



ANNUAL REPORT 2019-20

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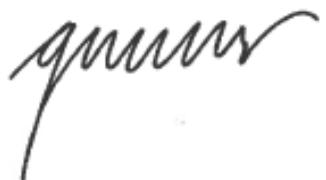
The Hon. Elise Archer MP
Minister for Building and Construction

Dear Minister

WorkCover Tasmania Board Annual Report for 2019–2020

Pursuant to section 15 of the *Workers Rehabilitation and Compensation Act 1988*, I am pleased to submit the WorkCover Tasmania Board's annual report for the financial year 2019–2020.

Yours sincerely



Ginna Webster
Chair
WorkCover Tasmania Board

October 2020

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WorkCover Tasmania Board
Annual Report 2019–20

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We welcome your feedback on this report.

Send to: wstinfo@justice.tas.gov.au

WorkCover Tasmania Board
PO Box 56 Rosny Park Tasmania 7018

Chair's Message

The WorkCover Tasmania Board's role is to help prevent workplace injuries and disease through the promotion of healthy and safe workplaces, and to make sure that Tasmanian workers have access to a fair and equitable workers compensation scheme that also promotes effective workplace injury management and return to work programs. This year, the Board has been working hard to implement programs and legislative reviews that fulfil its role in workplace injury prevention and management.

The COVID-19 pandemic has had a significant impact on Tasmanian businesses, employers and workers. The Board is monitoring the situation closely to ensure that the Tasmanian workers compensation scheme is on a strong footing. The Board and WorkSafe Tasmania have been engaging with licenced insurers, self-insurers, the Tasmanian State Service and the Nominal Insurer to ensure business continuity and to address any issues arising during these difficult times. The Board has worked hard to ensure that scheme participants continue to meet their obligations – particularly in terms of making sure that services continue to be provided to employers and injured workers in Tasmania. The Board has worked closely with its actuaries to monitor the effects of the pandemic and resultant economic situation on the Tasmanian workers compensation scheme.

The WorkSafe Tasmania Advisory Service, funded by the Board, has been instrumental in helping Tasmanian businesses respond to the COVID-19 pandemic. The Service has provided 125 consultations to help businesses develop their COVID-19 Safety Plans. The Service also conducted a live session with Business Tasmania on the process of completing a small-to-medium-business COVID-19 plan, with over 1,000 people in attendance.

The WorkSafe Tasmania Helpline, also funded by the Board, has also been on the front line of WorkSafe Tasmania's COVID-19 response. During the pandemic, the Helpline assisted with the preparation of COVID-19 guidance material, and answered over 1,000 telephone enquiries, responded to more than 200 email queries and referred over 170 complaints to the WorkSafe Tasmania Inspectorate.

The Board also continues to exercise its regulatory and oversight functions under the Workers Rehabilitation and Compensation Act 1988 (the Act) and other legislation under which it has functions: the Work Health and Safety Act 2012 and the Asbestos-Related Diseases (Occupational Exposure) Compensation Act 2011.

These functions include community education regarding work health and safety and workers compensation matters. The Dust Exposure Awareness Campaign raised awareness of the dangers that silica dust exposure pose to Tasmanian workers. The campaign aimed to prevent the diseases caused by silica dust exposure, such as silicosis, by encouraging employers and workers to take measures and act now. The campaign was launched in November of 2019 and ran for three months, focussing on tradespeople and others who may be exposed to silica dust, such as home renovators. It included television, radio and print commercials, bus advertisements and social media posts.

The theme for WorkSafe Month 2019 was 'Safe Bodies, Safe Minds'. The Month focussed on the importance of Tasmanian employers and workers taking action to maintain healthy bodies and healthy minds. A range of events took place across the state that were aimed at increasing awareness of issues that affect our physical and mental health at work. These events included the PTSD: Mental Health Matters Conference; webinars on topics such as psychological injury, emotional health, and understanding discrimination; workshops on positive work culture and reducing the risk of physical injury; the Steps for Wellness Walk; mental health first aid courses; the Health and Safety Representatives Conference; and the WorkSafer Expo in Launceston.

This year, the Board introduced a new program called the Healthier, Safer and Productive Workplaces Grant Program. Eligible organisations and individuals could apply for grants of up to \$50,000 to create work health

and safety solutions for Tasmanian workers and employers. The grants were offered for three key areas: Education and Training; Innovation; and Research. It was encouraging and exciting to see the strength of ideas and innovations in the grant applications we received, and the successful applicants will be creating initiatives that will provide great benefit to Tasmanian workplaces.

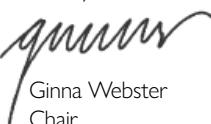
The Board continues to fund and work with Worker Assist Tasmania Inc and the Tasmanian Chamber of Commerce and Industry Ltd (TCCI) to provide advisory, information and education services for Tasmanian employers and workers. Worker Assist will continue to provide free, independent and confidential advice to injured workers about workers compensation, injury management, rehabilitation and return to work, as well as delivering educational programs to the Tasmanian community. The TCCI will be working in conjunction with Roar Educate, a Tasmanian-based interaction online education platform, to offer advisory services to Tasmanian businesses on employers' roles, rights and responsibilities under the work health and safety laws, and to support innovative work practices that promote the prevention of workplace injuries and the development of healthy and safe workplaces. This funding was the result of a competitive grants process.

Legislative reviews form an important part of the Board's function, helping to ensure that our legislation supports safe workplaces and provides for a fair, affordable, efficient and effective workers rehabilitation and compensation scheme. The Board is currently undertaking a review of the step-down provisions in section 69B of the Act, under direction from the Minister. The Board also completed its review of section 87, which governs the cessation based on a worker's age of entitlement to weekly workers compensation payments.

The Board has an important role in licensing workers compensation insurers and granting permits to self-insured employers. Following lengthy consultation, the Board has amended the conditions of those licences and permits. The amendments enable the Board to continue to have an effective mechanism to ensure that insurers and self-insurers operate to a suitable standard, ensure that the licence and permit conditions align with the proposed legislation and regulatory framework, and take into account general feedback received from a range of stakeholders, including workers and workers' representatives, over time. The amended licence and permit conditions come into effect on 1 January 2021.

Post-traumatic stress disorder (PTSD) is an illness that affects workers in a range of occupations, including emergency workers and health care staff. As noted above, PTSD was one of the focuses of this year's WorkSafe Month, and I note that mental health conditions are a priority condition under WorkSafe Tasmania and the Board's 2018 2023 Strategic Plan. This year, the Board completed its review of presumptive provisions in respect of PTSD for private sector workers. This review of the Act aimed to determine whether presumptive provisions relating to PTSD should be extended to workers in the private sector.

I would like to give my appreciation to my fellow Board members and the WorkSafe Tasmania team as we navigate new challenges posed by the pandemic in ensuring that Tasmanians are safe and healthy at work.


Ginna Webster
Chair



About the Board

Overview

The WorkCover Tasmania Board works with workers, employers, medical practitioners, licenced insurers, self-insurers and others to ensure a fair and equitable workers compensation scheme, good return to work outcomes and safer workplaces for all Tasmanian workers.

To achieve this, the Board:

- ▶ Oversees Tasmania's workers compensation scheme and monitors the performance of scheme participants
- ▶ Promotes prompt and effective injury management
- ▶ Promotes safe and healthy workplaces by providing health and safety guidance.

The Board provides advice to the Minister for Building and Construction on matters regarding workers compensation and rehabilitation, and work health and safety. The Board also monitors and reports to the Minister for Building and Construction on the operation and effectiveness of the Asbestos-Related Diseases (*Occupational Exposure*) Compensation Act 2011.

The Board's responsibilities and functions are set out in:

- ▶ Part II of the *Workers Rehabilitation and Compensation Act 1988*
- ▶ Schedule 2, Part 2 of the *Work Health and Safety Act 2012*
- ▶ Part 16 of the *Asbestos-Related Diseases (Occupational Exposure) Compensation Act 2011*.

For more information, see 'Board Functions' later in this report.

Relationship with WorkSafe Tasmania

The Board has a strong relationship with the Department of Justice, with the Secretary of the Department fulfilling the role of Chair of the Board.

The Board monitors and reviews the performance of functions, and exercise of powers, of the Work Health and Safety Regulator.

WorkSafe Tasmania supports the Board's functions in overseeing the Tasmanian workers compensation scheme and ensuring effective injury management. WorkSafe Tasmania informs the Board of emerging national work health and safety issues, and developments in work health and safety matters in other jurisdictions.

For details of WorkSafe Tasmania's activities, see the Department of Justice's Annual Report at justice.tas.gov.au.

Strategic Plan

The Board's *Strategic Plan 2018-2023* is a joint initiative with WorkSafe Tasmania. It provides strategic direction and priorities for the Board and WorkSafe Tasmania, and:

- ▶ Provides a framework for sustainable harm reduction, enhanced scheme regulation and improved return to work outcomes
- ▶ Identifies four strategies that aim to achieve healthier, safer and productive workplaces.

The Board and WorkSafe Tasmania's joint *Strategic Plan* is available on the WorkSafe Tasmania website at worksafe.tas.gov.au.

See 'Board Achievements' later in this report for details on some of the work the Board has done to achieve these strategic outcomes.

Stakeholders

The Board engages with a variety of stakeholders, seeking a broad range of perspectives, including Tasmanian workers, workers compensation licenced insurers and self-insurers, unions, industry bodies, professional bodies, medical professionals, providers such as rehabilitation providers, injury management coordinators and other health professionals, along with the wider community.

Risk Profile

Risk management is critical to being able to define key risks in Tasmania's workers compensation scheme and the Board's management of the scheme. It allows the Board to try to mitigate any negative consequences from those key risks; to align accountability for managing risks; and to ensure consistency between risk management strategies and controls.

The Board's Governance and Audit Committee monitors the identified risks of scheme management, work health and safety, Board operation, strategy and governance, and effective monitoring and reporting.

Board Membership 2019-20

Ginna Webster, Chair

Secretary of the Department of Justice, appointed ex-officio pursuant to Section 9(1)(a) of the Act



Ginna was appointed Secretary of the Department in September 2019, taking on the role of Chair of the WorkCover Tasmania Board.

Ginna was the inaugural Secretary of the Department of Communities Tasmania, and previously served as the Deputy Secretary – Administration of Justice within the Department of Justice. She is also a former Director of Community Corrections.

Ginna is an Executive Fellow of the Australian New Zealand School of Government, a graduate of the Tasmanian Leaders Program and an Alumna of the 'Cranlana' Colloquium.

Jessica Munday

Appointed pursuant to Section 9(1)(b)(iv) of the Act ('a person with expertise in the evidence base related to management of work-related injuries and who advocates for, or has experience in respect of, the interests of injured workers')



Elected to the peak body for unions in Tasmania in 2017, Jessica is the leader of the trade union movement in Tasmania. Unions Tasmania represents approximately 50,000 workers across the private and public sector. She also represents Tasmanian workers on the Executive of the national peak body for unions, the Australian Council of Trade Unions.

Jessica is an experienced industrial relations practitioner. Before leading Unions Tasmania, she worked with the Community and Public Sector Union for 12 years, including three years as the Regional Secretary of the branch where she worked with members on industrial matters as well as workplace health and safety and workers compensation issues. She is also a trustee director of an industry superannuation fund, and president and treasurer of the community legal centre Worker Assist.

Jessica has a degree in political science and public policy, a Certificate IV in unionism and has completed the Australian Institute of Superannuation Trustees Trustee Director Course.

Graham Wood

Appointed pursuant to Section 9(1)(b)(ii) of the Act ('an Australian lawyer with experience in workers rehabilitation and compensation matters')



Graham was admitted as a barrister and solicitor of the Supreme Court of Tasmania in August 1984, and has been partner/consultant with a Hobart law firm since 1990. He specialises in all aspects of litigious work, including the conduct and carriage of matters representing the interest of plaintiffs and defendants.

