purchase	7,839	324	8,163
Revaluations and impairments	(4,412)	-	(4,412)
Depreciation/amortisation expense	(2,000)	(312)	(2,312)
Disposals:			
other disposals	(39)	-	(39)
As at 30 June 2009			
Gross book value	10,176	10,052	20,228
Accumulated depreciation/amortisation	(362)	(8,563)	(8,925)
Net book value 30 June 2009	**9,814**	**1,489**	**11,303**

TABLE B – Reconciliation of the opening and closing balances of infrastructure, plant and equipment and intangibles (2007/08)

Item	Infrastructure, plant & equipment $'000	Computer software purchased $'000	TOTAL $'000
As at 1 July 2007			
Gross book value	5,506	8,343	13,849
Accumulated depreciation/amortisation	(1,428)	(8,067)	(9,495)
Net book value 1 July 2007	**4,078**	**276**	**4,354**
Additions:			
by purchase	2,965	1,432	4,397
Revaluations and impairments	3,926	-	3,926
Depreciation/amortisation expense	(2,333)	(231)	(2,564)
Disposals:			
other disposals	(210)	-	(210)
As at 30 June 2008			
Gross book value	8,426	9,728	18,154
Accumulated depreciation/amortisation	-	(8,251)	(8,251)
Net book value 30 June 2008	**8,426**	**1,477**	**9,903**

	2008/09 $'000	2007/08 $'000
7D Other non-financial assets		
Prepayments	**557**	285
Total other financial assets	**557**	285

No indicators of impairment were found for other non-financial assets.

Note 8: PAYABLES

8A Payables to suppliers		
Trade creditors	**2,555**	2,415
Total suppliers	**2,555**	2,415
8B Workers compensation claims payable	**2,506**	2,802
8C Other		
Income in advance	**1,468**	262
GST payable to ATO	**172**	133
Lease incentives	**535**	322
Salaries and wages	**1,765**	1,162
Superannuation	**1,537**	971
Separation and redundancy	**126**	-
Other	**292**	279
Total other	**5,895**	3,129
Total payables	**10,956**	8,346
Payables are represented by:		
Current	**9,494**	7,319
Non-current	**1,462**	1,027
Total payables	**10,956**	8,346

Settlement is usually made net 30 days.

		2008/09 $'000	2007/08 $'000

Note 9: PROVISIONS

9A Employee provisions

Leave	**8,282**	6,827
Total employee provisions	**8,282**	6,827

Employee provisions are represented by:		
Current	**6,522**	5,591
Non-current	**1,760**	1,236
Total employee provisions	**8,282**	6,827

The classification of current employee provisions includes amounts for which there is not an unconditional right to defer settlement by one year, hence in the case of employee provisions the above classification does not represent the amount expected to be settled within one year of reporting date. Employee provisions expected to be settled in twelve months from the reporting date are $3,650,846 (2008: $3,286,626).

9B Workers compensation claims

Premium workers compensation claims	**9F**	**1,195,500**	1,132,800
Pre-premium workers compensation claims	**9G**	**406,500**	411,700
		1,602,000	1,544,500

9C Common law asbestos related disease claims	**9H**	**653,357**	685,643

9D Other provisions

Makegood on leases	**9E**	**1,134**	1,161
Total other provisions		**1,134**	1,161
Total provisions		**2,264,773**	2,238,131

Total provisions are represented by:		
Current	**271,093**	274,748
Non-current	**1,993,680**	1,963,383
Total provisions	**2,264,773**	2,238,131

9E Provision for makegood reconciliation

	Total $'000
Carrying amount at beginning of period	**1,161**
Increase/(decrease) in provision as a result of revaluation	**(90)**
Unwinding of discount	**63**
Carrying amount at the end of period	**1,134**

Comcare currently has eight agreements for the leasing of premises which have contract clauses potentially requiring it to restore the premises to their original condition at the conclusion of the lease. Comcare has made a provision to recognise this obligation.

9F Provision for premium claims	2008/09 $'000
Carrying amount at beginning of period	**1,132,800**
Increase/(decrease) in provisions made during the period	**190,500**
Less claim payments made during the period	**(178,300)**
Unwinding of discount	**74,900**
Change in discount rate	**52,800**
Change in inflation rate	**(77,200)**
Carrying amount at the end of period	**1,195,500**

The valuation of premium claims liabilities was undertaken as at 30 June 2009 by an independent firm of consulting actuaries, Taylor Fry Pty Ltd. Taylor Fry has stated that its valuation complies with actuarial Professional Standard PS300 *Actuarial reports and advice on general insurance technical liabilities*.

The provision for premium claims represents an actuarial assessment of the expected payments to be made in the future by Comcare in relation to workers compensation claims incurred on or after 1 July 1989. The provision is recognised on a gross basis after adding back an estimate for third party recoveries.

Key assumptions that have been made in determining the amount of the provision include:

	2008/09	2007/08
Economic assumptions		
Medical payments inflation	**4.3%-5.9%**	4.6%-6.1%
Other payments inflation	**2.7%-4.1%**	3.9%-5.3%
Discount rate	**3.4%-6.2%**	6.3%-6.6%
Premium business liability assumptions		
Claim frequency	**1.7%**	2%
Third party recoveries	**1.6%**	2.2%
Claims administration expenses	**15.2%**	14.9%
Average claim size	**$41,040**	$36,165

9G Provision for pre-premium claims	2008/09 $'000
Carrying amount at beginning of period	**411,700**
Increase/(decrease) in provisions made during the period	**4,500**
Less claim payments made during the period	**(37,600)**
Unwinding of discount	**25,200**
Change in discount rate	**2,700**
Carrying amount at the end of period	**406,500**

The valuation of pre-premium claims liabilities was undertaken as at 30 June 2009 by an independent firm of consulting actuaries, Taylor Fry Pty Ltd. Taylor Fry has stated that its valuation complies with actuarial Professional Standard PS300 *Actuarial reports and advice on general insurance technical liabilities*.

The provision for pre-premium claims represents an actuarial assessment of the expected payments to be made by Comcare in relation to workers compensation claims incurred prior to 1 July 1989.

