



Australian Government

Comcare

**Safety, Rehabilitation and
Compensation Commission**

ANNUAL REPORT 2020–21

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Acknowledgements

Australasian Reporting Awards (ARA) – Review of Comcare’s 2019–20 Annual Report for which we achieved a Silver Award in the 2021 ARA Awards.

Online access

Online access is available at <https://www.comcare.gov.au/about/governance/annual-report> or alternatively through the Forms and Publications link on the Comcare website.

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LETTER OF TRANSMITTAL



Australian Government

Comcare

CHIEF EXECUTIVE OFFICER

20 September 2021

Senator the Hon Michaelia Cash
Attorney-General
Minister for Industrial Relations
Deputy Leader of the Government in the Senate
Parliament House
CANBERRA ACT 2600

Dear Minister

I submit to you Comcare's Annual Report for the year ended 30 June 2021.

The report meets the requirements of federal law including:

- section 46 of the *Public Governance, Performance and Accountability Act 2013*
- schedule 2, sections 3 and 4 of the *Work Health and Safety Act 2011*
- section 85 of the *Safety, Rehabilitation and Compensation Act 1988*.

Following its tabling in Parliament, the report will be available on the Australian Government Transparency Portal and Comcare website.

Yours faithfully

A handwritten signature in cursive script, appearing to read 'Susan Weston'.

Susan Weston PSM

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CANBERRA ACT 2601
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COMCARE.GOV.AU

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ABOUT THESE REPORTS

The Comcare and Safety, Rehabilitation and Compensation Commission (SRCC) annual reports document the activities of Comcare and the SRCC, and the performance of the Comcare scheme from 1 July 2020 to 30 June 2021.

These annual reports have been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and Subdivision B of Division 3A of the *Public Governance, Performance and Accountability Amendment (Corporate Commonwealth Entity Annual Reporting) Rule 2014*. They also comply with the requirements of the *Work Health and Safety Act 2011* (WHS Act), and the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act).

The Comcare and SRCC Annual Reports are published together as the SRCC does not have staff or a budget of its own and is reported through Comcare's financial statements.

PART ONE – Comcare Annual Report 2020–21

The Comcare Annual Report 2020–21 includes 5 chapters.

Chapter One: About Comcare – Outlines Comcare's purpose, roles and responsibilities, governing legislation and organisational structure.

Chapter Two: Annual Performance Statements – Analyses Comcare's performance, including results against performance measures and targets in its Portfolio Budget Statements and Corporate Plan.

Chapter Three: Management and accountability – Summarises Comcare's governance arrangements, external scrutiny, workforce details and work health and safety performance.

Chapter Four: Financial Statements – Provides detailed information on Comcare's financial performance for 2020–21.

Chapter Five: Appendices – Various appendices contain further information addressing mandatory reporting requirements and additional organisational performance information.

PART TWO – Safety, Rehabilitation and Compensation Commission Annual Report 2020–21

The SRCC Annual Report 2020–21 complies with the requirements of the SRC Act and the WHS Act. This report details the objectives, roles, functions, membership and operations of the SRCC. It also provides details about the performance of the SRCC.

PART ONE: COMCARE ANNUAL REPORT 2020–21

Comcare's purpose:
To promote and
enable safe and
healthy work

Comcare's strategic priorities



Excellence
in service
provision



Engagement
with our
stakeholders



Prevention and
early intervention
across our
scheme



Insight driven
and risk and
evidence-based
practice



Being adaptive
and sustainable
in the face of
change

Comcare's values



Act with
integrity and
respect



Collaborate
and innovate



Strive to have a
positive impact

CEO'S YEAR IN REVIEW



Susan Weston PSM
Chief Executive Officer

As the CEO and accountable authority of Comcare, I present Comcare's Annual Report to the Minister for Industrial Relations, Senator the Hon Michaelia Cash, and the Australian Parliament on the performance of Comcare for the year ended 30 June 2021.

As with many other public sector agencies, Comcare has had a key focus on supporting our jurisdiction through the pandemic in performing its roles as a work health and safety regulator, and a scheme manager, an insurer and a compensation claim manager.

We adopted Safe Work Australia's (SWA) *Statement of Regulatory Intent* which set out principles Work Health and Safety (WHS) regulators would be using to guide their approach to ensuring compliance with WHS laws during the COVID-19 pandemic. We took a supportive and educative approach to compliance provided the duty holders in our jurisdiction made genuine attempts to comply with legislative requirements.

With the changes to health arrangements throughout the year, employers needed to regularly re-assess hazards and assess risks and put controls in place to support safe and healthy workplaces. It was pleasing to see, through compliance checks undertaken by Comcare through 2020–21, that employers in our jurisdiction largely had the necessary processes and procedures in place. The pandemic has raised awareness of the importance of risk assessment to workplace safety.

Acknowledging the impact of the pandemic on the mental health of public sector and company employees in our jurisdiction, we have taken a forward leaning approach to supporting mental health through the accelerated release of a low intensity cognitive behaviour therapy coaching service. The service has been made available to 16 participating Australian Public Service (APS) agencies with up to 120,000 APS employees. We worked with the Australian Public Service Commission (APSC), and its APS Chief Operating Officer Committee along with our self-insured licensee client managers to develop and distribute mental health and other workplace health and safety materials and resources including webinars to our jurisdiction.

Within Comcare we took the time to develop a fully consulted flexible work policy, aiming to take advantage of the benefits we gained through remote working necessitated by the pandemic, while emphasising the individual responsibility that the policy required. This work served us well as a national organisation as it provided the framework for moving back and forth from home and office work as local state and territory arrangements changed. We also developed our ICT tools and used new learning techniques established through the pandemic to better reach target audiences, stakeholders and our own staff.

We have been able to progress a significant improvement agenda, along with our important business as usual activities throughout 2020–21. We have established an Enterprise Portfolio Management Office to oversee the portfolio of programs and projects underway and to ensure our effort remains focused on our purpose.

One of Comcare's core functions is managing claims for Australian Government employees, people suffering an asbestos-related disease, federal parliamentarians, and employees of organisations who have contracted Comcare to provide claim management services. We are focused on understanding the needs of our clients (employees, employers and service providers), the kinds of claims we receive, our performance and the impact it has on our clients and the broader community.

As part of our improvement agenda, we have been progressing a Claims Management Improvement Program through 2020–21 that is designed to achieve a capable, high performing team, reinforce strong, documented governance over our claims management function, claims information and data, and embed continuous improvement in Comcare's claims management approach. The program will result in the implementation of claims management practices and systems that are customer-led and improve experience and outcomes. This work will continue into 2021–22 and beyond.

Another area of improvement has been in our approach to managing disputes, including those before the Administrative Appeals Tribunal (AAT). This program which is part of Comcare's Litigation Strategy has contributed to a reduction in our overall AAT case load from a peak of 1,119 matters at 1 July 2018 to 531 open matters at 30 June 2021.

Also, the proportion of matters which are resolved by consent prior to hearing has increased from 68 per cent in 2019 to the current rate of 84%. The proportion of matters affirmed at hearing has also improved from 63% at 1 July 2019 to the current rate of 72%. These improvements reflect our vision to resolve disputes promptly and with integrity.

In November 2020, we established a specialist Major Infrastructure Projects (MIP) inspectorate team that provides enhanced oversight and prevention-led interaction with large infrastructure and other complex construction projects occurring within the Commonwealth jurisdiction. There are several major projects currently under way including the underground rail infrastructure in Sydney and Melbourne, Sydney Football Stadium, Western Sydney Airport, Inland Rail Project and Snowy Hydro 2.0. The MIP team has set up a program of monitoring compliance activities, including both proactive activities based on intelligence and data, and reactive inspections in response to notified incidents and concerns. In 2020–21, the team has undertaken nearly 200 inspections and 29 information and advice activities across the major infrastructure projects.

Throughout the pandemic, we have been able to maintain our strong approach to serious incidents and fatalities, and we have instigated several prosecutions through the year. We have undertaken remote inspections as a tool to observe whether WHS controls were in place and we have undertaken WHS audits while public health orders restricted normal operations.

Our improvement work has also included the expansion of our education offerings to employers and workplaces across our scheme, encouraging higher levels of compliance and applying better practice to their WHS and rehabilitation obligations. We have invested in learning capabilities and technologies, including a cloud-based Learning Management System (LMS), a rapid content development tool and a virtual delivery and collaboration platform.

New guidance prepared by Comcare recognising the positive duty employers have to prevent or minimise workplace sexual harassment has been developed utilising these new offerings and tools. This guidance was developed in collaboration with the Australian Human Rights Commission and recognises the guidance provided by Safe Work Australia.

We have provided a new portal for the Workplace Rehabilitation Providers we regulate in our scheme and improved performance monitoring of them which includes a focus on positive return to work experiences for employees.

Through the year we have also supported the Safety Rehabilitation and Compensation Commission (SRCC) and the Seacare Authority with their regulatory roles. This year 3 national employers – Ramsay Health Care Australia, Australia and New Zealand Banking Group (ANZ) and Bevchain (from 1 July 2021) – became self-insured workers' compensation licensees under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act). This has led to an increase in the percentage of full-time equivalent (FTE) employees covered by the SRC Act who are under self-insurance licenses (now 55%) relative to those under the Comcare premium paying insurance arrangements.

Looking ahead

Looking ahead, we will continue to focus on improving our core functions along the prevention – early intervention – injury management – compensation and rehabilitation continuum.

We will be working on a new prevention strategy which aims to bring together actions from across our organisation.

A key element to support this and other strategies will be data, and we are progressing our Data Strategy aimed at maturing our data governance, capability and associated technology. Towards the end of last year we established a Chief Data Office responsible for ensuring that we take a more mature and sophisticated approach to the management and use of data. While this is a long-term journey, the immediate priority of the Chief Data Office will be ensuring that our Data Strategy is delivered effectively and works hand in glove with managing privacy.

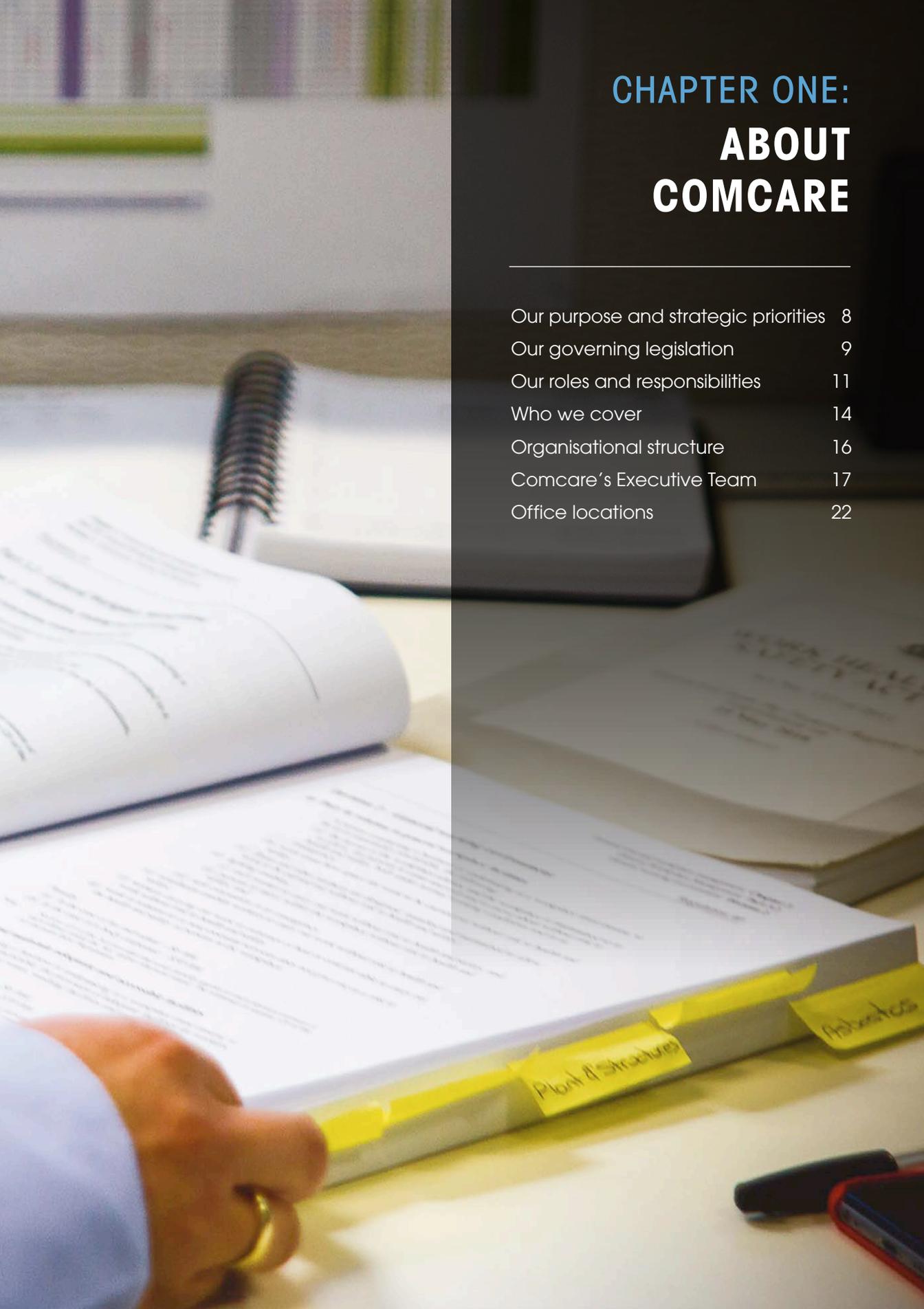
We are also continuing to progress our ICT Strategy which aims to deliver modern ICT capability that enables continuous improvement across the organisation while retaining the flexibility to adapt to new priorities and support changing business requirements. This includes implementing a platform that can be used by our clients (employees, employers, and providers) to undertake self-service activities and interact with us securely, efficiently and conveniently.

We have been placing additional emphasis on risk-based approaches to regulation including our approach to cost recovery. We are working across our Groups to finalise the development of a Comcare Cost Recovery Framework to ensure our scheme's sustainability and financial adequacy. We are also continuing our work to ensure that the way our premiums, charges and regulatory contributions are calculated is transparent, risk-based and proportionate, with more consultation in 2021–22.

We will continue to work with our partners and stakeholders to deliver on our purpose of promoting and enabling safe and healthy work – to achieve the outcomes set out in our Corporate Plan 2021–22.

Comcare acknowledges the traditional owners and custodians of country throughout Australia and acknowledges their continuing connection to land, sea and community. We pay our respects to the people, the cultures and the elders past, present and emerging.





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OUR PURPOSE AND STRATEGIC PRIORITIES

Comcare revised its purpose and outcome statement to *promote and enable safe and healthy work* in 2020–21. This new purpose unites Comcare’s key functional activities and is supported by new strategic priorities that reflect our strategic intent across our diverse business.

Our 5 new strategic priorities reflect that there are multi-factorial, multi-layered connections between the different functions of Comcare along the prevention – early intervention – injury management – compensation – rehabilitation continuum.

Figure 1: Comcare’s purpose and strategic priorities



OUR GOVERNING LEGISLATION

The *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) establishes Comcare and sets out its functions and powers. The SRC Act also establishes the Safety Rehabilitation and Compensation Commission (SRCC) which has powers in relation to the management of self-insured licensees operating under the SRC Act.

The *Seafarers Rehabilitation and Compensation Act 1992* (Seafarers Act) establishes the Seafarers, Safety, Rehabilitation and Compensation Authority (Seacare Authority) which is responsible for overseeing the Seacare scheme.

Comcare provides secretariat and other assistance to the SRCC and the Seacare Authority in the performance of their functions.

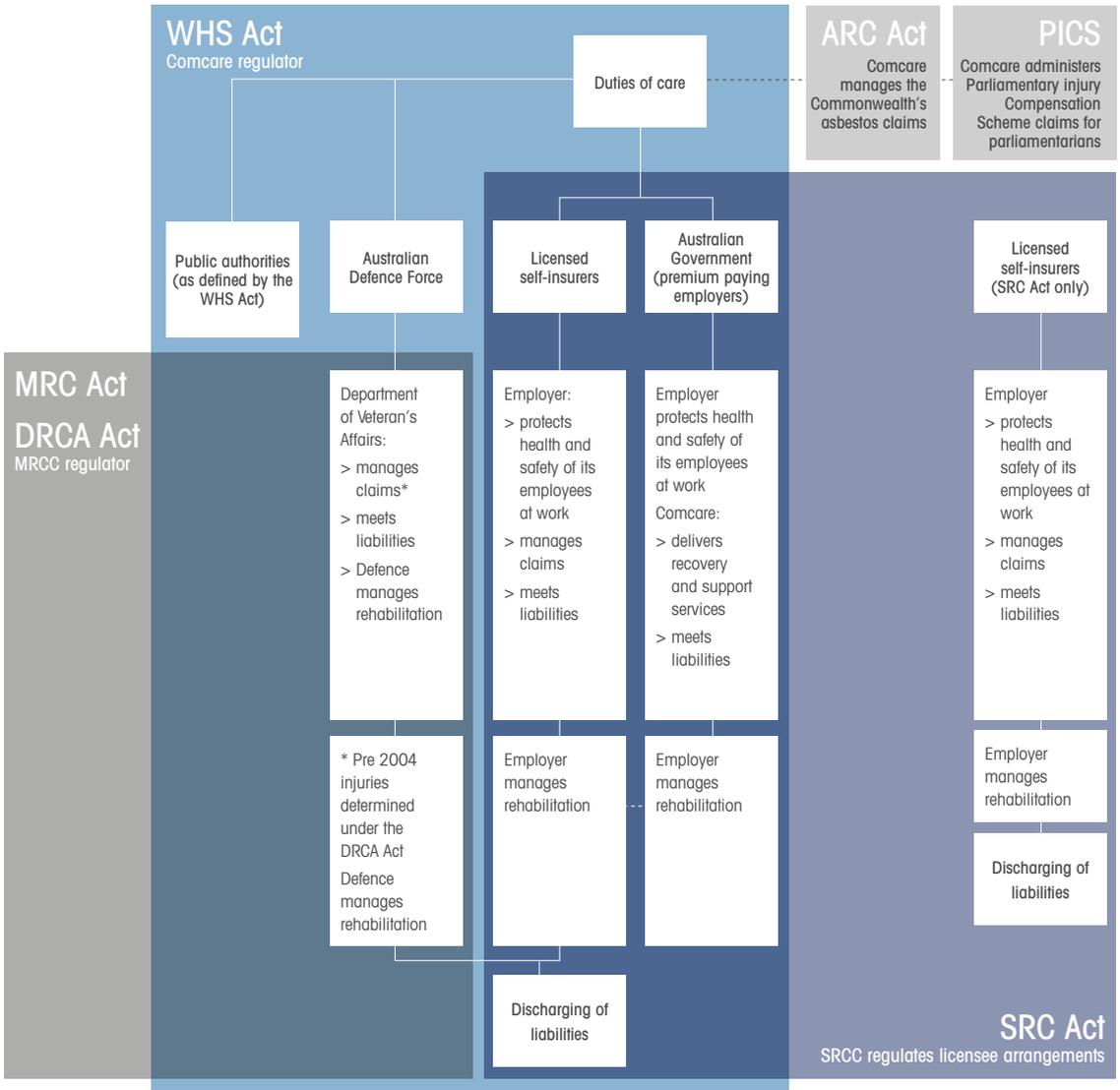
Comcare has functions and responsibilities under both the SRC Act and the *Work Health and Safety Act 2011* (WHS Act), which include regulatory functions and powers for compliance and enforcement.

Comcare manages the Commonwealth asbestos claims under the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* (ARC Act). We also administer compensation claims for members of parliament and the Prime Minister's spouse under the Parliamentary Injury Compensation Scheme (PICS) which was established by the *Parliamentary Injury Compensation Scheme Instrument 2016* (PICS Instrument).

The *Public Governance, Performance and Accountability Act 2013* (PGPA Act) establishes a system of governance and accountability for public resources. Under the PGPA Act, Comcare is a corporate Commonwealth entity and is:

- > a body corporate
- > governed by an accountable authority
- > legally financially separate from the Commonwealth
- > subject to the Commonwealth Procurement Rules under PGPA Rule, s 30.

Figure 2: Responsibilities under the Commonwealth legislation



at 30 June 2021

WHS Act – Scheme coverage

SRC Act – Scheme coverage

MRC Act – *Military Rehabilitation and Compensation Act 2004*

MRCC – Military Rehabilitation and Compensation Commission

DRCA – *Safety, Rehabilitation and Compensation (Defence-Related) Act 1988*

OUR ROLES AND RESPONSIBILITIES

Comcare has several important roles. We are a work health and safety regulator, a scheme manager and an insurer and claims manager. We also have essential enabling roles, supporting our workforce and supporting engagement and better practice approaches to health and safety across our scheme.

Regulator role

We are the national work health and safety regulator which includes regulatory functions and powers for compliance and enforcement under the WHS Act. We also have some functions and powers in relation to workplace rehabilitation under the SRC Act.

Our compliance and enforcement activities in relation to both work health and safety and workplace rehabilitation combine proactive and reactive components. We group our compliance and enforcement activities into 4 main streams:

- > providing information and advice
- > making authorisation and approval decisions
- > monitoring the extent of compliance in the jurisdiction and
- > investigating alleged or potential contraventions.

Our Compliance and Enforcement policy purpose sets out Comcare's approach to its regulatory functions and powers under the WHS Act and SRC Act.

Our decisions on when and how we undertake specific activities require us to weigh up many factors that depend on the circumstances of each case, such as:

- > our analysis of data, intelligence and risk
- > the severity and scope of an alleged breach
- > the compliance tools that are available in a particular situation and
- > a regulated entity's compliance history and its attitudes towards compliance.

Scheme manager role

We manage the Comcare workers compensation scheme which covers premium paying employers and self-insured licensees. As the scheme manager we develop, monitor and maintain regulations, policy and guidance that:

- > sets clear expectations of roles and obligations
- > promotes better practice
- > creates effective early intervention and return to work practices and outcomes.

As scheme manager we collate, curate and analyse 'whole-of-scheme' data, identifying trends to ensure we achieve sustainable and better practice arrangements. We support the SRCC to manage and monitor self-insured licensees. We provide advice to the Minister on the operation and effectiveness of the SRC Act (along with advice on the administration of the WHS Act). We set and cost-recover licence fees under the SRC Act (as well as regulatory contributions under the WHS Act). We provide support to the SRCC and the Seacare Authority through expert advice and services. We approve and monitor workplace rehabilitation providers.

Insurer and claims manager role

Comcare is the claims manager and insurer for Australian Public Service agencies.

This role includes the management of claims, and the setting and collecting of premiums specific to each Commonwealth department and agency to meet Comcare's claims liability and claims administration costs in order to maintain a financially viable scheme.

The Seafarers Safety, Rehabilitation and Compensation Authority

The Seacare Authority is established under the *Seafarers Rehabilitation and Compensation Act 1992* (Seafarers Act) and is responsible for overseeing the Seacare scheme. The Seacare scheme is a national scheme of occupational health and safety (OH&S)¹, workers compensation and rehabilitation arrangements which apply to defined seafaring employees and – in the case of OHS – defined third parties.

The Seacare Authority is not a body corporate and does not employ its own staff. To enable it to perform its functions and exercise its powers, Comcare provides the Seacare Authority with secretariat support and other assistance and makes available the services of such members of its staff as the Seacare Authority reasonably requires (section 72A of the SRC Act).

On behalf of the Seacare Authority, Comcare:

- > provides secretariat, policy and strategic support to the Seacare Authority, and assistance in implementing its decisions
- > manages the annual appropriation for supporting the Seacare function
- > monitors and reports on Seacare scheme performance
- > prepares an annual report
- > liaises and communicates with Seacare scheme stakeholders
- > promotes the objectives of the Seacare scheme, particularly the reduction of the human and financial costs of workplace injury in the Australian maritime industry.

The Safety, Rehabilitation and Compensation Commission

The SRCC administers functions under the SRC Act and WHS Act, other than those functions attributed to Comcare.

For more information on its role and functions refer to Part Two of this report – *The Safety, Rehabilitation and Compensation Commission Annual Report 2020–21*. The SRCC annual report is supplied in accordance with section 89S of the SRC Act.

¹ In accordance with the *Occupational Health and Safety (Maritime Industry) Act 1993*

WHO WE COVER

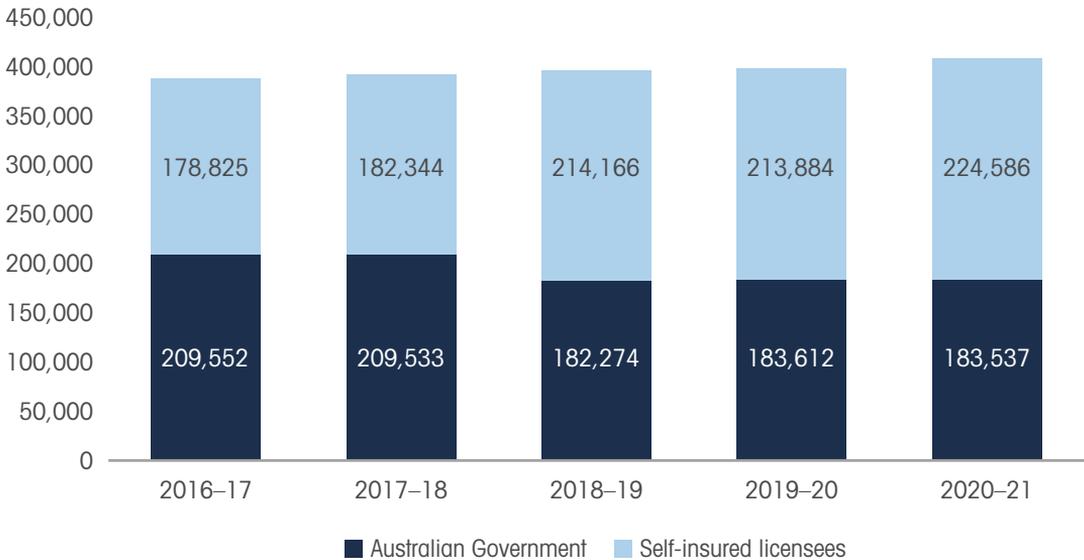
The Comcare scheme is diverse, covering a broad range of occupations and industries including government services, defence, law enforcement, transport, logistics, financial, banking services, manufacturing, construction, telecommunications, health services, higher education and postal services.

During the year our programs and services were used by:

- > Australian Government agencies, authorities and their employees
- > national companies and other organisations licenced by the SRCC and their employees
- > members of the Australian Defence Force including reservists and cadets²
- > individuals making claims against the Commonwealth for asbestos-related conditions.

At 30 June 2021 Comcare’s scheme comprised of 408,123 full-time equivalent (FTE) employees covered under the SRC Act, and 419,317 FTE under the WHS Act. Figures 3 and 4 represent the five-year trend of Comcare’s scheme responsibility.

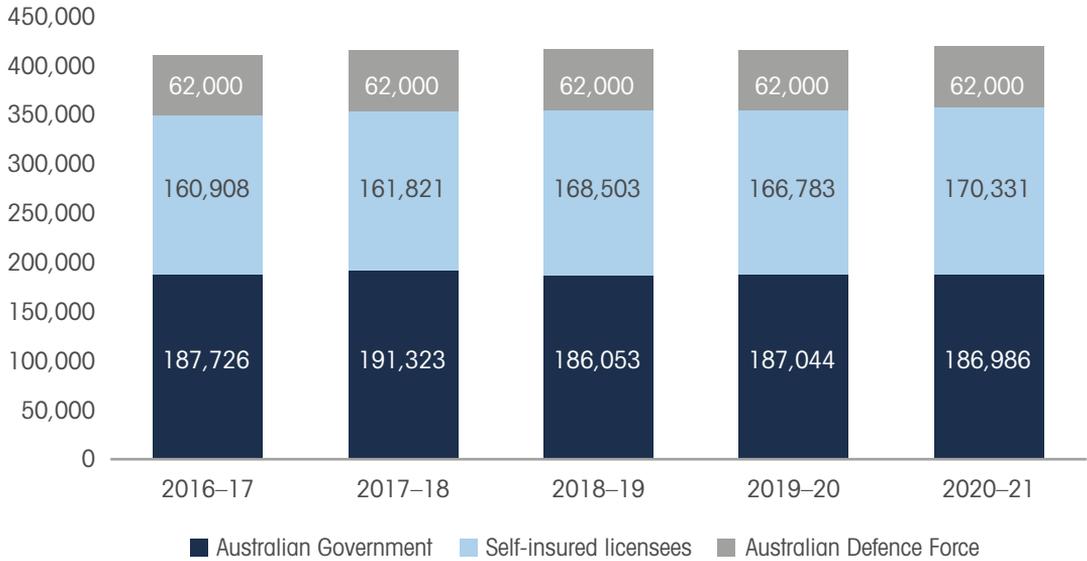
Figure 3: Comcare scheme coverage under the SRC Act



Note: Australian National University (1 July 2018) and ACT Government (1 March 2019) became self-insured licensees in 2018-19. The FTE for these two employers is counted against the self-insured licensee sector for 2018-19.

² Covered under the WHS Act but not the SRC Act

Figure 4: Comcare scheme coverage under the WHS Act



ORGANISATIONAL STRUCTURE

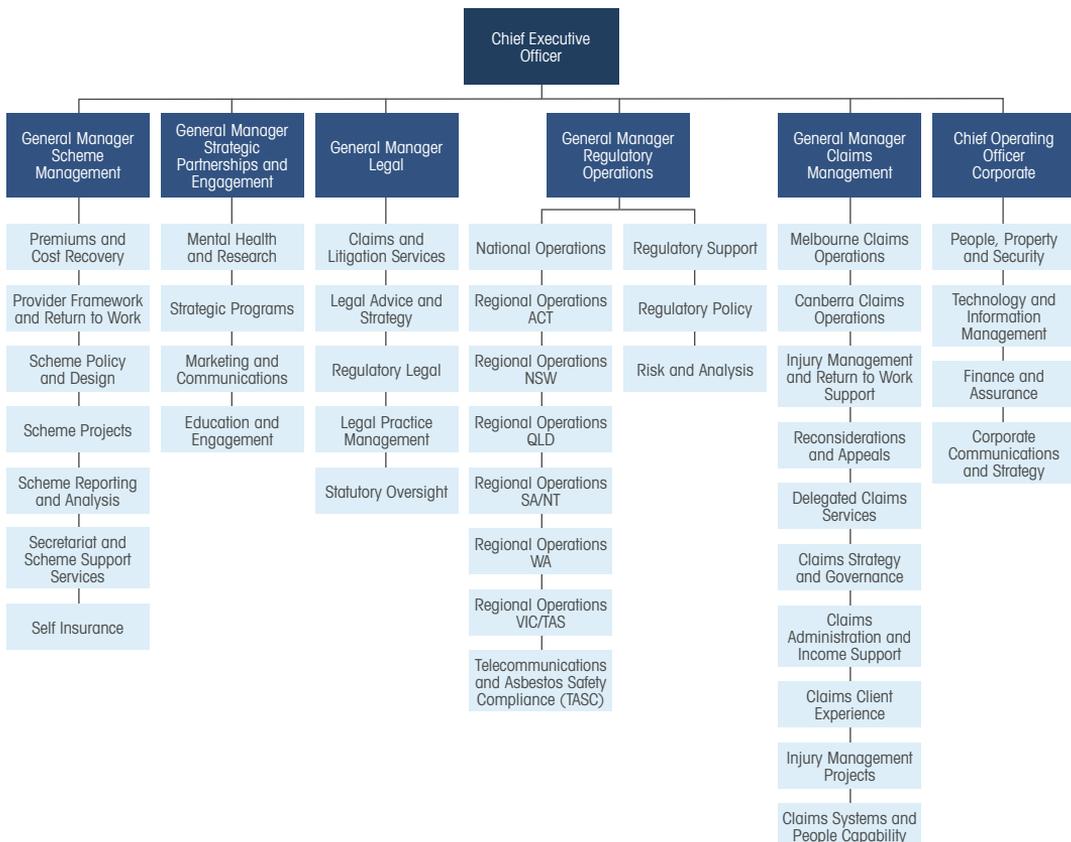
Comcare is an agency in the Attorney-General’s Portfolio and reports to the Minister for Industrial Relations. Comcare reported to the following Ministers during 2020–21:

- > *Senator the Hon Michaelia Cash*
(30 March 2021 to current)
Attorney-General
Minister for Industrial Relations
Deputy Leader of the Government in the Senate
Senator for Western Australia
- > *The Hon Christian Porter MP*
(1 July 2020 to 29 March 2021)
Attorney-General
Minister for Industrial Relations
Member for Pearce

Comcare’s CEO is Susan Weston. Comcare is organised into 6 Groups that report to the CEO. Figure 5 represents Comcare’s organisational structure.