He has extensive experience in the conduct of workers compensation and personal injury matters, at trial level and on appeal. He is a panel solicitor for numerous major insurance companies; and for over 20 years has been the principal solicitor providing advice to the Police Association of Tasmania on legal issues including administrative law, workers compensation and industrial issues.

Graham has a joint Bachelor of Economics and Law Honours degree.

Dr Robert Walters

Appointed pursuant to Section 9(1)(b)(i) of the Act ('a medical practitioner, or a registered nurse, with expertise in evidence-based management of work-related injuries')



Rob has been a practising GP in Hobart for over 35 years.

He has been the medical director of the Board since 1997 and has extensive experience on a number of boards and councils, including those of Primary Health Tasmania, the Australian Divisions of General Practice, the Cancer Council of Tasmania, the Asbestos Safety and Eradication Council, Headspace, Beyond Blue and Rural Alive & Well. Rob also sits

as a part-time Member on the Administrative Appeals Tribunal. He was a national Men's Health Ambassador, advising the Australian Government on policy relating to male health matters.

Rob also served in the Australian Defence Force from 1972, most recently as the Senior Medical Officer for the ADF, Tasmanian Region in an Army Reserve capacity, holding the rank of Colonel.

Julieann Buchanan

Appointed pursuant to Section 9(1)(b)(v) of the Act ('a person with expertise in the evidence base related to management of work-related injuries and who advocates for, or has experience in respect of, the interests of employers')



Julieann is an occupational therapist with postgraduate qualifications in occupational rehabilitation, ergonomics, management and ageing populations. She has extensive employer-based experience in safety, occupational rehabilitation and workers compensation insurance both at a strategic and operational level. She is currently the Tasmanian Manager of a large self-insurer. Julieann was appointed to the WorkCover Board in January 2018 and is a Member of the Australian Institute of Company Directors.

Sofia Mavratzas

Appointed pursuant to Section 9(1)(b)(iii) of the Act ('a person with extensive experience in the workers compensation insurance industry')



Sofia is based in Adelaide and has extensive experience in the management of underwritten and statutory workers compensation claims in Tasmania, South Australia and New South Wales; and in compulsory third party claims in the Australian Capital Territory and South Australia.

She has 24 years of personal injury claims experience across insurers, the South Australian workers compensation regulator and South Australia's largest self-insurer. She has held executive positions overseeing legal, medical and allied health provider management, fraud and investigations, recoveries and injury and case management for various national and state public and private sector organisations.

Sofia has postgraduate qualifications in business management and commenced post graduate studies in human resource management. She has completed the company directors course and other professional development courses focussed on strategic thinking and leadership.

Board Functions

The Board oversees the operation of Tasmania's workers compensation scheme and provides advice to the Minister on the effectiveness of the scheme and associated legislation. The Board has functions under three Acts: the *Workers Rehabilitation and Compensation Act 1988*; the *Asbestos Related Diseases (Occupational Exposure) Compensation Act 2011*; and the *Work Health and Safety Act 2012*.

Under the *Workers Rehabilitation and Compensation Act 1988*

The Board establishes, implements and monitors the standards required of the scheme participants that the Board has control of: licensed insurers, self-insurers, accredited medical practitioners, and workplace rehabilitation providers. The Board undertook regulatory activities relating to these participants in 2019-20.

Insurers

The Board licences insurers to cover employers for workers compensation claims made by their workers, and grants permits to employers who choose to self-insure against workers compensation claims made by their workers.

As part of the Board's regulatory framework, it audits licensed insurers and self-insurers to assess their compliance with licence and permit legislation and conditions, including their claims management processes and approved injury management programs. Thirteen audits were carried out this year; 8 for self-insurers, 1 for a licensed insurer and 4 for Tasmanian State Service Agencies.

As at 30 June 2020, there are 7 licensed insurers and 10 self-insurers. To see a list of insurers, go to worksafe.tas.gov.au and search for 'insurers'.

Medical practitioners

The Board accredits medical practitioners who wish to assess a worker's permanent impairment.

As at 30 June 2020, there were 374 medical practitioners accredited by the Board. During the year, 19 new applications were approved and no accreditations were revoked.

To see a list of accredited medical practitioners, go to worksafe.tas.gov.au and search for 'medical provider'.

Workplace rehabilitation providers

The Board accredits workplace rehabilitation providers to deliver workplace rehabilitation services in Tasmania. To be accredited, applicants must demonstrate that they meet the requirements of the Nationally Consistent Framework for Rehabilitation Providers.

As at 30 June 2020, there are 44 accredited workplace rehabilitation providers. During the year, 3 new applications were approved and 1 was revoked.

To see a list of accredited workplace rehabilitation providers, go to worksafe.tas.gov.au and search for 'rehab providers'.

Approved injury management programs

The Board approves the injury management programs of licensed insurers and self insurers, the Tasmanian State Service agencies and employers.

As at 30 June 2020, there are 34 approved injury management programs: 10 for self-insurers, 7 for licenced insurers, 17 for Tasmanian State Service agencies.

Performance and monitoring

The Board monitors, analyses and evaluates the performance of Tasmania's workers compensation scheme, and identifies emerging trends and issues. The Board:

- ▶ produced reports including the Suggested Industry Premium Rates 2020-21 Report, Scheme Review, Notional Premiums and the Insurer Environment Report
- ▶ reviewed sections of the *Workers Rehabilitation and Compensation Act 1988* as directed or requested by the Minister for Building and Construction (addressed later in this report).

The performance of the scheme is addressed later in this report.

Under the *Asbestos-Related Diseases (Occupational Exposure) Compensation Act 2011*

The Board has responsibilities under this Act, including:

Reporting on the effectiveness of the Scheme

The Board receives regular performance reports detailing the operation and effectiveness of the Asbestos Compensation Scheme, and other qualitative information.

This year, the Board received an update on progress against the 18 recommendations of the *First Five Yearly Review of the Asbestos-Related Diseases (Occupational Exposure) Compensation Act 2011* (the statutory review), including the report *Internal Review of Claims Activity*.

The internal review progressed recommendation three of the statutory review and identified five priority areas aimed at improving the asbestos compensation application process and adherence to statutory timeframes. These include resolving operational constraints, increasing community and stakeholder awareness, enhancing reporting capabilities, maximising accessibility of service providers, and reviewing statutory timeframes. The Board was invited to discuss actions that may be taken to support the Asbestos Compensation Commissioner's response to the internal review.

Under section 187, an independent review of the operation of the Act is required every five years. The next statutory review is due to occur in 2021.

Collecting data relevant to administration of the Act

Work is progressing to interface asbestos compensation data into WorkSafe Tasmania's information management system. This will provide a more streamlined claims management process, managed through a dedicated user interface within the system; and regular migration of all payment transactions made to claimants from the Department of Justice's finance systems. Asbestos levy payment data will also be migrated to the system to provide for enhanced monitoring and reporting.

Key figures

- 175 applications for compensation received since 2011
- 17 new applications received 2019-20
- 94% of claims this year were for imminently fatal asbestos-related disease
- \$7,041,842 paid 2019-20
- \$7,887,882 received in asbestos levy contributions

Under the *Work Health and Safety Act 2012*

The Board and WorkSafe Tasmania's *Strategic Plan 2018-2023* is available at worksafe.tas.gov.au. The Strategic Plan sets out priorities for achieving healthier, safer and productive workplaces, including working with employers and workers to influence their attitudes towards safety, and empower change towards positive behaviours.

Board-funded initiatives towards supporting these goals included the 2019-20 Healthier, Safer and Productive Workplaces Grant Program. This program has awarded grants that will be used to develop education and training resources and programs to help workers and employers identify, improve and promote workplace health, safety and wellbeing.

Other workplace health and safety tools supported by the Board include the Workplace Issues magazine, and WorkSafe Tasmania's social media presence on Facebook and LinkedIn. These platforms were used to promote many WorkSafe Tasmania initiatives, events and campaigns, including the Silica Dust Awareness Campaign.

Board Committees and Panels

The Board's committees provide advice to the Board on matters relating to audit, risk management, governance, work health and safety, and the operation of the Tasmanian workers compensation scheme and the Tasmanian asbestos compensation scheme. The committees are comprised of members of the Board.

The Board's panels provide expert advice to the Rehabilitation and Compensation Committee on matters relating to rehabilitation within the Tasmanian workers compensation scheme, and the operation of the scheme. The panels are comprised of medical practitioners (the Medical Advisory Panel) and experts in the field of workplace rehabilitation (the Rehabilitation Advisory Panel).

Rehabilitation and Compensation Committee

Purpose: To monitor and advise the Board on matters relating to the efficient and effective operation of Tasmania's workers compensation scheme.

This year, the Committee considered:

- ▶ service delivery grants specifications
- ▶ electronic medical certificate and claim form project
- ▶ review of injury management program guidelines for insurers and self-insurers
- ▶ licence and permit conditions
- ▶ principles of practice for workplace rehabilitation providers
- ▶ review of step-down provisions
- ▶ injury management coordinator training
- ▶ recommendations from Ministerial Review Relating to Establishing Entitlements under the Workers Rehabilitation and Compensation Act 1988 for Workers Suffering Post Traumatic Stress Disorder (PTSD).

Membership: Julieann Buchanan (Chair), Sofia Mavratzas, Robert Walters.



Work Health and Safety Committee

Purpose: To monitor and advise the Board on matters relating to Tasmania's work health and safety performance and opportunities for work health and safety improvement.

This year, the Committee considered:

- ▶ WorkSafe Month 2020
- ▶ Silica Dust Awareness Campaign
- ▶ industry snapshots
- ▶ Better Work Tasmania
- ▶ workplace injury reports.

Membership: Robert Walters (Chair), Julieann Buchanan, Jessica Munday.



Governance and Audit Committee

Purpose: To monitor and advise the Board on matters relating to governance, audit and risk management.

This year, the committee reviewed the Board's:

- ▶ annual financial statements
- ▶ risk profile
- ▶ current contracts
- ▶ common seal usage
- ▶ delegation usage.

The Committee are also reviewing the Board's governance arrangements, including committee and panel structures, complaints handling, public interest disclosures and personal information protection.

Membership: Graham Wood (Chair), Sofia Mavratzas, Jessica Munday.



Medical Advisory Panel

This panel ensures the Rehabilitation and Compensation Committee is informed on matters relating to the role of medical practitioners in the Tasmanian workers compensation scheme.

This year, the Panel has considered:

- ▶ presumptive provisions in relation to PTSD
- ▶ the risks posed by silicosis in Tasmanian workplaces
- ▶ independent medical examiner guidelines
- ▶ injury management.



Rehabilitation Advisory Panel

This panel ensures the Rehabilitation and Compensation Committee is informed on matters relating to rehabilitation within the Tasmanian workers compensation scheme.

This year, the Panel has:

- ▶ advised the Committee on matters regarding injury management coordinator training.

Board Achievements

Healthier, Safer and Productive Workplaces Grant Program 2019-20

The Board implemented its Healthier, Safer and Productive Workplaces Grant Program 2019-20. This program aims to reduce workplace injuries, improve workers' wellbeing and promote healthier and safer workplaces in Tasmania.

The four successful applicants were in the Education and Training category of the grant. The successful applicants and their initiatives are:

Fruit Growers Tasmania Inc

Language barriers have been identified as a risk point for foreign seasonal workers in the fruit industry. Fruit Growers Tasmania's project, the Tasmanian Fruit Industry Induction Program, will provide a visual learning resource for the Tasmanian fruit industry. The safety induction training video has multi-language capability to ensure that all fruit pickers are more aware of workplace safety.

Ondental Pty Ltd

The risk of workplace physical and mental injury is well-documented in the dental profession. For example, dental work involves poor posture, stagnant positions and repetitive tasks. Ondental are developing a training program called Dental Workwell. The program will provide the tools, guidance and knowledge needed to effectively manage and improve physical and mental health in dental practice.