	2008/09	2007/08
Economic assumptions		
Medical payments inflation	**4.3%-5.9%**	4.6%-6.1%
Other payments inflation	**2.7%-4.1%**	3.9%-5.3%
Discount rate	**3.4%-6.2%**	6.3%-6.6%

9H Provision for common law asbestos related disease claims	2008/09 $'000
Carrying amount at beginning of period	**685,643**
Increase/(decrease) in provisions made during the period	**(63,357)**
Less claim payments made during the period	**(8,714)**
Claim payments made by third parties during the period	**(4,357)**
Unwinding of discount	**44,142**
Carrying amount at the end of period	**653,357**

The provision for common law asbestos related disease claims represents the management of common law claims against the Australian Government by individuals seeking compensation as a result of direct or indirect exposure to asbestos.

The valuation of common law asbestos related disease claims liabilities was undertaken as at 30 June 2009 by an independent firm of consulting actuaries, Finity Consulting Pty Ltd. Finity Consulting has stated that its valuation complies with actuarial Professional Standard PS300 *Actuarial reports and advice on general insurance technical liabilities.*

The Department of Defence made payments in respect of certain claims during 2008/09. From 1 April 2009 all payments relating to previously managed Defence claims will be managed by Comcare.

The following assumptions have been made in determining the amount of the provision:

	2008/09	2007/08
Economic assumptions		
Wage inflation	**4%**	4.5%
Superimposed inflation	**2%**	2%
Discount rate	**6%**	6.5%

	2008/09 $'000	2007/08 $'000

Note 10: CASH FLOW RECONCILIATION

Reconciliation of cash and cash equivalents as per the balance sheet to cash flow statement

Report cash and cash equivalents as per:		
Cash flow statement	**208,603**	184,104
Balance sheet	**208,603**	184,104
Difference	**-**	-
Reconciliation of operating result to net cash from operating activities:		
Operating result	**13,875**	70,059
Depreciation and amortisation of infrastructure, plant and equipment	**2,312**	2,564
Write-down and impairment of assets	**486**	130
Conversions of liabilities to equity	**-**	(139)
Leasehold work in progress accrued	**-**	(212)
Unwinding of discount	**-**	(45)
Changes in assets and liabilities:		
(Increase)/decrease in receivables	**(21,620)**	273,532
(Increase)/decrease in accrued revenues	**8,510**	(4,924)
(Increase)/decrease in prepayments	**(272)**	15
Increase /(decrease) in payables	**2,610**	3,249
Increase /(decrease) in provisions	**26,642**	(294,010)
Net cash from operating activities	**32,543**	50,219

Note 11: CONTINGENT LIABILITIES

Quantifiable contingencies

The schedule of contingencies reports a contingent liability in respect of future statutory workers compensation claims for asbestos related diseases in the amount of $45.6m (2008: $54.2m). This contingency relates to a decision in the Federal Court, Comcare v Etheridge and Ors [2006] FCAFC 27 where it was held that the inhalation of an asbestos fibre by an employee was not an 'injury simpliciter' or frank injury. Accordingly the date of injury must be determined in accordance with s7(4) of the SRC Act which fixes the date of injury according to the earliest of the dates on which the employee dies, becomes incapacitated, impaired or seeks medical treatment as a result of the disease. Reported statutory asbestos claims are included as liabilities.

Unquantifiable contingencies

Comcare has a number of civil proceedings before the Federal court relating to alleged breaches of the *Occupational Health and Safety Act 1991*. It is not possible to estimate the eventual legal costs of finalising these matters or the potential pecuniary penalty payable to the Commonwealth by the respondent if the matter is successful.

Prior to Federal Court decision outlined above, long latency diseases where exposure to the disease-causing agent occurred pre-1 July 1989 but the diseases manifested themselves post-1 July 1989 were among the injuries considered to qualify under section 90B of the SRC Act for funding through the CRF. Resulting from the Court decision, payments made for these pre-premium liability disease claims, are potentially repayable to the Commonwealth. However, it would be difficult to identify all of the cases in which relevant payments have been made by Comcare and therefore reliably estimate the potential liability to the Commonwealth. In order to remedy the situation, Ministerial approval has been obtained for legislative amendments to extinguish the potential payable to Commonwealth.

Note 12: REMUNERATION OF DIRECTOR

The number of directors of Comcare included in these figures is shown below in the relevant remuneration bands.

	2008/09	2007/08
$235,000 – $249,999	**-**	1
$250,000 – $279,999	**1**	-
Total number of directors of Comcare	**1**	1
	$	$
Total remuneration received or due and receivable by the director of Comcare	**262,470**	239,662

Note 13: RELATED PARTY DISCLOSURES

13A Safety, Rehabilitation and Compensation Commission

(a) During the year Comcare paid expenses including the remuneration of members of the Commission.

Members of the Commission during the financial year were:

Leslie Taylor (Chairperson)
Graham Rawstron (reappointed 6 Sep 2008)
Burt Blackburne
Susan Powell
Donald McCallums
Martin Dolan (resigned 30 Jun 2009)
Sandra Parker (resigned 27 Nov 2008)
Stephen Somogyi
Flora Carapellucci (resigned 26 Mar 2009)
Lt Gen David Hurley (appointed 7 Aug 2008)
Professor Niki Ellis (appointed 3 Oct 2008)
Craig Bosworth (appointment expired 15 Sep 2008)
Michelle Baxter (appointed 28 Nov 2008)

The Commission is a body established to oversee the regulatory functions of the SRC Act and the *Occupational Health and Safety Act 1991*.

(b) The aggregate amount of remuneration received by the part time members of the Commission, not employed by the Australian Government, but paid by Comcare during the period was $264,400 (2008: $208,443).

13B Seacare Authority

(a) The Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority) aims to minimise the human and financial costs of workplace injury in the Australian maritime industry. The Seacare Authority administers the *Seafarers Rehabilitation and Compensation Act 1992*, the *Occupational Health and Safety (Maritime Industry) Act 1993*, the *Seafarers Rehabilitation and Compensation Levy Act 1992* and the *Seafarers Rehabilitation and Compensation Levy Collection Act 1992*. It performs the regulator role in relation to these Acts.