Comcare has established an Audit and Risk Committee (the ARC) to provide independent assurance and assistance to Comcare’s CEO on risk, the control and compliance framework, and external accountability responsibilities. The ARC does not have management functions or powers. It is directly responsible and accountable to Comcare’s CEO for the exercise of its responsibilities.

Figure 5: Comcare’s organisational structure as of 30 June 2021



COMCARE'S EXECUTIVE TEAM



Names left to right clockwise: Susan (Sue) Weston, Aaron Hughes, Natalie Bekis, Michael Duke, Matthew Swainson, Justin Napier, Vanessa Graham.

Susan Weston PSM – CEO

Before joining Comcare Sue was a Deputy Secretary of the Department of Industry, Innovation and Science working across many areas and providing policy advice and support to portfolio Ministers. Sue held the role of Head of the Office of Small Business and had an extensive career in the Australian Taxation Office.

Sue holds a Bachelor of Science degree, a post graduate diploma in accounting, is a Graduate of the Institute of Company Directors, a Fellow of CPA Australia and a Chartered Accountant.

Aaron Hughes – General Manager Claims Management Group (Deputy Chief Executive Officer)

Aaron joined Comcare on 24 February 2014. In July 2019 he took on leadership of Comcare’s claims management functions moving from previous roles in Scheme Management. Aaron leads the group responsible for workers’ compensation claims management across APS agencies, Commonwealth asbestos liability claims, and the management of third-party claims service providers.

Prior to joining Comcare, Aaron held a variety of senior executive roles across a number of Australian Government portfolios including agriculture and the environment. Aaron is a qualified lawyer with experience across corporate governance, finance, procurement, policy and program management roles.

Aaron holds a Master of Business Administration, Bachelor of Laws and Bachelor of Creative Arts. Aaron is a Graduate of the Australian Institute of Company Directors.

Natalie Bekis – General Manager Strategic Partnerships and Engagement Group

Natalie joined Comcare on 29 May 2017. With over 20 years’ experience across the health and disability sectors. Natalie brings with her considerable leadership experience from working across various State and Federal Government agencies and also in the private sector. Prior to joining Comcare Natalie worked for various organisations including WorkSafe Victoria, the Transport Accident Commission, Wesfarmers and Telstra.

Natalie’s experience across clinical, operational and executive roles has enabled her to build deep insights and a broad network of relationships and partnerships across government, industry and medical associations within the health and disability sectors.

This experience is further underpinned by a Bachelor of Nursing and a Master of Business Management. Natalie is a graduate of the Australian Institute of Company Directors, a Board Director of the Personal Injury Education Foundation and was recently elected to the Institute of Public Administration Australia Council.

Michael Duke – General Manager Scheme Management Group

Michael joined Comcare on 13 June 2016 and was permanently appointed to the role of General Manager Scheme Management Group with effect from 17 September 2020. Michael leads a range of functions covering workers' compensation policy design and guidance, rehabilitation, provider management, self-insurance, premium setting, data analysis and secretariat support for both the Safety Rehabilitation and Compensation Commission and the Seacare Authority.

Prior to joining Comcare Michael worked as Director at the Fair Work Ombudsman with a particular focus on leading data analysis and reporting functions. Michael has a broad range of public sector experience with 20 plus years' experience in the APS.

Michael holds a Graduate Diploma in Employee Relations and Human Resource Management and a Bachelor of Arts both from the University of Melbourne.

Vanessa Graham – Chief Operating Officer Corporate Group

Vanessa joined Comcare on 5 August 2019 as General Manager, Corporate Management Group. In February 2020, the Group name was changed to Corporate Group and her title was changed to Chief Operating Officer.

Prior to joining Comcare, Vanessa was the Chief Finance and Human Resources Officer at Geoscience Australia for 3 years. She has over 20 years' experience in the APS as an executive leading corporate operations and finance functions across a number of agencies, including the Department of Finance, the Department of Employment and Workplace Relations, and the Department of Industry, Science and Resources. She also worked for 2 years at the UK Border Agency and Home Office. She is a qualified accountant with experience across human resources, legal, communications, finance, procurement, facilities and security management, technology and information management, governance and risk.

Vanessa holds a Bachelor of Commerce, majoring in accounting, from Griffith University and is a Fellow of CPA Australia.

Justin Napier – General Manager Regulatory Operations Group

Justin joined Comcare in June 2015. He has oversight of Comcare’s inspectorate function, regulatory policy, WHS system audits, WHS authorisations, regulatory intelligence and regulatory education and stakeholder engagement.

Prior to joining Comcare, Justin was General Manager Corporate and Operations at the Australian Skills Quality Authority (ASQA) and an Executive member of the Establishment Taskforce responsible for implementation of the Fair Work Act, including the establishment of Fair Work Australia and the Fair Work Ombudsman.

Justin holds a Graduate Diploma in Business Administration, a Bachelor of Arts and is an alumnus of the Kennedy School of Government at Harvard University.

Matthew Swainson – General Manager Legal Group

Matthew joined Comcare on 15 June 2015 as the Chief Legal Officer, Scheme Management and Regulation Legal. In October 2018, Matthew was appointed General Manager of Comcare’s newly established Legal Group. In 2020, Matthew was appointed to the inaugural Board of the new Australian Government Legal Service.

Matthew obtained a Bachelor of Law (Honours) and a Bachelor of Arts from Otago University in New Zealand before admission to practice in New Zealand, Australia, and Solomon Islands. He has a broad range of legal experience in the public sector, private sector and international aid consulting.

Acting Executive during 2020–21

Comcare’s Executive team has remained stable and acting arrangements during the 2020–21 are provided in Table 1.

Table 1: Acting Executive team members during 2020–21

Role	Name	Dates
Chief Executive Officer	Aaron Hughes	25 January 2021 – 27 January 2021
	Aaron Hughes	15 February 2021 – 26 February 2021
General Manager, Claims Management Group	Chloe Eaton	13 July 2020 – 17 July 2020
	Chloe Eaton	4 January 2021 – 15 January 2021
Chief Operating Officer, Corporate Group	Yvette Adeney	23 July 2020 – 31 July 2020
	Yvette Adeney	1 February 2021 – 12 February 2021
	Seyhan Aka	18 June 2021 – 25 June 2021
General Manager, Legal Group	Louise Close	6 July 2020 – 7 August 2020
	Tilesa Cox	11 January 2021 – 24 January 2021
General Manager, Regulatory Operations Group	Beverley Smith	4 January 2021 – 25 January 2021
General Manager, Scheme Management Group	Michael Duke	14 August 2019 – 16 September 2020
	Janit Gardner	6 July 2020 – 10 July 2020
	Maree Sherwood	21 September 2020 – 23 September 2020
	Maree Sherwood	28 September 2020 – 28 September 2020
	Maree Sherwood	30 September 2020 – 30 September 2020
	Maree Sherwood	2 November 2020 – 4 November 2020
General Manager, Strategic Partnerships and Engagement Group	Maree Sherwood	23 December 2020 – 27 January 2021
	Ngairé Anderson	23 December 2020 – 12 January 2021

OFFICE LOCATIONS

Figure 6: Comcare's office locations



National office

- 1 Canberra office**
Level 4, 121 Marcus
Clarke Street
Canberra ACT 2600

Regional offices

- 2 Sydney office**
Level 30,
Sydney Central Building
477 Pitt Street
Sydney NSW 2000
- 3 Newcastle office**
Suite 1,
47 Bolton Street
Newcastle NSW 2300
- 4 Melbourne office**
Level 6,
535 Bourke Street
Melbourne VIC 3000
- 5 Adelaide office**
Level 6,
26 Flinders Street
Adelaide SA 5000
- 6 Brisbane office**
Level 13,
410 Queen Street
Brisbane QLD 4000
- 7 Perth office**
Level 3,
233 Adelaide Terrace
Perth WA 6000
- 8 Darwin office**
Level 9 ,
39-41 Woods Street
Darwin NT 0800
- 9 Launceston office**
Suite 12,
87-91 Brisbane Street
Launceston TAS 7250





„Social Distancing,,
in Practice

Please Do not Use This Seat

„Social Distancing,,
in Practice

Please Do not Use This Seat



CHAPTER TWO: ANNUAL PERFORMANCE STATEMENTS

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STATEMENT OF PREPARATION

I, Susan Weston, as the Chief Executive Officer and accountable authority of Comcare, present the 2020–21 annual performance statements of Comcare, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

Our annual performance statements provide an analysis of what has been delivered under each strategic priority based on the key activities in our Corporate Plan and detail the results for our performance measures and targets in our 2020–21 Portfolio Budget Statements and Corporate Plan.

In my opinion, these annual performance statements are based on properly maintained records, that accurately reflect the performance of Comcare and comply with subsection 39(2) of the PGPA Act.



Susan Weston

Updates to our purpose, strategic priorities, and performance measures

We revised our purpose and outcome statement to *promote and enable safe and healthy work* in 2020–21. Five new strategic priorities were introduced to support our new purpose and guide our work over the next 4 years:

- > Excellence in service provision
- > Engagement with our stakeholders
- > Prevention and early intervention across our scheme
- > Insight driven and risk and evidence-based practice
- > Being adaptive and sustainable in the face of change.

We also reviewed our performance measures to align with our new purpose and strategic priorities. The total number of performance measures has been reduced from 26 to 11 and individual targets have been reduced from 38 to 30. The measures and targets that have been removed have either been consolidated into the revised measures or are being measured internally.

Our revised purpose, strategic priorities and performance measures are reflected in our 2020–21 Portfolio Budget Statements and Corporate Plan, as well as our internal business plans and individual performance development plans.

Our performance

Comcare's efforts are driven to achieve our strategic purpose and outcome – *to promote and enable safe and healthy work*. The performance results in this chapter convey how Comcare measures our success against our 5 strategic priorities. We are committed to improving our performance and set ambitious targets to achieve our outcome. An overview of our 2020–21 Corporate Plan results is provided in Table 2. We achieved 90% of the performance targets that we set for the year. More details are provided within this chapter including actions taken to address the 3 performance measures where we did not achieve the set targets.

STRATEGIC PRIORITY ONE: EXCELLENCE IN SERVICE PROVISION

Analysis of performance against our key activities

Delivering key initiatives within the Claims Management Improvement Program

The Claims Management Improvement Program is comprised of related projects aimed at improving Comcare's claims management function. Refer to the highlight on page 33 for more information.

Implementing and evaluating the Comcare Education and Engagement Strategy

The Comcare Education and Engagement Strategy continues to be implemented across the scheme with a focus on refining our engagement approaches and supporting employers directly. Comcare's engagement activity is monitored through our internal Stakeholder Engagement Operational Reference Group where targeted engagement opportunities are highlighted.

Delivering key projects within the ICT Strategy 2019–2023 (ICT Strategy), including a contact centre model

Our ICT Strategy aims to deliver modern ICT capability that will enable continuous improvement across the organisation while retaining the flexibility to adapt to new priorities and support changing business requirements. The ICT strategy is focused on 5 themes: stakeholder management, digital services, enabled workforce, knowledge, and cyber security. Key deliverables in 2020–21 include implementation of a Customer Relationship Management (CRM) tool, completion of a Workplace Rehabilitation Provider (WRP) portal, and delivery of a data management platform. Work has commenced on a contact centre solution, a portal to deliver digital services, and new knowledge and records management systems. Migration of applications to the cloud is ongoing.

Providing WHS information and advice through Inspectorate engagement activities

In 2020–21, we conducted a range of activities under our Compliance and Enforcement Policy that provided effective two-way communication with regulated entities including education, regulatory programs, presentations and forums. These activities assisted Persons Conducting a Business of Undertaking (PCBUs) to improve their understanding of work health and safety and their obligations under the WHS Act and *Work Health and Safety Regulations 2011* (WHS Regulations).

Supporting better practice governance for the Safety, Rehabilitation and Compensation Commission and Seacare Authority

We supported the SRCC in conducting elements of its five-year regulatory review of its regulatory model. This included reviewing and updating the general conditions of self-insurance licences, and reviewing the SRCC's:

- > performance standards and measures
- > objectives and principles
- > oversight and regulation model
- > regulatory response framework.

We continued to provide advice and support to the Seacare Authority to manage the Safety Net Fund and administer the Seacare scheme. This included supporting the review of the Seacare Code of Practice and Seacare Exemption guidelines and factors.

HIGHLIGHT

IMPROVEMENTS TO MANAGEMENT OF COMCARE'S LITIGATION ACTIVITIES

Comcare has implemented a strategy to improve the management of Comcare's AAT litigation activities, aiming to resolve disputes promptly and with integrity.

This strategy has focused our efforts on outcomes that are in the best interest of the employee, employer and sustainability of the scheme with a holistic approach to resolution of matters.

Initiatives under this strategy have included targeted reviews of older and low prospects matters, enhanced reporting and governance measures, applying lessons from litigation outcomes and ongoing engagement with the AAT.

This strategy has enabled Comcare to meet its litigation performance measures both in terms of the quality of litigation outcomes and timeliness of the resolution of disputes (refer to page 48).

Improved management of Comcare's litigation activities has also contributed to a reduction in Comcare's overall AAT case load from a peak of 1,119 matters in 2018 to 531 open matters at 30 June 2021.

Comcare recognises there are a cohort of matters which take longer than 12 months to resolve or which have been proceeding through the AAT process for some time. Comcare remains focused on these matters and will be implementing further initiatives in 2021–22 to address this cohort, including supporting the AAT with measures to improve the timely resolution of disputes.

STRATEGIC PRIORITY TWO: ENGAGEMENT WITH OUR STAKEHOLDERS

Analysis of performance against our key activities

Regularly engaging with employers and other scheme participants using targeted communication channels

For information about the communication channels used and the reach achieved refer to performance measure 4 on page 50.

Continuing the Collaborative Partnership to improve work participation for people with a temporary or permanent injury, illness or disability

The Collaborative Partnership to improve work participation (the Partnership) works with public, private and not-for-profit sectors to improve work participation for people with a health condition or disability. The Partnership seeks input and guidance from key experts and commissions research and new evidence from the academic sectors.

Our partners include the Department of Education, Skills and Employment, Department of Social Services, the National Disability Insurance Agency, Department of Health, National Mental Health Commission (NMHC), Insurance Council of Australia, Employers Mutual Limited, the Australasian Faculty of Occupational and Environmental Medicine and the Australian Council of Trade Unions (ACTU).

The Partnership commenced 4 projects in 2020–21 that are due for completion in 2021–22. These are focused on measuring the movement of people between income and benefit support systems, trialling a transition support service for people moving between systems, designing and delivering tools to build employer capability, and supporting General Practitioners to facilitate work participation.

Continuing to implement the Comcare Workplace Mental Health Strategy

Comcare uses an integrated evidence-based approach to supporting mentally healthy workplaces that covers preventing and managing harm and ill health and promoting positive mental health. As part of this work Comcare has published an updated Mentally Healthy Workplaces webpage, curated and promoted stigma reduction resources, and developed guidance about providing and evaluating Employee Assistance Programs (EAP) that deliver effective mental health and wellbeing support for workers.

Comcare will now work with the National Mental Health Commission to explore the use of these products nationally and with the key APS agencies who will lead development of a whole-of-government procurement EAP panel.

Comcare, together with Heads of Workplace Safety Authorities (HWSA), has launched the digital People at Work (PAW) tool – a free, online psychosocial risk survey for employees, a tailored psychosocial risk factors report, and related resources. The PAW tool together with other tools will be used to support Comcare’s approach to injury prevention. Through the PAW website, HWSA members will be able to export data for monitoring of psychosocial risks and hazards across all jurisdictions and download a trend report.

Progressing a targeted, risk-based program of regulatory engagement

We have utilised data and intelligence to inform a targeted, risk-based program of regulatory engagement that includes providing WHS information and advice and delivering proactive and reactive compliance activities. We engaged with all regulated entities and other stakeholders to foster cooperative, consultative relationships in relation to work health and safety compliance and better practice during the year. This includes regulatory engagement relating to the pandemic with all PCBUs in the jurisdiction.

HIGHLIGHT

CLAIMS MANAGEMENT IMPROVEMENT PROGRAM

The Claims Management Improvement Program is comprised of related projects aimed at improving Comcare's claims management function. The program contributes to Comcare's strategic priorities by:

- > transforming the Claims Management Group's structure and workforce management to achieve a capable, confident, high performing team
- > establishing strong, documented governance over Comcare's claims management function, claims information and data, and by embedding continuous improvement in Comcare's claims management approach
- > defining and implementing claims management practice and systems that are customer-led and improve experience and outcomes.

The following benefits are expected to flow from the program:

- > improved customer service and experience
- > reduction in claims administration costs (that may be re-invested into higher-value claims activities)
- > improved Comcare employee job satisfaction and engagement
- > improved timeliness of customer response and payments
- > improved claim outcomes through improved service delivery and workforce capability.

In 2020–21, the following were delivered under this program:

- > Completed a project to transition the Claims Management Group structure to support our new Operating Model.
- > Completed a project to document all metadata fields within our claims management system and data flows between this system and other systems in Comcare. The outcome of this work supports stronger governance over our data sets and future changes to our systems and data.
- > Commenced work on a technology solution to automate provider registration and payment processing. Providers will be able to access their payment history and status, which will improve our service, including timeliness of payments to providers.
- > Launched a project to implement a new, more modern claims management system that is easier for employees to use and facilitates the delivery of Comcare's future state claims service model, driven by the 'voice of the customer'. It is expected that the new system will be delivered in 2022–23.
- > Launched a project to develop and implement a capability framework that suits the Claims Management Group's unique work and the skills we need. This will be delivered in 2021–22.
- > Launched a project to deliver a new knowledge management system in 2021–22 for the Claims Management Group that provides a single source of information and enables stronger governance.

STRATEGIC PRIORITY THREE: PREVENTION AND EARLY INTERVENTION IN OUR SCHEME

Analysis of performance against our key activities

Applying and translating evidence-based prevention and early intervention into better practice

Comcare provides regular and consistent education to employers and workplaces across the scheme, encouraging higher levels of compliance and the application of better practice with their work health, safety and rehabilitation obligations. For information about the increase in employer reach, engagement and change in behaviour associated with Comcare's education services refer to performance measure 4 on page 50.

Prevention and early intervention topics promoted include:

- > COVID-19 – advice for employers and workers about maintaining COVID-safe workplaces, notifiable incidents, face masks, and mental health support.
- > Workplace sexual harassment – regulatory and practical guidance on preventing and managing WHS risk in relation to workplace sexual harassment.
- > Early intervention – better practice documentation and monitoring framework outlining the concept and benefits of early intervention, with advice for implementing and evaluating an early intervention program in the workplace.
- > The role of General Practitioners – articles and new information products for GPs about assessing and advising of capacity for work and facilitating better practice rehabilitation and return to work.

Demonstrating national leadership in prevention and early intervention

Comcare's Telecommunications Asbestos Safety Compliance (TASC) team continues to undertake prevention activities aimed at ensuring the highest standards of work health and safety are applied to the rollout of the national broadband network.

Refer to page 36 for a description of Comcare's regulatory work focused on major infrastructure projects.

Promoting mental health and wellbeing in the workplace

Two Mental Health Community of Practice (MHCoP) virtual events were held for the scheme addressing stigma in the workplace and workplace burnout. Both events were well attended – 198 for the first and 116 for the second. Participants reported satisfaction rates of more than 90.

An Inter-departmental Forum on workplace Mental Health (IFMH) meeting was also held virtually in February 2021 with 70 attendees representing 55 employers.

For information about the PAW tool refer to page 32, and for detail of the NewAccess workplaces expansion trial refer to page 52.

Supporting injured workers to recover and return to work (RTW) in accordance with Safe Work Australia's (SWA's) National RTW Strategy 2020–2030

We have progressed a RTW pilot that aims to provide alternative RTW pathways for employees who have been unable to achieve a durable return to work. This will be implemented in 2021–22. Injury management and RTW expertise are also now embedded within claims operations teams to proactively engage with stakeholders and support optimal recovery and RTW.

Conducting proactive and targeted regulation and inspections in accordance with SWA's National Australian Work Health and Safety Strategy 2012–2022

Comcare analysed regulatory intelligence, injury and work health and safety data, SWA's Australian Work Health and Safety Strategy 2012–2022 and consulted with the jurisdiction to identify 4 evidence-based priority areas for 2020–2023:

- > psychosocial injury associated with organisational change
- > WHS management systems
- > transport industry body stressing
- > WHS contractor management.

Baseline compliance rates have been established via proactive monitoring compliance inspections with targeted agencies. We will use the outcomes of this phase to develop targeted education and engagement activities followed by a schedule of inspections to assess compliance and the effectiveness of this regulatory program of work.

HIGHLIGHT

ESTABLISHING OUR MAJOR INFRASTRUCTURE PROJECT TEAM

In 2020–21, Comcare established a construction-focused regulatory team in response to the significant increase in major infrastructure project activity across Australia.

The Major Infrastructure Projects (MIP) team undertakes risk and evidence based regulatory activities targeted at high-risk construction activities including silica, electrical, scaffolding, working from heights, plant and people.

The team attends major construction/infrastructure worksites to address risks through a program of monitoring compliance activities. This includes both proactive activities based on intelligence and data and reactive inspections in response to notified incidents and concerns. The team also provides information and advice to improve compliance with the WHS Act and WHS Regulations. All regulatory activities are undertaken in accordance with Comcare's Compliance and Enforcement Policy.

Inspectors with specialist construction knowledge and experience are located in Sydney and Melbourne to provide oversight of the large scale works within these cities. The team also regulates major infrastructure construction activity in other regions through visits with regional inspectors. The team works collaboratively with state and territory regulators and engages with employers, health and safety representatives and unions.

In the first 8 months of operations, the team has undertaken nearly 200 inspections as well as 29 information and advice activities across a variety of major infrastructure projects including:

- > Sydney Metro Tunnel
- > Sydney Football Stadium
- > Melbourne Metro Tunnel
- > Western Sydney Airport
- > Inland Rail Project
- > Snowy Hydro 2.0.

Additional benefits of the program are:

- > Strengthened relationships between Comcare and construction industry stakeholders
- > Improved awareness and visibility for workers and their representatives of the role of Comcare and risks present in the construction industry
- > Focused regulation of targeted high-risk activities by specialist inspectors.

The MIP team's activities will continue during 2021–22.

STRATEGIC PRIORITY FOUR: INSIGHT DRIVEN AND RISK AND EVIDENCE-BASED PRACTICE

Analysis of performance against our key activities

Utilising intelligence and risk analysis to inform and prioritise regulatory activities

Our Regulatory Risk Model is used to understand PCBU performance and prioritise our regulatory interactions. The model compares internal and external data sources, such as those from the Australian Bureau of Statistics and SWA, for each PCBU against industry average, FTE group average and a range of other metrics. The model is now an automated process resulting in more accurate and timely data and a reduction in administrative burden.

In 2020–21 Comcare formed a Prevention Committee to drive whole-of-Comcare prevention initiatives that reduce the risk of harm and injury to workers and others in our scheme.

Designing and delivering innovative and evidence-based research, programs and initiatives to support the jurisdiction

An Early Intervention Pilot was successfully implemented with 3 APS agencies and independently evaluated in late 2020. The resources developed from this work are:

- > an early intervention better practice document that outlines the concept and benefits of early intervention, plus tips for implementing an early intervention program in the workplace
- > a monitoring and evaluation framework that provides information for employers on measuring the outcomes of an early intervention program.

Other prevention focused initiatives under way include:

- > NewAccess workplaces expansion trial (refer to page 52)
- > PAW tool (refer to page 32)
- > Mental Health Community of Practice held twice a year to discuss issues and strategies related to workplace mental health
- > Implementing work-related Mental health guidelines in General PRacticE (IMPRoVE Project)
 - supporting implementation of the clinical guidelines for the diagnosis and management of work-related mental health conditions in general practice.

Reviewing the clinical panel to ensure optimal effectiveness and outcomes

We have reviewed the function of Comcare’s Clinical Panel including a current state assessment, environmental scan, target operating model design, gap analysis and implementation plan. Clinical expertise, operations management, and data and analytics were identified as opportunities for improvement.

We will implement these improvement opportunities in 2021–22 to ensure the Clinical Panel arrangements contribute to a broader injury management professionalism in the claims management function.

Embedding a portfolio management approach for Comcare’s key activities and projects

Our Enterprise Portfolio Management Office (EPMO) has developed and implemented a program and project framework that is appropriately tailored to assist Comcare in the effective and efficient planning, implementation and measurement of approved projects and programs.

A new project system has been implemented to align with the framework and provide all relevant program/project stakeholders and the Portfolio Management Board (PMB) with more up-to-date reporting dashboards and system generated program/project templates.

Our four-year rolling portfolio structure, outlining the key programs and projects planned for that period, has been updated as part of organisational business planning. The portfolio structure ensures a balance between the portfolio and the business as usual and continuous improvement activities detailed in each Group’s business plan and appropriately aligns with Comcare’s purpose and strategic priorities.

Continuing to mature our data governance, capability and technology in line with our Data Strategy 2019–2022

Our data strategy is a transformational change for how Comcare uses and engages with data. With a focus on data governance, capability and technology, important foundations have been made. The program of work is focused at an enterprise level on Comcare’s data culture through improving data governance practices, establishing stewardship and metadata documentation, and delivery of a modern technology platform and data modelling to support better business decisions.

HIGHLIGHT

CREATING A DATA-DRIVEN CULTURE

Data helps organisations to make better decisions, solve complex problems and improve outcomes. Comcare recognises the importance of data and is on a transformational journey to foster a data-driven culture and become a data-driven organisation.

A data-driven organisation encourages decisions that are made based on facts and evidence. A data-driven organisation also treats data as a strategic asset and the main resource for leveraging insight throughout the organisation. Ultimately, our vision is to:

- > generate and engage with data in an effective and transparent way to make informed, evidence-based decisions
- > be a highly data-literate organisation that leverages data to improve processes and outcomes, and
- > have industry leading data technology that enables effective data management and use both internally and externally.

An important step in our journey towards becoming a data-driven organisation is the implementation of our Data Strategy. The Data Strategy provides a vision for Comcare's data future and outlines a pathway on how Comcare can better collect, store, manage, share and use data to support the business in ways that we have not done before.

Our Data Strategy has 3 streams:

- > Data Governance – A robust governance framework provides the necessary structure, consistency and assurance to ensure Comcare effectively and efficiently engages with data and evidence for informing decisions.
- > Data capability – The capability stream will ensure that everyone at Comcare better understands the value of our data and is better equipped in managing and using that data.
- > Data Technology – With appropriate technologies, Comcare will improve its data quality and its ability to quickly retrieve and analyse data.

To support the delivery of the Data Strategy, Comcare established a Chief Data Office and appointed a Chief Data Officer in May 2021. This is a significant milestone for Comcare's data journey and the Chief Data Officer will work across Comcare to promote a data-driven culture, ensuring that the organisation takes a more sophisticated, enterprise-wide approach to the management and use of data.

STRATEGIC PRIORITY FIVE: BEING ADAPTIVE AND SUSTAINABLE IN THE FACE OF CHANGE

Analysis of performance against our key activities

Delivering an adaptive, secure, digital environment which supports our agency to service the needs of our stakeholders in an efficient and effective way.

Microsoft Teams is fully deployed and in wide use by Comcare employees and external stakeholders. Planning for Microsoft Teams calling to replace the legacy system is under way, along with the replacement of the aging video conferencing system, with full replacement to occur over the next 18 months.

Planning for the migration of both personal and group drives to the cloud has commenced.

The project to digitise paper records is under way; completion will take approximately 5 years with over 14,000 files being scanned in the last year.

All Comcare end user devices have been refreshed, including a transition away from desktop PCs to mobile options such as laptops or tablets for all employees to enable remote working. At the same time, advanced end point protection has been implemented on all Comcare computing devices to improve cybersecurity controls and provide additional cyber security protection for Comcare employees working from home, providing the agency flexibility and reducing the risks of data loss.

Reviewing our premium model

We are progressing the review of our premium model and processes with the goals of simplification and improved transparency while also ensuring adherence to SRC premium guidelines. An independent actuarial advisor was engaged to deliver this technical piece of work. We will commence consultation with premium paying agencies in 2021–22.

Embedding our new learning management system (LMS) and developing a blended education offering for the jurisdiction to support national better practice and compliance

Comcare has invested in enhancing learning capabilities and technologies, to expand its engagement, training and education services. This has included a cloud-based LMS, a rapid content development tool and a virtual delivery and collaboration platform. Refer to performance measure 4 for more information.

Implementing changes to claims management practice, capability and systems to improve current and future outcomes

In response to feedback, the external environment and the need to improve our outcomes, the Claims Management Group:

- > supported continued use of telehealth services during COVID-19
- > developed initiatives to improve decision making on claims, including implementing a triage process and greater integration between injury managers and claims operations
- > collaborated more with employers to improve the coordination of rehabilitation and claims management activities
- > increased claims manager capability through enhanced induction processes, digitised training and revised guidance materials.

HIGHLIGHT

COMCARE'S ADAPTIVE RESPONSE TO COVID-19

Since the start of the coronavirus pandemic in March 2020, Comcare has continued to perform our roles and functions as a scheme manager, insurer and claims manager, and national WHS regulator.

We have supported employers and employees in our scheme and in the wider community through the timely provision of WHS advice, guidance and resources, and by undertaking enforcement actions where necessary.

Comcare has released a range of practical information to help organisations and individuals manage workplace risks from the pandemic and navigate their responsibilities under the WHS Act and SRC Act.

Our guidance includes factsheets and posters on a range of topics including:

- > COVID-safe work and workplaces
- > transitioning back to usual workplaces and managing risks
- > looking after your mental health, developed in conjunction with the APSC
- > working from home.

Early in the reporting period, it became clear that the pandemic and in particular the prolonged lockdown restrictions many were experiencing, were having a significant impact on the mental health of employees. Comcare adopted a prevention and early intervention approach to supporting mentally healthy workplaces, leading and collaborating on targeted initiatives and providing advice to support employees and employers across our scheme.

This work was designed to assist employers to proactively prevent psychological harm, support recovery and return to work, and promote positive mental health practices in workplaces. We also partnered with Beyond Blue to roll out an employee wellbeing program called NewAccess workplaces for APS agencies.

We have transitioned delivery of our training offerings from face-to-face to online channels. We conducted webinars on the following topics:

- > COVID-19 – Navigating a new normal (30 July 2020)
- > Accelerated workplace change in the face of COVID-19 (8 October 2020)
- > COVID-19 – Our work, mental health and wellbeing (14 October 2020)
- > COVID-19 – Safety systems and safety culture (28 October 2020)

The webinars were well received and attracted a large number of participants from our scheme and beyond.

We also developed training and learning products which provided employers and workers guidance on their respective WHS responsibilities and how to manage COVID related risks:

- > Managing work health safety risks related to COVID19 (self-paced online learning)
- > Transitioning to the usual workplace as COVID-19 restrictions ease (self-paced online learning)
- > Safety and prevention in a pandemic – PPE face masks (micro-learn).

Comcare's guidance, resources and information are available on the dedicated COVID-19 page on our website, www.comcare.gov.au.

Internally, we rapidly transitioned our employees to remote working arrangements, using technology such as Microsoft Teams to promote virtual communication and collaboration. Our approach of empowering Comcare employees to undertake flexibility with responsibility has ensured we have maintained productivity despite the majority of our employees working from home either full time or part time during 2020–21 depending on local state/territory health advice. We have therefore been able to continue providing services to our scheme, processing claims from employees and performing our regulatory roles and functions throughout the pandemic without interruption and with a continued focus on external client needs.

