



**Australian Government**

**Comcare**

**Safety, Rehabilitation and  
Compensation Commission**

# **ANNUAL REPORT** **2021–2022**



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## Acknowledgements

Australasian Reporting Awards (ARA) – Review of Comcare’s 2020–21 Annual Report for which we achieved a Silver Award in the 2022 ARA Awards.

## Online access

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

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# LETTER OF TRANSMITTAL



Australian Government

Comcare

CHIEF EXECUTIVE OFFICER

21 September 2022

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 2022.

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 blue ink, appearing to read 'Aaron Hughes'.

Aaron Hughes

Acting Chief Executive Officer

GPO BOX 9905  
CANBERRA ACT 2601  
P 1300 366 979

[COMCARE.GOV.AU](http://COMCARE.GOV.AU)

# CONTENTS

Letter of transmittal	I
Tables and figures	V
About these reports	VI

---

## **PART ONE: Comcare Annual report 2021–22** **1**

Year in review	2
----------------	---

---

### **Chapter one: About Comcare** **7**

Our purpose and strategic priorities	8
Our governing legislation	9
Our roles and responsibilities	11
Who we cover	14
Organisational structure	16
Comcare’s Executive Team	18
Office locations	23

---

### **Chapter two: Annual performance statements** **25**

Statement of preparation	26
Our performance	27
Strategic priority one: Excellence in service provision	32
Strategic priority two: Engagement with our stakeholders	40
Strategic priority three: Prevention and early intervention in our scheme	46
Strategic priority four: Insight driven and risk and evidence-based practice	51
Strategic priority five: Being adaptive and sustainable in the face of change	59

---

<b>Chapter three: Management and accountability</b>	<b>67</b>
Our governance	68
External scrutiny	79
Our people	81
Our work health and safety management and performance	85
Financial review	88

---

<b>Chapter four: Financial statements</b>	<b>91</b>
---	-----------

---

<b>Chapter five: Scheme and regulatory performance</b>	<b>159</b>
--	------------

---

<b>Chapter six: Appendices</b>	<b>171</b>
Appendix A – Procurement and Comcover	172
Appendix B – Ecologically sustainable development and environmental performance	173
Appendix C – Compliance index	176

---

<b>PART TWO:</b>	
<b>Safety, Rehabilitation and Compensation Commission (SRCC)</b>	
<b>Annual Report 2021–22</b>	<b>181</b>
About this report	182
Letter of transmittal – SRCC	183
Chairperson’s review	184
About the SRCC	187
Operation of the SRCC	190
Stakeholder engagement	193
Operation of licensees	194
Operation of the Licence Compliance and Performance Model	197

---

<b>Glossary and index</b>	<b>205</b>
Glossary	206
Alphabetical index	212

# TABLES AND FIGURES

## Tables

Table 1:	Acting Executive team members during 2021–22	22
Table 2:	Summary of results against 2021–22 performance measures	28
Table 3:	Comcare’s governance principles	68
Table 4:	Comcare’s Audit and Risk Committee	77
Table 5:	All ongoing employees current report period (2021–22)	82
Table 6:	All ongoing employees previous report period (2020–21)	82
Table 7:	All non-ongoing employees current report period (2021–22)	83
Table 8:	All non-ongoing employees previous report period (2020–21)	83
Table 9:	Information about remuneration for key management personnel	84
Table 10:	Comcare financial operating result	88
Table 11:	Comcare historical funding ratio	89
Table 12:	Comcare historical net premium liabilities	89
Table 13:	Comcare scheme workers’ compensation data	160
Table 14:	Claim disputation rates	162
Table 15:	Notifiable work health and safety incidents – as the national regulator	163
Table 16:	Notifiable incidents notified to Comcare under section 38 of the WHS Act	164
Table 17:	Telecommunications Asbestos Safety Compliance program activities commenced	164
Table 18:	Inspectorate activities commenced	164
Table 19:	Notices issued under the WHS Act	165
Table 20:	Other statutory reporting requirements under the WHS Act	165
Table 21:	2021–22 Consultancy Services – at 1 July 2022	172
Table 22:	Comcare’s environmental performance 2021–22	175
Table 23:	List of requirements	176
Table 24:	SRCC meeting attendance	190
Table 25:	Licence types, licensees and expiry dates – at 30 June	194
Table 26:	Licensees’ claims activity	199
Table 27:	Performance against LKPIs – all licensees	201
Table 28:	Recordkeeping requirements under the Directions	202

## Figures

Figure 1:	Comcare’s purpose and strategic priorities	8
Figure 2:	Responsibilities under the Commonwealth legislation	10
Figure 3:	Comcare scheme coverage under the SRC Act	14
Figure 4:	Comcare scheme coverage under the WHS Act	15
Figure 5:	Comcare’s organisational structure as of 30 June 2022	17
Figure 6:	Comcare’s office locations	23
Figure 7:	Performance against strategic priorities	27
Figure 8:	Return to work survey headline results	48
Figure 9:	Return to work survey headline results	48
Figure 10:	Comcare’s governance structure	71

# 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 2021 to 30 June 2022.

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

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

## PART ONE – Comcare Annual Report 2021–22

The Comcare Annual Report 2021–22 includes six chapters.

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

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

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

**Chapter four: Financial statements** – Provides detailed information on Comcare's financial performance for 2021–22.

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

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

## PART TWO – Safety, Rehabilitation and Compensation Commission Annual Report 2021–22

The SRCC Annual Report 2021–22 complies with the requirements of the SRC Act and the WHS Act. This report details the objectives, roles, functions, membership and operations of the SRCC. It also provides details about the performance of the SRCC.

# PART ONE: COMCARE ANNUAL REPORT 2021–22

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

## Comcare's Strategic priorities and results for 2021–22



\*7 of 9 targets achieved

## Comcare's values



# YEAR IN REVIEW

Comcare's 2021–22 report reflects our continued focus on:

- > responding to our environment and key trends
- > improving our services, and
- > engaging with our partners to achieve positive outcomes.

## Pragmatic, collaborative actions

Comcare's roles across work health and safety and personal injury compensation mean that in any given year we manage and adapt our work to meet changes in the environment and any trends arising. In the last financial year, 2 key areas have continued to require response and action from Comcare.

First, the ongoing threat and management of the COVID-19 pandemic has changed our lives. In addressing the challenges of the pandemic we've concentrated on helping employers and workers by providing timely advice and guidance on responding to and dealing with the risks posed. Our COVID-19 webpage has generated more than 14,000 visits in the last year, we have proactively emailed our networks and stakeholders and generated positive engagement through 60 social media posts in LinkedIn and Twitter. Information covered through these channels has included supporting employees during lockdowns, facilitating COVID-safe workplaces, and safely returning to the office. The specific guidance around working from home has been the most popular with more than 1,200 downloads of the guides for employers and employees and related checklist.

As a regulator we have received and assessed 474 COVID-19 incident notifications from employers within our scheme. Given our previous proactive inspection program which assessed 235 Persons Conducting a Business or Undertaking (PCBUs) as having safe systems of work in place, only 41 of these notifications required further monitoring and compliance activity by inspectors. We recognise the ongoing pressures and continue to apply a common sense and practical approach to our work in this area.

Second, the need to foster mentally healthy workplaces and overcome the stigma associated with mental health conditions at work is increasing. Comcare has introduced a number of initiatives including the mental health coaching program, NewAccess workplaces. The program, delivered in partnership with Beyond Blue, was available to more than 120,000 workers across 16 participating Australian Public Service (APS) agencies in 2021–22. Evaluation of the program found that it achieved a recovery rate of 72%, which was largely sustained 6 months later and that 89% of participants were satisfied or very satisfied with the program.

Throughout the year Comcare also worked closely with the Australian Human Rights Commission to develop extensive guidance on preventing and managing workplace sexual harassment (an example of a psychosocial hazard). This was complemented by the Workplace Sexual Harassment National Forum delivered in November, in collaboration with Safe Work Australia and state and territory WHS regulators.

## Improving our performance for our clients

We continue to work to improve the way in which we deliver our services.

Comcare's approach to managing claims-related disputes, including those before the Administrative Appeals Tribunal (AAT) has achieved significant outcomes. With the aim of resolving disputes promptly and with integrity, Comcare focuses on the outcomes parties want to achieve and improved expedience of matters to promote a positive impact for everyone involved. This program, part of Comcare's Litigation Strategy, has contributed to a reduction in Comcare's overall AAT numbers from a peak of 1,119 matters at 1 July 2018, to 456 open matters at 30 June 2022.

A project aimed at providing Comcare Claims Managers with clear, user-friendly and current instructions on how to manage claims has been delivered to provide greater assurance over our work and ultimately improve customer service and experience. So far we have seen an improvement in the timeliness of determining claims for initial liability by 6% and our responses to requests for reconsideration of decisions by 17% over the last financial year.

We have also implemented the Medipass solution as a way for medical service providers to be paid faster for the services they provide to our clients. Medipass allows service providers to directly enter invoices into a portal, linking to Comcare's payment system. Early results show that in May 2022, 89% of approved invoices were paid within 24 hours and the remaining were paid within 48 hours.

The average premium rate for Commonwealth agencies remained low at 0.83%. The recent comparative monitoring report published by Safe Work Australia indicated that Comcare continued to record the lowest average premium rate among all Australian jurisdictions. We have continued to refine and improve our premium calculation systems to ensure certainty and transparency for our clients.

## Engagement and partnership with our stakeholders

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 rectify unsafe working environments or supporting individuals to recover at and return to work after a work-related injury. Stakeholders across the Comcare scheme also show a pleasing commitment to working together, in an informed way, to address challenges.

One of the highlights and key opportunities for engagement with our stakeholders was the return of the Comcare National Conference which took place on 7 and 8 June 2022. More than 750 delegates attended in person in Canberra, including one of our bursary program recipients from the Torres Strait Regional Authority who travelled almost 3,000km from Thursday Island. The conference theme *Creating a safer workplace together* inspired presentations and positive discussion around best practice, the latest research, and how to effectively promote and enable safe and healthy work. Some of the topics that emerged included celebrating and nurturing diversity in the workplace, using data to inform practice, lessons learned from the COVID-19 pandemic, and preparing for future challenges like managing new work environments and making the best use of new technologies.

The Collaborative Partnership to Improve Work Participation, established by Comcare, continued to produce important insights and outputs through the year. The Partnership is a national collaboration between public, private and not-for-profit organisations to improve work participation for people with temporary or permanent mental or physical health conditions or disability. Its aim is to improve alignment and services across Australia's benefit and income support systems.

Comcare also continues to provide Secretariat and other support to both the Safety, Rehabilitation and Compensation Commission (SRCC) and the Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority) in undertaking their respective functions to promote and enable safe and healthy work across the workers' compensation schemes. During 2021–22, we supported the SRCC in undertaking a review of its performance standards and measures and conducted elements of the SRCC's five-year review of its regulatory model, including evaluating their regulatory response and dispute resolution frameworks. We supported the Seacare Authority's revision of its exemption factors and guidelines and the Attorney-General's Department review of the Seacare scheme.

## 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 2022–23.

In the next year we will be delivering a new prevention strategy which seeks to provide a coordinated pathway for Comcare to support workplaces to prevent harm and enable a culture of safety, compliance and reporting. Focusing on what will make the biggest impact is key to supporting workplaces to prevent harm and reduce its impacts, and Comcare data and intelligence has been used to identify the top prevention priorities and supporting actions.

In response to the 2018 Independent Review of the model Work Health Safety Laws by Ms Marie Boland on behalf of Safe Work Australia, and the 2020 National Inquiry into Sexual Harassment in Australian Workplaces by Sex Discrimination Commissioner, Ms Kate Jenkins (aka Respect@Work), Comcare has been working to identify the impact of the various recommendations and what initiatives and action we will need to launch to assist with their implementation. Our aim is to ensure Comcare is delivering its services in line with the desired outcomes.

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 anticipated legislative changes to the WHS Act relating to 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.

New education workshops will be delivered by senior trainers in 2022–23, providing information about preventing and responding to sexual harassment in the workplace. The aim of these workshops will be to assist employers and officers within the jurisdiction to comply with their duties under the WHS Act.

We also remain focused on providing easy to use, reliable services that meet the needs of our clients and stakeholders. We are working to implement services and systems that will support us to be effective, efficient and consistent, underpinned by leading digital technology and standards. The Comcare Contact Centre is being designed to deliver a single touchpoint for external clients, timely and quality service provision, and improved reporting and data capture capabilities. Implementation of improved digital platforms will also provide stakeholders with the option to interact with Comcare securely, efficiently and conveniently.

Our people are the foundation of our achievements and our future work. Comcare employees have demonstrated flexibility, resilience and commitment over the last two years, and continue to display strong values and leadership 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.

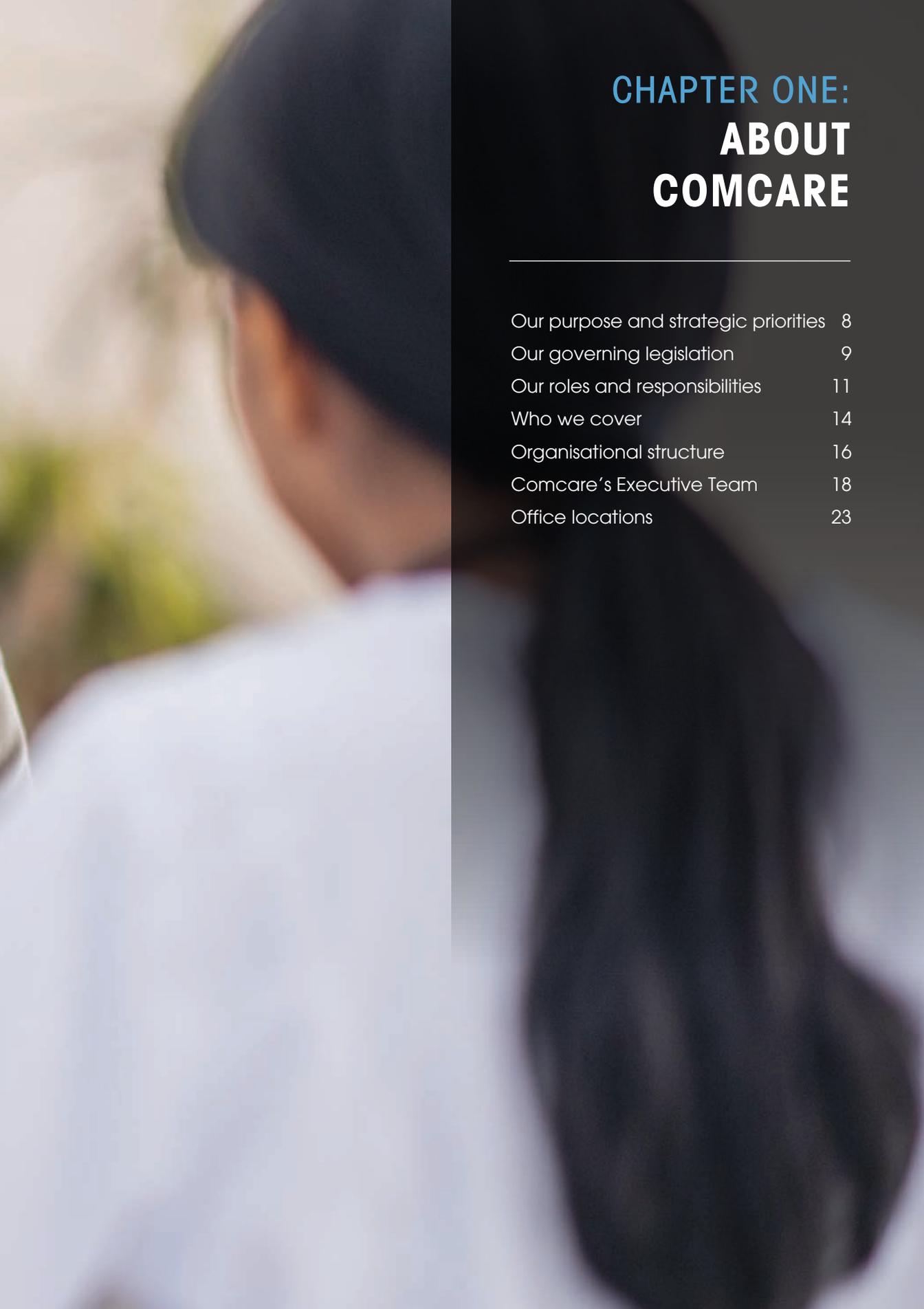


Image taken at the Comcare National Conference June 2022

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.







# CHAPTER ONE: ABOUT COMCARE

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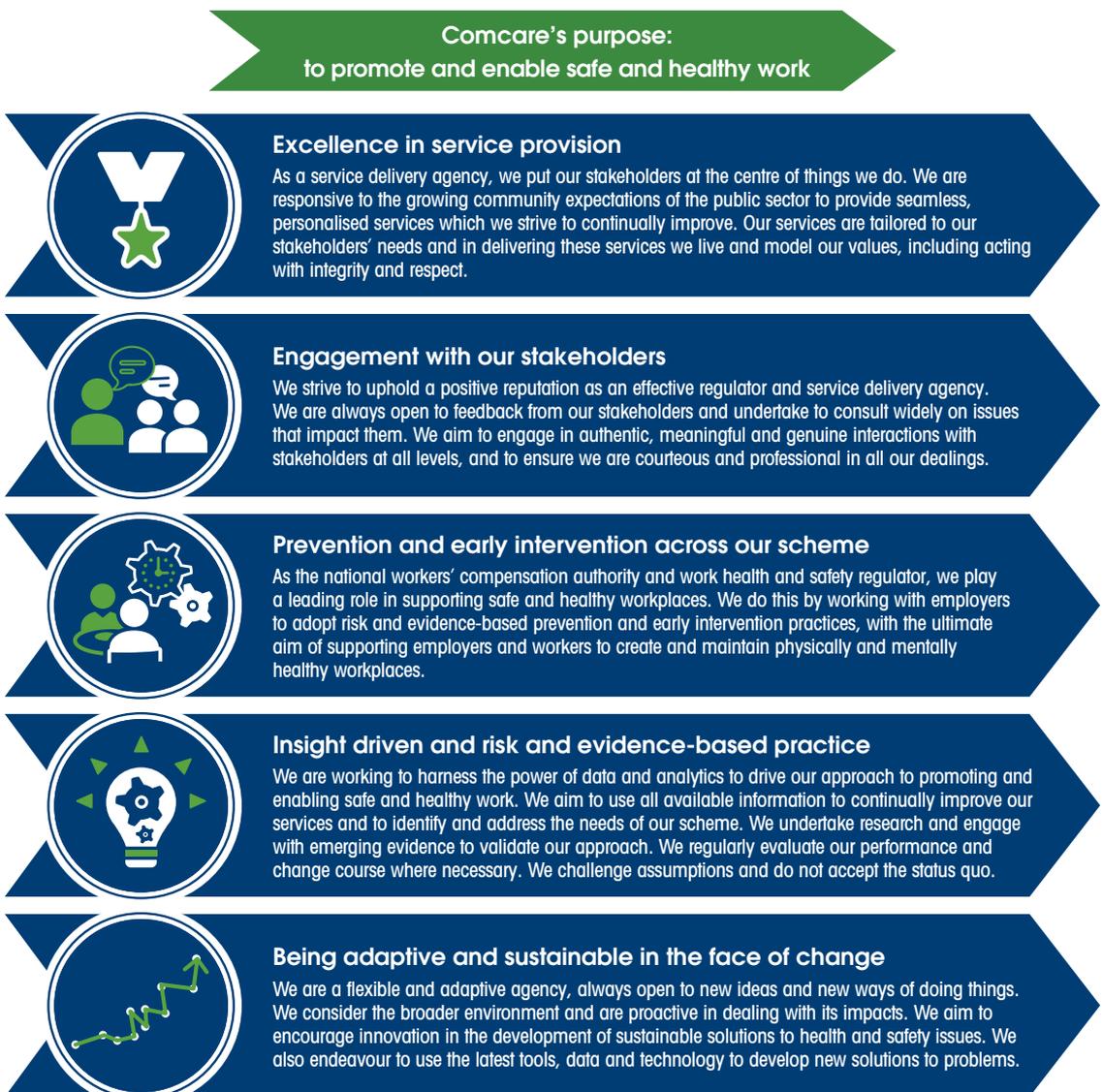
Our purpose and strategic priorities	8
Our governing legislation	9
Our roles and responsibilities	11
Who we cover	14
Organisational structure	16
Comcare's Executive Team	18
Office locations	23

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

Figure 1: Comcare’s purpose and strategic priorities



## OUR GOVERNING LEGISLATION

The *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) establishes Comcare. 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 powers for compliance and enforcement.

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.

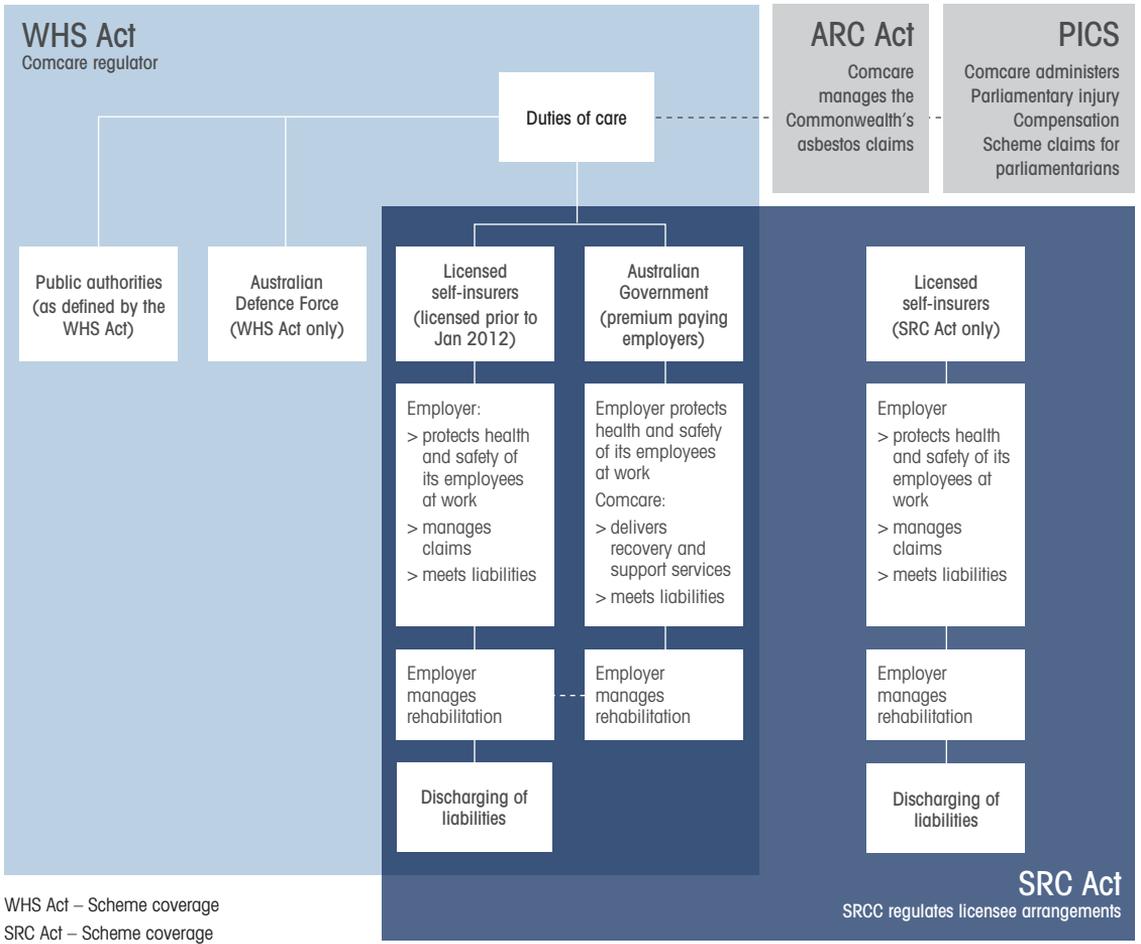
Comcare provides secretariat and other assistance to the SRCC and the Seacare Authority in the performance of their functions.

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 PGPA Rule, s 30.

Figure 2: Responsibilities under the Commonwealth legislation



at 30 June 2022

# OUR 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 license 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

Comcare manages 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 Two of this report – *The Safety, Rehabilitation and Compensation Commission Annual Report 2021–22*. 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

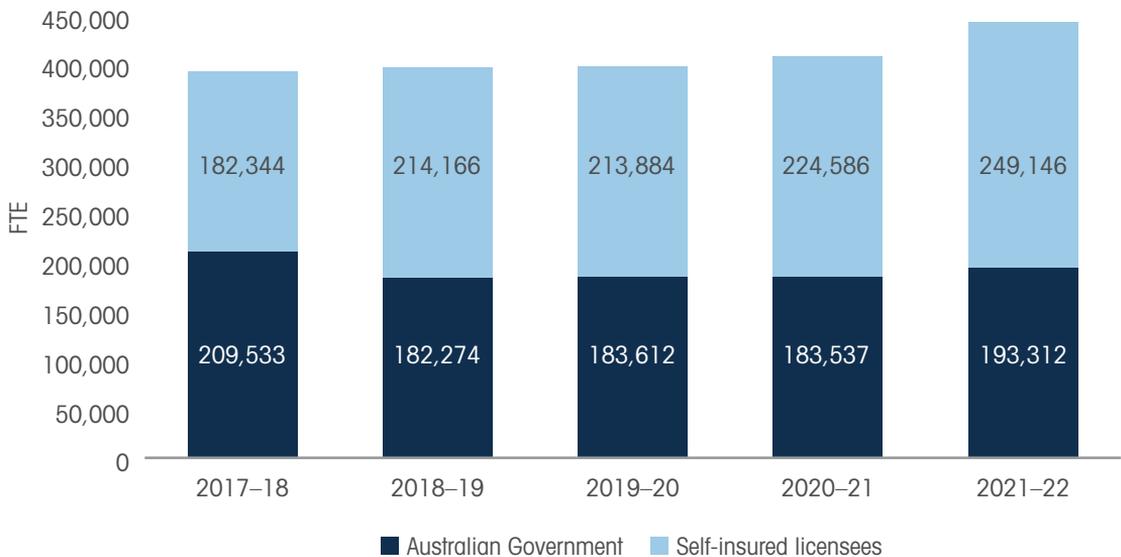
The Comcare scheme is diverse, covering a broad range of occupations and industries including government services, defence, law enforcement, transport, logistics, financial, banking services, manufacturing, construction, telecommunications, health services, higher education and postal services.

During the year our programs and services were used by:

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

At 30 June 2022 Comcare’s scheme comprised of 442,458 full-time equivalent (FTE) employees covered under the SRC Act, and 422,964 FTE under the WHS Act. Figure 3 and Figure 4 represent the 5 year trend of Comcare’s scheme responsibility.