Members of the Seacare Authority during the financial year were:

Geoff Gronow ED (Chairperson)
Martin Dolan (Deputy Chairperson)
Mal Hearnden
Peter Bremner
Mick Doleman
Martin Byrne
Graham Peachey
Teresa Hatch
Tony Caccamo
John Wydell (reappointed 9 May 2009)
Jamie Newlyn
Brad Groves

(b) The aggregate amount of remuneration received by the part time members of the Seacare Authority, not employed by the Australian Government, but paid by Comcare during the period was $8,183 (2008: $17,200).

Note 14: RESOURCES PROVIDED FREE OF CHARGE

Comcare received no material resources provided free of charge during the financial year. Comcare performs administration functions for the Seacare Authority. Annual Appropriation is provided by the Australian Government for this purpose. Expenditure recorded under Output 5 in Table 21B "Departmental Revenues and Expenses by Output Groups" represents resources provided free of charge by Comcare to the Seacare Authority.

Note 15: EXECUTIVE REMUNERATION

The number of senior executives who received or were due to receive total remuneration of $130,000 or more:

	2008/09	2007/08
$130,000 - $144,999	**-**	-
$145,000 - $159,999	**-**	1
$160,000 - $174,999	**-**	-
$175,000 - $189,999	**2**	1
$190,000 - $204,999	**1**	1
$205,000 - $219,999	**2**	-
$220,000 - $234,999	**-**	2
$235,000 - $249,999	**1**	-
	6	5

The aggregate amount of total remuneration of the executive officers shown above is $1,218,107 (2008: $993,020). The total of separation and redundancy payments included in the above figures is nil (2008: Nil).

The executive remuneration includes all Senior Executive Officers concerned with or taking part in the management of Comcare during 2008/09 except the Director. Details in relation to the Director have been incorporated into Note 12 Remuneration of Director.

Note 16: REMUNERATION OF AUDITORS

	2008/09	2007/08
	$	$
The cost of financial statement audit services provided to Comcare were:	**198,000**	197,000

No other services were provided by the Auditor-General.

Note 17: REINSURANCE

Reinsurance
The Department of Finance and Deregulation has undertaken to supplement Comcare's premium pool in the event of a single incident in which costs in excess of $5,000,000 arise.

Note 18: FINANCIAL INSTRUMENTS

	2008/09 $'000	2007/08 $'000
18A Categories of financial instruments		
Financial assets		
Cash at bank	**208,603**	184,104
Receivables for goods and services	**401**	1,178
Other receivables and claim recoveries	**4,840**	4,517
Carrying amount of financial assets	**213,844**	189,799
Financial liabilities		
Trade creditors	**2,555**	2,415
Workers compensation payables	**2,506**	2,802
Carrying amount of financial liabilities	**5,061**	5,217
18B Net income and expense from financial assets		
Loans and receivables		
Interest revenue	**20,113**	18,912
Net gain/(loss) loans and receivables	**20,113**	18,912
Net gain/(loss) from financial assets	**20,113**	18,912
18C Net income and expense from financial liabilities		
Financial liabilities – at amortised cost		
Net gain/(loss) from financial liabilities	**-**	-

18D Fair value of financial instruments

The fair value of each class of Comcare's financial assets and financial liabilities equal their carrying amounts in both the current and immediately preceding reporting periods and none of these financial assets or liabilities are readily traded on organised markets in a standardised form.

18E Credit risk

Comcare is exposed to minimal credit risk as the majority of loans and receivables are cash on deposit with banks. The maximum exposure to credit risk is the risk that arises from the potential default by a bank(s) on these deposits. This amount is equal to the total amount of cash at bank (2009: $208.6m and 2008: $184.1m). Comcare's Investment Policy states that an investment made for greater than 12 months must have a minimum credit rating of BBB. Any investments made for less than 12 months requires a minimum credit rating of A-2. All credit ratings are as published by Standard and Poors.

As at 30 June 2009

	CREDIT RATING						
	AAA	**AA**	**A**	**BB/BBB**	**Speculative grade**	**Not rated**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Cash and cash equivalents	**-**	**7,603**	**161,000**	**40,000**	**-**	**-**	**208,603**
Receivables	**-**	**-**	**-**	**-**	**-**	**401**	**401**
Other receivables	**-**	**-**	**-**	**-**	**-**	**4,840**	**4,840**

As at 30 June 2008

	CREDIT RATING						
	AAA	AA	A	BB/BBB	Speculative grade	Not rated	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cash and cash equivalents	-	70,104	30,000	84,000	-	-	184,104
Receivables	-	-	-	-	-	1,178	1,178
Other receivables	-	-	-	-	-	4,517	4,517

Comcare holds no collateral to mitigate against credit risk.

Credit risk of financial instruments not past due or individually determined as impaired:

	Not past due nor impaired 2008/09 $'000	Not past due nor impaired 2007/08 $'000	**Past due or impaired 2008/09 $'000**	Past due or impaired 2007/08 $'000
Cash at bank	**208,603**	184,104	**-**	-
Receivables for goods and services	**221**	683	**180**	495
Other receivables	**1,281**	1,853	**3,559**	2,664
Total	**210,105**	186,640	**3,739**	3,159

Ageing of financial assets that are past due but not impaired for 2009:

	0 to 30 days $'000	**31 to 60 days $'000**	**61 to 90 days $'000**	**90+ days $'000**	**Total $'000**
Receivables for goods and services	**130**	**4**	**11**	**35**	**180**
Other receivables	**62**	**283**	**220**	**2,995**	**3,560**
Total	**192**	**287**	**231**	**3,030**	**3,740**

Ageing of financial assets that are past due but not impaired for 2008:

	0 to 30 days $'000	31 to 60 days $'000	61 to 90 days $'000	90+ days $'000	Total $'000
Receivables for goods and services	344	76	46	29	495
Other receivables	257	98	2	2,307	2,664
Total	601	174	48	2,336	3,159

18F Liquidity risk

Comcare's financial liabilities are trade creditors, workers compensation payables and other payables. The exposure to liquidity risk is based on the notion that Comcare will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to its high levels of cash at bank, sources of appropriation funding and other mechanisms available to it. There are also internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations. These include the Comcare Investment Policy that states "1.2 To invest Comcare's funds to maximise returns within appropriate risk and liquidity constraints, so that Comcare can meet its funding and cash flow requirements." A cash flow forecast and daily bank reconciliations are completed to ensure there is sufficient money on hand to meet obligations.