RESULTS AGAINST OUR PERFORMANCE MEASURES AND TARGETS

Table 2: Summary of results against 2020–21 performance measures

Performance Measure/Target	Status	Result
Performance Measure 1: We provide quality services to all our stakeholders		
a) Stakeholder satisfaction rating of 85% or more	Not achieved	74%
b) 85% or more evaluated entities report improved WHS outcomes as a result of Comcare’s regulatory activities	Achieved	88%
c) 100% of activities are delivered within statutory timeframes, where applicable	Achieved	100%
d) Safety, Rehabilitation and Compensation Commission satisfaction with support provided by Comcare	Achieved	98%
e) Seacare Authority satisfaction with support provided by Comcare	Achieved	97%
Performance Measure 2: Our Administrative Appeals Tribunal (AAT) litigation program resolves disputes promptly and with integrity		
a) Proportion of AAT litigation with a successful outcome is 55% or greater	Achieved	81%
b) 50% of matters are progressed to hearing or finalised within 12 months	Achieved	92%
Performance Measure 3: We consistently manage Commonwealth asbestos-related disease claims with more equitable and efficient outcomes		
a) 95% of resolution payments are made within 10 days of receipt of relevant information	Achieved	98%
b) Asbestos-related disease common law settlements are monitored to ensure consistency and equity	Achieved	–
Performance Measure 4: We deliver contemporary education and engagement services that promote and enable safe and healthy work		
a) 80% of attendees have their engagement, training and education needs met	Achieved	87.6%
b) increase in employer reach, engagement and change in behaviour with Comcare’s education services	Achieved	–
c) annual increase in customer reach and engagement across Comcare’s external communication channels	Achieved	–

Performance Measure/Target	Status	Result
Performance Measure 5: We design and deliver innovative and prevention focused initiatives that promote and enable safe and healthy work		
Initiatives are assessed as having a positive influence on:	Achieved	–
a) Worker/employer satisfaction		
b) Impact on health outcomes and recovery and/or		
c) Access to evidence-based better practice		
Performance Measure 6: Our proactive regulatory activity is targeted and prevention focused		
a) Regulatory priorities continue to be addressed through a multi-year, nationally coordinated regulatory activity program of work	Achieved	–
b) Data and intelligence analysed quarterly to identify emerging issues within Comcare’s jurisdiction	Achieved	–
Performance Measure 7: We undertake strategic research and national cross-sector collaboration to promote and enable safe and healthy work		
a) Strategic research and cross sector collaboration initiatives are developed and delivered	Achieved	–
b) Maintain and build stakeholder engagement across government, private sector and academia	Achieved	–
c) Partnerships deliver strategic insights for the business	Achieved	–
Performance Measure 8: We drive national work health and safety compliance using a targeted, risk-based approach		
a) 100% of incident notifications involving the death of a person result in a monitoring compliance activity	Achieved	100%
b) 100% of incident notifications assessed as extreme or high-risk result in a monitoring compliance activity	Achieved	100%
c) Comcare undertakes a follow-up verification inspection in 95% of instances where an inspection has identified corrective actions to be undertaken to eliminate or minimise, as far as reasonably practicable, the risk of future incidents occurring	Achieved	98%

Performance Measure/Target	Status	Result
Performance Measure 9: Our scheme identifies and adopts better practices which enable and promote safe and healthy work		
Through engagement with our stakeholders and utilising an evidence-based approach, better practice initiatives are identified, our advice is adopted and is assessed as enabling safe and healthy work	Achieved	–
Performance Measure 10: Our scheme is sustainable as evidenced through outcomes achieved by scheme participants (including financial and return to work outcomes)		
a) Target administrative cost ratio within 15 to 25%	Achieved	20.6%
b) Average Commonwealth premium rate = 1% of payroll	Achieved	0.79%
c) Minimum funding ratio of 110%	Achieved	129%
d) Comcare scheme return to work rate = 85 to 95%	Achieved	87%
e) Comcare scheme notional premium rate = 0.94%	Achieved	0.80%
Performance Measure 11: Our workforce is engaged, capable and supported in their mental health and wellbeing		
a) Comcare's employee engagement rating at the organisational level meets or exceeds that from the previous year	Not achieved	–
b) Comcare's wellbeing rating at the organisational level meets or exceeds that from the previous year	Not achieved	–
c) The majority of managers consider that their work group has the appropriate skills, capabilities and knowledge to perform well	Achieved	–

Performance Measure 1: We provide quality services to all our stakeholders

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 180
Comcare Corporate Plan 2020–21 – Page 16

Target	Result
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a) Stakeholder satisfaction rating of 85% or more	Not achieved
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Result analysis

Comcare’s stakeholder satisfaction rating was 74% based on the results of its annual Employer Survey. Although Comcare did not achieve its target, the survey demonstrated that most employers hold Comcare in high regard, with respondents agreeing that Comcare:

- > supports organisations to meet their legislative obligations (87%)
- > is a respected authority (85%)
- > is an effective regulator of workplace health and safety (78%).

Comcare continues to analyse the results and will develop a work plan that will aim to improve results in the next period.

Access to results from the SWA National Return to Work Survey has been delayed due to COVID-19 and could not be considered in our overall result for 2020–21.

Previous results

- 2019–20: Not achieved – 76% (employers), employee result not available
- 2018–19: Not achieved – 70% (employers), 72% (employees)
- 2017–18: Not achieved – 68% (employers), 72% (employees)
- 2016–17: Not achieved – 63% (employers), 72% (employees)

Target	Result
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b) 85% or more evaluated entities report improved WHS outcomes as a result of Comcare’s regulatory activities	Achieved
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Result analysis

Following a survey of recipients of Comcare’s regulatory services, 88% of respondents indicated that Comcare’s regulatory services had improved WHS outcomes.

Previous results

- 2019–20: Achieved – 85% (target, 85% or more)
- 2018–19: Achieved – 86% (target, 80%)
- 2017–18: Achieved – 76% (target, 70%)
- 2016–17: Achieved – 68% (baseline of 60%)

Performance Measure 1: We provide quality services to all our stakeholders

Target	Result
c) 100% of activities are delivered within statutory timeframes, where applicable	Achieved

Result analysis

100% of authorisations and review activities were delivered within statutory timeframes.
100% of prosecutions were commenced within statutory limitation periods.

Previous results

2019–20: Achieved – 100%
Not reported prior to 2019–20

Target	Result
d) Safety, Rehabilitation and Compensation Commission satisfaction with support provided by Comcare	Achieved

Result analysis

Service level performance measures are set through the SRCC meeting protocols and statement of services provided by Comcare to the SRCC. Service levels for the support Comcare provides to the SRCC were achieved 98% of the time increasing from 91% in 2019–20.

Previous results

2019–20: Achieved
2018–19: Achieved
2017–18: Achieved
2016–17: Achieved

Target	Result
e) Seacare Authority satisfaction with support provided by Comcare (Scheme)	Achieved

Result analysis

Seacare Authority service level performance measures are set through the Seacare Authority Meeting Procedures and Protocols and the application of better practice benchmarking. Service levels for the support Comcare provides to the Seacare Authority were achieved 97% of the time increasing from 94% in 2019–20.

Previous results

2019–20: Achieved
2018–19: Achieved
2017–18: Achieved
2016–17: Achieved

Performance Measure 2: Our Administrative Appeals Tribunal (AAT) litigation program resolves disputes promptly and with integrity

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 180
Comcare Corporate Plan 2020–21 – Page 16

Target	Result
a) Proportion of AAT litigation with a successful outcome is 55% or greater	Achieved
b) 50% of matters are progressed to hearing or finalised within 12 months	Achieved

Result analysis

81% of AAT applications had a successful outcome.

A successful outcome is defined as an outcome that is in the best interests of the sustainability of the scheme with a holistic approach to the resolution of matters through the most appropriate disputation process. This provides an alternative metric to affirmation rate, which does not capture matters resolved by consent in favour of the applicant as affirmed, even if a positive outcome is achieved.

92% of matters commenced between 1 January 2020 and 30 June 2021 were progressed to hearing or finalised within 12 months.

Comcare has implemented a program to improve management of Comcare’s AAT litigation activities, which included:

- > targeted reviews of long-standing and low prospects AAT proceedings
- > enhanced reporting on prospects and lead indicators of delay from Legal Service Providers
- > enhanced litigation governance
- > embedding lessons learnt processes in AAT and Federal Court litigation
- > development of litigation principles with a focus on resolving disputes promptly and with integrity.

Ongoing engagement with the AAT took place during 2020–21, focusing on reducing the time to progress matters to hearing or finalise proceedings. Activity also included review of the AAT’s COVID-19 Special Measures Practice Direction.

Previous results

Not reported prior to 2020–21

Performance Measure 3: We consistently manage Commonwealth asbestos-related disease claims with more equitable and efficient outcomes

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 181
Comcare Corporate Plan 2020–21 – Page 16

Target	Result
a) 95% of resolution payments are made within 10 days of receipt of relevant information	Achieved

Result analysis

98% of resolution payments were made within 10 days of receipt of relevant information. This reflects 63 payments made within 10 days of receipt of all relevant information. Only one payment did not meet the timeframe.

Previous results

Not reported prior to 2020–21

Target	Result
b) Asbestos-related disease common law settlements are monitored to ensure consistency and equity	Achieved

Result analysis

In line with the original purpose of the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* (ARC Act), Comcare monitors the consistency and equity of settlements.

Comcare received, on behalf of the Commonwealth, 78 ARC Act claims in 2020–21.

Comcare has an obligation under the *Legal Service Directions 2017* to act as a model litigant and manage claims and litigation consistently. Asbestos-related disease common law settlements are determined in accordance with legal precedent. The quantum of settlements is guided by reference to judgments of the various Australian courts and tribunals in which asbestos-related disease claims are made.

Previous results

Not reported prior to 2020–21

Performance Measure 4: We deliver contemporary education and engagement services that promote and enable safe and healthy work

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 180
Comcare Corporate Plan 2020–21 – Page 16

Target	Result
a) 80% of attendees have their engagement, training and education needs met	Achieved

Result analysis

Comcare has shifted the training and education delivery emphasis to digital learning and developed a digital training program, with webinars being the main delivery channel. Four webinars were delivered in 2020–21:

- > COVID-19 – Navigating a new normal
- > Accelerated workplace change in the face of COVID-19
- > COVID-19 – Our work, mental health and wellbeing
- > COVID-19 – Safety systems and safety culture

There were 2,248 attendees at the webinars. Based on overall feedback from the webinar program, 87.6% of attendees reported to have had their engagement, training and education needs met for 2020–21.

Previous results

Not reported prior to 2020–21

Target	Result
b) Increase in employer reach, engagement and change in behaviour with Comcare’s education services	Achieved

Result analysis

Comcare’s education services have seen significant growth during 2020–21, coinciding with the introduction of the Comcare Learning Management System (LMS).

The Comcare LMS Catalogue currently hosts 52 products, representing a 58% increase from March 2020, when the LMS was implemented.

The number of organisations accessing Comcare’s training and education content via the LMS has increased to 228 in 2020–21 (140 in 2019–20). Registration numbers (reach) on the Comcare LMS have increased, with 6,738 registrations as of 30 June 2021 (297 on 30 June 2020). Additionally, the average number of monthly training completions (change in behaviour) increased to 517 for 2020–21 (221 in 2019–20).

Previous results

Not reported prior to 2020–21

Performance Measure 4: We deliver contemporary education and engagement services that promote and enable safe and healthy work

Target	Result
c) Annual increase in customer reach and engagement across Comcare's external communication channels	Achieved

Result analysis

Comcare uses various digital channels to communicate key initiatives, WHS guidance and best practice to our stakeholders which has seen an 18.5% and 4% increase in our LinkedIn and Twitter followers respectively. Comcare also published 96 promotional and informational marketing emails, including 2 editions of Comcare News e-newsletter to more than 3,500 subscribers, which grew by 1,327 subscribers during 2020–21. The reach and engagement across these digital channels have led to an increase of referrals back to the Comcare website for more information.

Previous results

Not reported prior to 2020–21

Performance Measure 5: We design and deliver innovative and prevention focused initiatives that promote and enable safe and healthy work

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 180
Comcare Corporate Plan 2020–21 – Page 16

Target	Result
Initiatives are assessed as having a positive influence on: a) Worker/employer satisfaction b) Impact on health outcomes and recovery and/or c) Access to evidence-based better practice	Achieved

Result analysis

Comcare has delivered 2 initiatives this year. Based on independent evaluations, they have been assessed as having a positive influence on worker/employer satisfaction, health outcomes and recovery, and/or access to evidence-based better practice.

NewAccess workplaces

Comcare has partnered with Beyond Blue to provide NewAccess workplaces, a mental health coaching service, to Australian Public Service agency partners over a two-year period from mid-2020, following the success of the 2018–19 NewAccess pilot.

NewAccess workplaces is delivering a program recovery rate of greater than 60% and has had 599 service packages utilised this period.

Preliminary findings from the draft evaluation report based on 421 participants who completed the program indicate that:

- > caseness at assessment was 70% (i.e. 70% met the clinical threshold for anxiety and/or depression)
- > recovery rate was 73% (i.e. 73% exited the program below clinical threshold) and sustained recovery rate was 95% at 1-month and 100% at 6-month upon completion of the program
- > 90% were satisfied or very satisfied with the program
- > self-reported level of engagement improved, from 38% pre-NewAccess to 70% post-NewAccess, and job satisfaction improved from 65% pre-NewAccess to 80% post-NewAccess
- > the indicative cost-benefit ratio is 1.3.

Early Intervention Service Provider Pilot

Comcare partnered with several APS agencies as part of the Early Intervention pilot to test whether a structured and independent early intervention service provides:

- > early access to treatment support services
- > self-management (where clinically appropriate)
- > enhanced ability, and support, to recover at and return to work.

The pilot concluded in November 2019, with a final independent evaluation being delivered in 2020. During 2020–21, as a result, Comcare developed 2 new better practice resources for implementing, monitoring and evaluating effective early intervention programs that are proven to deliver significant improvements to a worker's recovery and return to work.

The results of the pilot and better practice resources are available on our website.

Previous results

Not reported prior to 2020–21

Performance Measure 6: Our proactive regulatory activity is targeted and prevention focused

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 182
Comcare Corporate Plan 2020–21 – Page 17

Target	Result
a) Regulatory priorities continue to be addressed through a multi-year, nationally coordinated regulatory activity program of work	Achieved

Result analysis

In 2020–21, proactive monitoring compliance inspections were undertaken with targeted agencies using a tailored workbook to establish baseline compliance rates against Comcare's regulatory priorities. The outcomes of this phase of the multi-year program will be utilised in future reporting years to develop targeted education and engagement activities followed by a program of inspections.

Previous results

Not reported prior to 2020–21

Target	Result
b) Data and intelligence analysed quarterly to identify emerging issues within Comcare's jurisdiction	Achieved

Result analysis

Regular reports such as monthly snapshots and quarterly reviews were produced to identify emerging trends and to advise stakeholders of data holdings for each period.

Previous results

Not reported prior to 2020–21

Performance Measure 7: We undertake strategic research and national cross-sector collaboration to promote and enable safe and healthy work

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 181
Comcare Corporate Plan 2020–21 – Page 17

Target	Result
a) Strategic research and cross sector collaboration initiatives are developed and delivered	Achieved
b) Maintain and build stakeholder engagement across government, private sector and academia	Achieved
c) Partnerships deliver strategic insights for the business	Achieved

Result analysis

Comcare has progressed the following 12 initiatives to support strategic research and cross sector collaboration, maintain and build stakeholder engagement and deliver strategic insights for the business.

- > Early Intervention Service Provider project
- > Collaborative Partnership projects – Measuring the movement between systems and Trialling a transition support services
- > IMPRoVE project
- > Comcare-Australian Institute of Health and Welfare (AIHW) Data Partnership
- > NewAccess workplaces expansion trial
- > Driving Health project
- > Enhancing Manager Capability project
- > HWSA Musculoskeletal Disorder
- > National Health and Medical Research Council (NHMRC) Partnership Projects: National Implementation Trial of an Evidence-informed Workplace Sitting Reduction Intervention
- > Annual Comcare Employer Survey
- > SWA's National Return to Work Survey

The partnership with the AIHW has delivered 2 comparative reports of compensation and health-related data relevant to Comcare's operating environment.

In addition to these 12 initiatives, we have continued to maintain and build stakeholder engagement across government, private sector and academia through contribution to the National Workplace Initiative delivered by the Mentally Healthy Workplace Alliance. Further information about these initiatives can be found on our website.

Previous results

2019–20: Achieved (target, 5 active cross-sector initiatives co-designed and established)

Not reported prior to 2019–20.

Performance Measure 8: We drive national work health and safety compliance using a targeted, risk-based approach

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 179
Comcare Corporate Plan 2020–21 – Page 17

Target	Result
a) 100% of incident notifications involving the death of a person result in a monitoring compliance activity	Achieved

Result analysis

Monitoring compliance activities, in accordance with Comcare's Compliance and Enforcement Policy, were undertaken for all incident notifications involving the death of a person.

Previous results

Not reported prior to 2020–21

Target	Result
b) 100% of incident notifications assessed as extreme or high-risk result in a monitoring compliance activity	Achieved

Result analysis

Monitoring compliance activities, in accordance with Comcare's Compliance and Enforcement Policy, were undertaken for all incident notifications assessed as extreme or high risk.

Previous results

Not reported prior to 2020–21

Target	Result
c) Comcare undertakes a follow-up verification inspection in 95% of instances where an inspection has identified corrective actions to be undertaken to eliminate or minimise, as far as reasonably practicable, the risk of future incidents occurring	Achieved

Result analysis

Verification inspections were completed in 98% of instances where monitoring compliance activities identified corrective actions.

Previous results

Not reported prior to 2020–21

Performance Measure 9: Our scheme identifies and adopts better practices which enable and promote safe and healthy work

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 181
Comcare Corporate Plan 2020–21 – Page 17

Target	Result
Through engagement with our stakeholders and utilising an evidence-based approach, better practice initiatives are identified, our advice is adopted and is assessed as enabling safe and healthy work	Achieved

Result analysis

During 2020–21, Comcare developed and published scheme guidance on our website to support and assist claims and rehabilitation managers in the scheme. Scheme guidance outlines Comcare’s understanding of, and approach to, implementing the provisions of the SRC Act. Scheme guidance aims to encourage a proper and consistent approach to decision making on workers’ compensation claims and rehabilitation matters across the scheme. The published scheme guidance has been regularly accessed by scheme participants.

In 2020–21, published scheme guidance covered 14 different claims management and rehabilitation topics. Comcare invited all scheme participants who attended Comcare’s virtual Claims Manager Forums to evaluate the scheme guidance and found that 90% of survey respondents indicated that the guidance assisted them in managing claims, while 88% said that the guidance was easy to understand. 84% of respondents from the Rehabilitation Case Manager’s Forum indicated that the forum improved their understanding of the rehabilitation case manager role.

Comcare also finalised digital training for workplace rehabilitation providers. This training was launched in December 2020 and as of July 2021 has had over 600 participants.

Previous results

Not reported prior to 2020–21

Performance Measure 10: Our scheme is sustainable as evidenced through outcomes achieved by scheme participants (including financial and return to work outcomes)

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 181
Comcare Corporate Plan 2020–21 – Page 18

Target	Result
a) Target administrative cost ratio within 15 to 25%	Achieved

Result analysis

The target administrative cost ratio result at the end of 2020–21 is 20.6%, meeting the target.

Previous results

2019–20: Not achieved – 19.7% (target 17% or lower)

2018–19: Achieved – 19.8% (target 20% or lower)

2017–18: Achieved – 18.5% (target 20% or lower)

2016–17: Not achieved – 17.4% (target 21% or lower)

Target	Result
b) Average Commonwealth premium rate = 1% of payroll	Achieved

Result analysis

The average Commonwealth premium rate is 0.79% for 2021–22. Claim performance related to premiums regressed slightly but was generally steady across the scheme. The financial sustainability, as demonstrated by the stable funding ratio, allowed a 10% discount to be included with premiums. This is the main contributor to the improved premium rate.

Previous results

2020–21: Achieved – 0.85% (target 1% of payroll)

2019–20: Achieved – 0.85% (target 1% of payroll)

2018–19: Achieved – 0.85% (target 1.1% of payroll)

2017–18: Achieved – 1.06% (target 1.3% of payroll)

Performance Measure 10: Our scheme is sustainable as evidenced through outcomes achieved by scheme participants (including financial and return to work outcomes)

Target	Result
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c) Minimum funding ratio of 110%	Achieved
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Result analysis

The funding ratio for 2020–21 is 129%. Calculated as Comcare’s financial assets divided by Comcare’s outstanding claims liability, the funding ratio demonstrates the financial sustainability of the scheme. The funding ratio allows a 10% discount to be applied to premiums, recognising the favourable performance for most premium payers in the scheme. The modest discount also recognises the potential volatility of the liability, ensuring that we can be responsive should the liability deteriorate unexpectedly.

Previous results

Not reported prior to 2020–21

Target	Result
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d) Comcare scheme return to work rate = 85 to 95%	Achieved
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Result analysis

Comcare achieved a return to work rate of 87% for 2020–21. Comcare continues to focus our rehabilitation initiatives on the employee’s recovery and return to work. We work collaboratively to ensure that stakeholders understand their roles and obligations and can deliver better practice rehabilitation. Improving return to work outcomes is a key focus. We are committed to influencing timely, safe and durable return to work outcomes, improving suitable employment opportunities for employees, and to promoting better practice return to work strategies. The establishment of rehabilitation case manager and workplace rehabilitation provider forums, improvements to our rehabilitation guidance for stakeholders and improved monitoring of workplace rehabilitation providers in 2020–21 all supported improved recovery and return to work outcomes.

Previous results

Not reported prior to 2020–21

Performance Measure 10: Our scheme is sustainable as evidenced through outcomes achieved by scheme participants (including financial and return to work outcomes)

Target	Result
e) Comcare scheme notional premium rate = 0.94%	Achieved

Result analysis

For 2020–21 the notional premium rate target has been achieved and is 0.80%. This result is lower than last year (0.86 per cent in 2019–20) and is attributed to a decrease in both the Australian Government and Self-insured Licensees notional premium rates.

Previous results

2019–20: Achieved – 0.86% (target, 0.94%)

2018–19: Achieved – 0.87% (target, 1.12%)

2017–18: Achieved – 0.86% (target, 1.13%)

2016–17: Achieved – 1.03% (target, 1.21%)

Performance Measure 11: Our workforce is engaged, capable and supported in their mental health and wellbeing

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2020–21 – Page 181
Comcare Corporate Plan 2020–21 – Page 18

Target	Result
a) Comcare’s employee engagement rating at the organisational level meets or exceeds that from the previous year	Not achieved

Result analysis

Due to COVID-19, a shorter version of the APS Employee Census was conducted in October 2020 and a full APS Employee Census conducted in May 2021, both in this reporting period. The engagement rate has remained stable across this period with a rating of 75% in 2020 and 74% in 2021, which is an increase from our engagement score of 72% in 2019. Results indicate that we have an engaged workforce, which was further supported by other responses, and was one percentile above the APS engagement rating of 73% in 2021, from an 88% participation rate.

Previous results

Not reported prior to 2020–21

Target	Result
b) Comcare’s wellbeing rating at the organisational level meets or exceeds that from the previous year	Not achieved

Result analysis

Due to COVID-19, a shorter version of the APS Employee Census was conducted in October 2020 and a full APS Employee Census conducted in May 2021, both in this reporting period. The wellbeing score has remained stable across this period with a rating of 80% in 2020 and 78% in 2021, which is an increase from our wellbeing score of 76% in 2019. Results indicate that we have a sustainable and healthy work environment, with the wellbeing score being 10 percentile above the APS wellbeing rating of 68% in 2021, from an 88% participation rate.

Previous results

Not reported prior to 2020–21

Performance Measure 11: Our workforce is engaged, capable and supported in their mental health and wellbeing

Target

Result

c) **The majority of managers consider that their work group has the appropriate skills, capabilities and knowledge to perform well**

Achieved

Result analysis

In 2021, 84% of Executive level employees agree that their workgroup has the appropriate skills, capabilities and knowledge to perform well. This is an increase of 2% for the same question in 2020 (82%).

Previous results

Not reported prior to 2020–21



CHAPTER THREE: MANAGEMENT AND ACCOUNTABILITY

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OUR GOVERNANCE

Comcare aims for excellence in its governance to promote public trust and confidence. Good governance for Comcare focuses on 2 key requirements:

- > performance – governance procedures and practices are designed to shape our results, and demonstrate results to the Executive, the government and stakeholders
- > conformance – our practices are designed to conform with applicable legislative and policy requirements, in addition to the public expectations of transparency and integrity.

Comcare’s leadership plays an important role in ensuring good governance practices are embedded throughout the organisation and how we work. On a day-to-day basis, governance is about the way officials make decisions and implement policies in practice.

In 2020–21, Comcare implemented a new governance framework based on 6 key management principles. These help to inform effective governance and underpin the design of our governance structures and systems. This principles-based approach promotes greater flexibility and responsiveness to government and customer needs.

Table 3: Comcare’s Governance Principles

	Principles in action	Alignment with our values
Consistent Consistent rules, practices and behaviours	<ul style="list-style-type: none"> > We have meaningful mechanisms in place to ensure we adhere to all applicable standards and requirements. > We continuously monitor, review and evaluate performance and compliance, and adjust strategies, processes and systems to improve performance and ensure compliance. 	Act with integrity and respect
Transparent A risk and evidence-based approach to decision making	<ul style="list-style-type: none"> > We act with integrity and accountability, continually assessing risks to the achievement of objectives or compliance. > We have clear roles and responsibilities, and procedures for making decisions and exercising authority. 	
Collaborative Commitment to work across boundaries	<ul style="list-style-type: none"> > We collaborate in everything we do. > We share key information across groups and get the right people involved. 	Collaborate and innovate
Flexible Ability to adapt to meet tomorrow’s challenges	<ul style="list-style-type: none"> > We look for new ideas and think about what is happening across the broader environment. > We use flexible and evolving, principles-based systems. 	
Stewardship Delegated authority and ownership of outcomes	<ul style="list-style-type: none"> > We take every opportunity to enhance our performance, and ensure our services are responsive and provided in accordance with our values. > We are insight driven and committed to risk and evidence-based practices to ensure the best use of resources. 	Strive to have a positive impact
Aligned Aligned to purpose, priorities and risk	<ul style="list-style-type: none"> > We continually re-align to meet our short and long-term goals. > We work in alignment with our risk appetite. 	

Strategic planning and reporting

Comcare's planning and reporting cycle is made up of various activities to confirm the organisations strategic direction, priorities and performance measures for the year ahead. Activities include:

- > **Strategic direction assessment** by Comcare's Executive to confirm if our purpose, strategic priorities, performance measures and strategic risks are suitable for the year ahead, based on an environmental scan activity.
- > **Review of performance measures** to confirm if existing measures are effectively measuring performance against our purpose and priorities, and to identify opportunities for improvement as our work matures and progresses.
- > **Organisational wide planning activities** to confirm the portfolio programs and projects, continuous improvement initiatives and operational priorities for the year ahead. These activities consider budget, risk, workforce, capability, technology and business continuity needs.

Our planning activities support the development of our Portfolio Budget Statements, annual Corporate Plan, internal business plans and individual performance development plans.

Performance against targets set out in these documents are monitored through Comcare's authoritative committees and the ARC and reported through our Annual Report.

In our planning cycle for 2021–22 we introduced a new performance measure with 2 supporting targets focused on regulatory best practice in line with changes to the Regulator Performance Framework introduced on 1 July 2021. This performance measure features in our Corporate Plan 2021–22 with outcomes to be reported in future Annual Reports.

Executive Committee and senior management committees

Under the PGPA Act, Comcare is a corporate Commonwealth entity with a CEO as the accountable authority. The CEO is assisted in the corporate governance functions by internal governance committees.

In 2020–21, Comcare implemented a new committee structure to clarify purpose, accountabilities and responsibilities at all levels in the structure.

There are 2 levels of governance committees under the new structure: Executive Committee and Authoritative Committees. Supporting structures to facilitate consultation and inform Comcare's governance committees sit underneath these levels.

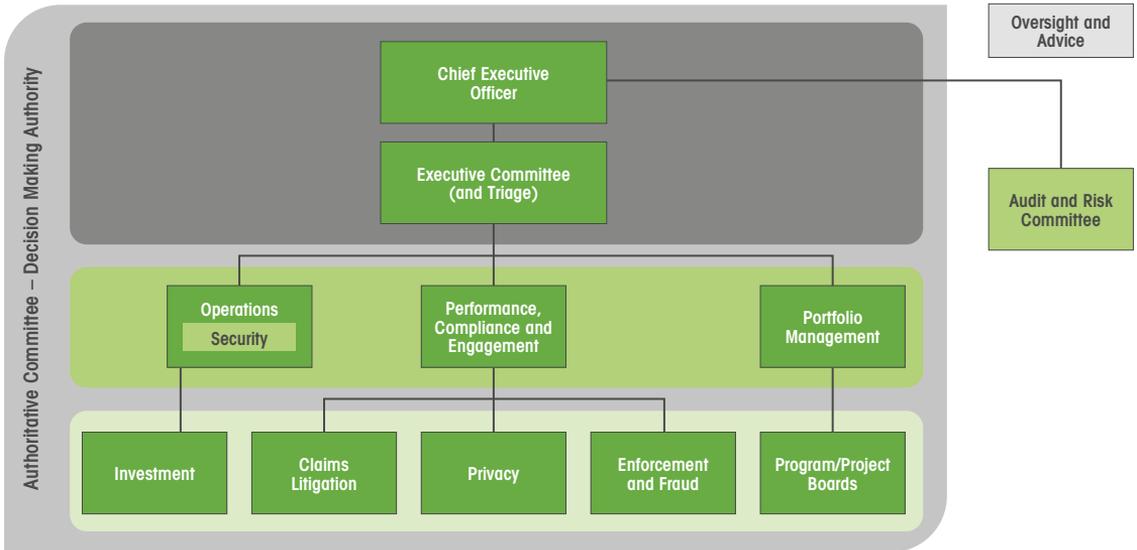
The Executive Committee provides strategic oversight and guidance of Comcare's overall performance and accountability requirements. This committee is the highest level in Comcare's governance committee structure. Its responsibilities include:

- > prioritisation of investments, programs and initiatives based on strategy and legislative requirements
- > steering of change impacts across Comcare
- > major scope and content decisions that have strategic implications or cross-group impacts of significance
- > benefits and achievement of Comcare's priorities and performance measures
- > ensuring effective and robust governance and assurance arrangements, including setting risk appetite and prioritisation.

Authoritative committees provide strategic oversight and guidance of core cross-organisation business priorities, strategies or functions considered complex or high risk. Authoritative committees are accountable to the Executive Committee. Responsibilities include, but are not limited to:

- > monitoring delivery of immediate priorities and performance outcomes
- > management of risk and cross-business impacts
- > recommendations to the appropriate delegate for statutory decisions relating to compliance activities
- > assessing and realising longer term improvement opportunities
- > escalating matters of significant cross-Group impact, outside the Group's remit to the Executive Committee.

Figure 7: Comcare’s governance structure



Fraud

Comcare is fully committed to complying with the *Commonwealth Fraud Control Framework 2017* (Fraud Control Framework) (in particular section 10 of the *Public Governance, Performance and Accountability Rule 2014*) to minimise fraud.

During 2020–21 Comcare:

- > revised the enterprise fraud risk assessment and updated the fraud control policy and plan
- > strengthened fraud governance arrangements through establishing Operations Committee oversight of fraud risks assessments and Enforcement and Fraud Committee oversight of fraud investigations
- > implemented a revised operating model for managing fraud investigations
- > implemented a revised operating model in the management and assessment of fraud allegations
- > participated in the Australian Institute of Criminology’s annual Fraud against the Commonwealth census
- > participated in the Commonwealth Fraud Prevention Centre data analytics conference to identify potential for utilising data to detect and prevent fraud.

