



# ANNUAL REPORT 2022-23

Australian Government  

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Comcare  

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Safety, Rehabilitation and  
Compensation Commission

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## Use of the Coat of Arms

The terms under which the Coat of Arms can be used are detailed on the Department of the Prime Minister and Cabinet website: <https://www.pmc.gov.au/government/commonwealth-coat-arms>.

## Acknowledgements

Australasian Reporting Awards (ARA) – Review of Comcare’s 2021–22 Annual Report for which we achieved a Silver Award in the 2023 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.

It is also available on the Australian Government Transparency Portal.

## Annual report contact

To obtain further information contact:

[corporate.strategy@comcare.gov.au](mailto:corporate.strategy@comcare.gov.au)

Corporate Strategy, Comcare  
GPO Box 9905  
CANBERRA ACT 2601  
Phone 1300 366 979



## 'Healing Hands' – Cover artwork by Dion Devow of Darkies Designs

The artwork on the cover of our Annual Report is entitled 'Healing Hands', created by Dion Devow of Darkies Designs for Comcare's Reconciliation Action Plan 2021–2023.

Darkies Designs has created this particular design to represent and share through an Indigenous lens, Comcare's Reconciliation Action Plan and purpose as an organisation, which is to promote and enable safe and healthy work.

Corporate colours have been used in the designs, with different types of art techniques and symbols such as dots, and cross hatching which are used in different parts of the country and represent Comcare's national reach and focus. The different colours in the design also portray Australia's land, rivers and seas. At the centre of the design are dots that symbolise the people and communities that Comcare is working and supporting through their healing process. In many cultures, the healing process is initiated through and comes from touch, and the hands and symbols in this design represent this along with the healing power of touch. The hands are also symbolic and say that there is support for individuals to assist them physically, spiritually, emotionally and financially, all of which are very important in terms of the process of one's healing, and in Aboriginal Culture one's health is wholistic and takes into account many factors, not just one's physical health.

The cross hatching paths that are reaching into the centre piece of the design indicate the transition of the people going through the healing process and the busyness of the piece tries to reflect movement, and transition to a place of wellbeing, whilst the 4 half healing circles represent the focus that is being placed on the people before the transition of movement takes place. The centre piece is adorned with specks of colour and dots to indicate the power of the healing process, and the crossed hatched paths lead out to the edges of the artwork to depict that the healing and journeys of individuals is ongoing and sometimes lifelong.

The piece really depicts the coming together and connecting of communities for an important purpose, and this is also a big part of Reconciliation. We as Australians are all part of one big community. Reconciliation gives us as a multicultural society the opportunity to understand the importance of community, and the richness that diversity brings to us as a Nation, along with education about our history, in particular the history of our First Nations Peoples. Healing is also a part of this process and we can, as a nation, all have a hand in this important journey.

Dion Devow Designs 26/10/2021

# LETTER OF TRANSMITTAL



Australian Government

Comcare

CHIEF EXECUTIVE OFFICER

19 September 2023

The Hon Tony Burke MP  
Minister for Employment and Workplace Relations  
Minister for the Arts  
Leader of the House  
Parliament House  
CANBERRA ACT 2600

Dear Minister

I am pleased to submit Comcare's Annual Report for the year ended 30 June 2023.

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 black ink, appearing to read 'Greg Vines', with a long horizontal stroke extending to the right.

Greg Vines  
Chief Executive Officer  
Comcare

GPO BOX 9905  
CANBERRA ACT 2601  
P 1300 366 979

[COMCARE.GOV.AU](http://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 2022 to 30 June 2023. The Comcare and SRCC Annual Reports are published together as the SRCC do not have staff or a budget of their own and are reported through Comcare's financial statements.

These Annual Reports have been prepared in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule). They also comply with the annual reporting requirements of the *Work Health and Safety Act 2011* (Cth) (WHS Act), *Safety, Rehabilitation and Compensation Act 1988* (SRC Act), *Environment Protection and Biodiversity Conservation Act 1999* and the *Commonwealth Electoral Act 1918*.

## PART 1 – Comcare Annual Report 2022–23

The Comcare Annual Report 2022–23 includes 6 chapters.

**Chapter 1: About Comcare** – Outlines Comcare's purpose, roles and responsibilities, governing legislation and organisational structure.

**Chapter 2: Annual performance statements** – Analyses Comcare's performance, including results against performance measures and targets in its Portfolio Budget Statements and Corporate Plan.

**Chapter 3: Management and accountability** – Summarises Comcare's governance arrangements, external scrutiny, workforce details and work health and safety performance.

**Chapter 4: Financial statements** – Provides detailed information on Comcare's financial performance for 2022–23.

**Chapter 5: Scheme and regulatory performance** – Provides data and information relating to Comcare's activities as a claims manager, scheme manager and regulator.

**Chapter 6: Appendices** – Various appendices that contain further information addressing mandatory reporting requirements and additional organisational performance information.

## PART 2 – Safety, Rehabilitation and Compensation Commission Annual Report 2022–23

The SRCC Annual Report 2022–23 report details the objectives, roles, functions, membership and operations of the SRCC. It also provides details about the performance of the SRCC.

# COMCARE 2022–23 SNAPSHOT

## Purpose

promote and enable safe and healthy work

### Strategic priorities and performance results

Comcare achieved 26 of 28 targets against its 12 performance measures



### Values



Data is for the period 1 July 2022 to 30 June 2023.

# PART 1: COMCARE ANNUAL REPORT 2022–23



## People

we employed **617** ongoing employees and **57** non-ongoing employees across **9** locations around Australia



## Scheme coverage

Comcare's scheme comprised of **451,965** full-time equivalent (FTE) employees covered under the SRC Act, and **424,841** FTE under the WHS Act



## Stakeholder satisfaction

Results from our employer surveys indicate

**82%** of employers agree that Comcare is a respected authority

**75%** of employers are satisfied with Comcare's provision of advice on specific work health and safety matters

**80%** of employers are satisfied with Comcare's education and training provision

**91%** are satisfied with Comcare's webinars, events and forums

**100%** satisfaction with Comcare's Safe Work Month in-person events across the country



## Workers' compensation

Claims incidence rates for the Scheme for 2022–23

**13.5** incidence of claims received

**9.7** incidence of accepted claims

**5.8** incidence of serious claims



## Regulatory and prosecutions

**1442** notifiable incidents notified to Comcare

**969** compliance and enforcement activities commenced (206 Provide information and advice | 763 monitoring compliance activities)

Commenced **2** criminal proceedings under the WHS Act

At 30 June 2023, **5** proceedings have continued, and **2** proceedings have concluded during this period

# CEO'S YEAR IN REVIEW 2022–23



**Greg Vines**

*Chief Executive Officer (CEO)*

As the CEO and accountable authority of Comcare, I present Comcare's Annual Report to the Minister for Employment and Workplace Relations, the Hon Tony Burke, and the Australian Parliament on the performance of Comcare for the year ended 30 June 2023.

This is my first Annual Report as Comcare's CEO and I am pleased that it reflects our critical role and positive work over the last year in promoting and enabling safe and healthy work. Workplace health and safety is a key part of providing workers with dignity at work, the direct benefit of employment, and to work in an environment that's safe, productive and facilitates their physical and mental wellbeing.

## Prevention and early intervention

This year we released Comcare's *Prevention Strategy 2022–2025*. The Prevention Strategy provides a coordinated pathway for supporting workplaces to prevent harm and enable a culture of health and safety, compliance and reporting. It was developed with consideration of the changing nature of work, emerging workplace risks and new evidence in better practice. The Australian Council of Trade Unions, an Australian Public Service roundtable and the Deputy Secretaries Safety and Compensation Forum were consulted throughout its development. Key achievements measured against the Prevention Strategy since its release include implementation of the psychosocial inspectorate pilot program and delivery of resources and education programs on psychosocial hazards, sexual harassment and respect and civility at work.

The Good Work Design initiative is included in the Prevention Strategy and highlights that how work is designed can impact the way we feel, influencing our motivation, engagement and stress levels at work. Good work design can promote worker wellbeing, promote better health, and support participation and productivity. We have produced a suite of evidence-based resources, including videos and better practice guidance, to help raise awareness and build manager capability to design good work for their teams. Pleasingly, there has been strong engagement with the resources across the scheme.

The Prevention Strategy recognises the increasing need to foster mentally healthy workplaces and overcome the stigma associated with mental health conditions at work. Comcare's recently-released 'Mental Notes' Mental Health-Related Stigma Program aims to raise awareness of mental health-related stigma. Fear and stigma around mental ill-health can prevent workers from seeking the support they need from their employer or a trained professional.

Workplaces that foster and support the psychological health and wellbeing of workers by addressing stigma early and encouraging help-seeking behaviour are more likely to experience less absenteeism, presenteeism, employee turnover and psychological claims. The Mental Notes program provides practical strategies for identifying and managing psychosocial safety risks, and helps with assessing, and making appropriate adjustments to support staff in the workplace. The program was informed and tested with managers, workers and people with lived experience of mental ill health.

In relation to early intervention, we have had continuing success with the New Access workplaces program with strong results shown through an independent evaluation this year. Aimed at supporting people to manage mild to moderate anxiety and/or depression, the program achieved a recovery rate of 72%, above the clinical threshold of more than 60%. This is a positive indication that evidence-based psychological therapies are a valuable support initiative and can be delivered successfully by a non-clinical workforce, to help Australian workers.

## Service provision driven by integrity, respect and insight

Psychological claims for workers' compensation currently account for around one third of new claims from Australian Public Service workers in the Comcare jurisdiction, with bullying and harassment and work pressure being the main causes. These claims are often more complex and take longer to resolve. Workers who make a compensation claim for a psychological injury often have poorer recovery and return to work outcomes than those with a physical injury or disease.

Comcare remains committed to providing high quality, tailored and client-centric claims management services, that enhance health and return to work outcomes and client experience to all those in our scheme. A recent audit by the Australian National Audit Office (ANAO) found that Comcare's management of workers' compensation claims is effective and efficient and supported by sound business processes and systems. This reflects our commitment to excellence in service provision and the ongoing work to strengthen our claims management services, including improving governance and assurance of processes. Comcare is working to implement 2 ANAO recommendations to periodically review delegated claims arrangements (where staff in some agencies are delegated to make claim decisions on behalf of Comcare); and to improve corporate performance measures for overall claims management. These recommendations align with our continuous improvement efforts where we are focused on putting the clients at the heart of what we do, while also achieving effectiveness and efficiency.

Improving the timeliness of our claims management services continues to be a key area of focus, facilitating early access to appropriate entitlements and required supports. In the last year we reached 85% for initial liability determinations made in the target timeframe (up from 84% last financial year) and 74% for reconsideration decisions (up from 60%).

We also remain focused on providing easy to use, reliable services that meet the needs of our clients and stakeholders. The aim is to implement services and systems that will support us to be effective, efficient and consistent, underpinned by leading digital technology and standards. Our new digital invoicing solution which allows healthcare and other providers to submit and manage invoices themselves through a digital platform is one such system. Understandably the provider uptake and number of invoices submitted is increasing consistently.

There are a range of initiatives underway aimed at improving workers' capacity and confidence in job readiness activities, reducing psychological and financial distress, and improving general health and return to work outcomes. This includes a return to work pilot offering employees a return to work employment brokerage and job readiness coaching service – you can read more about this innovative initiative in one of this report's highlights. Other initiatives are aimed at improvements to provider management such as Independent Medical Examiners (IME). We have introduced new provider contracts with robust performance standards, use of an electronic platform for streamlined booking, documentation transfer and reporting, and have updated our internal procedures and standards around use of IME.

## Adaptable and supportive

Comcare has been working to address the various recommendations contained in the:

- > 2018 *Independent Review of the Model Work Health Safety Laws* by Ms Marie Boland on behalf of Safe Work Australia (Boland review)
- > 2020 *National Inquiry into Sexual Harassment in Australian Workplaces* by Sex Discrimination Commissioner by Ms Kate Jenkins (the Respect@Work report)
- > 2021 Australian Human Rights Commission *Set the Standard: Report on the Independent Review into Commonwealth Parliamentary Workplaces*.

We have been proactively engaging with employers to ensure they have effective safety management systems that address psychosocial risks and using the insights gained through consultation to better understand the issues of cross jurisdictional work health and safety regulation. This work is still in the early stages, but I expect that this will lead to a review of our guidance material and the establishment of more formal communication protocols with state and territory regulators.

A psychosocial regulation team has been established within Comcare to raise awareness of psychosocial risks, including sexual harassment, and deliver preventative compliance activities. This will support our jurisdiction to achieve compliance with legislative changes to the WHS Act relating to the management of psychosocial risk. The team will initially deliver activities through a supportive and educative approach, while the understanding of psychosocial hazard and risk management matures across the jurisdiction.

A proactive psychosocial inspection program pilot was conducted with 3 employers in the Comcare jurisdiction with the evaluation outcomes to inform our future work in this area.

Our *Seriously Injured Person and Family Support Framework* was developed in response to the findings of a Senate report into workplace deaths, titled 'They never came home'. This has seen the creation of a new role for Comcare, a family liaison officer. This role is designed to support affected families to understand the complexities of various pieces of legislation covering work health and safety, workers' compensation and criminal law. It also provides a regular point of contact with family members while Comcare undertakes its investigations.

## Firm, fair regulation

In November 2022, Comcare established a dedicated Investigations team responsible for conducting investigations into alleged breaches of the WHS Act and undertaking enquiries into fatal incidents reported to Comcare, including liaison with state and territory police forces and state and territory Coroners. The team is focusing on a nationally consistent and timely approach to the conduct and management of our investigations. Over the past few years, the number of investigations has been increasing and this team, working with our inspectors, provides a dedicated focus to this important area of work.

We have concluded several investigations that have resulted in the commencement of prosecutions for alleged offences against work health and safety laws by duty holders, including government agencies and non-Commonwealth licensees, enhancing Comcare's reputation as a firm but fair regulator.

This year has seen continuous improvement and ongoing collaboration to manage legal risk for Comcare and supporting the new psychosocial regulation team with the implementation of the Boland review recommendations.

A Royal Commissions team was established to proactively manage and co-ordinate Comcare's responses into these important and significant inquiries, which currently include the Disability Royal Commission, the Defence and Veteran Suicide Royal Commission, and the Royal Commission into the Robodebt Scheme.

## Collaborating and partnering

I am proud that Comcare is a constructive and positive player when contributing to the wellbeing of our communities. Our approach – as it has always been – is to work with others to find ways to do things better. Partnerships remain central to much of Comcare's work, whether it's working with employers to remedy unsafe working environments and providing the tools and the information they need, or supporting individuals to recover at and return to work after a work-related injury and ensuring they're getting the proper entitlement to safety and health at work. I am pleased with the commitment stakeholders across our scheme show in working together, in an informed way, to address challenges.

Comcare has held a range of successful forums this year, including forums designed specifically for workplace rehabilitation providers, rehabilitation case managers, claims managers and regulators. Our mental health community of practice is also designed and delivered to support those working in work health and safety roles. The claims manager forums continue to be well attended and highly regarded events, with 4 held in the last year. Some of the topics covered with rehabilitation case managers and workplace rehabilitation providers included developments in rehabilitation management practice and gathering and understanding perspectives from the range of stakeholders involved in enabling workers to return to or recover at work.

Working with industry experts from our self-insured entities, we have presented 2 transport network forums. These forums have been designed to address key industry risks, providing a forum to share research, identify best practice innovations, and discuss work health and safety concerns impacting the industry. The employers who attend do so without regard to industry competition. The forums have been so successful that Comcare has committed to running 2 forums each year.

Four licensee liaison forums were held in 2022–23, with an average attendance exceeding 60 participants for each forum. These forums are used to deliver updates to self-insured licensees on Comcare’s strategic programs of work and to communicate outcomes from the Safety, Rehabilitation and Compensation Commission meetings. The forums cover a range of topics including Comcare’s regulatory and assurance activities, projects and initiatives, provider management, data and licence fee charging.

## Looking ahead

We will continue to focus on improving our core functions and working with our important partners and stakeholders to achieve the priorities set out in our Corporate Plan 2023–24. Some of these priorities include:

- > proactively preparing for upcoming or potential changes to legislation
- > engaging and collaborating with our stakeholders to create mentally healthy workplaces and manage psychosocial risks
- > providing national leadership in prevention and early intervention through delivery of and engagement in relevant forums, cross-jurisdictional activities, research, and better practice initiatives
- > advancing intelligence and risk analysis to inform and prioritise prevention and regulatory activities, including a renewed focus on proactive regulation
- > uplifting data maturity to draw consistent, accurate insights through accessible and reliable sources
- > delivering co-designed projects to improve claims management outcomes and performance
- > updating our ICT Strategy and developing a new *Digital Strategy 2023–2028* to ensure an adaptive, secure, digital environment which supports our agency to serve the needs of our stakeholders in an efficient and effective way, and
- > finalising and commencing implementation of our *People Strategy 2028* with expected focus areas to include capability, agility, wellbeing and stewardship.

My vision is that we continue to seek to understand and build on our opportunities to reconnect, cement relationships, and communicate the value we offer in promoting and enabling safe and healthy work.

For 2023–24, 6 regulatory priorities have been identified – psychosocial hazards, silica, body stressing, contractor management, WHS management systems, and being hit by moving objects. Comcare will deliver on these priorities through programs of work which may include proactive engagements with organisations and industries, compliance inspections, and provision of targeted education and engagement via webinars or published guidance and tools.

We are looking forward to the Comcare National Work Health and Safety Awards being held in November 2023. These awards recognise and reward excellence in prevention and recovery at work, as well as in return to work achieved by employers and individuals operating across Comcare’s scheme. The stories of the outstanding employers and individuals operating across the scheme highlight best practice and innovation with work health and safety initiatives that create a positive impact.

Finally, I must acknowledge what our people have achieved together for Comcare this year. They have shown flexibility, resilience and commitment and I see strong values and leadership displayed at all levels. There is a shared commitment to working with our partners and stakeholders and delivering on our purpose to promote and enable safe and healthy work.

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.



inclusive  
building  
diversity

return to work

encouraging

support

honest

transparent

culture

equitable

discuss



# CHAPTER 1: ABOUT COMCARE

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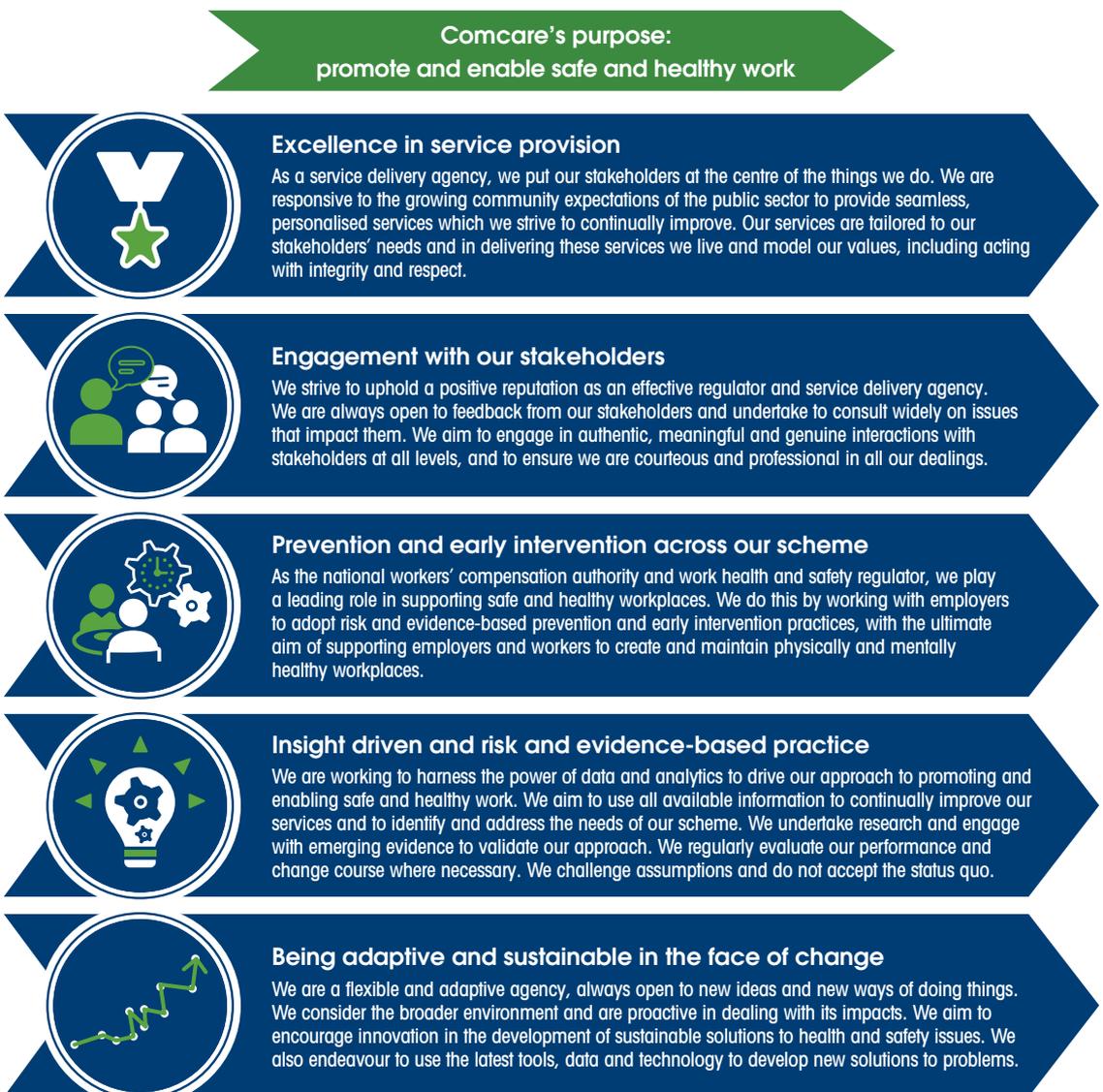
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# PURPOSE AND STRATEGIC PRIORITIES

Comcare’s purpose and outcome statement is to promote and enable safe and healthy work. This purpose unites Comcare’s key functional activities and is supported by priorities that reflect our strategic intent across our diverse business.

Our 5 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



## GOVERNING LEGISLATION

The *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) establishes Comcare. Comcare has functions and responsibilities under both the SRC Act and the *Work Health and Safety Act 2011* (WHS Act), which includes regulatory functions and compliance and enforcement 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, other than those attributed to Comcare.

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.

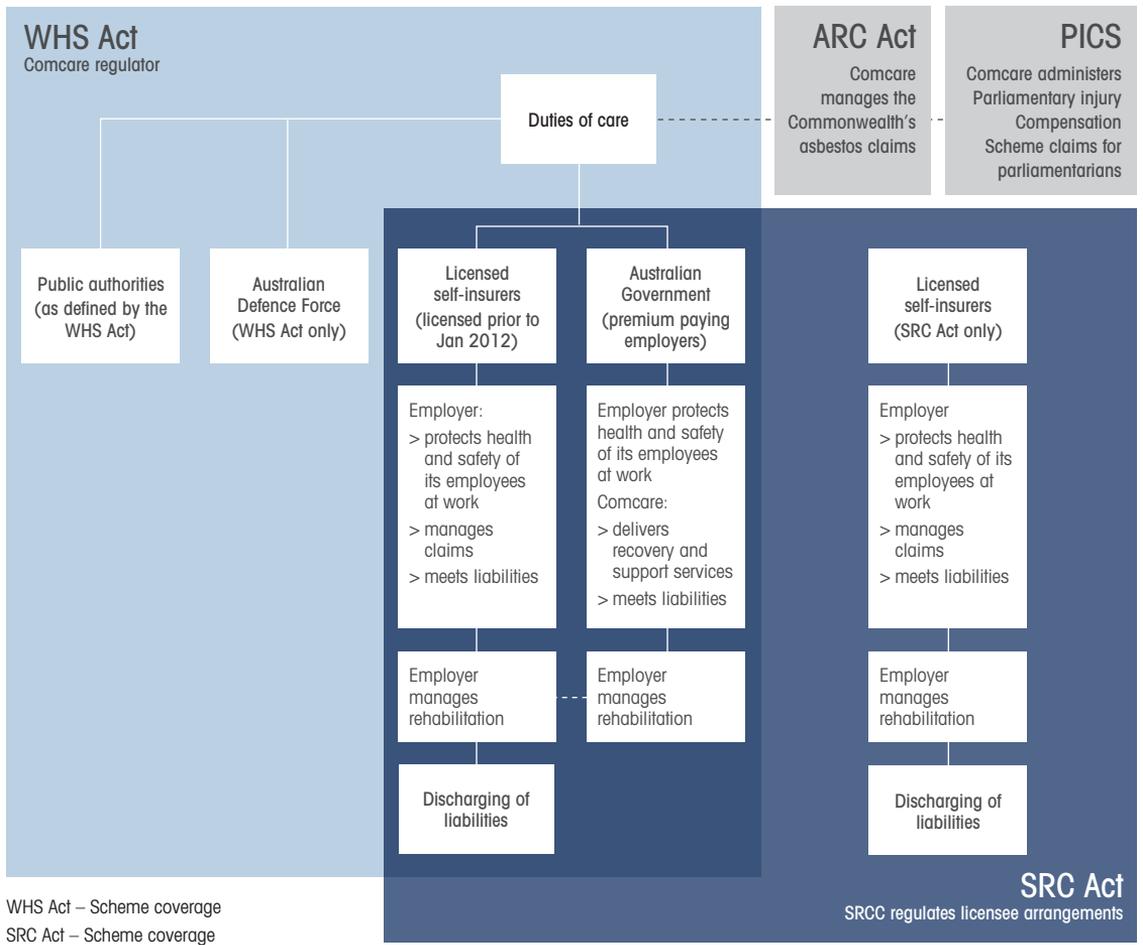
Comcare provides secretariat and other assistance to the SRCC and the Seacare Authority in the performance of their functions.

Comcare 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 Business Resources Act 2017*.

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 section 30 of the PGPA Rule.

Figure 2: Responsibilities under the Commonwealth legislation



at 30 June 2023

# ROLES AND RESPONSIBILITIES

Comcare has several important roles. We are a work health and safety regulator, a scheme manager, a claims manager and an insurer. We also have essential enabling roles, supporting our workforce and driving 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 regulate workplace rehabilitation providers and 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
- > investigating alleged or potential contraventions.

Our *Compliance and Enforcement Policy* sets out Comcare's approach to its regulatory functions and powers under the WHS Act and SRC Act and guides our decisions on when and how we undertake specific activities.

## Scheme manager role

We manage the Comcare workers' compensation scheme which covers premium paying employers and self-insured licensees. As the scheme manager we monitor and maintain legislation and develop 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 provide support through expert advice and services to the SRCC and the Seacare Authority. We approve and monitor workplace rehabilitation providers who operate in the scheme.

We recover costs for the functions we and the SRCC perform under the SRC Act. We do this through setting regulatory contributions for Australian Government agencies, supporting the SRCC to set licence fees for self-insured licensees and setting application fees for workplace rehabilitation providers to operate in our scheme. We also recover costs for providing assistance to employers when reconsidering determinations under the Seafarers Act.

## Claims manager role

We manage claims across a number of injury compensation schemes. Under the SRC Act we manage workers' compensation claims for Australian Government agency employees. We also manage the liabilities for common-law asbestos related conditions under the ARC Act for the Australian Government. We administer the Parliamentary Injury Compensation Scheme which provides injury compensation coverage for Australian Government parliamentarians and the Prime Minister's spouse.

## Insurer role

Under the SRC Act, Comcare is also a workers' compensation insurer and we set and collect premiums specific to each Australian Government agency to meet Comcare's claims liability and claims administration costs.

## The Seafarers Safety, Rehabilitation and Compensation Authority

The Seacare Authority is established under the Seafarers Act and is responsible for overseeing the Seacare scheme. The Seacare scheme is a national scheme of occupational health and safety (OHS)<sup>1</sup>, 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 2 of this report – *Safety, Rehabilitation and Compensation Commission Annual Report 2022–23*.

The SRCC annual report is supplied in accordance with section 89S of the SRC Act.

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

# WHO WE COVER

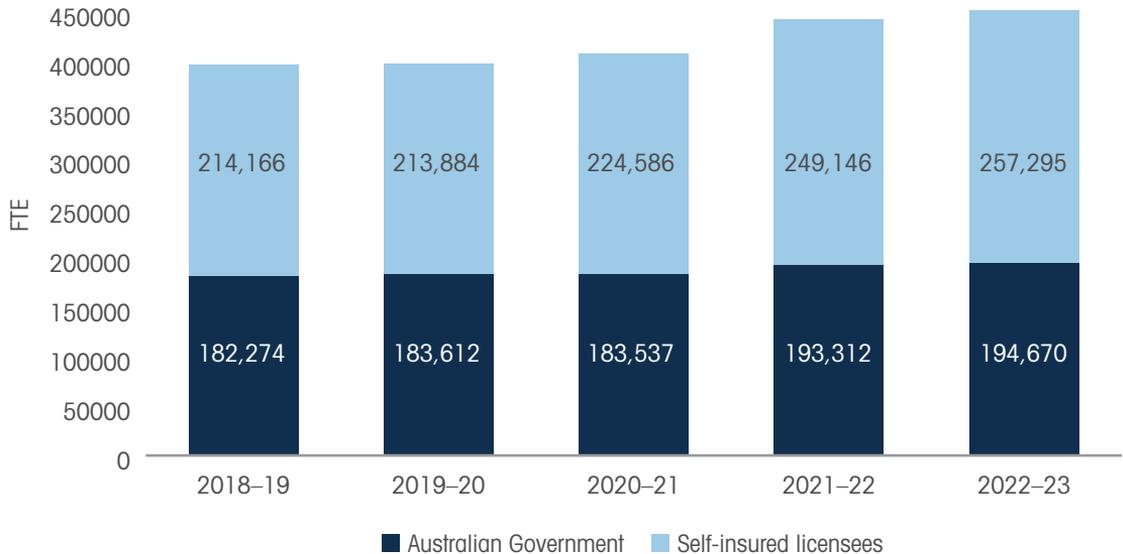
The Comcare scheme is diverse, covering a broad range of occupations and industries including government services, defence, law enforcement, transport, logistics, financial, banking services, manufacturing, construction, telecommunications, health services, higher education and postal services.

During the year our programs and services were used by:

- > Australian Government agencies, Commonwealth authorities and their employees, and parliamentarians
- > national companies and other organisations licensed by the SRCC and their employees
- > members of the Australian Defence Force including reservists and cadets<sup>2</sup>
- > individuals making claims against the Commonwealth for asbestos-related conditions.

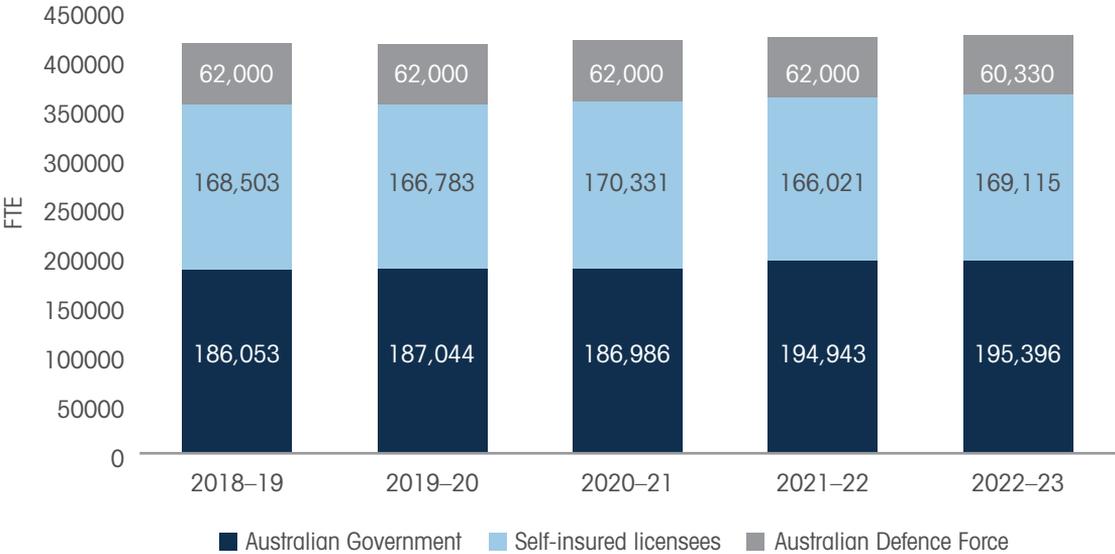
At 30 June 2023 Comcare’s scheme comprised of 451,965 full-time equivalent (FTE) employees covered under the SRC Act, and 424,841 FTE under the WHS Act. Figure 3 and Figure 4 represent the 5-year trend of Comcare’s scheme responsibility.