The following table illustrates the maturities for financial liabilities 2009:

	On demand 2008/09 $'000	Within 1 year 2008/09 $'000	1 to 5 years 2008/09 $'000	> 5 years 2008/09 $'000	Total 2008/09 $000
Trade creditors	**-**	**2,555**	**-**	**-**	**2,555**
Workers compensation claims payable	**-**	**2,506**	**-**	**-**	**2,506**
Total	**-**	**5,061**	**-**	**-**	**5,061**

The following table illustrates the maturities for financial liabilities 2008:

	On demand 2007/08 $'000	Within 1 year 2007/08 $'000	1 to 5 years 2007/08 $'000	> 5 years 2007/08 $'000	Total 2007/08 $000
Trade creditors	-	2,415	-	-	2,415
Workers compensation claims payable	-	2,802	-	-	2,802
Total	-	5,217	-	-	5,217

18G Market risk

Comcare holds basic financial instruments that do not expose it to certain market risks. Comcare is not exposed to 'currency risk' or 'other price risk'.

Interest rate risk

The only interest bearing item on the balance sheet is 'cash at bank'. 'Cash at bank' comprises investments in both term deposit accounts and standard banking transaction accounts. Those investments held in term deposit accounts bear interest at a fixed rate and will not fluctuate with changes in market interest rates, whereas those investments held in standard banking transaction accounts are subject to changes in the market interest rate. However given that the amount held in this type of investment is approximately 4% of the total 'cash at bank' balance, any movements in interest rates would be considered insignificant.

Note 19: COMPENSATION AND DEBT RELIEF

	2008/09 $	2007/08 $
Waivers		
56 debts were waived in accordance with 114D of the *Safety, Rehabilitation and Compensation Act 1988* (2008: 87 debts)	**182,469**	**114,379**
Defective Administration Scheme		
No payments were made under the 'Defective Administration Scheme' during the reporting period.	**Nil**	**Nil**
Public Service Act 1999		
One payment was made under s73 of the *Public Service Act 1999* during the reporting period.	**78,535**	**Nil**

Note 20: ASSETS HELD IN TRUST

Comcare Beneficiaries Trust Account (BTA)

The BTA was established on 1 December 1988 to administer compensation benefits paid under both the *Compensation (Commonwealth Government Employees) Act 1971* and the SRC Act to beneficiaries that are under a legal disability. The vast majority of these are children under the age of 18 who have been awarded compensation following the death of a parent under compensable circumstances.

These monies are not available for other purposes of Comcare and are not recognised in the financial statements.

Comcare manages the funds awarded by Comcare and the self-administering authorities (i.e. Telstra and Australia Post). No fee is charged by Comcare for this service.

		2008/09 $'000	2007/08 $'000
Balance carried forward from previous year		**1,799**	1,952
Add:	Funds deposited	**274**	245
	Interest earned	**81**	155
	Available for payment	**2,154**	2,352
Less:	Final payouts	**268**	510
	Ad-hoc payments	**23**	43
	Available for payment	**291**	553
Balance carried forward to next year held by Comcare		**1,863**	1,799
Represented by:			
	Cash at bank	**1,863**	1,799
		1,863	1,799

Note 21: REPORTING OF OUTCOMES

Note 21A: Net cost of outcome delivery

	Outcome 1		Total	
	2008/09	2007/08	**2008/09**	2007/08
	$'000	$'000	**$'000**	$'000
Expenses				
Departmental expenses	**330,638**	324,335	**330,638**	324,335
Total expenses	**330,638**	324,335	**330,638**	324,335
Costs recovered				
Departmental	**190,782**	202,401	**190,782**	202,401
Total costs recovered	**190,782**	202,401	**190,782**	202,401
Other external revenues				
Departmental				
Premiums	**32,123**	31,112	**32,123**	31,112
Licence fees	**8,691**	6,716	**8,691**	6,716
Provision of goods	**2**	2	**2**	2
Rendering of services	**796**	364	**796**	364
Interest on deposits	**20,113**	18,912	**20,113**	18,912
Other revenue	**227**	342	**227**	342
Total other external revenues	**61,952**	57,448	**61,952**	57,448
Net cost/(contribution) of outcome	**77,904**	64,486	**77,904**	64,486
Comcare's outcome/outputs are described at Note 1.1.				
The net costs shown include intra-government costs that would be eliminated in calculating the actual budget outcome.				

Note 21B: Departmental revenues and expenses by outputs

Outcome 1	Output 1		Output 2		Output 3		Output 4		Output 5		Output 6		Total	
	2008/09	2007/08	**2008/09**	2007/08	**2008/09**	2007/08	**2008/09**	2007/08	**2008/09**	2007/08	**2008/09**	2007/08	**2008/09**	2007/08
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Operating expenses														
Employees	**5,204**	3,479	**14,395**	10,672	**22,743**	18,622	**4,352**	3,581	**526**	443	**993**	635	**48,213**	37,432
Suppliers	**2,604**	2,122	**7,674**	5,968	**11,318**	10,168	**2,412**	2,523	**388**	262	**4,044**	1,993	**28,440**	23,036
Depreciation and amortisation	**253**	186	**524**	630	**1,274**	1,377	**216**	301	**31**	25	**14**	46	**2,312**	2,565
Workers compensation claims	**-**	-	**-**	-	**239,348**	210,051	**35,647**	43,553	**-**	-	**-**	-	**274,995**	253,604
Asbestos related disease claims	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**(23,871)**	7,523	**(23,871)**	7,523
Other expenses	**19**	-	**449**	-	**32**	130	**(17)**	-	**3**	-	**-**	-	**486**	130
Finance costs	**6**	4	**19**	12	**31**	21	**6**	5	**-**	1	**1**	2	**63**	45
Total operating expenses	**8,086**	5,791	**23,061**	17,282	**274,746**	240,369	**42,616**	49,963	**948**	731	**(18,819)**	10,199	**330,638**	324,335
Funded by:														
Revenues from Government	**-**	-	**293**	299	**68,800**	70,175	**42,195**	56,099	**438**	440	**(18,934)**	6,521	**92,792**	133,534
Goods and services	**6,563**	5,120	**15,970**	13,361	**1,196**	958	**105**	20	**123**	-	-	-	**23,957**	19,459
Interest	**203**	567	**561**	1,135	**19,349**	17,210	**-**	-	**-**	-	-	-	**20,113**	18,912
Workers compensation premiums	**-**	-	**-**	-	**207,424**	222,147	**-**	-	**-**	-	-	-	**207,424**	222,147
Other revenues	**29**	-	**108**	277	**41**	-	**8**	-	**38**	65	**3**	-	**227**	342
Total operating revenues	**6,795**	5,687	**16,932**	15,072	**296,810**	310,490	**42,308**	56,119	**599**	505	**(18,931)**	6,521	**344,513**	394,394

Comcare's outcome/outputs are described at Note 1.1.

