



ANNUAL REPORT

2020-21

WORKCOVER TASMANIA

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The Hon. Elise Archer MP

Minister for Workplace Safety and Consumer Affairs

Dear Minister

WorkCover Tasmania Board Annual Report for 2020–2021

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 2020-2021.

Yours sincerely

A handwritten signature in black ink, appearing to read "Ginna Webster", with a stylized, flowing script.

Ginna Webster

Chair

WorkCover Tasmania Board

October 2021

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WorkCover Tasmania Board
Annual Report 2020–21

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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

This year has been one with many challenges for the WorkCover Tasmania Board, its direct stakeholders, and the broader Tasmanian community.

The COVID-19 pandemic that began in early 2020 continues to have an 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.

Other programs and initiatives continued, sometimes in different formats due to COVID-19. WorkSafe Month 2020 moved to a completely online platform, but continued its strong tradition of providing the latest perspectives and developments in work health and safety, mental health and wellbeing, workers compensation and return to work.

The Board has worked hard to review its governance. It re-established its Legislative Review Advisory Committee; reviewed and amended the terms of reference of its sub-committees and advisory panels; and re-constituted the Rehabilitation Advisory Panel to broaden its membership. This will ensure that those working in the rehabilitation field are represented and provide input to the Board. I would like to express my thanks to Angela Kerrison-Smith who represented the Tasmanian Association of Vocational Rehabilitation Providers, Jenny Cox who represented the Australian Rehabilitation Providers Association and Anne-Marie Dean who was the Academic representative in the area of vocational rehabilitation, as the outgoing members of the Rehabilitation Advisory Panel for their valuable contributions.

While it was not work undertaken by the Board, the Board was the subject of an independent review of its functionality and structure. This regular review is required under our governing legislation, the *Workers Rehabilitation and Compensation Act 1988*. The Board's members and stakeholders took part in consultation for the review and look forward to reading the completed report when provided.

There have also been two legislative reviews during the last 12 months. The first examined section 27 of the *Workers Rehabilitation and Compensation Act 1988*, regarding the

presumptive legislation for coverage of certain diseases for firefighters. The second covered section 69B of the Act, which governs the step down of weekly payments made to injured workers. You can read full details of these later in 'Ministerial Requests and Directions' in this annual report.

Finally, the Board continues to fund and work with Worker Assist Tasmania Inc and the Tasmanian Chamber of Commerce and Industry Ltd (TCCI) to provide guidance and information for Tasmanian employers and workers. This year Worker Assist continued to provide free, independent and confidential advice to injured workers about workers compensation, injury management, rehabilitation and return to work.

Earlier in 2021, the TCCI launched Head4Work, which provides online mental health training resources (head4work.com.au). It helps workers, supervisors and managers to reduce workplace mental health risks and support themselves and their co-workers when concerns about mental health arise. These are important priorities for the Board.

WorkSafe's Helpline is funded by the Board, and is the first point of contact for employers, workers and the community looking for information on workers compensation, work health and safety and other matters relating to the laws that WorkSafe administers. This year the Helpline answered almost 11,000 phone calls and almost 3,000 emails.

The Advisory Service, also funded by the Board, continued to help small and medium sized businesses make their workplaces safer and healthier through practical, individual support and guidance.

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


Ginna Webster
Chair



About the Board

Purpose

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.

Information about the Board can be found at worksafe.tas.gov.au/workcoverboard.

Reporting to the Minister

The Board provides advice to the Minister for Workplace Safety and Consumer Affairs on workers compensation and rehabilitation matters, and work health and safety matters.

The Board monitors and reports to the Minister for Workplace Safety and Consumer Affairs on the operation and effectiveness of the *Asbestos-Related Diseases (Occupational Exposure) Compensation Act 2011*.

For more information, see 'Ministerial Requests and Directions' 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 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'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. It:

- ▶ provides strategic direction and priorities for the Board and WorkSafe
- ▶ 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.

These four strategies are to:

- ▶ reduce harm in Tasmanian workplaces
- ▶ respond to current and emerging work health and safety issues
- ▶ ensure contemporary and effective regulatory frameworks
- ▶ strive for excellence as a regulator.

The Strategic Plan is available at worksafe.tas.gov.au.

See 'Board Achievements' 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. Stakeholders include workers compensation licenced insurers and self-insurers, unions, industry and professional bodies, medical professionals, rehabilitation providers, injury management co-ordinators, other health professionals, employers and workers.

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:

- ▶ mitigate any negative consequences from those key risks
- ▶ align accountability for managing risks
- ▶ 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 2020-21



Ginna Webster, Chair

Secretary of the Department of Justice, appointed Sept 2019 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.



Graham Wood

Appointed Jan 2018 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. Graham 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.



Sofia Mavratzas

Appointed Jan 2018 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 26 years of personal injury claims experience across insurers, the South Australian workers compensation regulator and with 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 postgraduate studies in human resource management. She has completed the company director's course and other professional development courses focused on strategic thinking and leadership.



Jessica Munday

Appointed Jan 2018 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 regional secretary of the branch where she worked with members on industrial matters, 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.



Julieann Buchanan

Appointed Jan 2018 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 a Masters in Ageing and postgraduate qualifications in occupational rehabilitation, ergonomics, and management. 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 is a member of the Australian Institute of Company Directors.