Comcare undertakes investigations of criminal fraud and corruption against Comcare. All criminal fraud investigations are conducted in compliance with the Commonwealth Fraud Control Framework and the *Australian Government Investigations Standards 2011*.

One matter was referred to the Commonwealth Director or Public Prosecution (CDPP) for consideration of commencing a criminal prosecution alleging a fraud in excess of \$55,000.

Internal audit

The internal audit program is a key element of the Comcare corporate governance framework. The program provides assurance to the Comcare and Seacare Authority Audit and Risk Committee, the CEO, the Chair of the Seacare Authority and senior management. It adds value to what Comcare does by highlighting opportunities for improvement in statutory compliance, internal control, and efficiency and effectiveness of business processes.

Internal audit topics are identified through consultation with senior management and the ARC. In deciding the final program of internal audit work for the year, the ARC considers the strategic and operational risk profile of Comcare and relevant audit reports published by the Australian National Audit Office (ANAO).

Two internal audits were presented to the ARC in 2020–21. The audits included performance and compliance reviews, focused on the management of our programs, implementation of legislative and government policy requirements and management of key risks.

Internal audit recommendations are tracked and reported to the ARC to ensure identified risks are addressed. During 2020–21 there were 8 recommendations made through internal audit reports (compared with 44 in the previous year). At the end of 2020–21 there were zero recommendations open (compared with 22 in the previous year).

Risk management

Comcare has embedded systematic risk management as part of its governance and planning processes and organisational culture. Comcare's particular focus is on:

- > establishing a high-quality, agency-wide risk management framework
- > providing comprehensive training and development on risk
- > evaluating and improving risk performance
- > strengthening engagement with stakeholders on risk issues.

Comcare's strategic risks are based on focus areas aligned to our strategic priorities where risk may arise in our operating environment (refer to the Comcare 2020–21 Corporate Plan). Comcare's Executive Committee is responsible for monitoring and maintaining our Strategic Risk Register (SRR). In 2020–21, the SRR was reported quarterly to the Executive Committee and the ARC for external assurance.

During 2020–21 Comcare:

- > revised and updated the Risk Oversight and Management policy and procedure
- > aligned the oversight of strategic, operational and group level risks with Comcare’s new Governance Framework and Governance Committee structure
- > maintained a pandemic risk register with oversight from the Pandemic Incident Response Team and the Operations Committee
- > participated in the 2021 Comcover Risk Management Benchmarking survey resulting in a maturity level of ‘embedded’
- > completed an annual Child Safety Risk Assessment in compliance with the Commonwealth Child Safe Framework.

Audit and Risk Committee

The CEO has established the ARC in accordance with section 45 of the PGPA Act. The objective of the committee is to provide independent assurance and assistance to Comcare’s CEO and the Seacare Authority Chairperson on risk, the control and compliance framework, and external accountability responsibilities in line with the functions set out in the Committees charter: <https://www.comcare.gov.au/about/forms-publications/documents/publications/corporate-publications/audit-and-risk-committee-charter.pdf>.

For 2020–21, the ARC consisted of 5 independent members, including the Chairperson appointed by the CEO. Comcare’s senior executive, the Chief Financial Officer, internal audit officers and the ANAO regularly attend as observers.

Lisa Woolmer (ARC Member and Chairperson)

Ms Lisa Woolmer has a background in audit and accounting, including 22 years of professional services experience advising on governance, risk and assurance frameworks.

In her professional services career, Ms Woolmer worked extensively with federal, state and local government agencies across areas such as health, education, emergency services, water, gas and financial services. In addition to the ACT and Victoria, Ms Woolmer has worked in Tokyo and New York.

Ms Woolmer chairs the Audit and Risk Committee for the Adult Community and Further Education Board and is a member of the Orygen and City of Whitehorse Audit Committees. She also chairs the Audit and Risk Committee for the Cities of Glen Eira, Bayside and the Mornington Peninsula Shire in Victoria and is a member of the Audit Committee at the Australian Securities and Investment Commission.

Kate Hughes (ARC Member)

Ms Kate Hughes is a risk management, compliance, internal audit and governance professional who also holds non-executive roles with the Department of Justice and Community Safety, the Department of Transport and the Australian Prudential Regulation Authority.

Ms Hughes' most recent executive role was as Chief Audit and Risk Officer at RMIT University, with responsibility for the University's internal audit, risk management, compliance and regulatory affairs functions. Prior to this Ms Hughes was the Chief Risk Officer at Telstra, with global responsibility for the enterprise-wide risk management, resilience, investigations, privacy, compliance and health and safety functions.

Ms Hughes has led international teams for 15 years and she has broad risk management, compliance, safety and governance experience in many sectors, including financial services, agribusiness, retail, manufacturing, public administration and telecommunications. Ms Hughes has also provided risk management and compliance consulting services on trade practices, employment and environmental issues.

Kevin Noonan (ARC Member)

Mr Kevin Noonan is an Emeritus Chief Analyst at Omdia, the global technology research company, with more than 400 analysts covering 150 markets in the technology, media and telecommunications industries.

Mr Noonan has more than 40 years' experience in technology-based governance, strategy and direction. This includes 28 years in the government sector as a Chief Information Officer, senior executive and manager, and a further 12 years as an international senior industry analyst.

Prior to joining the Comcare and Seacare ARC in 2019, Mr Noonan held the dual positions of Chief Analyst and Practice Leader for Ovum's worldwide government practice. In this role he worked with government and industry executives in various locations around the world.

Mr Noonan also worked as a Head of Consulting at Intermedium, where he specialised in government sector industry development, and provided advice to executives from more than half the top 100 IT companies.

Peter Hughes (ARC Member)

Mr Peter Hughes has over 35 years' experience as a consulting actuary. Mr Hughes retired in 2016 as a Mercer Partner where he was the Leader of the Insurance Investment Consulting practice for the Pacific region. He continues as an independent actuary and insurance investment consultant as well as holding a number of audit, risk, finance and investment governance roles.

Mr Hughes provided specialist strategic investment consulting and asset/liability risk management advice to insurance companies to help them meet their business goals. During his career with Mercer, Mr Hughes' clients included general insurers, life offices, workers compensation, compulsory third party, professional indemnity, lender's mortgage and health insurance funds.

David Turvey (ARC Member from July 2020)

Mr David Turvey is the First Assistant Secretary at the National Skills Commission (NSC). He is responsible for overseeing the operations of the Commission, which was established to develop intelligence on Australia's labour market, workforce changes and current and emerging skills needs.

Prior to his current role, Mr Turvey was First Assistant Secretary, National System and Performance Division in the Schools Group of the Department of Education, Skills and Employment. He had responsibility for providing advice on the structure and performance of the Australian school systems, including the national curriculum, teaching and school leadership policy and national teacher workforce strategies.

Mr Turvey has held several executive roles at the Department of the Prime Minister and Cabinet, Australian Treasury, the Department of Finance and Administration and Department of Industry, Innovation and Science. Mr Turvey has a sound knowledge of the Commonwealth performance framework and operations of government and financial management.

Mr Turvey holds a Master of Economics from the Australian National University and is a Graduate of the Australian Institute of Company Directors.

Table 4: Comcare’s Audit and Risk Committee

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended / total number of meetings	Total annual remuneration (GST inclusive)
Lisa Woolmer (Chairperson)	<ul style="list-style-type: none"> > Qualifications > Bachelor of Economics and a Diploma in Japanese Business Communication from Monash University > Graduate Diploma in Employment Relations from the University of Canberra > Graduate of the Australian Institute of Company Directors and Chartered Accountant <p>Knowledge, skills and experience</p> <ul style="list-style-type: none"> > Accounting and Financial Management > Audit, Assurance and Risk Management > Governance and Public Administration > Experienced Audit and Risk Committee member 	5/5	\$18,144
Kate Hughes (Deputy Chairperson)	<p>Qualifications:</p> <ul style="list-style-type: none"> > Bachelor of Commerce from Western Sydney University > Graduate Diploma in Applied Finance from FINSIA > Graduate Diploma in OH&S from RMIT > Graduate of the Australian Institute of Company Directors. <p>Knowledge, skills and experience:</p> <ul style="list-style-type: none"> > Accounting and Finance Audit > Assurance and Risk Management > Security and Compliance > Governance and Public Administration > Strategic Advice and Business Development. 	5/5	\$15,120
Kevin Noonan	<p>Qualifications:</p> <ul style="list-style-type: none"> > Australian Government computing programmer accreditation in 1975 > Senior Member of the Australian Computer Society (certified) > Member of the Australian Information Industry Association <p>Knowledge, skills and experience:</p> <ul style="list-style-type: none"> > Security and Compliance > Governance and Public Administration > Strategic Advice and Business Development > Information Technology. 	5/5	\$15,430

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended / total number of meetings	Total annual remuneration (GST inclusive)
Peter Hughes	<p>Qualifications:</p> <ul style="list-style-type: none"> > Fellow of the Institute of Actuaries of Australia > Graduate of the Australian Institute of Company Directors <p>Knowledge, skills and experience:</p> <ul style="list-style-type: none"> > Accounting and Finance > Audit, Assurance and Risk Management > Industry-specific Knowledge – Insurance > Strategic Advice and Business Development > Actuarial and Investment 	5/5	\$15,840
David Turvey	<p>Qualifications:</p> <ul style="list-style-type: none"> > Master of Economics from the Australian National University > Graduate of the Australian Institute of Company Directors <p>Knowledge, skills and experience:</p> <ul style="list-style-type: none"> > Accounting and Finance > Governance and Public Administration > Strategic Advice and Business Development > Data Mining and Analytics > Performance and Economics 	4/5	\$0

EXTERNAL SCRUTINY

Significant activities and changes that affected Comcare

No significant activities or changes occurred that affected the operations or structure of the entity in 2020–21.

Ministerial directions

Comcare received no Ministerial Directions in 2020–21.

Government general policy orders

Comcare complied with the General Policy Order Public Governance, Performance and Accountability (Charging for Regulatory Activities) issued by the Minister for Finance on 24 August 2017.

Significant non-compliance with finance law

In 2020–21, there were no instances of significant non-compliance with finance law reported to the Minister by Comcare under paragraph 19(1)(e) of the PGPA Act.

External audit

No external performance audits relating to Comcare were conducted by the Australian National Audit Office during 2020–21.

Freedom of information

Comcare is required to publish information to the public as part of the *Freedom of Information Act 1982* (FOI Act) Information Publication Scheme (IPS).

In accordance with rule 17AH of the PGPA Rule 2014: Comcare’s Agency Plan and other categories of information specified by the IPS are available at: <https://www.comcare.gov.au/about/governance/comcare-information-publication-scheme>

Office of the Australian Information Commissioner (OAIC)

Freedom of Information requests for review

During 2020–21, the Office of the Australian Information Commissioner (OAIC) notified Comcare that it had received 14 requests for Information Commissioner reviews of FOI decisions made by Comcare.

In the period, 17 Information Commissioner reviews were finalised:

- > eleven reviews were finalised under section 54W(a) of the FOI Act as the Information Commissioner declined to review the matters
- > three reviews were finalised by agreement under section 55F of the FOI Act
- > one decision was affirmed by the Information Commissioner
- > one decision was set aside by the Information Commissioner
- > one review was withdrawn by the applicant.

The remaining Information Commissioner reviews notified to Comcare in the period remained ongoing as of 30 June 2021.

Privacy complaints

During 2020–21, OAIC notified Comcare that it had received 3 privacy complaints about Comcare’s actions. The OAIC also notified Comcare that it was commencing preliminary enquiries in relation to one further matter.

In the period, 4 complaints were finalised:

- > two complaints were resolved as the OAIC was satisfied that Comcare had not interfered with the complainants’ privacy
- > one complaint was resolved as the OAIC formed a view that Comcare had adequately dealt with the complaint
- > one complaint proceeded to a determination by the Information Commissioner.

The remaining OAIC privacy complaints notified to Comcare in the period remained ongoing as of 30 June 2021.

Commonwealth Ombudsman

During 2020–21, Comcare received 7 formal investigation enquiries from the Commonwealth Ombudsman.

Five investigations were finalised with the Commonwealth Ombudsman deciding that no further review of the matters was warranted.

The remaining Commonwealth Ombudsman investigations notified to Comcare in the period remained ongoing as of 30 June 2021.

OUR PEOPLE

It is through our people that we will achieve our core purpose of promoting and enabling safe and healthy work, as well as delivery of our key priorities.

To succeed we must anticipate and adapt to the changing workplace environments in our jurisdiction, and the environment within which we operate. Comcare's People Strategy 2019–2022 provides an overarching agenda to achieve an agile, flexible and capable workforce, focusing on:

- > Capability and talent, with an emphasis on investing in our employees' capabilities, providing opportunities to develop knowledge and experience, and managing our workforce to ensure we have the agility and capacity to deliver on priorities now and into the future.
- > Culture and engagement, which is based on our strategic priorities and values that articulate our approach to work and the behaviours expected of all employees.

Our People Strategy also focuses on how we will continue to build an inclusive, open culture that encourages a collaborative, innovative and risk-based approach to work, particularly through times of change. With our values of: Act with integrity and respect; Collaborate and innovate; and Strive to have a positive impact; we are further supporting our employees to drive better business outcomes, promote a positive culture and support engagement across the agency.

Our Rewards and Recognition framework also provides an excellent opportunity to acknowledge outstanding performance by individuals and/or teams, playing an important role in shaping Comcare's culture by:

- > recognising and rewarding outstanding performance, achievements, client service and innovation
- > encouraging and supporting teamwork, cooperation, collaboration and pride throughout Comcare
- > supporting and encouraging a performance culture throughout Comcare
- > contributing to a more productive and satisfying work environment.

Comcare values and respects the diversity of our employees and is committed to providing a positive and inclusive workplace. To achieve this, we implement actions identified in Comcare's Reconciliation and Accessibility Action plans, as well as celebrating diversity events throughout the year. At Comcare we believe that:

- > Different experiences, opinions and beliefs challenge the way that we work and inspire new ways of doing things. Learning, understanding and respecting our differences is fundamental to our way of work at Comcare.
- > By changing the way that we, as individuals, engage with diversity and differences in the workplace, we can create a dynamic and highly productive workplace.

As at 30 June 2021, we employed 544 ongoing employees and 89 non-ongoing employees based in various locations in Australia. Further details are provided in the tables below.

Table 5: All ongoing employees current report period (2020–21)

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	16	0	16	12	2	14	30
Qld	9	0	9	11	2	13	22
SA	2	0	2	3	4	7	9
Tas	5	0	5	2	0	2	7
Vic	46	1	47	67	18	85	132
WA	7	0	7	3	1	4	11
ACT	92	8	100	166	59	225	325
NT	3	0	3	4	1	5	8
External Territories	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0
Total	180	9	189	268	87	355	544

Note: Nil employees identified their gender as indeterminate

Table 6: All ongoing employees previous report period (2019–20)

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	14	0	14	10	1	11	25
Qld	7	0	7	8	4	12	19
SA	3	0	3	4	4	8	11
Tas	3	0	3	4	0	4	7
Vic	48	3	51	56	16	72	123
WA	8	0	8	3	0	3	11
ACT	110	9	119	177	59	236	355
NT	2	0	2	2	1	3	5
External Territories	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0
Total	195	12	207	264	85	349	556

Note: Nil employees identified their gender as indeterminate

Table 7: All non-ongoing employees current report period (2020–21)

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	5	0	5	1	0	1	6
Qld	1	0	1	1	0	1	2
SA	0	0	0	0	0	0	0
Tas	0	0	0	1	0	1	1
Vic	16	0	16	11	1	12	28
WA	0	0	0	0	0	0	0
ACT	18	1	19	31	0	31	50
NT	1	0	1	1	0	1	2
External Territories	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0
Total	41	1	42	46	1	47	89

Note: Nil employees identified their gender as indeterminate

Table 8: All non-ongoing employees previous report period (2019–20)

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	3	3	6	0	0	0	6
Qld	2	0	2	1	0	1	3
SA	1	0	1	0	0	0	1
Tas	0	0	0	0	0	0	0
Vic	6	1	7	7	1	8	15
WA	0	0	0	0	0	0	0
ACT	17	0	17	32	4	36	53
NT	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0
Total	29	4	33	40	5	45	78

Note: Nil employees identified their gender as indeterminate

Executive remuneration

Information about remuneration for key management personnel, senior executives and other highly paid staff is provided in the table below:

Table 9: Information about remuneration for key management personnel

Name	Position title	Short-term benefits		Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration	
		Base salary (\$)	Bonuses (\$)	Other benefits and allowances (\$)	Superannuation contributions (\$)	Long service leave (\$)	Other long-term benefits (\$)	(\$)	(\$)
Susan Weston	Chief Executive Officer	398,886	-	1,876	71,662	30,946	-	-	503,370
Vanessa Graham	Chief Operating Officer	216,076	-	27,435	57,688	9,666	-	-	310,865
Michael Duke	General Manager	183,524	-	28,654	32,557	14,479	-	-	259,214
Aaron Hughes	General Manager	222,155	-	27,435	41,717	10,632	-	-	301,940
Justin Napier	General Manager	220,737	-	28,654	34,173	9,873	-	-	293,437
Matthew Swainson	General Manager	193,865	-	27,435	30,899	7,575	-	-	259,775
Natalie Bekis	General Manager	218,449	-	28,654	33,089	6,240	-	-	286,432
Total		1,653,692	-	170,144	301,785	89,411	-	-	2,215,032

- Note: 1. The amounts above reconcile to Note 4.2 Key management personnel remuneration in the financial statements
 2. During the reporting period there were no other senior executives not already included as key management personnel in the table above

Table 10: Information about remuneration for other highly paid staff

Total remuneration bands	Number of other highly paid staff	Average base salary (\$)	Short-term benefits		Post-employment benefits	Other long-term benefits	Termination benefits		Total remuneration
			Average bonuses (\$)	Average other benefits and allowances (\$)	Average superannuation contributions (\$)	Average long service leave (\$)	Average other long-term benefits (\$)	Average termination benefits (\$)	Average total remuneration (\$)
\$230,001 – \$245,000	1	93,771	-	300	18,559	5,223	-	124,645	242,497

OUR WORK HEALTH AND SAFETY MANAGEMENT AND PERFORMANCE

Health and safety initiatives

Throughout the year, we undertook a range of initiatives to ensure we provide a healthy and safe workplace which included:

- > a four-week challenge walking the Great Ocean Road to promote the importance of physical activity. During this period, 164 employees in 41 teams participated, achieved 16,663.66km
- > providing employees access to an annual influenza vaccination. For the 2020–21 period, a total of 127 employees received the vaccination through this initiative
- > commencement of the evidence-based mental health coaching service, NewAccess workplace program for all employees that is a free and confidential service that can be accessed without a GP referral or mental health treatment plan
- > hosting a guest speaker for RU OK? Day, to talk about 'There's more to say, after RU OK?'. An additional presentation was provided 2 months after the initial session to continue the messaging of 'There's more to say, after R U OK?'
- > our EAP provider presenting on multiple occasions, specifically relating to managing mental health particularly in the pandemic and supporting employees throughout the challenging 2020 calendar year
- > hosting a guest speaker for World Mental Health day to provide insights into their experiences of living with mental health conditions and share strategies that have helped them manage their own mental health during the pandemic
- > facilitating training for 84 employees to achieve Mental Health First Aid accreditation
- > delivery of ergonomic workstation assessments by suitably qualified persons.

Mental health first aid training

To ensure support is provided to our employees, we continued to provide Mental Health First Aid training to employees across the organisation. Once trained, employees join the Mental Health Contact Officer network, providing advice for colleagues to access support options available. The skills gained through this and other complementary training (including Accidental Counsellor) assists not only employees in the workplace, but also clients and stakeholders in their interactions across the organisation.

Demonstrating our commitment to the mental health and wellbeing, Comcare has been re-accredited as a gold workplace in the Mental Health First Aid Australia Skilled Workplaces Initiative. Comcare is proud to be the first Australian Government agency to be awarded this accreditation and to having retained the accreditation for a further 3 years.

Work health and safety

During 2020–21, we conducted a review of our work health and safety management system (WHSMS), evaluating the current system and identifying system enhancements to support a positive safety culture. A new WHSMS structure has been developed and a program commenced on updating or developing new governance documentation, including policies and procedures that align to organisational approaches and legislative requirements.

A new WHS Strategy was developed, focused on building a positive safety culture and promoting the wellbeing and safety of employees in the workplace. Actions arising from the strategy are anticipated to be delivered by the end of 2021.

WHS training and awareness

During 2020–21, we released a range of resources and continued to deliver services to support employees in maintaining their health and wellbeing. For example:

- > Comcare’s WHS Team Talk program continued in 2020–21, empowering managers to select an appropriate WHS team talk to facilitate team discussion and group learning. New Team Talks were delivered relating to respectful workplaces and preventing workplace sexual harassment.
- > A refresh of the First Aid Officer network and review of first aid facilities, including increasing the number of representatives trained in first aid and upgrading first aid kits and first aid room facilities.
- > Tools and resources were developed and released to support employees and their families during the pandemic. These included home based work checklists, mental health and psychological wellbeing team talks and fact sheets.
- > Refresh of face-to-face and e-learning courses, including early intervention and workplace safety, to increase engagement and assist employees and managers to build awareness of opportunities, supports and responsibilities in the workplace.
- > Workgroup inspections recommenced during the second half of 2020–21, initially delayed due to employees moving to home-based work in response to the pandemic. Inspections were completed in 87% of Comcare workplaces.

Employee Assistance Program

Our EAP, provided by Assure Programs, provides telephone and face-to-face access to confidential individual counselling that supports the psychological wellbeing of employees and their families. In addition to individual counselling, a Manager's Hotline, online information, onsite trauma and critical incident counselling, conflict resolution and mediation support services are available.

In 2020–21, the EAP usage rate was 15.5% of the total Comcare workforce, compared to the contract rate of 15%. Comcare employees accounted for 74% of EAP users, with 26% non-Comcare employees (family members). The primary reasons for accessing EAP were categorised as personal concerns (65%) and workplace concerns (35%). These figures indicate that of those employees accessing the EAP, personal issues continue to be the significant factor for those who access it.

Early intervention

We continue to focus on reducing injury claims through active injury prevention strategies and provision of early intervention. The early intervention program provides timely and tailored support to employees and includes provision of short-term treatment (physical or psychological), access to EAP support, the NewAccess workplaces program, workplace rehabilitation providers, workplace assessments and fitness for duty medical assessments when required.

Employees continue to be supported in achieving optimal ergonomic setup of their working environments. This is delivered through education, provision of ergonomic equipment and, as required, formal assessments. Access to working from home arrangements has resulted in increased employee capability and ergonomic awareness to adapt their workstation to best fit their postural requirements.

Body stressing incidents and compensation rates continue to be low for the nature of the work of the organisation. This is likely attributed to increased employee awareness of the importance of good work practices, access to the Wellnomics work pacing program, provision of ergonomic equipment and ongoing education on the importance of self-management.

Notifiable incidents

During the reporting period, Comcare notified the regulator of zero notifiable incidents and was not involved in any statutory enforcements or investigations.

Workers' compensation claims

In total there were 3 workers' compensation claims for Comcare employees accepted in 2020–21. The average weeks lost time increased from 8.2 weeks in 2019–20 to 14.5 weeks in 2020–21.

FINANCIAL REVIEW

Key financial results

In 2020–21 Comcare’s financial results continue to demonstrate that Comcare remains on a strong financial base.

Comcare met its performance targets relating to premium scheme financial sustainability and funding.

Comcare also delivered its cost recovered activities, including work health and safety regulation, scheme management services and support of the SRCC, with no significant increase in overall licence fees and regulatory contributions.

Table 11: Comcare financial operating result

	2016–17	2017–18	2018–19	2019–20	2020–21
	\$m	\$m	\$m	\$m	\$m
Workers’ compensation premiums	382.5	285.2	242.3	163.3	167.4
Other cost-recovery revenue	35.9	36.0	35.5	36.4	37.0
Interest and other revenue	33.4	32.4	36.1	24.0	13.9
Revenue from government	61.0	56.8	60.3	61.2	51.2
Claim payments	(264.7)	(255.2)	(234.3)	(216.9)	(207.9)
Administration costs (business-as-usual)	(98.6)	(96.8)	(98.5)	(101.1)	(106.8)
Administration expenses (projects)	(9.3)	(5.8)	(4.2)	(4.2)	(6.9)
Administration costs (finance costs)	0.0	0.0	(2.2)	(3.2)	(7.2)
Surplus of revenue over expenses	140.2	52.6	35.0	(40.5)	(59.3)
Movement in claims provisions and appropriations receivable					
Movement in provisions for outstanding claims liabilities	454.4	301.9	81.7	124.3	88.9
Available funding from movement in claims provisions ¹	(127.2)	(346.8)	(117.1)	(92.9)	(37.6)
Surplus/(deficit) on continuing operations	467.4	7.7	(0.4)	(9.1)	(8.0)
Net equity	15.3	22.9	23.0	17.2	9.1
Cash and cash equivalents	979.8	1,028.2	1,005.1	986.6	943.8

¹ Available funding reduced due to favourable movements in premium and common law asbestos-related claims provision in 2016–17, 2017–18, 2018–19, 2019–20 and 2020–21.

Premium scheme

The financial position of Comcare's premium scheme continues to be strong in 2020–21. At 30 June 2021, the funding ratio was 129%, a small increase compared to last year's result of 128%. This represents the fourth consecutive year that the premium scheme funding ratio has exceeded Comcare's minimum funding ratio of 110%.

The positive funding ratio represents a surplus of premium funds of \$482 million (\$471.9m in 2019–20) available to settle claims liabilities.

Table 12: Comcare historical funding ratio

	2016–17	2017–18	2018–19	2019–20	2020–21
Funding ratio	102%	116%	131%	128%	129%

The increase in the funding ratio compared to last year's result was due to the net impact of a decrease in premium scheme liabilities of \$62.3 million and a decrease in scheme assets of \$52.3 million.

Net premium scheme liabilities decreased by \$62.3 million, mainly due to changes in economic assumptions and the removal of the additional risk margin applied in the previous valuation by Comcare's independent actuaries due to uncertainty created by COVID-19.

Comcare's net premium scheme liabilities at 30 June 2021 were \$1.646 billion.

Comcare's net premium scheme liabilities have now reduced by \$775 million over the past 4 years.

Table 13: Comcare historical net premium liabilities

	2016–17	2017–18	2018–19	2019–20	2020–21
	\$m	\$m	\$m	\$m	\$m
Net premium liabilities	2,421	2,192	1,665	1,708	1,646

Due to the strong financial results in recent years, Comcare has significantly reduced premiums.

The average 2021–22 premium rate is 0.79% of wages, which is less than the Comcare target of 1.0%. Over the past 4 years, Comcare's annual premiums have reduced by \$215.1 million from \$382.5 million per annum to \$167.4 million per annum.



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SUMM

	2
	20
	350
	300,
	100,0
	300,0
	500,00
	200,00 \$
	50,00 \$
Utilities	
Other	
Total	

CHAPTER FOUR: FINANCIAL STATEMENTS



PRIMARY BY CATEGORY

Budget	Actual	Difference
00,00 \$	90,00 \$	110,00 \$
00,00 \$	32,00 \$	168,00 \$
00,00 \$	205,75 \$	144,25 \$
00,00 \$	250,00 \$	50,00 \$
00,00 \$	35,00 \$	65,00 \$
00,00 \$	80,00 \$	220,00 \$
00,00 \$	350,00 \$	150,00 \$
00,00 \$	100,00 \$	



INDEPENDENT AUDITOR'S REPORT

To the Minister for Industrial Relations

Opinion

In my opinion, the financial statements of Comcare (the Entity) for the year ended 30 June 2021:

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2021 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2021 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of comprehensive income;
- Statement of financial position;
- Statement of changes in equity;
- Cash flow statement;
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chief Executive Officer is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under the Act. The Chief Executive Officer is also responsible for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

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Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit 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 the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Peter Kerr
Executive Director
Delegate of the Auditor-General

Canberra

16 September 2021

COMCARE FINANCIAL STATEMENTS

for the year ended 30 June 2021

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- Statement of financial position
- Statement of changes in equity
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Statement by the Accountable Authority and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2021 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

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 fall due.



Susan Weston
Accountable Authority and Chief Executive Officer
16 September 2021



Seyhan Aka
Chief Financial Officer
16 September 2021

Comcare Statement of comprehensive income

for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	2021 Original Budget \$'000
Net cost of services				
Expenses				
Employee benefits	1.1A	70,019	67,146	72,951
Suppliers	1.1B	28,207	25,460	29,175
Depreciation and amortisation	2.2A	12,911	12,208	13,028
Finance costs	1.1C	7,302	3,331	113
Write-downs and impairment of assets	1.1D	2,108	-	-
Losses from asset sales		263	336	-
Workers' compensation claims expense	1.1E	185,740	193,324	177,725
Common law asbestos-related disease claims expense	1.1F	22,154	23,582	25,825
Total expenses		328,704	325,387	318,817
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	206,566	202,526	209,025
Interest	1.2B	8,468	20,315	7,778
Other revenue		1,309	997	629
Total own-source revenue		216,343	223,838	217,432
Gains				
Gains from movement in workers' compensation claims provision	1.2C	88,438	14,312	61,149
Gains from movement in common law asbestos-related disease claims provision	1.2D	420	109,900	50,260
Other gains	1.2E	1,940	-	-
Total gains		90,798	124,212	111,409
Total own-source income		307,141	348,050	328,841

		2021	2020	2021 Original Budget
	Notes	\$'000	\$'000	\$'000
Net (cost of)/contribution by services		(21,563)	22,663	10,024
Revenue from Government	1.2F	51,151	61,191	57,858
Available funding from movement in claims provision	1.2G	(37,635)	(92,899)	(67,882)
Surplus/(Deficit) on continuing operations		(8,047)	(9,045)	-

Other comprehensive income

Items not subject to subsequent reclassification to net cost of services

Changes in asset revaluation reserve (net)		(58)	(145)	-
Total other comprehensive income/(loss)		(58)	(145)	-
Total comprehensive income/(loss)		(8,105)	(9,190)	-

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

Budget variances commentary	Note ref.
The amount at write-off and impairment of assets relates to internally developed software written off in line with the cloud first approach to digital transformation as part of Comcare's ICT Strategy.	1.1D
Gains from movement in workers' compensation claims provision were higher than budget due to a reduction in provisions, as valued by Comcare's independent actuary.	1.2C
Gains from movement in common law asbestos-related disease claims provision were lower than budget due to a reduction in the claims provision, as valued by Comcare's independent actuary.	1.2D
The decrease in the workers' compensation claims provision and common law asbestos-related disease claims provision was less than budget.	1.2G

Comcare Statement of financial position

as at 30 June 2021

	Notes	2021 \$'000	2020 \$'000	2021 Original Budget \$'000
Assets				
Financial assets				
Cash and cash equivalents	2.1A	943,772	986,576	941,809
Trade and other receivables	2.1B	2,192,977	2,236,080	2,168,201
Other financial assets	2.1C	5,218	5,533	5,532
Total financial assets		3,141,967	3,228,189	3,115,542
Non-financial assets¹				
Buildings	2.2A	14,219	17,617	15,084
Plant and equipment	2.2A	3,309	4,845	3,492
Computer software	2.2A	7,553	8,228	13,013
Other non-financial assets	2.2B	1,446	1,382	1,382
Total non-financial assets		26,527	32,072	32,971
Total assets		3,168,494	3,260,261	3,148,513
Liabilities				
Payables				
Suppliers	2.3A	348,430	338,644	338,644
Workers' compensation claims payable	2.3B	6,932	8,010	8,010
Other payables	2.3C	2,932	2,561	1,385
Total payables		358,294	349,215	348,039
Interest bearing liabilities				
Leases	2.4A	12,030	12,879	12,539
Total interest bearing liabilities		12,030	12,879	12,539

	Notes	2021 \$'000	2020 \$'000	2021 Original Budget \$'000
Provisions				
Employee provisions	4.1	19,133	19,435	20,612
Workers' compensation claims	2.5A, D, E, F	1,938,946	2,029,215	1,968,065
Common law asbestos-related disease claims	2.5B, G	830,200	829,640	779,380
Other provisions	2.5C	789	2,669	2,670
Total provisions		2,789,068	2,880,959	2,770,727
Total liabilities		3,159,392	3,243,053	3,131,305
Net assets		9,102	17,208	17,208
Equity				
Contributed equity		7,717	7,717	7,717
Reserves		3,479	4,025	4,025
Retained surplus		(2,094)	5,466	5,466
Total equity		9,102	17,208	17,208

¹ Right-of-use assets include Buildings, and Plant and Equipment.