Figure 3: Comcare scheme coverage under the SRC Act



<sup>2</sup> Covered under the WHS Act only.

Figure 4: Comcare scheme coverage under the WHS Act



# ORGANISATIONAL STRUCTURE

Comcare is an agency of the Department of Employment and Workplace Relations. In the reporting period, Comcare was part of the Employment and Workplace Relations Portfolio.

Since 1 July 2022 Comcare reports to the following Minister:

*The Hon Tony Burke MP*

Minister for Employment and Workplace Relations

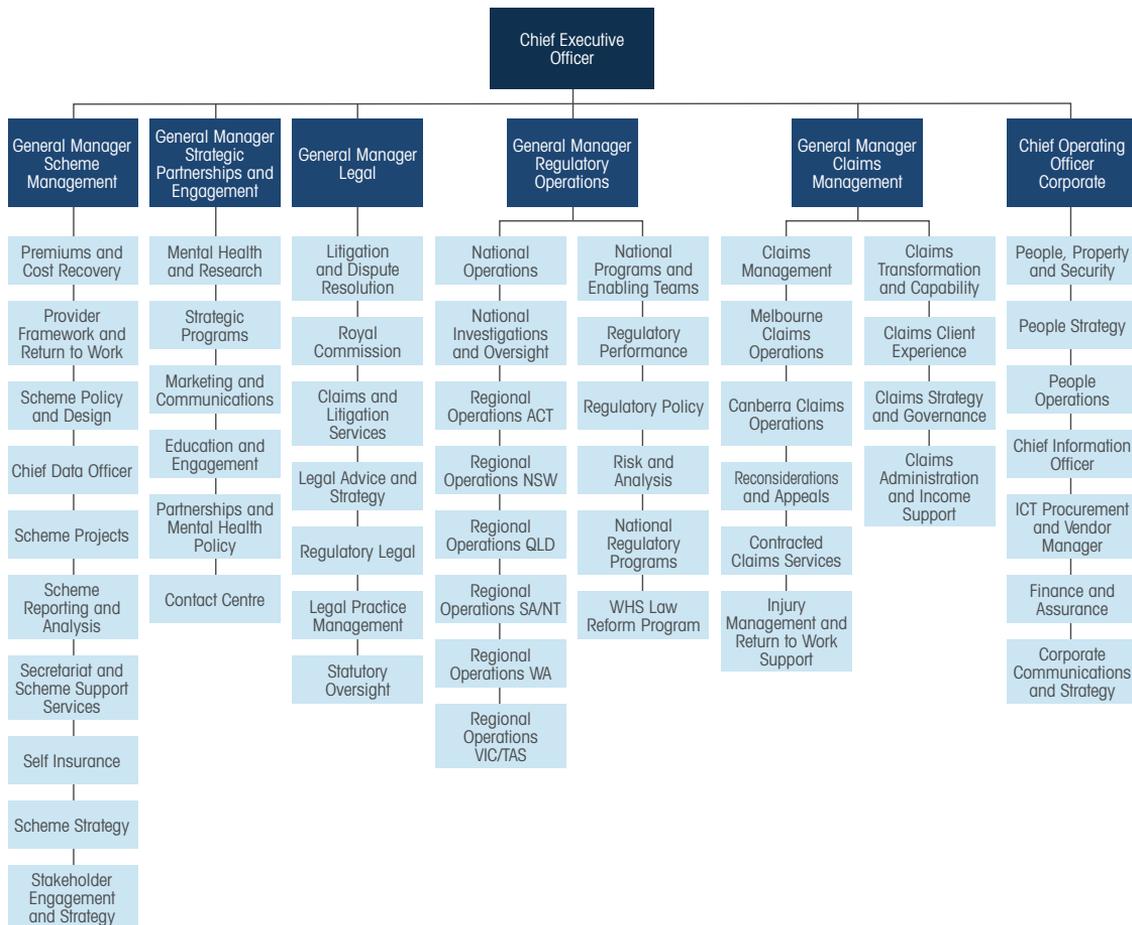
Minister for the Arts

Leader of the House

Comcare's CEO is Greg Vines. 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 (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 2023



# COMCARE'S EXECUTIVE TEAM



**Greg Vines**  
Chief Executive Officer

Greg was appointed as Comcare's Chief Executive Officer on 14 April 2023. Before joining Comcare, Greg was the Deputy Director-General for the International Labour Organization from 2012 to 2022. Greg was also Minister (Labour) with the Australian Permanent Mission to the United Nations, Geneva, from 2009 to 2012.

Prior to that, Greg was Chair of the Civil Service Task Force in Timor Leste (2008–2009), Public Sector Standards Commissioner of Victoria (2005–2009), Executive Director, Industrial Relations Victoria and Deputy Secretary, Department of Innovation, Industry and Regional Development (2003–2005) and State Service Commissioner, Tasmania (2000–2003).

Greg also held various leadership positions in trade union organisations. He has a Bachelor of Business from Monash University and Bachelor of Laws (Hons) from the University of Tasmania. Greg has completed the Executive Program in International Labour Relations at Harvard University and is a Fellow of the ANZOG Executive Program and a Fellow at Monash University.



**Michael Duke**  
General Manager Scheme Management Group  
(Deputy Chief Executive Officer)

Michael joined Comcare in 2016 and was permanently appointed to the role of General Manager Scheme Management Group 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 SRCC and the Seacare Authority. Michael was acting Chief Executive Officer from 6 February to 16 April 2023.

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.



## Megan Buick General Manager Strategic Partnerships and Engagement Group

Megan joined Comcare in January 2018 and was permanently appointed to the role of General Manager Strategic Partnerships and Engagement Group from 27 January 2022.

Megan has a combined 25 years' experience in the health, aged care and workers' compensation sectors. Prior to working at Comcare, Megan worked in the Victorian health services as a registered nurse in the acute and aged care sectors, in a research capacity in the acute care sector and academia and was the Acting CEO of a Division of General Practice (now the Primary Health Networks) in the primary care sector.

Megan is a passionate leader and manager, investing in and understanding the capabilities and strengths of colleagues to drive organisational outcomes and results. Megan holds post graduate qualifications in Health Services Management and a Bachelor of Applied Science (Nursing).



## Louise Close General Manager Legal Group

Louise joined Comcare in 2017 and was permanently appointed to the role of General Manager Legal Group in May 2023. Louise is responsible for the leadership and oversight of Comcare's Legal Group, and for the delivery of all legal services to Comcare and the management of legal, strategic, and operational risk.

Louise has over 15 years' experience as a lawyer specialising in regulatory compliance and enforcement with a focus on work health and safety law, and a broad range of legal experience in administrative law, workers compensation, statutory compliance, civil and criminal litigation, and the conduct and management of external reviews and inquiries.

Louise holds a Bachelor of Laws (Honours) and a Bachelor of Arts (Honours) from the University of Melbourne and is admitted to practice as an Australian legal practitioner.



## 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, helpdesk and regulatory intelligence functions.

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, is an alumnus of the Kennedy School of Government at Harvard University and is a Member of the Australian Institute of Company Directors.



## Chloë Eaton Acting General Manager Claims Management Group

Chloë joined Comcare in November 2012 leading legal teams. In October 2019 she took up the role of Senior Director, Claims to lead the operational service delivery of Comcare's workers' compensation claims management across Australian Public Service agencies, Commonwealth asbestos liability claims and the management of third party claims service providers. Chloë was appointed as acting General Manager Claims Management Group from May 2022.

Chloë has over 20 years' experience as a public sector lawyer with a background in social care law before joining Comcare. Her experience encompasses complex and sensitive litigation, workers' compensation, administrative law, governance, self-insurance, and work health and safety.

Chloë holds a Bachelor of Arts, Bachelor of Laws, Graduate Diploma in Legal Practice and Masters in Child Studies. She also holds an unrestricted legal practicing certificate.



## Leanne Blackley Chief Operating Officer Corporate Group

Leanne joined Comcare on 9 May 2022 as Chief Operating Officer. Prior to joining Comcare, Leanne was Assistant Secretary in the Department of Foreign Affairs and Trade.

Leanne has held a variety of other senior executive roles across multiple agencies in the Australian government, delivering large transformation initiatives and driving corporate and central agency strategy and processes, including those related to human resources and finance functions. Leanne has also worked in a number of policy agencies and represented Australia in the Philippines and Indonesia with immigration.

Leanne holds a Bachelor of Arts (First Class Honours) from the University of Wollongong and a Doctorate in History and Sociology from the Australian National University. She is a Certified Level 2 executive coach and a member of the Australian HR Institute, CPA Australia and Australian Institute of Company Directors.



## Former Comcare Executive Members

### **Aaron Hughes – Acting Chief Executive Officer, General Manager Claims Management Group and Deputy Chief Executive Officer to 5 February 2023**

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 led the group responsible for workers' compensation claims management across Australian Public Service (APS) agencies, Commonwealth asbestos liability claims, and the management of third-party claims service providers and was Acting Chief Executive Officer of Comcare from 2 May 2022 until his departure from Comcare on 5 February 2023.

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.

## Acting Executive during 2022–23

Comcare’s Executive team’s acting arrangements during 2022–23 are provided in Table 1.

Table 1: Acting Executive team members during 2022–23

Role	Name	Dates
Chief Executive Officer	Michael Duke	28 September 2022 – 07 October 2022
	Michael Duke	18 November 2022 – 18 November 2022
	Aaron Hughes	02 May 2022 – 05 February 2023
	Michael Duke	06 February 2023 – 16 April 2023
General Manager Claims Management Group	Chloë Eaton	01 July 2022 – 29 July 2023
	James McKenzie	01 August 2022 – 09 September 2022
	Chloë Eaton	12 September 2022 – 16 December 2022
	Chloë Eaton	06 February 2023 – 06 April 2023
	Sarah Donohoe	11 April 2023 – 18 April 2023
	Chloë Eaton	19 April 2023 – 30 June 2023
Chief Operating Officer Corporate Group	Paul Boehme	21 December 2022 – 23 December 2022
	Seyhan Aka	27 January 2023 – 02 February 2023
	Penelope Schweicker	10 May 2023 – 12 May 2023
	Penelope Schweicker	21 June 2023 – 27 June 2023
General Manager Legal Group	Louise Close	20 May 2022 – 17 May 2023
	Susannah Palmer	15 August 2022 – 26 August 2022
	Tilesha Cox	03 January 2023 – 10 January 2023
	Elizabeth Bell	11 January 2023 – 17 January 2023
	Tilesha Cox	06 March 2023 – 24 March 2023
General Manager Regulatory Operations Group	Beverley Smith	17 June 2022 – 11 July 2022
	Beverley Smith	29 August 2022 – 02 September 2022
	Beverley Smith	09 January 2023 – 27 January 2023
	Beverley Smith	24 February 2023 – 13 March 2023
General Manager Scheme Management Group	Maree Sherwood	22 September 2022 – 07 October 2022
	Maree Sherwood	16 January 2023 – 02 February 2023
	Maree Sherwood	06 February 2023 – 30 April 2023
General Manager Strategic Partnerships and Engagement Group	Leaha Brown	03 January 2023 – 19 January 2023
	Medha Kumar	26 June 2023 – 29 June 2023

# 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



# CHAPTER 2: ANNUAL PERFORMANCE STATEMENTS

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Strategic priority 5: Being adaptive and sustainable in the face of change	60

# STATEMENT OF PREPARATION

I, Greg Vines, as the Chief Executive Officer and accountable authority of Comcare, present the 2022–23 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 2022–23 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 and section 16F of the *Public Governance, Performance and Accountability Rule 2014*.



Greg Vines  
Chief Executive Officer

13 September 2023

# PERFORMANCE

Comcare’s efforts are driven by our purpose and outcome statement – 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 based on our key activities and performance measures and targets. We are committed to improving our performance and set ambitious targets to achieve our purpose.

We achieved 26 of the 28 targets against the 12 performance measures that we set for 2022–23.

Table 2 provides a summary of results against our performance measures. The remaining chapter provides analysis against our key activities and performance measure targets, including the actions we will take to address those targets that were not achieved.

Figure 7: Performance against strategic priorities



\*7 out of 9 targets were achieved

## Results against our performance measures and targets

Table 2: Summary of results against 2022–23 performance measures

Performance Measure/Target	Status	Result
<b>Strategic Priority 1: Excellence in service provision</b>		
<b>Performance Measure 1.1: We provide quality services to all our stakeholders</b>		
1.1.1 Stakeholder satisfaction rating of 85% or more	Achieved	85%
1.1.2 85% or more evaluated entities report improved work health and safety outcomes as a result of Comcare’s regulatory activities	Not achieved	73%
1.1.3 100% of activities are delivered within statutory timeframes, where applicable	Achieved	100%
1.1.4 Safety, Rehabilitation and Compensation Commission satisfaction of support provided by Comcare	Achieved	99%
1.1.5 Seafarers Safety, Rehabilitation and Compensation Authority satisfaction of support provided by Comcare	Not achieved	62%
<b>Performance Measure 1.2: We consistently manage Commonwealth asbestos-related disease claims with more equitable and efficient outcomes</b>		
1.2.1 95% of resolution payments made within 10 days of receipt of relevant information	Achieved	98%
1.2.2 Asbestos-related disease common law settlements are monitored to ensure consistency and equity	Achieved	–
<b>Performance Measure 1.3: We build and embed better regulatory practice into our work health and safety and regulatory activities</b>		
1.3.1 Our interactions with regulated entities and other stakeholders are open, transparent and consistent	Achieved	–
1.3.2 We ensure that regulatory activities are conducted in accordance with endorsed policies and procedures	Achieved	–

Performance Measure/Target		Status	Result
<b>Strategic Priority 2: Engagement with our stakeholders</b>			
<b>Performance Measure 2.1: Our Administrative Appeals Tribunal (AAT) litigation program resolves disputes promptly and with integrity</b>			
2.1.1	Proportion of AAT litigation with a successful outcome is 65% or greater	Achieved	84%
2.1.2	60% of Comcare AAT litigation matters are progressed to hearing or finalised within 12 months for Comcare managed claims	Achieved	87%
<b>Performance Measure 2.2: We deliver contemporary education and engagement services that promote and enable safe and healthy work</b>			
2.2.1	80% of attendees have their engagement, training and education needs met	Achieved	94%
2.2.2	Annual increase in employer and customer reach, engagement and/or change in behaviour with Comcare's education services and communication channels	Achieved	–
<b>Strategic Priority 3: Prevention and early intervention across our scheme</b>			
<b>Performance Measure 3.1: We design and deliver innovative and prevention focused initiatives that promote and enable safe and healthy work</b>			
3.1.1	Initiatives are perceived as innovative and/or prevention focused	Achieved	–
<b>Performance Measure 3.2: Our proactive regulatory activity is targeted and prevention focused</b>			
3.2.1	Targeted and prevention focused compliance and enforcement activities are delivered on Comcare's Regulatory Priorities	Achieved	–

Performance Measure/Target	Status	Result
<b>Strategic Priority 4: Insight driven and risk and evidence-based practice</b>		
<b>Performance Measure 4.1: We drive national work health and safety compliance using a targeted, risk-based approach</b>		
4.1.1	100% of incident notifications involving the death of a person result in a monitoring compliance activity	Achieved 100%
4.1.2	100% of incident notifications assessed as extreme or high-risk result in a monitoring compliance activity	Achieved 100%
4.1.3	Comcare undertakes a follow-up verification inspection in 95% of instances where an inspection has identified remedial actions to be undertaken to eliminate or minimise, as far as reasonably practicable, the risk of future incidents occurring	Achieved 100%
<b>Performance Measure 4.2: We undertake strategic and collaborative initiatives to promote and enable safe and healthy work</b>		
4.2.1	Strategic and collaborative initiatives deliver evidence-based insights and/or better practice	Achieved –
<b>Performance Measure 4.3: Our scheme identifies and adopts better practices which enable and promote safe and healthy work</b>		
4.3.1	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/Target	Status	Result
<b>Strategic Priority 5: Being adaptive and sustainable in the face of change</b>		
<b>Performance Measure 5.1: Our scheme is sustainable as evidenced through outcomes achieved by scheme participants (including financial and return to work outcomes)</b>		
5.1.1 Target administrative cost ratio 15 to 25%	Achieved	22.6%
5.1.2 Average Commonwealth premium rate = 1% of payroll or lower	Achieved	0.84%
5.1.3 Minimum funding ratio of 110%	Achieved	117%
5.1.4 Comcare scheme return to work rate of 85 to 95% for accepted claims initially determined within the previous 24 months	Achieved	89%
5.1.5 Comcare scheme notional premium rate = 0.90%	Achieved	0.72%
<b>Performance Measure 5.2: Our workforce is engaged, capable and supported in their mental health and wellbeing</b>		
5.2.1 Comcare's employee engagement rating at the organisational level exceeds 70%	Achieved	76%
5.2.2 Comcare's wellbeing rating at the organisational level meets or exceeds 75%	Achieved	78%
5.2.3 75% of Executive level employees consider that their workgroup has the appropriate skills, capabilities and knowledge to perform well	Achieved	86%

# STRATEGIC PRIORITY 1: EXCELLENCE IN SERVICE PROVISION



## Analysis of performance against our key activities

### Delivering key projects to improve claims management outcomes and performance

Comcare has continued work to improve our claims management services and the outcomes for clients in 2022–23. A recently completed audit by the Australian National Audit Office (ANAO) into Comcare's management of workers' compensation claims found Comcare's administration of claims is effective and efficient, and supported by sound business processes and systems. ANAO made 2 recommendations; to periodically review delegated claims management arrangements for learnings that can be applied across our claims management function, and to review 2024–25 performance measures.

The Claims Management Group have worked on 3 key projects and initiatives:

- > Piloted a new return to work approach (Nov 2021 – Oct 2022), to support employees who had been unsuccessful in returning to work using the traditional rehabilitation framework.
- > Mapped the claim journey to provide a clear picture of the most important elements of the claims journey for our clients and how we can improve this.
- > Continued work on a new claims management solution that will deliver process, data, and capability transformation to our management of claims.

### Providing work health and safety information and advice through Inspectorate engagement activities

Comcare continued to provide information and advice through inspectorate engagement activities to assist persons conducting a business or undertaking (PCBU) to improve their understanding of work health and safety and their obligations under the WHS Act and WHS Regulations. This included:

- > targeted education and engagement webinars and forums that foster work health and safety knowledge and the adoption of better practice
- > website guidance and resources that support employers and workers
- > a range of work health and safety digital learning courses available through the online Comcare Learning Management System (LMS).

### Supporting better practice governance for the SRCC and Seacare Authority

Comcare supported the SRCC with:

- > completing a review of its performance standards and measures and implementing identified recommendations
- > the ongoing review of its regulatory model, including development of policies and guidance about the licensing process.

Comcare supported the Seacare Authority with:

- > managing the scheme and the Seacare Safety Net Fund through significant changes in the insurance market
- > updating its exemption guidance and forms
- > participating in the Department of Employment and Workplace Relations review of the Seacare scheme.

# HIGHLIGHT

## Supporting recovery and return to work

When an employee is off work due to injury or illness, supporting their recovery provides the best chance of a successful return to work. We understand that each case is different and a unique journey.

This year Comcare has released a suite of animated videos on return to work for our stakeholders. The videos and guidance help employees and supervisors better understand the return to work process and support safe recovery and return to work. When we spoke to employers, 91% of them told us the videos were easy to understand and 87% felt that the videos assisted employees and employers in the return to work process.

The videos and accompanying guidance explain the health benefits of a safe, timely and lasting return to work, roles and responsibilities, and better practices in supporting employees to recover and return to work. This guidance outlines the return to work process for employees and supervisors and enhances co-worker understanding of the recovery journey. The resources to support successful recovery and return to work are available on the [Comcare website](#).

# STRATEGIC PRIORITY 1: EXCELLENCE IN SERVICE PROVISION



## Performance measure results

### Performance Measure 1.1: We provide quality services to all our stakeholders

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23, Page 170  
Comcare Corporate Plan 2022–23, Page 9

#### Target

#### Result

1.1.1 Stakeholder satisfaction rating of 85% or more

Achieved

#### Result analysis

Comcare's average stakeholder satisfaction rating was 85%. This average is comprised of major scheme employer and employee surveys as well as from evaluation surveys of significant events delivered for broader stakeholders.

- > 2023 Comcare Employer Survey – Overall satisfaction: 76%, response rate: 50%.
- > 2021 National Return to Work Survey – Overall satisfaction: 74%, response rate: 58%\*.
- > 2022 Safe Work Month Events Evaluation Survey – Overall satisfaction: 97%, response rate: 37%.
- > 2022 National Conference Evaluation Survey – Overall satisfaction: 92%, response rate: 28%\*.

These results highlight where Comcare is performing well for employer stakeholders:

- > 82% of employers agree that Comcare is a respected authority. [Source: 2023 Comcare Employer Survey.]
- > 75% of employers are satisfied with Comcare's provision of advice on specific work health and safety matters, up 10 points since 2022. [Source: 2023 Comcare Employer Survey.]
- > 80% of employers are satisfied with Comcare's education and training provision; and 91% are satisfied with Comcare's webinars, events and forums. [Source: 2023 Comcare Employer Survey.]
- > 100% satisfaction with Comcare's Safe Work Month in-person events across the country. [Source: 2022 Safe Work Month Events Evaluation Survey.]

Comcare is developing work plans to continuously improve stakeholder satisfaction.

\* These measures are carried over from the previous year as per the agreed methodology to reflect the most recent outcome.

#### Previous results

2021–22: Not achieved – 84% stakeholder satisfaction

2020–21: Not achieved – 74% (employers), employee result not available

2019–20: Not achieved – 76% (employers), employee result not available

2018–19: Not achieved – 70% (employers), 72% (employees)

## Performance Measure 1.1: We provide quality services to all our stakeholders

Target	Result
<b>1.1.2 85% or more evaluated entities report improved work health and safety outcomes as a result of Comcare's regulatory activities</b>	Not achieved

### Result analysis

73% of evaluated entities reported improved work health and safety outcomes as a result of Comcare's regulatory activities, based on results of the Regulatory Evaluation Survey. This result was below the target of 85% that has been achieved in previous years. There was a low response rate (21%) to the surveys sent this year and an increased proportion of neutral responses. Comcare is developing a work plan to increase the impact of our regulatory activities, improve delivery of the survey and promote a higher response rate to better gauge stakeholders' satisfaction.

### Previous results

2021–22: Achieved – 89% (target, 85% or more)

2020–21: Achieved – 88% (target, 85% or more)

2019–20: Achieved – 85% (target, 85% or more)

2018–19: Achieved – 86% (target, 80%)

Target	Result
<b>1.1.3 100% of activities are delivered within statutory timeframes, where applicable</b>	Achieved

### Result analysis

100% of authorisations and review activities were delivered within statutory timeframes.

- > Comcare received 1506 high risk work licence applications. 100% were processed within 120 days as per the requirements of the WHS Regulations.
- > Comcare received 1333 plant item registration applications. 100% were processed within 120 days as per the requirements of the WHS Regulations.
- > Comcare received 6 plant design registration applications. 100% were processed within 120 days as per the requirements of the WHS Regulations.
- > Comcare received 6 requests for internal review. 100% were conducted in accordance with timeframes specified in the WHS Regulations.

100% of prosecutions were commenced within statutory limitation periods. Comcare has mechanisms in place to monitor compliance against statutory timeframes that span across multiple years.

### Previous results

2021–22: Achieved – 100%

2020–21: Achieved – 100%

2019–20: Achieved – 100%

Not reported prior to 2019–20

# STRATEGIC PRIORITY 1: EXCELLENCE IN SERVICE PROVISION



## Performance Measure 1.1: We provide quality services to all our stakeholders

Target	Result
<b>1.1.4 Safety, Rehabilitation and Compensation Commission satisfaction with support provided by Comcare</b>	Achieved

### Result analysis

Service level measures are set through the SRCC meeting protocols and statement of services provided by Comcare and the SRCC. Service levels for the support Comcare provides to the SRCC were achieved 99% of the time.

### Previous results

2021–22: Achieved  
 2020–21: Achieved  
 2019–20: Achieved  
 2018–19: Achieved

Target	Result
<b>1.1.5 Seacare Authority satisfaction of support provided by Comcare</b>	Not achieved

### Result analysis

The satisfaction rating is calculated by reference to the service level measures set through the Seacare Authority Meeting Procedures and Protocols. Service levels for the support Comcare provides to the Seacare Authority were achieved 62% of the time which resulted in service levels for some routine Seacare Authority meeting administration not being met, for example, timeframes on circulating meeting minutes.

This result reflects the significant workload related to high priority scheme viability issues and urgent priorities. This work includes supporting the Seacare Authority to input into and respond to the outcomes arising from the Seacare review; supporting employers in the scheme in relation to scheme viability issues by responding to queries about exemptions and, under delegation, assessing and making decisions on a significant number of section 20A exemptions. We expect the result to improve in 2023–24.

### Previous results

2021–22: Achieved  
 2020–21: Achieved  
 2019–20: Achieved  
 2018–19: Achieved

## Performance Measure 1.2: We consistently manage Commonwealth asbestos-related disease claims with more equitable and efficient outcomes

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23, Page 170  
Comcare Corporate Plan 2022–23, Page 9

Target	Result
<b>1.2.1 95% of resolution payments are made within 10 days of receipt of relevant information</b>	Achieved

### Result analysis

98% (40 out of 41) of resolution payments were made within 10 days of receipt of relevant information. One payment was made on day 11.

### Previous results

2021–22: Not achieved – 91% (target 95%)

2020–21: Achieved – 98% (target, 95%)

Not reported prior to 2020–21

Target	Result
<b>1.2.2 Asbestos-related disease common law settlements are monitored to ensure consistency and equity</b>	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 resolved 39 Primary ARC Act claims in 2022–23.

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

2021–22: Achieved

2020–21: Achieved

Not reported prior to 2020–21

# STRATEGIC PRIORITY 1: EXCELLENCE IN SERVICE PROVISION



Performance Measure 1.3: We build and embed better regulatory practice into our work health and safety regulatory activities

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23, Page 169  
Comcare Corporate Plan 2022–23, Page 9

Target	Result
<b>1.3.1 Our interactions with regulated entities and other stakeholders are open, transparent and consistent</b>	Achieved

## Result analysis

Comcare continued to interact with regulated entities and other stakeholders in an open, transparent, and consistent manner. The Comcare *Compliance and Enforcement Policy* published on the Comcare website specifies Comcare's approach to its regulatory functions and powers under the WHS Act and SRC Act. Decisions are made in accordance with the policy to ensure that our compliance and enforcement activities are consistent, constructive, transparent, accountable, proportionate, responsive, and targeted.

The *Compliance and Enforcement Policy* details Comcare's approach on matters such as:

- > the nature of duties and obligations of regulated entities
- > the decision-making process for authorisations and approvals
- > specific compliance tools and how we decide when to use them.

Comcare's Regulatory Operations Group have established dedicated teams to focus its regulatory efforts in areas that require a more complex or specialist approach using consistent principles. In November 2022, Comcare established a new Investigations team responsible for conducting criminal investigations into alleged breaches of the WHS Act. The team also undertakes enquiries into all fatal incidents reported to Comcare, including liaison with state and territory police forces and Coroners. The addition of the Investigations team allows Comcare to respond to the growing complexity of its regulatory environment and the evolving jurisdictional landscape. It also promotes and supports consistency, best practice, and quality investigation activities, techniques, and capabilities.

Comcare's program of work against its regulatory priorities for 2019–2022 has concluded. Throughout 2022, the final phase of the program was delivered through webinars and forums, with an emphasis on targeted education and engagement to address the knowledge gaps identified in the initial phases. This included a webinar on contractor management and the first Transport Network Forum. The post-event surveys showed high participant satisfaction rates for the programs, and a high proportion of attendees indicated that their knowledge and understanding of the content was improved from their attendance.

Comcare has identified 6 new regulatory priorities to target from 2023–24 – psychosocial hazards, silica, body stressing, contractor management, WHS management systems, and being hit by moving objects. Comcare will deliver on these priorities through a program of work which may include proactive engagements with organisations and industries, compliance inspections, and provision of targeted education and engagement via webinars or published guidance and tools.

### Performance Measure 1.3: We build and embed better regulatory practice into our work health and safety regulatory activities

Comcare's Regulatory Operations Group conducts a yearly evaluation into selected services it provides. Evaluation surveys were sent to PCBUs in Comcare's jurisdiction that were subject to inspection or verification activities and involved a visit to the workplace.

Responses received support interactions being open, transparent, and consistent. The figures provided in the table below represent the combined percentage of respondents who agreed or strongly agreed with the statements relating to their interaction with the Comcare Inspector. The inspection survey had a response rate of 18 while the verification survey had a response rate of 16, totaling 34 respondents.

Thinking about your interaction with the Comcare Inspector, the Comcare Inspector	Inspection	Verification	Average
Clearly explained the purpose of the inspection	94%	82%	88%
Clearly explained how the inspection would be conducted	84%	82%	83%
Was clear about what they required	89%	75%	82%

#### Previous results

2021–22: Achieved

Not reported prior to 2021–22

Target	Result
1.3.2 We ensure that regulatory activities are conducted in accordance with endorsed policies and procedures	Achieved

#### Result analysis

The Regulatory Operations Group delivered assurance activities under the 2022–23 Assurance Program. Activities included a review of inspectorate activity records, entity data and end-to-end inspection compliance with business processes. Exception reporting on regulatory systems is regularly completed to ensure that activities are conducted and recorded in accordance with endorsed policies and procedures. Exception reporting is updated regularly when business processes change, or new business processes are introduced.

The Regulatory Operations Group Assurance Program will be refined over the 2023–24 year to incorporate recommendations from an external audit conducted by Price Waterhouse Cooper. Improvements will include expanding the annual assurance activity plan to a rolling 3-year plan and stronger justification of audit topics based on factors such as risk, drivers, and legislative requirements.

#### Previous results

2021–22: Achieved

Not reported prior to 2021–22

## STRATEGIC PRIORITY 2: ENGAGEMENT WITH OUR STAKEHOLDERS



### Analysis of performance against our key activities

Implementing and evaluating our *Engagement Strategy* within the Commonwealth work health and safety jurisdiction on managing and preventing psychosocial hazards in workplaces such as bullying and harassment and sexual harassment

The Comcare *Engagement Strategy* aims to promote and enable safe and healthy work through a stakeholder centric approach that is focused on coordinated, collaborative and effective engagement. In its third year of implementation, the Strategy has guided our activities across a range of important priorities.

On 27 March and 5 April 2023 Comcare held a psychosocial hazards and regulation webinar, providing key updates on amendments to the WHS Regulations, Comcare's regulatory approach and guidance and support materials. With 2,695 registrations across the 2 webinars, this engagement demonstrated strong interest from our audience.

Comcare has delivered comprehensive and relevant education and training on work health and safety, including on managing psychosocial hazards and workplace sexual harassment. Education is delivered in a blended format including micro-learns, interactive e-Learns, and training workshops.