Dr Robert Walters

Re-appointed Jan 2018 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 general practitioner in Hobart for over 37 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 has also served in the Australian Defence Force since 1972, most recently as the Senior Medical Officer for the ADF, Tasmanian Region in an Army Reserve capacity, holding the rank of Colonel.

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's responsibilities and functions are set out in:

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

Asbestos-Related Diseases (Occupational Exposure) Compensation Act 2011

Reporting on the effectiveness of the Scheme

This year, the Board received regular performance reports detailing the operation and effectiveness of the asbestos compensation scheme, as well as other qualitative information.

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

Collecting data relevant to administration of the Act

A data migration project has been completed to interface asbestos compensation data into WorkSafe's information management system. The updated system provides for a more streamlined claims management process, managed through a dedicated user interface; and simplified monitoring of expenditure against claims. Asbestos levy payment data has also been migrated to the system for enhanced monitoring and reporting.

Key figures for the year

- ▶ 187 applications for compensation received since the scheme began.
- ▶ 12 new applications received.
- ▶ 13 applications projected for the next financial year.
- ▶ \$4,341,069.61 compensation paid.
- ▶ \$8,816,599.52 received in asbestos levy contributions.
- ▶ Mesothelioma is the most common disease relating to accepted claims.
- ▶ Number of claims is at a historical high for manufacturing and construction industries (46% since 2015).

Work Health and Safety Act 2012

See 'Board Achievements' in this report for details on some of the work the Board has done under this Act. They include WorkSafe Month, Better Work Tasmania, and service delivery grants.

Other tools supported by the Board include Workplace Issues magazine, and WorkSafe's social media presence on Facebook, Instagram, YouTube and LinkedIn. These platforms promote work health and safety messages, plus WorkSafe initiatives, events and campaigns.

Workers Rehabilitation and Compensation Act 1988

The Board establishes, implements and monitors the standards required of the scheme participants that the Board has oversight of: licensed insurers, self-insurers, accredited medical practitioners, and workplace rehabilitation providers. The Board undertook regulatory activities relating to these participants in 2020–21.

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 at 30 June 2021, there are seven licenced insurers and nine self-insurers. To see a list of insurers, go to worksafe.tas.gov.au and search for 'insurers'.

The Board audits licenced 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. The Board's audit regime was impacted by COVID-19; however, eight audits were carried out this year: six for licensed insurers and two for self-insurers.

Medical practitioners

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

As at 30 June 2021, there were 393 medical practitioners accredited by the Board. During the year, 25 new applications were approved.

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.

As at 30 June 2021, there are 44 accredited workplace rehabilitation providers.

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 and the Tasmanian State Service agencies.

As at 30 June 2021, there are 33 approved injury management programs: nine for self-insurers, seven for licenced insurers, and 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 2021–22 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 Workplace Safety and Consumer Affairs (for more information, see 'Ministerial Requests and Directions' later in this report).

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

Independent statutory review of the Board

On 25 March 2021 and under section 164D of the Act, the Minister commissioned an independent review of the Board's functions and structure, assessing:

- ▶ the changes made to the Board's structure by the *Workers Rehabilitation and Compensation Amendment Act 2017*, and the efficacy of those changes
- ▶ any proposed improvements to the way the Board functions and is structured, including any recommendations for reform of the Act relevant to these
- ▶ the appropriateness of the current wording of section 12 of the Act, which addresses members' conflicts of interest, including the section's consequences in light of the skills-based structure of the Board.

The period under review is 23 January 2018 to 22 January 2021. This coincides with the appointment of the Board's members on 23 January 2018.

The Minister commissioned Rod Chandler and Liz Gillam to undertake this review. Rod was the Workers Rehabilitation and Compensation Tribunal Commissioner from 1999 to 2015 and a Coroner from 2006 to 2018. Liz is a former state public servant with extensive governance experience; she worked in the development of workers rehabilitation and compensation legislation and served as Chair of the Tasmanian Electoral Commission for seven years. Their review report must be tabled in each House of Parliament.

Board Members and Attendance

Member	13 Aug 2020	23 Sept 2020	6 Oct 2020	1 Dec 2020	10 Feb 2021	31 March 2021	10 June 2021
Ginna Webster Chair (Appointed September 2019)	✓	✓	✓		✓	✓	✓
Julieann Buchanan (Appointed 23 January 2018)	✓	✓	✓	✓	✓	✓	✓
Dr Robert Walters (Re-Appointed 23 January 2018)	✓		✓	✓	✓	✓	✓
Sofia Mavratzas (Appointed 23 January 2018)	✓	✓	✓	✓	✓	✓	✓
Jessica Munday (Appointed 23 January 2018)	✓	✓	✓	✓		✓	✓
Graham Wood (Appointed 23 January 2018)	✓	✓	✓	✓	✓	✓	✓

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 workers compensation scheme and asbestos compensation scheme. The committees are predominantly comprised of Board members.

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

Governance and Audit Committee

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

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

Achievements/matters of oversight:

- ▶ common seal usage
- ▶ complaint handling policy
- ▶ external audit of strategic reporting
- ▶ personal information protection policy
- ▶ public interest disclosures procedure
- ▶ stakeholder engagement policy
- ▶ use of and changes to the Board's instrument of delegation
- ▶ WorkCover Tasmania risk profile reporting.

Legislative Review Advisory Committee

Purpose: To advise the Board on the legislative and legal aspects of the Board's roles and functions.