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

Budget variances commentary	Note ref.
Computer software assets were lower than budget due to delays in capital projects during the year.	2.2A
The workers' compensation claims provision was lower than budget due to changes in economic assumptions and the removal of an adjustment included in the previous valuation for uncertainty due to COVID-19 which had increased the risk margin by 1.5 per cent.	2.5A, D, E, F
The common law asbestos-related disease claims provision was higher than budget due to changes in economic assumptions.	2.5B, G

Comcare Statement of changes in equity

for the period ended 30 June 2021

	Retained earnings		Asset revaluation surplus		Contributed equity		Total equity	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Opening balance carried forward from the previous period	5,466	11,122	4,025	4,141	7,717	7,717	17,208	22,980
Adjustment on initial application of AASB 16	-	3,418	-	-	-	-	-	3,418
Adjusted opening balance	5,466	14,540	4,025	4,141	7,717	7,717	17,208	26,398
Comprehensive income								
Surplus/(Deficit) for the period	(8,047)	(9,045)	-	-	-	-	(8,047)	(9,045)
Revaluation adjustment	487	(29)	(546)	(116)	-	-	(59)	(145)
Total comprehensive income/(loss)	(7,560)	(9,074)	(546)	(116)	-	-	(8,106)	(9,190)
Closing balance as at 30 June	(2,094)	5,466	3,479	4,025	7,717	7,717	9,102	17,208

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

Budget variance commentary

Comcare's equity was lower than budget due to the net loss from operations in 2020-21.

Comcare Cash flow statement

for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	2021 Original Budget \$'000
Operating activities				
Cash received				
Sales of goods and rendering of services		38,421	38,333	39,702
Receipts from Government		57,858	66,307	57,858
Interest		9,786	25,078	7,778
Workers' compensation premiums		167,395	163,348	169,952
GST received from customers		16,646	16,626	17,365
Other		1,309	996	-
Total cash received		291,415	310,688	292,655
Cash used				
Employees		69,945	65,102	72,951
GST paid to suppliers		5,924	6,138	6,848
Net GST paid		10,719	10,462	10,517
Suppliers		27,572	26,792	29,176
Interest payments on lease liabilities		93	149	113
Workers' compensation claims		187,171	185,703	177,725
Common law asbestos-related disease claims		22,154	23,582	25,825
Total cash used		323,577	317,928	323,155
Net cash from/(used by) operating activities	3.1	(32,162)	(7,240)	(30,500)

		2021	2020	2021 Original
	Notes	\$'000	\$'000	Budget
				\$'000
Investing activities				
Cash used				
Purchase of property, plant and equipment	A1	3,478	4,666	7,816
Total cash used		3,478	4,666	7,816
Net cash from/(used by) investing activities		(3,478)	(4,666)	(7,816)
Financing activities				
Cash used				
Principal payments of lease liabilities		7,164	6,606	6,451
Total cash used		7,164	6,606	6,451
Net cash from/(used by) financing activities		(7,164)	(6,606)	(6,451)
Net increase/(decrease) in cash held		(42,804)	(18,512)	(44,767)
Cash and cash equivalents at the beginning of the reporting period		986,576	1,005,088	986,576
Cash and cash equivalents at the end of the reporting period	2.1A	943,772	986,576	941,809

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

Budget variance commentary	Note ref.
Purchase of property plant and equipment was less than budget due to delays in delivering capital projects.	A1

Overview

Objectives of Comcare

Comcare is an Australian Government controlled entity. It is a not-for-profit entity. Comcare is a work health and safety regulator, a scheme administrator and an insurer and claims manager. Comcare also has enabling roles, focused on the capability and capacity of its own workforce and on supporting engagement and better practice approaches to health and safety across its scheme.

Comcare also provides support through expert advice and services to the Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority). The cost of services is published in the Seacare Authority financial statements under the statement of comprehensive income with further detail in Note 1.1.

Comcare is structured to meet the following outcome:

Outcome 1: Promote and enable safe and healthy work.

The basis of preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*
- b) 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 in accordance with the historical cost convention, except for certain assets and liabilities reported 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.

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.

The following new, revised, amending standards and/or interpretations were issued by the Australian Accounting Standards Board prior to the signing of the Statement by the Accountable Authority and Chief Financial Officer, which are expected to have a material impact on Comcare's financial statements for future reporting periods.

Standard/Interpretation	Application date for Comcare ¹	Nature of impending change/s in accounting policy and likely impact on initial application
AASB 17 <i>Insurance Contracts</i>	1 January 2023	AASB 17 is the first international accounting standard for insurance. It will replace the three standards: AASB 4 <i>Definition of Insurance</i> , AASB 1023 <i>General Insurance</i> and AASB 1038 <i>Life Insurance</i> .

The likely impact is not yet reasonably estimable.

¹ Comcare's expected initial application date is when the accounting standard becomes operative at the beginning of Comcare's reporting period.

All other new, revised or amending standards, or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods are not expected to have a future material impact on Comcare's financial statements.

Taxation

Comcare is exempt from all forms of taxation except Fringe Benefits Tax and the Goods and Services Tax.

Significant accounting judgements and estimates

Comcare's compensation schemes exhibit many of the characteristics of an insurance business. Comcare's statutory relationship with its customers and the Commonwealth is not of the nature of an insurance contract as defined under AASB 1023 *General Insurance Contracts*. Comcare regards the application of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* in the valuation of its claims provisions as more appropriate.

The valuation of workers' compensation claims liabilities and common law asbestos-related disease claims liabilities was undertaken as at 30 June 2021 by independent consulting actuaries, Taylor Fry Pty Ltd (Taylor Fry).

The provisions represent an estimate of the present value of future payments in respect of claims for events occurring before 30 June 2021 with a 75 per cent probability of sufficiency. The estimated cost of claims includes direct expenses to be incurred in settling claims. The expected value of recoveries from third parties is included in Trade and Other Receivables.

Comcare takes all reasonable steps to ensure it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing the claims provisions, it is likely the final outcome will prove to be different from the original liability established.

Many sources of uncertainty exist when estimating a “long tail” provision. There are some general sources of uncertainty and these arise from:

- > the actuarial models and methods which may not exactly match the underlying claims process
- > past claim fluctuations which may create uncertainty in selecting model parameters
- > unavailable data or undetected errors in data which may result in inappropriate parameters being selected
- > future economic and environmental conditions which may be different to those assumed
- > future claim fluctuations, resulting in uncertainty of the projected liability, even if the model and its parameters were perfect.

Principles of accounting for workers’ compensation claims

Comcare manages workers’ compensation claims for Commonwealth employees and some employees of the ACT Government under the Safety, Rehabilitation and Compensation Act 1988 (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. These amounts are calculated using a system and methodology developed by an independent actuary and are intended to fully cover all liabilities incurred over the life of these claims.

All premiums are charged in advance for the full financial year. There are no unearned premiums or deferred acquisition costs at the end of the financial year. Changes to premiums arising from wage and salary adjustments are recognised in the year amounts become payable or receivable.

Pre-premium claims are funded by parliamentary special appropriations on an emerging cost basis.

In accordance with section 128A of the SRC Act, Comcare’s liability under the SRC Act in respect of any injury, loss or damage suffered before 1 July 1989 by an employee of a Commonwealth authority listed in section 128A(4) must be discharged by the authority.

Claims provisions

The valuation of workers’ compensation claims liabilities and common law asbestos-related disease claims liabilities was undertaken as at 30 June 2021 by independent consulting actuaries, Taylor Fry.

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
- > 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 free rate. The expected future payments include claims reported but not yet paid, claims incurred but not reported 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.

Workers' compensation claims provisions

There are specific sources of uncertainty arising from the nature of the schemes and the data. Allowance is made, however, for changes or uncertainties which may create distortions in the underlying statistics or which might cause the future cost of claims to increase or decrease when compared with the past cost of claims, including:

- > trends in long-term weekly income replacement benefit and medical cost continuance rates
- > the longer lag times between injury and claim relative to other workers' compensation schemes
- > movements in industry benchmarks
- > changes in service delivery 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
- > medical and technological developments.

The injury profile within the schemes creates dynamic expenditure patterns. Typically injuries can be of an immediate and short-term duration as well as those which are more permanent resulting in long-term entitlements. Historically, the expenditure trend does concentrate earlier (the discounted mean term of the liabilities is approximately eight years). However, the provisions have a long tail element where payments are expected to be made for the next 50 or more years.

For the purpose of estimating the workers' compensation provisions Taylor Fry considers the varying types of benefits. These include the following:

- > incapacity payments, split between short-term and long-term payments
- > medical and rehabilitation expenses
- > legal expenses
- > other costs, including permanent impairment, non-economic loss payments, death, common law and other payments.

In calculating the estimated cost of future workers' compensation claims, Taylor Fry uses a variety of estimation techniques, generally based on statistical analysis of historical experience, which assumes that the development pattern of the current and future claims will be consistent with past experience.

The sensitivity analysis shown below attempts to quantify some of the significant uncertainty around the valuation estimates. It is not intended to be comprehensive and uncertainty remains in other areas. It shows that, notwithstanding the substantial downward adjustment in the liability as a result of changes in the assumptions for valuations, the risk of over or underestimating the liability remains. At the same time, these results show there is room for further decline in expenditure under assumptions that would not be unreasonable given recent experience.

Premium business

The value of the provision for premium claims liability has reduced by \$62 million in 2020–21 (\$44 million increase in 2019–20).

Changes to premium claims liability	\$' million
Opening balance of gross liability as at 1 July 2020	1,715
Roll forward to 30 June 2021 valuation date	(35)
Projected gross liability as at 30 June 2020	1,680
Changes in economic assumptions	(1)
Number of active incapacity and/or medical claims less than forecast	9
Number of new claimants receiving incapacity and/or medical payments	19
Shorter-term continuance rates	(27)
Longer-term continuance rates, including effect of retirement	(15)
Assumed average quarterly payments	11
Changes in claims administration expenses	18
Remove temporary adjustment to the central estimate for COVID-19	(19)
Change in risk margin	(22)
Closing balance of gross liability as at 30 June 2021	<u>1,653</u>

Commonwealth latent mental disease claims

Comcare carried out analysis of data in relation to latent mental disease claims and has recognised a separate provision for liability arising from constructive obligations existing before the date of injury, but after the date of exposure to the cause of injury. This accounting practice recognises the liability before Comcare's legal obligation to provide compensation under the SRC Act. The additional liability cannot be funded from premiums until the year in which the resulting injuries occur.

Premium business sensitivity analysis

As the workers' compensation provisions are subject to a variety of assumptions, it is considered prudent to disclose what could be the sensitivities of the significant assumptions. In its report, Taylor Fry has provided the following information regarding areas of uncertainty and key risks.

1. Longer-term continuance rates

The valuation estimate is extremely sensitive to the assumed longer-term continuance rates (for claims of 15 or more years since injury). Past longer-term continuance rates have shown considerable variability from year to year and estimates of future longer-term continuance rates are highly uncertain. If continuance rates for incapacity and medical payments were to reach levels 0.5 per cent higher than those assumed for this valuation the central estimate of the liability would increase by around \$95 million. However, if experience were to move in the opposite direction by the same amount, then the liability would decrease by around \$76 million.

2. Shorter-term continuance rates

The liability estimate is highly sensitive to forecast short term continuance rates (for claims of less than 15 years since injury). In the past there has been considerable quarterly variation in short term continuance rates, increasing the uncertainty of estimates. If short term continuance rates on both incapacity and medical payments were to reach levels 0.5 per cent higher than forecast, then the central estimate of liability would increase by around \$91 million. However, if experience was 0.5 per cent lower than forecast, the central estimate of liability would decrease by \$79 million. Both these scenarios can be considered moderate variations in continuance rate assumptions given the historical variability in continuance rates.

3. Unit administration expenses increasing slightly

Administration expenses per service unit have increased during 2020–21 due to fewer open claims and fewer claims reports. A future cost per weighted service unit equal to the historical average has been assumed. If the cost per weighted service unit were to continue increasing, the liability estimate would increase by \$54 million.

Estimation uncertainty

The illustrative alternative valuation assumptions considered in the analysis are intended to provide some indication as to the relative sensitivity of the provision estimate to changes in some of the assumptions used. The range of the values considered in this analysis should not be considered as necessarily presenting a “reasonable” range of possible outcomes.

It should also be noted that the analysis considers the impact of changes in each factor in isolation. In reality, several factors might vary at the same time. Hence the combined effect of several variations from the assumptions could be significantly greater than the variation indicated for each factor in isolation. No reliance should be placed on this analysis in regard to the level of uncertainty in the estimates. This has been modelled and quantified separately by Taylor Fry in arriving at a provision for premium and pre-premium claims liabilities. A 13 per cent risk margin has been applied to the central estimate for premium claims liabilities and 16.5 per cent for pre-premium claims liabilities, which gives an intended 75 per cent probability of sufficiency. The risk margins and probability of sufficiency remain unchanged from 2019-20.

COVID-19

In the previous year's valuation, Taylor Fry's assessed additional uncertainty as a result of the COVID-19 pandemic. To account for this uncertainty, Comcare included a temporary adjustment of \$20.2 million to the central estimate and an increase the risk margin by 1.5 per cent.

Through 2020–21, there was little to no observable impact of COVID-19 on the factors that might put pressure on the liability. There is no need for continuing uncertain measures in the liability and Comcare has accepted Taylor Fry's recommendation for their removal.

Economic assumptions

This provision is sensitive to interest rate and inflation assumption changes as Taylor Fry calculates the future cash flows and then discounts these future values to the present value using the discount rate. The level of the discount rate, while not affecting the projected future cash flows themselves, will alter the present value assigned to those cash flows, and hence the estimate of the liability.

Common law asbestos-related disease claims

The estimated cost of asbestos-related disease claims is by its nature highly uncertain. In projecting future events which may not occur for 40 to 50 years the actuary is extrapolating disease incidence numbers many years beyond the data from which the projection models have been calibrated. Further, in projecting the future cost of compensation in a common law system the actuary needs to consider the potential for the claims and litigation environment to change.

The outlook for future compensation costs for asbestos litigation in general and for Comcare's liabilities in particular contains a great number of uncertainties in relation to factors such as:

- > the number of diagnosed incidences of asbestos-related diseases
- > the proportion of cases being compensated
- > medical diagnostic and treatment improvements
- > the litigation environment, including legal precedents and court procedures
- > the cost per claim and the contribution from co-defendants.

Sensitivity analysis performed by Taylor Fry indicates that the net central estimate liability, including expenses, may vary by approximately -\$92 million to +\$70 million (i.e. -18 per cent to +14 per cent) as a result of some plausible changes in the valuation basis. This analysis illustrates the uncertainty inherent in the projections. It is possible a number of these changes could occur simultaneously, resulting in even larger changes. Each of the scenarios in the sensitivity analysis lies within the selected risk margin (which is 40 per cent of the central estimate).

Disclosure of funding for Comcare

Premium Business

Premium business refers to workers' compensation claims resulting from injuries occurring on or after 1 July 1989.

In accordance with section 97A of the SRC Act, Comcare calculates premiums to be charged for each financial year based on the expected costs for claims when the date of injury, as defined in the SRC Act, is in that year. The calculation of the Comcare premium pool takes into account actual and notional interest expected to be earned on the premium funds collected.

Prior to being repealed (effective 1 July 2002), subsection 90A 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 after 1 July 1989. As at 30 June 2021 the notional balance of these funds was \$1,596.2 million (2020: \$1,595.2 million). This appropriation is only payable to Comcare after it has exhausted all of its retained funds. Premiums received from 1 July 2002 are retained by Comcare.

The funds held with the Australian Government earned notional interest of \$1.0 million in 2020-21 (2020: \$8.0 million) calculated as part of the requirements of section 90C of the SRC Act. This interest was added to the balance of the notional reserve as at 30 June 2021. The interest rate is calculated under the determination made by the Finance Minister made under section 90C(3).

Independent actuarial assessment has established the estimated liability for the premium business claims as at 30 June 2021 is \$1,652.8 million (2020: \$1,715.0 million).

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

	Note	2021 \$'000	2020 \$'000
Net premiums held in the Commonwealth Consolidated Revenue Fund ¹		1,596,198	1,595,232
Cash and cash equivalents		531,486	584,709
Actuary assessed third party recoveries		7,154	6,985
Actuary assessed gross outstanding liability for payment of premium related claims ²	2.5D	(1,652,846)	(1,714,981)
Surplus funds in excess of claims liabilities		481,992	471,945

¹ \$1,125.5m has been recognised as a receivable from the Commonwealth Consolidated Revenue Fund as at 30 June 2021 (2020: \$1,134.7 million).

² Excludes \$11.3 million for additional latent mental disease claims where the date of injury as defined in the SRC Act is after balance date. Refer to Note 2.5E for Commonwealth latent mental disease claims provision.

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. Independent actuarial assessment has established the outstanding liability estimate for these claims as at 30 June 2021 is \$274.8 million (2020: \$302.8 million).

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

	Note	2021 \$'000	2020 \$'000
Special appropriation receivable		290,089	321,109
Cash and cash equivalents		(15,289)	(18,325)
Actuary assessed gross outstanding liability for payment of pre-premium related claims	2.5F	(274,800)	(302,784)
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. Independent actuarial assessment has established the outstanding liability estimate for these claims as at 30 June 2021 is \$830.2 million (2020: \$829.6 million).

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

	Note	2021 \$'000	2020 \$'000
Special appropriation receivable		634,090	638,181
Cash and cash equivalents		65,630	61,959
Actuary assessed third party recoveries		130,480	129,500
Actuary assessed gross outstanding liability for payment of asbestos-related claims	2.5G	(830,200)	(829,640)
Surplus funds in excess of claims liabilities		-	-

Events after the reporting period

There was no subsequent event that has the potential to significantly affect the ongoing structure and financial activities of Comcare.

Departmental financial performance

This section analyses the financial performance of Comcare for the year ended 30 June 2021

	2021	2020
	\$'000	\$'000

Note 1.1: Expenses

1.1A Employee benefits		
Wages and salaries	53,417	50,142
Superannuation		
Defined contribution plans	7,642	6,729
Defined benefit plans	1,696	2,689
Leave and other entitlements	5,568	6,552
Separation and redundancies	1,364	538
Other	332	496
Total employee benefits	70,019	67,146

Accounting policy

Accounting policies for employee related expenses are contained in the 'People and relationships' section.

1.1B Suppliers		
Goods and services supplied or rendered		
Consultants	567	1,301
Legal expenses	2,625	2,480
Contractors	3,962	3,730
Fees for professional services	5,988	4,191
External claims services	2,521	2,135
Education and conference delivery	104	239
Information communication technology	6,490	5,537
Property services	1,615	1,335
Travel	209	1,168
Other	3,112	2,460
Total goods and services supplied or rendered	27,193	24,576

	2021 \$'000	2020 \$'000
Goods supplied	213	353
Services rendered	26,980	24,223
Total goods and services supplied or rendered	27,193	24,576
Other suppliers		
Workers' compensation expenses	1,014	861
Short-term leases	-	23
Total other suppliers	1,014	884
Total suppliers	28,207	25,460

Comcare has no short-term lease commitments as at 30 June 2021.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1C, 2.2A and 2.4A.

Accounting policy

Short-term leases and leases of low-value assets

Comcare has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). Comcare recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.1C Finance costs

Interest on lease liabilities	93	149
Unwinding of discount	1	23
Interest expense	7,208	3,159
Total finance costs	7,302	3,331

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 2.2A and 2.4A.

Accounting policy

All borrowing costs are expensed as incurred.

	2021 \$'000	2020 \$'000
1.1D Write-downs and impairment of assets		
Impairment of intangible assets	2,108	-
Total write-downs and impairment of assets	2,108	-
1.1E Workers' compensation claims expense		
Workers' compensation claims expenses paid and payable (net)	185,740	193,324
Total workers' compensation claims expense	185,740	193,324
Premium claims expense		
Incapacity	110,901	103,700
Legal including common law	16,760	20,388
Medical, travel and other	44,352	45,089
	172,013	169,177
(Less): Recoveries from third parties	(1,466)	(1,100)
Total premium claims expense	170,547	168,077
Pre-premium claims expense		
Incapacity	3,668	9,530
Legal, including common law	666	941
Medical, travel and other	10,874	14,776
	15,208	25,247
(Less): Recoveries from third parties	(15)	-
Total pre-premium claims expense	15,193	25,247
1.1F Common law asbestos-related disease claims expense		
Common law asbestos-related disease claim payment	22,154	23,582
Total common law asbestos-related disease claims expense	22,154	23,582

Note 1.2: Own-source revenue and gains

Own-source revenue

1.2A Revenue from contracts with customers

Rendering of services	206,566	202,526
Total revenue from contracts with customers	206,566	202,526

Disaggregation of revenue from contracts with customers

Major service:

Premium

Australian Government entities (related parties)	164,259	159,889
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External entities	3,136	3,459
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Regulatory contribution	18,651	19,161
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Licence fees	18,201	17,248
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Other	2,319	2,769
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206,566	202,526
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Accounting policy

Comcare recognises revenue at an amount that reflects the consideration entitled in exchange for transferring goods or services to a customer.

Where a contract is assessed to have specific, enforceable performance obligations, Comcare recognises income if those obligations are satisfied, either: at a point in time where the ownership or control of the goods or services is passed to the customer at the specific time; or progressively over the period covered.

The following is a description of principal activities from which Comcare generates its revenue:

- > The main source of Comcare's revenue is the premiums to cover workers' compensation claims under the SRC Act. Premiums are charged in advance for the full financial year and revenue is recognised progressively over the period covered. Changes to premiums arising from wage and salary adjustments are recognised in the year these amounts become payable or receivable.
- > Comcare also collects regulatory contributions and self-insurance licence fees on an estimated cost recovery basis. Revenue is recognised over the period covered. In addition, licence application fees are also payable by entities that apply for a licence to be granted by the SRCC. The application fees are recognised once the application has been assessed and processed by Comcare.

The transaction price is the total amount of consideration to which Comcare expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

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

	2021 \$'000	2020 \$'000
1.2B Interest		
On deposit	8,468	20,315
Total interest	8,468	20,315

Accounting policy

Interest revenue is recognised using the effective interest method.

1.2C Gains from the movement in workers' compensation claims provision		
Gains from the movement in workers' compensation claims provision	88,438	14,312
Total gains from the movement in workers' compensation claims provision	88,438	14,313
Gains/(Losses) from the movement in premium claims provision		
Movements during reporting period:		
Premium claims provision	60,436	(27,182)
Recoveries receivable	169	985
Total gains/(losses) from the movement in premium claims provision	60,605	(26,197)
Gains/(Losses) from the movement in Commonwealth latent mental disease claims provision		
Movements during reporting period:		
Commonwealth latent mental disease claims provision	(150)	(150)
Total gains/(losses) from the movement in Commonwealth latent mental disease claims provision	(150)	(150)

	2021 \$'000	2020 \$'000
Gains/(Losses) from the movement in pre-premium claims provision		
Movements during reporting period:		
Pre-premium claims provision	27,983	40,659
Total gains/(losses) from the movement in pre-premium claims provision	27,983	40,659
1.2D Gains/(losses) from the movement in common law asbestos-related disease claims provision		
Movements during reporting period:		
Asbestos claims provision	(560)	107,240
Recoveries receivable	980	2,660
Total gains/(losses) from the movement in common law asbestos-related disease claims provision	420	109,900
1.2E Other gains		
Gains arising from derecognition of make good	1,940	-
Total other gains	1,940	-
1.2F Revenue from Government		
Attorney-General's Department		
Corporate Commonwealth entity payment item	5,870	5,959
Grants from portfolio department	45,281	55,232
Total revenue from Government	51,151	61,191
1.2G Available funding from movement in claims provision		
Available funding from movement in claims provisions	(37,635)	(92,899)
Total available funding from movement in claims provision	(37,635)	(92,899)

Accounting policy

Revenue from Government

Amounts appropriated for departmental appropriations for the financial year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the entity gains control of the appropriation, except for certain amounts which relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

Funding received or receivable from non-corporate Commonwealth entities (appropriated to the non-corporate Commonwealth entity as a corporate Commonwealth entity payment item for payment to this entity) is recognised as Revenue from Government by the corporate Commonwealth entity unless the funding is in the nature of an equity injection or a loan.

Departmental financial position

This section analyses Comcare's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the 'People and relationships' section.

	2021 \$'000	2020 \$'000
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Note 2.1: Financial assets

2.1A Cash and cash equivalents

Cash at bank and on hand	1,239	1,538
Deposits at call	22,533	15,039
Term deposits	920,000	969,999
Total cash and cash equivalents	943,772	986,576

The closing balance of Cash and cash equivalents does not include amounts held in trust: \$1.7 million in 2021 and \$1.7 million in 2020. See note 6.2 Assets held in trust for more information.

Accounting policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand and demand 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.

2.1B Trade and other receivables

Goods and services receivable

Goods and services	1,576	1,834
Total goods and services receivable	1,576	1,834

Appropriations receivable

For existing programs*	2,049,685	2,094,027
Total appropriations receivable	2,049,685	2,094,027

	2021 \$'000	2020 \$'000
Other receivables		
Third party claims recoveries receivable - workers' compensation claims	7,154	6,985
Third party claims recoveries receivable - common law asbestos-related claims	130,480	129,500
Claims recoveries	7,366	6,345
GST receivable from the Australian Taxation Office	692	696
Other	-	1
Total other receivables	145,692	143,527
Total trade and other receivables (gross)	2,196,953	2,239,388
(Less) impairment loss allowance		
Claims recoveries	(3,976)	(3,308)
Total impairment loss allowance	(3,976)	(3,308)
Total trade and other receivables (net)	2,192,977	2,236,080
* The value disclosed is the combined value of the pre-premium special appropriation receivable, asbestos-related disease special appropriation receivable and part of the net premiums held in the Commonwealth Consolidated Revenue Fund as identified in the Overview.		
Trade and other receivables (net) expected to be recovered in:		
No more than 12 months	33,298	39,931
More than 12 months	2,159,679	2,196,149
Total trade and other receivables (net)	2,192,977	2,236,080

Credit terms for goods and services were within 30 days (2020: 30 days).

Accounting policy

Financial assets

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, which are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

Reconciliation of impairment loss allowance

Movements in relation to 2021

	Goods and services \$'000	Other receivables \$'000	Total \$'000
As at 1 July 2020	-	3,308	3,308
Amounts written off	-	(710)	(710)
Increase/(Decrease) recognised in net cost of services	-	1,378	1,378
Total as at 30 June 2021	-	3,976	3,976

Movements in relation to 2020

	Goods and services \$'000	Other receivables \$'000	Total \$'000
As at 1 July 2019	-	2,758	2,758
Amounts written off	-	(942)	(942)
Increase/(Decrease) recognised in net cost of services	-	1,492	1,492
Total as at 30 June 2020	-	3,308	3,308

Accounting policy

AASB 9 uses an 'expected credit loss' (ECL) impairment model which applies to financial assets measured at amortised cost, contract assets and debt instruments measured at fair value through other comprehensive income.

Trade and other receivable assets and contract assets at amortised cost are assessed for impairment at the end of each reporting period. The simplified approach has been adopted in measuring the impairment loss allowance at an amount equal to lifetime ECL.

2.1C Other financial assets

Interest accrued	1,969	3,287
Revenue accrued	3,249	2,246
Total other financial assets	5,218	5,533
Other financial assets expected to be recovered		
No more than 12 months	5,218	5,533
Total other financial assets	5,218	5,533

Note 2.2: Non-financial assets

2.2A Reconciliation of the opening and closing balances of property, plant and equipment and intangibles (2021)

	Buildings \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
As at 1 July 2020				
Gross book value	47,585	8,902	24,050	80,537
Accumulated depreciation/amortisation	(29,968)	(4,057)	(15,822)	(49,847)
Total as at 1 July 2020	17,617	4,845	8,228	30,690
Additions:				
By purchase	48	551	388	987
By internally developed	-	-	2,456	2,456
Right-of-use assets	6,209	21	-	6,230
Depreciation and amortisation expense	(2,346)	(1,928)	(1,411)	(5,685)
Depreciation on right-of-use assets	(7,126)	(100)	-	(7,226)
Impairment recognised in net cost of services	-	-	(2,108)	(2,108)
Disposals:				
Cost of assets disposed	(3,501)	(1,220)	(63)	(4,784)
Add write back of depreciation on disposals	3,318	1,140	63	4,521
Net asset disposals	(183)	(80)	-	(263)
Net book value 30 June 2021	14,219	3,309	7,553	25,081
Net book value 30 June 2021 represented by:				
Gross book value	50,341	8,254	24,723	83,318
Accumulated depreciation/amortisation	(36,122)	(4,945)	(17,170)	(58,237)
Net book value 30 June 2021	14,219	3,309	7,553	25,081

Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated below. On 30 June 2019, an independent valuer, CBRE Valuations Pty Ltd, conducted the revaluations.

Reconciliation of the opening and closing balances of property, plant and equipment and intangibles (2020)

	Buildings \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
As at 1 July 2019				
Gross book value	27,755	7,464	23,299	58,518
Accumulated depreciation/amortisation	(20,406)	(2,777)	(16,841)	(40,024)
Total as at 1 July 2019	7,349	4,687	6,458	18,494
Recognition of right of use asset on initial application	18,114	-	-	18,114
Adjusted total as at 1 July 2019	25,463	4,687	6,458	36,608
Additions:				
By purchase	70	1,569	-	1,639
By internally developed	-	-	2,977	2,977
Right-of-use assets	1,719	293	-	2,012
Depreciation and amortisation expense	(2,806)	(1,601)	(951)	(5,358)
Depreciation on right-of-use assets	(6,829)	(22)	-	(6,851)
Disposals:				
Cost of assets disposed	(73)	(424)	(2,226)	(2,723)
Add write back of depreciation on disposals	73	343	1,970	2,386
Net asset disposals	-	(81)	(256)	(337)
Net book value 30 June 2020	17,617	4,845	8,228	30,690
Net book value 30 June 2020 represented by:				
Gross book value	47,585	8,902	24,050	80,537
Accumulated depreciation/amortisation	(29,968)	(4,057)	(15,822)	(49,847)
Net book value 30 June 2020	17,617	4,845	8,228	30,690

Accounting policy

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 income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they are recognised in the transferor's accounts, immediately prior to the restructuring.

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than where these items 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 'make good' provisions in property leases taken up by Comcare where there exists an 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 'make good' recognised.

Leased right-of-use (ROU) assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16 Comcare has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, GGS and Whole of Government financial statements.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from 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 by class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/(deficit). Revaluation decrements for a class of assets are recognised directly in the surplus/(deficit) except to the extent that these amounts reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written off to their estimated residual values over their estimated useful lives to Comcare using, in all cases, 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:

	2021	2020
Office machines and equipment	2 to 10 years	2 to 10 years
Leasehold improvements	Lease term	Lease term

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All assets were assessed for impairment at 30 June 2021 by qualified Comcare officers. 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 of disposal 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 was deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

Comcare's intangibles comprise purchased software and internally developed software with an initial cost of \$30,000 or more. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life of between 3 to 15 years (2020: 3 to 15 years).

All software assets were assessed by qualified Comcare officers for indications of impairment as at 30 June 2021.