Primary Employers Tasmania

Agriculture is identified as a priority industry nationally and in WorkSafe Tasmania's Strategic Plan due to its high rate of workplace injuries. Primary Employers Tasmania's AgCard project is a pre-farm employment induction program that uses Safe Farming Tasmania's resources to give farm workers essential awareness and understanding of work health and safety procedures.

Rural Business Tasmania Inc

National surveys have shown a high rate of sexual harassment experienced by women in the agricultural industry. Rural Business Tasmania's initiative will provide workplaces with the opportunity to reduce the risk of sexual harassment and bullying, by using electronic and printed tools to deliver a combination of behavioural-based training and practical guidance aimed at rural workplaces.

Silica Dust Awareness Campaign

The Silica Dust Awareness Campaign 2019 aimed to raise awareness around the dangers posed by silica dust in the workplace and at home, and to prevent the diseases caused by workplace dust exposure. Those most at risk include construction workers and tradespeople, and home renovators.

The campaign's taglines were 'Don't breathe dust' and 'Be silica safe'. The campaign was aimed at tradespeople and others who may be exposed to silica dust through their work, including home renovators. It launched in November 2019 and ran for three months. Campaign methods included television, radio and print commercials and bus advertising, supported by posters, flyers and social media posts.

Evaluation of the campaign shows that 82% of those aware of the campaign reported an increase in awareness of the dangers of being exposed to silica dust, and 45% of those aware of the campaign have taken action as a result of it.

Review of Section 87 of the *Workers Rehabilitation and Compensation Act 1988*

In 2019, the Board undertook a review of section 87 of the *Workers Rehabilitation and Compensation Act 1988*. This review was in relation to an age-restriction for weekly workers compensation payments. The Board completed its review of section 87 in August 2019, and provided its recommendations to the Minister for consideration.

Service Delivery Grants

This year, the Board invited applications for grants for the provision of advisory, information and education services for Tasmanian employers and workers. Under the grants program, advisory, information and education services are provided to Tasmanian employers and workers to promote and support:

- ▶ an understanding of the *Workers Rehabilitation and Compensation Act 1988* and the *Work Health and Safety Act 2012* through education and any other appropriate means
- ▶ the prevention of injuries and diseases in workplaces, the development of healthy and safe workplaces, and the return to work of injured workers as soon as possible.

The successful grants applicants were:

- ▶ Worker Assist Tasmania Inc.
- ▶ The Tasmanian Chamber of Commerce and Industry Ltd (TCCI).

Worker Assist will continue to provide free, independent and confidential advice to injured workers about workers compensation, injury management, rehabilitation and return to work, and deliver educational programs to the Tasmanian community. For more information, go to workerassist.org.au.

TCCI will offer services to Tasmanian business to help them comply with Tasmania's work health and safety laws. These services include providing information and education regarding employers' roles, rights and responsibilities under the work health and safety laws; and supporting innovative work practices that promote the prevention of workplace injuries and the development of healthy and safe workplaces.

**Are your
workers
silica safe?**

Don't breathe dust. Be silica safe.



worksafe.tas.gov.au/silicasafe



As part of the Service Delivery Grant, Roar Educate will partner with the TCCI to provide a mental health resource called Head4Work. This resource will consist of competency-based online training.

TCCI will also support employers to undertake workplace assessments and identifying hazards in their workplaces; educate their workers about workplace health and safety issues; develop workplace safety plans; and improve workplace mental health. For more information, go to tcci.com.au.

New Website

The Board and WorkSafe Tasmania have a new website at worksafe.tas.gov.au, the result of merging the previous WorkCover Tasmania Board, WorkSafe Tasmania and Better Work Tasmania sites. The website is cleaner and easier to navigate, and includes information on health and safety, workers compensation and licensing, permits and registration.



WorkSafe Month 2019

The theme of 2019's WorkSafe Month was 'Safe Bodies, Safe Minds', with the program of events building on the 'Safety is Everything' mental health campaign.

Events covered the areas of mental health, PTSD and positive work culture, and included the PTSD Mental Health Conference, a webinar series on workplace physical and mental health issues, and the WorkSafer Expo in Launceston.

Helpline

The Helpline is the telephone and email information centre for WorkSafe Tasmania, and is the first point of contact for the public. Queries to the Helpline cover workers compensation, work health and safety, and other legislation administered by WorkSafe Tasmania. Stakeholders are provided with relevant information, and matters requiring further research are directed to other parts of WorkSafe Tasmania.

This year, 11,435 phone calls were answered, on:

- dangerous goods: 417
- long service leave: 583
- statutory holidays: 62
- work health and safety: 8,305
- workers rehabilitation and compensation: 1,353
- other: 715

The Helpline also received 890 emails, provided 2,878 publications, and recorded 1,428 notifications (workplace complaints and incidents).



Better Work Tasmania

Better Work Tasmania is an innovative, collaborative approach to improving work health and safety. It hosts networking events and online resources for employers and managers to share work health and safety ideas and resources.

This year Better Work networking sessions covered silica exposure and control for the construction and manufacturing sectors. Three separate silica networking sessions were facilitated in Hobart, Launceston and Devonport with over 300 participants. The Hobart session was recorded and over 500 views online have been made since it was provided.

A networking session for the public sector covering strategic approaches to the ageing workforce was also provided.

Updating the Better Work Tasmania work health and safety online induction platform began, with implementation scheduled for the end of 2020. A mental health networking session for the construction sector is scheduled for August 2020.



Health and Safety Advisory Service

The Advisory Service has continued to successfully help small to medium sized businesses make their workplaces safer and healthier through practical, individual support and guidance by:

- ▶ providing practical tools and resources to help identify hazards in workplaces
- ▶ helping businesses implement solutions that are relevant, practical and affordable
- ▶ checking that businesses current safety plans and policies are 'on track'
- ▶ providing free ongoing work health and safety support to its clients.

They also supported businesses with their COVID-19 safety management systems.

Advisors made 556 visits to 162 businesses around the state, 69 school presentations, and took part in regional and community events and shows.



WorkSafe Month 2020

Safe Bodies, Safe Minds.



WorkSafe Month
Webinars



Ministerial Requests and Directions

By section 11A of the *Workers Rehabilitation and Compensation Act 1988*, the Minister for Building and Construction may give a direction in writing to the Board with respect to the performance of its functions and the exercise of its powers under this or any other Act. The Minister may also make a request of the Board to undertake particular work in relation to the Board's responsibilities under the relevant Act.

The following Ministerial requests and directions have been made to the Board for 2019-20:

Review of Step-Down Provisions to the Workers Rehabilitation and Compensation Act 1988

Under the Act, for the first 26 weeks of incapacity, a worker receives weekly payment at 100% of their normal weekly earnings. After the first 26 weeks, there are two reductions (known as step-downs) in weekly payments.

Where a worker is incapacitated for more than 26 weeks, their weekly payments are paid at either 90% or 95% of their normal weekly earnings. Where a worker's incapacity exceeds 78 weeks, their weekly payments are reduced to either 80% or 85% of normal weekly earnings. The entitlements of the worker is dependent on whether the employer is able to provide suitable alternative duties.

In May 2019, the Minister directed the Board to undertake appropriate analysis and consultation, and provide a recommendation to the Minister, on:

- a. The operation of section 69B of the Act, concerning the step-down provisions, as applied to occupational groups within the public sector; and
- b. Whether or not the Act ought to be amended in light of the Board's recommendations and advice.

The Board has engaged Allen and Clarke Consulting to conduct the review, which is currently underway. Recommendations and advice are due to be provided to the Minister in time for the last parliamentary sitting day in 2020.

The full direction is provided in appendix 5 of this report.

Review of Provisions with Respect to Older Workers – Section 87 of the *Workers Rehabilitation and Compensation Act 1988*

In October 2018, the Minister referred a review of section 87 of the Act regarding older workers' entitlements to workers compensation weekly payments to the Board for analysis and appropriate consultation, with advice to be provided by August 2019.

The Board engaged PricewaterhouseCoopers to conduct an analysis of potential options for amendments to the Act.

Options Papers with analyses of stakeholder submissions, actuarial analysis, jurisdictional comparisons, and potential options for consideration were presented to the Board in 2019.

Under the Act, an age restriction for weekly workers compensation payments is provided for within section 87.

Following the completion of its review of section 87 of the Act, the Board provided its analysis and recommendations to the Minister in August 2019.

The full direction is provided in appendix 5 of this report.

Review of Presumptive Provisions in Respect of Post-Traumatic Stress Disorder (PTSD)

In 2018, the Board reviewed presumptive provisions for post-traumatic stress disorder (PTSD) in relation to certain workers in the public sector, and to consider whether the *Workers Rehabilitation and Compensation Act 1988* should be amended to include such presumptive provisions.

The Board's report on the review was tabled in both houses of Parliament on 25 September 2018. In June 2019, the *Workers Rehabilitation and Compensation Amendment (Presumption as to Cause of Disease) Act 2019* came into effect. It established a rebuttable presumption that PTSD suffered by certain public sector workers is work-related for the purposes of workers compensation.

On 3 October 2018, the Board received a second Ministerial directive to undertake robust analysis on recommendations 2, 3, 4, 5, 6, 8 and 10 of the Report, including consultation as appropriate, and advise on actions to address or progress the matters raised, specifically:

- a. actions that will be undertaken by the Board, with associated timeframes; and
- b. the Board's recommendations for Government action.

The Board was also directed on 3 October 2013 to undertake further analysis and community consultation, and make a recommendation to Government on:

- c. how presumptive provisions in relation to PTSD could most appropriately be applied to persons not employed or appointed by the State, including:

- i. the persons whom it would be appropriate to apply the presumption, for example, by occupation or exposure; and
- ii. the qualifications or limitations (if any) that ought to apply to such provisions, for example, to ensure presumption is applied specifically to persons placed at significant risk of contracting post-traumatic stress disorder in the course of their employment or involvement in activities covered by the Act;
- d. the financial and economic impact of the application of a presumption for post-traumatic stress disorder as defined in point a. (above); and
- e. whether presumptive provisions, as defined at point a. (above), ought to be introduced.

Following a Request for Quotation process, the Board appointed ACIL Allen Consulting Pty Ltd to undertake the review of the Act in relation to presumptive provisions for PTSD in private sector workers.

On 20 December 2019, the Board provided its review report on the two later directives, along with the Board's advice and recommendations.

Review of operation of section 27 of the *Workers Rehabilitation and Compensation Act 1988*

Section 27 of the *Workers Rehabilitation and Compensation Act 1988* relates to presumptive provisions for certain diseases for firefighters and was last amended in 2017 under the *Workers Rehabilitation and Compensation Amendment (Presumption of Cause of Disease) Act 2017*. Under section 28 of the *Workers Rehabilitation and Compensation Act 1988* the operation of section 27 is to be reviewed every three years following the completion of each previous review.

On 20 July 2020, the Board received a request from the Minister for Building and Construction to conduct a review of the operation of section 27 of the *Workers Rehabilitation and Compensation Act 1988*. The review is to consider the claims experience of section 27 on the Scheme.

The review will also include an assessment of:

- the cost of covering relevant employees of the Bushfire Risk Unit of the Tasmania Fire Service under the provisions of section 27;
- whether the Board considers it appropriate to include actuarial advice on the future cost of current and predicted new claims more generally; and
- whether claim numbers are sufficient to make any meaningful comparisons with the general population with respect to the incidence of any of the diseases listed in Schedule 5 of the *Workers Rehabilitation and Compensation Act 1988*.

The Board will engage PricewaterhouseCoopers to conduct the review and provide a report to the Board in time for the Board to provide their recommendations and advice to the Minister. The Board must provide its recommendations and advice to the Minister on the above matters by no later than 26 March 2021.