Members: Graham Wood (Chair), Alison Clues, Ginna Webster.

Achievements/matters of oversight:

- ▶ ongoing review of current impairment guidelines.

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.

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

Achievements/matters of oversight:

- ▶ Advisory Service
- ▶ Healthier, Safer and Productive Workplace Grant Program
- ▶ industry snapshots
- ▶ workplace injury reports
- ▶ WorkSafe Awards 2021
- ▶ WorkSafe Month 2021.

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.

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

Achievements/matters of oversight:

- ▶ COVID-19 claims
- ▶ injury management co-ordinator training project
- ▶ principles of practice and accreditation of workplace rehabilitation providers
- ▶ post traumatic stress disorder project
- ▶ review of step down provisions (section 69B).

Medical Advisory Panel

Purpose: To assist the Rehabilitation and Compensation Committee by providing advice on matters including developments within the medical profession and injury management.

Members: Dr Robert Walters, Chair; Dr Ian Almond, Australian College of General Practitioners; Dr John Saul, Australian Medical Association; Dr Peter Sharman, Royal Australasian College of Physicians (Australasian Faculty of Occupational and Environmental Medicine).

Achievements/matters of oversight:

- ▶ independent medical review guidelines
- ▶ consideration of management pain intervention guidelines
- ▶ mental health strategy
- ▶ review of terminology of independent medical review guidelines
- ▶ review of the assessment of permanent impairment guidelines.

Rehabilitation Advisory Panel

Purpose: To assist the Rehabilitation and Compensation Committee by providing advice on matters including developments within the injury management profession and return to work.

Members: Julieann Buchanan, Chair; Dr Boris Fedoric, Australian Society of Rehabilitation Counsellors; Derick Borean, Australian Rehabilitation Providers Association; Anne-Marie Dean, Tasmanian Association of Vocational Rehabilitation Providers; Melanie Marchant, Injury Management Coordinators Association of Tasmania; Angela Martin, academic representative working in the area of vocational rehabilitation nominated by the University of Tasmania.

Achievements/matters of oversight:

- ▶ injury management co-ordinator training project
- ▶ post traumatic stress disorder project feedback
- ▶ workplace rehabilitation provider accreditation program.



Board Achievements

Branding and identity

At the Board's strategic planning session in February 2020, it was identified that building reputation, brand and recognition would be a strategic priority. This project was delayed due to the COVID-19 pandemic. Advertising and marketing agency The20 was engaged to undertake this work in March 2021.

Its work focuses on historic brand and identity issues, how to elevate the Board's brand, how the Board and WorkSafe work side-by-side, and how to increase the Board's profile. The20 held interviews/discussion with Board members and stakeholders, including relevant WorkSafe staff. The20's report is due to be presented to the Board in late 2021.

Re-establishment of LRAC

The Board re-established its Legislative Review Advisory Committee (LRAC). Its first meeting was in April 2021. It had not met since 2017.

LRAC's primary objectives are to:

- ▶ provide advice to the Board on whether the objectives of the legislation it has functions and responsibilities under are being met
- ▶ recommend reforms for that legislation
- ▶ provide expert advice and support to the Board
- ▶ help the Board accomplish policy, regulatory and functional responsibilities as prescribed by the Board's governing legislation and functions.

For more information, see 'Board Committee and Panels' in this annual report.

Service delivery grants

This year, the Board extended its grants to Worker Assist Tasmania Inc and the Tasmanian Chamber of Commerce and Industry Ltd (TCCI), which are provided under the Board's service delivery grants.

Worker Assist (workerassist.org.au) provides free, independent and confidential advice to injured workers about workers compensation, injury management, rehabilitation and return to work, and delivers educational programs to the Tasmanian community.

TCCI (tcci.com.au) helps Tasmanian business comply with work health and safety laws by providing information and education on employers' roles, rights and responsibilities under these laws. It supports employers to undertake workplace assessments and identify safety hazards in their workplaces; educate their workers about work health and safety issues; and develop workplace safety plans.

As part of its grant, TCCI partnered with Roar Educate to provide online mental health training resource Head4Work (head4work.com.au). Suitable for small business, this resource helps workers, supervisors and managers reduce workplace mental health risks and support themselves and their co-workers when concerns about mental health arise.

COVID-19 activity

As the full impact of COVID-19 on the Tasmanian community remains unknown, it is too early to predict the broader impact on workers, employers and insurers. To help determine the effects of the pandemic, the Board engaged its actuaries PwC Australia to perform modelling. It has provided the Board with a report detailing the impact COVID-19 may have on the Tasmanian workers compensation scheme. This is helping the Board monitor the scheme carefully.

Post traumatic stress disorder, mental health project

In 2018, the Minister at the time the Hon Guy Barnett MP directed the Board to analyse some of the recommendations of the Ministerial review relating to establishing entitlements under the Act for workers suffering post traumatic stress disorder. As part of this work, the Board is continuing to:

- ▶ review workers compensation data collection
- ▶ address rehabilitation and stay at/return to work outcomes
- ▶ focus on education initiatives to improve mental health awareness and outcomes at work.