	2021 \$'000	2020 \$'000
2.2B Other non-financial assets		
Prepayments	1,446	1,382
Total other non-financial assets	1,446	1,382
Other non-financial assets are expected to be recovered in:		
No more than 12 months	1,401	1,320
More than 12 months	45	62
Total other non-financial assets	1,446	1,382

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

Note 2.3: Payables

2.3A Suppliers		
Trade creditors and accruals	348,430	338,644
Total supplier payables	348,430	338,644
Suppliers expected to be settled in:		
No more than 12 months	348,430	338,644
Total suppliers expected to be settled	348,430	338,644
Settlement is usually made within 30 days (2020: 30 days).		
2.3B Workers' compensation claims payable	6,932	8,010
Workers' compensation claims payable expected to be settled in:		
No more than 12 months	6,932	8,010
Total workers' compensation claims payable	6,932	8,010

	2021 \$'000	2020 \$'000
2.3C Other payables		
Income in advance	724	727
Salaries and wages	1,224	1,031
Superannuation	186	146
Other	798	657
Total other payables	2,932	2,561
Other payables expected to be settled in:		
No more than 12 months	2,677	2,306
More than 12 months	255	255
Total other payables	2,932	2,561

Note 2.4: Interest bearing liabilities

2.4A Leases		
Lease liabilities	12,030	12,879
Total leases	12,030	12,879

Total cash outflow for leases for the year ended 30 June 2021 was \$7,257,224. (2020: \$6,754,772).

Maturity analysis - contractual undiscounted cash flows

Within 1 year	7,164	6,603
Between 1 to 5 years	5,465	7,082
Total leases	12,629	13,685

Office accommodation

Comcare in its capacity as lessee has ten leases for office accommodation. The remaining non-cancellable term of the lease ranges from less than one year and up to six years. Some leases contain an option to extend the lease for a further term. This is not included in the right-of-use asset and lease liability as Comcare is not reasonably certain of exercising the option.

Lease of vehicles

Comcare in its capacity as lessee has ten vehicle leases. The non-cancellable term of these leases is three years with no options to extend.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 1.1C and 2.2A.

Accounting policy

Leases

For all new contracts entered into, Comcare considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or otherwise the department's incremental borrowing rate is used.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

	Notes	2021 \$'000	2020 \$'000
Note 2.5: Provisions			
2.5A Workers' compensation claims			
Premium claims	2.5D	1,652,846	1,714,981
Commonwealth latent mental disease claims	2.5E	11,300	11,450
Pre-premium claims	2.5F	274,800	302,784
Total workers' compensation claims		1,938,946	2,029,215
Workers' compensation claims expected to be settled in:			
No more than 12 months		242,449	242,500
More than 12 months		1,696,497	1,786,715
Total workers' compensation claims		1,938,946	2,029,215
2.5B Common law asbestos-related disease claims	2.5G	830,200	829,640
Common law asbestos-related disease claims expected to be settled in:			
No more than 12 months		54,460	51,940
More than 12 months		775,740	777,700
Total common law asbestos-related disease claims		830,200	829,640
2.5C Other provisions			
Provision for restoration obligations		789	2,669
Total other provisions		789	2,669

	2021 \$'000	2020 \$'000
Other provisions expected to be settled in:		
No more than 12 months	163	483
More than 12 months	626	2,186
Total other provisions	789	2,669
Provision for restoration obligations reconciliation		
Carrying amount 1 July	2,669	2,501
Additional provisions made	-	-
Amount used	-	(1)
Adjustment in provision as a result of revaluation	59	146
Derecognition	(1,940)	-
Unwinding of discount	1	23
Closing balance as at 30 June	789	2,669

Comcare currently has four (2020: five) agreements for the leasing of premises which have provisions requiring Comcare to restore the premises to their original condition at the conclusion of the lease. Comcare has made a provision to reflect the present value of this obligation.

2.5D Provision for premium claims

Carrying amount at 1 July	1,714,981	1,671,200
Increase/(Decrease) in provisions made during the year	124,612	219,958
Claims payments made during the year	(170,547)	(168,077)
Unwinding of discount	3,500	16,200
Change in discount rate	(43,100)	59,100
Change in inflation rate	45,300	(105,900)
Increase/(Decrease) in risk margin	(21,900)	22,500
Closing balance at 30 June*	1,652,846	1,714,981

* Refer to the Overview for disclosure of the funding available to Comcare to meet this liability.

The valuation of premium claims liabilities was undertaken as at 30 June 2021 by an independent firm of consulting actuaries, Taylor Fry. Taylor Fry has stated that its valuation complies with actuarial Professional Standard PS302 *Valuations of General Insurance Claims*.

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 with an intended 75 per cent probability of sufficiency. The estimate for third party recoveries is included in trade and other receivables. Refer to Note 2.1B.

The following assumptions have been made in determining the provision amount.

Economic assumptions	2021	2020
Medical payments inflation	3.80% to 4.60%	3.28% to 4.60%
Other payments inflation	0.08% to 3.20%	0.42% to 3.20%
Discount rate	-0.01% to 4.00%	0.21% to 4.00%

Premium business liability assumptions	2021	2020
Claim frequency	0.52%	0.58%
Third party recoveries	0.8%	0.5%
Claims administration expenses	19.3%	18.0%
Average claim size	\$129,884	\$109,911

	2021	2020
	\$'000	\$'000
2.5E Provision for Commonwealth latent mental disease claims		
Carrying amount at 1 July	11,450	11,300
Increase/(Decrease) in provisions made during the year	50	150
Claims payments made during the year	-	-
Unwinding of discount	-	100
Change in discount rate	(300)	400
Change in inflation rate	300	(700)
Increase/(Decrease) in risk margin	(200)	200
Closing balance at 30 June*	11,300	11,450

* Refer to the Overview for disclosure of the funding available to Comcare to meet this liability.

The valuation of Commonwealth latent mental disease claims liabilities was undertaken as at 30 June 2021 by an independent firm of consulting actuaries, Taylor Fry. Taylor Fry has stated that its valuation complies with actuarial Professional Standard PS302 *Valuations of General Insurance Claims*.

The provision represents an actuarial assessment of the expected payments to be made in future by Comcare in relation to latent mental disease claims for which the date of injury as defined in the SRC Act is after balance date.

The provision is recognised on a gross basis with an intended 75 per cent probability of sufficiency.

	2021 \$'000	2020 \$'000
2.5F Provision for pre-premium claims		
Carrying amount at 1 July	302,784	343,442
Increase/(Decrease) in provisions made during the year	(1,790)	(19,713)
Claims payments made during the year	(20,294)	(20,145)
Unwinding of discount	600	3,400
Change in discount rate	(8,900)	10,500
Change in inflation rate	2,400	(14,700)
Closing balance at 30 June*	274,800	302,784

* Refer to the Overview for disclosure of the funding available to Comcare to meet this liability.

The valuation of pre-premium claims liabilities was undertaken as at 30 June 2021 by an independent firm of consulting actuaries, Taylor Fry. Taylor Fry has stated that its valuation complies with actuarial Professional Standard PS302 *Valuations of General Insurance Claims*.

The provision for pre-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 prior to 1 July 1989. The provision is recognised on a gross basis with an intended 75 per cent probability of sufficiency.

Economic assumptions used in determining the amount of the provision for pre-premium claims liability are the same as those applied for the premium business.

2.5G Provision for common law asbestos-related disease claims

Carrying amount at 1 July	829,640	936,880
Increase/(Decrease) in provisions made during the year	48,054	(67,278)
Claims payments made during the year	(22,154)	(23,582)
Unwinding of discount	840	8,960
Change in discount and inflation rate	(26,180)	(25,340)
Closing balance at 30 June*	830,200	829,640

* Refer to Overview for disclosure of the funding available to Comcare to meet this liability.

The valuation of common law asbestos-related disease claims liabilities was undertaken as at 30 June 2021 by an independent firm of consulting actuaries, Taylor Fry. Taylor Fry has stated that its valuation complies with actuarial Professional Standard PS302 *Valuations of General Insurance Claims*.

The provision for common law asbestos-related disease claims represents an actuarial assessment of the expected payments to be made in the future by Comcare in relation to common law claims against the Australian Government by individuals seeking compensation as a result of direct or indirect exposure to asbestos. The provision is recognised on a gross basis with an intended 75 per cent probability of sufficiency. The estimate for third party recoveries is included in trade and other receivables. Refer to Note 2.1B.

The following assumptions have been made in determining the provision amount.

Economic assumptions	2021	2020
Wage inflation	0.08% to 3.20%	0.42% to 3.20%
Superimposed inflation	2.00%	2.00%
Discount rate	-0.01% to 4.00%	0.21% to 4.00%

Funding

This section identifies Comcare's funding structure.

2021	2020
\$'000	\$'000

Note 3.1: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per statement of financial position and cash flow statement

Cash and cash equivalents as per

Cash flow statement	943,772	986,576
Statement of financial position	943,772	986,576
Difference	-	-

Reconciliation of net cost of services to net cash from/(used by) operating activities

Net contribution by services	(21,563)	22,663
Revenue from Government	51,151	61,191

Adjustments for non-cash items

Depreciation/Amortisation	12,911	12,208
Net write-down of non-financial assets	2,108	-
Loss on disposal of assets	263	336
Unwinding of discount	1	23
Available funding from movement in claims provision	(37,635)	(92,899)
Lease incentives adjustment on initial application of AASB 16	-	3,418

Movements in assets and liabilities:

Assets

Increase/(Decrease) in net receivables	43,104	94,851
(Increase)/Decrease in accrued revenues	313	4,540
(Increase)/Decrease in prepayments	(64)	296

Liabilities

Increase/(Decrease) in payables	8,230	2,076
Increase/(Decrease) in provisions	(93,832)	(102,307)
(Increase)/Decrease in assets payables	38	52
(Increase)/Decrease in make good provision	1,881	(169)
(Increase)/Decrease in lease liabilities	932	(13,519)

Net cash from/(used by) operating activities	(32,162)	(7,240)
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People and relationships

This section describes a range of employment and post employment benefits provided to our people and our relationship with other key people.

2021	2020
\$'000	\$'000

Note 4.1: Employee provisions

Employee provisions

Leave and other entitlements	19,119	19,235
Separation and redundancy	14	200
Total employee provisions	19,133	19,435

Employee provisions are expected to be settled in:

No more than 12 months	6,658	7,456
More than 12 months	12,475	11,979
Total employee provisions	19,133	19,435

Accounting policy

Liabilities for short-term employee benefits and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provisions for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, 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 has been determined by reference to the work of the Department of Finance's actuarial model as at 30 June 2021. The estimate of the present value of the liability takes into account attrition rates and pay increase through promotion and inflation.

Separation and redundancy

Provision is made for separation and redundancy benefit payments. 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

Employees of Comcare are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or other superannuation funds held outside the Australian Government.

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 in the Department of Finance's administered schedules and notes.

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

The liability for superannuation recognised as at 30 June represents outstanding contributions.

2021	2020
\$'000	\$'000

Note 4.2: Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The entity has determined the key management personnel to be the Portfolio Minister (the Attorney-General and Minister for Industrial Relations), Chief Executive Officer, Chief Operating Officer and General Managers. Key management personnel remuneration is reported in the table below.

Short-term employee benefits ¹	1,824	1,815
Post-employment benefits	302	286
Other long-term benefits	89	43
Total key management personnel remuneration expenses²	2,215	2,144

The total number of key management personnel that is included in the above table is seven (2020: 7).

¹ From 2020–21, short-term employee benefits includes the non-monetary benefit of car parking provision, disclosed at the fringe benefit taxable value. The additional value disclosed for 2019–20 is \$0.019 million (originally \$1.796 million).

² The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by Comcare.

Note 4.3: Related party disclosures

Related party relationships

Comcare is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel including the Portfolio Minister and Executive, and other Australian Government entities.

Transactions with related parties

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

The following transactions with related parties occurred during the financial year:

- > The entity transacts with other Australian Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the payment of workers' compensation and insurance premiums. These are not considered individually significant to warrant separate disclosure as related party transactions.
- > Refer to Note 4.1 Employee provisions for details on superannuation arrangements with the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), and the PSS accumulation plan (PSSap).

Managing uncertainties

Note 5.1: Contingent assets and liabilities

Quantifiable contingencies

As at 30 June 2021 Comcare has no quantifiable contingencies.

Unquantifiable contingencies

As at 30 June 2021 Comcare has no unquantifiable contingencies.

Accounting policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. These amounts 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.

	2021	2020
	\$	\$

Note 5.2: Remuneration of auditors

Financial statement audit services provided to Comcare by KPMG under contract from the Australian National Audit Office	205,000	205,000
Other services provided by KPMG		
Continuous monitoring	92,250	90,000
Annual desk top reviews	34,500	28,750
Financial viability assessment	-	7,500
Total other services provided by KPMG	126,750	126,250

Note 5.3: Financial instruments

5.3A Financial assets

Financial assets at amortised cost

Cash and cash equivalents	943,772	986,576
Receivables for goods and services	1,576	1,834
Other receivables and claims recoveries	3,390	3,037
Other financial assets	5,218	5,533
Total financial assets at amortised cost	953,956	996,980

Total financial assets

953,956	996,980
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Financial liabilities

Financial liabilities measured at amortised cost

Trade creditors	348,430	338,644
Workers' compensation payables	6,932	8,010
Total financial liabilities measured at amortised cost	355,362	346,654

Total financial liabilities

355,362	346,654
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Accounting Policy

Financial assets

In accordance with AASB9 *Financial Instruments*, Comcare classifies its financial assets as financial assets measured at amortised cost. The classification depends on both Comcare's business model for managing the financial assets and the contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon 'trade date'.

Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

1. The financial asset is held in order to collect the contractual cash flows.
2. The cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets measured at fair value through other comprehensive income are held with the objective of both collecting contractual cash flows and selling the financial assets and the cash flows meet the SPPI test.

Any gains or losses as a result of fair value measurement or the recognition of an impairment loss allowance is recognised in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets either don't meet the criteria of financial assets held at amortised cost or at FVOCI (i.e. mandatorily held at FVTPL) or may be designated.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

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.

Financial liabilities at amortised cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

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

	2021 \$'000	2020 \$'000
5.3B Net gains or losses on financial assets		
Financial assets at amortised cost		
Interest revenue	8,468	20,315
Net gains on financial assets at amortised cost	8,468	20,315
Net gains on financial assets	8,468	20,315

5.3C Net gains or losses from financial liabilities

There were no gains or losses from financial liabilities during the year (2020: Nil).

5.3D Credit risk

Comcare is exposed to minimal credit risk as the majority of its financial assets are cash on deposit with banks. The major exposure to credit risk is the risk that arises from the potential default by a bank. This amount is equal to the total amount of cash at bank (2021: \$943.8 million and 2020: \$986.6 million). Comcare's current Investment Policy requires all investments to be placed with a financial institution with a Standard and Poor's rating of at least BBB/Baa. To mitigate credit risk, the Investment Policy restricts investment with any single financial institution to no more than 50 per cent of the total investment portfolio.

As at 30 June 2021	Credit rating				Total \$'000
	AA- \$'000	A+ \$'000	BBB+ \$'000	Not rated \$'000	
Cash and cash equivalents	783,772	110,000	50,000	-	943,772
Receivables	-	-	-	1,576	1,576
Other receivables	-	-	-	3,390	3,390
Other financial assets	-	-	-	5,219	5,219

As at 30 June 2020	Credit rating				Total \$'000
	AA- \$'000	A+ \$'000	BBB+ \$'000	Not rated \$'000	
Cash and cash equivalents	786,576	150,000	50,000	-	986,576
Receivables	-	-	-	1,834	1,834
Other receivables	-	-	-	3,037	3,037
Other financial assets	-	-	-	5,533	5,533

Comcare holds no collateral to mitigate against credit risk.

	2021 \$'000	2020 \$'000
Maximum exposure to credit risk (excluding any collateral or credit enhancement)		
Cash and cash equivalents	943,772	986,576
Receivables for goods and services	1,576	1,834
Other receivables and claims recoveries	3,390	3,037
Other financial assets	5,219	5,533
Total financial assets carried at amount not best representing maximum exposure to credit risk	953,957	996,980

5.3E Liquidity risk

Liquidity risk is the risk that Comcare will not be able to meet its obligations as amounts fall due. Comcare's financial liabilities were trade creditors, workers' compensation payables and other payables. Comcare has negligible liquidity risk as it has substantial cash holdings to meet its short-term financial obligations at 30 June 2021. Under Comcare's Investment Policy, investments are managed in a manner which maximises investment return while minimising risk, which ensures that accessibility of funds is maintained and cash flow requirements are met.

Maturities for non-derivative financial liabilities 2021	On demand \$'000	Within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	> 5 years \$'000	Total \$'000
Trade creditors	-	348,430	-	-	-	348,430
Workers' compensation claims payable	-	6,932	-	-	-	6,932
Total	-	355,362	-	-	-	355,362

Maturities for non-derivative financial liabilities 2020	On demand \$'000	Within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	> 5 years \$'000	Total \$'000
Trade creditors	-	338,644	-	-	-	338,644
Workers' compensation claims payable	-	8,010	-	-	-	8,010
Total	-	346,654	-	-	-	346,654

Comcare has no derivative financial liabilities in the current or prior years.

Trade creditors includes the remaining exit liabilities owing to the self-insurance licensees following their exit from Comcare's premium scheme in 2018–19.

5.3F Market risk

Currency risk

Comcare is not exposed to currency risk or other price risk.

Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The only interest bearing item on the balance sheet is 'cash and cash equivalents'. 'Cash and cash equivalents' 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. The daily cash balance in the standard banking transaction account is stated at a nominal amount and is not subject to interest rate risk.

Note 5.4: Fair value measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities disclosed in the statement of financial position do not apply the fair value hierarchy.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

5.4A Fair value measurements, valuation techniques and inputs used

	Fair value measurement at the end of the reporting period			For Levels 2 and 3 fair value measurements	
	2021 \$'000	2020 \$'000	Category (Level 1, 2 or 3)	Valuation technique(s) ¹	
Non-financial assets²					
Leasehold improvements	2,132	4,613	Level 3	Cost approach	Actual cost of replacement of similar assets. Price per square metre.
Computer and IT equipment	3,060	4,510	Level 2	Market comparable	Sale prices of comparable computer and IT equipment.
Office equipment	-	-	Level 2	Market comparable	Sale prices of comparable office equipment.
Artwork	56	63	Level 2	Market comparable	Private sales of similar artwork. Professional appraisals of similar artwork.
Total non-financial assets	5,248	9,186			
Total fair value measurements of assets in the statement of financial position	5,248	9,186			

¹ Comcare engaged a professional valuer to undertake a comprehensive valuation of non-financial assets as at 30 June 2019.

² The highest and best use of all non-financial assets are the same as their current use.

5.4B Reconciliation for recurring level 3 fair value measurements

Non-financial assets	Leasehold improvements		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
As at 1 July	4,613	7,349	4,613	7,349
Total (losses) recognised in net cost of services ¹	(2,529)	(2,806)	(2,529)	(2,806)
Total gains recognised in other comprehensive income	-	-	-	-
Purchases	48	70	48	70
Total as at 30 June	2,132	4,613	2,132	4,613

¹ These losses are presented in the statement of comprehensive income under note 2.2A.

Accounting policy

Any transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period.

Other information

Note 6.1: Current/Non-current distinction for assets and liabilities

	2021 \$'000	2020 \$'000
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	943,772	986,576
Trade and other receivables	33,298	39,931
Other financial assets	5,219	5,532
Other non-financial assets	1,400	1,320
Total no more than 12 months	983,689	1,033,359
More than 12 months		
Trade and other receivables	2,159,679	2,196,149
Buildings	14,219	17,617
Plant and equipment	3,309	4,845
Computer software	7,553	8,228
Other non-financial assets	45	62
Total more than 12 months	2,184,805	2,226,901
Total assets	3,168,494	3,260,261
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	348,430	338,644
Workers' compensation claims payable	6,932	8,010
Other payables	2,677	2,306
Leases	6,541	5,829
Employee provisions	6,658	7,456
Workers' compensation claims	242,449	242,500
Common law asbestos-related disease claims	54,460	51,940
Other provisions	163	483
Total no more than 12 months	668,310	657,168

	2021 \$'000	2020 \$'000
More than 12 months		
Other payables	255	255
Leases	5,489	7,050
Employee provisions	12,475	11,979
Workers' compensation claims	1,696,497	1,786,715
Common law asbestos-related disease claims	775,740	777,700
Other provisions	626	2,186
Total more than 12 months	2,491,082	2,585,885
Total liabilities	3,159,392	3,243,052

Note 6.2: Assets held in trust

Comcare Beneficiaries Trust Account

The Beneficiaries Trust Account 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 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.

	2021 \$'000	2020 \$'000
Cash at bank		
As at 1 July	1,745	1,743
Receipts: Funds deposited	-	54
Interest earned	14	39
Payments: Final payouts	100	91
Total cash at bank as at 30 June	1,659	1,745

The above values are estimated at fair value at the time when acquired.

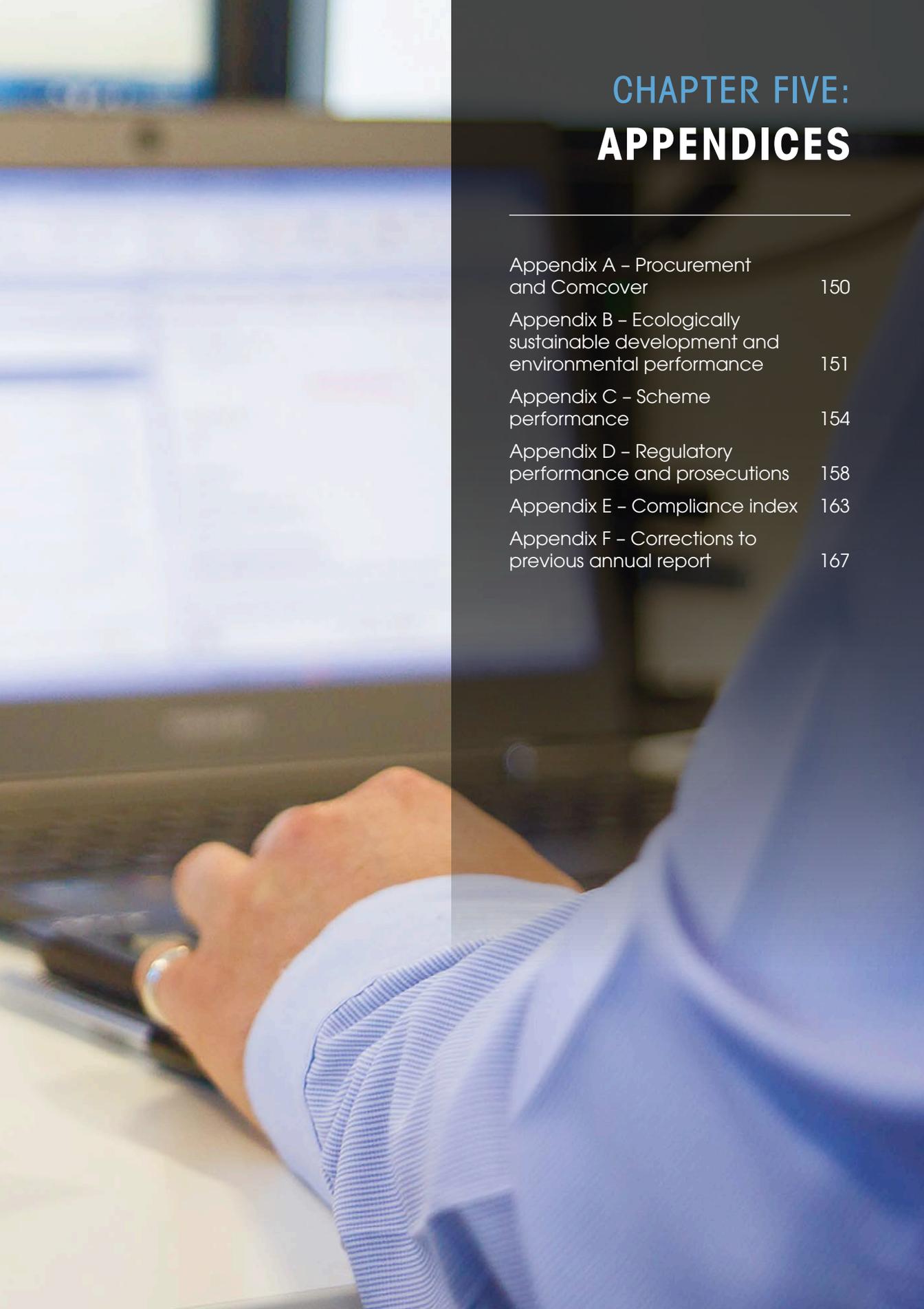
Note 6.3: Reporting of outcomes

	Outcome 1		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Expenses				
Employee benefits	70,019	67,146	70,019	67,146
Suppliers	28,207	25,460	28,207	25,460
Depreciation and amortisation	12,911	12,208	12,911	12,208
Finance costs	7,302	3,331	7,302	3,331
Write-downs and impairment of assets	2,108	-	2,108	-
Losses from asset sales	263	336	263	336
Workers' compensation claims expense	185,740	193,324	185,740	193,324
Common law asbestos-related disease claims expense	22,154	23,582	22,154	23,582
Total expenses	328,704	325,387	328,704	325,387
Income				
Revenue from contracts with customers	206,566	202,526	206,566	202,526
Interest	8,468	20,315	8,468	20,315
Other revenue	1,309	997	1,309	997
Gains from movement in workers' compensation claims provision	88,438	14,312	88,438	14,312
Gains/(losses) from movement in common law asbestos-related disease claims provision	420	109,900	420	109,900
Other gains	1,940	-	1,940	-
Revenue from Government	51,151	61,191	51,151	61,191
Available funding from movement in claims provision	(37,635)	(92,899)	(37,635)	(92,899)
Total income	320,657	316,342	320,657	316,342
Assets				
Cash and cash equivalents	943,772	986,576	943,772	986,576
Trade and other receivables	2,192,977	2,236,080	2,192,977	2,236,080
Other financial assets	5,218	5,533	5,218	5,533
Buildings	14,219	17,617	14,219	17,617
Plant and equipment	3,309	4,845	3,309	4,845
Computer software	7,553	8,228	7,553	8,228

	Outcome 1		Total	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Other non-financial assets	1,446	1,382	1,446	1,382
Total assets	3,168,494	3,260,261	3,168,494	3,260,261
Liabilities				
Suppliers	348,430	338,644	348,430	338,644
Workers' compensation claims payable	6,932	8,010	6,932	8,010
Other payables	2,932	2,561	2,932	2,561
Leases	12,030	12,879	12,030	12,879
Employee provisions	19,133	19,435	19,133	19,435
Workers' compensation claims provision	1,938,946	2,029,215	1,938,946	2,029,215
Common law asbestos-related disease claims provision	830,200	829,640	830,200	829,640
Other provisions	789	2,669	789	2,669
Total liabilities	3,159,392	3,243,053	3,159,392	3,243,053

Comcare's program components supporting the outcome are described in the Overview.





CHAPTER FIVE: APPENDICES

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APPENDIX A – Procurement and Comcover

Comcare procurement was undertaken in accordance with the PGPA Act and the Commonwealth Procurement Rules. Comcare actively supports the Indigenous Procurement Policy, meeting the targets set to ensure indigenous business opportunities continue to grow.

Comcare has recently published its first annual *Modern Slavery Act (Cth) 2018* (the Act) Statement, covering Comcare's procurement and investment activities, after assessing and addressing any identified modern slavery risks in its operations and supply chains.

Details of contracts for consultancy services

In 2020–21, Comcare's total consultancy value, with an individual contract value of \$10,000 or more (GST inclusive) was \$868,885. During 2020–21 Comcare entered into 4 new consultancy contracts and there were no consultancies that continued from 2019–20 into 2020–21.

Table 14: Consultancy Services – at 1 July 2021

Supplier name	Description of services	Contract value	Procurement method	Justification
Monash University	Measuring the movement of people between systems	\$381,112	Open Tender	A
PwC	NewAccess workplaces evaluation	\$329,593	Open Tender	B
Monash University	Evaluation of trial of transition support service	\$44,000	Open Tender	B
Jim Stewart Consulting Pty Limited	Review of the Comcare Permanent Impairment Guide	\$114,180	Limited Tender	A

Note: Justification for decision to use consultancy

A – Required specialist skills are not available in-house

B – Independent review, research or assessment required

C – Independent agent or facilitator required

More information on the value of contracts above the relevant threshold of \$400,000 is available on the AusTender website www.tenders.gov.au.

Advertising and market research

During 2020–21, Comcare spent \$15,841.93 (inclusive of GST) on advertising or market research.

Indemnities and insurance

Professional indemnity insurance, purchased from Comcover indemnifies Comcare, the CEO, and all employees for damages, and defence costs awarded for breach of duty.

In 2020–21 Comcare paid \$63,268 (\$53,640 in 2019–20) for directors' and officers' insurance.

APPENDIX B – Ecologically sustainable development and environmental performance

Under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), government organisations must report annually on their ecologically sustainable development (ESD) and environmental performance. Comcare is committed to advancing the principles of ESD and practicing these principles in its everyday activities and long-term projects.

We recognise that day-to-day activities consume resources and create waste. This year we have continued several activities to reduce our environmental impact with a focus on information and communication technology (ICT) and building operations as the major consumers of energy and other resources.

In March 2021, Comcare achieved a 5-star National Australian Built Environment Rating System (NABERS) Energy Tenancy rating for levels 3 to 5, 121 Marcus Clarke Street, Canberra in the ACT.

NABERS is a national rating system that measures the environmental performance of Australian buildings, tenancies and homes. NABERS measures the energy efficiency, water usage, waste management and indoor environment quality of a building or tenancy and its impact on the environment.

Comcare continues to undertake activities to reduce our environmental impact including:

- > using electronic workflows aimed to reduce the use of paper and the need to retain paper copies
- > using the energy saving features of the Windows Operating System
- > using cloud services to reduce both power consumption and computer hardware requirements
- > using the power saving features of computer monitors and televisions
- > participating in whole-of-government purchasing arrangements for electricity
- > participating in whole-of-government purchasing arrangements for stationery and office supplies
- > participating in whole-of-government leasing arrangements for fleet vehicles
- > installing sensor lighting systems in all office fit-outs
- > participating in and promoting Earth Hour 2021
- > providing end of trip facilities to encourage employees to cycle to work
- > purchasing 100% recycled A4 paper, 100% recycling of paper waste and recycling of other stationery items.

Technology equipment upgrade

In 2020–21, our Technology team continues the migration of its services to the cloud under the ICT strategy. This program will allow for Comcare to decommission its physical infrastructure and data centres. This resulted in a decrease of power consumption.

Comcare is currently undergoing a digital transformation, which will deliver claimant, provider and employer portals for user interactions and provide benefits of reduction in paper, ink consumption and power consumption.

Information management

Comcare is committed to the National Archives of Australia 'Building trust in the public record' policy. Comcare will continue the initiative to move to a fully digital portfolio by converting paper information assets to digital format. This will increase information availability and efficiencies to meet current and future needs of government and community.

The initiative included a targeted reduction in the creation of paper records in Comcare's records management system, Content Manager. As a result of business areas making several process improvements and promoting awareness among staff, no new paper file records have been created since July 2018.

Waste and recycling

Comcare continues to participate in the ACT Government include's ACTSmart Office Recycling Program in its Canberra office. The Canberra office at 121 Marcus Clarke Street renewed its accreditation in May 2021 and currently sends approximately 85% of its waste to a recycling centre. Comcare provides recycling streams (including co-mingled, cardboard and paper recycling) and also has waste and recycling systems in place.

Comcare recycles 100% of toner cartridges and fluorescent light tubes and maintains a battery recycling facility in the Canberra office.

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

Environmental performance

Energy consumption

Power consumption per person reduced slightly in 2020–21 due to employees working from home because of the pandemic. The table below shows Comcare’s power consumption over 5 financial years.

Comcare measures paper consumption by purchases made during the financial year. In 2020–21, Comcare’s paper consumption decreased by 69% from the previous year, which in part reflects the impact of the pandemic with staff working from home for part of the year. Overall, Comcare’s paper consumption is trending down in accordance with our commitment to reducing our environmental impact and the move to a digital environment.

Table 15: Comcare’s environmental performance 2020–21

Environmental performance	2016–17	2017–18	2018–19	2019–20	2020–21
Average power consumption per full-time equivalent employee (Mega joules/person/annum)	5,671	5,329	5,107	4,598	3,951
Paper consumption ¹ (reams of paper)	6,577	6,058	4,466	2,946	926

¹ Amount purchased during the financial year

APPENDIX C – Scheme performance

The overall scheme premium rate is decreasing, with a significant contributing factor being the reductions in the incidence of claims received and accepted and serious claims.