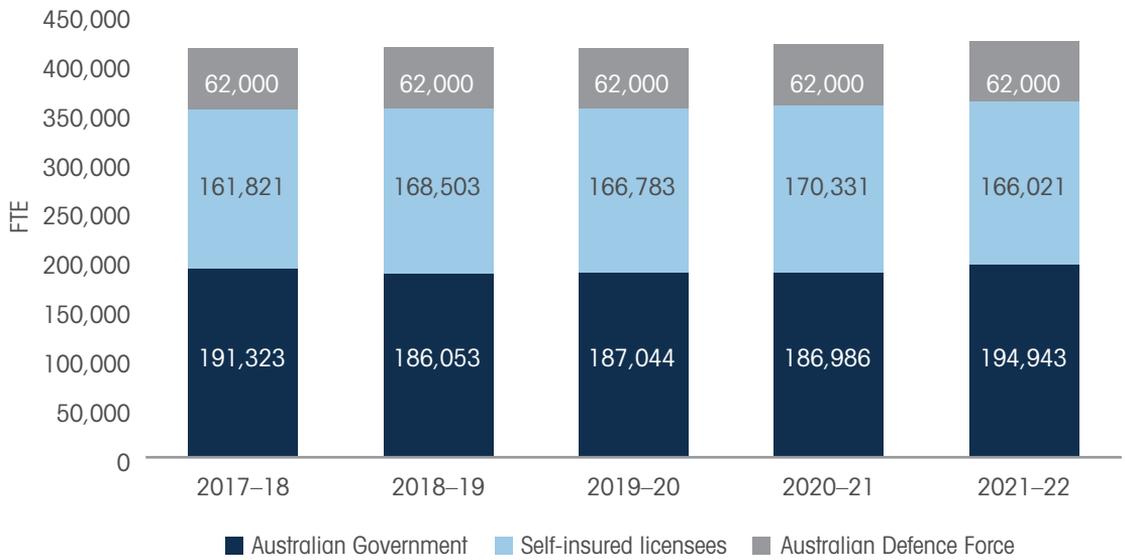
Figure 3: Comcare scheme coverage under the SRC Act



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

<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 Attorney-General's 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 reported to the following Ministers and Assistant Minister during 2021–22:

1 June to 30 June 2022

- > *The Hon Mark Dreyfus KC MP*  
Attorney-General

23 May to 1 June 2022

- > *Senator the Hon Katy Gallagher*  
Attorney-General  
Minister for Finance  
Minister for Women

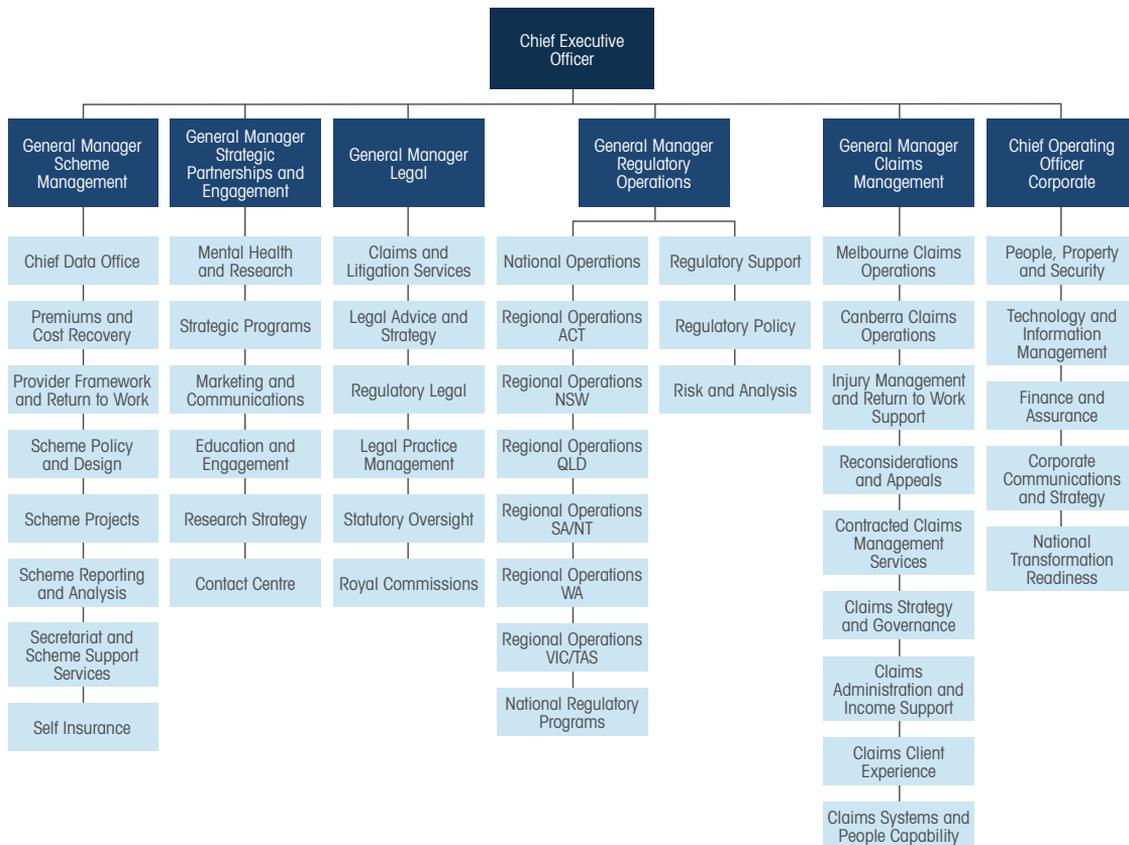
1 July 2021 to 23 May 2022

- > *Senator the Hon Michaelia Cash*  
Attorney-General  
Minister for Industrial Relations  
Deputy Leader of the Government of the Senate  
Senator for Western Australia
- > *Senator the Hon Amanda Stoker*  
Assistant Minister to the Attorney-General  
Assistant Minister for Women  
Assistant Minister for Industrial Relations

Comcare's acting CEO is Aaron Hughes, however for the reporting period until 29 May 2022, the role was held by Sue Weston PSM. Comcare is organised into 6 Groups that report to the CEO. Figure 5 represents Comcare's organisational structure.

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

Figure 5: Comcare’s organisational structure as of 30 June 2022



# COMCARE'S EXECUTIVE TEAM



Names left to right: Aaron Hughes, Leanne Blackley, Justin Napier, Michael Duke, Megan Buick.

## Aaron Hughes – Acting Chief Executive Officer General Manager Claims Management Group and Deputy Chief Executive Officer

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

Prior to joining Comcare, Aaron has 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.

## 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 for Budget and Policy 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 both the Australian HR Institute and CPA Australia.

## Justin Napier – General Manager Regulatory Operations Group

Justin joined Comcare on 1 June 2015. He has oversight of Comcare’s inspectorate function, regulatory policy, WHS system audits, WHS authorisations, regulatory intelligence and regulatory education and stakeholder engagement.

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

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

## Michael Duke – General Manager Scheme Management Group

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 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 also a Board Director of the Personal Injury Education Foundation.

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).

## Former Comcare Executive Members

### Susan Weston PSM – CEO to 29 March 2022

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

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

### Vanessa Graham – Chief Operating Officer Corporate Group to 31 March 2022

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

## Matthew Swainson – General Manager Legal Group to 19 May 2022

Matthew obtained a Bachelor of Law (Honours) and a Bachelor of Arts from Otago University in New Zealand before admission to practice in New Zealand, Australia, and Solomon Islands. He has a broad range of legal experience in the public sector, private sector and international aid consulting. In 2020, Matthew was appointed to the inaugural Board of the new Australian Government Legal Service.

## Natalie Bekis – General Manager Strategic Partnerships and Engagement Group to 1 November 2021

Natalie has over 20 years' experience across the health and disability sectors, including leadership in various state and federal Government agencies and the private sector. Prior to joining Comcare Natalie worked for WorkSafe Victoria, the Transport Accident Commission, Wesfarmers and Telstra.

Natalie has a Bachelor of Nursing, a Master of Business Management, and she is a graduate of the Australian Institute of Company Directors. Natalie was elected to the Institute of Public Administration Australia Council.

## Acting Executive during 2021–22

Comcare’s Executive team’s acting arrangements during 2021–22 are provided in Table 1.

Table 1: Acting Executive team members during 2021–22

Role	Name	Dates
Chief Executive Officer	Aaron Hughes	29 October 2021 – 1 November 2021
	Aaron Hughes	14 December 2021 – 24 December 2021
	Aaron Hughes	24 January 2022 – 28 January 2022
	Aaron Hughes	25 February 2022
	Aaron Hughes	1 March 2022
	Aaron Hughes	2 May 2022 – 30 June 2022
General Manager Claims Management Group	Chloë Eaton	12 July 2021 – 16 July 2021
	Chloë Eaton	27 September 2021 – 1 October 2021
	Chloë Eaton	4 January 2022 – 17 January 2022
	Chloë Eaton	2 May 2022 – 30 June 2022
Chief Operating Officer Corporate Group	Paul Boehme	12 July 2021 – 19 July 2021
	Yvette Adeney	18 October 2021 – 19 October 2021
	Penny Schweicker	20 December 2021 – 24 December 2021
	Yvette Adeney	1 April 2022 – 6 May 2022
General Manager Legal Group	Susannah Palmer	21 July 2021 – 30 July 2021
	Tilesha Cox	4 January 2022 – 17 January 2022
	Louise Close	20 May 2022 – 30 June 2022
General Manager Regulatory Operations Group	Beverley Smith	10 January 2022 – 28 January 2022
	Beverley Smith	9 May 2022 – 13 May 2022
	Beverley Smith	17 June 2022 – 30 June 2022
General Manager Scheme Management Group	Hansen Chen	23 September 2021 – 1 October 2021
	Maree Sherwood	4 January 2022 – 4 February 2022
General Manager Strategic Partnerships and Engagement Group	Megan Buick	3 November 2021– 26 January 2022
	Martin Horrocks	5 – 18 January 2022 <sup>3</sup>

<sup>3</sup> Overlap in dates due to leave arrangements.

# 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



2018 2019 2020 2021

# CHAPTER TWO: ANNUAL PERFORMANCE STATEMENTS

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Statement of preparation	26
Our performance	27
Strategic priority one: Excellence in service provision	32
Strategic priority two: Engagement with our stakeholders	40
Strategic priority three: Prevention and early intervention in our scheme	46
Strategic priority four: Insight driven and risk and evidence-based practice	51
Strategic priority five: Being adaptive and sustainable in the face of change	59



# STATEMENT OF PREPARATION

I, Aaron Hughes, as the acting Chief Executive Officer and accountable authority of Comcare, present the 2021–22 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 2021–22 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.

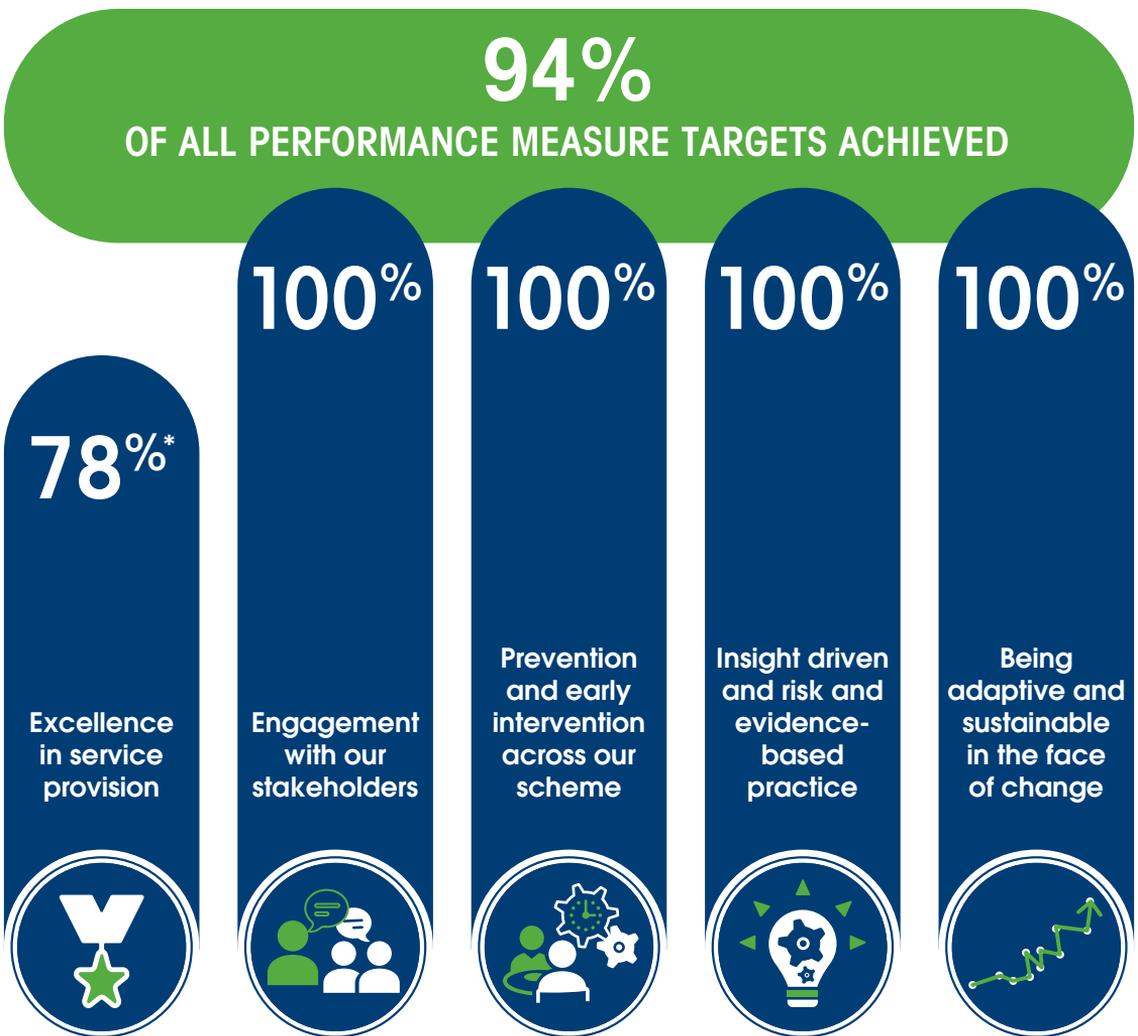


Aaron Hughes

# OUR PERFORMANCE

Comcare’s efforts are driven to achieve our strategic purpose and outcome – *to promote and enable safe and healthy work*. The performance results in this chapter convey how Comcare measures our success against our 5 strategic priorities. We are committed to improving our performance and set ambitious targets to achieve our outcome. An overview of our 2021–22 Corporate Plan results is provided in Table 2. We achieved 94% of the performance targets that we set for the year. More details are provided within this chapter including actions taken to address the 2 performance measures where we did not achieve the set targets.

Figure 7: Performance against strategic priorities



\* 7 of 9 targets achieved

## Results against our performance measures and targets

Table 2: Summary of results against 2021–22 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	Not achieved	84%
1.1.2 85% or more evaluated entities report improved WHS outcomes as a result of Comcare’s regulatory activities	Achieved	89%
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	95%
1.1.5 Seafarers Safety, Rehabilitation and Compensation Authority satisfaction of support provided by Comcare	Achieved	97%
<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 are made within 10 days of receipt of relevant information	Not achieved	91%
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 60% or greater	Achieved	84%
2.1.2 55% of matters are progressed to hearing or finalised within 12 months	Achieved	93%
<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	96%
2.2.2 Annual increase in employer and customer reach, engagement and 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 assessed as having a positive influence on: a) worker/employer satisfaction b) impact on health outcomes and recovery and/or c) access to evidence-based better practice	Achieved	–
<b>Performance Measure 3.2: Our proactive regulatory activity is targeted and prevention focused</b>		
3.2.1 Comcare's regulatory priority program results in improved rates of compliance in the jurisdiction in relation to priority areas	Achieved	–
3.2.2 Data and intelligence analysed quarterly to identify emerging issues within Comcare's jurisdiction	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 corrective 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 research and national cross-sector collaboration to promote and enable safe and healthy work</b>			
4.2.1	Strategic research and cross sector collaboration initiatives are developed and delivered	Achieved	–
4.2.2	Maintain and build stakeholder engagement across government, private sector and academia	Achieved	–
4.2.3	Partnerships deliver strategic insights for the business	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	21.7%
5.1.2 Average Commonwealth premium rate = 1% of payroll or lower	Achieved	0.83%
5.1.3 Minimum funding ratio of 110%	Achieved	124%
5.1.4 Comcare scheme return to work rate of 85 to 95%	Achieved	88%
5.1.5 Comcare scheme notional premium rate = 0.94%	Achieved	0.78%
<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 meets or exceeds that from the previous year	Achieved	75%
5.2.2 Comcare's wellbeing rating at the organisational level meets or exceeds that from the previous year	Achieved	80%
5.2.3 75% of Executive level employees consider that their workgroup has the appropriate skills, capabilities and knowledge to perform well	Achieved	81%

# STRATEGIC PRIORITY ONE: EXCELLENCE IN SERVICE PROVISION

## Analysis of performance against our key activities

### Delivering key initiatives within the Claims Management Improvement Program

The Claims Management Improvement Program is comprised of related projects aimed at improving Comcare's claims management function.

In 2021–22, the following activities were undertaken under this program:

- > progressed work on a claims workforce management project to develop a capability framework
- > continued work on the new claims management system project
- > finalised a new knowledge management system for the Claims Management Group
- > completed the Medipass project to automate provider registration and payment processing (refer to the Medipass highlight for more information).

### Embedding a client focused delivery model for Legal services

Comcare's Legal Group has developed and implemented the Legal Group Service Charter to document our internal service offerings, set service standards and expectations and improve engagement as a trusted Legal adviser for Comcare.

Comcare's Legal Group is committed to excellence in client service delivery, with a focus on continuous improvement, and collaborates with all Groups across Comcare to provide assurance to the CEO and Executive that legal risk is managed.

### Delivering key projects within the ICT Strategy 2019–2023 (ICT Strategy)

In 2021–22 we have continued to migrate services to the cloud as part of the ICT strategy. This migration will allow for Comcare to decommission its physical infrastructure and data centres and a future decrease of power consumption.

Comcare is currently undergoing a digital transformation, which will enable our clients and stakeholders to interact with us digitally, resulting ultimately in reduced paper, ink and power consumption. We are committed to the National Archives of Australia 'Building trust in the public record' policy and progressing the conversion of paper information assets to digital format.

Comcare is also aiming to reduce the creation of paper records in Comcare's records management system, Content Manager. As a result of business areas making several process improvements and promoting awareness amongst staff, there has been no new paper file records created since July 2018.

### Providing WHS information and advice through Inspectorate engagement activities

In 2021–22, we conducted a range of activities under our Compliance and Enforcement Policy that provided effective two-way communication with regulated entities including education, regulatory programs, presentations and forums. These activities assisted Persons Conducting a Business or Undertaking (PCBUs) to improve their understanding of work health and safety and their obligations under the *Work Health and Safety Act 2011* (WHS Act) and *Work Health and Safety Regulations 2011*.

### Supporting better practice governance for the Safety, Rehabilitation and Compensation Commission (SRCC) and Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority)

We supported the SRCC in undertaking a review of its performance standards and measures, as well as conducting elements of its five-year review of its regulatory model. This included reviewing the SRCC's:

- > Licence Compliance and Performance Report template
- > regulatory response framework
- > dispute resolution framework.

We continued to provide secretariat and other support to the Seacare Authority to enable it to meet its functions and powers under the *Seafarers Safety, Rehabilitation and Compensation Act 1992* (Seafarers Act), while assisting it to manage the Seafarers Safety Net Fund and administer the Seacare scheme. This included supporting the Seacare Authority's:

- > revision of its exemption factors and guidelines
- > recommendations to the Minister with regards to the fund levy rate
- > participation in and support of the Attorney-General's Department review of the Seacare scheme
- > reaccreditation of Health and Safety Representative training courses under the *Occupational Health and Safety (Maritime Industry) Act 1993*.

# HIGHLIGHT

## ADDRESSING HEALTH AND SAFETY IN THE TRANSPORT AND LOGISTICS INDUSTRY

The transport and logistics industry comprises of 16% of Comcare's WHS jurisdiction. Over the past three years, Comcare has recognised that this industry has contended with unprecedented operational challenges due to bushfires, floods and the ongoing impact of the COVID-19 pandemic. The industry has traditionally focused on preventing physical injuries, such as those caused by body stressing and fatigue, however the mental health and wellbeing of the transport and logistics workforce is now also a rising concern.

In light of this, Comcare has engaged with the industry through a range of programs to encourage the adoption of better practice health and safety outcomes. This includes the Driving Health project led by Monash University and funded by Comcare, the Transport Workers Union, the NSW Centre for Work Health and Safety, Linfox and a National Health and Medical Research Council Partnership Project grant. This nationwide research surveyed around 1,400 truck drivers and reported high levels of obesity, chronic pain and psychological distress. The research demonstrated the link between mental and physical health, highlighting the casual factors, as well as emphasising the importance of a systemic approach to creating safe and healthy workplaces. An outcome of this project was the development of the Driving Health Allocator Training Program (DHAT). DHAT is a free, online educational resource aimed at increasing awareness among allocators, supervisors, and managers about the factors they can control to improve the health and wellbeing of truck drivers in their company. The DHAT is available at [www.drivinghealth.net/dhat-program](http://www.drivinghealth.net/dhat-program)



Comcare also led a cross-jurisdictional project focusing on reducing the rate of road fatalities. Following an examination of incident data and intelligence across jurisdictions, it was noted that incidents involving uncontrolled movement of vehicles, better known as vehicle roll-aways, accounted for a large number of serious injuries and fatalities. Working with other WHS regulators, Comcare has developed a cross-jurisdictional campaign to raise awareness of the risk of vehicle roll-aways and to encourage PCBU's to implement control measures to manage this risk.

To promote these and other initiatives, Comcare hosted a 'Transport Network Forum' webinar on 19 May 2022, attended by 121 participants from industry, WHS regulators, universities, local councils, and private transport organisations. The program was developed in consultation with transport organisations within the Comcare jurisdiction, and included a mix of interactive sessions, a case study, research findings and information. The forum also included:

- > a Mentimeter activity to better understand the audience, the risks they perceived in their workplaces, their confidence in addressing these risks, future challenges, and their expectations from these ongoing forums
- > an overview of Healthy Heads in Trucks and Sheds, a transport industry led initiative targeting drivers, gave an update on preventative initiatives the organisation is currently undertaking
- > a case study provided by K&S Freighters on how they gained a better understanding of psychosocial risk in their workplace using the People at Work (PaWs) tool
- > a panel discussion with representation from drivers and warehousing and WHS Management, giving participants an insight into the challenges experienced by the transport and logistics industry through the pandemic and natural disasters.

The post-event evaluation resulted in 92.3% of the participants stating they were satisfied or very satisfied with the content, delivery, and format of the forum. Following the success of the forum, Comcare has committed to delivering two forums each year for the industry to come together to discuss health and safety and share their innovations in managing WHS risks.

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

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2021–22 – Page 171  
Comcare Corporate Plan 2021–22 – Page 9

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

1.1.1 Stakeholder satisfaction rating of 85% or more	Not achieved
--	--------------

### Result analysis

Comcare’s average stakeholder satisfaction rating was 84%. This average is comprised of major scheme employer and employee surveys as well as significant events delivered for broader stakeholders.

- > 2022 Comcare Employer Survey – Overall satisfaction: 77%, Response rate: 47%
- > 2021 National Return to Work Survey – Overall satisfaction: 74%, Response rate: 58%
- > 2021 Safe Work Month Webinars – Overall satisfaction: 93%, Response rate: 26%
- > 2022 National Conference – Overall satisfaction: 92%, Response rate: 28%

These results highlight where Comcare is performing well:

- > 88% of employers agree that Comcare is a respected authority.
- > A 15-point increase in employers satisfied with Comcare collaborating to achieve Return to Work outcomes (71%).
- > 96% of surveyed workers report that they had returned to work at some point since their injury (4-points higher than the national average).

Comcare is also developing work plans to continuously improve stakeholder satisfaction.

### Previous results

- 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)
- 2017–18: Not achieved – 68% (employers), 72% (employees)

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

1.1.2 85% or more evaluated entities report improved WHS outcomes as a result of Comcare’s regulatory activities	Achieved
--	----------

### Result analysis

89% of respondents to the Comcare evaluation survey report improved WHS outcomes as a result of Comcare’s regulatory activities.

### Previous results

- 2020–21: Achieved – 88% (target, 85% or more)
- 2019–20: Achieved – 85% (target, 85% or more)
- 2018–19: Achieved – 86% (target, 80%)
- 2017–18: Achieved – 76% (target, 70%)

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

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.  
100% of prosecutions were commenced within statutory limitation periods.

### Previous results

2020–21: Achieved – 100%  
2019–20: Achieved – 100%  
Not reported prior to 2019–20

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

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

Service level performance measures are set through the SRCC meeting protocols and statement of services provided by Comcare to the SRCC. Service levels for the support Comcare provides to the SRCC were achieved 95% of the time.

### Previous results

2020–21: Achieved  
2019–20: Achieved  
2018–19: Achieved  
2017–18: Achieved

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

<b>1.1.5 Seacare Authority satisfaction of support provided by Comcare</b>	Achieved
--	----------

### Result analysis

Seacare Authority service level performance measures are set through the Seacare Authority Meeting Procedures and protocols and the application of better practice benchmarking. Service levels for the support Comcare provides to the Seacare Authority were achieved 97% of the time.

### Previous results

2020–21: Achieved  
2019–20: Achieved  
2018–19: Achieved  
2017–18: Achieved  
2016–17: 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 2021–22 – Page 171  
Comcare Corporate Plan 2021–22 – Page 9

Target	Result
<b>1.2.1 95% of resolution payments are made within 10 days of receipt of relevant information</b>	Not achieved

**Result analysis**

91% of resolution payments were made within 10 days of receipt of relevant information. Of these, 42 payments were made within 10 days of receipt of all relevant information and 4 payments did not meet the timeframe due to processing errors during the Christmas/New Year period. Immediate action to improve performance has been taken.

**Previous results**

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 and the scheme actuary monitor the consistency and equity of settlements.

Comcare resolved 41 ARC Act claims in 2021–22.

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**

2020–21: Achieved  
Not reported prior to 2020–21

### 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 2021–22 – Page 171  
Comcare Corporate Plan 2021–22 – 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's Compliance and Enforcement Policy is published on Comcare's website. The policy informs regulated entities and other stakeholders of Comcare's approach to our regulatory functions and powers under the WHS Act and SRC Act. The policy is informed by the responsibilities and expectations that apply to Comcare under the PGPA Act, other legislation and external policies. 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. Comcare also has a comprehensive suite of procedures linked to the policy which are regularly reviewed and updated. Assurance activities are scheduled and are undertaken on the end-to-end process to ensure decisions are made in alignment with the policy and our procedures. Comcare also publishes Regulatory Guidance to help organisations and agencies understand the requirements of the work health and safety laws with topics such as the nature of duties and obligations of regulated entities, the decision-making process for authorisations and approvals, and specific compliance tools and how Comcare decides when to use them.

#### Previous results

Not reported prior to 2021–22

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

#### Result analysis

The Regulatory Operations Group implemented all planned activities within the 2021–22 Assurance Program in full. Activities conducted included review of Major Infrastructure Projects, inspector appointments, WHS incident notification assessment, and regulatory data entry. Exception reporting on regulatory systems is regularly completed to ensure that activities are conducted and recorded in accordance with endorsed policies and procedures.

#### Previous results

Not reported prior to 2021–22

# STRATEGIC PRIORITY TWO: ENGAGEMENT WITH OUR STAKEHOLDERS

## Analysis of performance against our key activities

Implementing and evaluating our Education and Engagement Strategies, including providing education to WHS inspectors and employers within the Commonwealth WHS jurisdiction on managing and preventing psychosocial hazards in workplaces such as bullying and harassment, including sexual harassment.

Comcare's Education and Engagement Strategies have delivered comprehensive and relevant training and communication on a wide variety of subjects across the scheme.

On 18 August 2021, Comcare delivered a webinar on workplace sexual harassment which included a keynote presentation from Australia's Sex Discrimination Commissioner, Kate Jenkins. We also delivered the Workplace Sexual Harassment National Forum (the Forum) in November 2021 via a virtual platform. The Forum provided stakeholders from across all jurisdictions the opportunity to develop a shared understanding of workplace sexual harassment and the associated WHS risks and actions.

In addition to these forums, Comcare has developed education products tailored to our jurisdiction. These products are available in a blended format including micro-learns, interactive eLearns and training workshops.

Comcare continues to promote its workplace sexual harassment guidance material and education products to the jurisdiction. There have been participants from 48% of employers in the scheme who have accessed one or more workplace sexual harassment self-paced learning, facilitated workshops, and webinars in 2021–22.

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

Comcare effectively engaged with employers and other scheme participants in the reporting period using established effective governance measures and an integrated and coordinated approach. Engagement through Comcare's various communications channels was aimed at fostering cooperative, consultative relationships in relation to:

- > promoting better practice across the scheme in delivering WHS and SRC Act functions
- > ensuring consistency and clarity of claims management service delivery
- > promoting and regulating WHS compliance.

For information about the communication channels used and the reach achieved refer to the result analysis of Performance Measures 4.2 and 4.3.

### **Designing and implementing a Comcare Contact Centre for all external client interactions**

The Comcare Contact Centre is being designed to deliver a single touchpoint for external clients, ensuring timely and quality service provision, and improved reporting and data capture capabilities. The project is on track for the contact centre to go live in the next year.

Key achievements to date include recruitment, completion of the contact centre process and procedural design, and introduction of fit for purpose technology that is ready for deployment.

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

The Partnership is a national collaboration between public, private, and not-for-profit organisations to improve work participation for people with a temporary or permanent health condition or disability. Key achievements for 2021–22 include:

- > measuring the movement of people between 10 income and benefit support systems
- > surveying 1,027 individuals accessing income and benefit support to better understand their experience and impact on health and work outcomes
- > the development of the systems dynamic data model
- > the trial of a low scale transition support pilot for people exiting workers' compensation with 26% of participants achieving paid employment after 3 years out of work
- > a national cross-sector scan and analysis of employment services.

### **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 2021–22 to discuss operational issues and strategies to reduce the time taken for finalising proceedings.

# HIGHLIGHT

## COMCARE CONFERENCE

The Comcare National Conference was held on 7 and 8 June 2022 at the National Convention Centre Canberra after a four-year break due to postponements caused by the pandemic. The conference theme 'Creating a safer workplace together' inspired presentations and positive discussion around best practice, the latest research, and how to effectively promote and enable safe and healthy work.

The conference brought together more than 790 delegates from across Australia to focus on key aspects of workplace health and safety. There were 37 sponsor and exhibitor organisations, travelling from all around Australia to attend live and in-person. The conference opening welcomed Wiradjuri Echoes Duncan and Jakida Smith who performed an Acknowledgement to Country followed by a high energy presentation from Future Crunch setting the scene with their keynote session on intelligent optimism. Master of Ceremonies, Ellen Fanning, current ABC journalist, engaged and guided delegates over the two-day conference which included over 50 keynote, panel and concurrent sessions.