APPENDICES

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Appendix 1 & 2

Appendix 1 - Contracts

Information required under the *Financial Management Act 2016* for contracts awarded in 2019-20.

Summary of Participation by Local Business (for contracts, tenders and/or quotation processes with a value of \$50,000 or over, ex GST)	
Total number of contracts awarded	5
Total number of contracts awarded to Tasmanian businesses	2
Value of contracts awarded	\$1,697,102
Value of contracts awarded to Tasmanian businesses	\$724,316
Total number of tenders called and/or quotation processes run	3
Total number of bids and/or written quotations received	13
Total number of bids and/or written quotations received from Tasmanian businesses	5

Contracts with a value of \$50,000 or over (ex GST)

Name	Location	Description	Period	Total value
PricewaterhouseCoopers Actuarial Pty Ltd	Sydney, NSW	Actuarial Services	1 July 2019 to 30 June 2022	\$778,723
ACIL Allen Consulting Pty Ltd	Melbourne, VIC	Consultancy Services	1 July 2019 to 27 September 2019	\$112,063
Allen and Clarke Consulting Group Limited Partnership	Melbourne, VIC	Consultancy Services	26 March 2020 to 31 July 2020	\$102,000

Advisory, information and education services

All based in Tasmania

Name	Description	Period	Total value
Tasmanian Chamber of Commerce and Industry Limited	Advisory Services	1 July 2019 to 30 June 2020	\$256,248
Worker Assist Tasmania Inc.	Worker Assist Services	1 July 2019 to 30 June 2020	\$468,068

Grants

All based in Tasmania

Name	Description	Period	Total value
Ondental Pty Ltd	Healthier, Safer and Productive Workplaces	1 June 2020 to 31 December 2020	\$9,500
Fruit Growers Tasmania Inc.	Healthier, Safer and Productive Workplaces	2 December 2019 to 31 August 2021	\$50,000
Rural Business Tasmania Inc.	Healthier, Safer and Productive Workplaces	25 June 2020 to 31 December 2021	\$46,190
Primary Employers Tasmania	Healthier, Safer and Productive Workplaces	27 June 2020 to 9 June 2021	\$50,000

Appendix 2 - Right to Information

WorkCover Tasmania receives a number of right to information applications each year from applicants seeking disclosure of workers compensation claims history under the *Right to Information Act 2009*.

This financial year, the Board did not process any information requests for assessed disclosure. The Board processed 23 requests for active disclosure.

SCHEME PERFORMANCE

Introduction

The Tasmanian workers compensation scheme is a privately underwritten scheme, operating on a no-fault basis under the *Workers Rehabilitation and Compensation Act 1988*.

Under the Act, employers are required to take out a workers compensation insurance policy with a licensed insurer. A licensed insurer is licensed by the WorkCover Tasmania Board to insure Tasmanian employers' workers compensation liabilities.

Alternatively, employers may apply to the Board to be granted a permit to self-insure their workers compensation liabilities.

The Tasmanian Government established the Tasmanian Risk Management Fund (TRMF) in 1989 to, amongst other things, meet the cost of workers compensation claims of employees of government agencies, and in effect operates as a self-insurer.

The Scheme Performance Report 2019-20 is a statistical report providing details of the performance of various aspects of the workers compensation scheme.

The assessed performance of the scheme detailed in the scheme report card is calculated by the scheme actuary.

Total Claims Reported

There were 7,555 new claims reported in 2019-20. This is 313 fewer claims than at the end of June 2019 (7,868). The number of claims reported to the end of June 2020 is 345 (4%) fewer than the scheme actuary projection of 7,900 reported claims for 2019-20.

Total Payments Reported

Claim payments in 2019-20 totalled \$190.2m. This is 10% (\$17.3m) more than for the same time in 2018-19 (\$172.9m). The \$190.2m paid to the end of June 2020 is 4% higher than the scheme actuary projection (\$182.9m).

Payment Types

Of the total \$190.2m reported in claim payments in 2019-20, the largest proportion was in weekly compensation payments which accounted for around \$66.5m, or 35% of the total value of payments. Lump sum payments accounted for \$59.7m or 31% of the total; medical and related payments for \$47.1m or 25% of the total; and legal and investigation payments made up 9% of the total or \$16.9m.

Written Premium Received

\$192.6m in written premiums have been collected in 2019-20. This is 1% more than the \$189.9m in premiums for 2018-19. The written premium pool is 2.4% lower than the suggested premium pool of \$197.4m.

Earned Premium Rate

The earned premium rate for 2019-20 is 2.09% of wages. This is close to the suggested rate of 2.08% and 2.4% higher than the 2018-19 rate of 2.04%.

Workers Compensation Fund Levy as a Percentage of Premium

Earned premiums of licensed insurers and the notional premiums of self insurers and the Tasmanian State Service incur a levy, the monies from which are used to fund the WorkCover Tasmania Board's activities and the administration of the *Workers Rehabilitation and Compensation Act 1988* for the year. The most recent workers compensation fund levy approved is for the 2018-19 financial year and was set at 3.29% of premiums. The preliminary rate for the 2019-20 financial year has been calculated at 4.05% of premiums which is subject to Minister approval.

Return to Work Rates

The latest National Return to Work Survey, released in September 2018, reported that 79% of surveyed injured workers were currently working at the time of the survey.



7,555 claims reported



3% fewer claims reported than in 2018/19



\$190.2 million in claim payments



Claim payments 10% higher than in 2018-19



Current Return to Work Rate was 79% at time of 2018 survey



Health Care and Social Assistance reported the highest number of injuries



The most common type of injuries were musculoskeletal disorders



Mental stress was the cause of around 9% of all claims



State Service reported 20% of claims



SCHEME METRICS

Workers Compensation Scheme Metrics

Insurers Report Card

The Insurers Report Card provides a snapshot of key metrics for licensed insurers, self insurers, and the Tasmanian State Service (TSS) for 2019-20.

Insurer Type	Number of Insurers	Number of claims reported ²	Claim payments (\$m)	Covered wages ¹ (\$m)
Licensed	7	5,784	127.6	9,956.9
Self	10	214	8.7	500.7
TSS	1	1,557	53.9	2,631.0
Total		7,555	190.2	13,088.6

Workers Compensation Scheme Report Card

The following table provides details of the claims experience in 2019-20 and compares it to 2018-19.

A detailed review of the operation and performance of the Tasmanian workers compensation scheme to 30 June 2020 will be available on the WorkSafe Tasmania website in late 2020.

	2018/19 Actual	2019/20 Expected	2019/20 Actual	2019/20 Actual - Exp
Earned Wages (\$m)				
Insurer ¹	9,401.0	9,738.5	9,956.9	218.4
Self Insurer	505.3	472.6	500.7	28.1
TSS	2,510.3	2,561.3	2,631.0	69.7
Scheme	12,416.7	12,772.4	13,088.5	316.1

Number of claims Reported

All Claims

Insurer	6,072	6,081	5,784	-297
Self Insurer	277	280	214	-66
TSS	1,519	1,539	1,557	18
Scheme	7,868	7,900	7,555	-345

Total Claim Payments (\$m)

Insurer	117.3	128.7	127.6	-1.1
Self Insurer	6.5	6.3	8.7	2.3
TSS	49.1	47.9	53.9	6.0
Scheme	172.9	182.9	190.2	7.3

Weekly Benefits

Lost Time Claims Reported

Insurer	3,815	4,026	3,840	-186
Self Insurer	173	172	150	-22
TSS	984	993	1,040	47
Scheme	4,972	5,191	5,030	-161

	2018/19 Actual	2019/20 Expected	2019/20 Actual	2019/20 Actual - Exp
Weekly Benefit Payments (\$m)				
Insurer	35.2	40.7	39.2	-1.5
Self Insurer	1.9	1.6	2.3	0.7
TSS	20.6	22.4	24.9	2.5
Scheme	57.6	64.8	66.5	1.7
Lump Sum Benefits				
<i>Lump Sum Claims</i>				
Insurer	324	405	368	-37
Self Insurer	24	25	17	-8
TSS	64	59	84	25
Scheme	412	489	469	-20
<i>Lump Sum Benefit Payments (\$m)</i>				
Insurer	37.2	41.8	42.2	0.4
Self Insurer	2.0	2.1	3.6	1.5
TSS	14.5	11.2	13.9	2.7
Scheme	53.7	55.1	59.7	4.6
Medical & Related Benefit				
Insurer	34.6	34.5	33.7	-0.8
Self Insurer	1.8	1.8	1.9	0.1
TSS	10.8	11.4	11.5	0.1
Scheme	47.3	47.7	47.1	-0.6
Legal and Investigation Payments				
Insurer	10.3	11.6	12.5	0.8
Self Insurer	0.7	0.7	0.9	0.1
TSS	3.2	3.0	3.6	0.6
Scheme	14.3	15.3	16.9	1.6
Insurer Earned Premium Rate¹	2.04%		2.09%	

Note: all payments are shown in original values in the above table. However, we often quote amounts in 30 June 2020 values in the report.

¹ Adjusted for the movement from estimated initial to final

Data

The data used in the preparation of this report is as at 16 September 2020 and provides relative information for the 2019-20 financial year unless otherwise stated. It is important to note that workers compensation data matures over time as claims progress. This results in dynamic costs and claim numbers; therefore if data extractions occur at different times, slight variation in numbers may result.

The data comes from the WorkSafe Information Management System. While every effort is taken to ensure the accuracy of this report, all data is provided by licensed insurers, self insurers and the Tasmanian State Service. WorkSafe Tasmania cannot ensure the accuracy of the data.

FINANCIAL STATEMENTS



Independent Auditor's Report

To the Members of Parliament

WorkCover Tasmania Board

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of WorkCover Tasmania Board (the Board), which comprises the statement of financial position as at 30 June 2020 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the statement of certification by the Members of the Board (the Members).

In my opinion, the accompanying financial report:

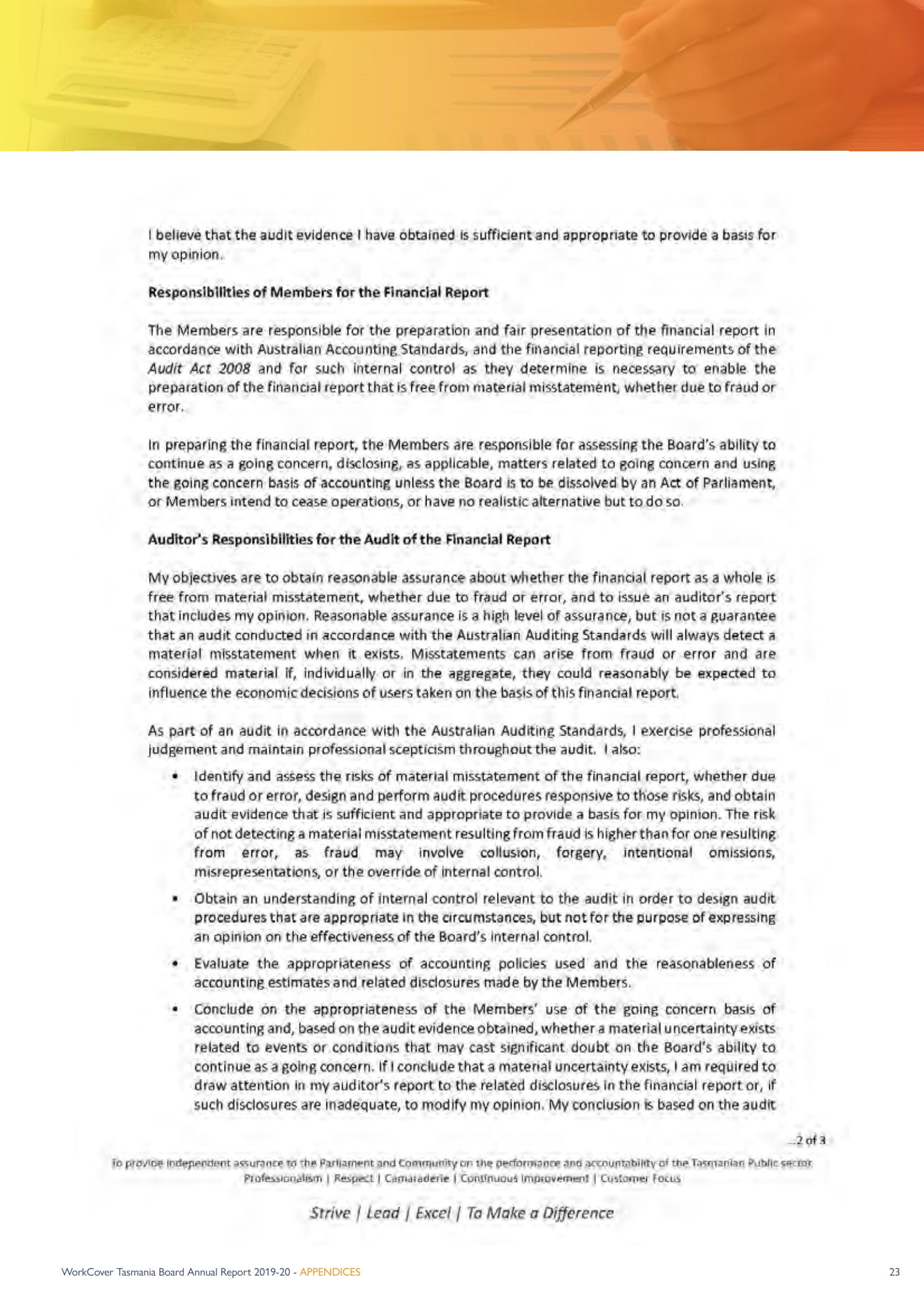
- (a) presents fairly, in all material respects, the financial position of the Board as at 30 June 2020 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Audit Act 2008* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Board in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