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

Comcare delivered a comprehensive schedule of regular engagement opportunities with its subscriber networks, sharing timely and user-centered content. Employers and other scheme participants were informed and engaged with focused and relevant updates on topics such as:

- > information for self-insurers
- > the latest workplace research
- > claims management
- > changes to work health and safety laws
- > Comcare's guidance and education resources
- > Comcare's events, forums and webinars.

Refer to the results for target '2.2.2: Annual increase in employer and customer reach, engagement and/or change in behaviour with Comcare's education services and communication channels' for more information.

Comcare improved engagement with premium payers and licensees about premiums and cost recovery, including:

- > Comcare hosted a webinar attended by 120 representatives across the Commonwealth with a focus on premium calculation methodology, early intervention, liabilities and claims trends.
- > The Licence Fee Working Group was re-established as the primary mechanism to discuss issues and improvements with the licence fee process with self-insured licensees.
- > Comcare commenced sharing regular data with self-insured licensees through the quarterly Licensee Liaison Forum to support their understanding of licence fees and providing a fortnightly e-newsletter on key self-insurance matters.

Comcare improved its account management approach for Commonwealth agencies, using a flexible and collaborative approach to ensure strong stakeholder relationships and coordinated client experience.

In mapping the workers' compensation claim journey, Comcare conducted interviews with 12 employer representatives, 19 employees and several claims managers. The results from this research have given Comcare an in-depth perspective of the claims experience from multiple perspectives. This understanding will better inform our service design in the future.

### **Designing and implementing a Comcare contact centre**

The Comcare contact centre pilot commenced in March 2023 to deliver a single touchpoint for external clients, ensuring timely and quality service provision and improved reporting and data capture capabilities. A final evaluation of the pilot is currently being conducted and aligns with Comcare's broader focus on providing excellence in service delivery.

### **Ongoing engagement with the Administrative Appeals Tribunal (AAT) with a focus on resolving disputes promptly and with integrity in line with our Litigation Strategy**

Ongoing engagement with the AAT took place in the context of quarterly liaison meetings held during 2022–23.

# HIGHLIGHT

## Improving engagement with stakeholders through a range of tailored forums

Comcare has proactively engaged with employers and other stakeholders through tailored forums and events to foster collaboration, share information, and promote better practice and work health and safety compliance. Some of our regular engagements include:

- > Rehabilitation Case Manager (RCM) Forum
- > Claims Manager Forum
- > Licensee Liaison Forum
- > Workplace Rehabilitation Provider Forum
- > Comcare Safe Work Month Program supported by regulatory regional engagement activities
- > Mental Health Community of Practice.

We host RCM and Workplace Rehabilitation Provider forums to support better practice rehabilitation and improved recovery and return to work outcomes for employees. Three RCM forums were held in 2022–23 with over 600 attendees from across the scheme. Topics covered included 'Overcoming return to work barriers', 'The perspective of the General Practitioner in collaborating with the workplace' and 'Supporting employees with chronic pain achieve positive return to work outcomes'.

When surveyed, 95% of respondents reported they were satisfied or very satisfied with the forum, 100% felt the content was relevant to their role, 97% rated the forum presentations as engaging, and 95% felt that the forum was of value.

When asked to describe why they were satisfied with the RCM forums, responses included:

*"Great guest speakers with real life experience and practical tips that can be implemented in the workplace"*

*"The depth and complexity covered by real people with real experience was invaluable in the subjects covered."*

*"I find the RCM Forums informative and was pleased to receive the advice about the updated resources, for example, the Rehabilitation Case Managers Handbook".*



The Regulatory Work Activities Planning Model 2019–2022 was designed as a multi-year program to benchmark compliance, provide education and engagement, and improve jurisdictional understanding of the appropriate controls available in relation to the regulatory priorities. These priorities included:

- > psychosocial impacts relating to organisational change
- > transport industry body stressing
- > WHS contractor management
- > WHS management systems.

Throughout 2022–23, the final phase of the program was delivered through webinars and forums, with an emphasis on targeted education and engagement to address the knowledge gaps identified in the initial phases.

Two Transport Network Forums were hosted virtually by Comcare with key risks in the transport and logistics industry discussed. They also provided the opportunity to discuss work health and safety issues, and initiatives to manage risks, prevent injury and support workers. The September 2022 forum covered the practical challenges of body stressing and psychosocial risk, worker involvement in the identification and management of risk, and the role and impact of safety culture. The May 2023 forum included case studies from transport and logistics organisations, an update on industry safety and wellbeing initiatives and a panel session discussing unexpected and extreme events.

During National Work Safe Month in October 2022, 3 webinars were delivered on a range of topics including:

- > 'Work health and safety management systems and the future of work' with guest speaker Professor Sharon Newnam of Queensland University of Technology
- > 'Resilience, adaptability, and mental health' with guest speaker Georgie Harman, CEO of Beyond Blue, to discuss leading teams, sharing vulnerability and managing your wellbeing and resilience
- > 'Creating a safe and healthy workplace' lead by Comcare leaders discussing the work health and safety challenges in the jurisdiction.

In March 2023, Comcare delivered a webinar on psychosocial hazards and regulation. This webinar covered the WHS Amendment (managing psychosocial risk and other measures) Regulations 2022, Comcare's regulatory approach, risk management of psychosocial hazards and provided guidance and support materials.

# STRATEGIC PRIORITY 2: ENGAGEMENT WITH OUR STAKEHOLDERS



## Performance measure results

### Performance Measure 2.1: Our AAT litigation program resolves disputes promptly and with integrity

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23, Page 170  
Comcare Corporate Plan 2022–23, Page 10

#### Target

#### Result

**2.1.1 Proportion of Comcare AAT litigation with a successful outcome is 65% or greater**

Achieved

#### Result analysis

84% of matters resulted in successful outcomes (331 matters out of a total of 396).

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 dispute resolution 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.

#### Previous results

2021–22: Achieved – 84% (target, 60%)

2020–21: Achieved – 81% (target, 55%)

Not reported prior to 2020–21

#### Target

#### Result

**2.1.2 60% of Comcare AAT litigation matters are progressed to hearing or finalised within 12 months for Comcare managed claims**

Achieved

#### Result analysis

87% of matters progressed to hearing or finalised within 12 months (156 matters out of 179).

Comcare has embedded a program to improve management of Comcare’s claims litigation activities. The program includes enhanced litigation governance and oversight, reviews of long-standing AAT proceedings, legal service provider reporting on prospects and lead indicators of delay and a continued emphasis on lessons learned processes in AAT and Federal Court litigation.

#### Previous results

2021–22: Achieved – 93% (target, 55%)

2020–21: Achieved – 92% (target, 50%)

Not reported prior to 2020–21

## Performance Measure 2.2: We deliver contemporary education and engagement services that promote and enable safe and healthy work

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23, Page 170  
Comcare Corporate Plan 2022–23, Page 10

Target	Result
<b>2.2.1 80% of attendees have their engagement, training and education needs met</b>	Achieved

### Result analysis

Evaluation of Comcare’s 2022–23 training and webinar programs indicate that, on average, 94% of attendees had their engagement, training and education needs met. This is based on evaluation surveys of the following programs:

- > Comcare training program (live learning and online) – Overall satisfaction: 89%, response rate: 6%.
- > Transport Network Forum (September 2022) – Overall satisfaction: 95%, response rate: 20%.
- > Psychosocial hazards and regulation (March 2023) – Overall satisfaction: 85%, response rate: 17%.
- > Psychosocial hazards and regulation (April 2023) – Overall satisfaction: 91%, response rate: 17%.
- > Transport Network Forum (May 2023) – Overall satisfaction: 95%, response rate: 19%.
- > Scheme Premium information session (June 2023) – Overall satisfaction: 97%, response rate: 27%.
- > Mental Health Community of Practice (September 2022) – Overall satisfaction: 100%, response rate: 27%.
- > Mental Health Community of Practice (April 2023) – Overall satisfaction: 96%, response rate: 17%.

### Previous results

2021–22: Achieved – 96% (target, 80%)

2020–21: Achieved – 87.6% (target, 80%)

Not reported prior to 2020–21

Target	Result
<b>2.2.2 Annual increase in employer and customer reach, engagement and/or change in behavior with Comcare’s education services and communication channels</b>	Achieved

### Result analysis

Evaluation of Comcare’s LMS, webinar program data and social media engagement indicate an increase in employer and customer reach and engagement. This year:

- > Comcare’s LMS saw a 49% increase in the number of accounts (now 19,694), a 2% increase in annual course completions (8,035 completed), and 223 organisations accessing content, 3% more than during 2021–22.
- > Webinars delivered had a total of 3,908 registrations from 57% of the organisations in Comcare’s jurisdiction, 5% more organisations than during 2021–22.
- > Comcare’s eNews subscribers increased by 37%, with a total of 6,342 subscribers.
- > Comcare’s LinkedIn followers rose by 27% and Twitter followers rose by 2%. The average engagement rate for Comcare’s LinkedIn posts is 5%, a decrease of 0.9% since 2021–22, and the average engagement rate on Twitter is 3.8%, an increase of 0.7%.
- > Social media drove 10,193 new users to the Comcare website, an increase of 36% on 2021–22.

### Previous results

2021–22: Achieved

2020–21: Achieved

Not reported prior to 2020–21

# STRATEGIC PRIORITY 3: PREVENTION AND EARLY INTERVENTION ACROSS OUR SCHEME



## Analysis of performance against our key activities

### Delivering our core services including claims management, work health and safety regulation and education and training

Claims Management Group has embedded an early triage approach for all new claims. The claim triage involves a multidisciplinary team discussion to plan and monitor the actions and resources needed to make claim decisions accurately and quickly. This approach helps to drive positive claim outcomes by ensuring person-centered, regular communication with the employee and employer. The early triage approach has an emphasis on recovery, rehabilitation and return to work, irrespective of liability status.

This year Comcare commenced:

- > 969 compliance and enforcement activities
- > 625 activities under its Telecommunications Asbestos Safety Compliance Program
- > 2 criminal proceedings under the WHS Act.

Further information about Comcare's regulatory performance and prosecutions can be found in Chapter 5 – Scheme and Regulatory Performance.

Comcare's LMS saw a 49% increase in the number of accounts (now 19,694), a 2% increase in annual course completions (8,035 completed), and 223 organisations accessing content this period. Evaluation of Comcare's 2022–23 training and webinar programs indicate 94% of attendees had their engagement, training and education needs met.

### Implementing and monitoring the Comcare Prevention Strategy

The Comcare *Prevention Strategy 2022–2025* was released in November 2022. It focuses on short, medium and long-term outcomes to see improvements in preventable workplace harm and early intervention across the scheme. Priority prevention areas of the strategy include bullying and harassment, work demands and body stressing. Refer to the highlight on the Prevention Strategy for more information.

### Continuing to implement workplace mental health initiatives and promote mental health in the workplace

Comcare launched the Mental Health-Related Stigma Program in 2022–23, which aims to raise awareness of mental health-related stigma in the workplace, encourage seeking help and improve the capability of managers and supervisors to provide support to workers with mental ill health.

On 3 April 2023 Comcare held a Mental Health Community of Practice with a focus on 'Approaches for a Thriving Workplace'. The event was chaired by Comcare's Strategic Partnerships and Engagement General Manager Megan Buick and featured keynote speaker, Ross Iles (Chief Research Officer, SuperFriend) who shared early insights from the 2022 Indicators of a Thriving Workplace Survey. Ross shared findings from Superfriend's 5 domains that define thriving workplaces – connectedness, safety, leadership, work design and capability. This event was attended by 260 people.

On 3 May 2023 Comcare's CEO Greg Vines chaired an Inter-departmental Forum on Workplace Mental Health. The event featured Dr. Kim Hamrosi (CEO, Corporate Mental Health Alliance), Justin Napier (General Manager, Regulatory Operations Group, Comcare), and Sam Junor (Australian Public Service Commission). The event was attended by 40 SES level APS staff representing 35 agencies.

### **Demonstrating national leadership in prevention and early intervention**

The Collaborative Partnership (the Partnership) was formed in 2017 as a national alliance between public, private and not-for-profit organisations to improve work participation for Australians with a health condition or disability to participate in good work. Comcare has held the role of Chair and Secretariat since this time.

The Partnership developed Australia's first national principles on the role of the general practitioner in supporting work participation, which is endorsed by the Royal Australian College of General Practitioners until 2025 and is included in the Curriculum and Syllabus for Australian General Practice 2022. In addition to this, the Partnership has developed an Income Support Transition Data Model that provides a visual of the pathways, interactions, movement and outcome of people between Australia's 10 income support and benefit systems.

Comcare is leading a program on behalf of the Commonwealth to ensure the continuation of Occupational Rehabilitation and Associated Medical Services (ORAMS) arrangements beyond expiry of the current Deed of Standing Offer and provider panel on 31 October 2023. ORAMS aligns to Comcare's role, purpose and strategic priorities by supporting injury prevention and improving recovery and return to work.

# HIGHLIGHT

## Comcare Prevention Strategy 2022–2025

Comcare’s *Prevention Strategy 2022–2025* provides a pathway to support workplaces to prevent harm and enable a culture of health and safety, compliance and reporting. Comcare will support workplaces to focus on prevention and early intervention to address 3 priority areas:

1. bullying and harassment including workplace sexual harassment
2. work demands
3. body stressing.

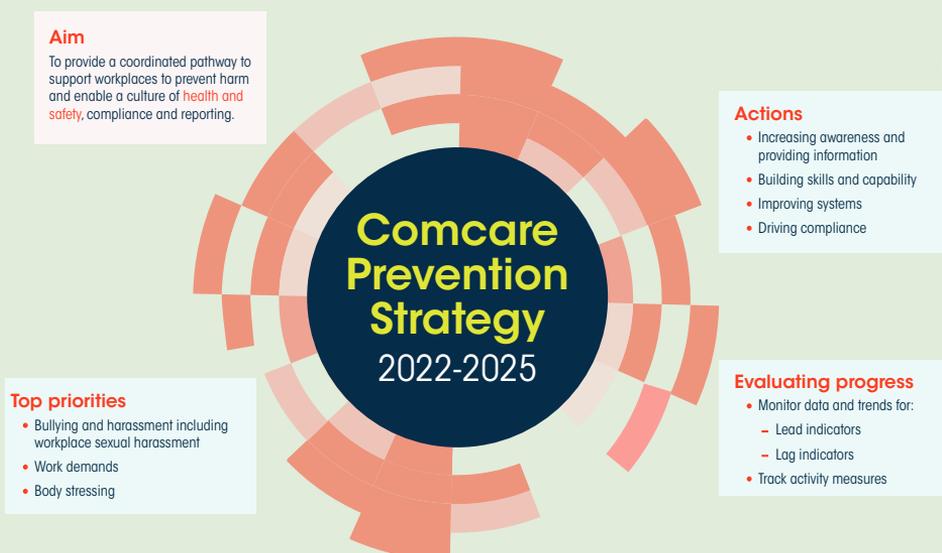
The Prevention Strategy was released in November 2022, following consultation involving the Australian Council of Trade Unions (ACTU), an Australian Public Service roundtable and the Deputy Secretaries Safety and Compensation Forum.

By 2025, we want to see improvements in preventable workplace harm and early intervention across the scheme. We will use an iterative approach to benchmark, measure and evaluate outcomes and impacts. Ongoing data collection and analysis will allow identification, development and reporting against lead indicators, lag indicators and Comcare’s activity-based measures.

Some of the key achievements from the Prevention Strategy, since its release include:

- > implementing a Psychosocial Inspectorate Pilot Program with 3 PCBUs in the Comcare scheme
- > releasing a suite of Good Work Design resources for the scheme including videos and factsheets
- > delivering resources and education programs on psychosocial hazards, sexual harassment and respect and civility at work.

Figure 8: Comcare Prevention Strategy Framework



# STRATEGIC PRIORITY 3: PREVENTION AND EARLY INTERVENTION ACROSS OUR SCHEME



**Performance Measure 3.1: 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 2022–23, Page 170  
Comcare Corporate Plan 2022–23, Page 11

Target	Result
<b>3.1.1 Initiatives are perceived as innovative and/or prevention focused</b>	Achieved

**Result analysis**

Results from the 2023 Comcare Employer Survey indicate employer stakeholders perceive Comcare as innovative and prevention focused:

- > 52% of employers across the Comcare scheme agree that Comcare delivers innovative, prevention-focused initiatives.
- > 60% of employers agree that Comcare ‘drives innovation and better practice in workplace health and safety’ – an increase of 7 points since 2021.
- > 85% of licensees agree that Comcare has supported them to meet their obligations through a greater focus on prevention – an increase of 26 points since 2021.

Comcare delivered 2 innovative programs in the last year with a prevention focus:

**Workplace mental health-related stigma awareness program** – In June 2023, Comcare launched Mental Notes, a multi-phased program that aims to raise awareness of mental health-related stigma, increase manager and supervisor knowledge and skills to support workers with mental ill health, and encourage early help seeking. Resources include a managers’ resource kit, conversation guides, and promotional materials such as posters, e-signatures, Microsoft Teams backgrounds and screen-savers. There is a monitoring and evaluation framework to track uptake of the program and its impact in the jurisdiction.

**Good Work Design resource suite** – Good work design can prevent harm to worker health, promote health and wellbeing and support participation and productivity. Comcare produced a suite of evidence-based resources, including videos and better practice guidance, to help raise awareness and build manager capability to design good work for their teams. There has been strong engagement across the jurisdiction with the resources since the launch in May 2023. For example, in the first 4 weeks post launch, there were 5,670 web views, 383 downloads of the guidance, and 1,549 views of the videos.

*Note – Methodology was changed for 2022–23 so previous results are not comparable.*

**Previous results**

- 2021–22: Achieved
- 2020–21: Achieved
- Not reported prior to 2020–21

# STRATEGIC PRIORITY 3: PREVENTION AND EARLY INTERVENTION ACROSS OUR SCHEME



## Performance Measure 3.2: Our proactive regulatory activity is targeted and prevention focused

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23, Page 169  
Comcare Corporate Plan 2022–23, Page 11

Target	Result
<b>3.2.1 Targeted and prevention focused compliance and enforcement activities are delivered on Comcare’s Regulatory Priorities</b>	Achieved

### Result analysis

Comcare has a dedicated program regulating the rollout of the National Broadband Network (NBN). This program is prevention focused and involves targeted compliance activities to ensure the highest levels of work health and safety are applied to the rollout of the NBN. This is achieved through a risk-based, cooperative and proactive approach performed by Comcare’s Telecommunications Asbestos Safety Compliance team of inspectors.

The Major Infrastructure Project (MIP) team regulates work health and safety matters pertaining to major infrastructure projects involving PCBUs in the Comcare jurisdiction. The program of work focuses on complex and high-profile construction projects and targets ‘high-risk’ work health and safety hazards as they relate to major infrastructure projects nationally. In response to notified work health and safety incidents, hazards and concerns, the MIP team may provide information and advice, or commence monitoring and compliance activities. These regulatory activities are conducted in response to information gained through intelligence-led principles and risk and evidence-based practice.

The Psychosocial Regulation Team has been established to provide a specialist focus on proactive regulation and harm prevention within Comcare’s jurisdiction. The Psychosocial Regulation team engages with stakeholders to review psychosocial supports and resources while also working with other state and territory work health and safety regulators to inform consistent approaches.

Psychosocial hazards guidance has been developed detailing the 14 psychosocial hazards in the Model Code of Practice: Managing psychosocial hazards at work. The guidance provides information on what the hazards are, the risk they pose and how to eliminate or minimize these hazards in the workplace. Comcare has also developed a range of work health and safety regulations case studies. These are based on Comcare regulatory activity in response to incidents involving psychosocial hazards and risks at workplaces in the Commonwealth jurisdiction. These are intended as an education resource that provides the jurisdiction with examples of hazards and risks and how they can be managed.

### Previous results

Not reported prior to 2022–23

# STRATEGIC PRIORITY 4: INSIGHT DRIVEN AND RISK AND EVIDENCE-BASED PRACTICE



## Analysis of performance against our key activities

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

The final phase of implementation of the *Data Strategy 2019–2022* (Data Strategy) included:

- > establishing data roles and responsibilities including data stewards and data owners
- > improved data awareness and data literacy through organisation-wide data training
- > an ongoing Data Awareness Community of Practice
- > implementation of a data catalogue.

Further establishment of data governance practices, data platform infrastructure, data modelling and the use of a best practice data visualisation tool is paving the way for operational efficiencies and evidence-based practice and decisions.

Comcare is continuing to build upon these foundations through the development of a *Data and Analytics Strategy 2024–2026* which will create value for Comcare and its stakeholders through the use of data and analytics.

### Using intelligence and risk analysis to inform and prioritise regulatory activities

Comcare's Regulatory Risk Model has been updated to enable future improvements. The Regulatory Risk Model algorithm was revised to allow different data inputs resulting in improved entity scores. Refresher training was delivered to ensure staff have the skills and understanding to use the Regulatory Risk Model to inform and prioritise regulatory activities.

Comcare's Prevention Committee led the development and finalisation of the *Prevention Strategy 2022–2025* which aims to address preventable workplace harm and improve early intervention across the scheme. This will be achieved using an iterative approach to benchmark, measure and evaluate outcomes and impacts. Ongoing data collection and analysis will enable identification, development and reporting against lead indicators, lag indicators and Comcare's activity-based measures. The Prevention Committee has continued to drive whole-of-Comcare prevention initiatives that reduce the risk of harm and injury to workers and others in our scheme.

# STRATEGIC PRIORITY 4: INSIGHT DRIVEN AND RISK AND EVIDENCE-BASED PRACTICE



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

The *Research Plan Towards 2026* provides a framework to guide our activities, including key themes that were identified through stakeholder engagement, as areas of national importance. A partnership approach aims to leverage industry and academic expertise, support the inclusion of co-design and lived experience, and ensure outcomes are translated for the jurisdiction.

Comcare has delivered a suite of literature reviews for internal and external stakeholders to support evidence-based practice. Topics include fatigue in emergency services, trauma-informed approaches, bullying in the workplace, and tailored injury treatment practices.

A Telehealth Research Project is being undertaken under the auspices of the Australia New Zealand Research Collaboration (ANZRC) which aims to develop a blueprint for the use of telehealth services for mental health injuries in workers' compensation settings. To date, stakeholder data agreements have been signed, a survey with Comcare claimants who used telehealth for a mental health injury has been conducted and administrative data has been collated for analysis by the research partner (University of Adelaide).

Comcare's 3 year partnership with the Australian Institute of Health and Welfare concluded in 2022. The partnership was designed to explore trends within Comcare scheme claims data and draw comparisons with broader health datasets. Across 4 detailed analysis streams, the findings indicate that Comcare efficiently provides a high-level of care for injured workers across the scheme. The analysis also draws out that mental health and musculoskeletal conditions are increasingly important features of the scheme and should remain key focus areas for prevention and early intervention.

**Using improved data, complete the renewal and approval process for workplace rehabilitation providers to operate in the scheme**

Comcare has finalised the assessment of Workplace Rehabilitation Provider renewal applications following a review of its framework and processes. Refer to the highlight on 'using improved data for renewal and approval of Workplace Rehabilitation Providers' for more information.

# HIGHLIGHT

## Using improved data for renewal and approval of Workplace Rehabilitation Providers

In 2022–23, Comcare finalised the assessment of Workplace Rehabilitation Provider (WRP) renewal applications, ensuring that employers and employees have access to effective and efficient WRPs to support recovery and return to work. WRPs approved by Comcare are also authorised to operate in the Department of Veterans' Affairs (DVA), Seacare and Australian Defence Force Joint Health Command schemes.

In preparation for the renewal, Comcare reviewed its framework and processes for managing WRP approvals and renewals. This resulted in:

- > changes to the renewal and initial application forms to ensure that requirements were clear
- > streamlining the renewal process by relying on compliance and performance information that Comcare already holds
- > additional communication to WRPs to ensure that providers were supported to understand and complete the process.

The renewal process was completed digitally using Comcare's WRP Portal. For each application Comcare examined a WRP's qualifications, probity and financial arrangements, key policies and practices, case load, and performance information, with 63 WRPs now being approved to operate, for 3 years, in the scheme from 1 July 2023. Of these 4 are initial approvals and 59 are renewals for existing WRPs.

This renewal process ensures that employers and employees have access to efficient and effective WRPs across Australia. WRPs and their professional association provided positive feedback on the streamlined renewal process delivered through the WRP Portal and the use of existing information that Comcare holds.

# STRATEGIC PRIORITY 4: INSIGHT DRIVEN AND RISK AND EVIDENCE-BASED PRACTICE



## Performance measure results

### Performance Measure 4.1: We drive national work health and safety compliance using a targeted, risk-based approach

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23, Page 169  
Comcare Corporate Plan 2022–23, Page 12

Target	Result
4.1.1 100% of incident notifications involving the death of a person result in a monitoring compliance activity	Achieved

#### Result analysis

Comcare commenced a monitoring compliance activity for 100% of unique incident notifications involving the death of a person. This result is based on 59 monitoring compliance activities commencing in relation to 59 unique incident notifications involving the death of a person.

Note: This figure of 59 unique incident notifications involving the death of a person differs from the data in Table 16. Table 16 reflects incident notifications involving the death of a person that were determined to be notifiable under section 38 of the WHS Act.

#### Previous results

2021–22: Achieved

2020–21: Achieved

Not reported prior to 2020–21

Target	Result
4.1.2 100% of incident notifications assessed as extreme or high-risk result in a monitoring compliance activity	Achieved

#### Result analysis

Comcare commenced a monitoring compliance activity for 100% of incident notifications assessed as extreme or high-risk. This is based on 14 incident notifications being assessed as extreme, 74 incident notifications being assessed as high-risk and 88 monitoring compliance activities commencing in relation to these notifications.

#### Previous results

2021–22: Achieved

2020–21: Achieved

Not reported prior to 2020–21

## Performance Measure 4.1: We drive national work health and safety compliance using a targeted, risk-based approach

Target	Result
<b>4.1.3 Comcare undertakes a follow-up verification inspection in 95% of instances where an inspection has identified remedial actions to be undertaken to eliminate or minimise, as far as reasonably practicable, the risk of future incidents occurring</b>	Achieved

### Result analysis

Comcare undertook a follow up verification inspection for 100% of inspections that identified remedial actions to be undertaken. This is based on 41 verification inspections commencing against 41 monitoring compliance activities identifying remedial actions to be undertaken.

### Previous results

2021–22: Achieved 100% (target, 95%)

2020–21: Achieved 98% (target, 95%)

Not reported prior to 2020–21

# STRATEGIC PRIORITY 4: INSIGHT DRIVEN AND RISK AND EVIDENCE-BASED PRACTICE



**Performance Measure 4.2: We undertake strategic and collaborative initiatives to promote and enable safe and healthy work**

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23, Page 171  
Comcare Corporate Plan 2022–23, Page 12

Target	Result
<b>4.2.1 Strategic and collaborative initiatives deliver evidence-based insights and/or better practice</b>	Achieved

## Result analysis

Comcare’s mental health coaching service (NewAccess workplaces) demonstrated its effectiveness in supporting prevention and early intervention across 16 Australian Public Service pilot sites over a 2-year extended trial period. Comcare is investigating options to scale NewAccess workplaces to additional Commonwealth agencies.

The National Certificate of Capacity (NCC) Proof of Concept project is complete. The project had strong engagement from stakeholders, including the Royal Australian College of General Practitioners and the Heads of Workplace Compensation Authorities. While recruiting and engaging General Practitioners (GP) was challenging due to the impacts of the COVID-19 pandemic and Comcare’s small scheme size, those GPs who participated were positive about the system and most would use an electronic form in the future. Due to complexities with managing privacy, the proof of concept will not be rolled out.

The Collaborative Partnership to improve work participation has created a substantial evidence base of Australia’s 10 income and benefit supports systems, how they operate and the experience of people accessing them. It has provided significant insights into the role of the GP in supporting work participation, the behaviours of employers in recruiting and retaining those experiencing ill health and disability, and the movement of people between Australia’s income support systems. From June 2023, the Partnership formally concluded with future emphasis on curating and disseminating the substantial evidence base.

Organisations within the Comcare scheme have direct access to host Comcare eLearning products on their own LMS. There are 73 participating APS agencies that access 13 Comcare eLearning products. A 12-month evaluation showed higher completion rates for these products when users accessed them from their organisation’s LMS, and that some organisations have incorporated the content in their own mandatory training programs.

Comcare’s Workplace Research Monthly report outlines the latest peer-reviewed articles on a range of workplace health and safety, prevention, recovery at work and return to work topics. The alert is one of Comcare’s most wide-reaching products with over 4,200 subscribers at the end of 2022–23, which is a 35% increase on the previous year.

Comcare publishes emerging evidence summaries which provide a 6-monthly snapshot of issues gaining traction in the areas of work health and safety and workers’ compensation.

## Previous results

Not reported prior to 2022–23

## Performance Measure 4.3: Our scheme identifies and adopts better practices which enable and promote safe and healthy work

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23, Page 171  
Comcare Corporate Plan 2022–23, Page 12

Target	Result
<b>4.3.1 Through engagement with our stakeholders and utilising an evidence-based approach, better practice initiatives are identified, our advice is adopted and assessed as enabling safe and healthy work</b>	Achieved

### Result analysis

Comcare has developed, updated 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 and 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 2022–23, Comcare developed a further 6 scheme guidance publications on claims management topics. Comcare invited all scheme participants who attended Comcare’s virtual Claims Manager Forums to evaluate the scheme guidance and recorded 62 responses. The evaluation found that 87% of survey respondents indicated that the guidance was relevant to their claims management role, while 81% said it assists them in managing claims. 97% of survey respondents who attended the Claims Manager Forums rated those forums as excellent or good.

In March 2023, Comcare surveyed registrants of Comcare’s Rehabilitation Case Manager’s Forum and recorded 57 responses. The survey found that 95% of survey respondents indicated that Comcare’s return to work guidance was easy to understand and 89% said it assisted them in managing rehabilitation.

### Previous results

2021–22: Achieved

2020–21: Achieved

Not reported prior to 2020–21

# STRATEGIC PRIORITY 5: 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 serve the needs of our stakeholders in an efficient and effective way

Work is underway to develop Comcare's first *Digital Strategy 2023–2028*. This strategy will seek to determine how Comcare can leverage digital technology and channels to improve how external stakeholders access and interact with us. It will set the path to interact with our clients in more meaningful and valuable ways.

The strategy will determine how we:

- > align our digital goals to overarching corporate goals and objectives
- > evolve to thrive in an increasingly digital environment
- > leverage new technology to improve the experience of clients interacting with us.

## Using our portfolio management approach to deliver programs and projects for Comcare

Recommendations from an independent assessment of Comcare's Portfolio, Program and Project Management Maturity (P3M3) in 2022 have been prioritised for implementation, led by the Enterprise Portfolio Management Office. Portfolio Reporting is being refined for the Portfolio Management Board (PMB) based on key portfolio metrics. A monthly compliance scorecard is being developed to improve consistency, enhance assurance, and track measures across all programs and projects. Other focus areas include uplifting both financial and resource management via adjusted portfolio, program and project processes and responsibilities.

## Implementing our *People Strategy 2019–2022* with a focus on culture and engagement, capability, talent and workforce planning

A review was conducted on the previous People Strategy which demonstrated delivery of 10 out of 14 initiatives with one paused and 3 carried over to the new *People Strategy 2028* in development. Findings have shown improvements in culture, engagement, and capability from these initiatives. There continues to be an opportunity to mature the organisation's workforce planning, diversity, change management, talent management and mobility capability.

# HIGHLIGHT

## Supporting legislative change

### Psychosocial Regulations

Important changes to Commonwealth work health and safety laws came into force on 1 April 2023. For the first time, the WHS Regulations prescribe how employers must identify and manage hazards and risks to workers' psychological health and safety. The amended regulations define important terms including 'psychosocial hazard' and 'psychosocial risk'.

Those with management and control of the workplace must use the hierarchy of controls to manage psychosocial risks, set out in the WHS regulations. This requires a step-by-step approach to eliminating or minimising risks, ranking controls from the highest to the lowest level of protection.