The net costs shown include intra-government costs that would be eliminated in calculating the actual budget outcome.

Comcare uses a cost allocation methodology to determine the attribution of shared items. This system is principally based on claims statistics, resource usage statistics and internal business trends.

Note 21C: Major classes of departmental assets and liabilities by outcome

Outcome 1	**Outcome 1**	
	2008/09	2007/08
	$'000	$'000
Departmental assets		
Cash and cash equivalents	**208,603**	184,104
Trade and other receivables	**2,252,549**	2,230,929
Investments	**1,838**	10,348
Infrastructure, plant and equipment	**9,814**	8,426
Intangibles	**1,489**	1,477
Other non-financial assets	**557**	285
Total departmental assets	**2,474,850**	2,435,569
Departmental liabilities		
Suppliers	**2,555**	2,415
Workers compensation claims payable	**2,506**	2,802
Other payables	**5,895**	3,129
Employee provisions	**8,282**	6,827
Other provisions	**2,255,357**	2,230,143
Other	**1,134**	1,161
Total departmental liabilities	**2,275,729**	2,246,477
Comcare's outcome/outputs are described at Note 1.1.		

Part E: Appendices

Appendix i: Agency resource statement

Table 14: Agency resource statement

	Actual available appropriations for 2008–09 ($'000) (a)	Payments made 2008–09 ($'000) (b)	Balance remaining ($'000) (a)–(b)
Ordinary annual services*			
departmental appropriation			
Prior year departmental appropriation			
Departmental appropriation			
section 31 relevant agency receipts			
Total	$5772	$5772	$-
Administered expenses			
Outcome 1			
Payments to CAC Act bodies			
Total	$5772	$5772	$-
Total ordinary annual services			
Special appropriations			
Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005 section 8(2)	$19 456	$11 864	$7592
Safety Rehabilitation and Compensation Act 1988 section 90D	$49 838	$50 771	($933)
Total special appropriations	$69 294	$62 635	$6659
Special Accounts			
Opening balance			
Appropriation receipts			
Appropriation receipts – other agencies**			
Non-appropriation receipts to Special Accounts			
Payments made			
Closing balance			
Total resourcing and payments	$75 066	$68 407	$6659

* Appropriation Bill (No.1) 2008–09 and Appropriation Bill (No.3) 2008–09

** Appropriation receipts from other agencies credited to agency special accounts

Appendix ii: Resources for outcome and outputs

Table 15: Resources for Outcome 1 — Safe and healthy workplaces, and cost effective and fair compensation

	Actual available appropriations for 2008–09 ($'000) (a)	Payments made 2008–09 ($'000) (b)	Balance remaining ($'000) (a)–(b)
Output Group 1 SRC Act Regulation Subtotal for Output Group 1	-	-	-
Output Group 2 OHS Act Regulation Departmental outputs Subtotal for Output Group 2	294 294	294 294	- -
Output Group 4 Management of pre-premium claims Special Appropriations: *Safety Rehabilitation and Compensation Act 1988* section 90D Subtotal for Output Group 4	49 838 49 838	50 771 50 771	933 933
Output Group 6 Management of common law asbestos claims Special Appropriations: Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005 section 8(2) Departmental outputs Subtotal for Output Group 6	19 456 5040 24 496	11 864 5040 16 904	(7592) - (7592)
TOTAL PRICE FOR OUTCOME Departmental	$75 066	$68 407	($6659)
		2008–09	
Average staffing level		540	

* Full-year budget, including any subsequent adjustment made to the 2008–09 Budget

Appendix iii: Classification structure and employee locations

Figure 8: Comcare classification structure as at 30 June 2009

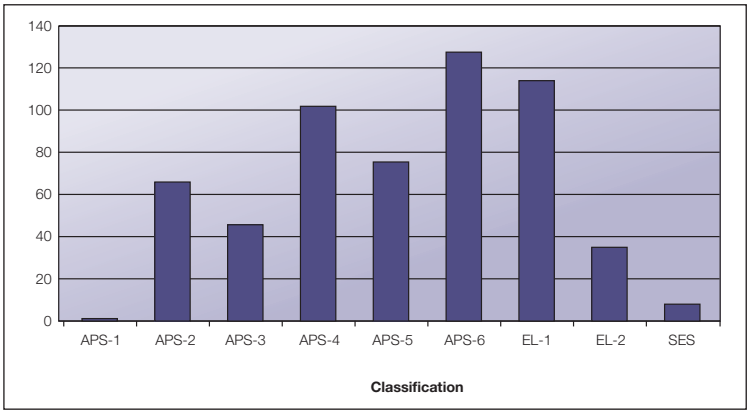


Table 16: Count of location as at 30 June 2009 (ongoing and non-ongoing employees)

	ACT	NSW	QLD	SA	VIC	WA	Grand Total
Total	432	19	13	12	90	9	575

Appendix iv: Staffing profile and remuneration

Table 17: Staffing profile and remuneration

	AWAs	Collective Agreement	Total	Minimum Salary	Maximum Salary
Total:	104	468	574		
SES:	5	2*	7		
Executive Level 2 (or equivalent):	30	6	36	$ 90 620	$135 000
Executive Level 1 (or equivalent):	55	59	114	$ 78 604	$101 000
APS Level 6 (or equivalent):	3	123	126	$ 64 139	$ 74 195
APS Level 5 (or equivalent):	2	75	77	$ 57 985	$ 67 035
APS Level 4 (or equivalent):	9	93	102	$ 51 398	$ 57 985
APS Level 3 (or equivalent):		45	45	$ 46 159	$ 49 788
APS Level 2 (or equivalent):		66	66	$ 40 577	$ 44 952
APS Level 1 (or equivalent):		1	1	$ 21 544	$ 39 640

* SES employees are not covered by the Comcare Collective Agreement 2007-2010, these employees are covered by determinations made under section 24(1) of the *Public Service Act 1999*.