- 1 of 3



I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Members for the Financial Report

The Members are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Audit Act 2008* and for such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Members are responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board is to be dissolved by an Act of Parliament, or Members intend to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 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 this financial report.

As part of an audit in accordance with the Australian 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 report, 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 Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members.
- Conclude on the appropriateness of the Members' 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 Board'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 report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit

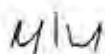
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evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Members 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.



Rod Whitehead
Auditor-General

Tasmanian Audit Office

25 September 2020
Hobart

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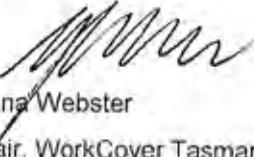
To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference

Statement of Certification

The accompanying financial statements of WorkCover Tasmania are in agreement with the relevant accounts and records and have been prepared in compliance with the provisions of the Audit Act 2008 to present fairly the financial transactions for the year ended 30 June 2020 and the financial position as at end of the year.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Ginna Webster
Chair, WorkCover Tasmania Board

23 September 2020



Graham Wood
Member, WorkCover Tasmania Board
Chair, Governance and Audit Committee

24th September 2020

Statement of Comprehensive Income for the year ended 30 June 2020

	Notes	2020 Actual \$'000	2019 Actual \$'000
Income from continuing operations			
Revenue and other income from transactions			
Contributions	1.1	8 847	8 014
Interest	1.2	17	39
Other revenue	1.3	46	61
Total income from continuing operations		8 910	8 114
Expenses from continuing operations			
Attributed employee benefits	2.1	3 815	3 302
Amortisation	2.2	117	117
Supplies and consumables	2.3	1 298	1 461
Grants	2.4	917	824
Administration costs paid to Department of Justice	2.5	775	564
Expenses incurred by Workers Rehabilitation and Compensation Tribunal	2.6	1 312	1 328
Other expenses	2.7	676	518
Total expenses from continuing operations		8 910	8 114
Net result		-	-
Comprehensive result		-	-

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position as at 30 June 2020

	Notes	2020 Actual \$'000	2019 Actual \$'000
Assets			
<i>Financial assets</i>			
Cash and deposits	7.1	2 464	2 392
Receivables	4.1	1	21
<i>Non-financial assets</i>			
Intangible assets	4.2	350	467
Total assets		2 815	2 880
Liabilities			
Payables	5.1	1 891	2 026
Attributed employee benefits	5.2	924	854
Total liabilities		2 815	2 880
Net assets		-	-
Equity			
Accumulated funds		-	-
Total equity		-	-

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Cash Flows for the year ended 30 June 2020

	Notes	2020 Actual \$'000	2019 Actual \$'000
		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities			
Cash inflows			
Industry Contributions		8 685	7 406
Interest		17	39
Other cash receipts		45	61
Total cash inflows		8 747	7 506
Cash outflows			
Attributed employee benefits		(3 746)	(3 320)
Supplies and consumables		(1 291)	(1 478)
Grants		(871)	(830)
Administration costs paid to Department of Justice		(775)	(564)
Expenses incurred by Workers Rehabilitation and Compensation Tribunal		(1 312)	(1 328)
Other cash payments		(680)	(546)
Total cash outflows		(8 675)	(8 066)
Net cash from (used by) operating activities	7.2	72	(560)
Cash flows from investing activities			
Cash outflows			
Payments for acquisition of non-financial assets		-	-
Total cash outflows		-	-
Net cash from (used by) investing activities		-	-
Net increase/(decrease) in cash held and cash equivalents		72	(560)
Cash and deposits at the beginning of the reporting period		2 392	2 952
Cash and deposits at the end of the reporting period	7.1	2 464	2 392

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2020

	Notes	Accumulated Funds \$'000	Total equity \$'000
--	-------	-----------------------------	------------------------

Balance as at 1 July 2019		-	-
Total comprehensive result		-	-
Total		-	-
Balance as at 30 June 2020		-	-

	Notes	Accumulated surplus / (deficit) \$'000	Total equity \$'000
--	-------	---	------------------------

Balance as at 1 July 2018		-	-
Total comprehensive result		-	-
Total		-	-
Balance as at 30 June 2019		-	-

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Further details on the calculation of equity are included in Note 1.1.

FINANCIAL STATEMENT NOTES

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Note 1. Revenue

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

Until 30 June 2019, income is recognised in accordance with AASB 118 Revenue and AASB 1004 Contributions.

From 1 July 2019, income is recognised in accordance with the requirements of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities, dependent on whether there is a contract with a customer defined by AASB 15.

1.1 Contributions

Funding of WorkCover Tasmania's Operations

As soon as it is practicable in respect of each financial year, the Board is obliged to estimate the amount of money required for the payment or discharge of expenses, charges and obligations of the Board and to estimate the amounts to be received by the Board. A recommendation is then made to the Minister of the rate to be levied on the premiums of licensed insurers and the notional premiums of self insurers. The Minister sets the final levy rate each year based upon the Board's financial position and estimated financial obligations for the upcoming year. Due to the levy being set each year the Board and the Board's administrative arrangement with the Department of Justice for a number of services, including corporate services, the Board should always have sufficient funds to perform its functions.

An advance contribution or levy payable by insurers is determined by calculating the percentage that the budget of the Board bears to the Total Premium Income Pool and applying this percentage to the premium of each insurer. The amounts used for the Total Premium Income Pool and the premium of each insurer refer to the immediately preceding financial year.

Subsequent to the end of the financial year, and once the expenses of the Board and the actual premiums of licensed insurers and the notional premiums of self-insurers are known, a final apportionment of the Board's expenses for the year is made.

2019-20 Contributions Determination

Income for the financial year ending 30 June 2020 includes the final determination, under the terms of the *Workers Rehabilitation and Compensation Act 1988*, of contributions from Licensed Insurers and Self-Insurers for 2019-20.

As detailed, the Board is funded by contributions from licensed insurers and self-insurers with the contributions based on an estimate of the amount of money required for the payment or discharge of expenses, charges and obligations of the Board. The Board does not accumulate surpluses, with the necessary adjustment made to Contributions revenue to reflect this. The adjustment is recognised as an accrual refund for contributions in Note 5.1.

	2020 \$'000	2019 \$'000
Levies	8 670	7 419
Transfer to Accrual Refund for Contributions	177	595
Total	8 847	8 014

1.2 Interest

Interest is earned on the trust account balance and is credited to revenue as it accrues using the effective interest method.

1.3 Other Revenue

Other revenue represents proceeds from fines issued under the *Work Health and Safety Act 2012* and *Workers Rehabilitation and Compensation Act 1988*, and other sundry sources of revenue. Revenue is recognised when the Board gains control of the funds.

	2020 \$'000	2019 \$'000
Fees and fines	46	56
Other	-	5
Total	46	61

Note 2. Expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

2.1 Attributed Employee Benefits

Attributed employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

	2020 \$'000	2019 \$'000
Wages and salaries	3 379	2 848
Superannuation – defined contribution scheme	365	300
Superannuation – defined benefit scheme	57	78
Other employee expenses	14	76
Total	3 815	3 302

Superannuation expenses relating to defined benefits schemes relate to payments into the Consolidated Fund. The amount of the payment is based on an employer contribution rate determined by the Minister, on the advice of the State Actuary. The current employer contribution is 12.95 per cent (2019: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to the relevant superannuation fund at a rate of 9.5 per cent (2019: 9.5 per cent) of salary. In addition, the Board is required to pay into the Consolidated Fund a "gap" payment equivalent to 3.45 per cent (2019: 3.45 per cent) of salary in respect of employees who are members of the contribution schemes.

2.2 Amortisation

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by the Board. Amortisation is provided for on a straight-line basis, using rates lives which are reviewed annually.

Major amortisation rates are:

Software 10 per cent

(a) Amortisation

	2020 \$'000	2019 \$'000
Intangibles	117	117
Total	117	117

2.3 Supplies and Consumables

	2020 \$'000	2019 \$'000
External Audit Fees	4	4
Internal Audit Fees	7	11
Advertising and promotion	526	600
Operating lease costs	17	18
Communications	33	23
Consultancies	199	138
Information technology	247	204
Printing	44	103
Travel and transport	58	63
Personnel expenses	28	50
Plant and equipment	5	9
Other supplies and consumables	130	238
Total	1 298	1 461

The external audit fee for 2019-20 is \$4,210 (\$4,210 for 2018-19).

2.4 Grants

Grant expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when the Board has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

2.5 Service and administration costs paid to Department of Justice

The Department of Justice provides administrative services to the Board. These services include corporate services (shared administration, and web services) in addition to accommodation related costs (including lease, power and cleaning).

2.6 Expenses incurred by Workers Rehabilitation and Compensation Tribunal

The Workers Rehabilitation and Compensation Tribunal is funded from the Workers Rehabilitation and Compensation Fund and is a statutory entity under the *Workers Rehabilitation and Compensation Act 1988* independent of the WorkCover Tasmania Board.

2.7 Other Operating Expenses

Other expenses from ordinary activities are recognised when it is probable that the consumption or loss of future economic benefits resulting in a reduction in assets or an increase in liabilities has occurred and can be reliably measured.

	2020 \$'000	2019 \$'000
Salary on-costs	76	76
Professional Services	308	189
Other operating expenses	292	253
Total	676	518

Note 3. Other Economic Flows Included in Net Result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions. The Board did not have any Other economic flows during 2019-20.

Note 4. Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the Board and the asset has a cost or value that can be measured reliably.

4.1 Receivables

The Board recognises receivables at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. The Board recognises an allowance for expected credit losses for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, the Board applies a simplified approach in calculating expected credit losses. The Board recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Board has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

	2020 \$'000	2019 \$'000
Receivables	1	22
Less: Provision for impairment	-	(1)
Less: Expected credit loss	-	-
Total	1	21
Consumed within 12 months	1	21
Total	1	21
Reconciliation of movement in expected credit loss for receivables	2020 \$'000	2019 \$'000
Carrying amount at 1 July	(1)	(1)
Amounts written off during the year	-	-
Amounts recovered during the year	-	-
Increase/(decrease) in provision recognised in profit or loss	(1)	-
Carrying amount at 30 June		(1)

For ageing analysis of the financial assets past due but not impaired, refer to Note 8.1.