The program showcased a wide range of topics including; celebrating and nurturing diversity in the workplace, resilience, mental health, using data to inform best practice, lessons learned from the COVID-19 pandemic, and preparing for future challenges with managing work environments whilst engaging in optimal use of new technologies.

The Comcare presentations garnered considerable interest and engagement with many follow up visits to the Comcare trade stand within the exhibition hall. The topics included trends and improvements in claims management, and the regulatory approach to new and emerging risks.

A new initiative for the 2022 Comcare National Conference was the introduction of a Bursary Program offering professional development and networking opportunities to regional and remote organisations operating within the Comcare scheme. Four recipients were selected from the Torres Strait Regional Authority, the Australian Pesticides and Veterinary Medicines Authority and the Great Barrier Reef Marine Park Authority. The Bursary Program proved to be highly successful and rewarding for the individual attendees.

A sponsored Conference Dinner was held on Tuesday 7 June 2022 with 350 guests in attendance and a presentation by Mitch Wallis, Founder and CEO of the Heart on My Sleeve Foundation. The 2021 Comcare National Work Health and Safety Award winners and finalists were also acknowledged during the dinner.

A 92% satisfaction rating was received from the post-conference survey, a noticeable increase in overall satisfaction rating from the previous conference.

The next Comcare National Conference will be held in 2024.



Delegates attending the Comcare Conference 2022



Crowds returning after two years to watch a presentation by Future Crunch

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

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2021–22 – Page 171  
Comcare Corporate Plan 2021–22 – Page 10

Target	Result
<b>2.1.1 Proportion of AAT litigation with a successful outcome is 60% or greater</b>	Achieved
<b>Result analysis</b>	

84% of matters resulted in successful outcomes (341 matters out of total of 404).

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

### Previous results

2020–21: Achieved – 81% (target, 55%)

Not reported prior to 2020–21

Target	Result
<b>2.1.2 55% of matters are progressed to hearing or finalised within 12 months</b>	Achieved
<b>Result analysis</b>	

93% of matters were progressed to hearing or finalised within 12 months.

There has been a reduction in the number of open AAT matters compared to the previous financial year (456 at 30 June 2022 compared with 528 at 30 June 2021). The number of new applications received has remained stable over the last two financial years.

Comcare continues to implement 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

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 2021–22 – Page 170  
Comcare Corporate Plan 2021–22 – 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 2021–22 training and webinar programs indicate 96% of attendees had their engagement, training and education needs met.

- > Comcare training program (live learning and online) – Overall satisfaction: 93%, Response rate: 11%
- > Workplace Sexual Harassment webinar – 'Building a culture of respect – never part of the job' – Overall satisfaction: 96%, Response rate: 25%
- > Workplace Sexual Harassment Forum – Overall satisfaction: Day 1 – 95%, Day 2 – 100%, Response rate: Day 1 – 37%, Day 2 – 23%
- > Investing in Health and Wellbeing webinar – Overall satisfaction: 98%, Response rate: 33%
- > Contract Management: Shared duties and control webinar – Overall satisfaction: 90%, Response rate: 24%
- > Mental Health Community of Practice events – Overall satisfaction: 98%, Response rate: 23%
- > Transport Network Forum – Overall satisfaction: 92%, Response rate: 22%

### Previous results

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 change in behaviour with Comcare's education services and channels</b>	Achieved

### Result analysis

Evaluation of Comcare's Learning Management System, webinar program data and social media engagement indicate an increase in employer and customer reach and engagement. For example:

- > Since 2020–21, Comcare's Learning Management System saw a 4% increase in the number of accounts (now 6,048), and a 45% increase in total course completions (now 7,823).
- > Webinars delivered across 2021–22 had a total of 5,012 registrations from 50% of the organisations in Comcare's jurisdiction.

Comcare's LinkedIn followers rose by 17% and Twitter followers rose by 5%. The average engagement rate for Comcare's LinkedIn posts is 6.0%, an increase of 0.8% since 2020–21, and the average engagement rate on Twitter is 4.4%, an increase of 2.7%. The number of Comcare's eNews subscribers has increased by 32.4%, with a total of 4,637 subscribers.

### Previous results

2020–21: Achieved  
Not reported prior to 2020–21

# STRATEGIC PRIORITY THREE: PREVENTION AND EARLY INTERVENTION IN 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

Comcare's commitment to prevention of workplace injuries and illness was evident when conducting proactive and targeted regulation and inspections in accordance with Safe Work Australia's (SWA's) National Australian Work Health and Safety Strategy 2012–2022. Comcare analysed regulatory intelligence, injury and work health and safety data and consulted with the jurisdiction to identify 4 evidence-based priority areas for 2020–2023:

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

As part of Comcare's understanding of the better health outcomes associated with prevention and early intervention, significant investment in learning capabilities and technologies, including a cloud-based learning management system, a rapid content development tool and a virtual delivery and collaboration platform, has enabled Comcare to increase its service offering to support the jurisdiction. Prevention themed education and engagement activities were delivered in 2021–22 on a virtual platform, highlighting best practice and addressing knowledge gaps. The impact of these activities was measured in post-event surveys, with attendees indicating they had increased knowledge regarding the prevention of injury and illness in the workplace as a result.

Understanding the positive benefits that early intervention has on an injured worker's ability to return to health and work, Comcare's claims management practices involve early and proactive engagement with the employee and their employer to ensure they are effectively supported in their recovery. As part of the claims management process, Comcare also promotes early intervention initiatives, education products and communities of practice through our Employer Account Management Framework.

### Designing and delivering innovative and prevention-focused programs and initiatives in response to jurisdictional needs

Comcare partnered with Beyond Blue to provide NewAccess workplaces, a mental health coaching service over a two-year period to Australian Public Service (APS) agency partners. Further information on this initiative can be found in the result analysis for Performance Measure 3.1.

Comcare is also developing the Workplace Mental Health Stigma Awareness Program to promote the importance and benefits of reducing workplace stigma and improving early help-seeking behaviours through an evidence-based communications program.

### Developing and implementing a *Comcare Prevention Strategy*

Comcare is in the process of developing the Comcare Prevention Strategy 2022–2025. The strategy seeks to provide a coordinated pathway for Comcare to support workplaces to prevent harm and enable a culture of safety, compliance and reporting. Focusing on what will make the biggest impact is key to supporting workplaces to prevent harm and reduce its impacts.

Comcare data and intelligence was used to identify the top prevention priorities and supporting actions. These priorities are based on those mechanisms of incident or injury that:

- > are relevant across the Comcare scheme
- > are persistently high and resistant to significant improvements
- > have indicators of workplace harms that are trending upwards
- > indicate new and emerging risks.

### Continuing to implement the *Comcare Workplace Mental Health Strategy* and promoting mental health in the workplace

Comcare uses an integrated, evidence-based approach to supporting mentally healthy workplaces that covers preventing and managing harm and ill health and promoting positive mental health. As part of this, Comcare has developed resources to enhance manager capability to create mentally healthy workplaces, including guidance on the reduction of stigma associated with mental illness.

### Demonstrating national leadership in prevention and early intervention

Comcare continues to provide guidance and education to employees, employers and providers on the importance of prevention and responding early to illness or injury through hosting:

- > the Mental Health Community of Practice
- > the Interdepartmental Forum on Mental Health
- > the Deputy Secretary's Safety and Compensation Forum
- > Safe Work Month events
- > Comcare and ACTU Executive and regional information sessions.

Comcare also collaborated with the Royal Australian College of General Practitioners (RACGP) to address key themes in their curriculum for Australian general practice and to deliver education resources through the RACGP and Primary Health Networks. Comcare also co-designed and funded a GP Webinar titled: *Assessing functional capacity to work for psychological injuries*; partnering with the Mental Health Professionals' Network.

# HIGHLIGHT

## RETURN TO WORK SURVEY

The Safe Work Australia led National Return to Work Survey aims to monitor and better understand Australian injured workers' experiences of being on workers' compensation, their health status, time off work, return to work, and the support and rehabilitation they received.

The most recent survey was conducted in 2021 and interviewed 619 participants from across the Comcare scheme. The scheme's headline results include:

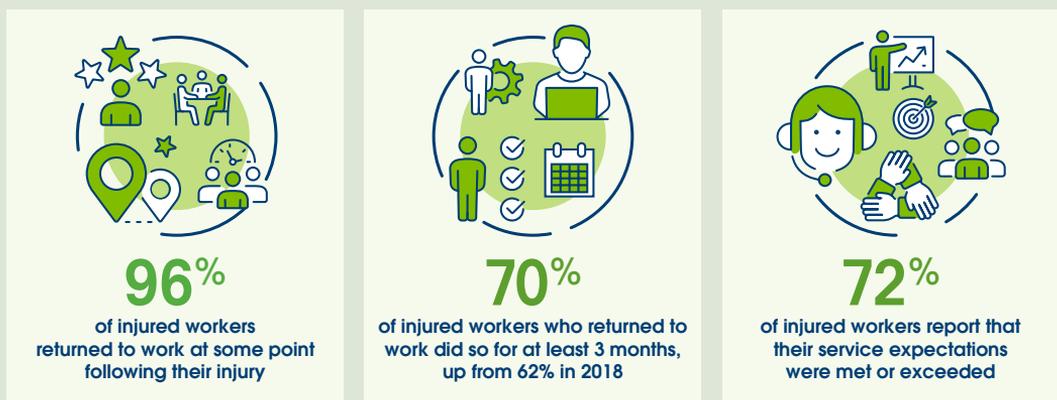


Figure 8: Return to work survey headline results

The report also identified areas for improvement, particularly when addressing the stigma surrounding submitting a workers' compensation claim. With data showing that injured workers worried about being treated differently, or not being taken seriously, it is important for employers to create positive and inclusive workplaces.



Figure 9: Return to work survey headline results

Comcare will use the results to inform future policy and programs to continuously improve injured workers' experiences while recovering and returning to work.

The 2021 National Return to Work Survey Report can be found on the [Safe Work Australia website](#).

## 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 2021–22 – Page 171  
Comcare Corporate Plan 2021–22 – Page 11

Target	Result
<b>3.1.1 Initiatives are assessed as having a positive influence on:</b> a) worker/employer satisfaction b) impact on health outcomes and recovery and/or c) access to evidence-based better practice	Achieved

### Result analysis

Six activities delivered through 2021–22 have been evaluated as having a positive influence on worker/employer satisfaction, health outcomes and recovery and/or access to evidence-based practice.

**NewAccess workplaces** – The final evaluation report based on 800 participants found a recovery rate of 72% and a sustained recovery rate of 95% at one month and 92% at 6 months after completion of the program. 89% of survey respondents were satisfied or very satisfied with the program and the same proportion reported that the program met or exceeded their expectations.

**Better Practice Employee Assistance Program (EAP) Services** – Qualitative evidence indicates that the guidance filled a gap for employers in terms of the evidence for EAP services. Online engagement with the guidance supports this conclusion, with the launch email attracting a click rate 10 points higher than the Comcare average, the webpage attracting 2,600 visitors spending an average of 4.5 minutes on the webpage and the *Principles for Better Practice EAPs* document downloaded 370 times.

**People at Work (PAW)** – Comcare has continued to encourage and support employers to uptake the PAW tool, a validated and evidence-based psychosocial risk assessment survey tool that helps organisations to identify, assess and control risks to psychological health at work. In 2021–22, Comcare’s jurisdiction registered 59 organisations for PAW with a 27% uptake. These organisations implemented 34 surveys and collected 1,825 responses – valuable data that is being used to drive improvements in the psychosocial health of these workplaces.

**Collaborative Partnership** – Evaluation of a transition support service trial found that 42% of participants reported a positive change to financial distress after completion of the program. This increased to 61% of participants 3 months after completion. 28% of participants reported a positive change to their work ability.

**Early Intervention Knowledge Translation** – Comcare developed educational material for employers on how to embed a structured early intervention service to support recovery and return to work. Two e-learning courses had strong completion rates: *Early Intervention: An overview for managers and supervisors* was completed by 184 people and the course *Implementing and monitoring an early intervention program in the workplace* was completed by 89 people. The program resource – Better practice: Early intervention programs – has had 430 downloads, further demonstrating employer need for, and satisfaction with, this evidence-based content.

**General Practitioner (GP) Education** – A webinar held for the Mental Health Professionals Network aimed to improve the knowledge and skills of GPs in assessing capacity for work. 1,478 professionals attended the webinar and provided an overall satisfaction rating of 97%. Attendees also reported gaining more knowledge 66%, more confidence 63%, and new skills 41% in assessing capacity for work for psychological injury.

### Previous results

2020–21: Achieved

Not reported prior to 2020–21

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

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2021–22 – Page 170  
Comcare Corporate Plan 2021–22 – Page 11

Target	Result
<b>3.2.1 Comcare’s regulatory priority program results in improved rates of compliance in the jurisdiction in relation to priority areas</b>	Achieved

### Result analysis

Key activities allocated to Comcare’s National Operations team have been completed in line with the Regulatory Work Activity Planning Model (RWAPM) Program deliverables and endorsed amended approaches. RWAPM deliverables have been met through completion of the 15 tailored workbook desktop reviews conducted in May/June 2021, and the endorsed amended approaches to finalise the program in early 2022. The reviews identified a high level of compliance across the targeted PCBUs who participated in Phase One, and as such, the approach to Phase Two and Phase Three was amended to focus on targeted jurisdiction wide education rather than a second round of compliance reviews for comparison.

Education activities were planned and delivered, highlighting best practice and addressing knowledge gaps identified in the workbooks, data reports and attendee feedback gathered in the lead up to the events. The activities were delivered on a virtual platform enabling a larger number of PCBUs across the jurisdiction to attend which resulted in the program having a broader impact than the initial activity plans. The virtual webinars delivered above average attendance conversion rates from representatives across the scheme, high attendee satisfaction rates, and a high number of attendees responding that the information was easy to understand. The impact of these programs was measured in post-event surveys, with attendees indicating they had increased knowledge as a result.

### Previous results

Not reported prior to 2021–22

Target	Result
<b>3.2.2 Data and intelligence analysed quarterly to identify emerging issues within Comcare’s jurisdiction</b>	Achieved

### Result analysis

Data and intelligence analysis was conducted quarterly to identify emerging issues within Comcare’s jurisdiction.

### Previous results

2020–21: Achieved

Not reported prior to 2020–21

# STRATEGIC PRIORITY FOUR: 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*

Comcare continues its transformational change regarding how we use and engage with data. Through our focus on data governance, capability and technology we continue to deliver on the vision of being a data informed agency with a strong data culture.

The program of work focuses on delivering Comcare’s data culture by establishing a Data Governance Framework and Enterprise Data Governance Policy, implementing the Data Awareness Community of Practice and the delivery of improved data management infrastructure.

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

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

In 2021–22 Comcare’s Prevention Committee continued to drive whole-of-Comcare prevention initiatives that reduce the risk of harm and injury to workers and others in our scheme.

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

Comcare is committed to delivering, supporting and promoting evidence-based research to improve outcomes across the scheme. Work has begun on refreshing Comcare’s research plan which was initially established in 2018. The *Research Plan towards 2026* is being informed by collaboration with 11 APS agencies.

A range of activities have been completed under the current research plan, in line with the themes of enabling healthy and safe workplaces, enhancing employer capability, guiding and supporting mental health and wellbeing, fostering work participation and recovery, and adapting to the future of work. For example, Comcare’s Data Partnership with the Australian Institute of Health and Welfare (AIHW) continued with the aim of comparing Comcare scheme claims with the broader population to better understand service utilisation and health outcomes of injured workers. Additionally, Comcare has recently advocated for an AIHW-led proposal to build the evidence base around first responder mental health, using workers’ compensation authorities’ data.

Comcare delivered the Better Practice Provision of Employee Assistance Programs (EAPs), developing evidence-based resources that support the design and evaluation of better practice EAP services to improve organisational outcomes and workers' health and wellbeing. The resources were developed in consultation with organisations covered by the Comcare scheme.

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

Comcare provides regular and consistent education and guidance to employers and workplaces across the scheme, encouraging higher levels of compliance and the application of better practice with their work health, safety and rehabilitation obligations.

# HIGHLIGHT

## Workplace Sexual Harassment National Forum

The release of the Respect@Work: National Inquiry into Sexual Harassment in Australian Workplaces Report (2020), has given rise to heightened awareness and increased focus on understanding, preventing, and reporting workplace sexual harassment across the jurisdiction. Sexual harassment is a known workplace hazard that can cause psychological and physical harm.

In the May 2021 Federal Budget, a commitment was made by the government for Comcare to deliver national forums for Commonwealth, state, and territory WHS inspectors, on the topic of workplace sexual harassment, and to provide training for employers and managers covered by Commonwealth WHS laws, to better understand and meet their obligations.

The Workplace Sexual Harassment National Forum (the Forum) – hosted by Comcare in collaboration with Safe Work Australia and state and territory WHS regulators, was delivered on 11 and 12 November 2021. The Forum was designed with the support and input of the Workplace Sexual Harassment National Forum – Heads of Workplace Safety Authorities (HWSA) Nominated Working Group.

The two-day event explored the theme ‘influencing positive change’ with a focus on workplace sexual harassment risks, management and prevention. Each day had a distinct audience.

Senator the Hon Michaelia Cash provided the opening address on Day 1, via a pre-recorded video, which along with Day 1 presentations is available on the Comcare website.

The Forum was strongly attended across the two days with positive satisfaction ratings.

- > Day 1: was open to a general audience. It had more than 1,405 registrations with a peak attendance of 733, which resulted in a conversion rate of 52 per cent, compared to the industry standard of 35-45 per cent for non-paid virtual events. 94 per cent of the audience indicated they were satisfied or very satisfied with Day 1.
- > Day 2: was open only to national, state and territory WHS regulatory organisations by invitation to come together to share knowledge and contribute to a nationally consistent approach to workplace sexual harassment regulation. It had more 240 registered registrations with a peak attendance of 208 resulting in a conversion rate of 86 per cent. The overall audience satisfaction rating was 100 per cent.

Discussions from the Forum have informed the development of Comcare’s Workplace Sexual Harassment training workshops for employers and managers covered by the Commonwealth WHS laws.

## 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 2021–22 – Page 170  
Comcare Corporate Plan 2021–22 – Page 12

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

### Result analysis

A Monitoring Compliance Inspection was commenced for 100% of incident notifications involving the death of a person in 2021–22.

### Previous results

2020–21: Achieved  
Not reported prior to 2020–21

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

### Result analysis

A Monitoring Compliance Inspection commenced for 100% of incident notifications assessed as extreme or high-risk in 2021–22.

### Previous results

2020–21: Achieved  
Not reported prior to 2020–21

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

### Result analysis

Comcare has undertaken a follow-up verification inspection in 100% of instances where an inspection has identified corrective actions to be undertaken.

### Previous results

2020–21: Achieved 98% (target, 95%)  
Not reported prior to 2020–21

## Performance Measure 4.2: We undertake strategic research and national cross-sector collaboration to promote and enable safe and healthy work

Source: Comcare, SRCC and Seacare Authority Portfolio Budget Statement 2021–22 – Page 171  
Comcare Corporate Plan 2021–22 – Page 12

Target	Result
<b>4.2.1 Strategic research and cross sector collaboration initiatives are developed and delivered</b>	Achieved

### Result analysis

- > Activities conducted throughout 2021–22 as part of the Collaborative Partnership included:
  - > measuring the movement of people between systems – final report and snapshot report delivered
  - > the trial and evaluation of the Transition Support Service for people exiting the workers’ compensation sector to another system
  - > a national analysis report on how Australia’s major benefit and income support systems use and engage with the policies and programs of services that support people with a health condition or disability to participate in good work
  - > reporting on a national series of workshops on how to implement Australia’s first national Principles on the role of General Practitioners in supporting work participation.
- > Through the Australia and New Zealand Research Collaboration, state, territory, and national work health and safety and workers’ compensation authorities have been collaborating on 2 projects: (1) Motivating senior leader safety behaviours, (2) Effectiveness of telehealth services in workers’ compensation claims. Each project has delivered and disseminated findings from a literature review on the current state of the evidence.
- > Comcare is an active participant in the Mentally Healthy Workplaces Alliance, which is responsible for guiding the delivery of the National Workplace Initiative and its *Blueprint for Mentally Healthy Workplaces*.
- > In collaboration with SWA, and state and territory work health and safety regulators, Comcare hosted the Workplace Sexual Harassment National Forum. See the highlight on page 59 for more information.
- > Comcare led the National Certificate of Capacity project, to design and deliver a standardised, electronic certificate of capacity. A small scale targeted pilot in select General Practices is underway and will be independently evaluated, prior to any future implementation.
- > In addition, several strategic research activities have been delivered:
  - > two evidence-based better practice EAP guidance documents – (1) *Principles for better practice EAPs* (2) *Monitoring and evaluation framework* – which are shaping the future of EAP procurement across the Commonwealth government.
  - > resources specifically for GPs – (1) *Guidance on assessing a patient’s capacity for work*, (2) *GP Principles Snapshot*, and (3) a webinar on assessing functional capacity for work for psychological injuries.
- > A partnership with AIHW has delivered three reports comparing work-related injuries and illnesses with the broader health sector in relation to health services.

### Previous results

2020–21: Achieved

Not reported prior to 2019–20

**Performance Measure 4.2: We undertake strategic research and national cross-sector collaboration to promote and enable safe and healthy work**

Target	Result
<b>4.2.2 Maintain and build stakeholder engagement across government, private sector and academia</b>	Achieved

**Result analysis**

Comcare builds and maintains stakeholder engagement across sectors through research and other initiatives including:

- > two projects as part of the Australia New Zealand Research Collaboration (ANZRC)
- > working with representatives from Australian and New Zealand WHS jurisdictions to develop a joint Position Statement on *How to Lift Training*
- > collaborating with representatives from Australian WHS jurisdictions to explore opportunities for promoting health and wellbeing through a HWSA Health and Wellbeing Community of Practice
- > collaborating with WHS jurisdictions on the People at Work psychosocial risk assessment tool
- > leading a Better Practice Employee Assistance Programs Working Group with 17 other member agencies from the APS
- > partnering with 16 APS agencies for the NewAccess workplaces expansion trial, which also involves relationships with Beyond Blue, PwC, Richmond Fellowship Queensland (the service provider), and the Cognitive Behavioural Therapy Institute
- > a broad-reaching education program consisting of 8 webinars throughout the year
- > delivery of the Mental Health Community of Practice which reached 275 attendees across 3 events
- > the Interdepartmental Forum for Workplace Mental Health which hosted 120 APS Executive level staff over 2 events
- > engaging with external stakeholders through the IMPROvE Project to implement evidence-based guidelines for general practitioners treating patients with work-related mental health conditions
- > building strong relationships with Monash University, University of Queensland, and Curtin University through our research program
- > participating with 14 other organisations that comprise the Mentally Healthy Workplace Alliance
- > participating in an Advisory Group for the Be Upstanding project to reduce workplace sitting.

**Previous results**

2020–21: Achieved

Not reported prior to 2019–20

## Performance Measure 4.2: We undertake strategic research and national cross-sector collaboration to promote and enable safe and healthy work

Target	Result
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<b>4.2.3 Partnerships deliver strategic insights for the business</b>	Achieved
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### Result analysis

Five partnerships have delivered strategic insights to inform business processes and activities:

- > The findings from the Driving Health Project collaboration with Monash University and industry partners were embedded within the National Transport Forum and continue to influence Comcare's ongoing focus on truck driver health and wellbeing.
- > In partnership with WhereTo Research, the Comcare Employer Survey provides insights into employers' experiences and perceptions of Comcare, with results informing priority topics for initiatives and improvements to service delivery.
- > The National Return to Work Survey, delivered through SWA and the Social Research Centre, provides insights into the claims experience and the return-to-work barriers for employees with a work-related injury. These insights inform ongoing improvements to claims management systems and processes.
- > Comcare's data partnership with AIHW has delivered reports on health service cost expenditure and health service patterns for mental health injuries. These findings inform Comcare's approaches to provider and claims management.
- > The People at Work psychosocial risk assessment tool, developed in collaboration with all Australian work health and safety regulators, is increasingly providing insight into the common psychosocial hazards across the Comcare jurisdiction, which will continue to inform education and guidance developed and delivered by Comcare.

### Previous results

2020–21: Achieved

Not reported prior to 2019–20

## 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 2021–22 – Page 172  
Comcare Corporate Plan 2021–22 – 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 is assessed as enabling safe and healthy work</b>	Achieved

### Result analysis

During 2021–22, Comcare 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 2021–22, Comcare developed a further 9 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 found that 86% of survey respondents indicated that the guidance was relevant to their claims management role, while 80% said it assists them in managing claims. 100% of survey respondents who attended the Claims Manager Forums also indicated that they were very satisfied or satisfied with those forums.

Comcare surveyed attendees of Comcare’s Rehabilitation Case Manager’s Forum. The survey found that 87% of survey respondents indicated that guidance assisted them in managing rehabilitation, while 87% said that the guidance was easy to understand.

Comcare also delivered digital and instructor-led training for workplace rehabilitation providers. 96% of participants were either satisfied or very satisfied with this training.

### Previous results

2020–21: Achieved

Not reported prior to 2020–21

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

## Analysis of performance against our key activities

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

The Digital Services project has been established to implement technology to enable Comcare's stakeholders to undertake digital engagement with us more securely, efficiently and conveniently. The Digital Services project is a key deliverable under the Digital Services stream of the Comcare ICT Strategy 2019–2023 (ICT Strategy).

Implementing customer centric Digital Services will improve delivery of our services by giving stakeholders the option to perform tasks and interact digitally with Comcare in an easier and more efficient manner. It will reduce the administrative cost and effort in processing transactions and significantly enhance the customer experience with Comcare.

### Reviewing our premium model

In 2021–22, independent actuaries completed a review of our premium model. The review was focused on four main objectives of premiums:

- > The scheme should be fully funded with no long-term cross subsidies.
- > Balance responsiveness to changes in claims experience with the need for stable and predictable premiums.
- > The impact of claim performance on premiums should be transparent and explained.
- > Premium rates should be advised to employers in a timely manner.

The review concluded that while our premium model met these objectives, small improvements could be made. This included bringing the Premium Allocation System in-house to improve the transparency of claim performance on premiums and enhance our capability to explain this process to our stakeholders. Additionally, our new system utilises up-to-date claims data and credibility calculations to ensure that we are responsive, yet measured, when predicting premium outcomes.

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

The Portfolio Maturity Project has successfully implemented a portfolio management approach for Comcare, including governance structures, implementation of a bespoke project management system and the setup of an Enterprise Portfolio Management Office (EPMO). The Portfolio Management Board has been established as an equivalent decision-making body to Comcare's Executive Committee and is responsible for identifying and prioritising change activities, ensuring portfolio activities support Comcare's purpose and strategic priorities, and monitoring, reviewing and endorsing program/project activities. A Portfolio Management Policy and Program and Project Management Framework form the guiding principles for Comcare's approach to portfolio management and support consistent project management practices. The framework has introduced controls, via project stage gates and decision points, to facilitate greater consistency across projects and improved visibility of projects for key stakeholders. An independent assessment of Comcare's Portfolio, Program and Project Management Maturity (P3M3) has been conducted. Assessment recommendations will now be prioritised and implemented by the EPMO, with maturity assessments to take place every 2 years. Future areas of focus include benefits management, stakeholder engagement across the portfolio, and an enhanced resource management model.

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

The People Strategy has been developed to support Comcare's current and future workforce. The strategy provides an overarching agenda to achieve an agile, flexible and capable workforce, with the following focus areas identified:

- > Capability and talent – focuses on investing in our employees' capabilities, providing opportunities to develop knowledge and experience, and managing our workforce to ensure we have the agility and capacity to deliver on priorities now and into the future.
- > Culture and engagement – based on our cultural priorities that articulate our approach to work and the behaviours expected of all employees. It also focuses on how we will continue to build an inclusive, open culture that encourages a collaborative, innovative and risk-based approach to work, particularly through times of change.

The strategy has seen us deliver initiatives in support of attraction, performance, development, talent, wellbeing, workforce planning, HR data, and retention.

# HIGHLIGHT

## CLAIMS PAYMENT AUTOMATION USING MEDIPASS

As part of the Claims Management Improvement Program’s objective to implement practices and systems to improve the experience and outcomes for our stakeholders, Comcare delivered the Claims Payment Automation project in 2021–22.

Comcare was manually processing some 110,000 workers’ compensation claims-related invoices for medical and rehabilitation expenses each year. It was recognised that this process was resource intensive and delivered payments within timeframes that could be improved through an automated payment solution.

Comcare engaged Medipass to launch the Medipass invoicing solution for workers’ compensation-related medical and allied health services. This solution provides healthcare providers with a secure, simpler and faster digital invoicing process allowing them to submit and manage invoices for payment through a digital platform. It lessens the administrative burden on providers and reduces the processing and payment time of most invoices to the next business day.

Since its implementation on 25 February 2022, the number of providers adopting the system has increased each month, contributing to an overall improvement in medical and rehabilitation invoice processing times. 89% of these approved invoices are paid within 24 hours and the remaining paid within 48 hours.

These changes will lead to improved claims outcomes and better experiences for providers and employees, ultimately improving the experience of those interacting with Comcare.