WorkSafe Month 2020

Due to COVID-19 restrictions on public gatherings, all face-to-face WorkSafe Month activities were cancelled and the event moved to entirely online with webinars. The theme was 'Safe Bodies, Safe Minds', and the online program continued to cover key work health and safety, wellbeing, mental health, injury management and return to work. It complimented the national Safe Work Australia Month's theme of 'WHS through COVID-19', recognising the wide-reaching impacts of COVID-19 on businesses, employers and workers. To acknowledge the impacts of the pandemic on mental health, OzHelp Tasmania was engaged to deliver free and subsidised online training events.

WorkSafe Month 2020 at a glance:

- ▶ 50 presenters from over 40 local, national and international organisations delivered 37 webinars
- ▶ Over 4,200 people registered for a webinar with 2,300 participating
- ▶ 50% of webinars attracted more than 100 registrants
- ▶ 196 people participated in OzHelp's training.

Healthier, Safer and Productive Workplaces Grant Program 2019-20

The Board implemented its Healthier, Safer and Productive Workplaces Grant Program in the last financial year. The program aims to reduce workplace injuries, improve workers' wellbeing, and promote healthier and safer workplaces in Tasmania.

The four successful applicants (Fruit Growers Tasmania Inc, OnDental Pty Ltd, Primary Employers Tasmania, and Rural Business Tasmania Inc) were in the Education and Training category of the grant. Their initiatives continued this financial year.

Better Work Tasmania

Better Work Tasmania facilitates industry sector networking events and provides online safety resources for employers and workers.

This year, Better Work hosted two networking sessions for the construction sector in August and December 2020. Over 300 people registered for the two events. World Day for Safety and Health at Work on 28 April 2021 was chosen for the networking event on work health and safety learning modules and platforms. Board Chairperson Ginna Webster opened the event, which also announced Better Work's new online learning modules which will be available later in 2021.

The Advisory Service

The Advisory Service has continued to help small to medium sized businesses make their workplaces safer and healthier through practical, individual support and guidance. The Advisors provide practical tools and resources to help identify hazards in workplaces; help businesses implement solutions that are relevant, practical and affordable; check that businesses current safety plans and policies are 'on track'; and provide free ongoing work health and safety support to its clients.

Advisors continue to be involved in presentations and webinars for industry, explaining how to complete COVID Safety Plans. This year they:

- ▶ made 557 visits to 229 businesses around the state
- ▶ presented at 25 schools, seven employment agencies and presented at 23 businesses to workers
- ▶ attended Agfest and the Tasmania Health and Wellbeing Expo.

Helpline

The Helpline is the first point of access for people seeking information and advice from WorkSafe. Helpline inspectors respond to requests for information (on workers compensation, work health and safety, and other legislation administered by WorkSafe) immediately wherever possible, or direct matters that need further research to other parts of WorkSafe.

This year, Helpline inspectors answered over 10,887 phone calls, covering:

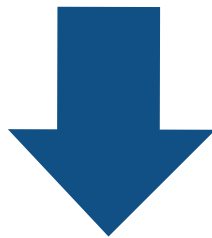
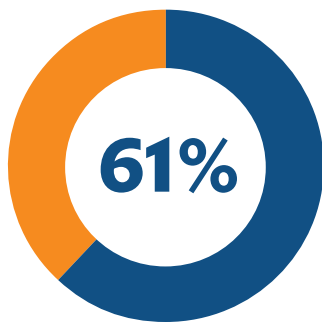
- ▶ dangerous goods: 929
- ▶ long service leave: 535
- ▶ statutory holidays: 93
- ▶ work health and safety: 4,651
- ▶ workers rehabilitation and compensation: 1,080
- ▶ other: 3,596

The Helpline also received 2,981 emails.

Industry snapshots

The industry snapshots provide performance data and trends for each industry group across Tasmania. They identify and focus on emerging or existing safety issues; and compare most current safety performance relative to previous years and, where applicable, to other industries across Tasmania. They have been produced since 2018. The reports, and posters are available at worksafe.tas.gov.au/snapshots.

Proportion of Tasmanian workforce employed full time



In 2020, hours worked fell due to COVID-19 but many industries recovered later in the year



Most commonly injured occupations: Miscellaneous Labourers, Personal Carers and Assistants, and Midwifery and Nursing Professionals



Arts and Recreation Services has seen the largest decrease in hours worked.

9.1

the serious injury frequency rate has decreased 7%, from 9.8 to 9.1 serious injuries per million hours worked

40%

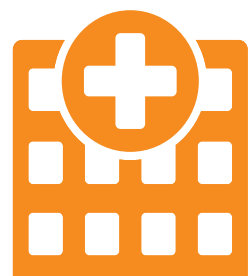
of all injuries result in at least one week time lost from work

Hospital workers

accounted for

8%

of all injuries



Ministerial Requests and Directions

By section 11A of the *Workers Rehabilitation and Compensation Act 1988*, the Minister may:

- ▶ request the Board to undertake particular work relating to the Board's responsibilities
- ▶ give a direction to the Board about the performance of its functions and exercise of powers, under this or any other relevant Act.

Review of section 27

Section 28 requires the operation of section 27 of the *Workers Rehabilitation and Compensation Act 1988*, to be reviewed every three years.

Under section 27, if a firefighter who meets certain criteria is diagnosed with a particular cancer, it is presumed that their employment as a firefighter was a substantial contributing factor to the disease.

In March 2020, the Minister requested that the Board review and report on the operation of section 27 (see appendices in this annual report to see the request). The Board engaged PwC Australia to undertake this review. In February 2021, the Board provided its analysis and recommendations to the Minister; and in June 2021, its report was tabled in Parliament.