Table 16 shows scheme incidence rate trends from 2016–17 to 2020–21:

- > Claims received – 5% decrease
- > Claims accepted – 6% decrease
- > Serious claims – 16% increase

Table 16: Comcare scheme workers' compensation data

	Under the SRC Act	Incidence of claims received*	Incidence of accepted claims*	Incidence of serious claims* ¹	Total number of compensable deaths
2016–17	Premium Paying employers	11.3	7.2	4.2	18
	Self-insured licensees	20.1	15.6	7.2	8
	Scheme total	16.0	11.7	5.8	26
2017–18	Premium Paying employers	11.1	6.5	3.7	9
	Self-insured licensees	19.0	15.0	7.2	9
	Scheme total	15.3	11.0	5.6	18
2018–19	Premium Paying employers	9.5	5.7	3.6	13
	Self-insured licensees	19.2	14.9	8.2	1
	Scheme total	14.7	10.7	6.1	14
2019–20	Premium Paying employers	8.7	5.2	3.6	3
	Self-insured licensees	20.5	16.0	8.9	2
	Scheme total	15.0	11.0	6.5	5
2020–21	Premium Paying employers	8.1	4.6	3.5	13
	Self-insured licensees	21.0	16.1	9.3	5
	Scheme total	15.2	11.0	6.7	18

Data extracted on 9 July 2021

Note: Australian National University (1 July 2018) and ACT Government (1 March 2019) became self-insured licensees in 2018–19. Claims data for these employers are recorded against the self-insured licensees sector for all financial years in the above table.

1 – Serious claims are those claims that reach one week or more of time lost during the reporting period.

* – All incidence rates are per 1,000 FTE employees.

Return to work

Improving return to work outcomes remains a key focus. Comcare is working to enhance our partnerships with employees, employers, unions and service providers and we are expanding and evaluating pilots and other proactive initiatives to support workers' timely, safe and durable return to work across the scheme. During 2020–21 this included the launch of digital forums for rehabilitation case managers and workplace rehabilitation providers. These forums support these stakeholders to understand their roles and obligations and to deliver better practice rehabilitation.

We also delivered a provider portal and improved training to workplace rehabilitation providers. The portal supports better return to work outcomes by improving performance monitoring and helping us to engage with providers more effectively.

We publish a suite of guidance material and deliver face-to-face and digital training for stakeholders on effective rehabilitation and return to work practices. Our guidance and training is evidence-based and focuses on what makes a difference. For employers the message is clear: act early, support the employee and develop a positive workplace culture.

Reconsiderations and appeals

An employee or employer who is dissatisfied with a decision made under the SRC Act may ask for that decision to be reviewed through a reconsideration request. The decision is reviewed by an officer not involved in the original decision.

If an employee or employer is dissatisfied with the reconsideration outcome, they may apply to the AAT requesting an independent review.

Table 17: Claim disputation rates

	Under the SRC Act	Number of reconsideration requests received	Reconsideration affirmation rate ¹	Number of applications to the AAT	AAT affirmation rate ²
2016–17	Premium Paying employers	1,824	81%	803	57%
	Self-insured licensees	1,344	83%	755	72%
	Scheme total	3,168	82%	1,558	66%
2017–18	Premium Paying employers	1,565	88%	840	69%
	Self-insured licensees	1,167	83%	543	74%
	Scheme total	2,732	86%	1,383	72%
2018–19	Premium Paying employers	1,267	84%	656	64%
	Self-insured licensees	1,107	85%	464	66%
	Scheme total	2,374	84%	1,120	65%
2019–20	Premium Paying employers	942	80%	396	53%
	Self-insured licensees	1,313	86%	654	72%
	Scheme total	2,255	84%	1,050	60%
2020–21	Premium Paying employers	743	77%	338	49%
	Self-insured licensees	1,311	87%	651	70%
	Scheme total	2,054	83%	989	60%

Data extracted on 9 July 2021

Note: Australian National University (1 July 2018) and ACT Government (1 March 2019) became self-insured licensees in 2018–19. Claims data for these employers are recorded against the self-insured licensees sector for all financial years in the above table.

1 – Reconsideration affirmation rate is the percentage of reviewable decisions that affirmed the original determination with a decision in the reporting period. Excludes initiated by own motion and withdrawn.

2 – AAT affirmation rate is the percentage of AAT decisions that affirmed the reviewable decision. Note that applications withdrawn by the applicant or that have been dismissed are considered to have been affirmed. Excludes initiated by own motion.

Workplace incidents

The WHS Act defines certain events as notifiable. This requires PCBUs to notify Comcare of incidents that result in the death, serious injury or illness of a person, or are dangerous.

Table 18: Notifiable work health and safety incidents – as the national regulator

	WHS jurisdiction	Serious injury or illness	Dangerous incidents	Notifiable worker fatalities
2015–16	Australian Government	195	391	5
	Self-insured licensees	148	270	6
	Australian Defence Force	180	191	3
	WHS jurisdiction total	523	852	14
2016–17	Australian Government	195	395	5
	Self-insured licensees	164	234	5
	Australian Defence Force	180	152	5
	WHS jurisdiction total	539	781	15
2017–18	Australian Government	170	458	7
	Self-insured licensees	168	229	7
	Australian Defence Force	154	174	0
	WHS jurisdiction total	492	861	14
2018–19	Australian Government	223	393	4
	Self-insured licensees	183	268	5
	Australian Defence Force	140	129	2
	WHS jurisdiction total	546	790	11
2019–20	Australian Government	215	401	4
	Self-insured licensees	186	259	4
	Australian Defence Force	126	134	1
	WHS jurisdiction total	527	794	9
2020–21	Australian Government	312	317	7
	Self-insured licensees	210	226	10
	Australian Defence Force	119	107	9
	WHS jurisdiction total	641	650	26

1. Serious Injury or Illness and Dangerous Incident data extracted on 30 August 2021

2. Notifiable Worker Fatalities data extracted on 30 August 2021

3. Not all self-insured licensees within Comcare’s scheme are covered by the WHS Act

APPENDIX D – Regulatory performance and prosecutions

Overview

This section reports Comcare’s regulatory performance and statistics required under Schedule 2, Part 3 of the WHS Act.

Table 19: Notifiable incidents notified to Comcare under section 38 of the WHS Act

Type of notifiable incidents	2016–17	2017–18	2018–19	2019–20	2020–21
Total notifiable incidents	1,353	1,377	1,358	1,344	1,338
Serious injury or illness	539	492	546	527	641
Dangerous incident	781	861	790	794	650
Death of a person*	33	24	22	23	47
Worker deaths	15	14	11	9	26
Other person deaths	19	10	12	17	22

*An incident may result in harm (or death) to one or more people. Therefore, the total number of Worker and Other Person deaths may be equal to or greater than the total number of notifiable death incidents.

1. Serious Injury or Illness and Dangerous Incident data extracted on 30 August 2021
2. Notifiable Worker Fatalities data extracted on 30 August 2021
3. Not all self-insured licensees within Comcare’s scheme are covered by the WHS Act

Table 20: Telecommunications Asbestos Safety Compliance program activities commenced

Type of notifiable incidents	2016–17	2017–18	2018–19	2019–20	2020–21
Total Telecommunications Asbestos Safety Compliance program activities	720	1,682	2,008	2,058	1,151

Table 21: Inspectorate activities commenced

	2020–21			
Total Inspectorate Compliance and Enforcement Activities	1,875			
Provide information and advice activities	487			
Monitoring compliance inspections and investigations	1,388			
Historical Investigation and Inspection Totals				
	2016–17	2017–18	2018–19	2019–20
	1,248	1,826	1,673	1,337

Table 22: Notices issued under the WHS Act

	2016–17	2017–18	2018–19	2019–20	2020–21
Improvement notices issued under section 191	8	24	20	7	24
Prohibition notices issued under section 195	9	17	14	1	10
Non–disturbance notices issued under section 198	14	27	14	6	10

Table 23: Other statutory reporting requirements under the WHS Act

	2016–17	2017–18	2018–19	2019–20	2020–21
Seizures made under section 175 or 176	0	0	14	0	6
Remedial action taken under section 211 or 212	0	0	0	0	0
Applications for internal review under section 224	3	3	5	3	4
Applications for external review made under section 229	0	0	1	0	0
Written undertakings accepted by Comcare under section 216	0	0	0	0	1
*Infringement notices given under section 243	0	0	0	0	0

*The WHS Regulations do not currently prescribe any provision of the WHS Act that is enforceable by infringement notice.

Prosecutions

In 2020–21, Comcare commenced 5 criminal proceedings under the WHS Act. As of 30 June 2021, 7 proceedings continued, and 2 proceedings have concluded during this period.

Commonwealth (Royal Australian Mint) – commenced

On 3 May 2021, criminal proceedings were commenced in the Magistrates Court of the Australian Capital Territory against the Commonwealth (Royal Australian Mint) for offences against sections 32 and 33 of the WHS Act. The proceedings relate to an incident on 4 May 2019 where during transportation of a press, the press fell from forklift tynes narrowly missing a worker.

Commonwealth (Department of Home Affairs) and International Health and Medical Services Pty Ltd – commenced

On 3 March 2021, criminal proceedings were commenced in Sydney’s Downing Centre Local Court against the Commonwealth (Department of Home Affairs) and International Health and Medical Services Pty Ltd for offences against section 32 of the WHS Act. The proceedings relate to an incident on 4 March 2019 where a detainee at the Villawood Immigration Detention Centre took his own life.

John Holland Pty Ltd – commenced⁴

On 5 February 2021, criminal proceedings were commenced in the Local Court of New South Wales against John Holland Pty Ltd (John Holland) for an offence against section 32 of the WHS Act. The proceedings relate to an incident on 6 February 2019 in which a worker stepped on a plywood board over a riser and partially fell through at a John Holland worksite.

K. & S. Freighters Pty Ltd – commenced

On 19 November 2020, criminal proceedings were commenced in the Adelaide Magistrates Court against K. & S. Freighters Pty. Ltd. for offences against section 32 of the WHS Act. The proceedings relate to an incident on 25 November 2018 in which a worker sustained serious injuries after the gates of his B-Double truck crushed his lower body.

John Holland Pty Ltd – commenced

On 4 September 2020, criminal proceedings were commenced in the Local Court of New South Wales against John Holland Pty Ltd (John Holland) for offences against section 32 of the WHS Act. The proceedings relate to an incident on 11 September 2018 in which a worker sustained serious injuries after falling through a penetration cover at a John Holland worksite.

⁴ This prosecution was withdrawn on 27 July 2021

John Holland Group Pty Ltd, Omega Constructions Pty Ltd and Universal Reo Pty Ltd – continued

On 31 January 2019, criminal proceedings were commenced in the Magistrates Court of Western Australia against John Holland Group Pty Ltd, Omega Constructions Pty Ltd and Universal Reo Pty Ltd for offences against section 32 of the WHS Act. The proceedings relate to an incident on 1 February 2017 in which a worker sustained serious injuries after being struck by a telescopic handler.

Lendlease Building Contractors Pty Ltd and Bromar Nominees Pty Ltd – continued

On 30 April 2019, criminal proceedings were commenced in the Magistrates Court of Western Australia against Lendlease Building Contractors Pty Ltd and Bromar Nominees Pty Ltd for offences against section 32 of the WHS Act. The proceedings relate to an incident on 1 May 2017 in which a worker sustained serious injuries after being struck by a pipe at a Department of Defence worksite.

Commonwealth (Department of Defence) – continued

On 8 May 2019, criminal proceedings were commenced in the Local Court of the Northern Territory against the Commonwealth (Department of Defence) for offences against section 32 of the WHS Act. The proceedings relate to an incident on 10 May 2017 in which a soldier was fatally shot during a live fire exercise at the Mount Bunday training area. The Department of Defence entered a plea of guilty to one charge. The plea hearing was completed on 26 May 2021.

Lendlease Building Contractors Pty Ltd and Kuredale Pty Ltd (t/a Metro Lintels) – Lendlease continued. Kuredale concluded in 2019

On 5 June 2019, criminal proceedings were commenced in the Magistrates Court of Western Australia against Lendlease Building Contractors Pty Ltd and Kuredale Pty Ltd (t/a Metro Lintels) for offences against section 32 of the WHS Act. The proceedings relate to an incident on 7 June 2017 in which a worker sustained serious injuries after being struck by a steel truss at a Department of Defence worksite. On 22 October 2019, Kuredale Pty Ltd pleaded guilty and was convicted and fined \$75,000.

Commonwealth (Department of Defence) – continued

On 27 June 2018, criminal proceedings were commenced in the Magistrates' Court of Victoria against the Commonwealth (Department of Defence) for offences against section 32 of the WHS Act. The proceedings relate to an incident in which 2 workers suffered injuries during a training exercise at the Puckapunyal training area on 4 July 2016. The Commonwealth was found not guilty on both charges. On 16 December 2020, the Commonwealth Director of Public Prosecutions lodged an appeal.

Commonwealth (Department of Environment and Energy) and Helicopter Resources Pty Ltd – continued

On 20 December 2017, criminal proceedings were commenced in the Magistrates Court of the Australian Capital Territory (ACT) against the Commonwealth (Department of Environment and Energy) and Helicopter Resources Pty Ltd for offences against section 32 of the WHS Act. The proceedings relate to an incident in which a helicopter pilot sustained fatal injuries after falling down a crevasse in Antarctica on 11 January 2016. The Commonwealth was found guilty on 2 charges and acquitted of a third. Helicopter Resources Pty Ltd was found not guilty on all charges. On 3 January 2020, an appeal was lodged in the Supreme Court of the ACT in relation to the acquittal of Helicopter Resources Pty Ltd. On 11 March 2020, the Commonwealth lodged an appeal in relation to the findings of guilt. Both appeal hearings were held from 24 May 2021 to 28 May 2021 in the Supreme Court of the ACT. In the decision handed down on 10 June 2021, the appeal against acquittal for HeliRes was unsuccessful and was dismissed. The appeal against conviction for the Commonwealth (Department of Environment and Energy) was allowed, and the Commonwealth was acquitted on all charges. On 7 July 2021, an appeal was lodged to the ACT Court of Appeal in relation to both decisions.

Cleanaway Operations Pty Ltd – continued

On 15 August 2016, criminal proceedings were commenced in the Magistrates Court of South Australia against Cleanaway Operations Pty Ltd for offences against section 32 of the WHS Act. The proceedings relate to a fatal collision involving a Cleanaway vehicle on Adelaide’s South-Eastern Freeway on 18 August 2014. On 19 April 2021, Cleanaway was found guilty on all 8 charges. Cleanaway lodged an appeal in the Supreme Court of South Australia. The appeal was heard on 30 June 2021.

Commonwealth (Department of Defence) – concluded

On 14 August 2019, criminal proceedings were commenced in the Townsville Magistrates Court against the Commonwealth (Department of Defence) for offences against section 32 of the WHS Act. The proceedings relate to an incident on 16 August 2017 in which a worker sustained serious injuries during a maintenance exercise at the Royal Australian Air Force base at Townsville airport. The Commonwealth pleaded guilty and, on 15 March 2021, was convicted and fined \$350,000.

Commonwealth (Commonwealth Scientific and Industrial Research Organisation) – concluded

On 5 June 2019, criminal proceedings were commenced in the Magistrates’ Court of Victoria against the Commonwealth (Commonwealth Scientific and Industrial Research Organisation) (CSIRO) for offences against section 32 of the WHS Act. The proceedings relate to an incident on 6 June 2017 in which an explosion occurred at CSIRO’s Clayton site. Comcare accepted an Enforceable Undertaking from CSIRO on 2 March 2021 and the proceedings were discontinued on 3 March 2021.

APPENDIX E – Compliance index

The annual report has been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013* and Subdivision B of Division 3A of the *Public Governance, Performance and Accountability Amendment (Corporate Commonwealth Entity Annual Reporting) Rule 2014*. These requirements were approved on behalf of the Parliament by the Joint Committee of Public Accounts and Audit on 2 May 2016.

Below is the table set out in Schedule 2A of the PGPA Rule. Section 17BE(u) requires this table to be included in entities' annual reports.

Table 24: List of requirements

PGPA Rule Reference	Part of Report	Description	Requirement
17BE	Contents of annual report		
17BE(a)	About Comcare – Our governing legislation	Details of the legislation establishing the body	Mandatory
17BE(b)(i)	About Comcare – Our governing legislation	A summary of the objects and functions of the entity as set out in legislation	Mandatory
17BE(b)(ii)	About Comcare – Purpose and strategic priorities	The purposes of the entity as included in the entity's corporate plan for the reporting period	Mandatory
17BE(c)	About Comcare – Organisational structure	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers	Mandatory
17BE(d)	Management and accountability – External scrutiny	Directions given to the entity by the Minister under an Act or instrument during the reporting period	If applicable, mandatory
17BE(e)	Management and accountability – External scrutiny	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory
17BE(f)	Management and accountability – External scrutiny	Particulars of non-compliance with: (a) a direction given to the entity by the Minister under an Act or instrument during the reporting period; or (b) a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory
17BE(g)	Annual Performance Statements	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BE(h), 17BE(i)	Management and accountability – External scrutiny	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance	If applicable, mandatory
17BE(j)	About Comcare – Executive Team	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period	Mandatory
17BE(k)	About Comcare – Organisational structure	Outline of the organisational structure of the entity (including any subsidiaries of the entity)	Mandatory
17BE(ka)	Management and accountability – Our people	Statistics on the entity’s employees on an ongoing a non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location	Mandatory
17BE(l)	About Comcare – Office locations	Outline of the location (whether or not in Australia) of major activities or facilities of the entity	Mandatory
17BE(m)	Management and accountability – Our governance	Information relating to the main corporate governance practices used by the entity during the reporting period	Mandatory
17BE(n), 17BE(o)	Appendix A – Procurement and Comcover	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): (a) the decision-making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions	If applicable, mandatory
17BE(p)	Management and accountability – Significant activities and changes that affected Comcare	Any significant activities and changes that affected the operation or structure of the entity during the reporting period	If applicable, mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BE(q)	Not applicable – there were no decisions made that had a significant effect on the operations of the entity	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity	If applicable, mandatory
17BE(r)	Management and accountability – External scrutiny	Particulars of any reports on the entity given by: (a) the Auditor-General (other than a report under section 43 of the Act); or (b) a Parliamentary Committee; or (c) the Commonwealth Ombudsman; or (d) the Office of the Australian Information Commissioner	If applicable, mandatory
17BE(s)	Not applicable – Comcare do not have subsidiaries	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report	If applicable, mandatory
17BE(t)	Appendix A – Procurement and Comcover	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer’s liability for legal costs)	If applicable, mandatory
17BE(taa)	Management and accountability – Our governance	The following information about the audit committee for the entity: (a) a direct electronic address of the charter determining the functions of the audit committee; (b) the name of each member of the audit committee; (c) the qualifications, knowledge, skills or experience of each member of the audit committee; (d) information about each member’s attendance at meetings of the audit committee; (e) the remuneration of each member of the audit committee	Mandatory
17BE(ta)	Management and accountability – Our people	Information about executive remuneration	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BF	Disclosure requirements for government business enterprises		
17BF(1)(a)(i)	Not applicable	An assessment of significant changes in the entity's overall financial structure and financial conditions	If applicable, mandatory
17BF(1)(a)(ii)	Not applicable	An assessment of any events or risks that could cause financial information that is reported not to be indicative of future operations or financial conditions	If applicable, mandatory
17BF(1)(b)	Not applicable	Information on dividends paid or recommended	If applicable, mandatory
17BF(1)(c)	Not applicable	Details of any community service obligations the government business enterprise has including: (a) an outline of actions taken to fulfil those obligations; and (b) an assessment of the cost of fulfilling those obligations	If applicable, mandatory
17BF(2)	Not applicable	A statement regarding the exclusion of information on the grounds that the information is commercially sensitive and would be likely to result in unreasonable commercial prejudice to the government business enterprise	If applicable, mandatory

APPENDIX F – Corrections to previous annual report

The following errata have been identified in the *Comcare and SRCC Annual Report 2019–20*.

Chapter 3 – Our people

Page 85 – *Table 14: All ongoing employees current report period (2019–20)*

Last two columns – Total Female and Total (from Vic) should read:

	Total Female	Total
Vic	72	123
WA	3	11
ACT	236	355
NT	3	5
External Territories	0	0
Overseas	0	0
Total	349	556

Page 86 – *Table 15: All non-ongoing employees current report period (2019–20)*

Total Female column (from Vic) should read:

	Total Female
Vic	8
WA	0
ACT	36
NT	0
External Territories	0
Overseas	0
Total	45

Page 88 – *Table 18: Information about remuneration for key management personnel*

Third column and last column – Other benefits and allowances and Total remuneration should read:

Name	Position title	Other benefits and allowances	Total remuneration
Susan Weston	Chief Executive Officer	2,735	489,341
Vanessa Graham	General Manager	24,284	287,372
Michael Duke	General Manager	25,693	232,593
Aaron Hughes	General Manager	27,504	305,061
Justin Napier	General Manager	28,760	291,999
Matthew Swainson	General Manager	27,504	254,908
Natalie Bekis	General Manager	28,760	283,623

The following errata have been identified in the Comcare and SRCC Annual Report 2018–19

Chapter 3 – Our People

Page 90 – *Table 23: Information about remuneration for key management personnel*

Third column and last column – Other benefits and allowances and Total remuneration should read:

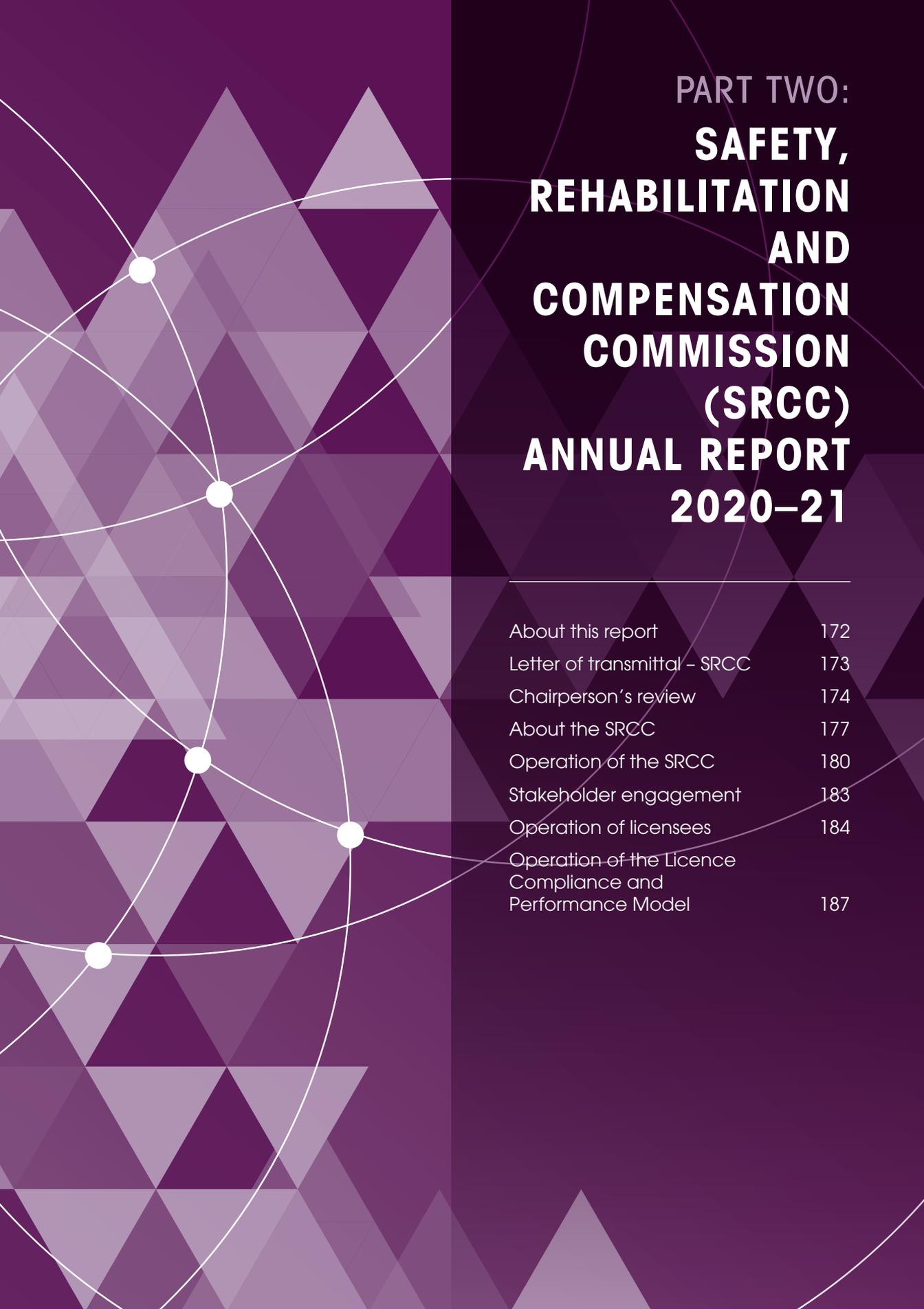
Name	Position Title	Short-term benefits	Total remuneration
		Other benefits and allowances	
Jennifer Taylor	CEO	2,413	260,208
Lynette MacLean	General Manager	26,930	279,205
Justin Napier	General Manager	27,876	277,406
Aaron Hughes	General Manager	26,930	280,551
Natalie Bekis	General Manager	27,876	268,379
Matthew Swainson	General Manager	21,075	202,453
James McKenzie	General Manager	13,020	90,513
Kim Ward	General Manager	16,394	162,881
Anthony Middlebrook	General Manager	25,874	304,260

Page 91 – *Table 24: Information about remuneration for other highly paid staff*

Third column and last column – Average other benefits and allowances and Average total remuneration should read:

Total remuneration bands	Number of other highly paid staff	Short-term benefits	Total remuneration
		Average other benefits and allowances	Average total remuneration
\$220,001–\$245,000	2	1,305	231,140





PART TWO:
**SAFETY,
REHABILITATION
AND
COMPENSATION
COMMISSION
(SRCC)
ANNUAL REPORT
2020–21**

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ABOUT THIS REPORT

The Safety, Rehabilitation and Compensation Commission (SRCC) annual report documents the activities of the SRCC from 1 July 2020 to 30 June 2021.

The SRCC is subject to specific annual reporting requirements under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) and the *Safety, Rehabilitation and Compensation Directions 2019* (Directions) to include particulars of:

- > Directions given by the Minister
- > Guidelines issued by the SRCC
- > the operations of each licensee
- > records required to be kept in relation to licensees under the Directions.

LETTER OF TRANSMITTAL – SRCC



Australian Government
**Safety, Rehabilitation and
Compensation Commission**

GPO Box 9905
Canberra ACT 2601
Tel: 1300 366 979

15 September 2021

Senator the Hon M.C. Cash
Attorney-General
Minister for Industrial Relations
Deputy Leader of the Government in the Senate
Parliament House
CANBERRA ACT 2600

Dear Minister

I have the pleasure in submitting the annual report for the Safety, Rehabilitation and Compensation Commission (SRCC) for the financial year ending 30 June 2021.

The report is provided to you in accordance with the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act).

Section 89S of the SRC Act provides that the Chairperson must give the Minister, for presentation to the Parliament, a report of the SRCC's activities during the financial year. Following its tabling in Parliament, the report will be placed on the SRCC website.

Yours faithfully

A handwritten signature in black ink, appearing to read 'PRichards', with a horizontal line underneath.

Peter Richards
Chairperson

CHAIRPERSON'S REVIEW



Peter J. Richards, Chairperson SRCC

I am pleased to present my first annual report as Chairperson to the Minister for Industrial Relations, Senator the Hon Michaelia Cash, and the Australian Parliament on the operations of the Safety, Rehabilitation and Compensation Commission (SRCC) for the year ending 30 June 2021.

I would like to acknowledge the valuable contributions made by all Members throughout the year. While the challenges from the COVID-19 pandemic continued to impact all Australian states and territories, this environment has afforded the SRCC with the opportunity to be more flexible and adaptable in relation to how we conduct our work and exercise our responsibilities.

The SRCC's program of work this year while largely unaffected, in many respects, has been conducted and delivered more efficiently with the utilisation of digital platforms to conduct its business and exercise its functions and powers. The SRCC maintained and achieved its yearly meeting schedule and actively consulted with licensees and affiliated unions without any impediment, remaining highly responsive to issues and enquiries raised.

In addition, while COVID-19 continues to have an ongoing presence, the SRCC is pleased to report that there has been a negligible impact on licensee performance under the SRCC's regulatory framework with no appreciable increases in disputes and no COVID-19 driven material changes in performance under the framework. Licensees should be commended for the way in which they have been able to pivot their business models to ensure that during the COVID period there was continued attention to their responsibilities under the scheme, notwithstanding the challenges in adapting their activities within the pandemic regulatory environment.

Priorities

The SRCC has a range of functions under the SRC Act and the *Work Health and Safety Act 2011* (WHS Act). These are set out on page 178.

To fulfil its functions, the SRCC's priorities for 2020–21 were focused on the following key areas:

- > operation of the SRCC
- > stakeholder engagement
- > operation of licensees
- > operation of the Licence Compliance and Performance Model (LCPM).

I am pleased to report that the SRCC undertook a range of activities to achieve outcomes against these priority areas in 2020–21. Some of the key highlights were:

- > maintaining an adaptive approach to the SRCC's operation and regulation during COVID-19 and engaging with our regulated entities to understand the impact of the pandemic on their operations
- > ongoing consultation with stakeholders to review and improve the SRCC's regulatory model
- > consideration of the operation of the LCPM, in which the SRCC took action to evaluate its effectiveness, refine current practices and identify areas for further improvement.

Further detail of the SRCC's activities in 2020–21 is set out in this report.

Self-insurance

During the reporting period, the Commission granted self-insurance licences to:

- > Ramsay Health Care Australia Pty Ltd (licence commenced on 1 December 2020);
- > Australia and New Zealand Banking Group Limited (licence commenced on 1 June 2021); and
- > BevChain Pty Ltd (licence commenced on 1 July 2021).

The Commission also received licence applications from Vellex (Vella Transport) and Telstra Limited (previously Network Design and Construction Limited). These applications will be considered in the 2021–22 financial year.

The Commission also agreed to revoke the licence of MLC Wealth Limited (MLC Wealth), at its request.

There were no licence extensions in 2020–21.

Meetings with licensees and affiliated unions

The SRCC meets annually with licensees and affiliated unions (unions and their members representing employees of self-insured licensees). These meetings provide a valuable opportunity for the SRCC, licensees and affiliated unions to participate in an open discussion on the implementation and operation of the LCPM. This includes identifying further areas of review as part of continuous improvement.

The annual meeting between the SRCC and licensees was held on 31 March 2021 and the annual meeting between the SRCC and affiliated unions was held on 25 June 2021. This year, the meetings were held virtually to ensure that all interested stakeholders were able to attend.

The SRCC undertook a range of other stakeholder engagement activities in 2020–21, further detail is provided within this report.

Strategic risk register

The SRCC manages current and emerging risks through its strategic risk register. In 2020–21 the SRCC reviewed the register and incorporated changes to ensure it remained current and effective.

Finally, as I mentioned in my opening, it has been a challenging year and I would like to thank the staff of Comcare for their professional support, guidance and assistance.

A handwritten signature in black ink, appearing to read 'P. Richards', with a horizontal line underneath.

Peter J. Richards

ABOUT THE SRCC

Responsible Minister

The SRCC is established under section 89A of the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act), operates within the Attorney-General's portfolio and reports to the Minister for Industrial Relations. The SRCC reported to the following Ministers during 2020–21:

- > *Senator the Hon Michaelia Cash*
(30 March 2021 to current)
Attorney-General
Minister for Industrial Relations
Deputy Leader of the Government in the Senate
Senator for Western Australia
- > *The Hon Christian Porter MP*
(1 July 2020 to 29 March 2021)
Attorney-General
Minister for Industrial Relations
Member for Pearce

The Minister has the power to give directions to the SRCC on the performance of its functions and the exercise of its powers. These directions may include criteria and procedures for the scope of licences, record keeping and reporting requirements, and related matters.