Comcare will continue to measure the impact of this innovation over the next 12 months and will collaborate with Medipass and our stakeholders to ensure the ongoing success of the project.



## 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 2021–22 – Page 172  
Comcare Corporate Plan 2021–22 – Page 13

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

The target administrative cost ratio result at the end of 2021–22 is 21.7%, meeting the target.

### Previous results

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

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

The average Commonwealth premium rate is 0.83% for 2022–23. Volatile economic conditions and claim performance related to psychological claims have contributed to the slight increase overall. Our continued financial sustainability, as demonstrated by a relatively stable funding ratio, allowed a 10% discount to be included with premiums.

### Previous results

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)  
2018–19: Achieved – 0.85% (target 1.1% of payroll)  
2017–18: Achieved – 1.06% (target 1.3% 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
--------	--------

<b>5.1.3 Minimum funding ratio of 110%</b>	Achieved
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### Result analysis

The funding ratio for 2021–22 is 124%. Calculated as Comcare’s financial assets divided by Comcare’s outstanding claims liability, the funding ratio demonstrates the financial sustainability of the scheme. The funding ratio allows a 10% discount to be applied to premiums, recognising the favourable performance for most premium payers in the scheme. The modest discount also recognises the potential volatility of the liability, ensuring that we can be responsive should the liability deteriorate unexpectedly.

### Previous results

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

Not reported prior to 2020–21

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

<b>5.1.4 Comcare scheme return to work rate of 85 to 95%</b>	Achieved
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### Result analysis

Comcare achieved a return to work rate of 88% for 2021–22. Comcare continues to focus our rehabilitation initiatives on the employee’s recovery and return to work. We work collaboratively to ensure that stakeholders understand their roles and obligations and can deliver better practice rehabilitation.

Improving return to work outcomes is a key focus. We are committed to influencing timely, safe and durable return to work outcomes, improving suitable employment opportunities for employees, and to promoting better practice return to work strategies.

The continuation of rehabilitation case manager and workplace rehabilitation provider forums and improved monitoring and engagement of workplace rehabilitation providers in 2021–22 all supported improved recovery and return to work outcomes.

### Previous results

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

Not reported prior to 2020–21

**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**

**5.1.5 Comcare scheme notional premium rate = 0.94%**

Achieved

**Result analysis**

For 2021–22 the notional premium rate target has been achieved and is 0.78%. This result is a decrease on last year (0.80% in 2020-21) and is attributed to a decrease in the self-insured licensee notional premium rate.

**Previous results**

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

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

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

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

**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 2021–22 – Page 172  
Comcare Corporate Plan 2021–22 – Page 13

**Target**

**Result**

**5.2.1 Comcare’s employee engagement rating at the organisational level meets or exceeds that from the previous year**

Achieved

**Result analysis**

The engagement index has marginally improved across this period with a rating of 75% in 2022, which is an increase from our engagement index of 74% in 2021. Results indicate that we have an engaged workforce, which was further supported by other responses, and was three percentile above the APS engagement index of 72% in 2022, from an 89% participation rate.

**Previous results**

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>5.2.2 Comcare's wellbeing rating at the organisational level meets or exceeds that from the previous year</b>	Achieved
--	----------

### Result analysis

The wellbeing policies and support index has marginally improved across this period with a rating of 80% in 2022, which is an increase from our wellbeing score of 78% in 2021. Results indicate that we have a sustainable and healthy work environment, with the wellbeing score being 12 percentile above the APS wellbeing index of 68% in 2021, from an 89% participation rate.

### Previous results

2020–21: Not achieved

Not reported prior to 2020–21

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

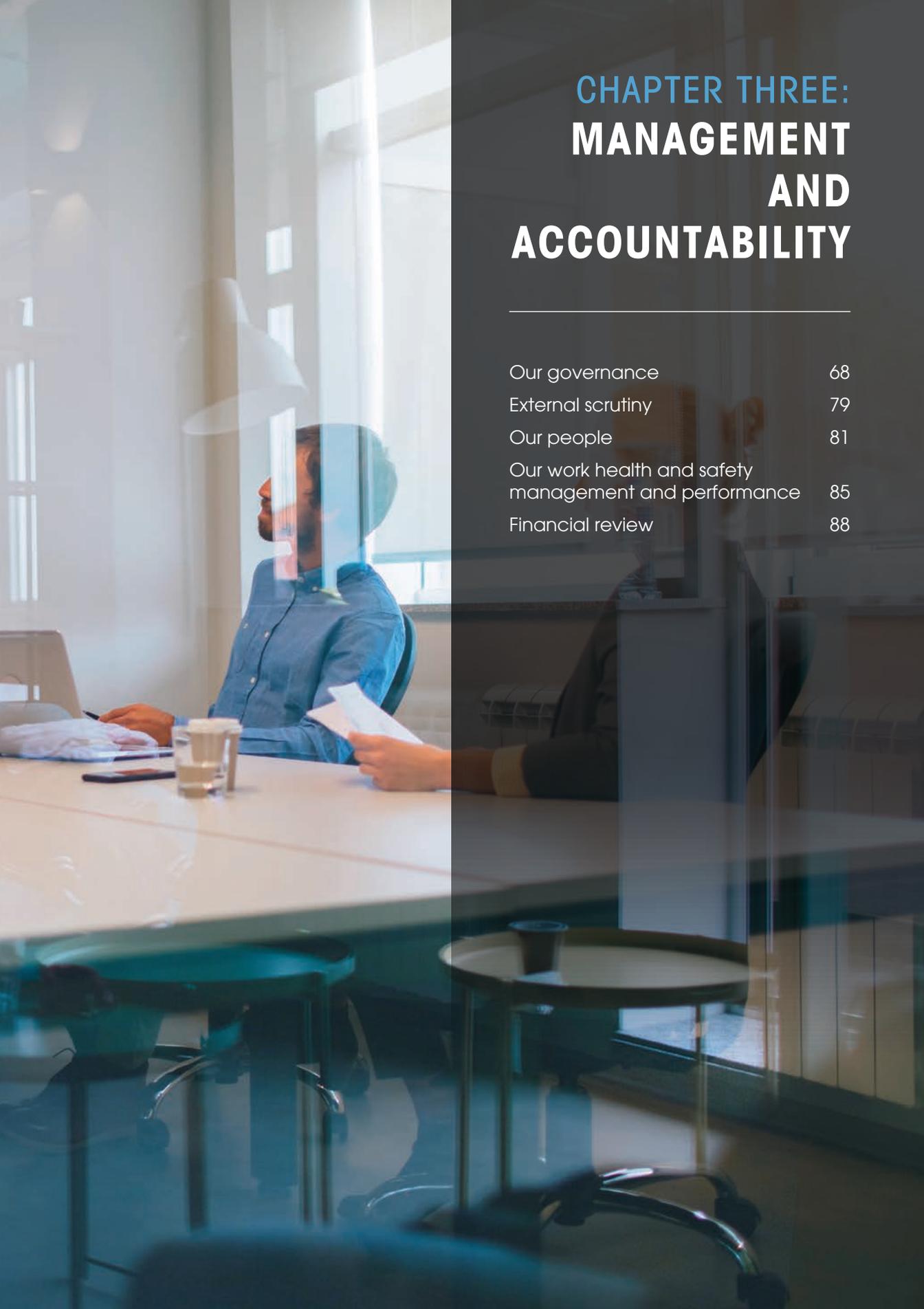
In 2022, 81% of Executive level employees agree that their workgroup has the appropriate skills, capabilities and knowledge to perform well. This is a decrease of 3% for the same question in 2020 (84%). It is noted that a further 12.2% of Executive level employees neither agreed or disagreed with this question in the Census, as compared to 9% in 2021.

### Previous results

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

Not reported prior to 2020–21





## CHAPTER THREE: MANAGEMENT AND ACCOUNTABILITY

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Our governance	68
External scrutiny	79
Our people	81
Our work health and safety management and performance	85
Financial review	88

# OUR GOVERNANCE

Comcare aims for excellence in its governance to promote public trust and confidence. Good governance for Comcare focuses on two 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 was implemented in the previous reporting period and 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 2021–22 Comcare continued to embed the committee structure established in the previous reporting period. There are two 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.

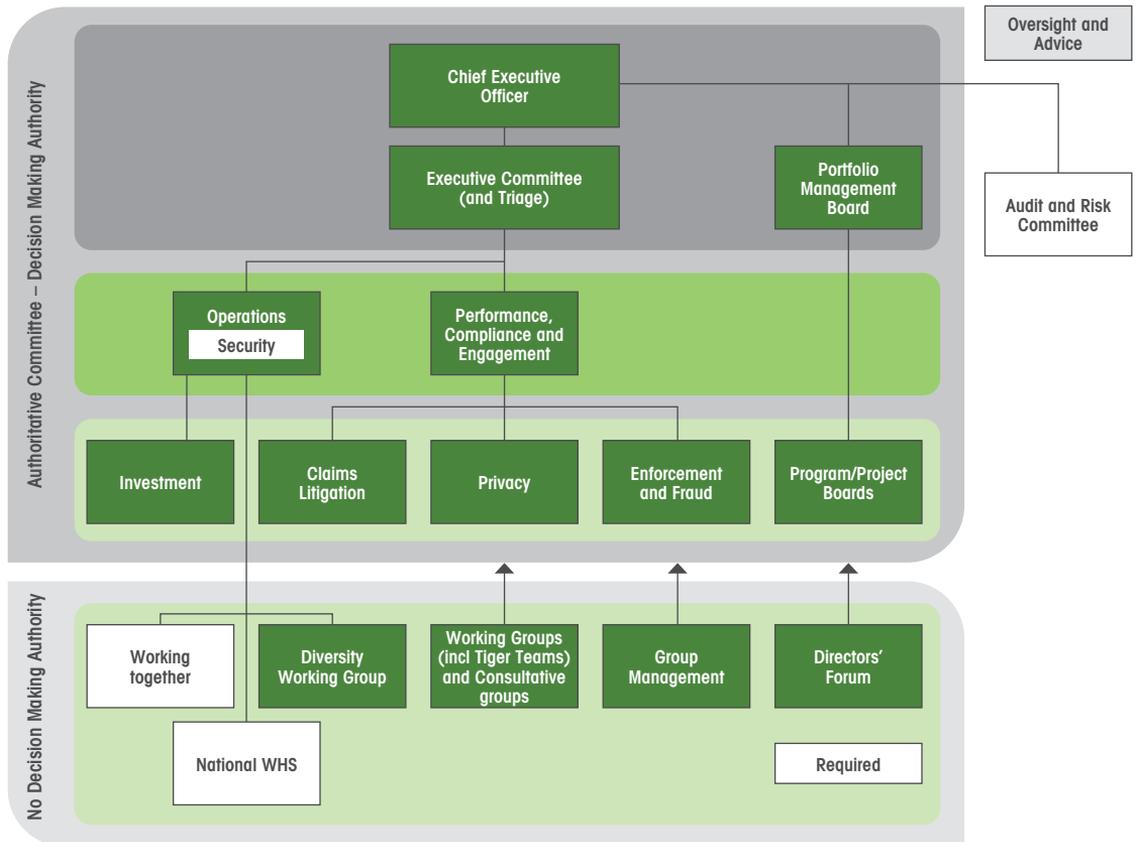
The Executive Committee provides strategic oversight and guidance of Comcare’s overall performance and accountability requirements. This committee is the highest level in Comcare’s governance committee structure. Its responsibilities include:

- > 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 10: Comcare’s governance structure



## Fraud

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

During 2021–22 Comcare:

- > updated our Fraud Control Plan and Fraud Control Policy to align with our new Governance Framework
- > participated in the Australian Institute of Criminology’s annual Fraud against the Commonwealth census
- > extended the coverage of our Fraud Risk Assessments across all our programs and groups
- > held events to promote International Fraud Awareness week 15–19 November 2021.

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

One prosecution was completed in 2021–22 arising from a Comcare investigation. The Accused was convicted and sentenced to a recognisance release order in the sum of \$1,000 security to be of good behaviour for 2 years pursuant to section 20(1)(a) of the *Crimes Act 1914* (Cth). No further conditions were attached.

## 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).

Eight internal audits were presented to the ARC in 2021–22, an increase from two audits in 2020–21. The audits included reviews of Comcare’s performance framework and the implementation of a new governance framework. The audits also assessed management of our programs and management of key risks.

Internal audit recommendations are tracked and reported to the ARC to ensure identified risks are addressed. During 2021–22 there were 53 recommendations made through internal audit reports (compared with eight in the previous year). At the end of 2021–22, 18 recommendations arising from completed audits were closed and 35 recommendations remained open (compared with zero in the previous year).

## Risk management

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

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

Comcare's strategic risks are based on focus areas aligned to our strategic priorities where risk may arise in our operating environment (refer to the Comcare 2021–22 Corporate Plan). Comcare's Executive Committee is responsible for monitoring and maintaining our Strategic Risk Register (SRR). In 2021–22, the SRR was reported quarterly to the Executive Committee and the ARC for external assurance.

During 2021–22 Comcare:

- > reviewed and strengthened our horizon scanning processes to identify emerging issues
- > updated our Risk Management Policy and Risk Management Procedure to align with our new Governance Framework
- > maintained a pandemic risk register with oversight from the Operations Committee
- > promoted Risk Awareness Week in June 2022, with the two events well attended by 250 Comcare employees
- > completed an annual Child Safety Risk Assessment in compliance with the Commonwealth Child Safe Framework.

## Audit and Risk Committee

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

For 2021–22, 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 Australian National Audit Office (ANAO) regularly attend as observers.

There was a transition period in 2021–22 where the outgoing Chairperson, Ms Lisa Woolmer assisted the Committee and incoming Chairperson, Ms Kate Hughes, for the Committee's oversight of Comcare and Seacare Authorities Financial and Performance statements for 2020–21. As part of this transition, Ms Woolmer attended the August 2021 and September 2021 meetings.

### 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 Department of Justice and Community Safety, the Department of Transport and the Australian Prudential Regulation Authority.

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

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

### **Lisa Woolmer (former ARC Chairperson)**

Ms Lisa Woolmer has a background in audit and accounting, including 22 years of professional services experience advising on governance, risk and assurance frameworks and 8 years working as an independent audit and risk committee member.

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

Ms Woolmer's audit and risk committee member/chair experience includes the Adult, Community and Further Education Board, Orygen, Cities of Whitehorse, Glen Eira, Bayside and the Mornington Peninsula Shire in Victoria. Ms Woolmer is also a member of the Audit and Risk Committee at the Australian Securities and Investment Commission and on the Board of the Yarra Yarra Golf Club Ltd.

### **Kevin Noonan (ARC Member)**

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

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

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

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

### **Peter Hughes (ARC Member)**

Mr Peter Hughes has over 35 years' experience as a consulting actuary. Mr Hughes retired in 2016 as a Mercer Partner 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 the First Assistant Secretary at the National Skills Commission (NSC). He is responsible for overseeing the operations of the Commission, which was established to develop intelligence on Australia's labour market, workforce changes and current and emerging skills needs.

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

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

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

### **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	\$22,032.83
Lisa Woolmer (former Chairperson)	<p>Qualifications</p> <ul style="list-style-type: none"> <li>&gt; Bachelor of Economics and a Diploma in Japanese Business Communication from Monash University</li> <li>&gt; Graduate Diploma in Employment Relations from the University of Canberra</li> <li>&gt; Graduate of the Australian Institute of Company Directors and Chartered Accountant</li> </ul> <p>Knowledge, skills and experience</p> <ul style="list-style-type: none"> <li>&gt; Accounting and Financial Management</li> <li>&gt; Audit, Assurance and Risk Management</li> <li>&gt; Governance and Public Administration</li> <li>&gt; Experienced Audit and Risk Committee member</li> </ul>	2/2 Ms Woolmer was only eligible to attend 2 meetings to support the Committee in its obligations for oversight of 2020–21 financial and performance statements.	\$4,752.00
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	\$17,080.00

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	\$16,657.00
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>	5/5	\$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	\$16,692.60

# 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 2021–22.

## Ministerial directions

Comcare received no Ministerial Directions in 2021–22.

## Government general policy orders

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

## Significant non-compliance with finance law

In 2021–22, there were no instances of significant non-compliance with finance law reported to the Minister by Comcare under paragraph 19(1)(e) of the PGPA Act.

## External audit

No external performance audits relating to Comcare were conducted by the ANAO during 2021–2022.

## Freedom of information

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

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

## Office of the Australian Information Commissioner (OAIC)

### Freedom of Information requests for review

During 2021–22, the Office of the Australian Information Commissioner (OAIC) notified Comcare that it had received 9 requests for Information Commissioner reviews of FOI decisions made by Comcare.

Comcare provided submissions in relation to all 9 Information Commissioner reviews. One review was finalised in the period where the application for review was withdrawn. The remaining 8 reviews were ongoing as of 30 June 2022.

### Privacy complaints

During 2021–22, OAIC notified Comcare that it had received one privacy complaint about Comcare's actions.

### Commonwealth Ombudsman

During 2021–22, Comcare received 9 formal investigation enquiries from the Commonwealth Ombudsman.

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

The remaining Commonwealth Ombudsman investigations notified to Comcare in the period remained ongoing as of 30 June 2022.

# OUR PEOPLE

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

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

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

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

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

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

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

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

As at 30 June 2022, we employed 569 ongoing employees and 73 non-ongoing employees based in various locations in Australia. Further details are provided in the tables below.

Table 5: All ongoing employees current report period (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 6: All ongoing employees previous report period (2020–21)

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

Note: Nil employees identified their gender as indeterminate

Table 7: All non-ongoing employees current 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

Table 8: All non-ongoing employees previous report period (2020–21)

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

Note: Nil employees identified their gender as indeterminate

## Executive remuneration

### Content: Corporate, Finance & Assurance, People Property & Security

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 (\$)		(\$)
Susan Weston	Chief Executive Officer	323,962	0	2,908	59,032	(29,801)	0	0	<b>356,101</b>
Aaron Hughes	Acting Chief Executive Officer/ General Manager	245,307	0	27,641	42,277	16,531	0	0	<b>331,756</b>
Vanessa Graham	Chief Operating Officer	177,701	0	26,987	59,555	(14,747)	0	0	<b>249,496</b>
Leanne Blackley	Chief Operating Officer	38,888	0	381	6,628	(4,923)	0	0	<b>40,974</b>
Michael Duke	General Manager	188,113	0	28,096	36,756	(31,259)	0	0	<b>221,706</b>
Justin Napier	General Manager	213,135	0	28,696	34,364	(19,867)	0	0	<b>256,328</b>
Matthew Swainson	General Manager	184,152	0	25,135	28,368	2,388	0	0	<b>240,043</b>
Natalie Bekis	General Manager	75,877	0	10,672	10,937	(343)			<b>97,143</b>
Megan Buick	General Manager	138,864	0	2,025	13,523	1,269	0	0	<b>155,681</b>
Chloë Eaton	Acting General Manager	48,940	0	673	6,155	747	0	0	<b>56,515</b>
<b>Total</b>		<b>1,634,939</b>	<b>0</b>	<b>153,214</b>	<b>297,595</b>	<b>(80,005)</b>	<b>0</b>	<b>0</b>	<b>2,005,743</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*.

# OUR 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:

- > Developed an 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.
- > Implemented a 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.
- > Implemented a program through The Resilience Project to support employees to build internal resilience.
- > Facilitated a four-week challenge walking the Great Ocean Road virtually to promote the importance of physical activity. During this period, 144 employees in 19 teams participated, resulting in 7,817km in distance being covered.
- > Provided employees access to an annual influenza vaccination. For the 2021–22 period, a total of 215 employees received the vaccination through this initiative.
- > Continued the evidence-based mental health coaching service, NewAccess workplace program for all employees, that is a free and confidential service that can be accessed without a GP referral or mental health treatment plan.
- > 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 talk about 'COVID 19 – I thought I was doing okay until now?'. Three hundred employees attended to explore how they can prioritise self-care and support others in response to the ongoing pandemic.
- > Facilitated training for 35 employees in Accidental Counselling.
- > Delivered 81 ergonomic workstation assessments by suitably qualified persons.

## Mental health first aid training

To ensure support is provided to our employees, Comcare continued to provide Mental Health First Aid training to 9 employees across the organisation. A total of 69 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 Accidental Counsellor) assists not only employees in the workplace, but also clients and stakeholders in their interactions across the organisation.

Demonstrating our commitment to mental health and wellbeing, Comcare continues to be accredited as a gold workplace in the Mental Health First Aid Australia Skilled Workplaces Initiative in 2021–22, with accreditation for three years. Comcare is proud to be the first Australian Government agency to be awarded this accreditation.

## Work health and safety

During 2021–22, we matured our work health and safety management system to deliver 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 WHS Strategy was completed, with all initiatives achieved that focused on building and enhancing a positive culture and promoting wellbeing and safety at Comcare. This included the review and maturing of organisational WHS risk assessments via workshop-based consultation and engagement across the organisation.

## WHS training and awareness

During 2021–22, Comcare 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 safe and healthy engagement with other persons, thermal comfort in the office, incident reporting and how to ask R U Ok?.
- > A refresh of the First Aid Officer network and review of first aid facilities, including increasing the number of representatives trained in first aid and upgrading first aid kits and first aid room facilities.
- > Tools and resources were developed and released to support employees 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 workplace health and safety and managing difficult and aggressive customers to build capability and confidence in employees and managers.
- > Workplace inspections coinciding with the return to office-based work.

## 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 2021–22, the EAP usage rate was 17% of the total Comcare workforce, compared to the contract rate of 15%. Comcare employees accounted for 74% of EAP users, with 26% non-Comcare employees (family members). The primary reasons for accessing EAP were categorised as personal concerns (65%) and workplace concerns (35%). Eight 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, 23 employees received support and assistance for early intervention and 9 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 5 notifiable incidents relating to potential transmission of COVID-19 during the course of employment. No statutory enforcements or investigations were required.

## Workers' compensation claims

During 2021–22, there was one new workers' compensation claim accepted. The average weeks lost time increased from 14.5 weeks in 2020–21 to 20.8 weeks in 2021–22. 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 2021–22 financial results demonstrate that Comcare's financial position remains strong, and that the Comcare premium scheme continues to be sustainable.

In 2021–22 Comcare achieved an operating surplus of \$7.5 million. The surplus was mainly due to lower administration costs.

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

Table 10: Comcare financial operating result

	2017–18	2018–19	2019–20	2020–21	2021–22
	\$m	\$m	\$m	\$m	\$m
Workers' compensation premiums	285.2	242.3	163.3	167.4	161.6
Other cost-recovery revenue	36.0	35.5	36.4	37.0	45.0
Interest and other revenue	32.4	36.1	24.0	13.9	9.2
Revenue from government	56.8	60.3	61.2	51.2	44.0
Claim payments	(255.2)	(234.3)	(216.9)	(207.9)	(196.2)
Administration costs (business-as-usual)	(96.8)	(98.5)	(101.1)	(106.8)	(107.7)
Administration expenses (projects)	(5.8)	(4.2)	(4.2)	(6.9)	(9.0)
Administration costs (finance costs)	0.0	(2.2)	(3.2)	(7.2)	(0.9)
<b>Surplus of revenue over expenses</b>	<b>52.6</b>	<b>35.0</b>	<b>(40.5)</b>	<b>(59.3)</b>	<b>(54.0)</b>
<b>Movement in claims provisions and appropriations receivable</b>					
Movement in provisions for outstanding claims liabilities	301.9	81.7	124.3	88.9	150.3
Available funding from movement in claims provisions <sup>1</sup>	(346.8)	(117.1)	(92.9)	(37.6)	(88.8)
<b>Surplus/(deficit) on continuing operations</b>	<b>7.7</b>	<b>(0.4)</b>	<b>(9.1)</b>	<b>(8.0)</b>	<b>7.5</b>
<b>Net equity</b>	<b>22.9</b>	<b>23.0</b>	<b>17.2</b>	<b>9.1</b>	<b>22.7</b>
<b>Cash and cash equivalents</b>	<b>1,028.2</b>	<b>1,005.1</b>	<b>986.6</b>	<b>943.8</b>	<b>497.3</b>

<sup>1</sup> Available funding reduced due to favourable movements in premium and common law asbestos-related claims provision in 2017–18, 2018–19, 2019–20, 2020–21 and 2021–22.

## Premium scheme

The financial position of Comcare's premium scheme continues to be strong in 2021–22. At 30 June 2021, Comcare's funding ratio was 124%, a small decrease compared to last year's result of 129%. This represents the fifth consecutive year that the premium scheme funding ratio has exceeded Comcare's minimum funding ratio of 110%.

The positive funding ratio represents a surplus of premium funds of \$401.5 million (\$482.0 million in 2020–21) available to settle claims liabilities.

Table 11: Comcare historical funding ratio

	2017–18	2018–19	2019–20	2020–21	2021–22
Funding ratio	116%	131%	128%	129%	124%

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

- > an increase in net premium scheme liabilities of \$18 million and
- > a decrease in premium scheme assets of \$62.5 million.

Net premium scheme liabilities increased by \$18 million, mainly due to higher inflation expectations, higher mental disease claims frequency and claimants remaining on incapacity benefit payments longer.

Comcare's net premium scheme liabilities at 30 June 2022 were \$1.664 billion.

Table 12: Comcare historical net premium liabilities

	2017–18	2018–19	2019–20	2020–21	2021–22
	\$m	\$m	\$m	\$m	\$m
Net premium liabilities	2,192	1,665	1,708	1,646	1,664

## Administrative Cost

Comcare's administration cost ratio was 21.7%, which was within the target range of 15 to 25%.

## Premium Rate

The average 2022–23 premium rate is 0.83% of wages, which is less than the Comcare target of 1.0%.

Due to the strong financial results in recent years, Comcare has significantly reduced premiums. Over the past four years, Comcare's annual premiums have reduced by \$123.6 million from \$285.2 million per annum to \$161.6 million per annum.



Accounts	32,0
Notes Payable	112,0
Accrued Expense	255,
	35
<b>TOTAL CURRENT LIABILITIES</b>	<b>434</b>
<b>NON-CURRENT LIABILITIES :</b>	<b>50</b>
Long - Term Loan from Financial	35
Debenture	8
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>1,2</b>
<b>TOTAL LIABILITIES</b>	
<b>EQUITY</b>	
Capital	
Authorized Share Capital	10
100,000 Ordinary Shares Par Value Baht 10.00)	
Preferred Share Capital	

# CHAPTER FOUR: FINANCIAL STATEMENTS

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62	30,653	20,658	12,000
000	92,756	98,871	75,000
000	175,416	245,600	147,000
,260	28,445	30,526	25,800
,322	327,270	395,655	260,500
0,000	400,000	500,000	400,000
50,000	200,000	350,000	200,000
50,000	600,000	850,000	600,000
284,322	927,270	1,245,655	850,000
0,000,000	10,000,000	10,000,000	10,000,000
1,000,000	1,000,000	1,000,000	1,000,000
	165,000	165,000	165,000



## 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 2022:

- (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 2022 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 2022 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

#### Basis for opinion

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

#### Accountable Authority's responsibility for the financial statements

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

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for

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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**

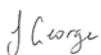
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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



Jodi George  
Senior Executive Director  
Delegate of the Auditor-General

Canberra  
19 September 2022

# COMCARE FINANCIAL STATEMENTS

*for the year ended 30 June 2022*

## Contents

### Certification

### Primary Financial Statements

- Statement of comprehensive income
- Statement of financial position
- Statement of changes in equity
- Cash flow statement

### Overview

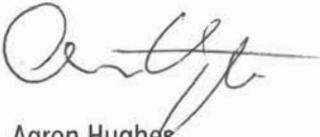
### Notes to the Financial Statements

1. Departmental financial performance
  - 1.1 Expenses
  - 1.2 Own-source revenue and gains
2. Departmental financial position
  - 2.1 Financial assets
  - 2.2 Non-financial assets
  - 2.3 Payables
  - 2.4 Interest bearing liabilities
  - 2.5 Provisions
3. Funding
  - 3.1 Cash flow reconciliation
  - 3.2 Regulatory Charging Summary
4. People and relationships
  - 4.1 Employee provisions
  - 4.2 Key management personnel remuneration
  - 4.3 Related party disclosures
5. Managing uncertainties
  - 5.1 Contingent assets and liabilities
  - 5.2 Remuneration of auditors
  - 5.3 Financial instruments
  - 5.4 Fair value measurement
6. Other information
  - 6.1 Current/Non-current distinction for assets and liabilities
  - 6.2 Assets held in trust
  - 6.3 Reporting of outcomes
  - 6.4 Budgetary variances commentary

## Statement by the Accountable Authority and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2022 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.