Review of step-down provisions

Under section 69 of the *Workers Rehabilitation and Compensation Act 1988*, for the first 26 weeks of incapacity, a worker receives weekly payment at 100% of their normal weekly earnings. After this there are two reductions or step-downs in weekly payments:

- ▶ after 26 weeks, their weekly payments are paid at either 90% or 95% of their normal weekly earnings
- ▶ after 78 weeks, their weekly payments are reduced to either 80% or 85% of normal weekly earnings.

The entitlements of the worker depend on whether the employer can provide suitable alternative duties.

In May 2019, the Board received a direction from the then Minister (see appendices in this annual report to see the direction) to review and make recommendations on:

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

The Board engaged Allen + Clarke Consulting to conduct the review and PwC Australia to make an actuarial assessment of potential options relating to the operation of section 69B.

In October 2020, the Board provided its advice to the Minister; and in December 2020, its report was tabled in Parliament.

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Appendix 1

Contracts

Information required under the *Financial Management Act 2016* for contracts awarded in 2020–21.

Contracts (including consultancies) and tenders greater than \$50,000

Total number of contracts awarded	2
Total number of contracts awarded to Tasmanian businesses	1
Total value of contracts awarded in 2020–21	\$600,000
Total value of contracts awarded to Tasmanian businesses in 2020–21	\$500,000
Total number of tenders called and written quotation processes run	1
Total number of bids and/or written quotations received	7
Total number of bids and/or written quotations received from Tasmanian businesses	5

Current contracts (including consultancies) with a value greater than \$50,000

Name of contractor	Location of contractor	Description of contract	Period of contract	Total value of contract
Allen + Clarke Consulting Group Limited Partnership	Melbourne, VIC	Consultancy Services	26 March 2020 to 31 July 2020	\$102,000
PricewaterhouseCoopers Actuarial Pty Ltd	Sydney, NSW	Actuarial Services	1 July 2019 to 30 June 2022	\$778,723
The20 Pty Ltd	Hobart, TAS	Marketing & Communications Services	1 February 2021 to 31 January 2024	\$500,000
The State of Queensland (acting through the Office of Industrial Relations)	Brisbane, QLD	Provision of a platform and access to a psychosocial risk assessment survey	March 2021 to March 2026	\$100,000

Current Advisory, Information and Education Services Grants with a value greater than \$50,000

Name of recipient	Location of contractor	Description of grant	Period of grant	Total value of grant
Worker Assist Tasmania Inc.	Hobart, TAS	Worker Assist Services	1 July 2020 to 30 June 2023	\$1,464,341

Current Advisory, Information and Education Services Grants extensions

Name of recipient	Location of contractor	Description of grant	Period of grant	Total value of grant
Tasmanian Chamber of Commerce and Industry Limited	Hobart, TAS	Advisory Services	1 July 2020 to 30 June 2021	\$350,000

Current Healthier, Safer and Productive Workplaces Grants

All based in Tasmania

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

Right to information

The Board can receive applications under the *Right to Information Act 2009*. This year:

- ▶ 6 applications for assessed disclosure were received
- ▶ 6 applications for assessed disclosure were determined
- ▶ 1 application for assessed disclosure was transferred or part-transferred to another public authority
- ▶ 4 determinations where the information applied for was provided in full
- ▶ 1 determination where the information applied for was provided in part
- ▶ nil determinations where all the information applied for was claimed as exempt
- ▶ nil applications where the information applied for was not in possession of the public authority or Minister
- ▶ 4 determinations were made within 20 days of the application being accepted.

The Board continues to adopt the Department of Justice's policies and procedures in this area. To view these, go to justice.tas.gov.au and search for 'RTI'.

Public interest disclosures

In accordance with section 86 of the *Public Interest Disclosures Act 2002*, the Board advises that this year:

- ▶ no public interest disclosures were investigated by the Board
- ▶ no disclosure matters were referred to the Board by the Ombudsman
- ▶ no disclosure matters were referred by the Board to the Ombudsman to investigate
- ▶ no investigations of disclosed matters were taken over by the Ombudsman from the Board
- ▶ there were no disclosed matters that the Board decided not to investigate
- ▶ there were no disclosed matters that were substantiated on investigation as there were no disclosed matters
- ▶ the Ombudsman made no recommendations under the Act that relate to the Board.

The Board continues to adopt the Department of Justice's procedures in this area. To view these, go to justice.tas.gov.au and search for 'public interest procedures'.

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 2020-21 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 7,623 new claims reported in 2020-21. This is 14 more claims than at the end of June 2020 (7,609). The number of claims reported to the end of June 2021 is 267 (3%) fewer than the scheme actuary projection of 7,356 reported claims for 2020-21.

Total Payments Reported

Claim payments in 2020-21 totalled \$202.7m. This is 6% (\$12.3m) more than for the same time in 2019-20 (\$190.4m). The \$202.7m paid to the end of June 2021 is 3% higher than the scheme actuary projection (\$196.1m).

Payment Types

Of the total \$202.7m reported in claim payments in 2020-21, the largest proportion was in weekly compensation payments which accounted for around \$68.1m, or 34% of the total value of payments. Lump sum payments accounted for \$68.4m or 34% of the total; medical and related payments for \$49.9m or 25% of the total; and legal and investigation payments made up 8% of the total or \$16.4m.