Appendix v: Commonwealth Disability Strategy

The intention of the Commonwealth Disability Strategy (CDS) is to make sure that people with disabilities have the same level of access to Comcare policies, programs and services as people without a disability. Comcare recognises the importance of the identification and removal of the barriers preventing people with disabilities from accessing its programs and services and the elimination of discriminatory practice.

Comcare achieves this through a range of strategies. The underlying principle is the idea of integration and the identification, sharing and implementation of best practice by agencies is one way that Comcare has done this.

As a regulator, Comcare is responsible for enforcing legislation that influences how other organisations and their employees behave. Comcare delivers services to employers and employees, internally and externally by developing and marketing services that recognise and support diversity.

Comcare recognises that people with disabilities have the right to participate in all aspects of its operations. Comcare provides an environment that recognises differing values and encourages the contributions of employees with different backgrounds and experiences as well as physical and intellectual capabilities.

Performance reporting for the Commonwealth Disability Strategy

Table 18: Regulator role — inclusion and participation by people with disabilities in Commonwealth government programs

Performance indicator	Performance measure	Current level of performance 2008–09	Goals and actions for 2009–10
Publicly available information on regulations and quasi-regulations and publicly available regulatory compliance reporting is available in accessible formats for people with disabilities.	Percentage of publicly available information on regulations and quasi-regulations requested and provided in: • accessible electronic formats; and • accessible formats other than electronic. Average time taken to provide accessible material in: • electronic format; and • formats other than electronic.	Comcare provides a detailed range of information to customers and stakeholders via a variety of mediums including electronic, hardcopy and via presentations/ seminars. All material is updated in a timely manner to reflect any legislative and/or policy changes. Recommendations from a survey of website users have been implemented. Comcare's website conforms to AGIMO's Accessibility Guidelines and has portals for both employers and employees containing information on workplace health and safety, rehabilitation and compensation. Direct assistance services are provided for OHS policy, plant licensing and SRC policy via email and through Comcare's 1300 phone number. A review into help desk and call centre services has been conducted in 2008–09. Public consultation on policy development is undertaken through direct contact with key stakeholders and the provision of information in plain English through the website. Comcare makes available interpreting services where required Comcare has a diversity program that raises awareness of diversity principles amongst staff to bring about positive attitudes and increase accountability. Forums to raise awareness include: • diversity calendar • celebrations of events • lunchtime awareness sessions and induction programs • HR policy and guidelines • articles in internal communications and supporting APSC HR policies. Comcare promoted *'Safe, Diverse and Productive — A workplace with people with disability'*, the ASCC Fact Sheet within the jurisdiction Comcare promoted International Day of People with Disability.	Implement outcomes of the review into help desk and call centre services Maintain active promotional activities and engage with APSC

Table 19: Provider role — inclusion and participation by people with disabilities in Commonwealth government programs

Performance indicator	Performance measure	Current level of performance 2008–09	Goals and actions for 2009–10
Providers have established mechanisms for quality improvement and assurance. Providers have an established service charter that specifies the roles of the provider and consumer and service standards which address accessibility for people with disabilities. Complaints/grievance mechanisms, including access to external mechanisms, in place to address concerns raised about performance.	Evidence of quality improvement and assurance systems in operation. Established service charter that adequately reflects the needs of people with disabilities in operation. Established complaints/ grievance mechanisms, including access to external mechanisms, in operation.	Comcare participates in a national bi-annual RTW monitor, which surveys compensation claimants to understand perceptions of management of claims and RTW. Comcare makes available interpreting services as required. Comcare has email help lines and complaints systems that allow for the recording and follow up of any relevant complaints. *Comcare News* contains the latest news and updates for compensation claimants and compensated ex-employees of Australian Government workplaces. Comcare conducted customer satisfaction research. Comcare used feedback from agency seminars and reviewed any complaints made during 2008, to identify priority areas for improvement in meeting the needs of people with disability. Issues to emerge with regard to service provision included: • the accessibility of premises used for seminars • service provision, particularly in remote regions. Seminar range and locations have been increased (e.g. Townsville). Comcare has established a range of user partnership agreements to ensure client needs are identified and addressed.	Repeat RTW monitor surveys Implement outcomes from customer satisfaction research Maintain communication standards Continue to measure user feedback on national events and state engagements Review partnership agreements

Appendix vi: Ecologically sustainable development and environmental performance

Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* requires that government organisations report annually on their environmental performance and contribution to ecologically sustainable development (ESD).

Overall, Comcare's activities, as well as the administration of legislation (the SRC Act and the OHS Act) help promote and facilitate the health of individuals, which contributes to ESD by maintaining and developing social and economic capital.

Comcare is committed to achieving improved environmental performance, and meeting applicable legislative and regulatory requirements. Our awareness and response to environmental issues is increasing and a number of activities have been undertaken to further build our capability and performance in this area.

Externally, Comcare provides the ability to download publications from our website. This allows documents to be sent and stored electronically, reducing the impact of printing and distribution of hard copy material.

Comcare recognises, however, that our day-to-day activities consume resources and create waste.

Comcare has established the Thinking Green program as part of our effort to reduce our environmental impact. The Environmental Management Committee has focused their efforts on the key areas of Information and Communication Technology (ICT) and Building Operations as the major consumers of energy and other resources.

A range of activities are being taken to minimise the impact of Comcare activities on the environment.

Our ongoing activities include:

- using Green Lease Schedules in relevant leases
- participating with whole of government purchasing arrangements
- recycling 100 per cent of toner cartridges
- using server virtualisation to reduce both power consumption and computer hardware requirements
- participating in the Government Agency Environment Network (GAEN) forums
- contributing to the Online System for Comprehensive Reporting (OSCAR)
- providing bicycle facilities and showers to encourage riding to work
- participating in Earth Hour.