Role and functions

The SRCC administers functions under the SRC Act, other than those functions attributed to Comcare. The SRC Act establishes the workers' compensation scheme covering Commonwealth employees and the employees of licensed entities.

The SRCC has a number of general and specific roles and functions conferred on it by the SRC Act and WHS Act. The role and functions under the SRC Act are to:

- > ensure that, as far as practicable, there is equity of outcomes resulting from administrative practices and procedures used by Comcare and a licensee in the performance of their respective functions under the SRC Act
- > advise the Minister about anything relating to the operation of the SRC Act or to the SRCC's functions or powers
- > prepare and issue general policy guidelines to Comcare or licensees in relation to their respective powers and functions
- > be the issuing authority and regulator of self-insurance licences under the SRC Act, including setting licence fees
- > provide guidelines on the setting of premiums and a review point (if required) for employers' premium and regulatory contribution determinations
- > undertake other functions as conferred on the SRCC by any other Act.

Under the WHS Act, the functions of the SRCC are to:

- > advise the Minister on the administration of the WHS Act
- > advise and make recommendations to the Minister on the most effective means of giving effect to the objects of the WHS Act
- > enquire into and make recommendations to the Minister on any matter relating to work health and safety referred to the SRCC by the Minister
- > provide a forum for consultation between Comcare and persons conducting business or undertakings, workers and the bodies that represent them.

SRCC accountabilities

The SRCC has an evaluation framework which it uses to provide assurance that it has appropriately discharged its statutory responsibilities. The framework includes an annual assessment of the outcomes and activities of the SRCC against each of its statutory functions.

The outcomes and activities against each functional category enable the SRCC to make an informed assessment of its performance in meeting its regulatory functions as listed above.

At its August 2021 meeting, the SRCC resolved that it had satisfactorily discharged its statutory responsibilities for the 2020–21 reporting year.

Further evidence that the SRCC is meeting its accountabilities, and fulfilling its statutory responsibility, is demonstrated when the Chairperson reports on the key outcomes of each regular SRCC meeting to the Minister.

Membership

The SRC Act provides for the SRCC to have 11 Members, each appointed by the Minister (other than Safe Work Australia's CEO). Members other than the Chairperson may appoint a deputy, subject to the Minister's approval. A Member, other than Safe Work Australia's CEO, holds office on a part-time basis for a term not longer than 3 years, as specified in the instrument of appointment. Members are eligible for reappointment.

The SRCC comprised the following members during 2020–21:

- > Ms Rosemary Vilgan, Chairperson (appointed until 21 October 2020)
- > Mr Peter Richards, Chairperson (appointed from 22 October 2020)
- > Ms Melissa Payne, Member nominated by the Australian Council of Trade Unions (ACTU)
- > Mr Trevor Gauld, Member nominated by the ACTU
- > Mr Tom Roberts, Member nominated by the ACTU
- > Ms Louisa Hudson, Member representing the licensees
- > Ms Jody Anderson, Member representing the Commonwealth and Commonwealth authorities
- > Ms Michelle Baxter, CEO of Safe Work Australia
- > Ms Catherine Hudson, Member representing the interests of the Australian Capital Territory's public sector employers
- > Mr Stephen Somogyi, Member with qualifications or experience relevant to the SRCC's functions, or the exercise of its powers
- > Ms Jane Hall, Member with qualifications or experience relevant to the SRCC's functions, or the exercise of its powers.
- > The Member representing the interests of members and former members of the Defence Force position remains vacant.

OPERATION OF THE SRCC

The SRCC meets on a quarterly basis with additional meetings held as required. Five Members constitute a quorum, providing the following Members are present:

- > at least one Member nominated by the ACTU
- > the Member representing licensees
- > the Member representing the Commonwealth and Commonwealth authorities.

The SRCC held 4 meetings in 2020–21 on 12 October 2020, 9 December 2020, 31 March 2021 and 25 June 2021. Details of attendance at SRCC meetings during 2020–21 are shown in Table 25. Additionally, the SRCC held a number of out of session meetings in 2020–21 to support the SRCC in delivering its functions.

Table 25: SRCC meeting attendance

Commissioner	Meetings eligible to attend	Meetings attended	Meetings attended by deputy*
Peter Richards	3	3	n/a
Rosemary Vilgan	1	1	n/a
Trevor Gauld	4	3	1
Melissa Payne	4	4	-
Louisa Hudson	4	3	1
Michelle Baxter	4	2	1
Catherine Hudson	4	3	1
Jane Hall	4	4	n/a
Stephen Somogyi	4	4	n/a
Tom Roberts	4	4	-
Jody Anderson	4	4	-

*During 2020–21 the following Deputies attended SRCC meetings:

- > Lisa-Maree Bahls, Deputy to Trevor Gauld;
- > Laura Buckley, Deputy to Louisa Hudson;
- > Amanda Johnston, Deputy to Michelle Baxter; and
- > Michael Young, Deputy to Catherine Hudson

SRCC sub-committees

The following sub-committee operated during the reporting year.

Reviewing the Regulation of Self-Insured Licensees sub-committee

Purpose: To review the regulation of self-insured licensees and advise and make recommendations as appropriate.

Throughout the reporting period, and in consultation with licensee representatives, affiliated unions and other stakeholders, the sub-committee monitored and reviewed the operation of the SRCC's regulatory model.

Members (as at 30 June 2021): 4 members with a member nominated to Chair, one licensee representative, the Commonwealth representative and one union representative to ensure tripartite representation is retained.

Decision making

The SRCC has the powers and functions to make a wide range of decisions under the SRC Act, the Directions and other legislative instruments. SRCC decisions of an administrative character are subject to judicial review.

Directions and Guidelines

Under section 89S of the SRC Act the SRCC is required to provide a report to the Minister to give to Parliament on its activities for each financial year. Among other things, the report must include particulars of any Directions given by the Minister under section 89D and any Guidelines issued by the SRCC under section 73A of the SRC Act.

The Minister issued no Directions to the SRCC under the SRC Act during 2020–21.

The SRCC issued no Guidelines under section 73A of the SRC Act during 2020–21.

Delegations

At its 9 December 2020 meeting, the SRCC agreed to:

- > maintain the delegation currently in place to the CEO of Comcare of its function under s102(2) the SRC Act to estimate the amount of licence fees payable by each licensee each financial year and notify each licensee of this amount in writing; and
- > delegate to the CEO of Comcare its function under section 102(3) of the SRC Act to give written notice to eligible applicants of the amount of the licence application fee.

Code of Conduct

The SRCC has a Code of Conduct to describe the standards of behaviour and conduct expected from Commissioners in their dealings with Members, stakeholders and the public. The SRCC reviewed its Code of Conduct in January 2021, agreeing that it remained appropriate. The next review is scheduled to occur in 2022. The Code of Conduct is available on the SRCC website.

STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement continued to be a key priority for the SRCC in 2020–21, with a key outcome being that the SRCC is open and transparent in its dealings with regulated entities.

In 2020–21 the SRCC and its sub-committee for Reviewing the Regulation of Self-Insured Licensees consulted with stakeholders via:

- > licensee liaison forums held on 24 October 2020, 16 December 2020, 7 April 2021 and 30 June 2021
- > meetings with licensee and affiliated union representatives on 31 March 2021 and 25 June 2021 respectively

The SRCC will continue to engage with the licensees and affiliated unions on current and emerging priority items.

SRCC engagement approach during COVID-19

Throughout COVID-19, at the request of the SRCC, Comcare engaged with licensee key staff to ensure the SRCC was kept informed of the impact of the pandemic on licensee operations and the key areas of risk as well as an understanding of the actions being undertaken to mitigate those risks. Based on its ongoing interactions and feedback, the SRCC has continued to tailor its enquiries of licensees and has been flexible in applying a risk-based approach to its regulation.

OPERATION OF LICENSEES

Licensing

Under the SRC Act, certain Commonwealth authorities and eligible corporations may apply for a licence to self-insure their workers' compensation liabilities and manage compensation claims.

Comcare provides support to the SRCC in the performance of its functions regarding licensing. Comcare evaluates licence applications, recommends the amount to be charged for licence application fees, monitors licensee performance against licence conditions and recommends actions to the SRCC.

Table 26 summarises licence types, licensees and expiry dates at 30 June 2021.

Table 26: Licence types, licensees and expiry dates – at 30 June 2021

Licence type	Features	Licensee (expiry date)	Claims management arrangements
Corporation	<i>Self-management of claims (with capacity to arrange for third-party claims managers)</i>	Australia and New Zealand Banking Group Limited (30/06/2029)	In house
		Australian air Express Pty Ltd (30/06/2025)	QBE Insurance (Australia) Limited
		BWA Group Services Pty Ltd (30/06/2022)	Commonwealth Bank of Australia
		Bis Industries Ltd (30/06/2023)	In house with claims review performed by QBE Insurance (Australia) Limited
		Border Express Pty Ltd (30/06/2022)	In house with claims review performed by Paratus Claims Pty Ltd
		Cleanaway Operations Pty Ltd (formerly Transpacific Industries Pty Ltd) (30/06/2022)	QBE Insurance (Australia) Limited
		Colonial Services Pty Ltd (30/06/2022)	Commonwealth Bank of Australia
		Commonwealth Bank of Australia (30/06/2022)	In house
		Commonwealth Insurance Limited (30/06/2022)	Commonwealth Bank of Australia
		Commonwealth Securities Limited (30/06/2022)	Commonwealth Bank of Australia
		CSL Limited (30/06/2023)	QBE Insurance (Australia) Limited
		DHL Express (Australia) Pty Ltd (31/12/2026)	DHL Supply Chain (Australia) Pty Ltd
		DHL Supply Chain (Australia) Pty Ltd (30/06/2022)	In house

Licence type	Features	Licensee (expiry date)	Claims management arrangements
		Fleetmaster Services Pty Ltd (30/06/2023)	In house with claims review performed by Paratus Claims Pty Ltd
		John Holland Group Pty Ltd (30/06/2024)	In house
		John Holland Pty Ltd (30/06/2024)	John Holland Group Pty Ltd
		John Holland Rail Pty Ltd (30/06/2024)	John Holland Group Pty Ltd
		K&S Freighters Pty Limited (30/06/2024)	In house
		Linfox Australia Pty Ltd (30/06/2023)	In house
		Linfox Armaguard Pty Ltd (30/06/2023)	Linfox Australia Pty Ltd
		Medibank Private Limited (30/06/2023)	Employers Mutual Limited
		National Australia Bank Ltd (30/06/2024)	In house
		Optus Administration Pty Limited (30/06/2023)	QBE Insurance (Australia) Limited
		Pacific National Services Pty Ltd (formerly Asciano Services Pty Ltd) (30/06/2025)	Employers Mutual Limited
		Prosegur Australia (formerly trading as Chubb Security Services Limited) (30/06/2025)	In house with claims review performed by Moray & Agnew
		Ramsay Health Care Australia Pty Ltd	QBE Insurance (Australia) Limited
		Ron Finemore Transport Services Pty Ltd (30/06/2025)	In house
		StarTrack Express Pty Ltd (30/06/2022)	Australian Postal Corporation
		StarTrack Retail Pty Ltd (30/06/2022)	Australian Postal Corporation
		Telstra Corporation Limited (30/06/2022)	In house
		Thales Australia Limited (formerly known as ADI Limited) (30/06/2025)	In house with claims review performed by QBE Insurance (Australia) Limited
		TNT Australia Pty Ltd (30/06/2022)	In house with claims review performed by QBE Insurance (Australia) Limited
		Virgin Australia Airlines Pty Ltd (29/09/2024)	Employers Mutual Limited
		Visionstream Pty Ltd (30/06/2023)	Gallagher Bassett Services Pty Ltd
		Wilson Security Pty Ltd (30/06/2023)	QBE Insurance (Australia) Limited

Licence type	Features	Licensee (expiry date)	Claims management arrangements
Declared Commonwealth Authority	<i>Self-management of claims</i>	Australian Capital Territory Government (28/02/2027)	Employers Mutual Limited
		Australian National University (30/06/2026)	Comcare (on a contracted basis)
		Australian Postal Corporation (30/06/2022)	In house
		Reserve Bank of Australia (30/06/2023)	Australian Postal Corporation

Licence conditions and performance standards of licence

The SRCC expects licensees to have a continuous improvement focus on their prevention, rehabilitation and claims management performance outcomes, to comply with licence conditions and to meet performance standards of licence.

Licence conditions require compliance with the SRC Act and any applicable laws and regulations regarding the health, safety and rehabilitation of employees. Licensees are required to meet financial, prudential and performance reporting requirements as part of their licence conditions.

Performance standards of licences require licensees to develop and implement effective management systems for prevention, rehabilitation and claims management and to work towards the attainment of outcome-based performance goals.

OPERATION OF THE LICENCE COMPLIANCE AND PERFORMANCE MODEL

The LCPM provides the regulatory framework under which the SRCC monitors and assesses licensee performance. The model seeks to ensure compliance with licence conditions and focuses on licensee performance against set standards and measures in claims management, rehabilitation and prevention by using a holistic, risk-based approach to performance evaluation. The model contributes towards the Government's agenda to reduce regulatory burden on business by affording a reduced level of regulatory oversight for established licensees that have mature management systems and demonstrated high performance against the SRCC's standards and measures.

The LCPM examines licensees' prudential performance, results of internal and external reviews in prevention, rehabilitation and claims management performance, and provides for regulatory action by the SRCC where non-compliance or performance concerns are identified.

Under the LCPM, licensees are classified as a 'developing/transitioning licensee' or an 'established licensee'. Developing/transitioning licensees are new scheme participants in their first 2 years of licence. Following the initial two-year period, licensees are considered to be established in the scheme.

Developing/transitioning licensees work closely with Comcare to develop systems by participating in, and being subject to, reviews throughout the first 2 years of licence to ensure that a licensee can meet the conditions of licence and performance standards set by the SRCC.

The SRCC uses this initial period to closely monitor the performance of a new licensee as they transition into the scheme. The SRCC may choose to lessen the extensive reviews in the developing/transitioning phase where a licensee can evidence strong, consistent results against compliance and performance requirements.

Established licensees are required to be compliant with the conditions of licence and continue to meet the performance standards set by the SRCC.

The SRCC can, at any time, determine that due to issues with compliance, reporting or performance results, a regulatory response is required. The status of a licensee (that is, developing/transitioning or established) does not inhibit the SRCC from taking action to address a compliance or performance issue. For example, a targeted review may be conducted at any point should the SRCC consider the performance of a licensee warrants a more thorough review.

A key feature of the LCPM is the quarterly monitoring of the SRCC-defined performance standards and measures, including the Licensee Key Performance Indicators (LKPIs). The SRCC sets performance targets against these LKPIs, which include the incidence of serious and accepted claims based on industry benchmarks, return to work performance, and timeliness of claims management and reconsideration decisions. Licensees are provided with the opportunity to provide input and information regarding their quarterly results for consideration. The SRCC uses the LKPI results and any further information provided by licensees to determine whether any regulatory action is required.

The self-insurance licence and the LCPM also provide a framework for the prudential obligations required of licensees under the licence. This includes the provision of a liability report describing current and predicted outstanding workers' compensation liabilities (this information is used to calculate the guarantee amount) and the provision of a guarantee plus a reinsurance retention policy, yearly accounts and financial statements. Some licensees are also subject, based on risk, to ongoing financial monitoring which comprises a regime of continuous monitoring through media and rating agencies and annual desktop reviews of licensees' financial statements.

Each year licensees provide an annual Licensee Compliance and Performance Improvement (LCPI) report certified by licensee senior management. The LCPI report provides the SRCC with an overview of key activities undertaken and outcomes achieved by a licensee during the previous year. The LCPI report also details a licensee's objectives for the coming year and is the primary tool for licensees to: report to the SRCC on performance against the SRCC's performance standards and measures; provide annual certification as per the prudential conditions of licence; and to demonstrate continuous improvement.

SRCC approach to regulation during COVID-19

The SRCC considered the impact of the COVID-19 pandemic and agreed, that during the pandemic, the focus of the SRCC in delivering its functions should be risk-based and on critical work.

The SRCC endorsed an approach to apply to its program of work reflecting these principles and agreed, that during the COVID-19 pandemic, its regulation of licensees would be focused on ensuring that:

- > licensees had arrangements to ensure continuity of claims processing and payments
- > the financial viability of licensees was managed in accordance with the SRCC's Financial and Prudential Model.

Continuous improvement

The SRCC has an ongoing focus on the continuous improvement of its regulatory model. In 2020–21 the SRCC has undertaken the following activities to improve the operation of the LCPM:

- > ongoing consultation with stakeholders to review and improve the SRCC's regulation
- > published an updated version of the LCPM incorporating changes agreed by the SRCC
- > published information products to ensure clarity of roles and accessibility for employees and affiliated unions and other stakeholders in relation to feedback and complaints mechanisms
- > reviewed licensee reporting requirements to reduce duplication and streamline reporting
- > reviewed the general conditions of licence
- > considered the operation of the LCPM to evaluate its effectiveness and identify areas for further improvement

Licensees' performance

Table 27 provides a summary of each licensee's claims activity during 2020–21. Table 28 provides a summary of SRCC monitoring of overall licensee performance against the LKPIs during 2020–21.

Care should be exercised in comparing the claims activity of licensees given the different risk profiles of individual employers.

Licensee data

Table 27: Licensees' claims activity

	Number of FTE employees		Incidence of claims received		Incidence of claims accepted ¹	
	2019–20	2020–21	2019–20	2020–21	2019–20	2020–21
ACT Government	24,775	25,172	21.8	27.3	16.8	21.9
Australia Post	27,574	27,591	59.6	70.3	49.6	57.8
AaE	352	343	14.2	37.9	14.2	23.3
ANU	5,267	4,253	np	np	np	np
ANZ ²	-	18,737	-	-	-	-
BankWest	3,402	3,334	5.0	np	np	np
BIS Industries	1,098	946	28.2	35.9	20.9	21.1
Border Express	978	993	45.0	34.2	35.8	23.2
Cleanaway Operations	5,893	7,151	39.2	28.9	25.3	19.7
Colonial Services	1,787	1,684	np	np	np	np
CBA	25,821	26,487	5.3	np	np	np
CommInsure	474	448	6.3	np	np	np
CommSec	2,908	2,946	np	np	np	np
CSL	2,534	2,490	np	np	np	np
DHL Express	1,215	1,339	49.4	27.6	36.2	23.2
DHL Supply Chain	2,981	3,030	18.1	17.8	13.4	9.9
Fleetmaster	344	362	5.8	35.9	5.8	24.9
John Holland	1,530	1,603	107.2	102.9	100.7	96.1

	Number of FTE employees		Incidence of claims received		Incidence of claims accepted ¹	
	2019–20	2020–21	2019–20	2020–21	2019–20	2020–21
John Holland Group	3,402	3,600	7.9	9.7	6.8	8.6
John Holland Rail	197	185	40.6	59.5	30.5	54.1
K&S Freighters	2,589	2,100	40.2	41.0	33.6	29.5
Linfox Armaguard	1,990	1,726	20.1	16.8	np	np
Linfox Australia	4,961	5,630	12.1	13.5	np	np
Medibank Private	1,876	1,883	6.4	np	np	4.8
MLC Wealth ³	1,664	2,807	np	np	np	np
NAB	25,443	26,093	np	np	np	np
Optus	7,023	6,986	np	np	np	np
Pacific National Services	2,683	2,540	18.6	19.7	13.4	14.2
Prosegur	815	835	46.6	43.1	35.6	29.9
Ramsay Health Care ⁴	-	19,725	-	12.5	-	6.4
Reserve Bank of Australia	1,348	1,348	np	np	np	np
Ron Finemore Transport	729	793	41.2	16.4	31.6	15.1
StarTrack Express	3,315	3,556	45.6	45.3	38.3	38.8
StarTrack Retail	148	140	13.5	28.6	13.5	28.6
Telstra	23,308	21,359	7.7	6.8	np	np
Thales	3,460	3,458	16.2	11.9	13.0	10.1
FedEx Express (formerly TNT)	4,635	6,338	59.8	45.3	46.0	34.6
Virgin Australia Airlines	8,038	5,703	24.4	14.7	20.5	10.7
Visionstream	1,502	1,133	5.3	14.1	np	11.5
Wilson Security	6,628	5,041	11.6	16.7	5.7	8.3
ALL LICENSEES	214,687	251,888	20.5	20.8	15.7	15.8

Notes: np – not publishable. To protect privacy, results are not published where the numbers used to calculate incidence rates are between one and five.

1. All incidence rates are calculated per 1,000 FTE employees.

2. ANZ commenced in the Scheme on 1 June 2021

3. MLC Wealth's licence was revoked on 1 June 2021

4. Ramsay Health Care commenced in the Scheme on 1 December 2020

Table 28: Performance against LKPIs – All licensees

	2019–20	2020–21
Number of notifiable worker fatalities ¹	4	10
Incidence of serious claims ²	8.8	9.2
Incidence of accepted claims ³	15.7	15.8
Median incapacity (weeks)	4.7	5.5
Percentage of claims determined within 20 days (injury) and 60 days (disease)	97%	97%
Percentage of reconsiderations decided within 30 days	96%	99%
Number of reconsideration requests decided	1,274	1,236
Number of AAT appeals received	688	651

1. A notifiable fatality refers to the death of a person, whether an employee, contractor or member of the public.

2. Serious claims are those claims that reach one week or more of time lost during the reporting period.

3. This measure captures those claims that were initially accepted in the reporting period.

Note: All incidence rates are calculated per 1,000 FTE employees

Recordkeeping and reporting requirements under the Directions

The following table provides details of the recordkeeping requirements outlined in the Directions and is reported in accordance with section 20 of the Directions.

Table 29: Recordkeeping requirements under the Directions

Requirement	Number	Details
Applications for licence received	5	CEVA Logistics (Australia) Pty Ltd (application subsequently withdrawn) Australia and New Zealand Banking Group Limited Bevchain Pty Limited Vellex (Vella Transport) Telstra Limited (previously Network Design and Construction Limited)
Refusals to grant licence	Nil	Nil
Expiry of licence	Nil	Nil
Suspension of licence	Nil	Nil
Revocations of licence	1	MLC Wealth Limited
Grants of licences, including the scope of the licences and the conditions to which the licences are subject*	3	Australia and New Zealand Banking Group Limited Bevchain Pty Limited Ramsay Health Care Australia Pty Ltd
	2 licences commenced	Australia and New Zealand Banking Group Limited Ramsay Health Care Australia Pty Ltd
	40 variations granted due to change in scope or conditions of licence	The following licence notices were varied in relation to definitions, claims manager or prudential requirements: > ACT Government > Virgin Australia Airlines Pty Ltd (Virgin) > MLC Wealth Limited Additionally, in 2020–21, the SRCC varied all 38 current licences to incorporate a range of administrative changes and corrections.
	Nil licence extensions	Nil
Breaches of licences and preserved licences	4	The following licensees breached their licence: > Prosegur Australia Pty Limited: Breach of prudential conditions (two instances) > Thales Australia Limited: breach of prudential conditions > Visionstream Pty Ltd: notification of corporate structure

*The scope and conditions of licences granted by the SRCC are available on the Federal Register of Legislation..

Further information is available in the 'Licensing' section of this report.

GLOSSARY AND INDEX



GLOSSARY

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
ACTU	Australian Council of Trade Unions
Affirmation rate	Affirmation rate is the percentage of original decisions which were upheld following a request for reconsideration.
AIHW	Australian Institute of Health and Welfare
ANAO	Australian National Audit Office
APS	Australian Public Service
APSC	Australian Public Service Commission
ARC Act	<i>Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005</i>
ATO	Australian Taxation Office
Bankwest	BWA Group Services Pty Limited
Case manager	Responsible for workplace-based management of an injured employee’s return to work 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.
CEO	Chief Executive Officer
Claim	Any claim for compensation, for example, the initial injury claim, claim for payment of medical expenses, or claim for incapacity benefits.
Claims Manager (CM)	Claims Managers are employees with a role in managing claims for workers’ compensation – formerly known as Claims Services Officers (CSOs).
Comcare Portfolio Budget Statements (PBS)	Departmental portfolio budget statements provide information on the proposed allocation of funds to achieve government outcomes. They include budget statements for the department as well as agencies working under the department. The statements provide information to assist parliament to understand the purpose of each proposed outcome. The Comcare Portfolio Budget Statements are contained within the 2019–20 Portfolio Budget Statements for the Department of Jobs and Small Business.

Corporate governance	The process by which agencies are directed and controlled. It is generally understood to encompass authority, accountability, stewardship, leadership, direction and control.
Corporate Plan	<i>Comcare Corporate Plans 2019–2023, 2020–21 and 2022–23</i>
CRM	Customer Relationship Management
Date of Injury	Date of occurrence (injury), date first sought medical treatment, or first resulted in incapacity or impairment (disease).
Delegation	The written assignment of authority and responsibility to another person to carry out specific activities.
Determination	A decision to accept or reject a claim.
Directions	<i>Safety, Rehabilitation and Compensation Directions 2019</i>
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.
DSSC	Deputy Secretaries' Safety and Compensation Forum
EAP	Employee assistance program
EL	Executive Level
EPBC Act	<i>Environment Protection and Biodiversity Conservation Act 1999</i>
EPMO	Enterprise Portfolio Management Office
ESD	Ecologically sustainable development
FOI	Freedom of information
FOI Act	<i>Freedom of Information Act 1982</i>
FTE	Full-time equivalent, in the context of staffing levels
GP	General practitioner
GST	Goods and services tax
HWSA	Heads of Workplace Safety Authorities
ICT	Information communication technology

IFMH	Inter-departmental Forum on Mental Health
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 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.
IPS	Information Publication Scheme
KPI	Key performance indicator
LCPI	Licensee Compliance and Performance Improvement
LCPM	Licence Compliance and Performance Model. The LCPM provides the regulatory framework under which the SRCC monitors and assesses licensee performance and replaced the previous Licensee Improvement Program and Tier Model.
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.
Licensees	Licensed self-insurers
LKPIs	Licensee Key Performance Indicators
LMS	Comcare Learning Management System
MHCoP	Mental Health Community of Practice
MIP	Major Infrastructure Projects
NABERS	National Australian Built Environment Ratings Scheme
NBN	National Broadband Network
NHMRC	National Health and Medical Research Council
NMHC	National Mental Health Commission

OAIC	Office of the Australian Information Commissioner
OH&S	Occupational health and safety
PAW	People at Work tool
PCBUs	Person Conducting Business or Undertaking
PDP	Performance Development Plan
People Plan	Comcare's People Plan
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	<i>Public Governance, Performance and Accountability Rule 2014</i>
PICS	<i>Parliamentary Injury Compensation Scheme</i>
PMB	Portfolio Management Board
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 1 July 1989. Also referred to as an 'insured' claim.
Premium paying employers	Commonwealth departments, agencies and the ACT Government who pay a workers' compensation premium under the <i>Safety, Rehabilitation and Compensation Act 1988</i> .
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 before the introduction of Comcare's premium system on 1 July 1989. These claims and the resultant expenditure may also be called 'uninsured'.
Privacy Act	<i>Privacy Act 1988</i>
Provider	Person or organisation providing medical, rehabilitation or health services in relation to a work-related injury or disease.
Public Service Act	<i>Public Service Act 1999</i>
Reconsideration	An employee or employer, who is dissatisfied with a decision made under the SRC Act, 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	A managed process involving early intervention with appropriate, adequate and timely services based on injured worker's assessed needs.
RPF	Regulator Performance Framework
RTW	Return to work
Seacare Authority	The Seafarers Safety, Rehabilitation and Compensation Authority
Seafarers Act	<i>Seafarers Rehabilitation and Compensation Act 1992</i>
Serious claims	Those claims that reach one week or more of time lost during the reporting period
SES	Senior Executive Service
SRC Act	<i>Safety, Rehabilitation and Compensation Act 1988</i> – 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. See also 'The Commission'.
SWA	Safe Work Australia
TASC	Telecommunications Asbestos Safety Compliance
The Commission	Safety, Rehabilitation and Compensation Commission - responsible for issuing licences for self-insurance and claims management, it has functions under the SRC Act and WHS Act. Until 1992 it was referred to as the Commission for the Safety, Rehabilitation and Compensation of Commonwealth Employees.
The scheme	The Comcare scheme
WHS	Work health and safety
WHS Act	<i>Work Health and Safety Act 2011</i>
WRP	Workplace rehabilitation provider

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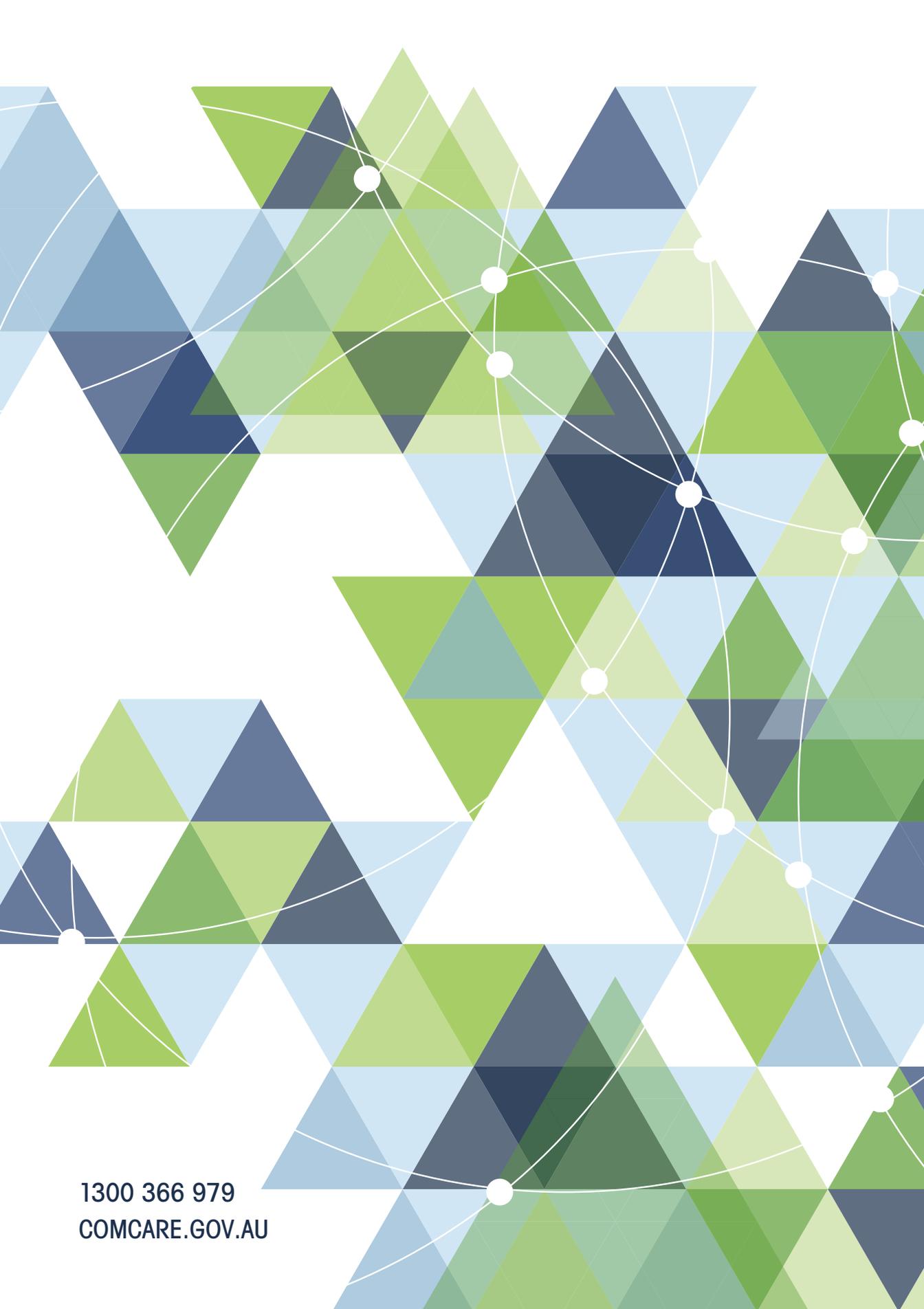
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