Earned Premium Rate

The earned premium rate for 2020-21 is 2.07% of wages. This is 7% lower than the suggested rate of 2.22% and 4% higher than the 2019-20 rate of 2.01%.

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 2019-20 financial year and was set at 3.34% of premiums. The preliminary rate for the 2020-21 financial year has been calculated at 2.99% of premiums which is subject to Minister approval.

Written Premium Received

\$205.6m in written premiums have been collected in 2020-21. This is 6% more than the \$194.6 in premiums for 2019-20. The written premium pool is 8% lower than the suggested premium pool of \$224.1m.





7,623 claims reported



Number of claims
stable from 2019-20



\$202.7 million in
claim payments



Claim payments 6%
higher than in 2019-20



6% more collected in
written premiums than
2019-20



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 METRIX

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 2020-21.

Insurer Type	Number of Insurers	Number of claims reported ²	Claim payments (\$m)	Covered wages ¹ (\$m)
Licensed	7	5,888	138.6	10,342.2
Self	9	184	5.8	462.7
TSS	1	1,551	58.3	2,927.8
Total		7,623	202.7	13,732.8

Workers Compensation Scheme Report Card

The following table provides details of the claims experience in 2020-21 and compares it to 2019-20.

A detailed review of the operation and performance of the Tasmanian workers compensation scheme to 30 June 2021 will be available on the WorkSafe Tasmania website in late 2021.

	2019/20 Actual	2020/21 Expected	2020/21 Actual	2020/21 Actual - Exp
Earned Wages (\$m)				
Insurer ¹	9,937.2	9,748.9	10,342.2	593.4
Self Insurer	476.4	451.2	462.7	11.5
TSS	2,715.7	2,790.7	2,927.8	137.1
Scheme	13,129.2	12,990.7	13,732.8	742.0

Number of claims Reported				
<i>All Claims</i>				
Insurer	5,835	5,529	5,888	359
Self Insurer	217	200	184	-16
TSS	1,557	1,626	1,551	-75
Scheme	7,609	7,356	7,623	267

Total Claim Payments (\$m)				
Insurer	127.8	130.9	138.6	7.7
Self Insurer	8.7	6.8	5.8	-1.0
TSS	53.9	58.4	58.3	-0.1
Scheme	190.4	196.1	202.7	6.6

Weekly Benefits				
<i>Lost Time Claims Reported</i>				
Insurer	3,861	3,838	3,744	-94
Self Insurer	151	131	126	-5
TSS	1,040	1,093	927	-166
Scheme	5,052	5,062	4,797	-265

	2019/20 Actual	2020/21 Expected	2020/21 Actual	2020/21 Actual - Exp
<i>Weekly Benefit Payments (\$m)</i>				
Insurer	39.3	42.0	40.1	-1.9
Self Insurer	2.3	2.0	2.3	0.3
TSS	24.9	28.6	25.6	-3.0
Scheme	66.6	72.7	68.1	-4.6

Lump Sum Benefits				
<i>Lump Sum Claims</i>				
Insurer	367	390	382	-8
Self Insurer	17	23	20	-3
TSS	84	58	74	16
Scheme	468	470	476	6

<i>Lump Sum Benefit Payments (\$m)</i>				
Insurer	42.2	44.2	51.9	7.6
Self Insurer	3.6	2.5	1.3	-1.2
TSS	13.9	14.3	15.2	0.9
Scheme	59.6	61.1	68.4	7.4

Medical & Related Benefit				
Insurer	33.8	33.2	34.8	1.6
Self Insurer	1.9	1.6	1.4	-0.2
TSS	11.5	12.0	13.7	1.7
Scheme	47.2	46.8	49.9	3.1

Legal and Investigation Payments				
Insurer	12.5	11.4	11.8	0.4
Self Insurer	0.9	0.7	0.8	0.1
TSS	3.6	3.4	3.8	0.3
Scheme	17.0	15.6	16.4	0.8

Insurer Earned Premium Rate¹	2.01%		2.07%	
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Note: all payments are shown in original values in the above table. However, we often quote amounts in 30 June 2021 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 2021 and provides relative information for the 2020-21 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.

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 the WorkCover Tasmania Board (the Board), which comprises the statement of financial position as at 30 June 2021, 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) present fairly, in all material respects, the financial position of the Board as at 30 June 2021 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.

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

Responsibilities of the 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 determined 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 operation, 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 are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian 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 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 represent 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

8 September 2021
Hobart

FINANCIAL STATEMENTS

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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 under the provisions of the *Audit Act 2008* to present fairly the financial transactions for the year ended 30 June 2021 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



6 September 2021

Graham Wood

Member, WorkCover Tasmania
Board

Chair, Governance and Audit
Committee



6 September 2021

Statement of Comprehensive Income for the year ended 30 June 2021

	Notes	2021 Actual \$'000	2020 Actual \$'000
Income from continuing operations			
Contributions	1.1	8 549	8 847
Interest	1.2	4	17
Other revenue	1.3	14	46
Total income from continuing operations		8 567	8 910
Expenses from continuing operations			
Attributed employee benefits	2.1	3 790	3 815
Amortisation	2.2	117	117
Supplies and consumables	2.3	807	1 298
Grants	2.4	827	917
Service and administration costs paid to Department of Justice	2.5	783	775
Expenses incurred by Workers Rehabilitation and Compensation Tribunal	2.6	1 523	1 312
Other expenses	2.7	720	676
Total expenses from continuing operations		8 567	8 910
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 2021