Comcare is providing ongoing support to assist the jurisdiction to comply through published guidance and education products on psychosocial hazards and risks on its website. This includes a new suite of guidance on work demands – a major cause of psychological injury across the scheme – and a Prevention Strategy that focuses on common threats to psychological health and safety.

In March 2023, Comcare delivered 2 webinars on psychosocial hazards and regulation. These webinars covered the new amendments, Comcare's regulatory approach, and provided guidance and support materials. More than 1400 attendees from both scheme and non-scheme organisations attended.

Comcare has also established a Psychosocial Regulation Team that is using practical regulatory intelligence to develop an evidence base for future inspectorate activity and support better understanding and management of psychosocial risks.

Additional guidance is available in Safe Work Australia's Model Code of Practice: *Managing psychosocial hazards at work* relating to WHS duties, hazard identification and risk management, and identifying common workplace psychosocial hazards including:

- > bullying and harassment
- > work demands
- > poor organisational change management
- > traumatic events and material
- > remote or isolated work.

# Supporting legislative change

## Release of the new Permanent Impairment Guide

The new *Guide to the Assessment of the Degree of Permanent Impairment – Edition 3.0* (PI Guide) under the SRC Act came into effect on 1 April 2023. The degree of permanent impairment experienced by an employee was previously assessed using the *Guide to the Assessment of the Degree of Permanent Impairment Edition 2.1* (the Guide), a legislative instrument issued under the SRC Act.

With the sunsetting of the old legislative instrument, Comcare established a project team with subject matter experts and specialist medical consultants, to redraft the PI Guide. The Permanent Impairment Technical Working Group was also created to support collaboration across relevant agencies, with representatives from Comcare, the Department of Employment and Workplace Relations (DEWR), the Department of Veterans' Affairs and Safe Work Australia (SWA).

Comcare engaged with key stakeholders and consulted widely on existing issues and sought feedback on a draft PI Guide from scheme claims managers. In response to the experience, knowledge and insights from the Comcare scheme, we took a tailored and interim approach by making improvements to the existing PI Guide.

Comcare in collaboration with DEWR deferred the sunsetting of existing PI Guide from 1 April 2022 to 1 April 2023. This allowed Comcare to engage a legal provider to develop the revised PI Guide and to accommodate the feedback from the Comcare scheme. This included:

- > clarifying the long-standing principles of assessment to support users in applying those provisions
- > providing for the assessment of chronic pain conditions where no other diagnosis better explains the signs and symptoms of the condition
- > changes to the structure and design to comply with the Office of Best Practice Regulation recommendations for the drafting of legislative instruments
- > corrections to errors identified in the review of the Guide by Comcare and stakeholders
- > the repeal of Part 2 of the Guide that previously provided for the assessment of defence-related claims (which are now governed by the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988*).



The revised draft PI Guide was made available for consultation with stakeholders in September 2022, resulting in general support, and was approved by the Minister for Employment and Workplace Relations on 7 March 2023.

Comcare's approach to inform the scheme and provide key stakeholders with an opportunity to interact with the project team involved:

- > interactive presentations at both the Claims Managers Forum and to medicolegal providers involved in assessing permanent impairment claims
- > development of a new online learning tool for medical assessors on the permanent impairment principles of assessment
- > direct promotion of the new Guide through the emails sent to all Comcare scheme key contacts and those that participated in the feedback process
- > a feature in Comcare's newsletter distributed to subscribers external to the agency
- > publishing news items and updated scheme guidance and e-guidance on the Comcare website.

Feedback from the Comcare scheme was extremely positive, with 93% of stakeholders surveyed rating the support provided as good or excellent and 100% rating Comcare's presentation of the changes at the Claims Managers Forum as useful.

# STRATEGIC PRIORITY 5: BEING ADAPTIVE AND SUSTAINABLE IN THE FACE OF CHANGE



## Performance measure results

**Performance Measure 5.1: 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 2022–23, Page 171  
Comcare Corporate Plan 2022–23, Page 13

Target	Result
--------	--------

<b>5.1.1 Target administrative cost ratio within 15 to 25%</b>	Achieved
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### Result analysis

Comcare’s target administrative cost ratio is 22.6% for 2022–23.

#### Previous results

2021–22: Achieved – 21.7% (target 15 to 25%)  
 2020–21: Achieved – 20.6% (target 15 to 25%)  
 2019–20: Not achieved – 19.7% (target 17% or lower)  
 2018–19: Achieved – 19.8% (target 20% or lower)

Target	Result
--------	--------

<b>5.1.2 Average Commonwealth premium rate = 1% of payroll or lower</b>	Achieved
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### Result analysis

The average Commonwealth premium rate is 0.84% for 2022–23.  
 There is minimal overall increase from the prior year resulting from the removal of 10% discount provided last year along with the impact of change in economic conditions.

#### Previous results

2022–23: Achieved – 0.83% (target 1% of payroll or lower)  
 2021–22: Achieved – 0.79% (target 1% of payroll or lower)  
 2020–21: Achieved – 0.85% (target 1% of payroll)  
 2019–20: Achieved – 0.85% (target 1% of payroll)

## Performance Measure 5.1: Our scheme is sustainable as evidenced through outcomes achieved by scheme participants (including financial and return to work outcomes)

Target	Result
--------	--------

**5.1.3 Minimum funding ratio of 110%** Achieved

### Result analysis

Comcare's funding ratio is 117% for 2022–23. This is calculated by dividing Comcare's outstanding claims liability by Comcare's financial assets. The funding ratio demonstrates the financial sustainability of the scheme.

### Previous results

2021–22: Achieved – 124% (target, 110%)

2020–21: Achieved – 129% (target, 110%)

Not reported prior to 2020–21

Target	Result
--------	--------

**5.1.4 Comcare scheme return to work rate of 85 to 95% for accepted claims initially determined within the previous 24 months** Achieved

### Result analysis

Comcare achieved a return to work rate of 89% for 2022–23.

### Previous results

2021–22: Achieved – 88% (target 85 to 95%)

2020–21: Achieved – 87% (target 85 to 95%)

Not reported prior to 2020–21

Target	Result
--------	--------

**5.1.5 Comcare scheme notional premium rate = 0.90%** Achieved

### Result analysis

Comcare achieved a notional premium rate of 0.72% for 2022–23. This result is a decrease on last year (0.78% in 2021–22) and is attributed to a decrease in the self-insured licensee notional premium rate.

### Previous results

2021–22: Achieved – 0.78% (target, 0.94%)

2020–21: Achieved – 0.80% (target, 0.94%)

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

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

# STRATEGIC PRIORITY 5: BEING ADAPTIVE AND SUSTAINABLE IN THE FACE OF CHANGE



## Performance Measure 5.2: Our workforce is engaged, capable and supported in their mental health and wellbeing

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2022–23 – Page 171, Comcare Corporate Plan 2022–23 – Page 13

Target	Result
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**5.2.1 Comcare’s employee engagement rating at the organisational level exceeds 70%**      Achieved

### Result analysis

Comcare’s engagement index rating from the 2023 APS Employee Census is 76%, which remains consistent with 2022 results. Results indicate that we have an engaged workforce, with Comcare’s rating 3% above the APS engagement index of 72% in 2023, from an 89% participation rate.

### Previous results

2021–22: Achieved – 75% (target, meets or exceeds that from the previous year)  
 2020–21: Not Achieved – 74% (target, meets or exceeds that from the previous year)  
 Not reported prior to 2020–21

Target	Result
--------	--------

**5.2.2 Comcare’s wellbeing rating at the organisational level meets or exceeds 75%**      Achieved

### Result analysis

The wellbeing policies and support index rating from the 2023 APS Employee Census is 78%, which is a slight decrease from our wellbeing score of 80% in 2022. Results indicate that we have a sustainable and healthy work environment, with the wellbeing score being 12% above the APS wellbeing index of 68% in 2023.

### Previous results

2021–22: Achieved – 80% (target, meets or exceeds that from the previous year)  
 2020–21: Not achieved  
 Not reported prior to 2020–21

## Performance Measure 5.2: Our workforce is engaged, capable and supported in their mental health and wellbeing

Target	Result
<b>5.2.3 75% of Executive level employees consider that their workgroup has the appropriate skills, capabilities and knowledge to perform well</b>	Achieved

### Result analysis

86% of Executive level employees agree that their workgroup has the appropriate skills, capabilities and knowledge to perform well, based on results of the 2023 APS Employee Census. This is an increase of 5% for the same question in 2022 (81%). It is noted that a further 8% of Executive level employees neither agreed or disagreed with this question in the APS Employee Census, as compared to 12.2% in 2022.

### Previous results

2021–22: Achieved – 81% (target, meets or exceeds that from the previous year)

2020–21: Achieved – 84% (target, the majority of managers consider that their work group has appropriate skills, capabilities and knowledge to perform well)

Not reported prior to 2020–21



The background features a dark blue grid of white lines. Several stacks of light-colored wooden blocks are scattered across the grid. Each block has a brown silhouette icon of a person in a business suit. The icons vary slightly in orientation and position, creating a network-like visual.

## CHAPTER 3: MANAGEMENT AND ACCOUNTABILITY

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# GOVERNANCE

## Governance framework

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 – the practices 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.

Comcare’s governance framework is based on 6 key principles. It has supported effective governance and underpinned the design of our governance structures and systems. The 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
<b>Consistent</b> Consistent rules, practices and behaviours	<ul style="list-style-type: none"> <li>&gt; We have meaningful mechanisms in place to ensure we adhere to all applicable standards and requirements.</li> <li>&gt; We continuously monitor, review and evaluate performance and compliance, and adjust strategies, processes and systems to improve performance and ensure compliance.</li> </ul>	Act with integrity and respect
<b>Transparent</b> A risk and evidence-based approach to decision making	<ul style="list-style-type: none"> <li>&gt; We act with integrity and accountability, continually assessing risks to the achievement of objectives or compliance.</li> <li>&gt; We have clear roles and responsibilities, and procedures for making decisions and exercising authority.</li> </ul>	
<b>Collaborative</b> Commitment to work across boundaries	<ul style="list-style-type: none"> <li>&gt; We collaborate in everything we do.</li> <li>&gt; We share key information across groups and get the right people involved.</li> </ul>	Collaborate and innovate
<b>Flexible</b> Ability to adapt to meet tomorrow’s challenges	<ul style="list-style-type: none"> <li>&gt; We look for new ideas and think about what is happening across the broader environment.</li> <li>&gt; We use flexible and evolving, principles-based systems.</li> </ul>	
<b>Stewardship</b> Delegated authority and ownership of outcomes	<ul style="list-style-type: none"> <li>&gt; We take every opportunity to enhance our performance, and ensure our services are responsive and provided in accordance with our values.</li> <li>&gt; We are insight driven and committed to risk and evidence-based practices to ensure the best use of resources.</li> </ul>	Strive to have a positive impact
<b>Aligned</b> Aligned to purpose, priorities and risk	<ul style="list-style-type: none"> <li>&gt; We continually realign to meet our short and long-term goals.</li> <li>&gt; We work in alignment with our risk appetite.</li> </ul>	

## Strategic planning and reporting

Comcare's planning and reporting cycle is made up of various activities to confirm the organisation's 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 Audit and Risk Committee (ARC) and reported through our Annual Report.

## 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 2022–23, Comcare continued to embed the committee structure established in the previous reporting period. There are 2 levels of governance committees in this structure: Executive Committee and Authoritative Committees. Supporting structures to facilitate consultation and inform Comcare’s governance committees sit underneath these levels.

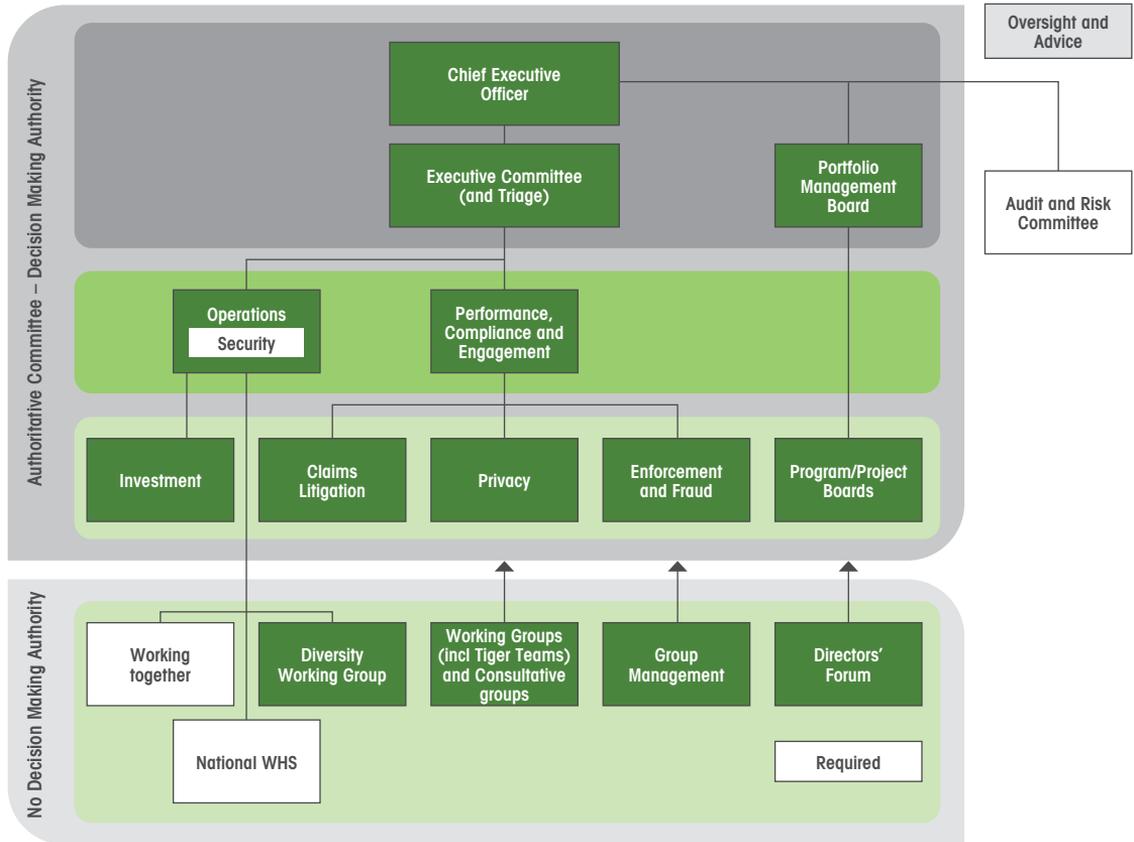
The Executive Committee provides strategic oversight and guidance of Comcare’s overall performance and accountability requirements. This committee is the highest level in Comcare’s governance committee structure. Its responsibilities include:

- > 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 9: 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.

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 2022*.

In 2022–23:

- > Comcare commenced reviewing its approach to fraud and corruption which will continue next year
- > no matters were referred to the CDPP for prosecution
- > no court results in relation to fraud matters.

## 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 ARC, 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).

Three internal audits were presented to the ARC in 2022–23, a decrease from 8 audits in 2021–22. The audits included an assessment of our risk culture, a review of our Rehabilitation Provider Framework and a review of the delivery of our digital services project.

Internal audit recommendations are tracked and reported to the ARC to ensure identified risks are addressed. During 2022–23, there were 14 recommendations made through internal audit reports (compared with 53 in the previous year). At the end of 2022–23, 39 recommendations arising from completed audits were closed and 13 recommendations remained open (compared with 35 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. Comcare's risk focus areas are detailed in the Comcare Corporate Plan 2022–23.

Comcare's Executive Committee is responsible for monitoring and maintaining our Strategic Risk Register (SRR). In 2022–23, the SRR was reported quarterly to the Executive Committee and the ARC for external assurance.

This year, Comcare have:

- > assessed our risk culture as part of our internal audit program and are implementing recommendations arising from this activity
- > delivered risk awareness week from 19 to 25 June 2023
- > reviewed our risk appetite and tolerance statements.

## 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 on the Comcare website – <https://www.comcare.gov.au/about/forms-pubs/docs/pubs/corporate-publications/comcare-audit-risk-committee-charter-2023.pdf>.

For 2022–23, 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.

### Kate Hughes (ARC Chairperson)

Ms Kate Hughes is a risk management, compliance, internal audit and governance professional who also holds non-executive roles with the Australian Prudential Regulation Authority, Victorian Department of Health, Lower Murray Water, SuniTAFE and SkyCity Entertainment Group.

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 Authority 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 when 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. Mr Hughes' clients during his career with Mercer included general insurers, life offices, worker's compensation, compulsory third party, professional indemnity, lender's mortgage and health insurance funds.

### **David Turvey (ARC member)**

Mr David Turvey is responsible for overseeing the operations of the organisation, including providing strategic advice on the work program, technical advice on analytical products, building relationships with partners and stakeholders and managing operational aspects such as budgeting, recruitment, technology and culture and people management.

Prior to his current role, Mr Turvey was First Assistant Secretary, National Skills Commission. He has held executive roles at the Department of Education Skills and Employment, Department of the Prime Minister and Cabinet, Department of Industry, Innovation and Science, Australian Treasury, and the Department of Finance and Administration. Mr Turvey also worked as an economist at the Organisation for Economic Cooperation and Development. Mr Turvey has worked in a range of policy areas including labour market policy, vocational education and training policy, industry policy, fiscal policy and public debt management.

Mr Turvey's governance experience covers several Australian Government entity audit committee roles and as Treasurer of a not-for-profit community organisation in the ACT. David holds a Master of Economics from the Australian National University and is a Graduate of the Australian Institute of Company Directors.

### **Mr Stephen Sheehan (ARC member)**

Mr Stephen Sheehan is a financial management consultant. He has over 40 years' experience working in financial management and accounting roles that spanned both the public and private sector. Mr Sheehan has considerable financial management and reporting, accounting, risk and assurance, performance reporting, organisational management and governance experience.

Mr Sheehan's APS senior executive career included roles as the Chief Financial Officer of the Department of Immigration and Citizenship, the Department of Health and Ageing and CRS Australia.

Mr Sheehan provides audit committee services and financial management advice to a range of Commonwealth agencies.

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)
Kate Hughes (Chairperson)	<p>Qualifications</p> <ul style="list-style-type: none"> <li>&gt; Bachelor of Commerce from Western Sydney University</li> <li>&gt; Graduate Diploma in Applied Finance from FINSIA</li> <li>&gt; Graduate Diploma in OH&amp;S from RMIT</li> <li>&gt; Graduate of the Australian Institute of Company Directors</li> </ul> <p>Knowledge, skills and experience</p> <ul style="list-style-type: none"> <li>&gt; Accounting and Finance Audit</li> <li>&gt; Assurance and Risk Management</li> <li>&gt; Security and Compliance</li> <li>&gt; Governance and Public Administration</li> <li>&gt; Strategic Advice and Business Development</li> </ul>	5/5	\$24,890.08
Kevin Noonan	<p>Qualifications</p> <ul style="list-style-type: none"> <li>&gt; Australian Government computing programmer accreditation in 1975</li> <li>&gt; Senior Member of Australian Computer Society (certified practitioner)</li> <li>&gt; Member of the Australian Information Industry Association</li> </ul> <p>Knowledge, skills and experience</p> <ul style="list-style-type: none"> <li>&gt; Security and Compliance</li> <li>&gt; Governance and Public Administration</li> <li>&gt; Strategic Advice and Business Development</li> <li>&gt; Information Technology</li> </ul>	5/5	\$18,566.76

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"> <li>&gt; Fellow of the Institute of Actuaries of Australia</li> <li>&gt; Graduate of the Australian Institute of Company Directors</li> </ul> <p>Knowledge, skills and experience:</p> <ul style="list-style-type: none"> <li>&gt; Accounting and Finance</li> <li>&gt; Audit, Assurance and Risk Management</li> <li>&gt; Industry-specific Knowledge – Insurance</li> <li>&gt; Strategic Advice and Business Development</li> <li>&gt; Actuarial and Investment</li> </ul>	5/5	\$19,780.13
David Turvey	<p>Qualifications:</p> <ul style="list-style-type: none"> <li>&gt; Master of Economics from Australian National University</li> <li>&gt; Graduate of the Australian Institute of Company Directors</li> </ul> <p>Knowledge, skills and experience:</p> <ul style="list-style-type: none"> <li>&gt; Accounting and Finance</li> <li>&gt; Governance and Public Administration</li> <li>&gt; Strategic Advice and Business Development</li> <li>&gt; Data Mining and Analytics</li> <li>&gt; Performance and Economics</li> </ul>	4/5	\$0
Stephen Sheehan	<p>Qualifications:</p> <ul style="list-style-type: none"> <li>&gt; Bachelor of Commerce, (Accounting)</li> </ul> <p>Knowledge, skills and experience:</p> <ul style="list-style-type: none"> <li>&gt; Accounting and Finance</li> <li>&gt; Risk Management</li> <li>&gt; Strategic Advice and Business Development</li> </ul>	5/5	\$17,830.14

# 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 2022–23.

## Ministerial directions

Comcare received no Ministerial Directions in 2022–23.

## 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

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 in 2022–23.

## External audit

The Auditor General tabled a performance audit of Comcare’s Administration of workers compensation claims on 25 June 2023. The objective of the audit was to assess the effectiveness of Comcare’s administration of claims for Australian Government entities under its workers’ compensation scheme.

The audit found Comcare’s administration of claims made under the workers’ compensation scheme is effective, however Comcare has not benchmarked the target for its efficiency measure which means the efficiency of the claims management process is not clear. There were 2 recommendations in the report regarding reviewing our delegated claims arrangements to identify lessons for claims management and reviewing our corporate performance measures.

## 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 on the Comcare website – <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 2022–23, the Office of the Australian Information Commissioner (OAIC) notified Comcare that it had received 13 requests for Information Commissioner reviews of FOI decisions made by Comcare. Of these matters, 10 are ongoing.

Comcare provided submissions in relation to 7 Information Commissioner reviews. Of the 6 remaining reviews, submissions are yet to be requested.

### Privacy complaints

During 2022–23, OAIC notified Comcare that it had received 4 privacy complaints about Comcare's actions. These complaints are ongoing.

### Commonwealth Ombudsman

During 2022–23, Comcare received 2 formal investigation notices and 3 preliminary inquiries notices from the Commonwealth Ombudsman.

A total of 8 matters comprising both investigations and preliminary inquiries were finalised with the Commonwealth Ombudsman deciding that no further review of the matters was warranted.

One Commonwealth Ombudsman preliminary inquiry received in the period remained ongoing as of 30 June 2023.

In October 2022, the Ombudsman released its investigation report "Comcare's management of medical examinations". The Ombudsman found that Comcare's procedures and internal guidance are consistent with section 57 of the *Safety, Rehabilitation and Compensation Act 1988*. Comcare accepted the 9 report recommendations and is continuing to work towards implementing one outstanding recommendation.

# PEOPLE

Comcare is committed to being a great place to work. We value our greatest asset – our people – and provide our employees with the tools, skills and culture needed to continue our sector leading work and deliver on our current and future priorities.

Our employees have strong levels of engagement with our work, its purpose, their team, their managers and their roles. High levels of engagement are strongly associated with positive benefits such as increased performance and productivity, and demonstrate that our employees are motivated, inspired and enabled to improve our organisation's outcomes. We aspire to maintain high levels of engagement and ensure our people feel connected to Comcare and each other, and our success in this is demonstrated by our strong 2023 APS Employee Census results, which included:

- > 90% "I am satisfied with my non-monetary employment conditions" (including flexible working arrangements).
- > 86% "My agency supports and actively promotes an inclusive workplace culture".
- > 91% "I believe my immediate supervisor cares about my health and wellbeing".
- > 91% "My workgroup can readily adapt to new priorities and tasks".
- > 82% "I would recommend my agency as a good place to work".

In 2023, Comcare has been developing our *People Strategy 2028*. Once finalised, the Strategy will set out Comcare's vision for a capable, engaged and high performing workforce, underpinned by the importance to employees of an experience of work that has:

- > Connection: I feel heard, respected and supported.
- > Shared purpose: My work makes a difference.
- > Flexibility: I have choice and balance.
- > Career: I learn and grow.

The Strategy's expected target outcomes are:

- > Capability: We attract and grow talented people who value having a positive impact.
- > Agility: We are an adaptable organisation that evolves with change.
- > Wellbeing: We are inclusive, embrace diversity and deliver safe and healthy work.
- > Stewardship: Our culture champions stewardship, integrity, our values, and connection with our purpose.

Comcare is committed to delivering on the targets set by the Australian Government relating to the employment of First Nations peoples and people with disability, and to reducing the gender pay gap. Comcare is proud of its active support for diversity and inclusion, and the participation of employees across the organisation in contributing to a culture that at its heart embodies wellbeing and respect.

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 of 30 June 2023, we employed 617 ongoing employees and 57 non-ongoing employees based in various locations in Australia.

## Employee tables

Table 5: All ongoing employees current report period (2022–23)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Prefers not to answer			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	19	0	19	16	4	20	0	0	0	0	0	0	0	0	0	39
Qld	10	0	10	11	5	16	0	0	0	0	0	0	0	0	0	26
SA	3	0	3	4	1	5	0	0	0	0	0	0	0	0	0	8
Tas	7	0	7	4	0	4	0	0	0	0	0	0	0	0	0	11
VIC	63	0	63	95	15	110	0	0	0	0	0	0	0	0	0	173
WA	7	0	7	3	1	4	0	0	0	0	0	0	0	0	0	11
ACT	106	7	113	174	54	228	0	0	0	0	0	0	0	0	0	341
NT	3	0	3	4	1	5	0	0	0	0	0	0	0	0	0	8
External Territories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>218</b>	<b>7</b>	<b>225</b>	<b>311</b>	<b>81</b>	<b>392</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>617</b>

Table 6: All non-ongoing employees current report period (2022–23)

	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Prefers not to answer			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	2	0	2	0	0	0	0	0	0	0	0	0	0	0	0	2
Qld	2	0	2	0	0	0	0	0	0	0	0	0	0	0	0	2
SA	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
Tas	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	1
VIC	8	0	8	10	1	11	0	0	0	0	0	0	0	0	0	19
WA	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	1
ACT	11	1	12	15	3	18	0	0	0	0	0	0	0	0	0	30
NT	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	1
External Territories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>24</b>	<b>1</b>	<b>25</b>	<b>27</b>	<b>5</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>57</b>

Table 7: All ongoing employees previous report period (2021–22)

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	15	1	16	11	3	14	30
Qld	11	0	11	8	5	13	24
SA	2	0	2	3	1	4	6
Tas	6	0	6	5	0	5	11
Vic	60	2	62	74	21	95	157
WA	5	0	5	2	1	3	8
ACT	98	6	104	167	53	220	324
NT	3	0	3	5	1	6	9
External Territories	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0
<b>Total</b>	<b>200</b>	<b>9</b>	<b>209</b>	<b>275</b>	<b>85</b>	<b>360</b>	<b>569</b>

Note: Nil employees identified their gender as indeterminate

Table 8: All non-ongoing employees previous report period (2021–22)

	Male			Female			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	
NSW	2	0	2	3	0	3	5
Qld	2	0	2	0	0	0	2
SA	0	0	0	0	0	0	0
Tas	0	0	0	1	0	1	1
Vic	9	0	9	11	1	12	21
WA	1	0	1	0	1	1	2
ACT	15	2	17	23	1	24	41
NT	0	0	0	1	0	1	1
External Territories	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0
<b>Total</b>	<b>29</b>	<b>2</b>	<b>31</b>	<b>39</b>	<b>3</b>	<b>42</b>	<b>73</b>

Note: Nil employees identified their gender as indeterminate

## Executive remuneration

Information about remuneration for key management personnel and senior executives is provided 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 (\$)	(\$)	(\$)
Greg Vines	CEO	83,371	0	1,238	11,954	667	0	0	<b>97,230</b>
Leanne Blackley	Chief Operating Officer	230,456	0	1,523	39,870	(16,628)	0	0	<b>255,221</b>
Megan Buick	General Manager	216,153	0	1,268	32,548	(128)	0	0	<b>249,841</b>
Louise Close	General Manager	201,790	0	2,818	27,654	1,961	0	0	<b>234,223</b>
Michael Duke	General Manager	237,018	0	28,374	38,802	(16,426)	0	0	<b>287,768</b>
Chloë Eaton	Acting General Manager	171,470	0	1,106	23,780	(1,997)	0	0	<b>194,359</b>
Aaron Hughes	General Manager	172,136	0	17,041	27,140	(20,990)	0	0	<b>195,327</b>
Justin Napier	General Manager	224,156	0	28,430	35,503	(9,644)	0	0	<b>278,445</b>
Maree Sherwood	Acting General Manager	75,438	0	278	10,044	(2,279)	0	0	<b>83,481</b>
<b>Total</b>		<b>1,611,988</b>	<b>0</b>	<b>82,076</b>	<b>247,295</b>	<b>(65,464)</b>	<b>0</b>	<b>0</b>	<b>1,875,895</b>

- 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 or other highly paid staff not already included as key management personnel in the table above

The CEO determines the terms and conditions of employment for all Senior Executive Staff (SES) employees in Comcare. Determinations are based on individual capability and job requirements and are made under section 24(1) of the *Public Service Act 1999*.

# WORK HEALTH AND SAFETY MANAGEMENT AND PERFORMANCE

## Health and safety initiatives

Throughout the year, Comcare undertook a range of initiatives to ensure it provides a healthy and safe workplace:

- > Reviewed and enhanced the annual health and wellbeing program, Wellbeing@Comcare that provides tools, resources and training to address key aspects of wellbeing including mindfulness, resilience, suicide awareness and preventing musculoskeletal injuries.
- > Delivered a pilot wellbeing check-in program to support employees in high-risk roles to build personal capability and resilience to respond to the psychosocial hazards of their work.
- > Provided employees access to an annual influenza vaccination. For the 2022–23 period, a total of 241 employees received the vaccination through this initiative.
- > Continued the evidence-based mental health coaching service, NewAccess workplace program for all employees. This is a free and confidential service that can be accessed without a GP referral or mental health treatment plan.
- > Enhanced training to support employees prepare for and respond to difficult and aggressive customers (MADC) to include suicide awareness and self-care.
- > Hosted guest speaker for R U OK? Day, to highlight the importance of asking R U Ok? when on the journey from developing a serious medical condition that resulted in the amputation of a limb, to finding acceptance and representing Australia at an elite sporting level.
- > Facilitated training for 63 employees to build personal capability to navigate psychosocial demands through resilience.
- > Delivered 61 ergonomic workstation assessments by suitably qualified persons.

## Mental health first aid training

To ensure support is provided to our employees, Comcare continued to provide first aid training to employees across the organisation including Mental Health First Aid, Psychological First Aid and Physical First Aid training.

A total of 61 employees have current Mental Health First Aid accreditation. 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 Psychological First Aid) assists not only employees in the workplace, but also clients and stakeholders in their interactions across the organisation.

62 employees have participated in Psychological First Aid training delivered by Phoenix Australia and 26 employees have maintained accreditation to provide physical first aid services as part of our First Aid Officer network.

Demonstrating our commitment to mental health and wellbeing, Comcare continues to be accredited as a skilled workplace in the Mental Health First Aid Australia Workplace Recognition Program. Comcare is proud to be the first Australian Government agency to be awarded this accreditation.

## Work health and safety

This year we continued to mature our work health and safety management system, culminating in the delivery of a person-centric, integrated OneWHS. This included the review and updating of policies and procedures to align with organisational approaches and legislative requirements and the development of related tools, guides and resources to support the implementation of the new procedures. The holistic system addresses key hazards arising from the work of the organisation, including psychosocial hazard management.

The Work Health and Safety Strategy was completed, with all initiatives achieved that focused on building and enhancing a positive culture and promoting wellbeing and safety at Comcare.