Aaron Hughes  
*Accountable Authority and  
Acting Chief Executive Officer*

16 September 2022



Seyhan Aka  
*Chief Financial Officer*

16 September 2022

## Comcare Statement of comprehensive income

for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000	2022 Original Budget \$'000
<b>Net cost of services</b>				
<b>Expenses</b>				
Employee benefits	1.1A	71,854	70,019	77,819
Suppliers	1.1B	32,770	28,207	31,842
Depreciation and amortisation	2.2A	10,748	12,911	12,778
Finance costs	1.1C	943	7,302	40
Write-downs and impairment of assets	1.1D	1,213	2,108	-
Losses from asset sales		-	263	-
Workers' compensation claims expense	1.1E	182,136	185,740	175,823
Common law asbestos-related disease claims expense	1.1F	14,067	22,154	24,447
<b>Total expenses</b>		<b>313,731</b>	<b>328,704</b>	<b>322,749</b>
<b>Own-source income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	1.2A	209,841	206,566	199,059
Interest	1.2B	3,375	8,468	4,027
Rental income	1.2C	1,334	246	370
Other revenue		944	1,063	250
<b>Total own-source revenue</b>		<b>215,494</b>	<b>216,343</b>	<b>203,706</b>
<b>Gains</b>				
Gains from movement in workers' compensation claims provision	1.2D	10,329	88,438	80,223
Gains from movement in common law asbestos-related disease claims provision	1.2E	139,949	420	35,980
Other gains	1.2F	329	1,940	-
<b>Total gains</b>		<b>150,607</b>	<b>90,798</b>	<b>116,203</b>

		2022	2021	2022 Original Budget
	Notes	\$'000	\$'000	\$'000
<b>Total own-source income</b>		<b>366,101</b>	307,141	319,909
<b>Net (cost of)/contribution by services</b>		<b>52,370</b>	(21,563)	(2,840)
Revenue from Government	1.2G	<b>43,997</b>	51,151	55,796
Available funding from movement in claims provision	1.2H	<b>(88,825)</b>	(37,635)	(52,956)
<b>Surplus/(Deficit) on continuing operations</b>		<b>7,542</b>	(8,047)	-
<b>Other comprehensive income</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation reserve (net)		<b>6,069</b>	(58)	-
<b>Total other comprehensive income/(loss)</b>		<b>6,069</b>	(58)	-
<b>Total comprehensive income/(loss)</b>		<b>13,611</b>	(8,105)	-

The above statement should be read in conjunction with the accompanying notes.  
Budgetary variance commentary is provided in Note 6.4.

## Comcare Statement of financial position

as at 30 June 2022

	Notes	2022 \$'000	2021 \$'000	2022 Original Budget \$'000
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	2.1A	497,288	943,772	871,551
Trade and other receivables	2.1B	2,144,866	2,192,977	2,095,606
Other financial assets	2.1C	9,656	5,218	5,532
<b>Total financial assets</b>		<b>2,651,810</b>	3,141,967	2,972,689
<b>Non-financial assets<sup>1</sup></b>				
Buildings	2.2A	37,741	14,219	8,688
Plant and equipment	2.2A	2,617	3,309	2,534
Computer software	2.2A	9,116	7,553	20,355
Other non-financial assets	2.2B	1,531	1,446	1,382
<b>Total non-financial assets</b>		<b>51,005</b>	26,527	32,959
<b>Total assets</b>		<b>2,702,815</b>	3,168,494	3,005,648
<b>Liabilities</b>				
<b>Payables</b>				
Suppliers	2.3A	2,696	348,430	338,644
Workers' compensation claims payable	2.3B	5,055	6,932	8,010
Other payables	2.3C	3,690	2,932	1,383
<b>Total payables</b>		<b>11,441</b>	358,294	348,037
<b>Interest bearing liabilities</b>				
Leases	2.4A	31,162	12,030	7,846
<b>Total interest bearing liabilities</b>		<b>31,162</b>	12,030	7,846

		2022	2021	2022 Original
	Notes	\$'000	\$'000	Budget
				\$'000
<b>Provisions</b>				
Employee provisions	4.1	17,412	19,133	20,612
Workers' compensation claims	2.5A, D, E, F	1,923,887	1,938,946	1,873,295
Common law asbestos-related disease claims	2.5B, G	695,593	830,200	735,980
Other provisions	2.5C	607	789	2,670
<b>Total provisions</b>		<b>2,637,499</b>	2,789,068	2,632,557
<b>Total liabilities</b>		<b>2,680,102</b>	3,159,392	2,988,440
<b>Net assets</b>		<b>22,713</b>	9,102	17,208
<b>Equity</b>				
Contributed equity		7,717	7,717	7,717
Reserves		9,311	3,479	4,025
Retained surplus		5,685	(2,094)	5,466
<b>Total equity</b>		<b>22,713</b>	9,102	17,208

<sup>1</sup> Right-of-use assets include Buildings, and Plant and Equipment.

The above statement should be read in conjunction with the accompanying notes. Budgetary variance commentary is provided in Note 6.4.

## Comcare Statement of changes in equity

for the period ended 30 June 2022

	Retained earnings		Asset revaluation surplus		Contributed equity		Total equity	
	2022		2022		2022		2022	
	2021	Original	2021	Original	2021	Original	2021	Original
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance carried forward from the previous period	5,466	5,466	4,025	4,025	7,717	7,717	9,102	17,208
Adjusted opening balance	(2,094)	5,466	4,025	4,025	7,717	7,717	9,102	17,208
<b>Comprehensive income</b>								
Surplus/(Deficit) for the period	7,542	(8,047)	-	-	-	-	13,611	(8,047)
Revaluation adjustment	237	487	(237)	(546)	-	-	-	(59)
<b>Total comprehensive income/(loss)</b>	<b>7,779</b>	<b>(7,560)</b>	<b>5,832</b>	<b>(546)</b>	<b>-</b>	<b>-</b>	<b>13,611</b>	<b>(8,106)</b>
<b>Closing balance as at 30 June</b>	<b>5,685</b>	<b>(2,094)</b>	<b>9,311</b>	<b>3,479</b>	<b>7,717</b>	<b>7,717</b>	<b>22,713</b>	<b>9,102</b>

The above statement should be read in conjunction with the accompanying notes.  
Budgetary variance commentary is provided in Note 6.4.

## Comcare Cash flow statement

for the period ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000	2022 Original Budget \$'000
<b>Operating activities</b>				
<b>Cash received</b>				
Sales of goods and rendering of services		42,979	38,421	44,678
Receipts from Government		59,527	57,858	55,796
Interest		3,964	9,786	4,027
Workers' compensation premiums		161,572	167,395	155,000
GST received from customers		14,910	16,646	15,980
Net GST received		25,322	-	-
Other		2,425	1,309	-
<b>Total cash received</b>		<b>310,699</b>	<b>291,415</b>	<b>275,481</b>
<b>Cash used</b>				
Employees		72,280	69,945	71,184
GST paid to suppliers		40,235	5,924	6,959
Net GST paid		-	10,719	9,021
Suppliers		32,239	27,572	38,477
Interest payments on lease liabilities		171	93	40
Workers' compensation claims		182,783	187,171	200,270
Workers compensation scheme exit payments		354,890	-	-
Common law asbestos-related disease claims		14,067	22,154	-
Payments to OPA		50,361	-	-
<b>Total cash used</b>		<b>747,026</b>	<b>323,577</b>	<b>325,951</b>
<b>Net cash from/(used by) operating activities</b>	3.1	<b>(436,327)</b>	<b>(32,162)</b>	<b>(50,470)</b>

		2022	2021	2022 Original
	Notes	\$'000	\$'000	Budget
				\$'000
<b>Investing activities</b>				
<b>Cash used</b>				
Purchase of property, plant and equipment	A1	4,195	3,478	10,109
<b>Total cash used</b>		<b>4,195</b>	<b>3,478</b>	<b>10,109</b>
<b>Net cash from/(used by) investing activities</b>		<b>(4,195)</b>	<b>(3,478)</b>	<b>(10,109)</b>
<b>Financing activities</b>				
<b>Cash used</b>				
Principal payments of lease liabilities		5,962	7,164	7,477
<b>Total cash used</b>		<b>5,962</b>	<b>7,164</b>	<b>7,477</b>
<b>Net cash from/(used by) financing activities</b>		<b>(5,962)</b>	<b>(7,164)</b>	<b>(7,477)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(446,484)</b>	<b>(42,804)</b>	<b>(68,056)</b>
Cash and cash equivalents at the beginning of the reporting period		943,772	986,576	939,607
<b>Cash and cash equivalents at the end of the reporting period</b>	2.1A	<b>497,288</b>	<b>943,772</b>	<b>871,551</b>

The above statement should be read in conjunction with the accompanying notes. Budgetary 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
Exposure Draft ED 319 Insurance Contracts in the Public Sector	1 July 2025	ED 319 applies AASB 17 Insurance Contracts to not-for-profit public sector entities. The impact is expected to be minimal.

<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 2022 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 2022 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. 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 2022 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.

### Premium business

The value of the provision for premium claims liability has increased by \$21 million in 2021–22 (\$62 million decrease in 2020–21).

Changes to premium claims liability	\$' million
<b>Opening balance of gross liability as at 1 July 2021</b>	<b>1,653</b>
Roll forward to 30 June 2022 valuation date	(35)
<b>Projected gross liability as at 30 June 2022</b>	<b>1,617</b>
Alignment of inflation bases	10
Changes in economic assumptions	(74)
Number of active incapacity and/or medical claims	29
Number of new claimants receiving incapacity and/or medical payments	21
Shorter-term continuance rates	20
Longer-term continuance rates, including effect of retirement	30
Changes in claims administration expenses	16
Assumed average quarterly payments	6
Asbestos experience and model changes	(1)
<b>Closing balance of gross liability as at 30 June 2022</b>	<b>1,674</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 valuation estimate is extremely sensitive to the assumed longer-term continuance rates (for claims of 15 or more years since injury). Past longer-term continuance rates have shown considerable variability from year to year and estimates of future longer-term continuance rates are highly uncertain. If continuance rates for incapacity and medical payments were to reach levels 0.5% higher than those assumed for this valuation the central estimate of the liability would increase by around \$99 million. However, if experience were to move in the opposite direction by the same amount, then the liability would decrease by around \$79 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 \$96 million. However, if experience was 0.5% lower than forecast, the central estimate of liability would decrease by \$83 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 2021–22 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 \$23 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 2020–21) has been applied to the central estimate for premium claims liabilities and 17% (16.5% in 2020–21) for pre-premium claims liabilities, which gives an intended 75% probability of sufficiency. The probability of sufficiency remain unchanged from 2020–21.

### 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 -\$140 million to +\$41 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 40% of the central estimate).

## Disclosure of funding for Comcare

### Premium Business

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

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

Prior to being repealed (effective 1 July 2002), subsection 90A of the SRC Act required that premiums collected by Comcare be paid to the Australian Government. These funds will be returned to Comcare through parliamentary appropriations as required for payment of claims relating to incidents occurring after 1 July 1989. As at 30 June 2022 the notional balance of these funds was \$1,603.0 million (2021: \$1,596.2 million). This appropriation is only payable to Comcare after it has exhausted all of its retained funds. Premiums received from 1 July 2002 are retained by Comcare.

The funds held with the Australian Government earned notional interest of \$6.8 million in 2021-22 (2021: \$1.0 million) calculated as part of the requirements of section 90C of the SRC Act. This interest was added to the balance of the notional reserve as at 30 June 2021. The interest rate is calculated under the determination made by the Finance Minister made under section 90C(3).

Independent actuarial assessment has established the estimated liability for the premium business claims as at 30 June 2022 is \$1,674.0 million (2021: \$1,652.8 million).

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

	Note	2022 \$'000	2021 \$'000
Net premiums held in the Commonwealth Consolidated Revenue Fund <sup>1</sup>		1,603,016	1,596,198
Cash and cash equivalents		462,133	531,486
Actuary assessed third party recoveries		10,324	7,154
Actuary assessed gross outstanding liability for payment of premium related claims <sup>2</sup>	2.5D	(1,673,969)	(1,652,846)
<b>Surplus funds in excess of claims liabilities</b>		<b>401,504</b>	<b>481,992</b>

<sup>1</sup> \$1,212.4 million has been recognised as a receivable from the Commonwealth Consolidated Revenue Fund as at 30 June 2022 (2021: \$1,125.5 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 2.5E for Commonwealth latent mental disease claims provision.

### Pre-premium business

Workers' compensation claims resulting from injuries that occurred prior to 1 July 1989 are referred to as 'pre-premium' claims. Expenses associated with these claims are funded from Australian Government special appropriations. Independent actuarial assessment has established the outstanding liability estimate for these claims as at 30 June 2022 is \$238.6 million (2021: \$274.8 million).

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

	Note	2022 \$'000	2021 \$'000
Special appropriation receivable		237,358	290,089
Cash and cash equivalents		1,260	(15,289)
Actuary assessed gross outstanding liability for payment of pre-premium related claims	2.5F	(238,618)	(274,800)
<b>Surplus funds in excess of claims liabilities</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 2022 is \$695.6 million (2021: \$830.2 million).

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

		2022	2021
	Note	\$'000	\$'000
Special appropriation receivable		545,528	634,090
Cash and cash equivalents		14,243	65,630
Actuary assessed third party recoveries		135,822	130,480
Actuary assessed gross outstanding liability for payment of asbestos-related claims	2.5G	(695,593)	(830,200)
<b>Surplus funds in excess of claims liabilities</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 2022

2022	2021
\$'000	\$'000

### Note 1.1: Expenses

#### 1.1A Employee benefits

Wages and salaries	<b>55,343</b>	53,417
Superannuation		
Defined contribution plans	<b>7,572</b>	7,642
Defined benefit plans	<b>2,369</b>	1,696
Leave and other entitlements	<b>5,186</b>	5,568
Separation and redundancies	<b>206</b>	1,364
Other	<b>1,178</b>	332
<b>Total employee benefits</b>	<b>71,854</b>	70,019

### Accounting policy

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

#### 1.1B Suppliers

##### Goods and services supplied or rendered

Consultants	<b>875</b>	567
Legal expenses	<b>2,463</b>	2,625
Contractors	<b>6,069</b>	3,962
Fees for professional services	<b>6,038</b>	5,988
External claims services	<b>3,393</b>	2,521
Education and conference delivery	<b>1,070</b>	104
Information communication technology	<b>7,266</b>	6,490
Property services	<b>1,545</b>	1,615
Travel	<b>502</b>	209
Other	<b>2,796</b>	3,112
<b>Total goods and services supplied or rendered</b>	<b>32,017</b>	27,193

	2022	2021
	\$'000	\$'000
Goods supplied	296	213
Services rendered	31,721	26,980
<b>Total goods and services supplied or rendered</b>	<b>32,017</b>	<b>27,193</b>
<b>Other suppliers</b>		
Workers' compensation expenses	753	1,014
<b>Total other suppliers</b>	<b>753</b>	<b>1,014</b>
<b>Total suppliers</b>	<b>32,770</b>	<b>28,207</b>

Comcare has no short-term lease commitments as at 30 June 2022.

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	171	93
Unwinding of discount	4	1
Interest expense	768	7,208
<b>Total finance costs</b>	<b>943</b>	<b>7,302</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.

	2022 \$'000	2021 \$'000
<b>1.1D Write-downs and impairment of assets</b>		
Write-down of trade receivables	1,128	-
Write-down of property, plant and equipment	85	-
Impairment of intangible assets	-	2,108
<b>Total write-downs and impairment of assets</b>	<b>1,213</b>	<b>2,108</b>
<b>1.1E Workers' compensation claims expense</b>		
Workers' compensation claims expenses paid and payable (net)	182,136	185,740
<b>Total workers' compensation claims expense</b>	<b>182,136</b>	<b>185,740</b>
<b>Premium claims expense</b>		
Incapacity	111,236	110,901
Legal including common law	14,125	16,760
Medical, travel and other	44,306	44,352
	<b>169,667</b>	<b>172,013</b>
(Less): Recoveries from third parties	<b>(3,988)</b>	<b>(1,466)</b>
<b>Total premium claims expense</b>	<b>165,679</b>	<b>170,547</b>
<b>Pre-premium claims expense</b>		
Incapacity	4,904	3,668
Legal, including common law	276	666
Medical, travel and other	11,277	10,874
	<b>16,457</b>	<b>15,208</b>
(Less): Recoveries from third parties	-	(15)
<b>Total pre-premium claims expense</b>	<b>16,457</b>	<b>15,193</b>
<b>1.1F Common law asbestos-related disease claims expense</b>		
Common law asbestos-related disease claim payment	14,067	22,154
<b>Total common law asbestos-related disease claims expense</b>	<b>14,067</b>	<b>22,154</b>

2022	2021
\$'000	\$'000

## Note 1.2: Own-source revenue and gains

### Own-source revenue

#### 1.2A Revenue from contracts with customers

Rendering of services	<b>209,841</b>	206,566
<b>Total revenue from contracts with customers</b>	<b>209,841</b>	206,566

#### Disaggregation of revenue from contracts with customers

Major service:

Premium

Australian Government entities (related parties)	<b>158,284</b>	164,259
External entities	<b>3,288</b>	3,136

Regulatory contribution	<b>23,456</b>	18,651
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Licence fees	<b>21,586</b>	18,201
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Other	<b>3,227</b>	2,319
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<b>209,841</b>	206,566
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### Accounting policy

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

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

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

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

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

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

	2022	2021
	\$'000	\$'000
<b>1.2B Interest</b>		
Cash on deposit	3,375	8,468
<b>Total interest</b>	<b>3,375</b>	<b>8,468</b>

## Accounting policy

Interest revenue is recognised using the effective interest method.

### 1.2C Rental Income

Operating Lease		
Subleasing right-of-use assets	1,334	246
<b>Total Rental Income</b>	<b>1,334</b>	<b>246</b>

### Operating Leases

A sub-lease for rental of office fitout was entered into on 1 July 2021 with the National Recovery and Resilience Agency (NRRRA). The sub-lease is for the period 1 July 2021 to 29 June 2023. Prior to this arrangement there was a Memorandum of Understanding between Comcare and NRRRA for rental of office space.

### Maturity analysis of operating lease income receivables:

Within 1 year	1,374	1,334
One to two years	-	1,374
	<b>1,374</b>	<b>2,708</b>

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

	2022	2021
	\$'000	\$'000
<b>1.2D Gains from the movement in workers' compensation claims provision</b>		
Gains from the movement in workers' compensation claims provision	10,329	88,438
<b>Total gains from the movement in workers' compensation claims provision</b>	<b>10,329</b>	<b>88,438</b>
<b>Represented by:</b>		
<b>Gains/(Losses) from the movement in premium claims provision</b>		
Movements during reporting period:		
Premium claims provision	(29,024)	60,436
Recoveries receivable	3,170	169
<b>Total gains/(losses) from the movement in premium claims provision</b>	<b>(25,854)</b>	<b>60,605</b>
<b>Gains/(Losses) from the movement in Commonwealth latent mental disease claims provision</b>		
Movements during reporting period:		
Commonwealth latent mental disease claims provision	-	(150)
<b>Total gains/(losses) from the movement in Commonwealth latent mental disease claims provision</b>	<b>-</b>	<b>(150)</b>
<b>Gains/(Losses) from the movement in pre-premium claims provision</b>		
Movements during reporting period:		
Pre-premium claims provision	36,183	27,983
<b>Total gains/(losses) from the movement in pre-premium claims provision</b>	<b>36,183</b>	<b>27,983</b>
<b>1.2E Gains/(losses) from the movement in common law asbestos-related disease claims provision</b>		
Movements during reporting period:		
Asbestos claims provision	134,607	(560)
Recoveries receivable	5,342	980
<b>Total gains/(losses) from the movement in common law asbestos-related disease claims provision</b>	<b>139,949</b>	<b>420</b>

	2022	2021
	\$'000	\$'000
<b>1.2F Other gains</b>		
Gains arising from derecognition of make good	111	1,940
Gains arising from end of lease ROU asset write backs	218	-
<b>Total other gains</b>	<b>329</b>	<b>1,940</b>
<b>1.2G Revenue from Government</b>		
<b>Attorney-General's Department</b>		
Corporate Commonwealth entity payment item	5,846	5,870
Grants from portfolio department	38,151	45,281
<b>Total revenue from Government</b>	<b>43,997</b>	<b>51,151</b>
<b>1.2H Available funding from movement in claims provision</b>		
Available funding from movement in claims provisions	(88,825)	(37,635)
<b>Total available funding from movement in claims provision</b>	<b>(88,825)</b>	<b>(37,635)</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.

2022	2021
\$'000	\$'000

### Note 2.1: Financial assets

#### 2.1A Cash and cash equivalents

Cash at bank and on hand	1,772	1,239
Deposits at call	40,516	22,533
Term deposits	455,000	920,000
<b>Total cash and cash equivalents</b>	<b>497,288</b>	<b>943,772</b>

The closing balance of Cash and cash equivalents does not include amounts held in trust: \$1.6 million in 2022 and \$1.7 million in 2021. 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 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	193	1,576
<b>Total goods and services receivable</b>	<b>193</b>	<b>1,576</b>

##### Appropriations receivable

For existing programs*	1,995,691	2,049,685
<b>Total appropriations receivable</b>	<b>1,995,691</b>	<b>2,049,685</b>

	2022 \$'000	2021 \$'000
<b>Other receivables</b>		
Third party claims recoveries receivable - workers' compensation claims	10,324	7,154
Third party claims recoveries receivable - common law asbestos-related claims	135,822	130,480
Claims recoveries	4,734	7,366
GST receivable from the Australian Taxation Office	696	692
Other	(19)	-
<b>Total other receivables</b>	<b>151,556</b>	145,692
<b>Total trade and other receivables (gross)</b>	<b>2,147,440</b>	2,196,953
<b>(Less) impairment loss allowance</b>		
Claims recoveries	(2,574)	(3,976)
<b>Total impairment loss allowance</b>	<b>(2,574)</b>	(3,976)
<b>Total trade and other receivables (net)</b>	<b>2,144,866</b>	2,192,977
* 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.		
<b>Trade and other receivables (net) expected to be recovered in:</b>		
No more than 12 months	67,079	33,298
More than 12 months	2,077,787	2,159,679
<b>Total trade and other receivables (net)</b>	<b>2,144,866</b>	2,192,977

Credit terms for goods and services were within 30 days (2021: 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 2022

	Goods and services \$'000	Other receivables \$'000	Total \$'000
<b>As at 1 July 2021</b>	-	<b>3,976</b>	<b>3,976</b>
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>2,574</b>	<b>2,574</b>

### Movements in relation to 2021

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

	2022 \$'000	2021 \$'000
<b>2.1C Other financial assets</b>		
Interest accrued	<b>1,380</b>	1,969
Revenue accrued	<b>8,276</b>	3,249
<b>Total other financial assets</b>	<b>9,656</b>	5,218
<b>Other financial assets expected to be recovered</b>		
No more than 12 months	<b>9,656</b>	5,218
<b>Total other financial assets</b>	<b>9,656</b>	5,218

## Note 2.2: Non-financial assets

### 2.2A Reconciliation of the opening and closing balances of property, plant and equipment and intangibles (2022)

	Buildings \$'000	Plant and equipment \$'000	Computer software \$'000	Total \$'000
<b>As at 1 July 2021</b>				
Gross book value	50,341	8,254	24,723	83,318
Accumulated depreciation/amortisation	(36,122)	(4,945)	(17,170)	(58,237)
<b>Total as at 1 July 2021</b>	<b>14,219</b>	<b>3,309</b>	<b>7,553</b>	<b>25,081</b>
<b>Additions:</b>				
By purchase	424	725	-	1,149
By internally developed	-	-	3,136	3,136
Right-of-use assets	29,768	23	-	29,791
<b>Depreciation and amortisation expense</b>	<b>(1,177)</b>	<b>(1,652)</b>	<b>(1,573)</b>	<b>(4,402)</b>
Depreciation on right-of-use assets	(6,247)	(99)	-	(6,346)
<b>Disposals:</b>				
Cost of assets disposed	(16,524)	(264)	(3,705)	(20,493)
Add write back of depreciation on disposals	11,636	223	3,705	15,564
Net asset disposals	(4,888)	(41)	-	(4,929)
<b>Revaluations:</b>				
Revaluation of assets - net value cost	15	(2)	-	13
Add write back of depreciation on revaluation	5,627	354	-	5,981
Net revaluation	5,642	352	-	5,994
<b>Net book value 30 June 2022</b>	<b>37,741</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	64,024	8,736	24,154	96,914
Accumulated depreciation/amortisation	(26,283)	(6,119)	(15,038)	(47,440)
<b>Net book value 30 June 2022</b>	<b>37,741</b>	<b>2,617</b>	<b>9,116</b>	<b>49,474</b>

#### Revaluations of non-financial assets

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 (2021)

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

## Accounting policy

### Acquisition of assets

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

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they are recognised in the transferor's accounts, immediately prior to the restructuring.

### **Asset recognition threshold**

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than where these items form part of a group of similar items which are significant in total).

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

### **Leased right-of-use (ROU) assets**

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

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

### **Revaluations**

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class by class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent 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:

	2022	2021
Office machines and equipment	<b>2 to 10 years</b>	2 to 10 years
Leasehold improvements	<b>Lease term</b>	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 2022 by 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 (2021: 3 to 15 years).

All software assets were assessed by Comcare officers for indications of impairment as at 30 June 2022.

	2022 \$'000	2021 \$'000
<b>2.2B Other non-financial assets</b>		
Prepayments	1,531	1,446
<b>Total other non-financial assets</b>	<b>1,531</b>	<b>1,446</b>
<b>Other non-financial assets are expected to be recovered in:</b>		
No more than 12 months	1,486	1,401
More than 12 months	45	45
<b>Total other non-financial assets</b>	<b>1,531</b>	<b>1,446</b>

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

## Note 2.3: Payables

	2022 \$'000	2021 \$'000
<b>2.3A Suppliers</b>		
Trade creditors and accruals	2,696	348,430
<b>Total supplier payables</b>	<b>2,696</b>	<b>348,430</b>
<b>Suppliers expected to be settled in:</b>		
No more than 12 months	2,696	348,430
<b>Total suppliers expected to be settled</b>	<b>2,696</b>	<b>348,430</b>
Settlement is usually made within 30 days (2021: 30 days).		
<b>2.3B Workers' compensation claims payable</b>	<b>5,055</b>	<b>6,932</b>
<b>Workers' compensation claims payable expected to be settled in:</b>		
No more than 12 months	5,055	6,932
<b>Total workers' compensation claims payable</b>	<b>5,055</b>	<b>6,932</b>
<b>2.3C Other payables</b>		
Income in advance	207	724
Salaries and wages	1,617	1,224
Superannuation	230	186
Other	1,636	798
<b>Total other payables</b>	<b>3,690</b>	<b>2,932</b>
<b>Other payables expected to be settled in:</b>		
No more than 12 months	3,435	2,677
More than 12 months	255	255
<b>Total other payables</b>	<b>3,690</b>	<b>2,932</b>

## Note 2.4: Interest bearing liabilities

	2022	2021
	\$'000	\$'000

### 2.4A Leases

Lease liabilities	31,162	12,030
<b>Total leases</b>	<b>31,162</b>	<b>12,030</b>

Total cash outflow for leases for the year ended 30 June 2022 was \$5,921,764. (2021: \$7,257,224).

#### Maturity analysis - contractual undiscounted cash flows

Within 1 year	6,001	7,164
Between 1 to 5 years	21,666	5,465
More than 5 years	4,409	-
<b>Total leases</b>	<b>32,076</b>	<b>12,629</b>

#### Office accommodation

Comcare in its capacity as lessee has ten leases for office accommodation located in most capital cities in Australia, including Launceston and Newcastle. The remaining non-cancellable term of the lease ranges from less than one year and up to 6 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 is three years with no options to extend.

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

## Accounting policy

### Leases

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

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

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

		2022	2021
	Notes	\$'000	\$'000
<b>Note 2.5: Provisions</b>			
<b>2.5A Workers' compensation claims</b>			
Premium claims	2.5D	1,673,969	1,652,846
Commonwealth latent mental disease claims	2.5E	11,300	11,300
Pre-premium claims	2.5F	238,618	274,800
<b>Total workers' compensation claims</b>		<b>1,923,887</b>	<b>1,938,946</b>
<b>Workers' compensation claims expected to be settled in:</b>			
No more than 12 months		252,119	242,449
More than 12 months		1,671,768	1,696,497
<b>Total workers' compensation claims</b>		<b>1,923,887</b>	<b>1,938,946</b>
<b>2.5B Common law asbestos-related disease claims</b>	2.5G	<b>695,593</b>	830,200
<b>Common law asbestos-related disease claims expected to be settled in:</b>			
No more than 12 months		54,548	54,460
More than 12 months		641,045	775,740
<b>Total common law asbestos-related disease claims</b>		<b>695,593</b>	830,200
<b>2.5C Other provisions</b>			
Provision for restoration obligations		607	789
<b>Total other provisions</b>		<b>607</b>	<b>789</b>

	2022 \$'000	2021 \$'000
<b>Other provisions expected to be settled in:</b>		
No more than 12 months	53	163
More than 12 months	554	626
<b>Total other provisions</b>	<b>607</b>	<b>789</b>
<b>Provision for restoration obligations reconciliation</b>		
<b>Carrying amount 1 July</b>	<b>789</b>	2,669
Adjustment in provision as a result of revaluation	(75)	59
Derecognition	(111)	(1,940)
Unwinding of discount	4	1
<b>Closing balance as at 30 June</b>	<b>608</b>	<b>789</b>

Comcare currently has three (2021: four) agreements for the leasing of premises which have provisions requiring Comcare to restore the premises to their original condition at the conclusion of the lease. Comcare has made a provision to reflect the present value of this obligation.