New activities include:

- installing of new lighting control system in the Melbourne and Canberra offices to reduce power consumption
- purchasing new computers with consideration of the environmental purchasing checklists provided by the Department of the Environment, Water, Heritage and the Arts (DEWHA), resulting in the purchase of computers with key energy saving features
- re-engineering internal procedures to reduce transportation and printing of materials
- establishing a Building Management Committee with Canberra based Building Managers to review ESD performance against the relevant Green Lease Schedule
- providing separate metering on a new data centre to enable accurate measurement of power consumption
- creating a Green Blog on the intranet so that all employees can engage in conversations regarding environmental issues.

Performance in Focus — Results

Our key targets set for 2009–10 are a 10 per cent reduction in power consumption and a 20 per cent reduction in paper consumption.

As a result of our environmental performance activities we can report the following outcomes in 2008–09:

- seventy-eight per cent of Comcare's vehicle fleet has a Green Vehicle Guide (GVG) rating of 10.5 or higher, which significantly exceeds the Australian Government target of 28 per cent of agency vehicles having a GVG rating of 10.5 or higher.
- energy consumption per person fell from 9737 MJ/person/annum to 8763 MJ/person/annum, and we are on track to meet the 2011–12 EEGO target of 7500Mj/person/annum.

Performance in Focus — Thinking Green

Comcare is currently working through the EMS Implementation Plan that will develop an integrated set of action plans to reduce the environmental impact. This plan will have targets for energy, water, vehicle, paper, waste and travel.

We have established a brand image of Thinking Green. All our Environmental Management System (EMS) work will be branded with this image to increase awareness and easy appreciation of environmental communication. The Thinking Green Committee meets regularly to assess actions to reduce environmental impacts, establish action plans and evaluate and audit progress towards our goals.

Key activities of the Thinking Green Committee have been to:

- establish sub-groups to focus environmental activities in the areas of people, systems and IT
- promote duplex printing to reduce paper consumption
- establish a framework for car pooling.

This year Comcare's focus has been on the development of an integrated EMS that is compliant to ISO 14001 by looking at a range of environmental initiatives across all Comcare offices.

Performance in Focus — Desktop Refresh

In 2008 Comcare assessed its effects on the environment by completing an analysis of baseline power consumption data. This review has led to the identification of key areas of potential power savings in particular the power consumption of IT equipment.

To address this, when Comcare held procurement for new desktop computers, key environmental requirements were included in the tender documentation. Comcare used purchasing checklists and guidance material made available from the DEWHA.

As a result, the new desktop computers have significantly improved environmental performance through:

- lower overall power consumption
- wake on LAN capability
- higher recyclable content.

Part F: References

Glossary

AASB	Australian Accounting Standards Board
AAT	Administrative Appeals Tribunal — The AAT can, on request, review administrative decisions by most Australian and Australian Capital Territory Government departments and authorities. This includes reviewing reconsideration decisions made by Comcare. Either an employee or an employer may request a review of a decision.
ACT	Australian Capital Territory
ADF	Australian Defence Force
AFM	Advance to the Finance Minister
ANAO	Australian National Audit Office
APC	Australian Postal Corporation
APS	Australian Public Service
APSC	Australian Public Service Commission
APS Code of Conduct	A guide for the way in which an Australian Public Service employee is required to behave.
APS Values	Principles, standards and qualities in accordance with which the Australian Public Service operates.
ARC	Asbestos-related claims
ARC Act	*Asbestos related Claims (Management of Commonwealth Liabilities) Act 2005*
ARD	Asbestos-related diseases
ARP	Approved Rehabilitation Provider — Under the SRC Act, employers may only engage rehabilitation providers that have been approved by Comcare. Rehabilitation providers assist the agency case manager to identify medically suitable duties as part of the return to work (RTW) plan.
ARPA	Australian Rehabilitation Providers Association
ASCC	Australian Safety and Compensation Commission — replaced by the Safe Work Australia Council from April 2009
ATO	Australian Taxation Office
BTA	Beneficiaries Trust Account
CAC Act	*Commonwealth Authorities and Companies Act 1997*

Case manager	Responsible for workplace-based management of an injured employee's RTW plan, as well as for initiating, coordinating and monitoring the rehabilitation process. The employer is responsible for providing case managers, who are usually employees of the agency.
CDS	Commonwealth Disability Strategy — Requirements for Commonwealth agencies to identify and remove barriers preventing people with disabilities from having access to policies, programs and services.
CDW	Commission Data Warehouse
CEO	Chief Executive Officer
Certified Agreement	An agreement that sets out the terms and conditions of employment.
CIS	Customer Information System — An interactive online reporting system for employing agencies.
Claim	Any claim for compensation, for example, the initial injury claim, claim for payment of medical expenses, or claim for incapacity benefits.
Claimant	An employee, or a dependant of a deceased employee, who makes a claim for compensation benefits in accordance with the SRC Act.
Claimant Service Charter	Specifies the roles of the employer and employee and sets out Comcare's service standards,
Claims management	The effective management of an injured person's claim, including registration of a claim, decision making, benefit payment and RTW planning. For a claim lodged with Comcare, a Comcare employee manages the claim.
CLF	Comcare Leadership Forum
CNCC	Comcare National Consultative Committee
CoAG	Coalition of Australian Governments
Commission indicators	A reporting framework to provide the SRCC with an overview of the performance of a jurisdiction. The SRCC indicators address prevention, claims management, RTW and scheme administration performance.
Corporate governance	The process by which agencies are directed and controlled. It is generally understood to encompass authority, accountability, stewardship, leadership, direction and control.
CRF	Consolidated Revenue Fund
CSS	Commonwealth Superannuation Scheme
Customer	An organisation paying a premium for coverage of its compensation risk
Date of Injury	Date of occurrence (injury), date first sought medical treatment, or first resulted in incapacity or impairment (disease).
DCEO	Deputy Chief Executive Officer
Delegation	The written assignment of authority and responsibility to another person to carry out specific activities.
Determination	A decision made by Comcare to accept or reject a claim the SRC Act