## WHS training and awareness

Comcare have 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 delivered new Team Talks relating to resilience, body stressing and eyestrain, workstation assessments and preventing sexual harassment.
- > Tools and resources were developed and released to support employees navigate the psychosocial challenges of their roles including how to respond to an aggressive person, how to respond to a suicidal person and how to support an employee following a difficult interaction.
- > Refresh of face-to-face and e-learning courses, including work health and safety annual training and enhancement to managing difficult and aggressive customers to build capability and confidence in employees and managers. Twice yearly workplace inspections.

## Employee Assistance Program

The Employee Assistance Program (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 2022–23, the EAP usage rate was 17% of the total Comcare workforce. 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%). Six managers accessed the manager support programs to enhance capability in managing their teams. These figures indicate that of those employees accessing the EAP, personal issues continue to be the significant factor.

## Early intervention

Comcare continues to focus on active injury prevention strategies and provision of effective 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 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 assessment. 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.

During the period, 28 employees received support and assistance for early intervention and 8 for non-work-related injuries and illness.

## Notifiable incidents

Under section 38 of the *Work Health and Safety Act 2011* (Cth), we are required to notify the Regulator of any deaths, serious injury or illness, or dangerous incidents arising out of our work. There were 3 notifiable incidents relating to potential transmission of COVID-19 during the course of employment and a serious injury of an employee following a difficult client interaction.

No statutory enforcements were received from the Regulator. One inspection was commenced and is ongoing.

## Workers' compensation claims

Three new workers' compensation claims were accepted. The average weeks lost time decreased from 20.8 weeks in 2021–22 to zero weeks in 2022–23. Comcare's initiatives and commitment to early intervention, rehabilitation, return to work principles and ongoing education continue to provide a safe and rewarding workplace for our employees.

# FINANCIAL REVIEW

## Key financial results

Comcare's 2022–23 financial results demonstrate that Comcare's financial position remains strong, and that the Comcare premium scheme continues to be sustainable.

Comcare continues to efficiently deliver upon its outcome to promote and enable safe and healthy work.

In 2022–23 Comcare had an operating surplus of \$1.8 million as shown in the table below.

Table 10: Comcare financial operating result

	2018–19	2019–20	2020–21	2021–22	2022–23
	\$m	\$m	\$m	\$m	\$m
Workers' compensation premiums	242.3	163.3	167.4	161.6	175.5
Other cost-recovery revenue	35.5	36.4	37.0	45.0	39.1
Interest and other revenue	36.1	24.0	13.9	9.2	20.9
Revenue from government	60.3	61.2	51.2	44.0	51.2
Claim payments	(234.3)	(216.9)	(207.9)	(196.2)	(206.3)
Administration costs (business-as-usual)	(98.5)	(101.1)	(106.8)	(107.7)	(113.8)
Administration expenses (projects)	(4.2)	(4.2)	(6.9)	(9.0)	(11.6)
Administration costs (finance costs)	(2.2)	(3.2)	(7.2)	(0.9)	(0.2)
<b>Surplus of revenue over expenses</b>	<b>35.0</b>	<b>(40.5)</b>	<b>(59.3)</b>	<b>(54.0)</b>	<b>(45.3)</b>
<b>Movement in claims provisions and appropriations receivable</b>					
Movement in provisions for outstanding claims liabilities	81.7	124.3	88.9	150.3	21.0
Available funding from movement in claims provisions	(117.1)	(92.9)	(37.6)	(88.8)	26.2
<b>Surplus/(deficit) on continuing operations</b>	<b>(0.4)</b>	<b>(9.1)</b>	<b>(8.0)</b>	<b>7.5</b>	<b>1.8</b>
<b>Net equity</b>	<b>23.0</b>	<b>17.2</b>	<b>9.1</b>	<b>22.7</b>	<b>24.5</b>
<b>Cash and cash equivalents</b>	<b>1,005.1</b>	<b>986.6</b>	<b>943.8</b>	<b>497.3</b>	<b>435.3</b>

## Premium scheme

Comcare’s funding ratio as of 30 June 2023 was 117%. This represents a decrease compared to last year’s result of 124%. However, it remains above Comcare’s target minimum funding ratio of 110% for the 6th consecutive year.

The positive funding ratio represents a surplus of premium funds of \$289.8 million (\$401.5 million in 2021–22) available to settle future claims liabilities.

Table 11: Comcare historical funding ratio

	2018–19	2019–20	2020–21	2021–22	2022–23
Funding ratio	131%	128%	129%	124%	117%

The decrease in the funding ratio compared to last year’s result was due to the net impact of:

- > an increase in premium scheme liabilities of \$34.0 million
- > a decrease in premium scheme assets of \$77.7 million.

Comcare’s net premium scheme liabilities as of 30 June 2023 were \$1.698 billion.

Table 12: Comcare historical net premium liabilities

	2018–19	2019–20	2020–21	2021–22	2022–23
	\$m	\$m	\$m	\$m	\$m
Net premium liabilities	1,665	1,708	1,646	1,664	1,698

## Administrative cost

Comcare's administration cost ratio was 22.6% which was within the target range of 15 to 25%.

## Premium rate

The average 2022–23 premium rate was 0.84% of wages, less than the Comcare target of 1.0%.

Due to the strong financial results in recent years, Comcare was able to apply a 10% margin to the 2022–23 premium pool which reduced premiums to all premium paying agencies.

Comcare's annual premiums have reduced by \$66.8 million over the last 5 years. The annual premium rate in 2018–19 was \$242.3 million, compared to \$175.5 million for 2022–23.







## INDEPENDENT AUDITOR'S REPORT

### To the Minister for Employment and Workplace Relations

#### Opinion

In my opinion, the financial statements of Comcare (the Entity) for the year ended 30 June 2023:

- (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 2023 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 2023 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; and
- 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.

#### Other information

The Accountable Authority is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023 but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information, and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

GPO Box 707, Canberra ACT 2601  
38 Sydney Avenue, Forrest ACT 2603  
Phone (02) 6203 7300

### 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.

### 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



Fiona Sheppard  
Executive Director

Delegate of the Auditor-General

Canberra  
18 September 2023

# COMCARE FINANCIAL STATEMENTS

*for the year ended 30 June 2023*

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  - 6.4 Budget variances commentary

## Statement by the Accountable Authority and Chief Financial Officer

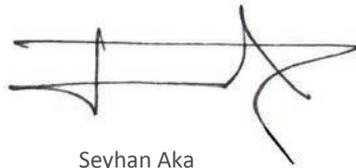
In our opinion, the attached financial statements for the year ended 30 June 2023 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

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.



Greg Vines  
Accountable Authority and Chief Executive Officer

18 September 2023



Seyhan Aka  
Chief Financial Officer

18 September 2023

# Comcare

## Statement of comprehensive income

for the period ended 30 June 2023

		2023	2022	2023 Original Budget
	Notes	\$'000	\$'000	\$'000
<b>Net cost of services</b>				
<b>Expenses</b>				
Employee benefits	1.1A	74,851	71,854	74,329
Suppliers	1.1B	38,649	32,770	37,722
Depreciation and amortisation	2.2A	11,232	10,748	11,061
Finance costs	1.1C	177	943	148
Write-downs and impairment of assets	1.1D	745	1,213	-
Workers' compensation claims expense	1.1E	186,828	182,136	183,158
Common law asbestos-related disease claims expense		19,485	14,067	26,533
<b>Total expenses</b>		<b>331,967</b>	<b>313,731</b>	<b>332,951</b>
<b>Own-source income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	1.2A	216,890	209,841	240,573
Interest	1.2B	16,720	3,375	3,821
Rental income	1.2C	1,356	1,334	1,374
Other revenue		399	944	-
<b>Total own-source revenue</b>		<b>235,365</b>	<b>215,494</b>	<b>245,768</b>
<b>Gains</b>				
Gains/(Losses) from movement in workers' compensation claims provision	1.2D	(31,008)	10,329	34,599
Gains from movement in common law asbestos-related disease claims provision	1.2E	51,967	139,949	40,319
Other gains	1.2F	-	329	-
<b>Total gains</b>		<b>20,959</b>	<b>150,607</b>	<b>74,918</b>
<b>Total own-source income</b>		<b>256,324</b>	<b>366,101</b>	<b>320,686</b>
<b>Net (cost of)/contribution by services</b>		<b>(75,643)</b>	<b>52,370</b>	<b>(12,265)</b>

		2023	2022	2023 Original Budget
	Notes	\$'000	\$'000	\$'000
Revenue from Government	1.2G	51,218	43,997	56,605
Available funding from movement in claims provision		26,209	(88,825)	(44,340)
Surplus on continuing operations		1,784	7,542	-

## Other comprehensive income

Items not subject to subsequent reclassification to net cost of services

Changes in asset revaluation reserve (net)		(36)	6,069	-
Total other comprehensive income/(loss)		(36)	6,069	-
Total comprehensive income/(loss)		1,748	13,611	-

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

Budget variances commentary is provided in Note 6.4.

# Comcare

## Statement of financial position

as at 30 June 2023

	Notes	2023 \$'000	2022 \$'000	2023 Original Budget \$'000
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	2.1A	435,278	497,288	464,529
Trade and other receivables	2.1B	2,130,643	2,144,866	2,092,378
Other financial assets	2.1C	12,000	9,656	9,656
<b>Total financial assets</b>		<b>2,577,921</b>	<b>2,651,810</b>	<b>2,566,563</b>
<b>Non-financial assets<sup>1</sup></b>				
Buildings	2.2A	30,152	37,741	37,832
Plant and equipment	2.2A	2,472	2,617	2,645
Computer software	2.2A	10,587	9,116	9,680
Other non-financial assets	2.2B	1,238	1,531	1,531
<b>Total non-financial assets</b>		<b>44,449</b>	<b>51,005</b>	<b>51,688</b>
<b>Total assets</b>		<b>2,622,370</b>	<b>2,702,815</b>	<b>2,618,251</b>
<b>Liabilities</b>				
<b>Payables</b>				
Suppliers	2.3A	2,865	2,696	2,696
Workers' compensation claims payable		2,897	5,055	5,053
Other payables	2.3B	3,220	3,690	1,841
<b>Total payables</b>		<b>8,982</b>	<b>11,441</b>	<b>9,590</b>
<b>Interest bearing liabilities</b>				
Leases	2.4A	25,631	31,162	29,667
<b>Total interest bearing liabilities</b>		<b>25,631</b>	<b>31,162</b>	<b>29,667</b>

		2023	2022	2023 Original Budget
	Notes	\$'000	\$'000	\$'000
<b>Provisions</b>				
Employee provisions	4.1	15,221	17,412	19,259
Workers' compensation claims	2.5A, C, D, E	1,952,440	1,923,887	1,889,401
Common law asbestos-related disease claims	2.5F	594,973	695,593	647,013
Other provisions	2.5B	662	607	607
<b>Total provisions</b>		<b>2,563,296</b>	<b>2,637,499</b>	<b>2,556,280</b>
<b>Total liabilities</b>		<b>2,597,909</b>	<b>2,680,102</b>	<b>2,595,537</b>
<b>Net assets</b>		<b>24,461</b>	<b>22,713</b>	<b>22,714</b>
<b>Equity</b>				
Contributed equity		7,717	7,717	7,717
Reserves		9,275	9,311	9,312
Retained surplus		7,469	5,685	5,685
<b>Total equity</b>		<b>24,461</b>	<b>22,713</b>	<b>22,714</b>

<sup>1</sup> Right-of-use assets are included in the line items Buildings, and Plant and Equipment.

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

Budget variances commentary is provided in Note 6.4.



## Comcare Cash flow statement

for the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000	2023 Original Budget \$'000
<b>Operating activities</b>				
<b>Cash received</b>				
Sales of goods and rendering of services		43,775	42,979	46,047
Receipts from Government		56,502	59,527	56,605
Interest		11,494	3,964	3,821
Workers' compensation premiums		175,510	161,572	195,901
GST received from customers		17,858	14,910	15,966
Net GST received		-	25,322	-
Other		1,810	2,425	-
<b>Total cash received</b>		<b>306,949</b>	<b>310,699</b>	<b>318,340</b>
<b>Cash used</b>				
Employees		77,535	72,280	74,329
GST paid to suppliers		6,942	40,235	6,687
Net GST paid		10,949	-	9,280
Suppliers		38,187	32,239	37,726
Interest payments on lease liabilities		159	171	148
Workers' compensation claims		188,927	182,783	209,691
Workers' compensation scheme exit payments		-	354,890	-
Common law asbestos-related disease claims		19,485	14,067	-
Payments to the Official Public Account		15,510	50,361	-
<b>Total cash used</b>		<b>357,694</b>	<b>747,026</b>	<b>337,861</b>
<b>Net cash from/(used by) operating activities</b>	3.1	<b>(50,745)</b>	<b>(436,327)</b>	<b>(19,521)</b>

	Notes	2023 \$'000	2022 \$'000	2023 Original Budget \$'000
<b>Investing activities</b>				
Cash used				
Purchase of property, plant and equipment		5,448	4,195	5,445
<b>Total cash used</b>		<b>5,448</b>	<b>4,195</b>	<b>5,445</b>
<b>Net cash from/(used by) investing activities</b>		<b>(5,448)</b>	<b>(4,195)</b>	<b>(5,445)</b>
<b>Financing activities</b>				
Cash used				
Principal payments of lease liabilities		5,817	5,962	7,793
<b>Total cash used</b>		<b>5,817</b>	<b>5,962</b>	<b>7,793</b>
<b>Net cash from/(used by) financing activities</b>		<b>(5,817)</b>	<b>(5,962)</b>	<b>(7,793)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(62,010)</b>	<b>(446,484)</b>	<b>(32,759)</b>
Cash and cash equivalents at the beginning of the reporting period		497,288	943,772	497,288
Cash and cash equivalents at the end of the reporting period	2.1A	435,278	497,288	464,529

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

Budget variance commentary is provided in Note 6.4.

## 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 Statements by the Accountable Authority and Chief Financial Officer, which are not expected to have a material impact on Comcare's financial statements for future reporting periods.

Standard/Interpretation	Application date for Comcare <sup>1</sup>	Nature of impending change/s in accounting policy and likely impact on initial application
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (AASB 2021-2)	1 July 2022	<p>AASB 2021-2 amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. The amending standard requires the disclosure of material, rather than significant, accounting policies, and clarifies what is considered a change in accounting policy compared to a change in accounting estimate.</p> <p>The details of the changes in accounting policies and adjustments are disclosed below and in the relevant notes to the financial statements.</p> <p>The amending standard does not have a material impact on the entity's financial statements for the current or future reporting periods.</p>
AASB 2022-3 <i>Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15</i>	1 July 2022	<p>This Standard adds an additional illustrative example to AASB 15 Revenue from Contracts with Customers (AASB 15) to demonstrate how the requirements of AASB 15 apply to transactions where a not-for-profit entity charges upfront fees as part of the goods and services offered.</p> <p>The amending standard does not have a material impact on the entity's financial statements for the current or future reporting periods.</p>
AASB 2020-3 <i>Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments</i>	1 July 2022	<p>This Standard amends the following Australian Accounting Standards:</p> <ul style="list-style-type: none"> <li>&gt; AASB 1 <i>First-time Adoption of Australian Accounting Standards</i></li> <li>&gt; AASB 3 <i>Business Combination</i></li> <li>&gt; AASB 9 <i>Financial Instruments</i></li> <li>&gt; AASB 116 <i>Property, Plant and Equipment</i> (AASB 116)</li> <li>&gt; AASB 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i> (AASB 137)</li> <li>&gt; AASB 141 <i>Agriculture</i>.</li> </ul> <p>The amendments to AASB 116 require an entity to recognise the sale proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset.</p> <p>The amendments to AASB 137 require an entity to specify the costs that an entity includes when assessing whether a contract will be loss-making.</p> <p>The amending standard does not have a material impact on the entity's financial statements for the current or future reporting periods.</p>

<sup>1</sup> 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 being more appropriate. The valuation of workers' compensation claims liabilities and common law asbestos-related disease claims liabilities was undertaken as at 30 June 2023 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 2023 with a 75% 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. These uncertainties are considered in the actuarial assessments for claims provisions. 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 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 2023 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 quantifies 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 under estimating the liability remains. At the same time, these results show there is room for a further decline in expenditure under assumptions that would not be unreasonable given recent experience.

Details of the specific assumptions used in deriving the claims liabilities at 30 June are detailed in Notes 2.5C-F.

### Premium business

The value of the provision for premium claims liability has increased by \$31 million in 2022–23 (\$21 million increase in 2021–22).

Changes to premium claims liability	\$' million
Opening balance of gross liability as at 1 July 2022	1,674
Roll forward to 30 June 2023 valuation date	16
Projected gross liability as at 30 June 2023	1,690
Alignment of inflation bases	-
Changes in economic assumptions	(19)
Number of active incapacity and/or medical claims	4
Number of new claimants receiving incapacity and/or medical payments	(11)
Shorter-term continuance rates	(0)
Longer-term continuance rates, including effect of retirement	2
Changes in claims administration expenses	43
Assumed average quarterly payments	(4)
Asbestos experience and model changes	0
<b>Closing balance of gross liability as at 30 June 2023</b>	<b>1,705</b>

### 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 liability 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% higher than those assumed for this valuation the central estimate of the liability would increase by around \$105 million. However, if experience were to move in the opposite direction by the same amount, then the liability would decrease by around \$84 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% higher than forecast, then the central estimate of liability would increase by around \$102 million. However, if experience was 0.5% lower than forecast, the central estimate of liability would decrease by \$89 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 2022–23 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 \$11.3 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% risk margin (13% in 2021–22) has been applied to the central estimate for premium claims liabilities and 17% (17% in 2021–22) for pre-premium claims liabilities, which gives an intended 75% probability of sufficiency. The probability of sufficiency remain unchanged from 2021–22.

### 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 -\$131 million to +\$36.5 million (i.e. -35% to +10%) 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 34% of the central estimate (2022: 40%).

## 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 2023 the notional balance of these funds was \$1,572.5 million (2022: \$1,603.0 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 earn notional interest at a rate set by a determination made by the Minister for Finance under section 90C(3) of the SRC Act. A new determination was made in March 2022 and first applied to the 2022–23 financial year which changes the rate used to earn notional interest on the balance from 1 November 2018. The notional interest earned in 2022–23 is \$6.1 million (2022: \$6.8 million). This notional interest is calculated and added to or subtracted from the balance of the notional reserve.

Independent actuarial assessment has established the estimated liability for the premium business claims as at 30 June 2023 is \$1,705.5 million (2022: \$1,674.0 million).

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

	Note	2023 \$'000	2022 \$'000
Net premiums held in the Commonwealth Consolidated Revenue Fund <sup>1</sup>		1,572,513	1,603,016
Cash and cash equivalents		414,965	462,133
Actuary assessed third party recoveries		7,869	10,324
Actuary assessed gross outstanding liability for payment of premium related claims <sup>2</sup>	2.5C	(1,705,526)	(1,673,969)
<b>Surplus funds in excess of claims liabilities</b>		<b>289,821</b>	<b>401,504</b>

<sup>1</sup> \$1,294.0 million has been recognised as a receivable from the Commonwealth Consolidated Revenue Fund as at 30 June 2023 (2022: \$1,212.4 million).

<sup>2</sup> 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 2.5D 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 2023 is p\$235.6 million (2022: \$238.6 million).

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

	Note	2023 \$'000	2022 \$'000
Special appropriation receivable		236,886	237,358
Cash and cash equivalents		(1,272)	1,260
Actuary assessed gross outstanding liability for payment of pre-premium related claims	2.5E	(235,614)	(238,618)
<b>Surplus funds in excess of claims liabilities</b>		<b>-</b>	<b>-</b>

#### 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 2023 is \$594.9 million (2022: \$695.6 million).

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

	Note	2023 \$'000	2022 \$'000
Special appropriation receivable		501,248	545,528
Cash and cash equivalents		6,556	14,243
Actuary assessed third party recoveries		87,169	135,822
Actuary assessed gross outstanding liability for payment of asbestos-related claims	2.5F	(594,973)	(695,593)
<b>Surplus funds in excess of claims liabilities</b>		<b>-</b>	<b>-</b>

## 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 2023

2023	2022
\$'000	\$'000

### Note 1.1: Expenses

1.1A	<b>Employee benefits</b>		
	Wages and salaries	58,888	55,343
	Superannuation		
	Defined contribution plans	7,840	7,572
	Defined benefit plans	2,096	2,369
	Leave and other entitlements	4,566	5,186
	Separation and redundancies	160	206
	Other	1,301	1,178
	<b>Total employee benefits</b>	<b>74,851</b>	<b>71,854</b>

### Accounting policy

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

1.1B	<b>Suppliers</b>		
	<b>Goods and services supplied or rendered</b>		
	Consultants	517	875
	Legal expenses	2,841	2,463
	Contractors	6,868	6,069
	Fees for professional services	8,198	6,038
	External claims services	3,487	3,393
	Education and conference delivery	258	1,070
	Information communication technology	9,734	7,266
	Property services	1,822	1,545
	Travel	1,447	502
	Other	2,772	2,796
	<b>Total goods and services supplied or rendered</b>	<b>37,944</b>	<b>32,017</b>

	2023 \$'000	2022 \$'000
Goods supplied	288	296
Services rendered	37,656	31,721
<b>Total goods and services supplied or rendered</b>	<b>37,944</b>	<b>32,017</b>
<b>Other suppliers</b>		
Workers' compensation expenses	705	753
<b>Total other suppliers</b>	<b>705</b>	<b>753</b>
<b>Total suppliers</b>	<b>38,649</b>	<b>32,770</b>

Comcare has no short-term lease commitments as at 30 June 2023.

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	159	171
Unwinding of discount	18	4
Interest expense	-	768
<b>Total finance costs</b>	<b>177</b>	<b>943</b>

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.

#### 1.1D Write-downs and impairment of assets

Write-down of trade receivables	36	1,128
Write-down of property, plant and equipment	20	85
Impairment of intangible assets	689	-
<b>Total write-downs and impairment of assets</b>	<b>745</b>	<b>1,213</b>

	2023 \$'000	2022 \$'000
1.1E Workers' compensation claims expense		
Workers' compensation claims expenses paid and payable (net)	186,828	182,136
<b>Total workers' compensation claims expense</b>	<b>186,828</b>	<b>182,136</b>
<b>Premium claims expense</b>		
Incapacity	112,021	111,236
Legal including common law	12,724	14,125
Medical, travel and other	45,209	44,306
	<b>169,954</b>	<b>169,667</b>
(Less): Recoveries from third parties	(263)	(3,988)
<b>Total premium claims expense</b>	<b>169,691</b>	<b>165,679</b>
<b>Pre-premium claims expense</b>		
Incapacity	4,056	4,904
Legal, including common law	598	276
Medical, travel and other	12,483	11,277
	<b>17,137</b>	<b>16,457</b>
(Less): Recoveries from third parties	-	-
<b>Total pre-premium claims expense</b>	<b>17,137</b>	<b>16,457</b>

## Note 1.2: Own-source revenue and gains

### Own-source revenue

1.2A Revenue from contracts with customers		
Rendering of services	216,890	209,841
<b>Total revenue from contracts with customers</b>	<b>216,890</b>	<b>209,841</b>

	2023 \$'000	2022 \$'000
<b>Disaggregation of revenue from contracts with customers</b>		
Major service:		
Premium		
Australian Government entities (related parties)	172,537	158,284
External entities	2,920	3,288
Regulatory contribution	20,059	23,456
Licence fees	18,995	21,586
Other	2,379	3,227
	<b>216,890</b>	<b>209,841</b>

## 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.

### 1.2B Interest

Cash on deposit	16,720	3,375
<b>Total interest</b>	<b>16,720</b>	<b>3,375</b>

## Accounting policy

Interest revenue is recognised using the effective interest method.

	2023 \$'000	2022 \$'000
<b>1.2C Rental Income</b>		
Operating Lease		
Subleasing right-of-use assets	1,356	1,334
<b>Total Rental Income</b>	<b>1,356</b>	<b>1,334</b>
<b>Operating Leases</b>		
A new sub-lease for rental of office fitout was entered into on 8 June 2023 with the National Emergency Management Agency (NEMA). The sub-lease is for the period 30 June 2023 to 29 June 2024. Prior to this sub-lease, an old sub-lease agreement was in place for the period 1 July 2021 to 29 June 2023 with a different subleased floor area between Comcare and National Recovery and Resilience Agency (NEMA's former name).		
<b>Maturity analysis of operating lease income receivables:</b>		
Within 1 year	1,304	1,374
	<b>1,304</b>	<b>1,374</b>

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

<b>1.2D Gains/(Losses) from the movement in workers' compensation claims provision</b>		
Gains/(Losses) from the movement in workers' compensation claims provision	(31,008)	10,329
<b>Total gains/(losses) from the movement in workers' compensation claims provision</b>	<b>(31,008)</b>	<b>10,329</b>
<b>Gains/(Losses) from the movement in premium claims provision</b>		
Movements during reporting period:		
Premium claims provision	(31,557)	(29,024)
Recoveries receivable	(2,455)	3,170
<b>Total gains/(losses) from the movement in premium claims provision</b>	<b>(34,012)</b>	<b>(25,854)</b>
<b>Gains/(Losses) from the movement in pre-premium claims provision</b>		
Movements during reporting period:		
Pre-premium claims provision	3,004	36,183
<b>Total gains/(losses) from the movement in pre-premium claims provision</b>	<b>3,004</b>	<b>36,183</b>

	2023 \$'000	2022 \$'000
1.2E	Gains/(losses) from the movement in common law asbestos-related disease claims provision	
	Movements during reporting period:	
	Asbestos claims provision	100,620
	Recoveries receivable	(48,653)
	<b>Total gains/(losses) from the movement in common law asbestos-related disease claims provision</b>	<b>139,949</b>
1.2F	Other gains	
	Gains arising from derecognition of make good	-
	Gains arising from end of lease ROU asset write backs	218
	<b>Total other gains</b>	<b>329</b>
1.2G	Revenue from Government	
	Department of Employment and Workplace Relations	
	Corporate Commonwealth entity payment item	5,897
	Grants from portfolio department	45,321
	<b>Total revenue from Government</b>	<b>43,997</b>

## 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.

2023	2022
\$'000	\$'000

### Note 2.1: Financial assets

#### 2.1A Cash and cash equivalents

Cash at bank and on hand	1,134	1,772
Deposits at call	11,144	40,516
Term deposits	423,000	455,000
<b>Total cash and cash equivalents</b>	<b>435,278</b>	<b>497,288</b>

The closing balance of Cash and cash equivalents does not include amounts held in trust: \$1.8 million in 2023 and \$1.6 million in 2022. 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	635	193
<b>Total goods and services receivable</b>	<b>635</b>	<b>193</b>

##### Appropriations receivable

For existing programs*	2,032,127	1,995,691
<b>Total appropriations receivable</b>	<b>2,032,127</b>	<b>1,995,691</b>

	2023 \$'000	2022 \$'000
<b>Other receivables</b>		
Third party claims recoveries receivable - workers' compensation claims	7,869	10,324
Third party claims recoveries receivable - common law asbestos-related claims	87,169	135,822
Claims recoveries	4,805	4,734
GST receivable from the Australian Taxation Office	728	696
Other	50	(19)
<b>Total other receivables</b>	<b>100,621</b>	<b>151,556</b>
<b>Total trade and other receivables (gross)</b>	<b>2,133,383</b>	<b>2,147,440</b>
<b>(Less) impairment loss allowance</b>		
Goods and services	(36)	-
Claims recoveries	(2,704)	(2,574)
<b>Total impairment loss allowance</b>	<b>(2,740)</b>	<b>(2,574)</b>
<b>Total trade and other receivables (net)</b>	<b>2,130,643</b>	<b>2,144,866</b>

\* 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.

Credit terms for goods and services were within 30 days (2022: 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 2023

	Goods and services \$'000	Other receivables \$'000	Total \$'000
As at 1 July 2022	-	2,574	2,574
Amounts written off	36	(1,302)	(1,266)
Amounts recovered and reversed	-	419	419
Increase/(Decrease) recognised in net cost of services	-	1,013	1,013
<b>Total as at 30 June 2023</b>	<b>36</b>	<b>2,704</b>	<b>2,740</b>

### Movements in relation to 2022

	Goods and services \$'000	Other receivables \$'000	Total \$'000
As at 1 July 2021	-	3,976	3,976
Amounts written off	-	(164)	(164)
Increase/(Decrease) recognised in net cost of services	-	(1,238)	(1,238)
<b>Total as at 30 June 2022</b>	<b>-</b>	<b>2,574</b>	<b>2,574</b>

## 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.

	2023 \$'000	2022 \$'000
2.1C Other financial assets		
Interest accrued	6,606	1,380
Revenue accrued	5,394	8,276
<b>Total other financial assets</b>	<b>12,000</b>	<b>9,656</b>

## Note 2.2: Non-financial assets

### 2.2A Reconciliation of the opening and closing balances of property, plant and equipment and intangibles (2023)

	Buildings (non- ROUJA) \$'000	Buildings (ROUJA) \$'000	Buildings subtotal \$'000	Plant and equipment (non- ROUJA) \$'000	Plant and equipment (ROUJA) \$'000	Plant and equipment subtotal \$'000	Computer software \$'000	Total \$'000
<b>As at 1 July 2022</b>								
Gross book value	25,621	38,403	64,024	8,432	304	8,736	24,154	96,914
Accumulated depreciation/amortisation	(18,678)	(7,605)	(26,283)	(5,899)	(220)	(6,119)	(15,038)	(47,440)
<b>Total as at 1 July 2022</b>	<b>6,943</b>	<b>30,798</b>	<b>37,741</b>	<b>2,533</b>	<b>84</b>	<b>2,617</b>	<b>9,116</b>	<b>49,474</b>
<b>Additions:</b>								
By purchase	115	278	393	1,625	14	1,639	-	2,032
By internally developed	-	-	-	-	-	-	3,647	3,647
Depreciation and amortisation expense	(1,731)	(6,251)	(7,982)	(1,703)	(61)	(1,764)	(1,487)	(11,232)
Impairment recognised in net cost of services	-	-	-	-	-	-	(689)	(689)
<b>Disposals:</b>								
Cost of assets disposed	(85)	(87)	(172)	(589)	-	(589)	-	(761)
Add write back of depreciation on disposals	85	87	172	569	-	569	-	741
Net asset disposals	-	-	-	(20)	-	(20)	-	(20)
<b>Net book value 30 June 2023</b>	<b>5,327</b>	<b>24,825</b>	<b>30,152</b>	<b>2,435</b>	<b>37</b>	<b>2,472</b>	<b>10,587</b>	<b>43,211</b>
<b>Net book value 30 June 2023 represented by:</b>								
Gross book value	25,651	38,594	64,245	9,468	318	9,786	27,112	101,142
Accumulated depreciation/amortisation	(20,324)	(13,769)	(34,093)	(7,033)	(281)	(7,314)	(16,525)	(57,931)
<b>Net book value 30 June 2023</b>	<b>5,327</b>	<b>24,825</b>	<b>30,152</b>	<b>2,435</b>	<b>37</b>	<b>2,472</b>	<b>10,587</b>	<b>43,211</b>

All revaluations were conducted in accordance with the revaluation policy stated below. On 30 June 2022, an independent valuer, Pickles Valuations Pty Ltd, conducted the revaluations.