#### 2.5D Provision for premium claims

<b>Carrying amount at 1 July</b>	<b>1,652,846</b>	1,714,981
Increase/(Decrease) in provisions made during the year	<b>235,100</b>	124,612
Claims payments made during the year	<b>(165,677)</b>	(170,547)
Unwinding of discount	<b>(3)</b>	3,500
Change in discount rate	<b>(209,917)</b>	(43,100)
Change in inflation rate	<b>161,620</b>	45,300
Increase/(Decrease) in risk margin	-	(21,900)
<b>Closing balance at 30 June*</b>	<b>1,673,969</b>	<b>1,652,846</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 2022 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.

<b>Economic assumptions</b>	<b>2022</b>	<b>2021</b>
Medical payments inflation	<b>6.56% to 4.80%</b>	3.80% to 4.60%
Other payments inflation	<b>4.23% to 3.40%</b>	0.08% to 3.20%
Discount rate	<b>2.56% to 4.50%</b>	-0.01% to 4.00%

<b>Premium business liability assumptions</b>	<b>2022</b>	<b>2021</b>
Claim frequency	<b>0.47%</b>	0.52%
Third party recoveries	<b>1.1%</b>	0.8%
Claims administration expenses	<b>19.9%</b>	19.3%
Average claim size	<b>\$160,545</b>	\$129,884

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>2.5E Provision for Commonwealth latent mental disease claims</b>		
<b>Carrying amount at 1 July</b>	<b>11,300</b>	11,450
Increase/(Decrease) in provisions made during the year	<b>326</b>	50
Change in discount rate	<b>(1,434)</b>	(300)
Change in inflation rate	<b>1,108</b>	300
Increase/(Decrease) in risk margin	-	(200)
<b>Closing balance at 30 June*</b>	<b>11,300</b>	11,300

\* 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 2022 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.

	2022 \$'000	2021 \$'000
<b>2.5F Provision for pre-premium claims</b>		
<b>Carrying amount at 1 July</b>	<b>274,800</b>	302,784
Increase/(Decrease) in provisions made during the year	<b>3,539</b>	(1,790)
Claims payments made during the year	<b>(16,456)</b>	(20,294)
Unwinding of discount	<b>(29)</b>	600
Change in discount rate	<b>(37,327)</b>	(8,900)
Change in inflation rate	<b>13,010</b>	2,400
Increase/(Decrease) in risk margin	<b>1,081</b>	-
<b>Closing balance at 30 June*</b>	<b>238,618</b>	274,800

\* 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 2022 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.

	2022 \$'000	2021 \$'000
<b>2.5G Provision for common law asbestos-related disease claims</b>		
<b>Carrying amount at 1 July</b>	<b>830,200</b>	829,640
Increase/(Decrease) in provisions made during the year	<b>(34,580)</b>	48,054
Claims payments made during the year	<b>(14,067)</b>	(22,154)
Unwinding of discount	<b>(140)</b>	840
Change in discount and inflation rate	<b>(85,820)</b>	(26,180)
<b>Closing balance at 30 June*</b>	<b>695,593</b>	830,200

\* 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 2022 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.

<b>Economic assumptions</b>	<b>2022</b>	<b>2021</b>
Wage inflation	<b>3.40% to 4.23%</b>	0.08% to 3.20%
Superimposed inflation	<b>2.00%</b>	2.00%
Discount rate	<b>2.56% to - 4.50%</b>	-0.01% to 4.00%

## Funding

This section identifies Comcare's funding structure.

2022	2021
\$'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	497,288	943,772
Statement of financial position	497,288	943,772
<b>Difference</b>	-	-

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

Net contribution by services	52,370	(21,563)
Revenue from Government	43,997	51,151
<b>Adjustments for non-cash items</b>		
Depreciation/Amortisation	10,748	12,911
Net write-down of non-financial assets	85	2,108
Loss on disposal of assets	-	263
Unwinding of discount	4	1
Available funding from movement in claims provision	(88,825)	(37,635)

#### Movements in assets and liabilities:

##### Assets

Increase/(Decrease) in net receivables	48,111	43,104
(Increase)/Decrease in accrued revenues	(4,439)	313
(Increase)/Decrease in prepayments	(85)	(64)

##### Liabilities

Increase/(Decrease) in payables	(327,720)	8,230
Increase/(Decrease) in provisions	(151,458)	(93,832)
(Increase)/Decrease in assets payables	(91)	38
(Increase)/Decrease in make good provision	71	1,881
(Increase)/Decrease in lease liabilities	(19,092)	932

<b>Net cash from/(used by) operating activities</b>	<b>(436,327)</b>	<b>(32,162)</b>
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2022	2021
\$'000	\$'000

### Note 3.2: Regulatory Charging Summary

#### Amounts applied

Own source revenue	21,608	18,238
<b>Total amounts applied</b>	<b>21,608</b>	<b>18,238</b>

#### Expenses

Regulatory charging activities	19,003	17,226
<b>Total expenses</b>	<b>19,003</b>	<b>17,226</b>

#### External revenue

Own source revenue	21,608	18,238
<b>Total external revenue</b>	<b>21,608</b>	<b>18,238</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.

2022	2021
\$'000	\$'000

### Note 4.1: Employee provisions

#### Employee provisions

Leave and other entitlements	17,412	19,119
Separation and redundancy	-	14
<b>Total employee provisions</b>	<b>17,412</b>	<b>19,133</b>

#### Employee provisions are expected to be settled in:

No more than 12 months	7,798	6,658
More than 12 months	9,614	12,475
<b>Total employee provisions</b>	<b>17,412</b>	<b>19,133</b>

## Accounting policy

### Employee benefits

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

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

### Leave

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

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

The liability for long service leave has been determined by reference to the work of the Department of Finance's actuarial model as at 30 June 2022. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

**Separation and redundancy**

Provision is made for separation and redundancy benefit payments. Comcare recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

**Superannuation**

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

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

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

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

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

2022	2021
\$'000	\$'000

## Note 4.2: Key management personnel remuneration

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

Short-term employee benefits <sup>1</sup>	1,788	1,824
Post-employment benefits	298	302
Other long-term benefits	(80)	89
<b>Total key management personnel remuneration expenses</b>	<b>2,006</b>	<b>2,215</b>

The total number of key management personnel that is included in the above table is ten (2021: 7).

<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 2022 Comcare has no quantifiable contingencies.

#### Unquantifiable contingencies

As at 30 June 2022 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.

	2022	2021
	\$	\$

### Note 5.2: Remuneration of auditors

Financial statement audit services provided to Comcare by KPMG under contract from the Australian National Audit Office	212,000	205,000
<b>Other services provided by KPMG</b>		
Continuous monitoring	54,000	92,250
Annual desk top reviews	28,750	34,500
Financial viability assessment	7,500	-
<b>Total other services provided by KPMG</b>	<b>90,250</b>	<b>126,750</b>

## Note 5.3: Financial instruments

### 5.3A Financial assets

#### Financial assets at amortised cost

Cash and cash equivalents	497,288	943,772
Receivables for goods and services	193	1,576
Other receivables and claims recoveries (net)	2,159	3,390
Other financial assets	9,656	5,218
<b>Total financial assets at amortised cost</b>	<b>509,296</b>	<b>953,956</b>

<b>Total financial assets</b>	<b>509,296</b>	<b>953,956</b>
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#### Financial liabilities

#### Financial liabilities measured at amortised cost

Trade creditors	2,696	348,430
Workers' compensation payables	5,055	6,932
<b>Total financial liabilities measured at amortised cost</b>	<b>7,751</b>	<b>355,362</b>

<b>Total financial liabilities</b>	<b>7,751</b>	<b>355,362</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).

	2022 \$'000	2021 \$'000
<b>5.3B Net gains or losses on financial assets</b>		
<b>Financial assets at amortised cost</b>		
Interest revenue	3,375	8,468
<b>Net gains on financial assets at amortised cost</b>	<b>3,375</b>	<b>8,468</b>
<b>Net gains on financial assets</b>	<b>3,375</b>	<b>8,468</b>

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

There were no gains or losses from financial liabilities during the year (2021: 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 (2022: \$497.3 million and 2021: \$943.8 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 2022	Credit rating				
	AA- \$'000	A+ \$'000	BBB+ \$'000	Not rated \$'000	Total \$'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

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

Comcare holds no collateral to mitigate against credit risk.

	2022 \$'000	2021 \$'000
<b>Maximum exposure to credit risk (excluding any collateral or credit enhancement)</b>		
Cash and cash equivalents	497,288	943,772
Receivables for goods and services	193	1,576
Other receivables and claims recoveries	2,159	3,390
Other financial assets	9,656	5,218
<b>Total financial assets carried at amount not best representing maximum exposure to credit risk</b>	<b>509,296</b>	<b>953,957</b>

## 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 2022. 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.

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

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

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	
	2022 \$'000	2021 \$'000	Category (Level 1, 2 or 3)	Valuation technique(s) <sup>1</sup>	
<b>Non-financial assets<sup>2</sup></b>					
Leasehold improvements	<b>6,944</b>	2,132	Level 3	Cost approach	Actual cost of replacement of similar assets. Price per square metre.
Computer and IT equipment	<b>2,451</b>	3,060	Level 2	Market comparable	Sale prices of comparable computer and IT equipment.
Office equipment	<b>8</b>	-	Level 2	Market comparable	Sale prices of comparable office equipment.
Artwork	<b>75</b>	<b>56</b>	Level 2	Market comparable	Private sales of similar artwork. Professional appraisals of similar artwork.
<b>Total non-financial assets</b>	<b>9,478</b>	5,248			
<b>Total fair value measurements of assets in the statement of financial position</b>	<b>9,478</b>	5,248			

<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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>As at 1 July</b>	<b>2,132</b>	4,613	<b>2,132</b>	4,613
Total (losses) recognised in net cost of services <sup>1</sup>	<b>(1,254)</b>	(2,529)	<b>(1,254)</b>	(2,529)
Total gains recognised in other comprehensive income	<b>5,642</b>	-	<b>5,642</b>	-
Purchases	<b>424</b>	48	<b>424</b>	48
<b>Total as at 30 June</b>	<b>6,944</b>	2,132	<b>6,944</b>	2,132

<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

	2022 \$'000	2021 \$'000
<b>Assets expected to be recovered in:</b>		
<b>No more than 12 months</b>		
Cash and cash equivalents	497,288	943,772
Trade and other receivables	67,079	33,298
Other financial assets	9,656	5,219
Other non-financial assets	1,486	1,400
<b>Total no more than 12 months</b>	<b>575,509</b>	<b>983,689</b>
<b>More than 12 months</b>		
Trade and other receivables	2,077,787	2,159,679
Buildings	37,741	14,219
Plant and equipment	2,617	3,309
Computer software	9,116	7,553
Other non-financial assets	45	45
<b>Total more than 12 months</b>	<b>2,127,306</b>	<b>2,184,805</b>
<b>Total assets</b>	<b>2,702,815</b>	<b>3,168,494</b>
<b>Liabilities expected to be settled in:</b>		
<b>No more than 12 months</b>		
Suppliers	2,696	348,430
Workers' compensation claims payable	5,055	6,932
Other payables	3,435	2,677
Leases	5,473	6,541
Employee provisions	7,798	6,658
Workers' compensation claims	252,119	242,449
Common law asbestos-related disease claims	54,548	54,460
Other provisions	53	163
<b>Total no more than 12 months</b>	<b>331,177</b>	<b>668,310</b>

	2022 \$'000	2021 \$'000
<b>More than 12 months</b>		
Other payables	255	255
Leases	25,689	5,489
Employee provisions	9,614	12,475
Workers' compensation claims	1,671,768	1,696,497
Common law asbestos-related disease claims	641,045	775,740
Other provisions	554	626
<b>Total more than 12 months</b>	<b>2,348,925</b>	<b>2,491,082</b>
<b>Total liabilities</b>	<b>2,680,102</b>	<b>3,159,392</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.

	2022 \$'000	2021 \$'000
<b>Cash at bank</b>		
<b>As at 1 July</b>	<b>1,659</b>	1,745
Receipts:		
Funds deposited	-	-
Interest earned	8	14
Payments:		
Final payouts	29	100
<b>Total cash at bank as at 30 June</b>	<b>1,638</b>	1,659

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

## Note 6.3: Reporting of outcomes

	Outcome 1		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Expenses</b>				
Employee benefits	71,854	70,019	71,854	70,019
Suppliers	32,770	28,207	32,770	28,207
Depreciation and amortisation	10,748	12,911	10,748	12,911
Finance costs	943	7,302	943	7,302
Write-downs and impairment of assets	1,213	2,108	1,213	2,108
Losses from asset sales	-	263	-	263
Workers' compensation claims expense	182,136	185,740	182,136	185,740
Common law asbestos-related disease claims expense	14,067	22,154	14,067	22,154
<b>Total expenses</b>	<b>313,731</b>	<b>328,704</b>	<b>313,731</b>	<b>328,704</b>
<b>Income</b>				
Revenue from contracts with customers	209,841	206,566	209,841	206,566
Interest	3,375	8,468	3,375	8,468
Other revenue	2,278	1,309	2,278	1,309
Gains from movement in workers' compensation claims provision	10,329	88,438	10,329	88,438
Gains/(losses) from movement in common law asbestos-related disease claims provision	139,949	420	139,949	420
Other gains	329	1,940	329	1,940
Revenue from Government	43,997	51,151	43,997	51,151
Available funding from movement in claims provision	(88,825)	(37,635)	(88,825)	(37,635)
<b>Total income</b>	<b>321,273</b>	<b>320,657</b>	<b>321,273</b>	<b>320,657</b>
<b>Assets</b>				
Cash and cash equivalents	497,288	943,772	497,288	943,772
Trade and other receivables	2,144,866	2,192,977	2,144,866	2,192,977
Other financial assets	9,656	5,218	9,656	5,218
Buildings	37,741	14,219	37,741	14,219
Plant and equipment	2,617	3,309	2,617	3,309
Computer software	9,116	7,553	9,116	7,553
Other non-financial assets	1,531	1,446	1,531	1,446
<b>Total assets</b>	<b>2,702,815</b>	<b>3,168,494</b>	<b>2,702,815</b>	<b>3,168,494</b>

	Outcome 1		Total	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b>Liabilities</b>				
Suppliers	<b>2,696</b>	348,430	<b>2,696</b>	348,430
Workers' compensation claims payable	<b>5,055</b>	6,932	<b>5,055</b>	6,932
Other payables	<b>3,690</b>	2,932	<b>3,690</b>	2,932
Leases	<b>31,162</b>	12,030	<b>31,162</b>	12,030
Employee provisions	<b>17,412</b>	19,133	<b>17,412</b>	19,133
Workers' compensation claims provision	<b>1,923,887</b>	1,938,946	<b>1,923,887</b>	1,938,946
Common law asbestos-related disease claims provision	<b>695,593</b>	830,200	<b>695,593</b>	830,200
Other provisions	<b>607</b>	789	<b>607</b>	789
<b>Total liabilities</b>	<b>2,680,102</b>	3,159,392	<b>2,680,102</b>	3,159,392

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

## 6.4 Budgetary Variance Commentary

The following table provides a comparison of Comcare's budget as presented in the 2021–22 Portfolio Budget Statements <sup>1</sup> (PBS). The budget is not audited. Explanations of material variances are provided below.

Affected line items	Note Ref.	Variance Amount \$'000	Explanation of major variance
<i>Statement of Comprehensive Income</i>			
Employee benefits	1.1A	(5,965)	The variance was primarily due to delays in recruitment processes and the impact of a decrease in the long service leave discount factor applied.
Depreciation and amortisation	2.2A	(2,030)	The variance is due to the extension of the useful life of the Leasehold Improvements and the lease incentive adjustment following the new lease agreement for the Canberra Office.
Finance costs	1.1C	903	The variance is due to interest payments to the self insurance licensees upon their exit from Comcare's premium scheme.
Write-downs and impairment of assets	1.1D	1,213	The variance relates to unexpected write-down of trade receivables.
Revenue from contracts with customers	1.2A	10,782	The variance is mainly due to adjustments to the premiums and higher regulatory contributions and licence fees.
Interest	1.2B	(652)	The variance is due to lower interest return on Comcare's investment portfolio.
Rental income	1.2C	964	The variance is due to the new sub-lease agreement for the Canberra office.
Other revenue		694	The variance is mainly due to the delivery of additional training.

Affected line items		Variance Amount \$'000	Explanation of major variance
Gains from movement in workers' compensation claims provision	1.2D	(69,894)	The variance is due to a change in economic parameters applied in the annual actuarial assessment.
Gains from movement in common law asbestos-related disease claims provision	1.2E	103,969	The variance is due to a change in economic parameters applied in the annual actuarial assessment.
Revenue from Government	1.2G	(11,799)	The variance is due to lower benefit payments.
Available funding from movements in claim provision	1.2H	(35,869)	The variance is due to a change in economic parameters applied in the annual actuarial assessment.
Total changes in asset revaluation reserve (net)		6,068	The variance is due to an increase in fair value of Comcare's non-financial assets as valued by an independent valuer.

Affected line items		Variance Amount \$'000	Explanation of major variance
<i>Statement of Financial Position</i>			
Cash and cash equivalents	2.1A	(374,263)	The variance is due to scheme exit payments to self insurance licensees.
Other Financial assets	2.1C	4,124	The variance was due to higher regulatory contributions and licence fees.
Buildings	2.2A	29,053	The variance was due to an increase in fair value of Comcare's non-financial assets as valued by an independent valuer.
Computer software	2.2A	(11,239)	The variance is due to covid related delays impacting on capacity to undertake capital projects during the year.
Supplier payables	2.3A	(335,948)	The variance is due to the settlement of scheme exit payables.
Workers compensation claims payable	2.3B	2,955	The variance is primarily due to lower than expected claim payables.
Other payables	2.3C	2,307	The variance is mainly due to higher than expected salary related payables.
Interest bearing liabilities	2.4A	23,316	The variance is due to the extension of office lease periods.
Employee provisions	4.1	(3,200)	The variance is due to changes to discount rate applied to the long service leave provision.

Affected line items	Note Ref.	Variance Amount \$'000	Explanation of major variance
Workers' compensation claims provision	2.5A, D, E, F	50,592	The variance is due to a change in economic parameters applied in the annual actuarial assessment.
Common law asbestos-related disease claims	2.5B, G	(40,387)	The variance is due to a change in economic parameters applied in the annual actuarial assessment.
Other provisions	2.5C	(2,063)	The variance is mainly due to a reduction in Makegood provisions as valued by an independent valuer.
Reserves		5,286	The variance is due to revaluation gains realised.

#### Cashflow Statement

Total cash received		35,218	The variance is mainly due to the higher net GST receipts associated with the payment of scheme exit payments.
Total cash used for operating activities		421,075	The variance is due to the settlement of scheme exit payables and return of special appropriation funds.
Total cash used for investing activities		(5,914)	The variance is due to delays in the completion of capital projects.

<sup>1</sup> 2021-22 Portfolio Budget Statements for the Attorney-General's Portfolio.





## CHAPTER FIVE: SCHEME AND REGULATORY PERFORMANCE

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Scheme performance	160
Regulatory performance and prosecutions	164

# SCHEME PERFORMANCE

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

Table 14 shows scheme incidence rate trends from 2017–18 to 2021–22:

- > Claims received – 15.7% decrease
- > Claims accepted – 14.5% decrease
- > Serious claims – 8.9% increase

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
2017–18	Premium paying employers	11.1	6.5	3.7	9
	Self-insured licensees	19.0	15.0	7.2	9
	<b>Scheme total</b>	<b>15.3</b>	<b>11.0</b>	<b>5.6</b>	<b>18</b>
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>

Data extracted on 11 July 2022

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

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

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

## Return to work

Improving return to work outcomes remains a key focus. Comcare is working to enhance our partnerships with employees, employers, unions and service providers and we are expanding and evaluating pilots and other proactive initiatives to support workers' timely, safe and durable return to work across the scheme.

In 2021–22, 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.

We also improved our communication and engagement with workplace rehabilitation providers, delivering forums, new 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. Our guidance and training is evidence-based and focuses on what makes a difference. For employers the message is clear: act early, support the employee and develop a positive workplace culture.

## Reconsiderations and appeals

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

If an employee or employer is dissatisfied with the reconsideration outcome, they may apply to the 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>
2017–18	Premium paying employers	1,565	88%	840	69%
	Self-insured licensees	1,167	83%	543	74%
	<b>Scheme total</b>	<b>2,732</b>	<b>86%</b>	<b>1,383</b>	<b>72%</b>
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>

Data extracted on 11 July 2022

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

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

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

## Workplace incidents

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

Table 15: Notifiable work health and safety incidents – as the national regulator

	WHS jurisdiction	Serious injury or illness	Dangerous incidents	Notifiable worker fatalities*
2017–18	Australian Government	170	458	7
	Self-insured licensees	168	229	7
	Australian Defence Force	154	174	0
	<b>WHS jurisdiction total</b>	<b>492</b>	<b>861</b>	<b>14</b>
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>

\* 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 and Dangerous Incident data extracted on 18 July 2022
2. Notifiable Worker Fatalities data extracted on 18 July 2022
3. Not all self-insured licensees within Comcare's scheme are covered by the WHS Act

# REGULATORY PERFORMANCE AND PROSECUTIONS

## Overview

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

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

Type of notifiable incidents	2017–18	2018–19	2019–20	2020–21	2021–22
<b>Total notifiable incidents</b>	1,377	1,358	1,344	1,338	1801
<b>Serious injury or illness</b>	492	546	527	641	811
<b>Dangerous incident</b>	861	790	794	650	942
<b>Death of a person*</b>	24	22	23	47	48
<i>Worker deaths</i>	14	11	9	26	31
<i>Other person deaths</i>	10	12	17	22	19

\* 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 and Dangerous Incident data extracted on 8 July 2022
2. Notifiable Worker Fatalities data extracted on 8 July 2022
3. 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	2017–18	2018–19	2019–20	2020–21	2021–22
<b>Total Telecommunications Asbestos Safety Compliance program activities</b>	1,682	2,008	2,058	1,151	1,325

Table 18: Inspectorate activities commenced

	2021–22			
<b>Total Inspectorate Compliance and Enforcement Activities</b>	1,287			
Provide information and advice activities	271			
Monitoring compliance inspections and investigations	1,016			
<b>Historical Investigation and Inspection Totals</b>				
	2017–18	2018–19	2019–20	2020–21
	1,826	1,673	1,337	1,875

Table 19: Notices issued under the WHS Act

	2017–18	2018–19	2019–20	2020–21	2021–22
<b>Improvement notices issued under section 191</b>	24	20	7	24	8
<b>Prohibition notices issued under section 195</b>	17	14	1	10	4
<b>Non–disturbance notices issued under section 198</b>	27	14	6	10	67

Table 20: Other statutory reporting requirements under the WHS Act

	2017–18	2018–19	2019–20	2020–21	2021–22
<b>Seizures made under section 175 or 176</b>	0	14	0	6	4
<b>Remedial action taken under section 211 or 212</b>	0	0	0	0	0
<b>Applications for internal review under section 224</b>	3	5	3	4	4
<b>Applications for external review made under section 229</b>	0	1	0	0	0
<b>Written undertakings accepted by Comcare under section 216</b>	0	0	0	1	1
<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 2021–22, Comcare commenced one criminal proceeding under the WHS Act. At 30 June 2022, 6 proceedings have continued, and four proceedings have concluded during this period.

### 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 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 (Sydney) against the Commonwealth (Department of Home Affairs) and International Health and Medical Services Pty Ltd for offences against section 32 of the WHS Act. The proceedings relate to an incident on 4 March 2019 where a detainee at the Villawood Immigration Detention Centre took his own life.

### **K. & S. Freighters Pty Limited – finalised**

On 19 November 2020, criminal proceedings were commenced in the Adelaide Magistrates Court against K. & S. Freighters Pty Ltd for offences against section 32 of the WHS Act. The proceedings relate to an incident on 25 November 2018 in which a worker sustained serious injuries after the gates of his B-Double truck crushed his lower body. K. & S. Freighters pleaded guilty to one offence against section 32 and on 9 February 2022, was convicted and fined \$300,000.

### **John Holland Pty Ltd – finalised**

On 4 September 2020, criminal proceedings were commenced in the Local Court of New South Wales (Sydney) against John Holland Pty Ltd (John Holland) for offences against section 32 of the WHS Act. The proceedings related to an incident on 11 September 2018 in which a worker sustained serious injuries after falling through a penetration cover at a John Holland worksite. Comcare accepted an enforceable undertaking on 7 April 2022 and the Commonwealth Director of Public Prosecutions discontinued the proceedings on 10 May 2022.

### **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. A trial date is yet to be determined and the proceedings are listed for a mention hearing on 15 July 2022.

### **Lendlease Building Contractors Pty Ltd and Bromar Nominees Pty Ltd – finalised**

On 30 April 2019, criminal proceedings were commenced in the Magistrates Court of Western Australia (Perth) against Lendlease Building Contractors Pty Ltd and Bromar Nominees Pty Ltd for offences against section 32 of the WHS Act. The proceedings relate to an incident on 1 May 2017 in which a worker sustained serious injuries after being struck by a pipe at a Department of Defence worksite. The Commonwealth Director of Public Prosecutions discontinued proceedings against Bromar Nominees Pty Ltd and Lendlease Building Contractors Pty Ltd on 7 September 2021 and 14 September 2021 respectively.

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

On 5 June 2019, criminal proceedings were commenced in the Magistrates Court of Western Australia (Perth) against Lendlease Building Contractors Pty Ltd and Kuredale Pty Ltd (t/a Metro Lintels) for offences against section 32 of the WHS Act. The proceedings relate to an incident on 7 June 2017 in which a worker sustained serious injuries after being struck by a steel truss at a Department of Defence worksite. On 22 October 2019, Kuredale Pty Ltd pleaded guilty and was convicted and fined \$75,000. The trial against Lendlease Building Contractors Pty Ltd occurred between 25 October 2021 to 4 November 2021, with a decision expected on 3 August 2022.

### **Commonwealth (Department of Defence) – finalised**

On 27 June 2018, criminal proceedings were commenced in the Magistrates' Court of Victoria (Melbourne) against the Commonwealth (Department of Defence) for offences against section 32 of the WHS Act. The proceedings relate to an incident in which two workers suffered injuries during a training exercise at the Puckapunyal training area on 4 July 2016. The Commonwealth was found not guilty on both charges. On 16 December 2020, the Commonwealth Director of Public Prosecutions lodged an appeal which was heard on 18 February 2022. On 24 June 2022, the Victorian Supreme Court handed down its decision, upholding the prosecution's first ground of appeal and dismissing grounds 2 and 3. The Court considered it unnecessary to decide appeal grounds 4 and 5. The Supreme Court declined to remit the matter back to the Magistrates' Court.

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

On 20 December 2017, criminal proceedings were commenced in the Magistrates Court of the Australian Capital Territory 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. Both appeal hearings were held from 24 May 2021 to 28 May 2021 in the Supreme Court of the Australian Capital Territory. In the decision handed down on 10 June 2021, the appeal against acquittal for HeliRes was unsuccessful and was dismissed. The appeal against conviction for the Commonwealth (Department of the Environment and Energy) was allowed, and the Commonwealth were acquitted on all charges. 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.

### **Cleanaway Operations Pty Ltd – continued**

On 15 August 2016, criminal proceedings were commenced in the Magistrates Court of South Australia (Adelaide) 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 eight 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.

### **Thales Australia Limited – commenced**

On 30 June 2022, criminal proceedings were commenced in the Magistrates Court of Victoria at Bendigo against Thales Australia Limited for an offence against section 32 of the WHS Act. The proceedings relate to an incident where a spray painter was fatally crushed by a vehicle subframe that fell from an unsecured paint positioner in Bendigo, Victoria.





# CHAPTER SIX: APPENDICES

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Appendix A – Procurement and Comcover	172
Appendix B – Ecologically sustainable development and environmental performance	173
Appendix C – Compliance index	176



# APPENDIX A – Procurement and Comcover

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

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

## Details of contracts for consultancy services

In 2021–22, Comcare's total consultancy expense, with an individual contract value of \$10,000 or more (GST inclusive) was \$942,741 inclusive of GST. During 2021–22 Comcare entered into one new consultancy contract and there were 4 consultancies that continued from 2020–21 into 2021–22.

Table 21: 2021–22 Consultancy Services – at 1 July 2022

Supplier name	Description of services	Contract value	Procurement method	Justification
Monash University	Measuring the movement of people between systems as part of Comcare's Collaborative Partnership	\$421,968	Open Tender	A
PwC	NewAccess workplaces evaluation	\$329,593	Open Tender	B
Monash University	Evaluation of trial of transition support service as part of Comcare's Collaborative Partnership	\$44,000	Open Tender	B
Jim Stewart Consulting Pt Ltd	Review of the Comcare Permanent Impairment Guide	\$114,180	Limited tender	A
PwC	Professional Accounting Advisory Services	\$33,000	Open Tender	A

Note: Justification for decision to use consultancy:

A – Required specialist skills are not available in-house

B – Independent review, research or assessment required

C – Independent agent or facilitator required

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

## Advertising and market research

During 2021–22, Comcare spent \$25,293 (inclusive of GST) on advertising or market research.

