



SENATOR THE HON MURRAY WATT
MINISTER FOR EMPLOYMENT AND WORKPLACE RELATIONS

Mr Greg Vines
Chief Executive Officer
Comcare

Dear Mr Vines

Greg

On 29 July 2024, I was sworn in as the Commonwealth Minister for Employment and Workplace Relations. As the responsible Minister for the administration of the *Safety, Rehabilitation and Compensation Act 1988* and the *Work Health and Safety Act 2011*, I am writing to provide you with strategic direction in the form of the attached Ministerial Statement of Expectations.

As outlined in the Department of Finance's *Regulator Performance (RMG 128)* guidance, Ministerial Statements of Expectations should be issued or refreshed every 2 years for all Commonwealth entities with regulatory functions, or earlier if there is a change in Minister, change in regulator leadership, or significant change in Commonwealth policy. While noting your operational independence, clear expectations from government to regulators can help drive better regulator performance, providing an enabling environment that supports the implementation of best practice.

I would appreciate your response in the form of an updated Statement of Intent, outlining how you intend to meet the updated expectations. To ensure transparency and accountability, the Statements of Expectations and Intent should be published and made available on your website. These statements should also be incorporated into *Public Governance, Performance and Accountability Act 2013* processes (for example, by including a link to the published documents in relevant corporate documents) for best practice.

Thank you for your timely assistance with this matter. I look forward to your response.

Yours sincerely

MURRAY WATT

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STATEMENT OF EXPECTATIONS

Ministerial Statements of Expectations provide greater clarity about government policies and objectives relevant to a regulator in carrying out its statutory objectives. As the responsible Commonwealth Minister for workplace relations matters and the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) and the *Work Health and Safety Act 2011* (WHS Act), this statement sets out my expectations of Comcare.

I request that this statement of expectations be incorporated into relevant *Public Governance, Performance and Accountability Act 2013* (PGPA Act) processes that apply to Comcare, such as the Annual Report and Corporate Plan, where possible.

Overview

Comcare's purpose is to promote and enable safe and healthy work. Comcare is the Commonwealth work health and safety regulator, a workers' compensation scheme administrator and an insurer and claims manager. It works with employees and employers to minimise the incidence and impact of harm in the workplace, improve recovery and return to work outcomes, and support engagement and better practice approaches to health and safety across the Comcare scheme.

Comcare is a statutory authority that has regulatory functions and responsibilities under the SRC Act and the WHS Act. Comcare also has non-regulatory responsibilities under the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005*, *Parliamentary Injury Compensation Scheme Instrument 2016* and the *Seafarers Rehabilitation and Compensation Act 1992*.

Comcare has a range of functions under the SRC Act, including to:

- advise the Minister of matters relating to Comcare's functions and powers
- make timely and accurate determinations of workers' compensation claims
- co-operate with other bodies or persons with the aim of reducing the incidence of injury to employees
- conduct and promote research into the rehabilitation of employees and the incidence and prevention of injury to employees
- promote the adoption in Australia and elsewhere of effective strategies and procedures for the rehabilitation of injured workers
- prepare and issue guidelines to rehabilitation authorities in relation to the performance or exercise by those authorities of its functions and powers under Part III and ensure compliance with such guidelines
- maintain contact with rehabilitation authorities to the extent necessary to ensure compliance with guidelines issued under the SRC Act
- determine the amounts of premiums and regulatory contributions payable by entities and Commonwealth authorities to meet the cost of workers' compensation liabilities and maintain the financial viability of the workers' compensation scheme

- determine and apply exit contributions paid under the Comcare scheme by body corporates and by Commonwealth authorities and collect such contributions, and
- apply the premiums received to meet the cost of compensation liabilities in respect of injuries suffered, damages or costs awarded, claims for non-economic loss and Comcare's management of such claims.

Comcare also has a range of functions under the WHS Act, including to:

- advise and make recommendations to the Minister and report on the operation and effectiveness of the WHS Act
- monitor and enforce compliance with the WHS Act
- provide advice and information on work health and safety to duty holders under the WHS Act and to the community
- collect, analyse and publish statistics relating to work health and safety
- foster a cooperative, consultative relationship between duty holders and the persons to whom they owe duties and its representatives in relation to work health and safety matters
- promote and support education and training on matters relating to work health and safety
- engage in, promote and coordinate the sharing of information to achieve the object of the WHS Act, including the sharing of information with corresponding regulators
- conduct and defend proceedings under the WHS Act before a court or tribunal, and
- undertake any other functions conferred on the regulator by the WHS Act.