Reconciliation of the opening and closing balances of property, plant and equipment and intangibles (2022)

	Buildings (non- ROUA) \$'000	Buildings (ROUA) \$'000	Buildings subtotal \$'000	Plant and equipment (non- ROUA) \$'000	Plant and equipment (ROUA) \$'000	Plant and equipment subtotal \$'000	Computer software \$'000	Total \$'000
<b>As at 1 July 2021</b>								
Gross book value	26,040	24,301	50,341	7,939	315	8,254	24,723	83,318
Accumulated depreciation/amortisation	(23,908)	(12,214)	(36,122)	(4,824)	(121)	(4,945)	(17,170)	(58,237)
<b>Total as at 1 July 2021</b>	<b>2,132</b>	<b>12,087</b>	<b>14,219</b>	<b>3,115</b>	<b>194</b>	<b>3,309</b>	<b>7,553</b>	<b>25,081</b>
<b>Additions:</b>								
By purchase	424	29,768	30,192	725	23	748	-	30,940
By internally developed	-	-	-	-	-	-	3,136	3,136
Depreciation and amortisation expense	(1,177)	(6,247)	(7,424)	(1,652)	(99)	(1,751)	(1,573)	(10,748)
<b>Disposals:</b>								
Cost of assets disposed	(858)	(15,666)	(16,524)	(230)	(34)	(264)	(3,705)	(20,493)
Add write back of depreciation on disposals	780	10,856	11,636	223	-	223	3705	15,564
<b>Net asset disposals</b>	<b>(78)</b>	<b>(4,810)</b>	<b>-</b>	<b>(7)</b>	<b>(34)</b>	<b>(41)</b>	<b>-</b>	<b>(4,929)</b>
<b>Revaluations:</b>								
Revaluation of assets - net value cost adjustment	15	-	15	(2)	-	-	-	13
Add write back of depreciation on revaluation of assets	5,627	-	5,627	354	-	-	-	5981
<b>Net revaluation</b>	<b>5,642</b>	<b>-</b>	<b>-</b>	<b>352</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,994</b>
<b>Net book value 30 June 2022</b>	<b>6,943</b>	<b>30,798</b>	<b>37,741</b>	<b>2,533</b>	<b>84</b>	<b>2,617</b>	<b>9,116</b>	<b>49,474</b>
<b>Net book value 30 June 2022 represented by:</b>								
Gross book value	25,621	38,403	64,024	8,432	304	8,736	24,154	96,914
Accumulated depreciation/amortisation	(18,678)	(7,605)	(26,283)	(5,899)	(220)	(6,119)	(15,038)	(47,440)
<b>Net book value 30 June 2022</b>	<b>6,943</b>	<b>30,798</b>	<b>37,741</b>	<b>2,533</b>	<b>84</b>	<b>2,617</b>	<b>9,116</b>	<b>49,474</b>

## 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. Comcare initiates a revaluation of assets every three years due to the immaterial movements in fair value of the 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:

	2023	2022
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 2023 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 (2022: 3 to 15 years).

All software assets were assessed by qualified Comcare officers for indications of impairment as at 30 June 2023.

	2023 \$'000	2022 \$'000
2.2B Other non-financial assets		
Prepayments	1,238	1,531
Total other non-financial assets	1,238	1,531

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

2023	2022
\$'000	\$'000

## Note 2.3: Payables

### 2.3A Suppliers

Trade creditors and accruals	2,865	2,696
<b>Total supplier payables</b>	<b>2,865</b>	<b>2,696</b>

Settlement is usually made within 30 days (2022: 30 days).

### 2.3B Other payables

Income in advance	160	207
Salaries and wages	1,782	1,617
Superannuation	288	230
Other	990	1,636
<b>Total other payables</b>	<b>3,220</b>	<b>3,690</b>

## Note 2.4: Interest bearing liabilities

### 2.4A Leases

Lease liabilities	25,631	31,162
<b>Total leases</b>	<b>25,631</b>	<b>31,162</b>

Total cash outflow for leases for the year ended 30 June 2023 was \$5,975,669. (2022: \$5,921,764).

#### Maturity analysis - contractual undiscounted cash flows

Within 1 year	6,258	6,001
Between 1 to 5 years	20,055	21,666
More than 5 years	-	4,409
<b>Total leases</b>	<b>26,313</b>	<b>32,076</b>

#### 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 five years and the annual rental increases range from 3% to 3.75%. 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 eleven vehicle leases. The non-cancellable term of these leases are less than one year.

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	2023 \$'000	2022 \$'000
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## Note 2.5: Provisions

### 2.5A Workers' compensation claims

Premium claims	2.5C	1,705,526	1,673,969
Commonwealth latent mental disease claims	2.5D	11,300	11,300
Pre-premium claims	2.5E	235,614	238,618
<b>Total workers' compensation claims</b>		<b>1,952,440</b>	<b>1,923,887</b>

### 2.5B Other provisions

Provision for restoration obligations		662	607
<b>Total other provisions</b>		<b>662</b>	<b>607</b>

	Notes	2023 \$'000	2022 \$'000
<b>Provision for restoration obligations reconciliation</b>			
Carrying amount 1 July		607	789
Adjustment in provision as a result of revaluation		37	(75)
Derecognition		-	(111)
Unwinding of discount		18	4
<b>Closing balance as at 30 June</b>		<b>662</b>	<b>607</b>

Comcare currently has three (2022: three) 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.

#### 2.5C Provision for premium claims

Carrying amount at 1 July		1,673,969	1,652,846
Increase/(Decrease) in provisions made during the year		166,294	235,100
Claims payments made during the year		(169,691)	(165,677)
Unwinding of discount		41,473	(3)
Change in discount rate		(34,048)	(209,917)
Change in inflation rate		27,529	161,620
<b>Closing balance at 30 June*</b>		<b>1,705,526</b>	<b>1,673,969</b>

\* 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 2023 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% 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	2023 %	2022 %
Medical payments inflation	4.75 to 5.35	4.80 to 6.56
Other payments inflation	3.31 to 4.45	3.40 to 4.23
Discount rate	3.76 to 4.73	2.56 to 4.50

Premium business liability assumptions	2023	2022
Claim frequency	0.45%	0.47%
Third party recoveries	0.7%	1.1%
Claims administration expenses	21.4%	19.9%
Average claim size	\$170,626	\$160,545

	2023	2022
	\$'000	\$'000
<b>2.5D Provision for Commonwealth latent mental disease claims</b>		
Carrying amount at 1 July	11,300	11,300
Increase/(Decrease) in provisions made during the year	(251)	326
Unwinding of discount	295	-
Change in discount rate	(230)	(1,434)
Change in inflation rate	186	1,108
Closing balance at 30 June <sup>1</sup>	11,300	11,300

<sup>1</sup> 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 2023 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% probability of sufficiency.

<b>2.5E Provision for pre-premium claims</b>		
Carrying amount at 1 July	238,618	274,800
Increase/(Decrease) in provisions made during the year	11,419	3,539
Claims payments made during the year	(17,137)	(16,456)
Unwinding of discount	5,611	(29)
Change in discount rate	(5,064)	(37,327)
Change in inflation rate	2,167	13,010
Increase/(Decrease) in risk margin	-	1,081
Closing balance at 30 June <sup>2</sup>	235,614	238,618

<sup>2</sup> 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 2023 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% 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.

	2023 \$'000	2022 \$'000
<b>2.5F Provision for common law asbestos-related disease claims</b>		
Carrying amount at 1 July	695,593	830,200
Change in application of risk margin <sup>1</sup>	(38,806)	-
Revised carrying amount at 1 July	656,787	830,200
Increase/(Decrease) in provisions made during the year	(17,036)	(34,580)
Claims payments made during the year	(19,485)	(14,067)
Unwinding of discount	12,723	(140)
Change in discount and inflation rate	(6,927)	(85,820)
Change in risk margin	(31,089)	-
<b>Closing balance at 30 June<sup>2</sup></b>	<b>594,973</b>	<b>695,593</b>

<sup>1</sup> A decrease due to a change in accounting estimate from applying the net risk margin on a net central estimate basis instead of a gross central estimate basis.

<sup>2</sup> 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 2023 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% 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	2023 %	2022 %
Wage inflation	3.31 to 4.45	3.40 to 4.23
Superimposed inflation	2.00	2.00
Discount rate	3.76 to 4.73	2.56 to 4.50

## Funding

This section identifies Comcare's funding structure.

2023	2022
\$'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	435,278	497,288
Statement of financial position	435,278	497,288
Difference	-	-

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

Net contribution by services	(75,643)	52,369
Revenue from Government	51,218	43,997

#### Adjustments for non-cash items

Depreciation/Amortisation	11,232	10,748
Net write-down of non-financial assets	689	85
Loss on disposal of assets	20	-
Unwinding of discount	18	4
Available funding from movement in claims provision	26,209	(88,825)

#### Movements in assets and liabilities:

##### Assets

Increase/(Decrease) in net receivables	14,223	48,111
(Increase)/Decrease in accrued revenues	(2,342)	(4,439)
(Increase)/Decrease in prepayments	293	(85)

##### Liabilities

Increase/(Decrease) in payables	(7,990)	(327,720)
Increase/(Decrease) in provisions	(74,147)	(151,458)
(Increase)/Decrease in assets payables	-	(91)
(Increase)/Decrease in make good provision	(55)	71
(Increase)/Decrease in lease liabilities	5,530	(19,092)
Net cash from/(used by) operating activities	(50,745)	(436,327)

2023	2022
\$'000	\$'000

### Note 3.2: Regulatory charging summary

#### Amounts applied

Own-source revenue	19,236	21,608
<b>Total amounts applied</b>	<b>19,236</b>	<b>21,608</b>

#### Expenses

Regulatory charging activities	19,331	19,003
<b>Total expenses</b>	<b>19,331</b>	<b>19,003</b>

#### External revenue

Own-source revenue	19,236	21,608
<b>Total external revenue</b>	<b>19,236</b>	<b>21,608</b>

#### Total amounts written-off

-	-
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#### Regulatory charging activities

Comcare undertakes cost recovery to fund the functions and activities of the Safety, Rehabilitation and Compensation Commission and Comcare.

Cost recovered activities for charges reported above include:

- > Processing of annual self-insurance licence applications made under the SRC Act
- > Processing of reconsideration determinations made under the *Seafarers Rehabilitation and Compensation Act 1992*
- > Processing of workplace rehabilitation provider applications made under the SRC Act.

Further information regarding cost recovered activities, including Cost Recovery Implementation Statements, can be found at <https://www.comcare.gov.au/scheme-legislation/recovering-costs>.

## 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.

2023	2022
\$'000	\$'000

### Note 4.1: Employee provisions

#### Employee provisions

Leave and other entitlements	15,221	17,412
<b>Total employee provisions</b>	<b>15,221</b>	<b>17,412</b>

## 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 as at 30 June 2023 by reference to the work of the Department of Finance's actuarial model. 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 plan.

#### 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 the amounts were contributions to defined contribution plans.

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

2023	2022
\$'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 Minister for Employment and Workplace Relations), Chief Executive Officer, Chief Operating Officer and General Managers (and any persons acting in these positions for at least 90 days). Key management personnel remuneration is reported in the table below.

Short-term employee benefits <sup>1</sup>	1,694	1,788
Post-employment benefits	247	298
Other long-term benefits	(65)	(80)
<b>Total key management personnel remuneration expenses</b>	<b>1,876</b>	<b>2,006</b>

The total number of key management personnel included in the above table is nine (2022: 10).

<sup>1</sup> 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 2023 Comcare has no quantifiable contingencies.

#### Unquantifiable contingencies

As at 30 June 2023 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.

2023  
\$

2022  
\$

### Note 5.2: Remuneration of auditors

Financial statement audit services provided to Comcare by KPMG under contract from the Australian National Audit Office	238,000	212,000
<b>Other services provided by KPMG</b>		
Continuous monitoring	51,000	54,000
Annual desktop reviews	40,250	28,750
Financial viability assessment	-	7,500
SRC PAYG Advice	9,000	-
Central reporting model services	20,900	-
<b>Total other services provided by KPMG</b>	<b>121,150</b>	<b>90,250</b>

## Note 5.3: Financial instruments

### 5.3A Financial assets

#### Financial assets at amortised cost

Cash and cash equivalents	435,278	497,288
Receivables for goods and services	599	193
Other receivables and claims recoveries	2,101	2,159
Other financial assets	12,000	9,656
<b>Total financial assets at amortised cost</b>	<b>449,978</b>	<b>509,296</b>

#### Total financial assets

<b>449,978</b>	<b>509,296</b>
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#### Financial liabilities

#### Financial liabilities measured at amortised cost

Trade creditors	2,865	2,696
Workers' compensation payables	2,897	5,055
<b>Total financial liabilities measured at amortised cost</b>	<b>5,762</b>	<b>7,751</b>

#### Total financial liabilities

<b>5,762</b>	<b>7,751</b>
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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.

### 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).

	2023 \$'000	2022 \$'000
5.3B Net gains or losses on financial assets		
Financial assets at amortised cost		
Interest revenue	16,720	3,375
Net gains on financial assets at amortised cost	16,720	3,375
Net gains on financial assets	16,720	3,375

### 5.3C Net gains or losses from financial liabilities

There were no gains or losses from financial liabilities during the year (2022: 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 (2023: \$435.3 million and 2022: \$497.3 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% of the total investment portfolio.

As at 30 June 2023	Credit rating				Total \$'000
	AA- \$'000	A+ \$'000	BBB+ \$'000	Not rated \$'000	
Cash and cash equivalents	250,278	135,000	50,000	-	435,278
Receivables				599	599
Other receivables (net)				2,101	2,101
Other financial assets				12,000	12,000

As at 30 June 2022	Credit rating				Total \$'000
	AA- \$'000	A+ \$'000	BBB+ \$'000	Not rated \$'000	
Cash and cash equivalents	382,288	70,000	45,000	-	497,288
Receivables	-	-	-	193	193
Other receivables (net)	-	-	-	2,159	2,159
Other financial assets	-	-	-	9,656	9,656

Comcare holds no collateral to mitigate against credit risk.

	2023 \$'000	2022 \$'000
Maximum exposure to credit risk (excluding any collateral or credit enhancement)		
Cash and cash equivalents	435,278	497,288
Receivables for goods and services	599	193
Other receivables and claims recoveries	2,101	2,159
Other financial assets	12,000	9,656
Total financial assets carried at amount not best representing maximum exposure to credit risk	449,978	509,296

### 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 2023. 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 2023	On demand \$'000	Within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	> 5 years \$'000	Total \$'000
Trade creditors	-	2,865	-	-	-	2,865
Workers' compensation claims payable	-	2,897	-	-	-	2,897
Total	-	5,762	-	-	-	5,762

Maturities for non-derivative financial liabilities 2022	On demand \$'000	Within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	> 5 years \$'000	Total \$'000
Trade creditors	-	2,696	-	-	-	2,696
Workers' compensation claims payable	-	5,055	-	-	-	5,055
Total	-	7,751	-	-	-	7,751

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

## 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	
	2023 \$'000	2022 \$'000	Category (Level 1, 2 or 3)	Valuation technique(s) <sup>1</sup>	
<b>Non-financial assets<sup>2</sup></b>					
Leasehold improvements	5,328	6,944	Level 3	Cost approach	Actual cost of replacement of similar assets. Price per square metre.
Computer and IT equipment	2,344	2,451	Level 2	Market comparable	Sale prices of comparable computer and IT equipment.
Office equipment	27	8	Level 2	Market comparable	Sale prices of comparable office equipment.
Artwork	64	75	Level 2	Market comparable	Private sales of similar artwork. Professional appraisals of similar artwork.
<b>Total non-financial assets</b>	<b>7,763</b>	<b>9,478</b>			
<b>Total fair value measurements of assets in the statement of financial position</b>	<b>7,763</b>	<b>9,478</b>			

<sup>1</sup> Comcare engaged a professional valuer to undertake a comprehensive valuation of non-financial assets as at 30 June 2022.

<sup>2</sup> 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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
As at 1 July	6,944	2,132	6,944	2,132
Total (losses) recognised in net cost of services <sup>1</sup>	(1,731)	(1,254)	(1,731)	(1,254)
Total gains recognised in other comprehensive income	-	5,642	-	5,642
Purchases	115	424	115	424
<b>Total as at 30 June</b>	<b>5,328</b>	<b>6,944</b>	<b>5,328</b>	<b>6,944</b>

<sup>1</sup> 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

	2023 \$'000	2022 \$'000
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	435,278	497,288
Trade and other receivables	72,481	67,079
Other financial assets	12,000	9,656
Other non-financial assets	1,215	1,486
<b>Total no more than 12 months</b>	<b>520,974</b>	<b>575,509</b>
More than 12 months		
Trade and other receivables	2,058,162	2,077,787
Buildings	30,152	37,741
Plant and equipment	2,472	2,617
Computer software	10,587	9,116
Other non-financial assets	23	45
<b>Total more than 12 months</b>	<b>2,101,396</b>	<b>2,127,306</b>
<b>Total assets</b>	<b>2,622,370</b>	<b>2,702,815</b>
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	2,865	2,696
Workers' compensation claims payable	2,897	5,055
Other payables	2,964	3,435
Leases	5,785	5,473
Employee provisions	7,086	7,798
Workers' compensation claims	262,973	252,119
Common law asbestos-related disease claims	48,918	54,548
Other provisions	56	53
<b>Total no more than 12 months</b>	<b>333,544</b>	<b>331,177</b>

	2023	2022
	\$'000	\$'000
<b>More than 12 months</b>		
Other payables	255	255
Leases	19,846	25,689
Employee provisions	8,135	9,614
Workers' compensation claims	1,689,467	1,671,768
Common law asbestos-related disease claims	546,056	641,045
Other provisions	606	554
<b>Total more than 12 months</b>	<b>2,264,365</b>	<b>2,348,925</b>
<b>Total liabilities</b>	<b>2,597,909</b>	<b>2,680,102</b>

## 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.

	2023	2022
	\$'000	\$'000
<b>Cash at bank</b>		
As at 1 July	1,638	1,659
Receipts:		
Funds deposited	179	-
Interest earned	17	8
Payments:		
Final payouts	34	29
<b>Total cash at bank as at 30 June</b>	<b>1,800</b>	<b>1,638</b>

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

## Note 6.3: Reporting of outcomes

	Outcome 1		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Expenses</b>				
Employee benefits	74,851	71,854	74,851	71,854
Suppliers	38,649	32,770	38,649	32,770
Depreciation and amortisation	11,232	10,748	11,232	10,748
Finance costs	177	943	177	943
Write-downs and impairment of assets	745	1,213	745	1,213
Workers' compensation claims expense	186,828	182,136	186,828	182,136
Common law asbestos-related disease claims expense	19,485	14,067	19,485	14,067
<b>Total expenses</b>	<b>331,967</b>	<b>313,731</b>	<b>331,967</b>	<b>313,731</b>
<b>Income</b>				
Revenue from contracts with customers	216,890	209,841	216,890	209,841
Interest	16,720	3,375	16,720	3,375
Rental Income	1,356	1,334	1,356	1,334
Other revenue	399	944	399	944
Gains from movement in workers' compensation claims provision	(31,008)	10,329	(31,008)	10,329
Gains/(losses) from movement in common law asbestos-related disease claims provision	51,967	139,949	51,967	139,949
Other gains	-	329	-	329
Revenue from Government	51,218	43,997	51,218	43,997
Available funding from movement in claims provision	26,209	(88,825)	26,209	(88,825)
<b>Total income</b>	<b>333,751</b>	<b>321,273</b>	<b>333,751</b>	<b>321,273</b>

	Outcome 1		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Assets</b>				
Cash and cash equivalents	435,278	497,288	435,278	497,288
Trade and other receivables	2,130,643	2,144,866	2,130,643	2,144,866
Other financial assets	12,000	9,656	12,000	9,656
Buildings	30,152	37,741	30,152	37,741
Plant and equipment	2,472	2,617	2,472	2,617
Computer software	10,587	9,116	10,587	9,116
Other non-financial assets	1,238	1,531	1,238	1,531
<b>Total assets</b>	<b>2,622,370</b>	<b>2,702,815</b>	<b>2,622,370</b>	<b>2,702,815</b>
<b>Liabilities</b>				
Suppliers	2,865	2,696	2,865	2,696
Workers' compensation claims payable	2,897	5,055	2,897	5,055
Other payables	3,220	3,690	3,220	3,690
Leases	25,631	31,162	25,631	31,162
Employee provisions	15,221	17,412	15,221	17,412
Workers' compensation claims provision	1,952,440	1,923,887	1,952,440	1,923,887
Common law asbestos-related disease claims provision	594,973	695,593	594,973	695,593
Other provisions	662	607	662	607
<b>Total liabilities</b>	<b>2,597,909</b>	<b>2,680,102</b>	<b>2,597,909</b>	<b>2,680,102</b>

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

## Note 6.4 Budget variance commentary

The following table provides a comparison of Comcare's budget as presented in the 2022–23 Portfolio Budget Statements<sup>1</sup> (PBS). The budget is not audited. Explanations of material variances are provided below. Material variances are those deemed relevant to the analysis of Comcare's performance and are not focused only on numerical differences between budget and actual amounts.

Comcare considers that major variances are those where either:

- > variance between budget and actual is greater than +/- 10% of the original budget estimate
- > an item below this threshold is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of Comcare's performance.

Affected line items	Note Ref.	Variance Amount \$'000	Explanation of major variance
<i>Statement of Comprehensive Income</i>			
Write-downs and impairment of assets	1.1D	745	In 2022–23 a number of internally generated software assets were impaired due to reassessment of business requirements.
Common law asbestos-related disease claims expense	1.1F	(7,048)	Benefit payments were lower than the 2022–23 estimate provided by Comcare's independent actuary.
Revenue from contracts with customers	1.2A	(23,683)	Revenue was lower, mainly due to lower premium income following the application of a discount to all premiums in 2022–23, and other agency-specific premium adjustments.
Interest	1.2B	12,899	Interest was higher due to increased interest returns on Comcare's investment portfolio.
Gains/(Losses) from movement in workers' compensation claims provision	1.2D	(65,607)	The variance is due to a change in economic parameters applied in the annual actuarial assessment of workers' compensation claims liabilities.
Gains/(Losses) from movement in common law asbestos-related disease claims provision	1.2E	11,648	The variance is due to a change in economic parameters applied in the annual actuarial assessment of common law asbestos-related claims liabilities.
Available funding from movements in claim provision		(70,549)	The variance is due to a change in economic parameters applied in the annual actuarial assessment.

<sup>1</sup> 2022–23 Portfolio Budget Statements for the Employment and Workplace Relations Portfolio.

Affected line items		Variance Amount \$'000	Explanation of major variance
<i>Statement of Financial Position</i>			
Cash and cash equivalents	2.1A	(29,251)	Cash was lower than expected and mainly due to lower premium income and a return of excess special appropriations to the Consolidated Revenue Fund.
Trade and Other Receivables	2.1B	38,265	The variance relates to the premium-related receivable from Government.  The receivable from Government was re-valued upwards following the decrease in cash reserves and an increase in liabilities during 2022–23.
Other Financial assets	2.1C	2,344	The variance was mainly due to higher interest returns on Comcare's investment portfolio following higher interest rates.
Buildings	2.2A	(7,680)	The variance was due to a lower than expected cost of a building lease arrangement.
Workers compensation claims payable		(2,156)	The variance relates to the timing of claims payments, with a larger than expected claims payment on the last day of the year.
Employee provisions	4.1	(4,038)	The variance was due to changes in the profile of employees' long service leave balances.
Workers' compensation claims provision	2.5A, C, D, E	63,039	The variance is due to a change in the parameters applied in the annual actuarial assessment of workers' compensation claims liabilities.
Common law asbestos-related disease claims	2.5F	(52,040)	The variance is due to a change in parameters applied in the annual actuarial assessment of common law asbestos-related claims liabilities.
<i>Cashflow Statement</i>			
Total cash received		(11,391)	Cash received is lower than expected and is mainly due to a decline in premium income, and is partly offset by higher interest receipts.
Total cash used for operating activities		19,833	Cash used is higher than expected and mainly due to a return of excess special appropriations to the Consolidated Revenue Fund.
Total cash used for financing activities		(1,976)	The variance was due to a lower than expected cost of a building lease arrangement.





## CHAPTER 5: SCHEME AND REGULATORY PERFORMANCE

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# SCHEME PERFORMANCE

## Overview

The overall scheme premium rate is decreasing, noting an increase in the incidence of claims received and accepted in 2022–23.

Table 13 shows scheme incidence rate trends from 2018–19 to 2022–23:

- > Claims received – 8.2% decrease
- > Claims accepted – 9.3% decrease
- > Serious claims – 4.9% decrease.

Table 13: Comcare scheme workers' compensation data

	Under the SRC Act	Incidence of claims received*	Incidence of accepted claims*	Incidence of serious claims* <sup>1</sup>	Total number of compensable deaths
2018–19	Premium paying employers	9.5	5.7	3.6	13
	Self-insured licensees	19.2	14.9	8.2	1
	<b>Scheme total</b>	<b>14.7</b>	<b>10.7</b>	<b>6.1</b>	<b>14</b>
2019–20	Premium paying employers	8.7	5.2	3.6	3
	Self-insured licensees	20.5	16.0	8.9	2
	<b>Scheme total</b>	<b>15.0</b>	<b>11.0</b>	<b>6.5</b>	<b>5</b>
2020–21	Premium paying employers	8.1	4.6	3.5	13
	Self-insured licensees	21.0	16.1	9.3	5
	<b>Scheme total</b>	<b>15.2</b>	<b>11.0</b>	<b>6.7</b>	<b>18</b>
2021–22	Premium paying employers	6.6	3.9	3.1	7
	Self-insured licensees	17.8	13.7	8.3	6
	<b>Scheme total</b>	<b>12.9</b>	<b>9.4</b>	<b>6.1</b>	<b>13</b>
2022–23	Premium paying employers	7.6	4.3	3.0	14
	Self-insured licensees	17.9	13.8	8.0	4
	<b>Scheme total</b>	<b>13.5</b>	<b>9.7</b>	<b>5.8</b>	<b>18</b>

Data extracted on 11 July 2023

**Note:**

\*All incidence rates are per 1,000 FTE employees

<sup>1</sup> Serious claims are those claims that reach one week or more of time lost during the reporting period.

## Return to work

Improving recovery and return to work outcomes is 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 employees' timely, safe and durable return to work across the scheme.

In 2022–23, we delivered multiple stakeholder forums to rehabilitation case managers. These forums focused on practical skills to assist rehabilitation case managers to engage effectively with employees and to support positive return to work outcomes. The forums continue to be well received by our stakeholders.

We also continued our communication and engagement with workplace rehabilitation providers, delivering forums, provider and consultant updates and engaging directly with providers. These activities support providers and their consultants to deliver effective and efficient services that improve recovery and return to work across the scheme.

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. Comcare launched a suite of animated videos on recovery and return to work for employees and employers across the scheme. The videos and accompanying factsheets explain the health benefits of a safe, timely and lasting return to work, roles and responsibilities, and better practices in supporting employees to recover and return to work. This year we also updated key rehabilitation guidance by strengthening messages relating to employee empowerment, the health benefits of good work and the importance of early communication.

## 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 Administrative Appeals Tribunal (AAT) requesting an independent review.

Table 14: Claim disputation rates

	Under the SRC Act	Number of reconsideration requests received	Reconsideration affirmation rate <sup>1</sup>	Number of applications to the AAT	AAT affirmation rate <sup>2</sup>
2018–19	Premium paying employers	1,267	84%	656	64%
	Self-insured licensees	1,107	85%	464	66%
	<b>Scheme total</b>	<b>2,374</b>	<b>84%</b>	<b>1,120</b>	<b>65%</b>
2019–20	Premium paying employers	942	80%	396	53%
	Self-insured licensees	1,313	86%	654	72%
	<b>Scheme total</b>	<b>2,255</b>	<b>84%</b>	<b>1,050</b>	<b>60%</b>
2020–21	Premium paying employers	743	77%	338	49%
	Self-insured licensees	1,311	87%	651	70%
	<b>Scheme total</b>	<b>2,054</b>	<b>83%</b>	<b>989</b>	<b>60%</b>
2021–22	Premium paying employers	801	79%	341	54%
	Self-insured licensees	1,227	86%	668	72%
	<b>Scheme total</b>	<b>2,028</b>	<b>84%</b>	<b>1,009</b>	<b>65%</b>
2022–23	Premium paying employers	864	78%	310	49%
	Self-insured licensees	1,283	90%	709	74%
	<b>Scheme total</b>	<b>2,147</b>	<b>85%</b>	<b>1,019</b>	<b>65%</b>

Data extracted on 11 July 2023

Note:

<sup>1</sup> 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.

<sup>2</sup> 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 15: Notifiable work health and safety incidents – as the national regulator

	WHS jurisdiction	Serious injury or illness	Dangerous incidents	Notifiable worker fatalities*
2018–19	Australian Government	223	393	4
	Self-insured licensees	183	268	5
	Australian Defence Force	140	129	2
	<b>WHS jurisdiction total</b>	<b>546</b>	<b>790</b>	<b>11</b>
2019–20	Australian Government	215	401	4
	Self-insured licensees	186	259	4
	Australian Defence Force	126	134	1
	<b>WHS jurisdiction total</b>	<b>527</b>	<b>794</b>	<b>9</b>
2020–21	Australian Government	312	321	7
	Self-insured licensees	210	226	10
	Australian Defence Force	120	108	9
	<b>WHS jurisdiction total</b>	<b>642</b>	<b>655</b>	<b>26</b>
2021–22	Australian Government	388	535	7
	Self-insured licensees	303	274	11
	Australian Defence Force	119	133	13
	<b>WHS jurisdiction total</b>	<b>810</b>	<b>942</b>	<b>31</b>
2022–23	Australian Government	275	465	10
	Self-insured licensees	175	239	5
	Australian Defence Force	133	114	9
	<b>WHS jurisdiction total</b>	<b>583</b>	<b>818</b>	<b>24</b>

\*The notifiable worker fatality number may change after publication each year due to the time taken to complete the notifiability assessment process.

1. Serious Injury or Illness, Dangerous Incident and Notifiable Worker Fatalities data for 2022-23 extracted on 21 July 2023. Data for all previous FYs is as published in previous annual reports.
2. Not all self-insured licensees within Comcare's scheme are covered by the WHS Act

# REGULATORY PERFORMANCE AND PROSECUTIONS

## Regulatory performance

This section reports Comcare's regulatory performance and statistics required under Schedule 2, Part 3 of the *Work Health and Safety Act 2011* (Cth) (WHS Act).

Table 16: Notifiable incidents notified to Comcare under section 38 of the WHS Act

Type of notifiable incidents	2018–19	2019–20	2020–21	2021–22	2022–23
<b>Total notifiable incidents</b>	<b>1,358</b>	<b>1,344</b>	<b>1,338</b>	<b>1,801</b>	<b>1,442</b>
<b>Serious injury or illness</b>	546	527	641	811	583
<b>Dangerous incident</b>	790	794	650	942	818
<b>Death of a person*</b>	22	23	47	48	41
<i>Worker deaths</i>	11	9	26	31	24
<i>Other person deaths</i>	12	17	22	19	17

\*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. These numbers may change after publication each year due to the period of time taken to complete the notifiability assessment process.

1. Serious Injury or Illness, Dangerous Incident and Notifiable Worker Fatalities data for 2022–23 extracted on 21 July 2023. Data for all previous FYs is as published in previous annual reports.
2. Not all self-insured licensees within Comcare's scheme are covered by the WHS Act

Table 17: Telecommunications Asbestos Safety Compliance program activities commenced

Type of notifiable incidents	2018–19	2019–20	2020–21	2021–22	2022–23
<b>Total Telecommunications Asbestos Safety Compliance program activities</b>	2,008	2,058	1,151	1,325	625

Table 18: Inspectorate activities commenced

				2022–23
<b>Total Inspectorate Compliance and Enforcement Activities</b>				<b>969</b>
Provide information and advice activities				206
Monitoring compliance inspections and investigations				763
<b>Historical Investigation and Inspection Totals</b>				
2018–19	2019–20	2020–21	2021–22	
1,673	1,337	1,875	1,287	

Table 19: Notices issued under the WHS Act

	2018–19	2019–20	2020–21	2021–22	2022–23
<b>Improvement notices issued under section 191</b>	20	7	24	8	16
<b>Prohibition notices issued under section 195</b>	14	1	10	4	10
<b>Non-disturbance notices issued under section 198</b>	14	6	10	67	4

Table 20: Other statutory reporting requirements under the WHS Act

	2018–19	2019–20	2020–21	2021–22	2022–23
<b>Seizures made under section 175 or 176</b>	14	0	6	4	0
<b>Remedial action taken under section 211 or 212</b>	0	0	0	0	0
<b>Applications for internal review under section 224</b>	5	3	4	4	6
<b>Applications for external review made under section 229</b>	1	0	0	0	1
<b>Written undertakings accepted by Comcare under section 216</b>	0	0	1	1	0
<b>*Infringement notices given under section 243</b>	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 2022–23, Comcare commenced 2 criminal proceedings under the WHS Act. At 30 June 2023, 5 proceedings have continued, and 2 proceedings have concluded during this period.