4.2 Intangible Assets

An intangible asset is recognised where:

- it is probable that an expected future benefit attributable to the asset will flow to the Board; and
- the cost of the asset can be reliably measured.

Intangible assets held by the Board are valued at cost less any accumulated amortisation and any accumulated impairment losses.

(a) Carrying amount

	2020 \$'000	2019 \$'000
Intangibles with a finite useful life		
Software at cost	1 120	1 120
Accumulated amortisation	(770)	(653)
Total Intangible assets	350	467

(b) Reconciliation of movements

	2020 \$'000	Total \$'000
Carrying amount at 1 July	467	467
Amortisation expense	(117)	(117)
Carrying amount at 30 June	350	350

	2019 \$'000	Total \$'000
Carrying amount at 1 July	584	584
Amortisation expense	(117)	(117)
Carrying amount at 30 June	467	467

Note 5. Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

5.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when the Board becomes obliged to make future payments as a result of a purchase of assets or services.

	2020 \$'000	2019 \$'000
Trade Payables	7	3
Accrued expenses	59	21
Accrual Refund for Contributions (Note 1.1)	1 825	2 002
Total	1 891	2 026
Settled within 12 months	1 891	2 026
Total	1 891	2 026

Settlement of trade payables is usually made within 30 days.

5.2 Attributed Employee Benefits

Liabilities for wages and salaries and annual leave are recognised when the employee becomes entitled to receive the benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other attributed employee benefits are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material. The Board makes the assumption that all staff annual leave balances less than 20 days will be settled within 12 months, and therefore valued at nominal value, and balances in excess of 20 days will be settled in greater than 12 months and therefore calculated at present value.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. The Board makes a number of assumptions regarding the probability that staff who have accrued long service leave, but are ineligible to take it will remain with the Board long enough to take it. For those staff eligible to take their long service leave, the Board assumes that they will utilise it evenly over the following ten years. All long service leave that will be settled within 12 months is calculated at nominal value and all long service leave that will be settled in greater than 12 months is calculated at present value.

	2020 \$'000	2019 \$'000
Accrued salaries	54	28
Annual leave	270	228
Long service leave	600	598
Total	924	854
Settled within 12 months	282	250
Settled in more than 12 months	642	605
Total	924	854

5.3 Superannuation

The Board does not recognise a liability for the accruing superannuation benefits of the Boards' employees. This liability is held centrally and is recognised within the Finance General Division of the Department of Treasury and Finance.

During the reporting period, the applicable percentage of salary in respect of contributory members of the Retirement Benefits Fund was paid to the Department of Treasury and Finance. The appropriate Superannuation Guarantee Charge was paid into the nominated superannuation fund in respect of non-contributors. Under these arrangements there is no further superannuation liability for the past service of employees.

Note 6. Commitments and Contingencies

6.1 Schedule of Operating Commitments

	2020 \$'000	2019 \$'000
By type		
<i>Lease Commitments</i>		
Short term and/or low value leases	35	-
Operating leases	-	62
Total lease commitments	35	62
<i>Other commitments</i>		
Other	1 836	222
Total other commitments	1 836	222
By maturity		
<i>Lease commitments</i>		
One year or less	21	23
From one to five years	14	39
Total lease commitments	35	62
<i>Other commitments</i>		
One year or less	849	222
From one to five years	987	-
Total other commitments	1 836	222
Total	1 871	284

The Board lease commitments include motor vehicles and information technology equipment leases. All amounts are shown exclusive of GST. Other commitments relate to actuarial services, communication services, education services over the life of the respective contracts and grants.

6.2 Contingent Assets and Liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding the amount or timing of the underlying claim or obligation. The Board has no contingent assets or liabilities as at 30 June 2019.

Note 7. Cash Flow Reconciliation

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund held by the Department of Treasury and Finance. Deposits are recognised at amortised cost, being their face value.

7.1 Cash and Deposits

Cash and Deposits includes the balance of the Trust Account, held by the Board, and any other cash held. The Board processes all transactions through a Trust Account entitled T435 *Workers' Rehabilitation and Compensation Act 1988* Compensation Fund Account.

	2020 \$'000	2019 \$'000
Special Deposits and Trust Fund balance		
T435 - Workers' Compensation Act 1988 Compensation Fund Account	2 464	2 392
Total cash and deposits	2 464	2 392

7.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2020 \$'000	2019 \$'000
Net result	-	-
Amortisation	117	117
(Increase) Decrease in Receivables	20	(18)
Increase (Decrease) in Refunds to Contributors Accrual	(177)	(596)
Increase (Decrease) in Creditors and Accrued Expenses	42	(44)
Increase (Decrease) in Attributed employee Benefits	70	(19)
Net cash from (used by) operating activities	72	(560)

7.3 Reconciliation of liabilities arising from financing activities

The Board does not have any liabilities arising from financing activities.

Note 8. Financial Instruments

8.1 Risk Exposures

(a) Risk management policies

The Board has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

The Board has overall responsibility for the establishment and oversight of its risk management framework. Risk management policies are established to identify and analyse risks faced by the Board, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

(b) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. Exposure to credit risk is considered to be minimal.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Assets		
Receivables	Receivables are recognised at amortised cost, less any impairment losses, however, due to the short settlement period, receivables are not discounted back to their present value.	It is the Board's policy to issue invoices with 30 day terms of trade.
Cash and deposits	Deposits are recognised at amortised cost, being their face value.	Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund.

The Board does not have any concentration of credit risk. The Board monitors receivables on a monthly basis and follow up procedures are undertaken for all debts that are overdue. Action taken is dependent on the length of time the debt is overdue.

The carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents the Boards maximum exposure to credit risk. The Board does not hold any collateral or other security over its receivables.

The Board extends 30 day credit terms for sundry receivables, and receives standard commercial credit terms for sundry creditors.

Except as detailed in the following table, the carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents the Boards maximum exposure to credit risk without taking into account of any collateral or other security:

	2020 \$'000	2019 \$'000
Receivables	1	21
Total	1	21

Receivables age analysis - expected credit loss

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. The loss allowance for trade debtors as at 30 June are as follows.

Expected credit loss analysis of receivables as at 30 June 2020					
	Not past due \$'000	Past due 1-30 days \$'000	Past due 31-60 days \$'000	Past due 61-90 days \$'000	Total \$'000
Expected credit loss rate (A)	0%	0%	0%	1%	1%
Total gross carrying amount (B)	-	-	-	1	1
Expected credit loss (A x B)	-	-	-	-	-

Expected credit loss analysis of receivables as at 1 July 2019					
	Not past due \$'000	Past due 1-30 days \$'000	Past due 31-60 days \$'000	Past due 61-90 days \$'000	Total \$'000
Expected credit loss rate (A)	0%	0%	0%	1%	1%
Total gross carrying amount (B)	-	6	-	16	22
Expected credit loss (A x B)	-	-	-	(1)	(1)

(c) Liquidity risk

Liquidity risk is the risk that the Board will not be able to meet its financial obligations as they fall due.

The Workers Rehabilitation and Compensation Act 1988 provides for temporary advances to be made available from the Department of Justice and that more than one percentage may be determined by the Minister for different proportions of a financial year.

Monitoring of revenue and expenditure forecasts and current cash balances is undertaken by the Board at each Board meeting.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Liabilities		

Payables	Payables are recognised at amortised cost, which due to the short settlement period, equates to face value, when the Board becomes obliged to make future payments as a result of a purchase of assets or services.	Payables, including goods received and services incurred but not yet invoiced, arise when the Board becomes obliged to make future payments as a result of a purchase of assets or services. The Board's terms of trade are 30 days.
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The following tables detail the undiscounted cash flows payable by the Board by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

2020			
Maturity analysis for financial liabilities	1 Year \$'000	Undiscounted Total \$'000	Carrying Amount \$'000

Financial liabilities			
Payables and Accrued Expenses	66	66	66
Accrual Refund for Contributions	1 825	1 825	1 825
Total	1 891	1 891	1 891

2019			
Maturity analysis for financial liabilities	1 Year \$'000	Undiscounted Total \$'000	Carrying Amount \$'000

Financial liabilities			
Payables and Accrued Expenses	24	24	24
Accrual Refund for Contributions	2 002	2 002	2 002
Total	2 026	2 026	2 026

(d) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the Board is exposed to is interest rate risk.

The Board's exposure to interest rate risk is considered to be minimal. The majority of the Board's interest bearing financial instruments are managed by the Department of Treasury and Finance.

At the reporting date the interest rate profile of the Board's interest bearing financial instruments was:

	2020 \$'000	2019 \$'000
Variable rate instruments		
<i>Financial assets</i>		
Cash in Special Deposits and Trust Funds	2 464	2 392
Total	2 464	2 392

Changes in variable rates of 100 basis points at reporting date would have the following effect on the Board's profit or loss:

Sensitivity Analysis of the Board's Exposure to Possible Changes in Interest Rates	100 basis point increase \$'000	100 basis point decrease \$'000
Statement of Comprehensive Income		
30 June 2020		
Cash in Special Deposits and Trust Funds	25	(25)
Net sensitivity	25	(25)
30 June 2019		
Cash in Special Deposits and Trust Funds	24	(24)
Net sensitivity	24	(24)

These analyses assume all other variables remain constant. These analyses were performed on the same basis for 2019.

8.2 Categories of Financial Assets and Liabilities

	2020 \$'000	2019 \$'000
Financial assets		
Cash and cash equivalents	2 464	2 392
Amortised cost	1	21
Total	2 465	2 413
Financial Liabilities		
Financial liabilities measured at amortised cost	1 891	2 026
Total	1 891	2 026

8.3 Comparison between Carrying Amount and Net Fair Values of Financial Assets and Liabilities

	Carrying Amount 2020 \$'000	Net Fair Value 2020 \$'000	Carrying Amount 2019 \$'000	Net Fair Value 2019 \$'000
Financial assets				
Cash and deposits	2 464	2 464	2 392	2 392
Receivables	1	1	21	21
Total financial assets	2 465	2 465	2 413	2 413
Financial liabilities				
Financial liabilities measured at amortised cost	1 891	1 891	2 026	2 026
Total financial liabilities	1 891	1 891	2 026	2 026

The Board does not have any financial assets or financial liabilities carried at fair value through the profit and loss or any available for sale financial assets.

Note 9. Events Occurring After Balance Date

There have been no events subsequent to the balance date which would have a material effect on the Board's Financial Statements as at 30 June 2020.

Note 10. Board Members' Compensation

The WorkCover Board consists of the following structure:

- Chair; Ginna Webster, Secretary of the Department of Justice, appointed ex-officio pursuant to Section 9(1)(a) of the Act; Commenced 2 September 2019.
- Chair; Katherine Morgan-Wicks, Secretary of the Department of Justice, appointed ex-officio pursuant to Section 9(1)(a) of the Act; Resigned 1 September 2019.
- Ms Julieann Buchanan, appointed pursuant to Section 9(1)(b)(v) of the Act. Membership commenced 23 January 2018.
- Ms Sofia Mavratzas, appointed pursuant to Section 9(1)(b)(ii) of the Act. Membership commenced 23 January 2018.
- Ms Jessica Munday, appointed pursuant to Section 9(1)(b)(iv) of the Act. Membership commenced 23 January 2018.
- Dr Robert Walters, appointed pursuant to Section 9(1)(b)(i) of the Act. Membership commenced 23 January 2018.
- Mr Graham Wood, appointed pursuant to Section 9(1)(b)(ii) of the Act. Membership commenced 23 January 2018.