## Indemnities and insurance

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

In 2021–22 Comcare paid \$59,121 inclusive of GST (\$63,268 in 2020–21) for directors' and officers' insurance.

# APPENDIX B – Ecologically sustainable development and environmental performance

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

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

In 2021–22, Comcare established a Sustainability Working Group which is made up of employees who volunteer their time and are committed to thinking about what Comcare can do to be more environmentally sustainable in the way we operate and taking action to support this.

In May 2022, Comcare achieved a 5-star National Australian Built Environment Rating System (NABERS) Energy Tenancy rating for levels 3 to 5, 121 Marcus Clarke Street, Canberra in the ACT and a 6-star NABERS Energy Tenancy rating in June 2022 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:

- > using electronic workflows aimed to reduce the use of paper and the need to retain paper copies
- > using the energy saving features of the Windows Operating System
- > using cloud services to reduce both power consumption and computer hardware requirements
- > using the power saving features of computer monitors and televisions
- > participating in whole-of-government purchasing arrangements for electricity
- > participating in whole-of-government purchasing arrangements for stationery and office supplies
- > participating in whole-of-government leasing arrangements for fleet vehicles
- > installing sensor lighting systems in all office fit outs
- > participating in and promoting Earth Hour 2022
- > providing end of trip facilities to encourage employees to cycle to work
- > purchasing 100% recycled A4 paper, 100% recycling of paper waste and recycling of other stationery items.

## Technology equipment upgrade

In 2021-22, Comcare continued the migration of its services to the cloud under the ICT strategy. This program will allow for Comcare to decommission its physical infrastructure and data centres. This resulted in a decrease of power consumption.

Comcare is currently undergoing a digital transformation, which will deliver digital interactions for our clients and realise a reduction in paper, ink consumption and power consumption.

## Information management

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

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

## 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 2022 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

### Energy consumption

Power consumption per person reduced slightly in 2021–22 due to employees working from home because of the pandemic. The table below shows Comcare’s power consumption over five financial years.

Comcare measures paper consumption by purchases made during the financial year. In 2021–22, Comcare’s paper consumption decreased by 30% from the previous year, which in part reflects the impact of the pandemic with staff working from home for part of the year. Overall, Comcare’s paper consumption is trending down in accordance with our commitment to reducing our environmental impact and the move to a digital environment.

Table 22: Comcare’s environmental performance 2021–22

Environmental performance	2017–18	2018–19	2019–20	2020–21	2021–22
Average power consumption per full-time equivalent employee (Mega joules/person/annum)	5,329	5,107	4,598	3,951	3,443
<b>Paper consumption</b> <sup>1</sup> (reams of paper)	6,058	4,466	2,946	926	645

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

## APPENDIX C – Compliance index

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

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

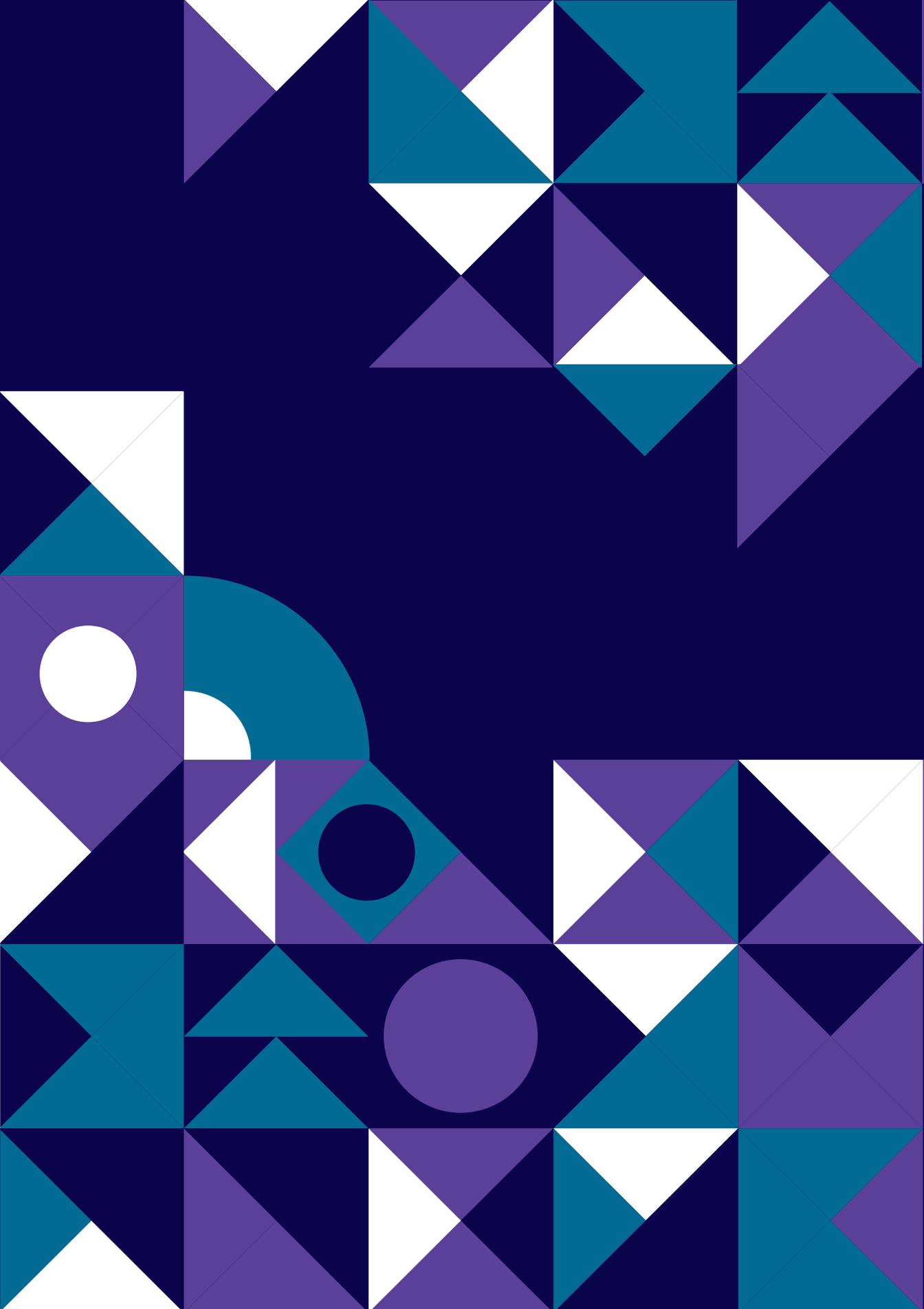
Table 23: List of requirements

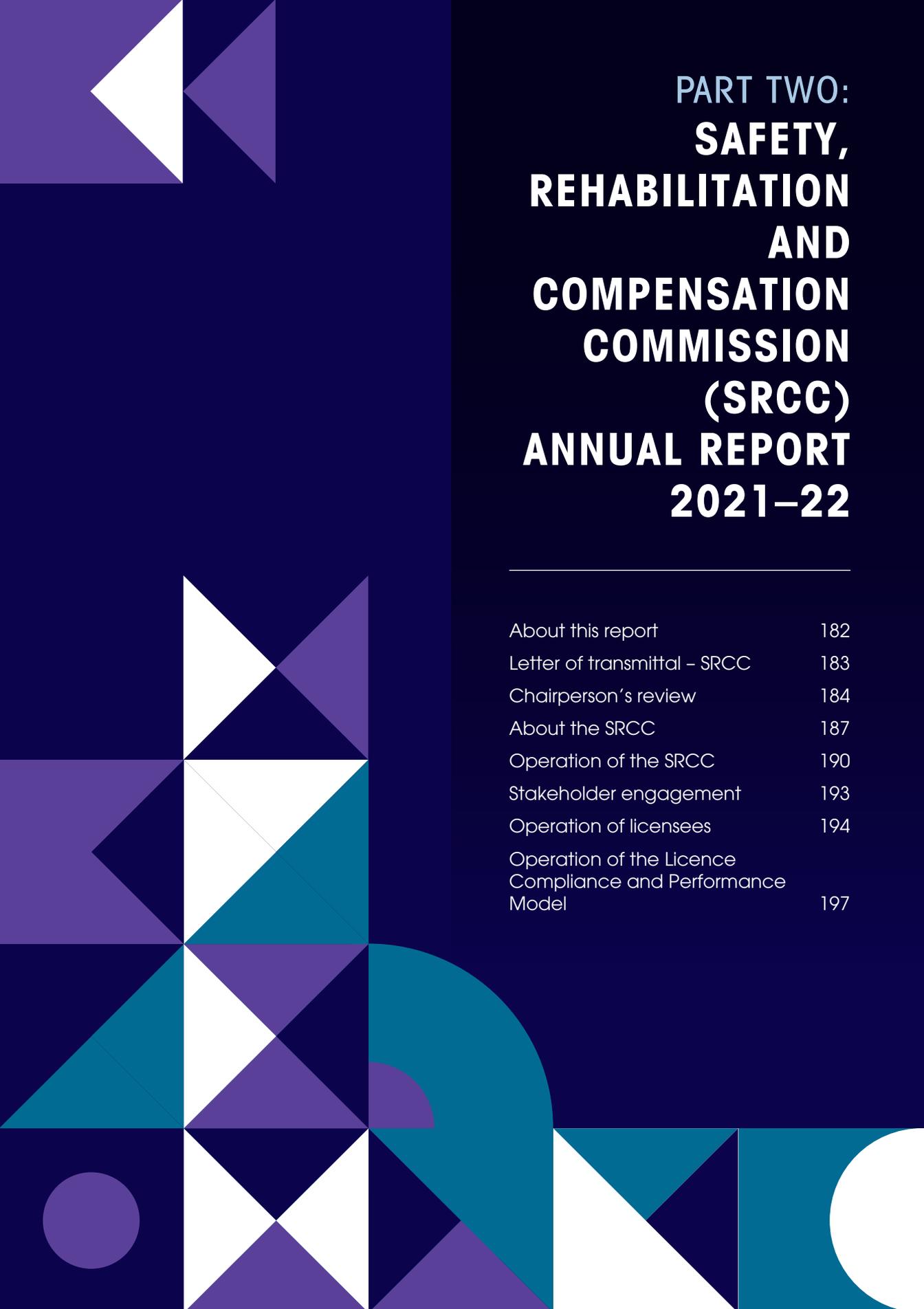
PGPA Rule Reference	Part of Report	Description	Requirement
17BE	Contents of annual report		
17BE(a)	About Comcare – Our governing legislation	Details of the legislation establishing the body	Mandatory
17BE(b)(i)	About Comcare – Our governing legislation	A summary of the objects and functions of the entity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

PGPA Rule Reference	Part of Report	Description	Requirement
17BE(h), 17BE(i)	Management and accountability – External scrutiny	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance	If applicable, mandatory
17BE(j)	About Comcare – Executive Team	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period	Mandatory
17BE(k)	About Comcare – Organisational structure	Outline of the organisational structure of the entity (including any subsidiaries of the entity)	Mandatory
17BE(ka)	Management and accountability – Our people	Statistics on the entity’s employees on an ongoing a non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location	Mandatory
17BE(l)	About Comcare – Office Locations	Outline of the location (whether or not in Australia) of major activities or facilities of the entity	Mandatory
17BE(m)	Management and accountability – Our governance	Information relating to the main corporate governance practices used by the entity during the reporting period	Mandatory
17BE(n), 17BE(o)	Appendix A – Procurement and Comcover	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): (a) the decision-making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions	If applicable, mandatory
17BE(p)	Management and accountability – significant activities and changes that affected Comcare	Any significant activities and changes that affected the operation or structure of the entity during the reporting period	If applicable, mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BE(q)	Not applicable – there were no decisions made that had a significant effect on the operations of the entity	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity	If applicable, mandatory
17BE(r)	Management and accountability – External scrutiny	Particulars of any reports on the entity given by: (a) the Auditor-General (other than a report under section 43 of the Act); or (b) a Parliamentary Committee; or (c) the Commonwealth Ombudsman; or (d) the Office of the Australian Information Commissioner	If applicable, mandatory
17BE(s)	Not applicable – Comcare do not have subsidiaries	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report	If applicable, mandatory
17BE(t)	Appendix A – Procurement and comcover	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer’s liability for legal costs)	If applicable, mandatory
17BE(taa)	Management and accountability – Our governance	The following information about the audit committee for the entity: (a) a direct electronic address of the charter determining the functions of the audit committee; (b) the name of each member of the audit committee; (c) the qualifications, knowledge, skills or experience of each member of the audit committee; (d) information about each member’s attendance at meetings of the audit committee; (e) the remuneration of each member of the audit committee	Mandatory
17BE(ta)	Management and accountability – Our people	Information about executive remuneration	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BF	Disclosure requirements for government business enterprises		
17BF(1)(a)(i)	Not applicable	An assessment of significant changes in the entity's overall financial structure and financial conditions	If applicable, mandatory
17BF(1)(a)(ii)	Not applicable	An assessment of any events or risks that could cause financial information that is reported not to be indicative of future operations or financial conditions	If applicable, mandatory
17BF(1)(b)	Not applicable	Information on dividends paid or recommended	If applicable, mandatory
17BF(1)(c)	Not applicable	Details of any community service obligations the government business enterprise has including: (a) an outline of actions taken to fulfil those obligations; and (b) an assessment of the cost of fulfilling those obligations	If applicable, mandatory
17BF(2)	Not applicable	A statement regarding the exclusion of information on the grounds that the information is commercially sensitive and would be likely to result in unreasonable commercial prejudice to the government business enterprise	If applicable, mandatory





**PART TWO:  
SAFETY,  
REHABILITATION  
AND  
COMPENSATION  
COMMISSION  
(SRCC)  
ANNUAL REPORT  
2021–22**

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About this report	182
Letter of transmittal – SRCC	183
Chairperson’s review	184
About the SRCC	187
Operation of the SRCC	190
Stakeholder engagement	193
Operation of licensees	194
Operation of the Licence Compliance and Performance Model	197

# ABOUT THIS REPORT

The Safety, Rehabilitation and Compensation Commission (SRCC) annual report documents the activities of the SRCC from 1 July 2021 to 30 June 2022.

The SRCC is subject to specific annual reporting requirements under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) and the *Safety, Rehabilitation and Compensation Directions 2019* (Directions) to include particulars of:

- > Directions given by the Minister
- > Guidelines issued by the SRCC
- > the operations of each licensee
- > records required to be kept in relation to licensees under the Directions.

# LETTER OF TRANSMITTAL – SRCC



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

**GPO Box 9905  
Canberra ACT 2601  
Tel: 1300 366 979**

25 August 2022

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 2022.

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 blue 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 (SRCC) for the year ending 30 June 2022, 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 with the utilisation of digital platforms. The SRCC maintained and achieved its yearly meeting schedule and actively consulted with licensees and affiliated unions without any impediment, remaining highly responsive to issues and enquiries raised.

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 do not impose unnecessary regulatory burden on those entities which it regulates. Extensive consultation with all relevant stakeholders was undertaken as part of this review, which is continuing into the 2022–23 reporting year.

More particularly, the purpose of the review of the performance measures is to enable the SRCC to obtain improved insights into each licensee's unique risk profile, and to evaluate performance for regulatory purposes by using contextual and trend methods.

## **Priorities**

The SRCC has a range of functions under the SRC Act and the *Work Health and Safety Act 2011* (WHS Act). These are set out on page 190.

To fulfil its functions, the SRCC's priorities for 2021–22 were focused on the following key areas:

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

I am pleased to report that the SRCC undertook a range of activities to achieve outcomes against these priority areas in 2021–22. 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 any external shocks relevant to licensees, such as COVID-19
- > 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 2021–22 is set out in this report.

## Self-insurance

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

- > Telstra Limited (licence to commence on 31 December 2022).

The SRCC granted licence extensions for a further eight years until 1 July 2030, under section 105 of the SRC Act, to the following entities:

- > Australian Postal Corporation
- > StarTrack Retail Pty Ltd
- > StarTrack Express Pty Limited
- > Border Express Pty Ltd
- > Commonwealth Bank of Australia
- > BWA Group Services Pty Limited
- > Colonial Services Pty Ltd
- > Commonwealth Insurance Limited
- > Commonwealth Securities Limited
- > DHL Supply Chain (Australia) Pty Ltd
- > FedEx Express Australia Pty Ltd
- > Telstra Corporation Limited
- > Cleanaway Operations 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 an open discussion on the implementation and operation of the LCPM. This includes identifying further areas of review as part of continuous improvement.

The annual meeting between the SRCC and licensees was held on 9 June 2022 and the annual meeting between the SRCC and affiliated unions will be held in September 2022.

The SRCC undertook a range of other stakeholder engagement activities in 2021–22, further detail is provided within this report.

## Strategic risk register

The SRCC manages current and emerging risks through its strategic risk register. In 2021–22 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 *Safety, Rehabilitation and Compensation Act 1988* (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 Ministers during 2021–22:

Since 1 July 2022 the SRCC reports to the following Minister:

*The Hon Tony Burke MP*

Minister for Employment and Workplace Relations

Minister for the Arts

Leader of the House

The SRCC reported to the following Ministers and Assistant Minister during 2021–22:

1 June to 30 June 2022

- > *The Hon Mark Dreyfus KC MP*  
Attorney-General

23 May to 1 June 2022

- > *Senator the Hon Katy Gallagher*  
Attorney-General  
Minister for Finance  
Minister for Women

1 July 2021 to 23 May 2022

- > *Senator the Hon Michaelia Cash*  
Attorney-General  
Minister for Industrial Relations  
Deputy Leader of the Government of the Senate  
Senator for Western Australia
- > *Senator the Hon Amanda Stoker*  
Assistant Minister to the Attorney-General  
Assistant Minister for Women  
Assistant Minister for Industrial Relations

The Minister has the power to give directions to the SRCC on the performance of its functions and the exercise of its powers. These directions may include criteria and procedures for the scope of licences, record keeping and reporting requirements, and related matters.

## Role and functions

The SRCC administers functions under the SRC Act, other than those functions attributed to Comcare. The SRC Act establishes the workers' compensation scheme covering Commonwealth employees and the employees of licensed entities.

The SRCC has a number of general and specific roles and functions conferred on it by the SRC Act and WHS Act. The role and functions under the SRC Act are to:

- > ensure that, as far as practicable, there is equity of outcomes resulting from administrative practices and procedures used by Comcare and a licensee in the performance of their respective functions under the SRC Act
- > advise the Minister about anything relating to the operation of the SRC Act or to the SRCC's functions or powers
- > prepare and issue general policy guidelines to Comcare or licensees in relation to their respective powers and functions
- > be the issuing authority and regulator of self-insurance licences under the SRC Act, including setting licence fees
- > provide guidelines on the setting of premiums and a review point (if required) for employers' premium and regulatory contribution determinations
- > undertake other functions as conferred on the SRCC by any other Act.

Under the WHS Act, the functions of the SRCC are to:

- > advise the Minister on the administration of the WHS Act
- > advise and make recommendations to the Minister on the most effective means of giving effect to the objects of the WHS Act
- > enquire into and make recommendations to the Minister on any matter relating to work health and safety referred to the SRCC by the Minister
- > provide a forum for consultation between Comcare and persons conducting business or undertakings, workers and the bodies that represent them.

## SRCC accountabilities

The SRCC has an evaluation framework which it uses to provide assurance that it has appropriately discharged its statutory responsibilities. The framework includes an annual assessment of the outcomes and activities of the SRCC against each of its statutory functions.

The outcomes and activities against each functional category enable the SRCC to make an informed assessment of its performance in meeting its regulatory functions as listed above.

At its 24 August 2022 meeting, the SRCC resolved that it had satisfactorily discharged its statutory responsibilities for the 2021–22 reporting year.

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

## Membership

The SRC Act provides for the SRCC to have 11 Members, each appointed by the Minister (other than Safe Work Australia's CEO). Members other than the Chairperson may appoint a deputy, subject to the Minister's approval. A Member, other than Safe Work Australia's CEO, holds office on a part-time basis for a term not longer than three years, as specified in the instrument of appointment. Members are eligible for reappointment.

The SRCC comprised the following members during 2021–22:

- > 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 Tom Roberts, Member nominated by the ACTU (appointed until 14 February 2022)
- > Mr Michael Flinn, Member nominated by the ACTU (appointed from 15 February 2022)
- > 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 five meetings in 2021–22 on: 13 September 2021, 16 December 2021, 10 March 2022, 4 May 2022 and 9 June 2022. Details of attendance at SRCC meetings during 2021–22 are shown in Table 24. Additionally, the SRCC held a number of out of session meetings in 2021–22 to support the SRCC in delivering its functions.

Table 24: SRCC meeting attendance

Commissioner	Meetings eligible to attend	Meetings attended	Meetings attended by deputy*
Peter Richards	5	5	–
Trevor Gauld	5	4	–
Melissa Payne	5	5	–
Michael Flinn	3	2	–
Louisa Hudson*	5	5	2
Michelle Baxter*	5	4	1
Catherine Hudson	5	5	–
Jane Hall	5	5	–
Stephen Somogyi	5	5	–
Tom Roberts	2	0	2
Jody Anderson*	5	4	1

\*During 2021–22 the following Deputies attended SRCC meetings:

- > Laura Buckley, Deputy to Louisa Hudson (attended where conflicts of interest arose);
- > Lien Sutherland, Deputy to Tom Roberts;
- > Amanda Johnston, Deputy to Michelle Baxter; and
- > David Cains, 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 2022): Four (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. Among other things, the report must include particulars of any Directions given by the Minister under section 89D and any Guidelines issued by the SRCC under section 73A of the SRC Act.

The Minister issued the following Directions to the SRCC under the SRC Act during 2021–22:

- > *Safety, Rehabilitation and Compensation Directions Amendment Instrument 2022*, which amended the Safety, Rehabilitation and Compensation Directions 2019, requiring the SRCC to notify the Minister in writing before granting or varying a licence that would authorise a Commonwealth authority to accept liabilities arising under the Act at a time before the licence commenced.

The SRCC issued no Guidelines under section 73A of the SRC Act during 2021–22.

## Delegations

At its 16 December 2021 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); and
- > 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 SRCC reviewed its Code of Conduct in January 2022, agreeing that it remained appropriate. The next review is scheduled to occur in 2023. The Code of Conduct is available on the SRCC website.

# STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement continued to be a key priority for the SRCC in 2021–22, with a key outcome being that the SRCC is open and transparent in its dealings with regulated entities.

In 2021–22 the SRCC and its sub-committee for Reviewing the Regulation of Self-Insured Licensees consulted with stakeholders via:

- > the annual meeting with licensee representatives on 9 June 2022; and
- > specific engagement sessions on proposed changes to the performance measures in the LCPM on 18 February 2022, 2 March 2022, 31 May 2022 and 1 June 2022.

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

# 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 25 summarises licence types, licensees and expiry dates at 30 June 2022.

Table 25: Licence types, licensees and expiry dates – at 30 June

Licence type	Features	Licensee (expiry date)	Claims management arrangements
Corporation	<i>Self-management of claims (with capacity to arrange for third-party claims managers)</i>	Australia and New Zealand Banking Group Limited (30/06/2029)	In house
		Australian air Express Pty Ltd (30/06/2025)	QBE Insurance (Australia) Limited
		Bevchain Pty Limited (30/06/2029)	Linfox Australia Pty Ltd
		Bis Industries Limited (30/06/2023)	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
		Colonial Services Pty Limited (30/06/2030)	Commonwealth Bank of Australia
		Commonwealth Bank of Australia (30/06/2030)	In house
		Commonwealth Insurance Limited (30/06/2030)	Commonwealth Bank of Australia
		Commonwealth Securities Limited (30/06/2030)	Commonwealth Bank of Australia
		CSL Limited (30/06/2023)	QBE Insurance (Australia) Limited
		DHL Express (Australia) Pty Ltd (31/12/2026)	DHL Supply Chain (Australia) Pty Ltd

Licence type	Features	Licensee (expiry date)	Claims management arrangements
		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
		Fleetmaster Services Pty Ltd (30/06/2023)	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 (30/06/2023)	Linfox Australia Pty Ltd
		Linfox Australia Pty Ltd (30/06/2023)	In house
		Medibank Private Limited (30/06/2023)	Employers Mutual Limited
		National Australia Bank Limited (30/06/2024)	In house with reconsiderations performed by QBE Insurance (Australia) Limited
		Optus Administration Pty Limited (30/06/2023)	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 trading as Chubb Security Services Limited) (30/06/2025)	In house with reconsiderations performed by Moray & Agnew
		Ramsay Health Care Australia Pty Limited (30/11/28)	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)	In house
		Thales Australia Limited (formerly known as ADI Limited) (30/06/2025)	In house with reconsiderations performed by QBE Insurance (Australia) Limited

Licence type	Features	Licensee (expiry date)	Claims management arrangements
		Virgin Australia Airlines Pty Ltd (29/09/2024)	Employers Mutual Limited
		Visionstream Pty Ltd (30/06/2023)	Gallagher Bassett Services Pty Ltd
		Wilson Security Pty Ltd (30/06/2023)	QBE Insurance (Australia) Limited
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 (30/06/2023)	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 two years of licence. Following the initial two-year period, licensees are considered to be established in the scheme.

Developing/transitioning licensees work closely with Comcare to develop systems by participating in, and being subject to, reviews throughout the first two years of licence to ensure that a licensee can meet the conditions of licence and performance standards set by the SRCC.

The SRCC uses this initial period to closely monitor the performance of a new licensee as they transition into the scheme. The SRCC may choose to lessen the extensive reviews in the developing/transitioning phase where a licensee can evidence strong, consistent results against compliance and performance requirements.

Established licensees are required to be compliant with the conditions of licence and continue to meet the performance standards set by the SRCC.

The SRCC can, at any time, determine that due to issues with compliance, reporting or performance results, a regulatory response is required. The status of a licensee (that is, developing/transitioning or established) does not inhibit the SRCC from taking action to address a compliance or performance issue. For example, a targeted review may be conducted at any point should the SRCC consider the performance of a licensee warrants a more thorough review.

A key feature of the LCPM is the quarterly monitoring of the SRCC-defined performance standards and measures, including the Licensee Key Performance Indicators (LKPIs). The SRCC sets performance targets against these LKPIs, which include the incidence of serious and accepted claims based on industry benchmarks, return to work performance, and timeliness of claims management and reconsideration decisions. Licensees are provided with the opportunity to provide input and information regarding their quarterly results for consideration. The SRCC uses the LKPI results and any further information provided by licensees to determine whether any regulatory action is required.

The 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 2021–22 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 LCPM 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 26 provides a summary of each licensees' claims activity during 2021–22. Table 27 provides a summary of SRCC monitoring of overall licensee performance against the LKPIs during 2021–22.

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

## Licensee data

Table 26: Licensees' claims activity

	Number of FTE employees		Incidence of claims received <sup>1</sup>		Incidence of claims accepted <sup>1</sup>	
	2020–21	2021–22	2020–21	2021–22	2020–21	2021–22
Australia and New Zealand Banking Group Limited <sup>2</sup>	18,737	18,716	-	np	-	np
Australian air Express Pty Ltd	343	258	37.9	42.6	23.3	38.8
Australian Capital Territory Government	25,172	26,271	27.3	21.3	21.9	17.4
Australian National University	4,253	4,154	np	np	np	np
Australian Postal Corporation	27,591	27,914	70.3	61.2	57.8	48.3
BevChain Pty Limited <sup>3</sup>	-	859	-	9.3	-	1.2
Bis Industries Limited	946	1,272	35.9	29.9	21.1	14.9
Border Express Pty Ltd	993	993	34.2	29.2	23.2	28.2
BWA Group Services Pty Ltd	3,334	3,366	np	np	np	np
Cleanaway Operations Pty Ltd	7,151	6,477	28.9	34.0	19.7	24.2
Colonial Services Pty Limited <sup>4</sup>	1,684	99	np	50.5	np	20.2
Commonwealth Bank of Australia Ltd	26,487	30,312	np	np	np	np
Commonwealth Insurance Limited	448	519	np	np	np	np
Commonwealth Securities Limited	2,946	2,094	np	np	np	np
CSL Limited	2,490	2,502	np	np	np	np
DHL Express (Australia) Pty Ltd	1,339	1,323	27.6	18.9	23.2	15.9
DHL Supply Chain (Australia) Ltd	3,030	2,900	17.8	10.3	9.9	5.9
FedEx Express Australia Pty Ltd	6,338	5,649	45.3	43.2	34.6	37.5
Fleetmaster Services Pty Ltd	362	362	35.9	24.9	24.9	11.0
John Holland Group Pty Ltd	3,600	3,644	9.7	11.0	8.6	9.3
John Holland Pty Ltd	1,603	1,429	102.9	100.1	96.1	95.2
John Holland Rail Pty Ltd	185	175	59.5	45.7	54.1	51.4
K&S Freighters Pty Limited	2,100	2,000	41.0	36.0	29.5	30.5

	Number of FTE employees		Incidence of claims received <sup>1</sup>		Incidence of claims accepted <sup>1</sup>	
	2020–21	2021–22	2020–21	2021–22	2020–21	2021–22
Linfox Armaguard Pty Ltd	1,726	1,546	16.8	13.6	np	np
Linfox Australia Pty Ltd	5,630	5,722	13.5	11.4	np	np
Medibank Private Limited	1,883	1,772	np	np	np	np
National Australia Bank Limited	26,093	26,184	np	np	np	np
Optus Administration Pty Limited	6,986	6,633	np	np	np	np
Pacific National Services Pty Ltd	2,540	2,603	19.7	18.1	14.2	11.1
Prosegur Australia Pty Limited	835	835	43.1	26.3	29.9	21.6
Ramsay Health Care Australia Pty Limited	19,725	19,819	12.5	15.5	6.4	10.1
Reserve Bank of Australia	1,348	1,348	0	0	0	0
Ron Finemore Transport Services Pty Limited	793	820	16.4	56.1	15.1	51.2
StarTrack Express Pty Limited	3,556	3,630	45.3	41.3	38.8	33.9
StarTrack Retail Pty Ltd	140	123	28.6	24.4	28.6	16.3
Telstra Corporation Limited	21,359	21,389	6.8	7.2	np	4.9
Thales Australia Limited	3,458	3,250	11.9	11.7	10.1	9.8
Virgin Australia Airlines Pty Ltd	5,703	4,020	14.7	34.1	10.7	23.1
Visionstream Pty Ltd	1,133	1,133	14.1	11.5	11.5	5.3
Wilson Security Pty Ltd	5,041	5,031	16.7	10.3	8.3	6.2
<b>ALL LICENSEES</b>	<b>251,888</b>	<b>249,146</b>	<b>20.8</b>	<b>17.8</b>	<b>15.8</b>	<b>13.5</b>

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

1. All incidence rates are calculated per 1,000 FTE employees.
2. ANZ commenced in the Scheme on 1 June 2021
3. BevChain commenced in the Scheme on 1 July 2021
4. Colonial Services experienced a significant decrease in FTE in 2021–22.