### **Cleanaway Operations Pty Ltd – commenced**

On 2 June 2023, criminal proceedings were commenced in the Magistrates Court of the Australian Capital Territory against Cleanaway Operations Pty Ltd for an offence against section 32 of the WHS Act. The proceedings relate to an incident that occurred at Cleanaway’s recycling depot in Hume, ACT, when a worker’s hand was caught in a machine that compresses cardboard bales.

### **Commonwealth (Department of Defence – RAAF) – commenced**

On 27 July 2022, criminal proceedings were commenced in the Local Court of New South Wales against the Commonwealth (Department of Defence) for offences against sections 32 and 33 of the WHS Act. The proceedings relate to allegations that the Department of Defence failed to manage psychosocial risks in relation to the death of a worker at RAAF Base Williamstown.

### **Commonwealth (Royal Australian Mint) – continued**

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 coin press, the press fell from forklift tynes narrowly missing a worker.

### **Commonwealth (Department of Home Affairs) and International Health and Medical Services Pty Ltd – continued**

On 3 March 2021, criminal proceedings were commenced in the Local Court of New South Wales 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 at the Villawood Immigration Detention Centre in relation to the death of a detainee.

### **John Holland 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.

### **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 and the decision was handed down on 28 June 2022. The Supreme Court of South Australia dismissed Cleanaway’s appeal in relation to charges 1 and 2, and overturned its convictions on charges 3 to 8. On 14 June 2022, Cleanaway filed a Notice of Appeal in the South Australian Court of Appeal. The Court’s decision is reserved.

### **Commonwealth (Department of the 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 against the Commonwealth (Department of the 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 Australian Capital Territory 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. The Supreme Court of the Australian Capital Territory dismissed the appeal against acquittal (HeliRes) and allowed the appeal against conviction (Department of the Environment and Energy). On 7 July 2021, the Commonwealth Director of Public Prosecutions lodged an appeal to the Australian Capital Territory Court of Appeal in relation to both decisions. The appeal was heard between 8 and 11 February 2023. The Court’s decision is reserved.

### **Thales Australia Limited – concluded**

On 30 June 2022, criminal proceedings were commenced in the Magistrates Court of Victoria against Thales Australia Limited for an offence against section 32 of the WHS Act. The proceedings related to an incident where a spray painter was fatally crushed by a vehicle subframe that fell from an unsecured paint positioner in Bendigo, Victoria. On 2 June 2023, Thales was convicted and fined \$450,000 after it pleaded guilty to a single offence.

### **Lendlease Building Contractors Pty Ltd – concluded**

On 5 June 2019, criminal proceedings were filed against Lendlease Building Contractors Pty Ltd in the Magistrates Court of Western Australia for an offence against section 32 of the WHS Act. The proceedings related to an incident at Campbell Barracks Defence base in Swanbourne, where a subcontracted worker was injured when a steel truss frame fell to the ground striking the worker and narrowly missing others. On 16 June 2023, Lendlease was convicted and fined \$100,000.



## CHAPTER 6: APPENDICES

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# APPENDIX A – Procurement and Comcover

## Procurement

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 published its second annual *Modern Slavery Act 2018* (Cth) 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

Comcare entered into 7 consultancy contracts with an individual contract value of \$10,000 or more (GST inclusive) with a total consultancy value of \$1,886,993 (GST inclusive) in 2022–23.

Services provided under the contracts include the provision of advisory services, strategy support and undertaking reviews.

## Senate Order on Entity Contracts

As a Corporate Commonwealth Entity, we comply with the Senate Order on Entity Contracts and publish a list of contracts valued at \$100,000 or more (GST inclusive) on the Comcare website – <https://www.comcare.gov.au/about/governance/comcare-contracts-list>.

More information on the value of contracts above the relevant threshold of \$400,000 (GST inclusive) is available on the AusTender website [www.tenders.gov.au](http://www.tenders.gov.au).

## Advertising and market research

Comcare spent \$39,661 (inclusive of GST) on advertising and nil on market research in 2022–23.

## 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.

Comcare paid \$65,952 inclusive of GST (\$59,121 in 2021–22) for directors' and officers' insurance in 2022–23.

# APPENDIX B – Ecologically sustainable development and environmental performance

## Overview

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.

The Comcare Sustainability Working Group (SWG) is continuously exploring ways to reduce environmental footprint and explore how we can be more sustainable in the way we operate.

As a part of supporting Comcare’s commitment to sustainable development in our everyday activities SWG has promoted Earth hour, World Environment Day and Clean Up Australia Day. Throughout 2023, SWG will be promoting sustainability themes focusing on energy usage, travel, waste management and recycling.

Our Canberra office has been a part of organics recycling program GOTERRA since 2012 and we continue to be reaccredited with Business Recycling Program.

Comcare continues to achieve 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, and a 6-star NABERS Energy Tenancy rating for our tenancy on levels 5 to 7, 535 Bourke Street, Melbourne in Victoria.

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:

- > Participate in whole of government purchasing arrangements for stationery and office supplies
- > 100% of the paper that is procured is recycled and 100% recycling of paper waste
- > participating in whole-of-government leasing arrangements for fleet vehicles
- > providing end of trip facilities to encourage employees to cycle to work
- > electronic workflows are aimed to reduce the use of paper as well as the need to retain paper copies
- > 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
- > installing sensor lighting systems in all office fit outs
- > using the energy saving features of the Windows Operating System.

## Technology equipment upgrade

Comcare 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 centers, resulting in a decrease of power consumption.

Comcare is currently undergoing a digital transformation, which will deliver digital interactions for our clients and realise a reduction in paper, ink consumption and power consumption. As part of the Multi-Functional Device Refresh project, Comcare will reduce its printing fleet by almost half nationally which is projected to provide a 50% reduction in Kw-H usage and an overall reduction of Co2 emissions per year.

## Information management

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

The digitisation of information assets will improve the preservation of records held by Comcare. We are continuing to make process improvements while promoting record management awareness and compliance amongst staff.

## Waste and recycling

Comcare continues to participate in the ACT Government ACTSmart Office Recycling Program in its Canberra office. The Canberra office at 121 Marcus Clarke Street renewed its accreditation in June 2023 and currently sends approximately 75% 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 florescent 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

Power consumption per person increased in 2022–23 due to increased staff numbers in the office. The table below shows Comcare’s power consumption over 5 financial years.

Comcare’s paper consumption increased by 10% in 2022–23 from the previous year, which in part reflects employees returning to the office. 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 21: Comcare’s environmental performance 2022–23

Environmental performance	2018–19	2019–20	2020–21	2021–22	2022–23
Average power consumption per full-time equivalent employee (Mega joules/person/annum)	5,107	4,598	3,951	3,443	8,186
<b>Paper consumption<sup>1</sup></b> (reams of paper)	4,466	2,946	926	645	716

<sup>1</sup> Amount purchased during the financial year

## APS Net Zero 2030

APS Net Zero 2030 is the Government’s policy for the Australian Public Service (APS) to reduce its greenhouse gas emissions to net zero by 2030, and transparently report on its emissions. As part of this, non-corporate and corporate Commonwealth entities are required to report on their operational greenhouse gas emissions.

The Greenhouse Gas Emissions Inventory presents greenhouse gas emissions over the 2022–23 period. Results are presented on the basis of Carbon Dioxide Equivalent (CO<sub>2</sub>-e) emissions. Greenhouse gas emissions reporting has been developed with methodology that is consistent with the Whole-of-Australian Government approach as part of the APS Net Zero 2030 policy. Not all data sources were available at the time of the report and adjustments to baseline data may be required in future reports.

Comcare’s emissions data includes data for the Safety Rehabilitation and Compensation Commission (SRCC) and the Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority) as they use Comcare’s travel systems and offices.

Table 22: Greenhouse gas emissions inventory – location-based method 2022–23

Emission Source	Scope 1 kg CO <sub>2</sub> -e	Scope 2 kg CO <sub>2</sub> -e	Scope 3 kg CO <sub>2</sub> -e	Total kg CO <sub>2</sub> -e
Electricity (Location Based Approach)	N/A	603,815	52,377	656,192
Natural Gas	–	N/A	–	–
Fleet Vehicles	10,415	N/A	2,649	13,065
Domestic Flights	–	N/A	283,672	283,672
Other Energy	–	N/A	–	–
<b>Total kg CO<sub>2</sub>-e</b>	<b>10,415</b>	<b>603,815</b>	<b>338,698</b>	<b>952,929</b>

The electricity emissions reported above are calculated using the location based approach. When applying the market based method, which accounts for activities such as Greenpower, purchased LGCs and/or being located in the ACT, the total emissions for electricity, are below:

Table 23: Greenhouse gas emissions inventory – market-based method 2022–23

Emission Source	Scope 1 kg CO <sub>2</sub> -e	Scope 2 kg CO <sub>2</sub> -e	Scope 3 kg CO <sub>2</sub> -e	Total kg CO <sub>2</sub> -e
Electricity (Market Based Approach)	N/A	–	–	–
Natural Gas	–	N/A	–	–
Fleet Vehicles	10,415	N/A	2,649	13,065
Domestic Flights	–	N/A	283,672	283,672
Other Energy	–	N/A	–	–
<b>Total kg CO<sub>2</sub>-e</b>	<b>10,415</b>	<b>–</b>	<b>286,322</b>	<b>296,737</b>

Note: CO<sub>2</sub>-e = Carbon Dioxide Equivalent.

## APPENDIX C – Compliance index

This Annual Report has been prepared in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule).

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

Table 24: PGPA Rule compliance table – list of requirements

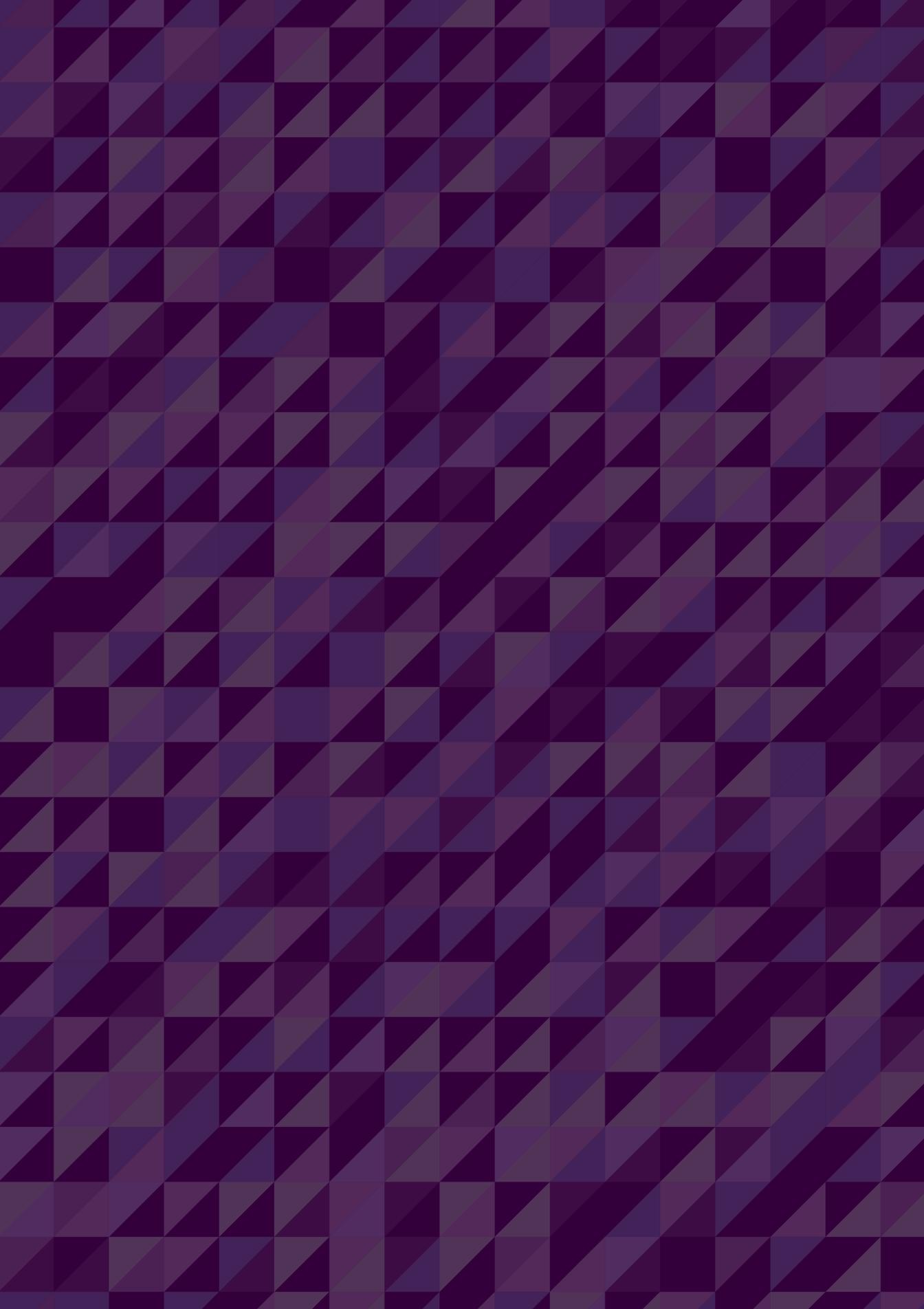
PGPA Rule Reference	Part of Report	Description	Requirement
17BE	Contents of annual report		
17BE(a)	About Comcare – Our governing legislation	Details of the legislation establishing the body	Mandatory
17BE(b)(i)	About Comcare – Our governing legislation	A summary of the objects and functions of the entity 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	Contents of annual report		
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	Contents of annual report		
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: (b) a direct electronic address of the charter determining the functions of the audit committee; (c) the name of each member of the audit committee; (d) the qualifications, knowledge, skills or experience of each member of the audit committee; (e) information about each member's attendance at meetings of the audit committee; (f) the remuneration of each member of the audit committee	Mandatory
17BE(ta)	Management and accountability – Our people	Information about executive remuneration	Mandatory
17BF(1)(a)(i)	Not applicable	An assessment of significant changes in the entity's overall financial structure and financial conditions	If applicable, mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BE	Contents of annual report		
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







**Australian Government**  
**Safety, Rehabilitation and  
Compensation Commission**

**PART 2:**  
**SAFETY,  
REHABILITATION  
AND  
COMPENSATION  
COMMISSION  
(SRCC)  
ANNUAL REPORT  
2022–23**

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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 2022 to 30 June 2023.

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 license
- > 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**

19 September 2023

Hon Tony Burke MP  
Minister for Employment and Workplace Relations  
Minister for the Arts  
Leader of the House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Minister

I have pleasure in submitting the annual report for the Safety, Rehabilitation and Compensation Commission (SRCC) for the financial year ending 30 June 2023.

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's 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**

As Chairperson, I am pleased to present my annual report on the operations of the Safety, Rehabilitation and Compensation Commission for the year ending 30 June 2023, to the Minister for Employment and Workplace Relations, the Hon Tony Burke MP, and the Australian Parliament.

The SRCC's program of work, including the performance of its functions and the exercise of powers has continued to be conducted and delivered efficiently this year. The SRCC maintained and achieved its yearly meeting schedule and actively consulted with licensees and affiliated unions, remaining highly responsive to issues and enquiries raised.

The key focus of the SRCC this year was reviewing the performance measures within the Licence Compliance and Performance Model (LCPM) to ensure that they remain contemporary and did not impose unnecessary regulatory burden on those entities which it regulates. Extensive consultation with all relevant stakeholders was undertaken as part of this review, with the revised measures being endorsed by the SRCC, taking effect from 1 July 2023.

The review of the performance measures enabled the SRCC to obtain improved insights into each licensee's unique risk profile, and to evaluate performance for regulatory purposes, drawing on contextual information and trends.

The interaction with stakeholders and review of the performance measures also assists the SRCC in its wider regulatory role. This is because the SRCC is engaged in risk sharing, and takes a risk management approach to regulation, insofar as it makes informed evaluations of licensee performance. Higher quality information and data and continued engagements with stakeholders contribute to improved risk management decision-making.

## **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 under the 'About the SRCC' section of the report.

To fulfil its functions, the SRCC's priorities for 2022–23 were focused on the following key areas:

- > operation of the SRCC
- > stakeholder engagement
- > operation of licensees
- > operation of the LCPM.

I am pleased to report that the SRCC undertook a range of activities to achieve outcomes against these priority areas in 2022–23. Some of the key highlights were:

- > maintaining an adaptive approach to the SRCC's operation and regulation to ensure our regulatory approach takes into account our operating environment and emerging issues relevant to licensees
- > 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 2022–23 is set out in this report.

## Self-insurance

During the reporting period, the SRCC granted self-insurance licences to:

Amplitel Pty Ltd (licence commenced 3 April 2023).

The SRCC granted licence extensions, under section 105 of the SRC Act, to the following entities:

- > Bis Industries Limited
- > CSL Limited
- > Fleetmaster Services Pty Ltd
- > Linfox Australia Pty Ltd
- > Linfox Armaguard Pty Ltd
- > Medibank Private Limited
- > Optus Administration Pty Ltd
- > Reserve Bank of Australia
- > Visionstream Pty Ltd
- > Wilson Security Pty Ltd.

## 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 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 14 June 2023, and the annual meeting with union affiliates was held on 12 October 2022.

The SRCC undertook a range of other stakeholder engagement activities in 2022–23, further detail is provided within this report.

## Strategic risk register

The SRCC manages current and emerging risks through its strategic risk register. In 2022–23, the SRCC reviewed the register and incorporated changes to ensure it remained current and effective.

Finally, I would like to thank the staff of Comcare for their professional support, guidance and assistance.



Peter J. Richards

# ABOUT THE SRCC

## Responsible Minister

The SRCC is established under section 89A of the SRC Act, operates within the Employment and Workplace Relations portfolio and reports to the Minister for Employment and Workplace Relations. The SRCC reported to the following Minister during 2022–23:

*The Hon Tony Burke MP*

Minister for Employment and Workplace Relations

Minister for the Arts

Leader of the House

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 several 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.

Evidence that the SRCC is meeting its accountabilities, and fulfilling its statutory responsibility, is demonstrated by the Chairperson reporting to the Minister on the key outcomes of each regular SRCC meeting.

## 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 2022–23:

- > Mr Peter Richards, Chairperson.
- > Ms Melissa Payne, Member nominated by the Australian Council of Trade Unions (ACTU).
- > Mr Trevor Gauld, Member nominated by the ACTU.
- > Mr Michael Flinn, 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 2022–23 on: 12 October 2022, 7 December 2022, 22 March 2023 and 14 June 2023. Details of attendance at SRCC meetings during 2022–23 are shown in table 25. Additionally, the SRCC held a number of out of session meetings in 2022–23 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	4	4	-
Trevor Gauld	4	4	-
Melissa Payne	4	4	-
Michael Flinn	4	2	-
Louisa Hudson*	4	4	1
Michelle Baxter	4	3	-
Catherine Hudson	4	4	-
Jane Hall	4	4	-
Stephen Somogyi	4	4	-
Jody Anderson*	4	3	1

\*During 2022–23, the following Deputies attended SRCC meetings:

- > Laura Buckley, Deputy to Louisa Hudson (attended where conflicts of interest arose).
- > Adrian Breen, Deputy to Jody Anderson.

## 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 2023): 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 SRC 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. 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 the following Directions to the SRCC under the SRC Act during 2022–23:

- > *Safety, Rehabilitation and Compensation Directions Amendment Instrument 2023*, which amended the Safety, Rehabilitation and Compensation Directions 2019. The amendment adds 2 primary criteria for eligible corporations that requires the SRCC to determine whether the applicant was a member of a corporate group in which majority of its employees are covered by the SRC Act (at the time of the application) and, that the licence would not result in an overall reduction in workers' compensation entitlements for those employees covered by the Act.

The Instrument was registered on the Federal Register of Legislation on 9 June 2023, following consultation with the SRCC and affected stakeholders, and came into effect the following day.

The SRCC issued the following Guidelines under section 97E of the SRC Act during 2022–23:

- > *Safety, Rehabilitation and Compensation (97E(2) – Regulatory Contributions Determination) Guidelines 2022*
- > *Safety, Rehabilitation and Compensation (97E(1) – Premium Determination) Guidelines 2022*

The SRCC did not issue any Guidelines under section 73A of the SRC Act during 2022–23.

## Delegations

At its 7 December 2022 meeting, the SRCC agreed that the current delegations to the CEO of Comcare for its functions under the following sections of the SRC Act remain appropriate:

- > estimate the amount of the licence fee payable each financial year by the licensee under section 104A(1) in accordance with section 104A(2)(a)-(b) and notify the licensee of this amount in writing
- > estimate the amount of the licence application fee under section 102(2)
- > notify the applicant of the amount in writing in line with subsections 102(3) (a) and (b).

## 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 Code of Conduct is available on the SRCC website and is due to be reviewed early in 2023–24.

# STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement continued to be a key priority for the SRCC in 2022–23, with a key outcome being that the SRCC is open and transparent in its dealings with regulated entities.

In 2022–23, the SRCC consulted with stakeholders via the annual meeting with union affiliates on 12 October 2022 and with licensee representatives on 14 June 2023.

In addition, the SRCC met with Queensland Worker’s Compensation Regulatory Services at its 7 December 2022 to gain insights into its regulatory approach to self-insurance. This presentation builds on the meeting with WorkCover WA in 2021, as part of the SRCC’s continuous improvement approach to regulation.

The SRCC will continue to engage with the licensees and affiliated unions on current and emerging priority items.

# REGULATORY PERFORMANCE

To meet the requirements of the *Regulator Performance Guide 2021*, as well as the *Regulator Performance Resource Management Guide (December 2021)*, the SRCC publishes information relating to high level regulatory activities it has undertaken during the period. As the SRCC is not required to report under the *Public Governance, Performance and Accountability Act 2013*, and therefore does not publish a corporate plan, this report is provided against the SRCC's operational plan, which is available on the SRCC website.

Key activities in 2022–23 which the SRCC delivered to meet its roles and functions are described in table 26. These activities sit under 4 key priority areas:

- > Operation of the Regulatory Model.
- > Operation of Licensees.
- > Operation of the Commission.
- > Stakeholder Engagement.

Table 26: SRCC Operational Plan 2022–23

Outcome	Reference	Activity	Outcomes
<b>Priority area – 1. Operation of the Regulatory Model</b>			
1.1 The Commission actively contributes to the continuous improvement of regulatory frameworks and does not unnecessarily impede the effective operation of regulated entities.	Regulator Performance Guide	Review the Commission’s approach to measuring licensee performance.	<p>A review of Licensee Key Performance Indicators (LKPIs) 3, 4 and 5 was conducted to provide measures that support the Commission in continuing to drive improved performance outcomes by licensees while directing regulatory action where there is a clearly identified trend of poor performance or exceptional circumstances in the short term.</p> <p>Following this review, and at the completion of a trial period with a small cohort of licensees, revised performance measures were endorsed by the Commission at its 22 March 2023 with an implementation date of 1 July 2023.</p>
		<p>Establish and maintain a schedule to review the Licence Compliance and Performance model (LCPM), with changes to be implemented on a half yearly basis. Including:</p> <ul style="list-style-type: none"> <li>&gt; regulatory response framework</li> <li>&gt; annual review of dispute resolution.</li> </ul>	<p>The Commission considered and approved:</p> <ul style="list-style-type: none"> <li>&gt; Version 8 of the LCPM at its 7 December 2022 meeting.</li> <li>&gt; Version 9 of the LCPM at its 14 June 2023 meeting.</li> </ul> <p>Reviews of the LCPM are conducted in line with the endorsed 2022-27 LCPM review schedule.</p>
		<p>Quarterly Reviewing the Regulation of Self-Insured Licensees sub-committee (RRSIL) meetings held to consider the Commission’s regulatory framework.</p>	<p>RRSIL meetings were held on:</p> <ul style="list-style-type: none"> <li>&gt; 17 August 2022.</li> <li>&gt; 8 February 2023.</li> <li>&gt; 3 May 2023.</li> </ul>
1.2 The Commission communicates with regulated entities in clear, targeted and effective manner.	Regulator Performance Guide	Licensees consulted on changes to the LCPM and performance targets.	<p>Licensees were consulted during the review of performance measures.</p> <p><b>Changes to the LCPM</b></p> <p>Meeting No 227, 7 December 2022</p> <ul style="list-style-type: none"> <li>&gt; Entire document revised to incorporate approved policy changes from the 12 October 2022 meeting and to ensure consistent language, terms and references throughout the document.</li> </ul> <p>Meeting No. 230, 14 June 2023</p> <ul style="list-style-type: none"> <li>&gt; Document revised to implement the endorsed changes to performance measures.</li> </ul>

Outcome	Reference	Activity	Outcomes
1.3 Review of premium determinations and regulatory contributions.	s97K SRC Act	<p>As required, the Commission Premium Review sub-committee:</p> <ul style="list-style-type: none"> <li>a) considers requests for review by the Commission on a case-by-case basis</li> <li>b) considers, in each case, whether Comcare has followed the Commission's Guidelines for the Determination of Premiums and Regulatory Contributions issued under Section 97E of the SRC Act</li> <li>c) make recommendations to the Commission as appropriate</li> <li>d) review the Premium and Regulatory Contributions Guidelines.</li> </ul>	<p><b>Requests for review</b></p> <p>No requests for review of premium or regulatory contribution determinations were received.</p> <p><b>Guideline review</b></p> <p>Following endorsement by the Commission, the revised <i>Premium Determination Guidelines 2022</i> and <i>Regulatory Contributions Determination Guidelines 2022</i> were registered on the Federal Register of Legislation in August 2022.</p>
		Reporting on Guidelines and review requests to the Commission.	The Comcare CEO reported compliance with the Premium Determination Guidelines 2022 and Regulatory Contributions Determination Guidelines 2022 in December 2022.
1.4 Guidance advice and directions to Comcare or licensees.	73A s97E(1) s97E(2) s97H	The Commission issues guidance, advice and directions to the scheme with the assistance of Comcare.	<p>The Commission issued the following Guidelines in 2022-23:</p> <ul style="list-style-type: none"> <li>&gt; <a href="#">Safety, Rehabilitation and Compensation (97E(2) – Regulatory Contributions Determination) Guidelines 2022</a></li> <li>&gt; <a href="#">Safety, Rehabilitation and Compensation (97E(1) – Premium Determination) Guidelines 2022</a>.</li> </ul> <p>No Guidelines advice or directions were issued by the Commission under section 73A.</p>

Outcome	Reference	Activity	Outcomes
<b>Priority area – 2. Operation of licensees</b>			
2.1 Consider licence applications.	s102 - s107 SRC Act	Licence applications are considered by the Commission against the requirements in the SRC Act and decisions made based on evidence considered.	<p><b>Licence applications</b></p> <p>The Commission considered a licence application from Amplitel Pty Ltd at its 22 March 2023 meeting. The Commission agreed to grant the licence for an 8 year period to commence from 3 April 2023 through to 2 April 2031.</p> <p><b>Licence extensions</b></p> <p>At its 22 March 2023 meeting, the Commission considered licence extensions for:</p> <ul style="list-style-type: none"> <li>&gt; Linfox Australia Pty Ltd</li> <li>&gt; Linfox Armaguard Pty Ltd</li> <li>&gt; Visionstream Pty Ltd.</li> </ul> <p>All licence extensions were granted for an 8 year period, to 30 June 2031.</p> <p>At its 4 April 2023 meeting, the Commission considered licence extensions for:</p> <ul style="list-style-type: none"> <li>&gt; Bis Industries Limited</li> <li>&gt; CSL Limited</li> <li>&gt; Fleetmaster Services Pty Ltd</li> <li>&gt; Medibank Private Limited</li> <li>&gt; Optus Administration Pty Ltd</li> <li>&gt; Reserve Bank of Australia</li> <li>&gt; Wilson Security Pty Ltd.</li> </ul> <p>In considering the information before it, the Commission agreed to grant a one-year extension to Bis Industries, to 30 June 2024.</p> <p>The Commission further agreed to grant 8 year licence extensions, to 30 June 2031, to the remaining licensees seeking extension.</p> <p><b>Licence revocations</b></p> <p>At an out of session meeting in September 2022, and at the request of the licensee, the Commission agreed to revoke the licence of:</p> <ul style="list-style-type: none"> <li>&gt; Commonwealth Insurance Limited.</li> </ul> <p>At its June 2023 meeting, at the request of the licensee, the Commission agreed to revoke the licence of:</p> <ul style="list-style-type: none"> <li>&gt; Commonwealth Securities Limited</li> <li>&gt; Colonial Services Pty Limited.</li> </ul>
		Comcare conducts licence application assessments on behalf of the Commission and advises on the merits of licence applications and compliance with legislative provisions.	Comcare's assessment on the merits of licence applications and extension requests against legislative requirements, along with recommendations were tabled at each meeting where applications were considered.
		Scope and conditions are set on an individual basis and reflected in licence conditions.	At the 4 April 2023 meeting, the Commission commenced a discussion on visibility of potential changes to the risk profile of a licensee as a result of licensee corporate acquisitions, employee transfers and other operational changes, and on the efficacy of special conditions of licence in addressing this risk. This matter will continue to be considered into 2023–24.

Outcome	Reference	Activity	Outcomes
2.2 Monitoring of licensees.	S89B(a) SRC Act	Commission consideration of licensee performance reports.	The Commission considered the performance of licensees at its: <ul style="list-style-type: none"> <li>&gt; 12 October 2022 meeting for quarter 4 2021-22 reporting.</li> <li>&gt; 7 December 2022 meeting for quarter 1 2022-23 reporting.</li> <li>&gt; 22 March 2023 meeting for quarter 2 2022-23 reporting.</li> <li>&gt; 14 June 2023 meeting for quarter 3 2022-23 reporting.</li> </ul>
		Commission consideration of licensee prudential reporting.	Licensees are assessed on prudential and financial risk and performance at each quarterly Commission meeting through Licence Compliance and Performance Model reporting.
2.3 Compliance and monitoring approaches are streamlined and coordinated.	S89B(a) SRC Act	Continue to review reporting to identify opportunities to streamline and reduce regulatory burden.	Considered as part of the review of performance measures.
2.4 Charging of licence fees.	S89s and s108D(b) SRC Act	Fees, scope and conditions are set on an individual basis and reflected in licence conditions.	Licence application fees charged to Amplitel Pty Ltd.
		Charging of 2022–23 licence fees by Comcare’s Chief Executive Officer under delegation from the Commission.	2022–23 licence fees were charged in August 2022. Indicative 2023–24 licence fees were notified to licensees in April 2023.
2.5 Determining and implementing regulatory responses in relation to the action of licensees.	Part VIII, Division 2, SRC Act	Maintain the regulatory decision precedent log.	A register of regulatory decisions is maintained following each meeting.
		Utilise the Commission regulatory response framework.	The Commission utilised its regulatory response framework in taking the following regulatory actions in 2022–23: <p><b>Encouragement</b></p> <p>In accordance with the Encouragement stage, the Commission engaged with 5 licensee principal officers, this focussed on education and voluntary compliance, including requesting information or action.</p> <p><b>Direction</b></p> <p>In accordance with the Direction stage, the Commission engaged with 6 licensee principal officers, which included directing an action such as a targeted review or investigation to address the issue, requesting information, or requesting the principal officer of the licensee attend a meeting of the Commission to provide relevant information and to respond to any Commission enquiries.</p>

Outcome	Reference	Activity	Outcomes
<b>Priority area – 3. Operation of the SRCC</b>			
3.1 The Commission ensures, 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.	SRC Act s89B(a)	The Commission can issue guidelines. Where required, Comcare provides reasonable resources to facilitate the development of guidelines.	No guidelines were issued by the Commission in 2022–23.
		The Commission reviews information about licensees and their performance in undertaking their functions and powers under the SRC Act. Comcare collects, manages and reports data to the Commission. Comcare manages complaints made about the performance of licensees of their functions.	Complaints are reported to the Commission quarterly as part of the LCPM reporting.
		Commission considers, and reviews equity of outcomes reports and implements actions where required	An equity of outcomes report is provided to the Commission twice a year. The equity of outcomes report for the period ending 30 June 2022 was considered at the 7 December 2022 meeting. The equity of outcomes report for the period ending 31 December 2022 was considered at the 22 March 2023 meeting.
3.2 To advise the Minister about anything relating to the operation of the SRC Act or to the Commission's functions and powers.	s89B(b) SRC Act	Outcome letters from quarterly meetings provided to the Minister.	Outcome letters to Minister sent: > 24 October 2022 – outcomes of meetings 223, 224 and 225. > 20 December 2022 – outcomes of meetings 226 and 227. > 18 April 2023 – outcomes of meetings 228 and 229.
3.3 To advise the Minister on the administration of the WHS Act. To advise and make recommendations to the Minister on the most effective means of giving effect to the objects of the WHS Act. To enquire into and make recommendations to the Minister on any matter relating to work health and safety referred to the Commission by the Minister.	Schedule 2, Part 2, s2 (a – c) WHS Act	Outcome letters from quarterly meetings provided to the Minister. Advice to Minister as required following stakeholder forums. Comcare drafts advice based on the Commission's views and provides research and analysis about the operations of the Act to the Commission.	Outcome letters Minister sent: > 24 October 2022 – outcomes of meetings 223, 224 and 225. > 20 December 2022 – outcomes of meetings 226 and 227. > 18 April 2023 – outcomes of meetings 228 and 229. At its 4 April 2023 meeting, the Commission agreed to establish a working group, to consider whether, in providing advice on the administration of the WHS Act, further issues ought to be raised with the Minister in relation to mining and other high-risk industries. Further work will be progressed in 2023–24.