Details of the Board's remuneration arrangements for its WorkCover Tasmania Board Members are as follows:

- All non-government Members are paid a salary, which includes salary and superannuation, but no leave entitlements.
- A number of Members elected to devolve their entitlement to remuneration to be paid directly to other parties.
- The ex officio Member does not receive remuneration or recoveries of costs.

The following table of benefits and payments details, in respect to the financial year, the components of remuneration for each member of the Board:

2020	Salary \$'000	Super \$'000	Other Benefits*	Total \$'000
WorkCover Tasmania Board Members				
Robert Walters	30	3	-	33
Graham Wood	30	3	-	33
Julieann Buchanan	30	3	-	33
Sofia Mavratzas	30	3	-	33
Jessica Munday	30	3	-	33
Total	150	15	-	165

2019	Salary \$'000	Super \$'000	Other Benefits*	Total \$'000
WorkCover Tasmania Board Members				
Robert Walters	30	3	-	33
Graham Wood	30	3	-	33
Julieann Buchanan	30	3	-	33
Sofia Mavratzas	30	3	-	33
Jessica Munday	30	3	-	33
Total	150	15	-	165

*Other Benefits include reimbursements in addition to additional services performed

Note 11. Related Party Disclosures

AASB 124 *Related Party Disclosures* requires related party disclosures to ensure that the financial statements contain disclosures necessary to draw attention to the possibility that the Board's financial results may have been affected by the existence of related parties and by transactions with such parties.

This note is not intended to disclose conflicts of interest for which there are administrative procedures in place.

The extent of information disclosed about related party transactions and balances is subject to the application of professional judgement by the Board. It is important to understand that the disclosures included in this note will vary depending on factors such as the nature of the transactions, the relationships between the parties to the transaction and the materiality of each transaction. Those transactions which are not materially significant by their nature, impact or value, in relation to the Board's normal activities, are not included in this note.

The WorkCover Board made payments to related parties for the following reasons:

	2020 \$'000	2019 \$'000
Unions Tasmania		
Reimbursement of cost contributed to WorkSafe month	38	6
	38	6
Worker Assist Inc		
Worker Assist Grant	468	462
	468	462

All amounts are GST exclusive.

Note 12. Significant Accounting Policies

12.1 Operations of the Board

The Board was established in July 2001 following amendments to the *Workers Rehabilitation and Compensation Act 1988* (the Act). The Board provides advice to the Minister on matters relating to work health and safety and workers rehabilitation and compensation. It also oversees the operation of Tasmania's workers rehabilitation and compensation scheme (the Scheme), reviews the incidence and cost of workplace injuries and provides advice to the Minister on the effectiveness of the Scheme and associated legislation.

Specifically, under the Act, the Board is responsible for:

- making recommendations to the Minister on the policy and objectives of the legislation relating to workers rehabilitation and compensation in Tasmania, and the amendment or replacement of that legislation;
- monitoring and reporting to the Minister on the operation and effectiveness of the Act and on the performance of the systems that the Act relates;
- monitoring and reviewing the Department of Justice's (the Department) exercise of powers and the performance of functions under the Act;
- controlling and administering the Workers' Compensation Act 1988 Compensation Fund Account;
- promoting and supporting the effective injury management of injured workers;
- monitoring and reviewing the performance of licensed insurers and self-insurers and the operation of the Nominal Insurer;
- monitoring and reviewing premium rates and, so far as is practicable, ensuring insurance arrangements are efficient and competitive;
- collecting and publishing statistics on any matter the Board considers necessary or relevant to the performance of its functions under, or the administration of, the Act;
- promoting an understanding of the Act through education and any other appropriate means;
- advising the Minister on matters relating to the Act that the Minister refers to the Board;
- issuing guidelines for the assessment of permanent impairment under the Act.

Under the *Work Health and Safety Act 2012* (the WH&S Act), the Board is responsible for:

- Inquiring into and reporting to the Minister on any matter relating to the WH&S Act referred to it by the Minister;
- monitoring and reporting to the Minister on the operation and effectiveness of the WH&S Act and on the performance of the systems to which the WH&S Act relates;
- making recommendations to the Minister with respect to such matters as it considers necessary for the purposes of the WH&S Act;
- promoting understanding of the WH&S Act through education and any other appropriate means;
- promoting –
 - the prevention of injuries and disease in workplaces;
 - the development of healthy and safe workplaces;
 - developing and reviewing strategies and plans for improving work health and safety;
 - monitoring and reviewing the regulator in connection with the exercise of powers and the performance of functions under the Act;
 - collecting, analysing and publishing statistics relating to work health and safety;
 - such other functions as may be prescribed

Under the *Asbestos-Related Diseases (Occupational Exposure) Compensation Act 2011*, the Board is responsible for:

- monitoring and reporting to the Minister on the operation and effectiveness of the *Asbestos-Related Diseases (Occupational Exposure) Compensation Act* and of the performance of the systems to which this Act relates; and
- collecting and publishing statistics on any matter it considers necessary or relevant to the administration of the *Asbestos-Related Diseases (Occupational Exposure) Compensation Act*.

12.2 Statutory Matters

Under the *State Service (Restructuring) Order 2006* the Department of Justice assumed responsibility for providing administrative support for the Board from 1 April 2006.

By virtue of Section 15 (1) of the *Workers Rehabilitation and Compensation Act 1988* the Board is required to report to the Minister on its operations.

12.3 Basis of Accounting

The Board is a body corporate, established by the *Workers Rehabilitation and Compensation Act 1988*. The financial statements are a general purpose financial report and have been prepared in accordance with Australian Accounting Standards (AAS) issued by the Australian Accounting Standards Board (AASB) and Interpretations.

Compliance with AAS may not result in compliance with International Financial Reporting Standards (IFRS), as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The Board is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The financial statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year, after having regard to the impact of new accounting standards as detailed in note 12.5.

The Financial Statements have been prepared on the basis that the Board is a going concern.

12.4 Functional and Presentation Currency

These Financial Statements are presented in Australian dollars, which is the Board's functional currency.

12.5 Changes in Accounting Policies

(a) Impact of new and revised Accounting Standards

In the current year, the Office adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

- AASB 15 Revenue from Contracts with Customers – This Standard establishes principles that require an entity to apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.

AASB 15 supersedes AASB 111 Construction Contracts, AASB 118 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. AASB 15 establishes a five step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Standard requires the Board to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the Standard requires relevant disclosures.

The Board has adopted AASB 15 retrospectively with the cumulative effect of applying the Standard recognised from 1 July 2019 by adopting the transitional practical expedient permitted by the Standard.

The financial impact is minimal.

- AASB 16 *Leases* – This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities. The standard results in most of the Board's operating leases being brought onto the Statement of Financial Position and additional note disclosures. The calculation of the lease liability takes into account appropriate discount rates, assumptions about the lease term, and required lease payments. A corresponding right to use asset is recognised, which is amortised over the term of the lease. Operating lease costs are no longer shown. In the Statement of Comprehensive Income, impact of leases is through amortisation and interest charges. In the Statement of Cash Flows, lease payments is shown as cash flows from financing activities instead of operating activities. The Board has adopted AASB 16 retrospectively with the cumulative effect of applying the standard recognised from 1 July 2019 by adopting the transitional practical expedient permitted by the Standard.

The Board elected to use the practical expedient to expense lease payments for lease contracts that, at their commencement date, have a lease term of 12 months or less and do not contain a purchase option (short term leases), and lease contracts for which the underlying asset is valued at \$10 000 or under when new (low value assets).

In applying AASB 16 for the first time, the Board has used the following practical expeditents permitted by the standard:

- not reassess whether a contract is, or contains, a lease at 1 July 2019, for those contracts previously assessed under AASB 117 and Interpretation 4;
- applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
- relying on its previous assessment on whether leases are onerous immediately before the date of initial application as an alternative to performing an impairment review;
- not recognise a lease liability and right-of-use-asset for short-term leases that end within 12 months of the date of initial application;
- excluding the initial direct costs from the measurement of the right of use asset at the date of initial application; and
- using hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

The effect of adopting AASB 16 did not have any impact on the Board's financial statements.

- AASB 1058 *Income of Not for Profit Entities* - This Standard establishes principles for not for profit entities that applies to transactions where the consideration to acquire an asset is significantly less than fair value, principally to enable a not for profit entity to further its objectives, and the receipt of volunteer services.

The timing of income recognition under AASB 1058 depends on whether a transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset (such as cash or another asset) received. If the transaction is a transfer of a financial asset to enable the Board to acquire or construct a recognisable non-financial asset to be controlled by the Board (i.e. an in substance acquisition of a non-financial asset), the Board recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. The Board will recognise income as it satisfies its obligations under the transfer, similarly to income recognition in relation to performance obligations under AASB 15.

Revenue recognition for the Board's grants and contributions will not change under AASB 1058, as compared to AASB 1004. Revenue will continue to be recognised when the Board gains control of the asset (e.g. cash or receivable) in most instances.

Under AASB 1058, the Board will recognise any volunteer services only when the services would have been purchased if they had not been donated, and the fair value of the services can be measured reliably. This treatment is the same as in prior years.

The Board has adopted AASB 1058 retrospectively with the cumulative effect of applying the Standard recognised from 1 July 2019 by adopting the transitional practical expedient permitted by the Standard. The Board has also adopted the transitional practical expedient as permitted by the Standard, whereby existing assets acquired for consideration significantly less than fair value principally to enable the entity to further its objectives, remain recorded at cost and are not restated to their fair value. There is no effect of adopting AASB 1058 on the Board's financial statements

(b) Impact of new and revised Accounting Standards yet to be applied

The following applicable Standards have been issued by the AASB and are yet to be applied:

- AASB 1059 Service Concession Arrangements: Grantors – The objective of this Standard is to prescribe the accounting for a service concession arrangement by a grantor that is a public sector entity. This Standard applies on or after 1 January 2020. The impact of this Standard is enhanced disclosure in relation to service concession arrangements for grantors that are public sector entities. The financial impact is expected to be minimal.

12.6 Comparative Figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

12.7 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. Where the result of expressing amounts to the nearest thousand dollars would result in an amount of zero, the financial statement will contain a note expressing the amount to the nearest whole dollar.

12.8 Taxation

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

12.9 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office.

The Board's obligations for the goods and services tax are included in grouping arrangements with the Department of Justice. Accordingly, no payments or receipts of goods and services tax are recorded directly against the Board's operations.

MINISTERIAL REQUESTS AND DIRECTIONS

Minister for Resources
Minister for Energy
Minister for Building and Construction
Minister for Veterans' Affairs

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11 APR 2018

Ms Katherine Morgan-Wicks
Chair
WorkCover Tasmania Board
C/- Department of Justice
GPO Box 825
HOBART TAS 7001

Dear Ms Morgan-Wicks,
Kath

Section 162A of the *Workers Rehabilitation and Compensation Act 1988* (the Act) requires a statutory review to consider if the Act ought to be amended to include presumptive provisions in relation to post-traumatic stress disorder (PTSD).

In accordance with the WorkCover Tasmania Board's functions under the Act, I refer this statutory review to the Board for coordination and advice on recommendations made.

The Act requires that the review be commenced by 30 June 2018 and a copy of the report tabled in each House of Parliament before 1 October 2018. To enable this to occur, the final report and your advice on the recommendations should be made to me no later than 17 August 2018.

The reviewer/s should have experience in the workers rehabilitation and compensation scheme landscape, including return to work and injury management, with an understanding of actuarial processes. At least one person undertaking the review should have current registration or membership of one of the following:

- Royal Australian & New Zealand College of Psychiatrists;
- Psychology Board of Australia;
- Occupational Therapy Board of Australia;
- Australian Society of Rehabilitation Counsellors; or
- Rehabilitation Counselling Association of Australasia.