	Notes	2021 Actual \$'000	2020 Actual \$'000
Assets			
<i>Financial assets</i>			
Cash and deposits	7.1	2 361	2 464
Receivables	4.1	14	1
<i>Non-financial assets</i>			
Intangible assets	4.2	233	350
Total assets		2 608	2 815
Liabilities			
Payables	5.1	1 655	1 891
Attributed employee benefits	5.2	953	924
Total liabilities		2 608	2 815
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 2021

	Notes	2021 Actual \$'000	2020 Actual \$'000
Cash flows from operating activities		Inflows (Outflows)	Inflows (Outflows)
Cash inflows			
Industry Contributions		8 352	8 685
Interest		4	17
Other cash receipts		15	45
Total cash inflows		8 371	8 747
Cash outflows			
Attributed employee benefits		(3 762)	(3 746)
Supplies and consumables		(814)	(1 291)
Grants		(874)	(871)
Administration costs paid to Department of Justice		(783)	(775)
Expenses incurred by Workers Rehabilitation and Compensation Tribunal		(1 523)	(1 312)
Other cash payments		(718)	(680)
Total cash outflows		(8 474)	(8 675)
Net cash from (used by) operating activities	7.2	(103)	72
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		(103)	72
Cash and deposits at the beginning of the reporting period		2 464	2 392
Cash and deposits at the end of the reporting period	7.1	2 361	2 464

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 2021

	Notes	Accumulated Funds \$'000	Total equity \$'000
Balance as at 1 July 2020		-	-
Total comprehensive result		-	-
Total		-	-
Balance as at 30 June 2021		-	-

	Accumulated surplus / (deficit) \$'000	Total equity \$'000
Balance as at 1 July 2019	-	-
Total comprehensive result	-	-
Total	-	-
Balance as at 30 June 2020	-	-

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.

Notes to and forming part of the Financial Statements for the year ended 30 June 2021

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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.

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 selfinsurers. 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.

2020-21 Contributions Determination

Income for the financial year ending 30 June 2021 includes the final determination, under the terms of the *Workers Rehabilitation and Compensation Act 1988*, of contributions from Licensed Insurers and Self-Insurers for 2020-21.

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.

	2021 \$'000	2020 \$'000
Levies	8 365	8 670
Transfer to Accrual Refund for Contributions	184	177
Total	8 549	8 847

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.

	2021 \$'000	2020 \$'000
Fees and fines	14	46
Total	14	46

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.

	2021 \$'000	2020 \$'000
Wages and salaries	3 337	3 379
Superannuation – defined contribution scheme	346	365
Superannuation – defined benefit scheme	38	57
Other employee expenses	69	14
Total	3 790	3 815

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 (2020: 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 (2020: 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 (2020: 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 rate	2021 \$'000	2020 \$'000
Intangibles	10 per cent	117	117
Total		117	117

2.3 Supplies and Consumables

	2021 \$'000	2020 \$'000
External Audit Fees	4	4
Internal Audit Fees	-	7
Advertising and promotion	123	526
Operating lease costs	16	17
Communications	27	33
Consultancies	79	199
Information technology	233	247
Printing	27	44
Travel and transport	20	58
Personnel expenses	36	28
Plant and equipment	14	5
Other supplies and consumables	228	130
Total	807	1 298

The external audit fee for 2020-21 is \$4,340 (\$4,210 for 2019-20).

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.

	2021 \$'000	2020 \$'000
Salary on-costs	76	76
Actuarial Services	294	308
Other operating expenses	350	292
Total	720	676

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 2020-21.

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.

	2021 \$'000	2020 \$'000
Receivables	14	1
Less: Provision for impairment	-	-
Less: Expected credit loss	-	-
Total	14	1
Consumed within 12 months	14	1
Total	14	1
Reconciliation of movement in expected credit loss for receivables		
Carrying amount at 1 July	-	(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	-	-

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

	2021 \$'000	2020 \$'000
Intangibles with a finite useful life		
Software at cost	1 120	1 120
Accumulated amortisation	(887)	(770)
Total Intangible assets	233	350

(b) Reconciliation of movements

2021	Software \$'000	Total \$'000
Carrying amount at 1 July	350	350
Amortisation expense	(117)	(117)
Carrying amount at 30 June	233	233
2020		
Carrying amount at 1 July	467	467
Amortisation expense	(117)	(117)
Carrying amount at 30 June	350	350

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.

	2021 \$'000	2020 \$'000
Trade Payables	(2)	7
Accrued expenses	16	59
Accrual Refund for Contributions (Note 1.1)	1 641	1 825
Total	1 655	1 891
Settled within 12 months	1 655	1 891
Total	1 655	1 891

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.

	2021 \$'000	2020 \$'000
Accrued salaries	66	54
Annual leave	274	270
Long service leave	613	600
Total	953	924
Settled within 12 months	272	282
Settled in more than 12 months	681	642
Total	953	924

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

Commitments represent those contractual arrangement entered by the Board that are not reflected in the Statement of Financial Position.