Outcome	Reference	Activity	Outcomes
3.4 Commission endorsed annual report released including relevant licensee performance information.	s89R, s89S SRC Act	Endorsement of 2022–23 annual report content.	The Commission tabled its 2021–22 Annual Report in Parliament in October 2022. Refer this report for the exercise of this function for 2022–23.
3.5 Actions undertaken by the Commission are proportionate to the regulatory risk being managed.	Regulator Performance Guide	Regular review of strategic risk register. Control measures monitored for effectiveness at each meeting.	The Commission considered its strategic risks through its quarterly meetings. The Commission undertook a full review of its risk register at its 22 March 2023 meeting.
3.6 Governance and reporting.		Review of published policies and materials.	The Commission reviewed and endorsed changes to the following policies at its 12 October 2022 meeting: <ul style="list-style-type: none"> <li>&gt; Commission objectives and principles</li> <li>&gt; Policy on extension of a licence under Part VIII of the SRC Act</li> <li>&gt; Policy on variation of a licence under Part VIII of the SRC Act</li> <li>&gt; Policy on suspension or revocation of a licence under Part VIII of the SRC Act.</li> </ul>

#### Priority area – 4. Stakeholder management

4.1 Stakeholder engagement to include Minister, Comcare, licensees and union representatives. The Commission is open and transparent in its dealings with regulated entities.	Schedule 2, Part 2, WHS Act s89B(a) SRC Act	Invitation to meeting extended to Minister.	The Minister was invited through outcomes letters dated 24 October 2022, 20 December 2022 and 18 April 2023.
		Annual consultation forum with Licensees.	The annual consultation forum with licensees was held following the 14 June 2023 Commission meeting.
		Updates provided to licensees by the Commissioner representing licensees following each Commission Meeting at the Licensee Liaison Forum, conducted by Comcare.	Licence Liaison Forums (LLF) were held on: <ul style="list-style-type: none"> <li>&gt; 19 October 2022.</li> <li>&gt; 14 December 2022.</li> <li>&gt; 29 March 2023.</li> </ul>
		Annual consultation forum with affiliates.	The annual consultation forum with union affiliates was held following the 12 October 2022 Commission meeting. Additional consultation sessions were held with affiliated unions through the Commission’s review of its performance measures.
		Commission to reflect on its engagement with the Department annually.	This was considered through the Commission’s annual report against its operational plan through out of session meeting 223 on 24 August 2022.

# 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 27 summarises licence types, licensees and expiry dates as at 30 June 2023.

Table 27: Licence types, licensees and expiry dates as of 30 June 2023

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>	Amplitel Pty Ltd (2/04/2031)	Telstra Limited
		Australia and New Zealand Banking Group Limited (30/06/2029)	In house
		Australian air Express Pty Ltd (30/06/2025)	QBE Insurance (Australia) Limited
		Bevchain Pty Limited (30/06/2029)	Linfox Australia Pty Ltd
		Bis Industries Limited (30/06/2024)	In house with claims review performed by QBE Insurance (Australia) Limited
		Border Express Pty Ltd (30/06/2030)	In house with reconsiderations performed by Paratus Claims Pty Ltd
		BWA Group Services Pty Ltd (30/06/2030)	Commonwealth Bank of Australia
		Cleanaway Operations Pty Ltd (formerly Transpacific Industries Pty Ltd) (30/06/2030)	QBE Insurance (Australia) Limited
		Commonwealth Bank of Australia (30/06/2030)	In house
		CSL Limited (30/6/2031)	QBE Insurance (Australia) Limited
		DHL Express (Australia) Pty Ltd (31/12/2026)	DHL Supply Chain (Australia) Pty Ltd
		DHL Supply Chain (Australia) Pty Ltd (30/06/2030)	In house
		FedEx Express Australia Pty Ltd (formerly TNT Australia Pty Ltd) (30/06/2030)	In house

Licence type	Features	Licensee (expiry date)	Claims management arrangements
		Fleetmaster Services Pty Ltd (30/06/2031)	In house with reconsiderations 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 Armaguard Pty Ltd (30/06/2031)	Linfox Australia Pty Ltd
		Linfox Australia Pty Ltd (30/06/2031)	In house
		Medibank Private Limited (30/06/2031)	Employers Mutual Limited
		National Australia Bank Limited (30/06/2024)	In house with reconsiderations performed by QBE Insurance (Australia) Limited
		Optus Administration Pty Limited (30/06/2031)	QBE Insurance (Australia) Limited
		Pacific National Services Pty Ltd (formerly Asciano Services Pty Ltd) (30/06/2025)	Employers Mutual Limited
		Prosegur Australia Pty Limited (formerly Chubb Security Services Limited) (30/06/2025)	In house with reconsiderations performed by Moray & Agnew
		Ramsay Health Care Australia Pty Limited (30/11/2028)	QBE Insurance (Australia) Limited
		Ron Finemore Transport Services Pty Limited (30/06/2025)	In house
		StarTrack Express Pty Limited (30/06/2030)	Australian Postal Corporation
		StarTrack Retail Pty Ltd (30/06/2030)	Australian Postal Corporation
		Telstra Corporation Limited (30/06/2030)	Telstra Limited
		Telstra Limited (formerly Network Design and Construction Limited) (31/12/2029)	In house
		Thales Australia Limited (formerly ADI Limited) (30/06/2025)	In house with reconsiderations performed by QBE Insurance (Australia) Limited
		Virgin Australia Airlines Pty Ltd (29/09/2024)	QBE Insurance (Australia) Limited

Licence type	Features	Licensee (expiry date)	Claims management arrangements
		Visionstream Pty Ltd (30/06/2031)	Gallagher Bassett Services Pty Ltd
		Wilson Security Pty Ltd (30/06/2031)	QBE Insurance (Australia) Limited
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
		Australian Postal Corporation (30/06/2030)	In house
		Reserve Bank of Australia (30/06/2031)	Australian Postal Corporation

## Licence conditions and performance standards of licence

The SRCC expects licensees to have a continuous improvement focus on 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 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 is the regulatory framework under which the SRCC monitors and assesses licensee compliance and performance. The LCPM seeks to ensure compliance with licence conditions and focuses on licensee performance against the SRCC's standards and measures in claims management, rehabilitation and prevention by using a holistic, risk-based approach to performance evaluation. The LCPM contributes to reducing 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 2 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 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 LCPM also includes the SRCC's prudential and financial framework for the oversight of licensee prudential and financial obligations. This includes the provision of a liability report estimating the licensee's outstanding workers' compensation liabilities in accordance with the licence (this information is used to calculate the guarantee amount), the provision of a guarantee, reinsurance, and yearly accounts. Licensees are subject to an annual financial risk assessment. Some licensees are also subject, based on risk, to ongoing financial monitoring which comprises continuous monitoring through media and rating agencies.

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 of compliance against the conditions of licence; and to demonstrate continuous improvement.

## Continuous improvement

The SRCC has an ongoing focus on the continuous improvement of its regulatory model. In the 2022–23 year, the SRCC has undertaken the following activities to improve the operation of the LCPM:

- > targeted consultation with stakeholders to review and improve the SRCC's regulation
- > published an updated version of the Licensee Key Performance Indicator Specifications incorporating changes agreed by the SRCC
- > reviewed licensee reporting requirements to reduce duplication and streamline reporting
- > considered the operation of the LCPM to evaluate its effectiveness and identify areas for further improvement
- > reviewed licensee performance measures to ensure that these remain contemporary and do not impose unnecessary regulatory burden on those entities which it regulates.

## Licensees' performance

Table 28 provides a summary of each licensee's claims activity during 2022–23. Table 30 provides a summary of SRCC monitoring of overall licensee performance against the LKPIs during 2022–23.

Care should be exercised in comparing the claims activity of licensees given the different risk profiles of individual employers.

## Licensee data

Table 28: Licensees' claims activity

	Number of FTE employees		Incidence of claims received <sup>1</sup>		Incidence of claims accepted <sup>1</sup>	
	2021–22	2022–23	2021–22	2022–23	2021–22 <sup>2</sup>	2022–23 <sup>3</sup>
Amplitel Pty Ltd <sup>4</sup>		90		0.0		0.0
Australia and New Zealand Banking Group Limited	18,716	19,193	np	2.6	np	1.4
Australian air Express Pty Ltd	258	234	42.6	np	38.8	np
Australian Capital Territory Government	26,271	27,922	21.3	20.5	17.4	16.8
Australian National University	4,154	4,257	np	5.6	np	3.8
Australian Postal Corporation	27,914	28,545	61.2	61.4	48.3	51.3
BevChain Pty Limited	859	868	9.3	17.3	1.2	np
Bis Industries Limited	1,272	1,037	29.9	49.2	14.9	39.5
Border Express Pty Ltd	993	993	29.2	28.2	28.2	22.2
BWA Group Services Pty Ltd	3,366	3,242	np	2.5	np	1.9
Cleanaway Operations Pty Ltd	6,477	7,954	34.0	30.7	24.2	23.1
Colonial Services Pty Limited <sup>5</sup>	99	0	50.5	0.0	20.2	0.0
Commonwealth Bank of Australia Ltd	30,312	33,259	np	2.7	np	1.6
Commonwealth Insurance Limited <sup>6</sup>	519	131	np	0.0	np	0.0
Commonwealth Securities Limited <sup>7</sup>	2,094	0	np	np	np	np
CSL Limited	2,502	2,759	np	np	np	0.0
DHL Express (Australia) Pty Ltd	1,323	1,523	18.9	20.4	15.9	11.8
DHL Supply Chain (Australia) Ltd	2,900	3,274	10.3	15.9	5.9	10.7
FedEx Express Australia Pty Ltd	5,649	5,542	43.2	41.0	37.5	29.1
Fleetmaster Services Pty Ltd	362	362	24.9	16.6	11.0	np
John Holland Group Pty Ltd	3,644	3,768	11.0	9.8	9.3	6.6
John Holland Pty Ltd	1,429	1,034	100.1	122.8	95.2	111.2
John Holland Rail Pty Ltd	175	6	45.7	np	51.4	np
K&S Freighters Pty Limited	2,000	2,000	36.0	33.0	30.5	24.5

	Number of FTE employees		Incidence of claims received <sup>1</sup>		Incidence of claims accepted <sup>1</sup>	
	2021–22	2022–23	2021–22	2022–23	2021–22 <sup>2</sup>	2022–23 <sup>3</sup>
Linfox Armaguard Pty Ltd	1,546	1,531	13.6	9.1	np	np
Linfox Australia Pty Ltd	5,722	5,779	11.4	13.0	np	3.6
Medibank Private Limited	1,772	1,905	np	5.8	np	4.2
National Australia Bank Limited	26,184	27,743	np	2.0	np	1.2
Optus Administration Pty Limited	6,633	5,952	np	6.9	np	3.7
Pacific National Services Pty Ltd	2,603	2,684	18.1	23.1	11.1	14.2
Prosegur Australia Pty Limited	835	799	26.3	42.6	21.6	30.0
Ramsay Health Care Australia Pty Ltd	19,819	20,166	15.5	14.4	10.1	10.9
Reserve Bank of Australia	1,348	1,348	0.0	np	0.0	np
Ron Finemore Transport Services Pty Ltd	820	1,374	56.1	25.5	51.2	21.1
StarTrack Express Pty Limited	3,630	3,527	41.3	54.2	33.9	47.9
StarTrack Retail Pty Ltd	123	104	24.4	np	16.3	np
Telstra Corporation Limited <sup>8</sup>	21,389	1,185	7.2	10.5	4.9	7.6
Telstra Limited <sup>9</sup>		21,430		3.1		1.8
Thales Australia Limited	3,250	3,597	11.7	11.4	9.8	7.5
Virgin Australia Airlines Pty Ltd	4,020	5,551	34.1	27.0	23.1	22.2
Visionstream Pty Ltd	1,133	835	11.5	13.2	5.3	np
Wilson Security Pty Ltd	5,031	5,052	10.3	9.5	6.2	4.9
<b>ALL LICENSEES</b>	<b>249,146</b>	<b>257,295</b>	<b>17.8</b>	<b>17.9</b>	<b>13.5</b>	<b>13.8</b>

**Notes:** np – not publishable. To protect privacy, results are not published where the numbers used to calculate incidence rates are between one and 5.

<sup>1</sup> All incidence rates are calculated per 1,000 FTE employees.

<sup>2</sup> Initially accepted in 2021–22.

<sup>3</sup> First determined in 2022–23 and with a status of accepted at the end of that year (to accord with revised Licensee Key Performance Indicator #3 criteria).

<sup>4</sup> Amplitel commenced in the Scheme 4 March 2023.

<sup>5</sup> Colonial Services Pty Limited licence revoked 30 June 2023.

<sup>6</sup> Commonwealth Insurance Limited licence revoked 1 October 2022.

<sup>7</sup> Commonwealth Securities Limited licence revoked 30 June 2023.

<sup>8</sup> Due to the restructure of Telstra's licensee arrangements, Telstra Corporation Limited's Incidence Rates are calculated using an adjusted FTE figure.

<sup>9</sup> Telstra Limited commenced in the Scheme 8 December 2022.

Table 29: Performance against LKPIs – All licensees

	2021–22	2022–23
Number of notifiable worker fatalities <sup>2</sup>	11	5
Incidence of serious claims <sup>1,3</sup>	8.3	8.0
Incidence of accepted claims <sup>1,4</sup>	13.5	13.7
Median incapacity (weeks)	5.7	5.6
Percentage of claims determined within 20 days (injury) and 60 days (disease)	97%	98%
Percentage of reconsiderations decided within 30 days	94%	99%
Number of reconsideration requests decided	1,201	1,230
Number of AAT appeals received	668	709

**Notes:**

<sup>1</sup> Incidence rates are calculated per 1,000 FTE employees.

<sup>2</sup> A notifiable fatality refers to the death of a person, whether an employee or contractor.

<sup>3</sup> Serious claims are those claims that reach one week or more of time lost during the reporting period.

<sup>4</sup> This measure captures those claims that were initially accepted in the reporting period.

## Recordkeeping and reporting requirements under the Directions

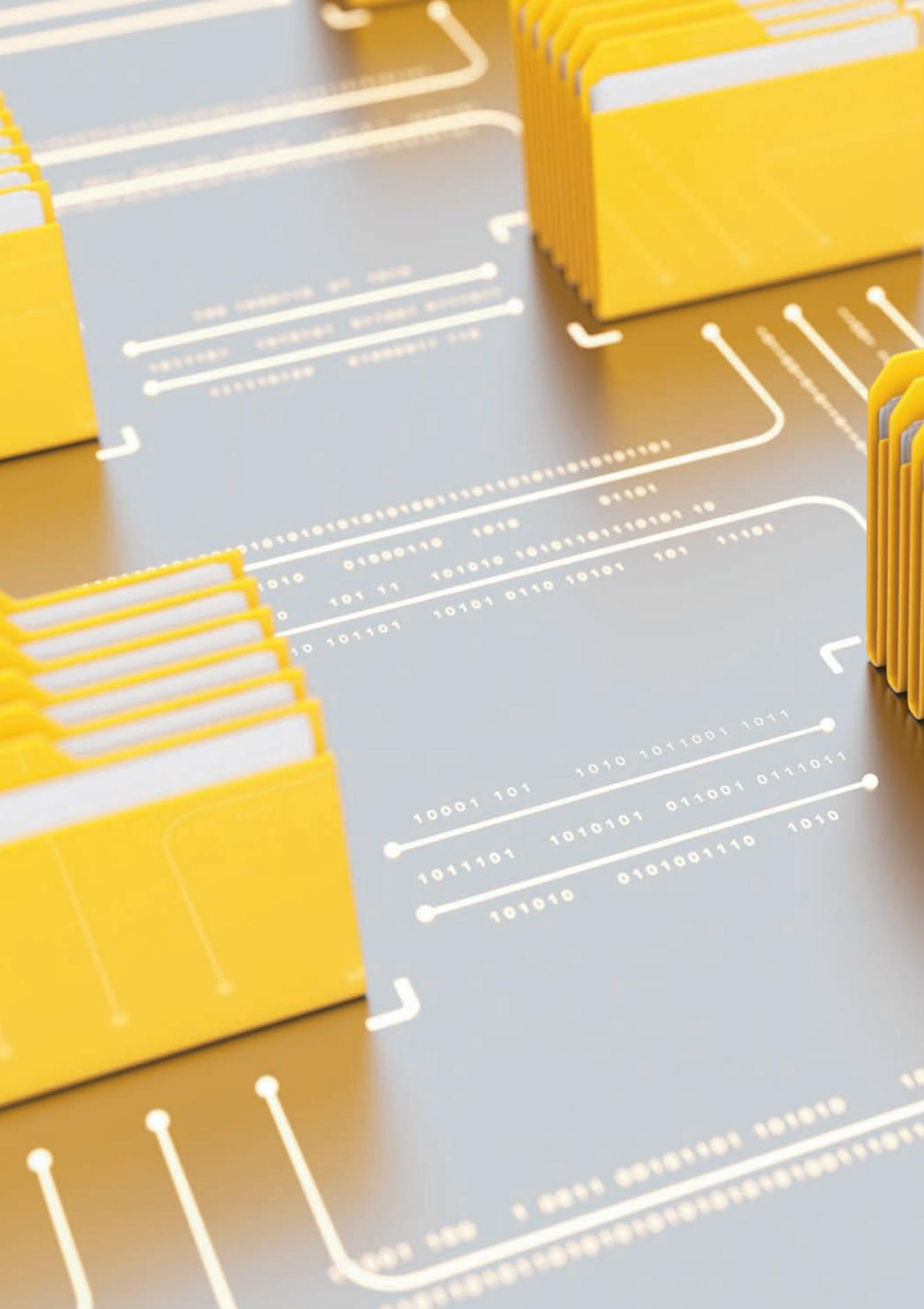
The following table provides details of the recordkeeping requirements outlined in the Directions and is reported in accordance with section 20 of the Directions.

Table 30: Recordkeeping requirements under Directions

Requirement	Number	Details
Applications for licence received	3 applications for licence	Amplitel Pty Ltd Toll Transport Pty Ltd Ventia Australia Pty Ltd
Applications for licence withdrawn	1 application for licence	Vella Transport Administration Pty Ltd
Refusals to grant licence	Nil	

Requirement	Number	Details
Expiry of licence	10 extensions of licence	Bis Industries Limited CSL Limited Fleetmaster Services Pty Ltd Linfox Armaguard Pty Ltd Linfox Australia Pty Ltd Medibank Private Limited Optus Administration Pty Limited Reserve Bank of Australia Visionstream Pty Ltd Wilson Security Pty Ltd
Suspension of licence	Nil	
Revocations of licence	3 revocations of licence	Colonial Services Pty Ltd Commonwealth Insurance Limited Commonwealth Securities Limited
Grants of licences, including the scope of the licences and the conditions to which the licences are subject*	1 grant of licence	Amplitel Pty Ltd – commencement date of 3 April 2023
	12 variations granted due to change in scope or conditions of licence	Australian air Express Pty Ltd Avanteos Pty Ltd Bis Industries Limited BWA Group Services Pty Ltd Colonial Services Pty Limited Commonwealth Bank of Australia Ltd Commonwealth Insurance Limited Commonwealth Securities Limited Ramsay Health Care Australia Pty Limited Ron Finemore Transport Services Pty Limited Telstra Limited Telstra Corporation Limited
Breaches of licences	3 breaches of licence	The following licensees breached their licence: > DHL Supply Chain (Australia) Pty Ltd: Breach of prudential conditions > National Australia Bank Limited: Data quality and privacy breach > Ron Finemore Transport Services Pty Ltd: Breach of prudential conditions

\*The scope and conditions of licences granted by the SRCC are available on the Federal Register of Legislation.



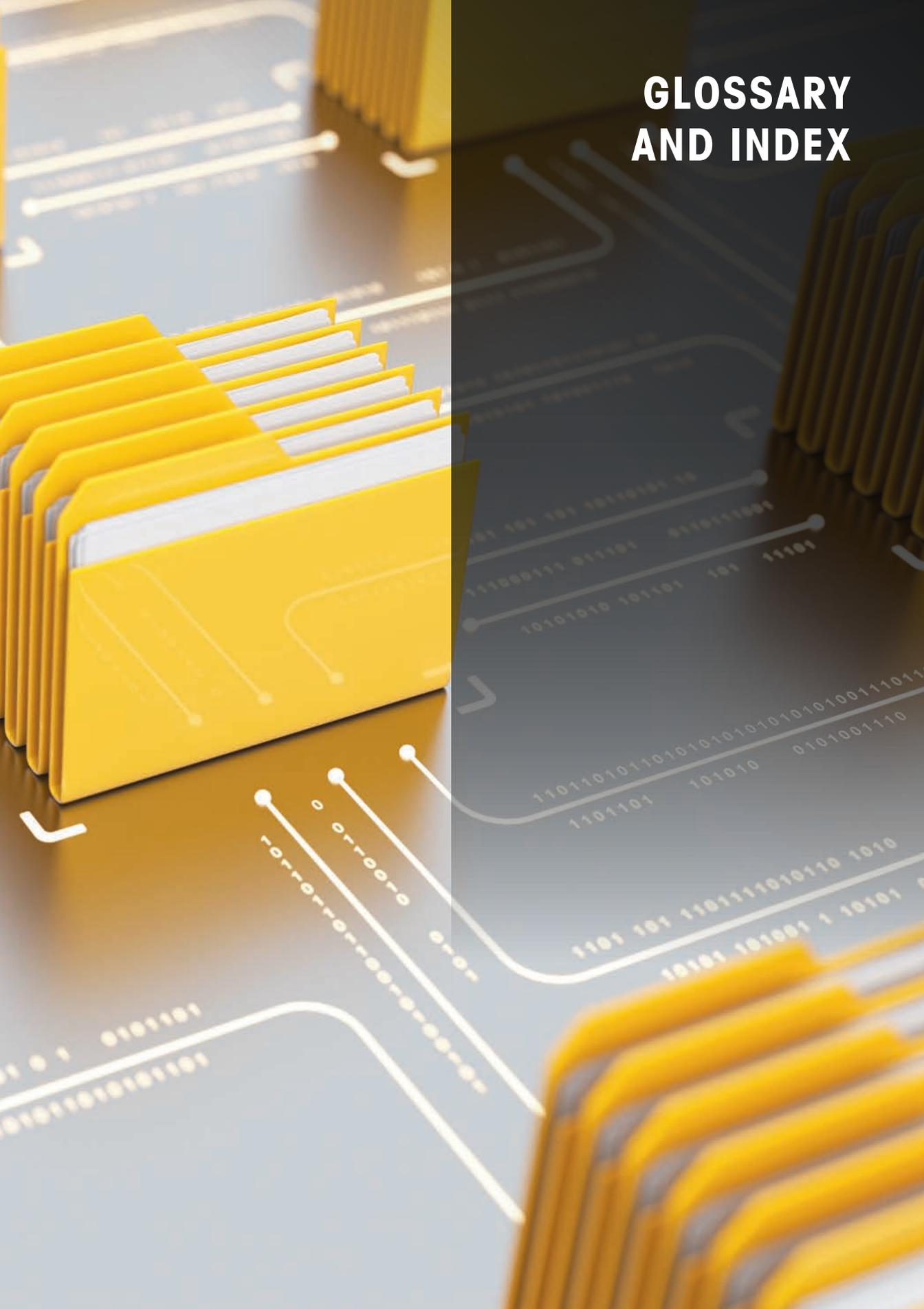
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# GLOSSARY AND INDEX



# 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.
AHRC	Australian Human Rights Commission
AIHW	Australian Institute of Health and Welfare
ANAO	Australian National Audit Office
ANZRC	Australian New Zealand Research Collaboration
APS	Australian Public Service
APSC	Australian Public Service Commission
ARC	Audit and Risk Committee
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 worker’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 Portfolio Budget Statements for the Attorney-General's Department.
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	A corporate plan is designed to be a Commonwealth entity's primary planning document. It provides Parliament, the public and stakeholders with an understanding of the purposes of an entity, its objectives, functions or role. It sets out how the entity undertakes its key activities and role and how it will measure performance in achieving its purposes.
Cth	Commonwealth
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.
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
HWCA	Heads of Workers' Compensation Authorities
ICT	Information communication technology
Impairment	The loss, the loss of use, or the damage or malfunction, of any bodily system or function or part of such system or function. A permanent impairment is one that is likely to continue indefinitely.
IMS	Independent Medical Examiners
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
Monitoring compliance inspection	Monitoring compliance is a general term for activities that may have specific labels, like 'audits' or 'inspections'. It may be proactive or reactive. The purpose of a monitoring compliance activity is to assess the level of compliance by a duty holder to their duties and obligations as defined under the <i>Work Health and Safety Act 1991</i> (Cth). This then allows Comcare to tailor the appropriate regulatory response.

MHCoP	Mental Health Community of Practice
MHFA	Mental health first aid
NABERS	National Australian Built Environment Ratings Scheme
NBN	National Broadband Network
OAIC	Office of the Australian Information Commissioner
OHS	Occupational health and safety
ORAMS	Occupational Rehabilitation and Associated Medical Services
PCBUs	Person Conducting Business or Undertaking
PDP	Performance Development Plan
People Strategy	Comcare's People Strategy
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	<i>Public Governance, Performance and Accountability Rule 2014</i>
PICS	Parliamentary Injury Compensation Scheme
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 and agencies 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
RWAPM	Regulatory Work Activity Planning Model
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
SRC Directions	Safety, Rehabilitation and Compensation Directions 2019
SRR	Strategic Risk Register
TASC	Telecommunications Asbestos Safety Compliance
The Commission	Safety, Rehabilitation and Compensation Commission – responsible for issuing licences for self-insurance and claims management, and for various regulatory functions under the OHS legislation. Until 1992 it was referred to as the Commission for the Safety, Rehabilitation and Compensation of Commonwealth Employees. It reports to the Minister for Employment.
The scheme	The Comcare scheme

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WHS	Work health and safety
WHS Act	<i>Work Health and Safety Act 2011</i>
WRP	Workplace rehabilitation provider

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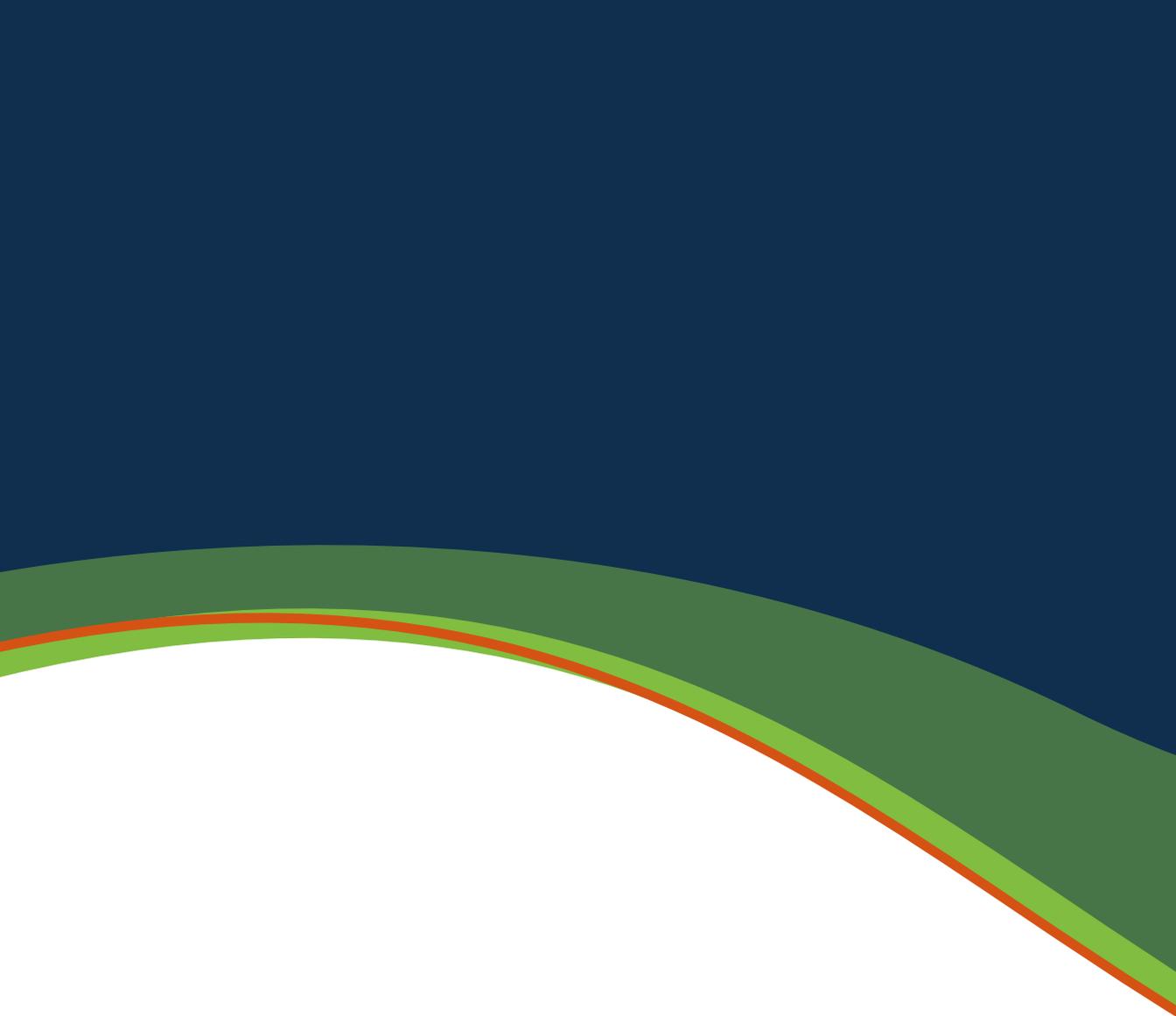
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