The terms of reference for the review are attached and also include consideration of PTSD in relation to all persons covered by the Act, rather than only those who are employed or engaged under an Act of the State.

I look forward to receiving the review report and your advice.

Yours sincerely



Guy Barnett MP
Minister for Building and Construction

cc The Hon Michael Ferguson MP, Minister for Police, Fire and Emergency Management

DOC/18/33518

**Review of presumption in respect of PTSD in relation to certain workers
TERMS OF REFERENCE**

Background

The *Workers Rehabilitation and Compensation Act 1988* ('the Act') establishes a rehabilitation and compensation scheme for workplace injuries in Tasmania.

Section 162A of the Act requires the Minister to cause a review as to whether the Act should be amended to include presumptive provisions for certain workers in relation to post-traumatic stress disorder. The review must be commenced by 30 June 2018, and a written report on the outcome of the review tabled in each House of Parliament before 1 October 2018.

The review must be carried out by appropriately qualified persons, one or more of whom are not employees of the State or Commonwealth or of any agency of the State or Commonwealth.

Scope of the Review

The review will be evidence-based and make recommendations on potential amendments, as and if required, to the *Workers Rehabilitation and Compensation Act*.

In undertaking the review, the reviewer/s will have regard to the objectives of the Act (section 2A) and consult with the community and key stakeholders.

The review will consider:

- a. which persons covered by the Act, employed or appointed under an Act of the State, are placed at significant risk of contracting post-traumatic stress disorder in the course of their employment;
- b. whether there are persons covered by the Act but not employed or appointed under an Act of the State, that are placed at significant risk of contracting post-traumatic stress disorder in the course of their employment or involvement in activities covered by the Act;
- c. whether the Act should be amended to include provisions ('presumptive provisions') to the effect that, for the purposes of the Act, a person's employment, appointment or other activity covered by the Act is, in the absence of evidence to the contrary, taken to have contributed to a substantial degree to the contraction of that person of post-traumatic stress disorder;
- d. the qualifications that ought to be applied to the presumptive provisions (if any); and
- e. the persons for whom presumptive provisions (if any) ought to apply.

The report of the review will be finalised and provided to the Minister by 17 August 2018.

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Minister for Energy
Minister for Building and Construction
Minister for Veterans Affairs**

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10 SEP 2018

Ms Kathrine Morgan-Wicks
Chair
WorkCover Tasmania Board
C/- Department of Justice
GPO Box 825
HOBART TAS 7001

Dear Ms Morgan-Wicks

Thank you for the WorkCover Tasmania Board's contribution in coordinating the review of presumption in respect of post-traumatic stress disorder (PTSD) in relation to certain workers for the purpose of the *Workers Rehabilitation and Compensation Act 1988* (the Act).

I note the report of the review and the recommendations contained therein, in particular the recommendation that the Act not be amended to provide presumption in relation to PTSD. I further note that the remaining recommendations (recommendations 2 – 11), while outside the scope of the review, highlight potential administrative actions that may be taken to address issues associated with PTSD and other mental health conditions.

Consequently, in accordance with the WorkCover Tasmania Board's functions under the Act, I refer recommendations 2, 3, 4, 5, 6, 8 and 10 (inclusive) to the Board for robust analysis, consultation as appropriate and advice on actions to address or progress the matters raised, specifically:

- actions that will be undertaken by the Board, with associated timeframes; and
- the Board's recommendations for Government action.

I look forward to receiving your advice by the end of June 2019

Yours sincerely



Guy Barnett MP
Minister for Building and Construction

DOC/18/92838

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Minister for Energy
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- 3 OCT 2018

Mrs Kathrine Morgan-Wicks
Chair
WorkCover Tasmania Board
C/- Department of Justice
GPO Box 825
HOBART TAS 7001

Dear Ms Morgan-Wicks *16.12*

Review of presumption in respect of PTSD in relation to certain workers

I write to advise that the report: *Ministerial Review relating to establishing entitlements under the Workers Rehabilitation and Compensation Act 1988 for workers suffering post-traumatic stress disorder (PTSD)* ('the Report') was tabled in both Houses of Parliament on Tuesday, 25 September 2018.

The Report was prepared in relation to the statutory review required by section 162A of the Act, which I referred to the Board in April 2018 for coordination and advice on the recommendations.

In response to the findings of the review and in particular recognising recommendation 7 of the Report highlighting the social benefits that presumptive provisions will achieve, the Government has determined to progress legislative reform to the Act, to include a presumptive provision for PTSD for public sector workers.

The Government considers that, while the Report concludes that a range of occupational groups are exposed to traumatic events and are at risk of psychological injury, there is no clear direction indicated in the report as to how presumption would most appropriately be applied to private sector workers in Tasmania. Consequently, further work is required.

This work will then inform future decisions concerning whether such presumptive provisions will be introduced.

Section 11A of the Act provides that I may, as the relevant Minister, give a direction to the WorkCover Tasmania Board with respect to its functions and the performance of its powers.

DOC/18/33518

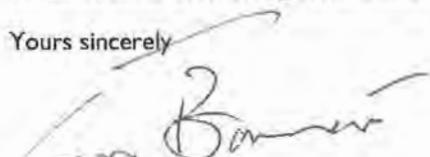
Accordingly, I direct the Board to:

1. undertake further analysis and broad community consultation, and make a recommendation to Government, on:
 - a. how presumptive provisions in relation to PTSD could most appropriately be applied to persons not employed or appointed by the State, including:
 - i. the persons whom it would be appropriate to apply the presumption, for example, by occupation or exposure; and
 - ii. the qualifications or limitations (if any) that ought to apply to such provisions, for example, to ensure presumption is applied specifically to persons placed at significant risk of contracting PTSD in the course of their employment or involvement in activities covered by the Act;
 - b. the financial and economic impact of the application of a presumption for PTSD as defined in point a. (above); and
 - c. whether presumptive provisions, as defined at point a. (above), ought to be introduced; and
2. undertake robust analysis on recommendations 2, 3, 4, 5, 6, 8 and 10 (inclusive) of the Report, including consultation as appropriate, and advise on actions to address or progress the matters raised, specifically:
 - a. actions that will be undertaken by the Board, with associated timeframes; and
 - b. the Board's recommendations for Government action.

Your recommendations and advice on the above must be provided to me by 30 June 2019.

I look forward to receiving recommendations from the Board consistent with this direction.

Yours sincerely



Guy Barnett MP
Minister for Building and Construction

Minister for Resources
Minister for Energy
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31 OCT 2018

Ms Kathrine Morgan-Wicks
Chair
WorkCover Tasmania Board
C/- Department of Justice
GPO Box 825
HOBART TAS 7001

Dear Ms Morgan-Wicks *Kath*

Review of provisions with respect to older workers (section 87)

The Workers Rehabilitation and Compensation Amendment Act 2017 amended section 87 of the Workers Rehabilitation and Compensation Act 1988 by removing all references to the specific age of 65 years. Instead, the cessation of a workers entitlement to weekly payments was linked to the qualifying age for the Age Pension, as specified in Commonwealth Social Security Act 1991.

This change removed any 'gap' between when a person's entitlement to weekly compensation payments ceases and their entitlement to the Age Pension begins.

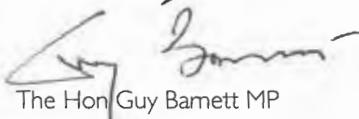
Workers who are injured near pension age are still entitled to payments for up to a year after pension age and are able to make an approach to the Workers Rehabilitation and Compensation Tribunal when injured outside of these provisions.

During the legislative process, the Parliament received representation from COTA Tasmania concerning these provisions. Whilst COTA Tasmania's proposals were outside the scope of the amendment bill, I made a commitment to the Parliament during debate to review the relevant provisions in two years.

Consistent with the WorkCover Tasmania Board's functions under the Act, I refer this matter to the Board for analysis and appropriate consultation, including with COTA Tasmania, and advice by the end of August 2019.

Thank you for your assistance with this matter.

Yours sincerely,



The Hon Guy Barnett MP
Minister for Building and Construction

**Minister for Resources
Minister for Building and Construction**

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Ms Kathrine Morgan-Wicks
Chair
WorkCover Tasmania Board
C/- Department of Justice
GPO Box 825
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Dear Ms Morgan-Wicks

Review of step down provisions

In accordance with the *Workers Rehabilitation and Compensation Act 1988*, all workers who are incapacitated by a work injury have their pay reduced to 90 per cent after 26 weeks of incapacity, and further reduced to 80 per cent after 78 weeks of incapacity.

As you may be aware, the *Workers Rehabilitation and Compensation Amendment Bill 2019* has been introduced into Parliament seeking to remove the wage step-down for officers of Tasmania Police whose incapacity results from an operational-related injury. During the legislative process, Members of Parliament indicated that a broader review of step-down provisions is warranted.

Section 11A of the Act provides that I may, as the relevant Minister, give a direction to the WorkCover Tasmania Board with respect to its functions and the performance of its powers.

Accordingly, I direct the Board to:

- I. undertake appropriate analysis and consultation, and make a recommendation to myself as Minister, on:
 - a. the operation of section 69B, concerning the step-down provisions, as applied to occupational groups within the public sector; and
 - b. whether or not the *Workers Rehabilitation and Compensation Act 1988* ought to be amended in light of the Boards' recommendations and advice.

Your recommendations and advice on the above must be provided to me to allow for tabling no later than the last Parliamentary sitting day in 2020.

Thank you for your assistance with this matter. I look forward to receiving recommendations from the Board consistent with this direction.

Yours sincerely



Sarah Courtney MP
Minister for Building and Construction

Attorney-General
Minister for Justice
Minister for Corrections
Minister for Building and Construction
Minister for the Arts
Minister for Heritage

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24 MAR 2020

Ms Gina Webster
Chair
WorkCover Tasmania Board

By email: WorkCover.TasmaniaBoard@justice.tas.gov.au


Dear Ms Webster

Review of section 28 of the Workers Rehabilitation and Compensation Act 1988

The Workers Rehabilitation and Compensation Amendment Act 2017 amended section 28 of the Workers Rehabilitation and Compensation Act 1988 (the Act), changing the frequency of the review of section 27 of the Act from 12 months to every 3 years.

Consistent with the functions of the WorkCover Tasmania Board, I refer the coordination of the review of the operation of section 27 to the Board and request that they furnish to me a report concerning the operation of section 27 by no later than 1 September 2020.

As Minister responsible for the Act, I must cause a copy of the written report of the review to be laid before each House of Parliament within 10 sitting-days after the report is provided to me.

The last review was conducted in 2017, therefore the next review is due this year

Yours sincerely



Hon Elise Archer MP
Minister for Building and Construction

DOC/20/25552

Attorney-General
Minister for Justice
Minister for Corrections
Minister for Building and Construction
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Minister for Heritage

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20 JUL 2020

Ms Ginna Webster
Chair
WorkCover Tasmania Board
By email: WorkCover.TasmaniaBoard@justice.tas.gov.au

Ginna
Dear Ms Webster

Thank you for your letter of 11 June 2020 regarding the review of section 27 of the *Workers Rehabilitation and Compensation Act 1988* (the Act) dealing with the presumptive disease provisions for fire-fighters.

The review should largely focus on a review of claims experience, similar in scope to the reviews of 2016 and 2017. I also request that the WorkCover Tasmania Board (the Board):

- include an assessment of the cost of covering relevant employees of the Bushfire Risk Unit of the Tasmanian Fire Service under the provisions of section 27;
- if the Board considers it appropriate, include actuarial advice on the future cost of current and predicted new claims more generally; and
- consider whether claim numbers are sufficient to make any meaningful comparisons with the general population with respect to the incidence of any of the diseases listed in Schedule 5 of the Act.

Please provide me with a copy of the report of the review no later than 26 March 2021.

Yours sincerely



Hon Elise Archer MP
Minister for Building and Construction

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