	2021 \$'000	2020 \$'000
By type		
<i>Lease Commitments</i>		
Short term and/or low value leases	38	35
Total lease commitments	38	35
<i>Other commitments</i>		
Other	1 989	1 836
Total other commitments	1 989	1 836
By maturity		
<i>Lease commitments</i>		
One year or less	28	21
From one to five years	10	14
Total lease commitments	38	35
<i>Other commitments</i>		
One year or less	1 350	849
From one to five years	639	987
Total other commitments	1 989	1 836
Total	2 027	1 871

The Board lease commitments include motor vehicles and information technology equipment leases. All amounts are shown inclusive 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 2021.

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 S435 *Workers' Rehabilitation and Compensation Act 1988 Compensation Fund Account*.

	2021 \$'000	2020 \$'000
Special Deposits and Trust Fund balance		
T435 - Workers' Compensation Act 1988 Compensation Fund Account	2 361	2 464
Total cash and deposits	2 361	2 464

7.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2021 \$'000	2020 \$'000
Net result	-	-
Amortisation	117	117
(Increase) Decrease in Receivables	(13)	20
Increase (Decrease) in Refunds to Contributions Accrual	(184)	(177)
Increase (decrease) in Creditors and Accrued Expenses	(52)	42
Increase (decrease) in Attributed employee Benefits	29	70
Net cash from (used by) operating activities	(103)	72

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:

	2021 \$'000	2020 \$'000
Receivables	14	1
Total	14	1

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 2021	Not past due	Past due 1-30 days	Past due 31-60 days	Past due 61-90 days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expected credit loss rate (A)	0%	0%	0%	0%	0%
Total gross carrying amount (B)	1	-	-	13	14
Expected credit loss (A x B)	-	-	-	-	-

Expected credit loss analysis of receivables as at 1 July 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)	-	-	-	-	-

(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.

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:

2021

Maturity analysis for financial liabilities		1 Year \$'000	Undiscounted Total \$'000	Carrying Amount \$'000
Financial liabilities				
Payables and Accrued Expenses		15	15	15
Accrual Refund for Contributions		1 641	1 641	1 641
Total		1 656	1 656	1 656

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

(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:

	2021 \$'000	2020 \$'000

Variable rate instruments

Financial assets

Cash in Special Deposits and Trust Funds	2 361	2 464
Total	2 361	2 464

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	Statement of Comprehensive Income	
	100 basis point increase	100 basis point decrease
	\$'000	\$'000

30 June 2021

Cash in Special Deposits and Trust Funds	24	(24)
Net sensitivity	24	(24)

30 June 2020

Cash in Special Deposits and Trust Funds	25	(25)
Net sensitivity	25	(25)

These analyses assume all other variables remain constant. These analyses were performed on the same basis for 2020.

8.2 Categories of Financial Assets and Liabilities

	2021 \$'000	2020 \$'000
Financial assets		
Cash and cash equivalents	2 361	2 464
Amortised cost	14	1
Total	2 375	2 465
Financial Liabilities		
Financial liabilities measured at amortised cost	1 656	1 891
Total	1 656	1 891

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

	Carrying Amount 2021 \$'000	Net Fair Value 2021 \$'000	Carrying Amount 2020 \$'000	Net Fair Value 2020 \$'000
Financial assets				
Cash and deposits	2 361	2 361	2 464	2 464
Receivables	14	14	1	1
Total financial assets	2 375	2 375	2 465	2 465
Financial liabilities				
Financial Liabilities measured at amortised cost	1 656	1 656	1 891	1 891
Total financial liabilities	1 656	1 656	1 891	1 891

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 balance date which would have a material effect of the Board's Financial Statements as at 30 June 2021.

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)(iii) 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:

2021	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

2020	Payment made to	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:

	2021 \$'000	2020 \$'000
Unions Tasmania		
Reimbursement of cost contributed to WorkSafe month	-	38
	-	38
Worker Assist Inc		
Worker Assist Grant	477	468
	477	468

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 1059 Service Concession Arrangements: Grantors – This Standard prescribes the accounting for a service concession arrangement by a grantor that is a public sector entity. Service concession arrangements are contracts between an operator and a grantor, where the operator provides public services related to a service concession asset on behalf of the grantor for a specified period of time and manages at least some of those services.

Where AASB 1059 applies, the grantor recognises the service concession asset when the grantor obtains control of the asset and measures the service concession asset at current replacement cost. At the same time, the grantor recognises a corresponding financial liability or unearned revenue liability or a combination of both.



The modified retrospective approach, permitted under AASB 1059, has been adopted, by recognising and measuring service concession assets and related liabilities as the date of initial application of 1 July 2019, with any net adjustments to the amounts of assets and liabilities recognised in accumulated funds at that date.

There is no effect of adopting AASB 1059 on the Board's financial statements.

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

There are no applicable Standards that have been issued by the AASB that are yet to be applied.

(c) Impact of COVID-19 on Financial Reporting for 2020-21

COVID-19 has had a minimal impact on the Financial Statements of the Board. Expenditure incurred directly due to COVID-19 was \$107 in 2020-21, compared with approximately \$1,728 in 2019-20.

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 Board of Justice. Accordingly, no payments or receipts of goods and services tax are recorded directly against the Board's operations.

MINISTERIAL REQUESTS AND DIRECTIONS

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

Level 10 15 Murray Street HOBART TAS 7000 Australia
GPO Box 123 HOBART TAS 7001 Australia
Ph: +61 3 6165 7739
Email Minister.Archer@dpac.tas.gov.au



24 MAR 2020

Ms Ginna 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

**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
HOBART TAS 7001

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

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