The government recognises and respects the independence of Comcare and its responsibility for regulating Commonwealth work health and safety and workers' compensation arrangements. I expect Comcare to exercise its functions and powers in good faith and to the best of its ability.

Principles of regulator best practice

I expect Comcare to act in accordance with principles of regulator best practice set out in Resource Management Guide (RMG) 128 *Regulator Performance*, issued by the Australian Government Department of Finance, as well as strive for continuous improvement consistent with these principles.

In exercising its functions and powers in accordance with these principles, I expect Comcare to have regard to:

1. Continuous improvement and building trust

- Stay informed, aware and responsive to the changing context and operating environment of regulated entities in the Commonwealth jurisdiction.
- Actively share lessons learned and insights by engaging with other regulators and stakeholders to encourage best practice.
- Build and maintain collaborative relationships with other regulators to minimise regulatory burden and reduce duplication.

- Hold itself to account through internal accountability processes that foster a culture of continuous improvement and reflection.
- Actively build staff capability, including ensuring staff have relevant knowledge of the legislative framework and the jurisdiction they regulate, and have the capacity and are empowered to identify and implement improved practices.

2. Risk-based and data-driven

- Use intelligence and data to inform a risk-based and proportionate approach to compliance and enforcement activities.
- Actively monitor and plan for risks, taking a preventative approach to non-compliance by raising awareness of common misconceptions and through early identification and remediation of compliance issues.
- Consider the risks, cost effectiveness and impact of regulatory action.
- Remain flexible and responsive to changes by adopting reasonable, supportive and transparent processes to build and maintain trust, accountability and integrity within the regulatory system to encourage compliance.

3. Collaboration and engagement

Open, transparent and consistent engagement with stakeholders including regulated entities, unions, government and the broader community is crucial to maintaining competent and innovative regulatory practices. Consequently, I expect Comcare to:

- engage genuinely and regularly with stakeholders including regulated entities, and to promote and facilitate timely stakeholder engagement and share critical information promptly
- work cooperatively with government agencies and self-insured licensees to secure compliance with the SRC Act and WHS Act
- be receptive to feedback and diverse stakeholder views
- be transparent in their operations, policies and decision-making processes including by publishing formal regulatory decisions and performance results
- provide up-to-date, clear and accessible guidance and information to stakeholders, and
- provide information and practical tools that assist government agencies and self-insured licensees to continuously improve their work health and safety, prevention, rehabilitation and claims management performance outcomes, with the ultimate aim of supporting employers and workers to create and maintain physically and mentally healthy workplaces.

The government's policy priorities and objectives

I expect Comcare to contribute to the government's policy priorities and objectives by:

- seeking opportunities to remove duplication and streamline processes in order to improve efficiency and lift productivity
- acting in accordance with regulator best practice in its decision-making, policies, processes and communication practices, in order to maximise transparency and minimise compliance costs

- incorporating observations on performance in their reporting processes to support greater transparency and accountability of regulator performance, and
- increasing the use of digital technology and resources to meet stakeholder needs, reduce the cost of compliance and improve regulatory outcomes.

1. Relationship with Minister and portfolio

Comcare plays an essential role in ensuring that the government and I, as the minister responsible for workplace relations, are well placed to respond promptly to issues relating to work health and safety and workers' compensation. This includes taking proactive steps to ensure regulated entities are compliant with relevant regulations and operate within the law.

The Department of Employment and Workplace Relations also supports and advises me by providing advice on policy development and the performance of the portfolio's regulatory systems. The department takes into account the knowledge and expertise of Comcare when considering changes to policy and legislation that affect Commonwealth work health and safety and workers' compensation arrangements.

Accordingly, I expect Comcare to work collaboratively with the department on significant issues relating to strengthening work health and safety and workers' compensation arrangements, including through the independent review of the SRC Act and Safe Work Australia processes. As the responsible Minister, I will provide an enabling environment for Comcare to consistently implement best practice by ensuring it is well informed of the government's policy direction, as specific initiatives and strategies are being considered.

2. Innovation and regulatory change

I expect Comcare to continually monitor the environment in which it operates to ensure that regulatory approaches keep pace with changes in technology, industry practices and community expectations. I also expect Comcare to review and, where necessary, adjust policies, protocols and operating procedures regularly, to ensure prompt and proportional responses to the changing social, technological and commercial context in which Comcare and regulated entities operate.

December 2024