Table 27: Performance against LKPIs – all licensees

	2020–21	2021–22
Number of notifiable worker fatalities <sup>1</sup>	10	11
Incidence of serious claims <sup>2</sup>	9.2	8.3
Incidence of accepted claims <sup>3</sup>	15.8	13.5
Median incapacity (weeks)	5.5	5.7
Percentage of claims determined within 20 days (injury) and 60 days (disease)	97 per cent	97 per cent
Percentage of reconsiderations decided within 30 days	99 per cent	94 per cent
Number of reconsideration requests decided	1,236	1,201
Number of AAT appeals received	651	668

1. A notifiable fatality refers to the death of a person, whether an employee or contractor.

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

3. This measure captures those claims that were initially accepted in the reporting period.

Note: All incidence rates are calculated per 1,000 FTE employees

## Recordkeeping and reporting requirements under the Directions

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

Table 28: Recordkeeping requirements under the Directions

Requirement	Number	Details
Applications for licence received	Nil	
Refusals to grant licence	Nil	
Expiry of licence	13 extensions of licence	Cleanaway Operations Pty Ltd Australian Postal Corporation StarTrack Retail Pty Ltd StarTrack Express Pty Limited Border Express Pty Ltd Commonwealth Bank of Australia Group BWA Group Services Pty Limited Colonial Services Pty Ltd Commonwealth Insurance Limited Commonwealth Securities Limited DHL Supply Chain (Australia) Pty Ltd FedEx Express Australia Pty Ltd Telstra Corporation Limited
Suspension of licence	Nil	
Revocations of licence	Nil	
Grants of licences, including the scope of the licences and the conditions to which the licences are subject*	1 grant of licence	Telstra Limited (previously Network Design and Construction Limited) – commencement date of 31 December 2022
	4 variations granted due to change in scope or conditions of licence	National Bank Australia Ltd (NAB) Telstra Corporation Pty Ltd Telstra Limited Visionstream Pty Ltd
Breaches of licences	5	The following licensees breached their licence: > DHL Supply Chain (Australia) Pty Ltd: Breach of prudential conditions > Prosegur Australia Pty Limited: Breach of prudential conditions > Bis Industries Limited: Breach of prudential conditions > Visionstream Pty Ltd: Breach of prudential conditions > K&S Freighters Corporation Ltd: Breach of WHS condition 13(b)

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





# **GLOSSARY AND INDEX**



# GLOSSARY

AAT	Administrative Appeals Tribunal – The AAT can, on request, review administrative decisions by most Australian and Australian Capital Territory Government departments and authorities. This includes reviewing reconsideration decisions made by Comcare. Either an employee or an employer may request a review of a decision.
ACT	Australian Capital Territory
ACTU	Australian Council of Trade Unions
Affirmation rate	Affirmation rate is the percentage of original decisions which were upheld following a request for reconsideration.
AIHW	Australian Institute of Health and Welfare
ANAO	Australian National Audit Office
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	<i>Comcare Corporate Plan 2021–25</i>
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
HWSA	Heads of Workplace Safety Authorities
ICT	Information communication technology
IFMH	Inter-departmental Forum on Mental Health
Impairment	The loss, the loss of use, or the damage or malfunction, of any bodily system or function or part of such system or function. A permanent impairment is one that is likely to continue indefinitely.
Incapacity	A diminished ability to earn.
Incapacity benefit	A payment made directly or indirectly, by way of income maintenance.
Injury	Refers to either an injury or disease. An injury can be a physical or mental injury and includes aggravation of a pre-existing ailment.
IPS	Information Publication Scheme
KPI	Key performance indicator
LCPI	Licensee Compliance and Performance Improvement
LCPM	Licence Compliance and Performance Model. The LCPM provides the regulatory framework under which the SRCC monitors and assesses licensee performance and replaced the previous Licensee Improvement Program and Tier Model.
Liability	The effect of a determination, creating a legal obligation to pay compensation under the SRC Act.
Licensed self-insurers	A Commonwealth authority or a corporation that is a holder of a licence under Part VIII of the SRC Act.
Licensees	Licensed self-insurers
LKPIs	Licensee Key Performance Indicators
LMS	Comcare Learning Management System

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
OH&S	Occupational health and safety
PAW	People at Work tool
PCBUs	Person Conducting Business or Undertaking
PDP	Performance Development Plan
People Plan	Comcare's People Plan
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	<i>Public Governance, Performance and Accountability Rule 2014</i>
PICS	<i>Parliamentary Injury Compensation Scheme</i>
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	<i>Safety, Rehabilitation and Compensation Directions 2019</i>
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.

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

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# ALPHABETICAL INDEX

## A

---

- Accessibility Action Plan 81
- accountability *see* management and accountability
- activities and changes, significant 79
- Adeney, Yvette 22
- Administrative Appeals Tribunal (AAT) 3
  - appeals 201
  - litigation program 29, 44
  - management of litigation activities 41, 44
  - review of reconsideration 161
- administrative cost 89
- advertising 172
- Aka, Seyhan 95
- Anderson, Jody 189, 190
- annual reports vi
- appeals 161–2, 201
- asbestos-related claims, management of (performance)
  - governing legislation 9
  - results, summary of 28, 38, 44
- Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* (ARC Act) 9
  - Comcare responsibilities 9, 10
- Assessing functional capacity to work for psychological injuries; partnering with the Mental Health Professionals' Network 47
- Assure Programs 87
- audit
  - external 79
  - internal 72
- Audit and Risk Committee (ARC) 16, 69, 74
  - internal audit 72
  - meeting attendance 77–8
- Australia and New Zealand Banking Group (ANZ) 199
- Australia New Zealand Research Collaboration (ANZRC) 56
- Australian Air Express Pty Ltd 199
- Australian Capital Territory Government 199
- Australian Government Investigations Standards 2011* 72
- Australian Human Rights Commission 2

Australian Institute of Health and Welfare (AIHW) 51  
Australian National Audit Office (ANAO) 72, 74  
    independent auditor's report 92–3  
Australian National University 199  
Australian Pesticides and Veterinary Medicines Authority 42  
Australian Postal Corporation 185, 199, 202  
Australian Public Service (APS)  
    mental health, supporting 2, 46  
Australian Work Health and Safety Strategy 2012–2022 46  
Authoritative Committees 70, 71

## B

---

Baxter, Michelle 190  
Be Upstanding project 56  
being adaptive and sustainable in the face of change (strategic priority) 8, 27  
    analysis of performance 59–65  
Bekis, Natalie 21, 84  
Better Practice: Early Intervention programs 49  
better practice initiatives (performance)  
    results, summary of 30, 58  
Better Practice Provision of Employee Assistance Programs (EAPs) 52, 56  
BevChain Pty Limited 3 199  
Beyond Blue 46, 56  
Bis Industries Limited 199, 202  
Blackley, Leanne 18, 19, 84  
Boehme, Paul 22  
Boland, Marie 4  
Border Express Pty Ltd 185, 199, 202  
Buckley, Laura 190  
Buick, Megan 18, 20, 22, 84  
Burke, the Hon Tony 16, 184, 187  
Bursary Program 42  
BWA Group Services Pty Limited 185, 199, 202

## C

---

- Cairns, David 190
- Cash, Hon Michaelia 16, 53, 187
- Chen, Hansen 22
- Chief Executive Officer (CEO) 71
  - accountable authority 70, 95
  - SRCC delegations 192
  - year in review 2–5
- Child Safety Risk Assessment 73
- claims
  - asbestos 9, 18, 28, 38, 109–10, 134
  - disputation rates 162
  - licensee activity 199–200
  - management 3, 12, 46
  - timeliness of determination 3, 197
  - workers' compensation 87
- claims management 12
- Claims Management Group 22
- Claims Management Improvement Program 32, 61
- Claims Payment Automation project 61
- Cleanaway Operations Pty Ltd 185, 199, 202
- Close, Louise 22
- Cognitive Behavioural Therapy Institute 56
- collaboration vii, 6, 30, 41, 55, 68
- Collaborative Partnership to Improve Work Participation 4, 41, 49
- Colonial Services Pty Ltd 185, 199, 202
- Comcare Contact Centre 5, 41
- Comcare National Conference 3, 42–3
- Comcare National Work Health and Safety Award 42
- Comcare Prevention Strategy 2022–2025 47
- Comcare scheme 3
  - coverage 14–15
  - executive team 18–22
  - management 12
  - national premium rate 64
  - office locations 23

- organisational structure 16
- performance 27–31, 160–3
- purpose 8, 27
- regulator role 11
- roles and responsibilities 11–13
- strategic priorities vii, 8
- values vii, 68
- Comcare Workplace Mental Health Strategy 47
- Comcover 172
- Commission, the *see* Safety, Rehabilitation and Compensation Commission (SRCC)
- Commonwealth Bank of Australia 185, 199, 202
- Commonwealth Child Safe Framework 73
- Commonwealth Fraud Control Framework 2017 71, 72
- Commonwealth Insurance Limited 185, 199, 202
- Commonwealth Ombudsman inquiries 80
- Commonwealth Securities Limited 185, 199, 202
- communication channels, targeted 40
- compensation and rehabilitation 13
- complaints, privacy 80
- Compliance and Enforcement policy 11, 33, 39
- compliance index 176–9
- consultancy services 172
- consultation with licensees
  - SRCC 186
- consistency 68
- Content Manager 32
- Corporate Group 22
- Corporate Plan 2021–22 vi, 26, 27
  - strategic planning and reporting 69, 73
- Corporate Plan 2022–23 4
- COVID-19
  - R U Ok? Day talk 85
- Cox, Tlesha 22
- cross-sector collaboration (performance)
  - results, summary of 30, 55, 56–7
- CSL Limited 199
- Curtin University 56

## D

---

Data Awareness Community of Practice 51  
Data Governance Framework 51  
Data Partnership 51  
*Data Strategy 2019–2022* 51  
DHL Supply Chain (Australia) Pty Ltd 185, 199, 202  
digital environment 59  
Digital Services project 59  
disability 41  
dispute management (performance) 3  
    disputation rates 162  
    results, summary of 29, 44  
Dreyfus, Mark 16, 187  
Driving Health Allocator Training program (DHAT) 34  
Driving Health project 34  
Duke, Michael 18, 19, 84

## E

---

early intervention 4, 8, 27, 29, 46, 87  
Early Intervention: An Overview for managers and supervisors 49  
Eaton, Chloë 22, 84  
ecologically sustainable development (ESD) 173–5  
education 4, 40, 47  
    general practitioner (GP) 49  
    performance results, summary of 29, 45  
Education and Engagement Strategies 40  
Employee Assistance Program (EAP) 49, 52, 55, 87  
employees 81–4  
    education 4, 46, 47  
    engagement 64–5  
    key management remuneration 139  
    *People Strategy 2019–2022* 81  
    provisions 137–8  
    rewards and recognition 81  
    statistics 82–3  
    wellbeing 31, 64, 65  
    work health and safety *see* work health and safety (WHS)  
    workplace diversity 81

- energy consumption 175
- engagement with stakeholders (strategic priority) 3–4, 8, 29
  - analysis of performance 40–1
  - performance results, summary of 29, 45
  - SRCC 193
- Enterprise Data Governance Policy 51
- Enterprise Portfolio Management Office (EPMO) 60
- Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) 173
- environmental performance 175
- equipment
  - technology upgrade 174
- evidence-based practice vii, 8, 30, 47, 49, 51–8
- excellence in service provision (strategic priority) 8, 27
  - analysis of performance 32–3
  - results, summary of 28
- Executive Committee 70, 73
- Executive Team 18–22, 69
  - Acting Executive 22
  - remuneration 84
- external scrutiny 79–80

## F

---

- Fanning, Ellen 42
- FedEx Express Australia Pty Ltd 185, 199, 202
- finance law, non-compliance with 79
- financial review
  - admin cost 89
  - key results 88
  - premium rate 89
  - premium scheme 89
- financial statements 91–157
  - accounting judgments and estimates 104–5
  - accounting standards 92
  - assets and liabilities, current/non-current distinction 149–50
  - assets held in trust 151
  - auditor’s report 92–3
  - Beneficiaries Trust Account 151
  - budgetary variance commentary 154–7

- cash flow reconciliation 135
- cash flow statement 101–2, 157
- changes in equity 100
- Comcare objectives 103
- comprehensive income 96–7, 154–5
- contingent assets and liabilities 140
- credit risk 144
- departmental financial performance 113–19
- disclosure of funding 110–12
- events after reporting period 112
- expenses 113–15
- fair value measurements 146–8
- financial assets 120–2, 141–2
- financial instruments 141–3
- financial position 98–9, 156–7
- funding structure 135
- interest-bearing liabilities 129–30
- liquidity risk 145
- market risk 146
- new accounting standards 103–4
- non-financial assets 123–7
- own-source revenue and gains 116–19
- payables 128
- people and relationships 137–9
- preparation, basis of 103
- provisions 130–2
- regulatory charging summary 136
- reporting of outcomes 152–3
- taxation 104
- uncertainties, managing 140–8
- workers' compensation claims, principles of accounting 105–10
- Fleetmaster Services Australia Pty Ltd 199
- flexibility 68
- Flinn, Michael 189, 190
- fraud 71–2
- Fraud against the Commonwealth census 71
- Fraud Control Plan 71

Fraud Risk Assessments 71  
freedom of information 79  
    requests for review 80  
*Freedom of Information Act 1982* 79  
funding ratio 62, 63, 89  
Future Crunch 42, 43

## G

---

Gallagher, Katy 16, 187  
Gauld, Trevor 189, 190  
General Policy Orders 79  
General practitioner (GP) education 49  
glossary 206–211  
governance 68–78  
    better practice, supporting 33  
    principles 68  
    requirements 68  
    structure 71  
governing legislation 9  
    responsibilities 10  
Graham, Vanessa 20, 84  
Great Barrier Reef Marine Park Authority 42

## H

---

Hall, Jane 189, 190  
Heads of Workplace Safety Authorities (HWSA) 53, 56  
Horrocks, Martin 22  
How to Lift Training 56  
Hudson, Catherine 190  
Hudson, Louisa 189, 190  
Hughes, Aaron 16, 18, 21, 26, 84, 95  
Hughes, Kate 74, 77  
Hughes, Peter 75, 78

## I

---

ICT Strategy 2019–2023 59, 174  
    key projects, delivering 32  
IMPRoVE Project 56  
indemnities 172  
Independent Auditor’s Report 92–3  
Indigenous Procurement Policy 172  
information management 174  
Information Publication Scheme (IPS) 79  
infringement notices 165  
injury management 8  
innovation vii, 29, 46, 49, 61, 68, 81  
insight driven and risk and evidence-based practice (strategic priority) 8, 27, 30  
    analysis of performance 51–2  
    performance results, summary of 30  
inspections 2, 30, 54, 86  
inspectorate compliance 54, 164  
insurance 12, 172  
Integrated OneWHS 86  
integrity vii, 3, 8, 29, 41, 44, 68, 81  
Interdepartmental Forum on Mental Health 47, 56  
International Fraud Awareness week 71  
investigations 164  
    fraud 71–2  
    Ombudsman 80

## J

---

Jenkins, Kate 4, 40  
John Holland Group Pty Ltd 199  
John Holland Pty Ltd 199  
Johnston, Amanda 190

## K

---

Kerr, Peter 92–3

## L

---

- leadership 68
- Learning Management System (LMS) 44, 46
- Legal Group 22, 32
- Legal Group Service Charter 32
- legislation, governing 9
  - responsibilities 10
- letter of transmittal
  - Comcare i
  - SRCC 183
- Licence Compliance and Performance Improvement (LCPI) 198
- Licence Compliance and Performance Model (LCPM) 184, 185, 197–203
- licensed self-insurers 194–6
- licensee key performance indicators (LKPIs) 197, 201
- licensing 194–6
  - applications 202
  - breaches 202
  - claims activity 199–200
  - conditions 196
  - consultation with licensees 186
  - continuous improvement 198
  - expiry 202
  - extensions 185
  - grants 202
  - licensees' performance 198
  - performance standards 196
  - record-keeping 202
  - refusals to grant 202
  - reporting requirements 202
  - revocations 202
- Linfox Armaguard Pty Ltd 200
- Linfox Australia Pty Ltd 34, 200
- litigation program 29
- Litigation Strategy 41
- looking ahead 4–5

## M

---

- management and accountability 67–89
- market research 172
- Medibank Private Limited 200
- Medipass 3, 61
- mental health 2, 31, 51, 64, 65 *see also* wellbeing
  - analysis of performance 46
  - first aid training 85–6
  - performance results, summary of 31, 64
  - workplace promotion 47
- Mental Health Community of Practice 44, 47, 56
- Mental Health First Aid accreditation 85
- Mental Health First Aid Australia Skilled Workplaces Initiative in 2021–22 86
- Mental Health Professionals Network 49
- Mentally Healthy Workplace Alliance 56
- Ministerial directions 79
- Modern Slavery Act 2018* 172
- Monash University 34, 56
- Monitoring Compliance Inspection 54, 166

## N

---

- Napier, Justin 18, 19, 84
- National Australia Bank Limited 200, 202
- National Australian Built Environment Rating System (NABERS) Energy Tenancy rating 173
- National Health and Medical Research Council
  - Partnership Project grant 34
- National Return to Work Survey 33, 66, 48
- NewAccess 2, 46, 49, 85
  - workplace expansion trial 33
- Noonan, Kevin 75, 77
- notifiable incidents 87, 163, 164, 201
- NSW Centre for Work Health and Safety 34

## O

---

- office locations 23
- Office of the Australian Information Commissioner (OAIC) 80
- Ombudsman inquiries 80
- Operations Committee 73
- Optus Administration Pty Limited 200

## P

---

- Pacific National Services Pty Ltd 200
- Palmer, Susannah 22
- Parliamentary Business Resources Act 2017* 9
- Parliamentary Injury Compensation Scheme (PICS) 9
  - Comcare responsibilities 10
- Parliamentary Injury Compensation Scheme Instrument 2016* (PICS Instrument) 9
- Payne, Melissa 189, 190
- People at Work (PAW) tool 22, 49
- People Strategy 2019–2022* 60, 81
- performance measures 27
  - results, summary of 28–31
  - review 69
- performance statements 25–65
  - results against performance, summary 28–31
  - statement of preparation 26
  - strategic priorities 32–65
- Persons Conducting a Business or Undertaking (PCBU)
  - education 33
- planning activities, organisation-wide 69
- Portfolio Budget Statements 26
  - strategic planning and reporting 69
- Portfolio Management Board 60, 71
- Portfolio Management Policy 60
- Portfolio Maturity Project 60
- Portfolio, Program and Project Management Maturity (P3M3) 60
- positive impact vii, 68
- Premium Allocation System 59
- premium model, review of 59

- premium rate 89
- premium scheme 89
- prevention and early intervention in our scheme (strategic priority) 8, 27, 29, 46–50, 52
  - analysis of performance 46–7
  - performance results, summary of 30, 49
- Prevention Committee 51
- Pricewaterhouse Coopers (PWC) 56
- privacy complaints 80
- procurement 172
- Program and Project Management Framework 60
- prosecutions
  - Cleanaway Operations Pty Ltd 168
  - Commonwealth (Department of Defence) 167
  - Commonwealth (Department of Environment and Energy) and Helicopter Resources Pty Ltd 167
  - Commonwealth (Department of Home Affairs) and International Health and Medical Services Pty Ltd 166
  - Commonwealth (Royal Australian Mint) 165
  - John Holland Group Pty Ltd, Omega Constructions Pty Ltd and Universal Reo Pty Ltd 166
  - John Holland Pty Ltd 166
  - K&S Freighters Pty Limited 166, 199, 202
  - Lendlease Building Contractors Pty Ltd and Bromar Nominees Pty Ltd 166
  - Lendlease Building Contractors Pty Ltd and Kuredale Pty Ltd (t/a Metro Lintels) 167
  - Thales Australia Limited 168
- Prosegur Australia Pty Limited 200, 202
- psychosocial regulation team 4
- Public Governance, Performance and Accountability Act 2013 (PGPA Act)* 9, 26, 70, 74, 176
- Public Governance, Performance and Accountability Amendment (Corporate Commonwealth Entity Annual Reporting) Rule 2014 (PGPA Rule)* 176
  - fraud prevention 71
  - freedom of information 79
- purpose 8, 27

## Q

---

- quality service to stakeholders (performance)
  - results, summary of 28, 36–7

## R

---

- R U Ok? Day 85, 86
- Ramsay Health Care Australia Pty Limited 200
- Reconciliation and Accessibility Action Plan 81
- reconsiderations 161–2, 201
- record management system 32
- recordkeeping
  - SRCC Directions, under 202
- recycling 174
- regulatory activity (performance) 164–8
  - results, summary of 29, 36, 37, 39, 50
- Regulatory Operations Group 22, 39
- Regulatory Risk Model 51
- rehabilitation 8, 11, 34, 41, 56, 58, 186, 196, 197
- Rehabilitation Case Managers 58
  - digital forums 63, 161
- related party disclosure 139
- remedial action 165
- remuneration
  - executive 84
  - financial statements relating to 139
- reporting requirements
  - SRCC Directions, under 182, 202
  - WHS Act, under 165
- Research Plan towards 2026 51
- Reserve Bank of Australia 200
- Resilience Project, The 85
- respect vii, 8, 68
- Respect@Work: National Inquiry into Sexual Harassment in Australian Workplaces Report 4, 53
- return to work 161
  - performance results, summary of 31, 63
- Rewards and Recognition framework 81
- Richards, Peter J. 183, 184–6, 189, 190
- Richmond Fellowship Queensland 56
- Risk Awareness Week 73
- risk management 73
- Risk Management Policy 73

Risk Management Procedure 73  
Roberts, Tom 189, 190  
Ron Finemore Transport Services Pty Limited 200  
Royal Australian College of General Practitioners (RACGP) 47

## S

---

Safe Work Australia (SWA) 2  
    National Australian Work Health and Safety Strategy 2012–2022 46  
Safe Work Month events 47  
Safety and Compensation Forum 47  
*Safety, Rehabilitation and Compensation Act 1988* (SRC Act) 9  
    Comcare responsibilities 12, 105  
    directions and guidelines 192  
    establishment of SRCC 187  
    scheme coverage under 14  
    self-insured licensees 185  
    workplace rehabilitation 11  
Safety, Rehabilitation and Compensation Commission (SRCC)  
    accountabilities 189  
    annual report 182  
    better practice governance, supporting 33  
    Chairperson’s review 184–6  
    Code of Conduct 192  
    Comcare support 4, 9, 37  
    decision making 191  
    delegations 192  
    directions and guidelines 192  
    establishment 9  
    governing legislation 9  
    letter of transmittal 183  
    licensing 194–6  
    meetings 190  
    meetings with licensees and affiliated unions 186  
    membership 189  
    operation 190–2  
    priorities 184–5  
    responsible Minister 187  
    role and functions 13, 188  
    self-insurance 185

- stakeholder engagement 193
- strategic risk register 186
- sub-committees 191
- work health and safety *see* work health and safety (WHS)
- Safety, Rehabilitation and Compensation Directions 2019 182
- scheme management 12
- Scheme Management Group 22
- Schweicker, Penny 22
- Seacare scheme 4, 9, 13, 33
- Seafarers Rehabilitation and Compensation Act 1992* (Seafarers Act) 9
- Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority)
  - better practice governance, supporting 33
  - Comcare support 37
  - governing legislation 9, 13
  - relationship with Comcare 4, 13
  - role and functions 13
  - scheme 13
- self-insurance 185
- senior management committees 70
- Sheehan, Stephen 76, 78
- Sherwood, Maree 22
- Smith, Beverley 22
- Smith, Duncan 42
- Smith, Jakida 42
- Somogyi, Stephen 189, 190
- staff *see* employees
- stakeholders
  - digital environment 59
  - engagement and partnership 3–4, 8, 27, 29, 40–1, 56
  - satisfaction rating 36
  - SRCC, engagement 293
- StarTrack Express Pty Limited 185, 200, 202
- StarTrack Retail Pty Ltd 185, 200, 202
- statement of preparation 26
- stewardship 68
- Stoker, Amanda 16, 187
- strategic direction assessment 69
- Strategic Partnerships and Engagement Group 22
- strategic planning and reporting 69

strategic priorities vii, 8  
    excellence in service provision 27  
    performance against 27  
strategic research (performance)  
    results, summary of 30, 55, 56–7  
Strategic Risk Register (SRR) 73, 186  
Sustainability Working Group 173  
Sutherland, Lien 190  
Swainson, Matthew 21, 84

## T

---

Taylor Fry Pty Ltd 104, 105  
Telecommunications Asbestos Safety Compliance program 164  
Telstra Corporation Limited 185, 200, 202  
tendering *see* consultancy services  
Thales Australia Limited 168, 200  
Torres Strait Regional Authority 3, 42  
training  
    mental health first aid 85–6  
    WHS 86  
transparency 68  
transport and logistics industry  
    health and safety, addressing 32–5  
Transport Network Forum 22  
Transport Workers Union 34  
Turvey, David 76, 78

## U

---

University of Queensland 56

## V

---

values vii, 68  
Virgin Australia Airlines Pty Ltd 200  
Visionstream Pty Ltd 200, 202

## W

---

- Wallis, Mitch 42
- waste 174
- wellbeing, employee 34, 64, 65, 85–6
  - performance results, summary of 31, 49, 64–5
- Wellbeing@Comcare 85
- Weston, Susan 16, 20, 84
- WHS Team Talk program 86
- Wilson Security Pty Ltd 200
- Wiradjuri Echoes 42
- Woolmer, Lisa 74, 75
- work health and safety (WHS) 2, 11
  - analysis of performance 46–7
  - compliance 2, 11, 30, 44, 54
  - early intervention 4, 8, 29, 34, 87
  - education 46, 49
  - health and safety initiatives 85
  - Inspectorate engagement activities 33
  - management and performance 85–7
  - notifiable incidents 87, 163, 164
  - regulatory practice, building and embedding 39
  - risk-based program of regulatory engagement 30
  - strategy 86
  - training and awareness 86
  - transport and logistics industry 34–5
  - wellbeing initiatives 31, 60–1, 85
- Work Health and Safety Act 2011* (WHS Act) 9
  - Comcare responsibilities 10
  - compliance and enforcement 9, 11
  - external review applications 165
  - infringement notices 165
  - investigations and inspections 164
  - notices issued 165
  - notifiable incidents 87
  - prosecutions under 165–8
  - psychosocial risk 4
  - remedial action 165

- scheme coverage under 15
- seizures 165
- SRCC priorities 184–5
- statutory reporting under 164–5
- WHS undertakings 165
- workers' compensation claims 12, 61, 87
  - common law asbestos-related disease 109–10, 130, 132
  - Commonwealth latent mental disease 108, 132
  - data 160, 162
  - disputation rates 162
  - economic assumptions 109
  - estimation uncertainty 109
  - pre-premium 105, 133
  - premium 105
  - premium business 107, 108, 132
  - principles of accounting 105
  - provisions 105–6, 130–2
- workplace incidents 163
- Workplace Mental Health Stigma Awareness Program 46
- Workplace Sexual Harassment National Forum 2, 25, 40, 53



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