DEWR	Department of Employment and Workplace Relations
Disease	From 13 April 2007 any ailment suffered by an employee, or the aggravation of such an ailment, that is contributed to, to a significant degree, by the employee's employment.
DVA	Department of Veterans' Affairs
DWG	Designated Work Group
EAP	Employee assistance program
EEO	Equal employment opportunity
Employing agency	An organisation that receives services provided by Comcare.
Equity and diversity	A concept that recognises, respects and values individual differences in employees.
ESD	Ecologically sustainable development
Estimated liability	An estimate of future payments to be made in relation to an individual claim.
EVP	Employee value proposition
FMIS	Financial Management Information System
FOI	Freedom of information
FOI Act	*Freedom of Information Act 1982*
FTE	Full-time equivalent, in the context of staffing levels
GST	Goods and services tax
HSMAs	Health and Safety Management Arrangements
HSR	Health and safety representative
HWCA	Heads of Workers' Compensation Authorities
HWSA	Heads of Workplace Safety Authorities
IAP	Individual action plan
IBNR	Incurred but not recorded
ICT	Information communication technology
Impairment	The loss, the loss of use, or the damage or malfunction, of any bodily system or function or part of such system or function. A permanent impairment is one that is likely to continue indefinitely.
Incapacity	A diminished ability to earn
Incapacity benefit	A payment made by Comcare, directly or indirectly, by way of income maintenance
Injury	Refers to either an injury or disease. An injury can be a physical or mental injury and includes aggravation of a pre-existing ailment
Insured claim	See premium claim
IT	Information technology

JPA	Jurisdictional Policy Advices
KRA	Key Result Area
LDS	Learning and Development Solutions — training arm of Comcare
Liability	The effect of a determination, creating a legal obligation to pay compensation under the SRC Act.
Licensed self-insurers	A Commonwealth authority or a corporation that is a holder of a licence under Part viii of the SRC Act
LTP	Legislative Training Program
MHF	Major Hazard Facility
MRC	*Military Rehabilitation Compensation Act* (MRC Act)
MRCC	Military Rehabilitation and Compensation Commission
NAA	National Archive Authority
OHS	Occupational health and safety
OHS Act	*Occupational Health and Safety Act 1991* — Provides for the health, safety and welfare at work of employees of Australian Government departments and authorities, and licensed self-insurers.
OHS Code 2008	*Occupational Health and Safety Code of Practice 2008*
OHS(MI) Act	*Occupational Health and Safety (Maritime Industry) Act 1993*
Occupational rehabilitation	A managed process involving early intervention with appropriate, adequate and timely services based on assessed needs, and which is aimed at maintaining injured or ill employees in, or returning them to, suitable employment.
OPC	Office of the Privacy Commissioner
PBS	Portfolio Budget Statements
PIMs	Prevention and Injury Management section
PIN	Provisional Improvement Notice
PRACSYS	Computer-based system used by Comcare to register and process claims, record benefit payments and prevention statistics, and provide management information reports.
Premium	A contribution made to Comcare in respect of the estimated costs of a customer agency's workers' compensation costs for a given financial year. It is based on fully funded principles and is designed to be responsive to the employing agency's claims experience.
Premium claim	Claim with a date of injury after the introduction of Comcare's premium system on l July 1989. Also referred to as an 'insured' claim.
Premium pool	The sum of all premium funds collected from agencies as assessed by the actuary as necessary to fully fund liabilities.

Premium rate	The rate, expressed as a percentage of wage/salary dollar, which, when multiplied by the estimate of wage/salary, will provide the premium payable by that agency.
Pre-premium claim	Claim with a date of injury prior to the introduction of Comcare's premium system on l July 1989. These claims and the resultant expenditure may also be called 'uninsured'.
Provider	Person or organisation providing medical, rehabilitation or health services in relation to a work related injury or disease.
PSS	Public Sector Superannuation Scheme
PSSap	PSS accumulation plan
Reconsideration	An employee or employer, who is dissatisfied with a decision made by Comcare, may ask for that decision to be reviewed by an officer not involved in the making of the decision in question. The result of such a review is called a reviewable decision.
Rehabilitation case manager	See case manager.
Rehabilitation	See occupational rehabilitation.
Reviewable decision	The term used to describe a decision reconsidered by Comcare. Only when there is a reviewable decision can there be an application to the Administrative Appeals Tribunal (see reconsideration and Administrative Appeals Tribunal).
RPL	Recognition of prior learning
RTW	Return to work
RTW Monitor	Return to Work Monitor — conducted biannually across Australian and New Zealand workers' compensation jurisdictions; prepared for the HWCA
Seacare Authority	The Seafarers Safety, Rehabilitation and Compensation Authority
Seafarer's Act	*Seafarers Rehabilitation and Compensation Act 1992*
SES	Senior Executive Service
SMS	Safety management system
SRC	Safety, Rehabilitation and Compensation
SRC Act	*Safety, Rehabilitation and Compensation Act 1988* (SRC Act) — the legislation which established Comcare and defines how the workers' compensation function is to be administered for the Australian and ACT Governments and a corporation that is a holder of a licence under Part VIII of the SRC Act.
SRCC	Safety, Rehabilitation and Compensation Commission — responsible for issuing licences for self-insurance and claims management, and for various regulatory functions under the OHS legislation. Until 1992 it was referred to as the Commission for the Safety, Rehabilitation and Compensation of Commonwealth Employees. It reports to the Minister for Employment and Workplace Relations.
SSMS	Secretariat and Seacare Management Section

TRIM	Software application that enables the management of paper and electronic records
WG	Working group
Workers' compensation expenditure	Expenditure under the SRC Act. Includes expenditure on incapacity, medical and associated travel, rehabilitation costs, certain legal costs and other claim related expenses
WR Act	*Workplace Relations Act 1996*
WRMC	Workplace Relations Ministers Council

Compliance index

The index below shows compliance with information requirements contained in the *Commonwealth Authorities and Companies Act 1997* (CAC Act) and in particular Part 2 of the *Commonwealth Authorities and Companies (Report of Operations) Orders 2008*.

CAC Act, Report of Operations 2008 requirements	CAC Act, Report of Operations 2008 reference	Annual Report page
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