



Australian Government

Comcare

Comcare webinar:

Licence fees and cost recovery

Wednesday 27 March 2024, 10.30am – 11.15am AEDT





Australian Government

Comcare

Session Overview

- Comcare and self-insurance under the SRC Act
- What is a licence fee and what does it cover / why do we charge fees?
- How is the licence fee calculated?
- What are key themes impacting the licence fees – things that increase and decrease the fees
- Key dates – When are fees issued and what is the timing for payment?
- What to do if you have questions about your licence fees and where can you find further information.



Comcare and self-insurance under the SRC Act

Comcare:

- administers the SRC Act and WHS Act;
- is a fully cost-recovered agency;
- has a national presence with offices in every state and territory and approximately 650 FTE across all its functions.

Self-insurance under the SRC Act provides:

- a single nationally streamlined approach to managing workers' compensation;
- uniform conditions for all employees covered, regardless of their geographical location.

What are licence fees and why do we charge them?

Comcare implements cost recovery for functions and activities conducted under the:

***Safety, Rehabilitation and Compensation Act 1988 (SRC Act) and
Work Health and Safety Act 2011 (WHS Act)***

These encompass functions and activities across three broad categories:

The Safety, Rehabilitation & Compensation Commission (SRCC) functions and activities

Comcare WHS Act functions and activities; and

Comcare SRC Act functions and activities



What are licence fees and why do we charge them?

SRCC Functions and Activities

- Ensure equity of outcomes
- Advise the minister
- Issue guidelines
- Conduct reviews
- Determine licence fees
- Grant self-insurance licenses
- WHS consultation forum
- Continuous improvement of SRCC activities

Costs Covered Through

Licence fees
Licence application fees
Regulatory contributions

WHS Act Functions and Activities

- Advise and inform on WHS matters
- Promote and support education and training
- Collect, analyse and publish statistics relating to WHS
- Information sharing across jurisdictions
- Monitor and enforce WHS compliance
- Continuous improvement of WHS activities

Costs Covered Through

Licence fees*
Regulatory contributions

SRC Act Functions and Activities

- Advise and inform on SRC Act matters
- Research
- Liaise with other bodies on SRC Act related matters
- Promote rehabilitation strategies
- Determine and collect regulatory contributions and licensee fees
- Forums and education
- Continuous improvement of SRC Act activities

Costs Covered Through

Licence fees
Regulatory contributions
WRP renewals
Seacare reconsiderations

* For licensees covered under the WHS Act

How is a licence fee calculated?

Ongoing charges

- Each licensee is charged an equal share of costs for ongoing SRCC activities.
- Ongoing functions and activities under the SRC Act and WHS Act (if applicable) are charged to each licensee on a per FTE basis.

Variable charges

- Comcare charges licensees for activities such as inspections, audits and monitoring of claims systems.
- These services have fixed prices and are charged on an as-used basis using information from the most recently completed calendar year.

The Cost Recovery Implementation Statement (CRIS)

- Updated annually, the CRIS provides further details on these charges as well as how Comcare implements cost recovery for self-insurers to cover all estimated costs for relevant activities under the SRC Act and WHS Act.

Total fees collected

2023-24 LICENCE FEES

- **\$22m** across all licensees. Consisting of:
 - **\$19.5m (89%)** in ongoing costs allocated;
 - **\$2.5m (11%)** variable charges; including investigations, inspections, responses to disputes and monitoring costs.
- Total variable charges will vary year on year depending on regulatory activity undertaken by Comcare

Key trends impacting fees

Inflation (general and wages)



Projects and capability uplift activities



Methodology (variable vs. ongoing)



New licensees / exiting licensees



Legislative changes to SRC and WHS Acts



Cost Recovery Review

In 2023, Deloitte completed a review of the Cost Recovery process at Comcare. The recommendations were across four themes covering:

- | | |
|---------------------------|---------------------------|
| 1. Governance | Immediate focus |
| 2. Methodology | Longer term (12 months +) |
| 3. Stakeholder engagement | 6 – 12 months |
| 4. Compliance | 6 – 12 months |

Key dates

TARGET DATES FOR LICENCE FEES

- Indicative fees – April
- Final fees and invoices - end of June
- Payment is due within 30 days from invoice date
- Variable charge details provided to licensees in September and February
- Licensees have up until the end of February to provide updated FTE details

Questions about your licence fee and further information



comcare.gov.au



selfinsurance@comcare.gov.au