

Welcome



Welcome to our 14th Edition of the QBE Connect newsletter.

In this issue you will read articles regarding legislation changes, reviews and updates across the

country, which emphasises that legislators and regulators are continually considering, reviewing and refining their workers compensation schemes. Of course this does not make the task for employers any easier, particularly for multi-state employers who have the administrative burden of managing different policies and procedures in various states and territories. However, it seems progress has finally been made with Council of Australian Governments agreeing to develop one set of national workplace safety laws to replace the myriad state laws.

The global financial crisis continues to dominate news stories, with conflicting predictions on the depth and length of the recession. The global financial crisis appears to be exacerbating the existing economic downturn in states such as NSW, and the crisis has the potential to drag down previously buoyant growth states such as Western Australia and Queensland.

Currently we are witnessing a slowdown in economic growth, business investment and consumer spending, with unemployment starting to increase from historically low levels. With the decline in business confidence, organisations are reluctant to hire, less likely to take on an apprentice or trainee, and some will implement cost cutting programs that may include redundancies. This naturally has a flow on effect to workers compensation as it becomes increasingly difficult to find an alternative workplace for those injured workers unable to return to work with their original employer.

What happens to workplace injuries as economic conditions worsen?

The theories and evidence are conflicting. There is evidence that the frequency of workers compensation claims per hours worked tends to decline in recession and increase in times of recovery. Some possible explanations are that during a recession:

- » Workers fearing unemployment may defer filing claims,
- » There is less staff turnover and hence fewer inexperienced workers,
- » The least safe equipment is taken out of use,
- » Employers cut shifts and output, and hence the pace of work is slower,
- » Hazardous industries experience the largest decline in employment.

However this relationship appears to exist to a point and that when unemployment rises to levels of 7-8% as seen during significant recession periods in the past, the relationship appears to reverse and unemployment results in an increase in the number of injuries. This could be due to an increased casualisation of the workforce as well as a reduction of training and safety equipment due to the tough economic circumstances. Furthermore, this can lead to an increase in the rate of workplace injuries, more claims, longer claims duration and more frequent and larger lump sum settlements.

So we encourage employers to remain committed to investing in safe workplaces and work practices as well as continuing to train your staff. QBE can provide assistance with training and managing workplace safety. In addition, if you are having difficulties with returning injured workers to their duties, please contact QBE or your intermediary to discuss how to best manage and limit the impact this may have to your claims costs and premiums.

Jason Hammond
National Manager, Workers Compensation

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The QBE Connect national newsletter is about providing you with relevant and timely information to assist you in managing your workers compensation risk. If there are any topics you would like to see covered in the newsletter please email qbeconnect@qbe.com



Work Safety ACT 2008 (Australian Capital Territory) Commences 1 October

The Work Safety Act 2008 (ACT), will come into being on the 1 October this year, replacing the Occupational Health and Safety ACT 1989.

The new Work Safety Act 2008 (the Act) has been introduced to include risks such as occupational violence, bullying, stress and fatigue (section 6(d)). It protects workers and the definition has expanded to include employees, independent contractors, out workers, work experience placement and volunteers (section 9) even visitors to the work place will be covered (Legislation Explanatory Statement).

Do you have a duty under the Act?

The Act tries to attach responsibility ("duty") to those who control the generation of those risks and are in a position to eliminate or minimise those risks. For example: QBE would be a duty holder as a consequence of being "a person conducting a business or undertaking" (section 21(1)) and also "a person in control of premises" (section 22). Even if QBE is the principal duty holder there are other duty holders who may have some or all of the liability for an incident. Examples of these additional upstream duty holders are building designers (section 24), manufacturers (section 25), importers and suppliers of products used in the course of the business (section 26).

What overall duty do employers have?

As employers, you have a duty to ensure work safety by managing risk (section 21(2) and section 22(2)).

You are required to take reasonably practicable steps to identify any risk, to eliminate it if possible or to minimise it (Section 14). Some examples are to put in place safe work practices, to provide training and instructions to workers. In deciding what are reasonably practicable steps look to the seriousness of the risk, the time spent and the inconvenience as well as the cost of eliminating it (section 15).

Are there any other more specific obligations?

Yes, you are required to keep a record of serious events (section 38). You also now have a duty to consult with workers to allow their contribution to matters affecting their work safety (section 47(1)). This may be done by establishing worker consultation units (section 48 to 57). This unit will have a Health and Safety Representative (section 58 and 59), or the Health and Safety Committee (section 60).

The Act is meant to provide choice and flexibility regarding how consultation can occur between the employer and workers. In addition to the stated use of a "Health and Safety Committee" and/or a "Health and Safety Representative" the Act is also to allow organisations to adopt any other arrangement that the employer/workers agree on (Legislation Explanatory Statement).

Are there any penalties for non-compliance with the Act?

Yes (division 3.2). There are five offences for failure to comply with safety duty. Significantly a test of absolute liability applies. It is not relevant that we are ignorant of having the safety duty (i.e. absolute liability applies) nor that we have no intention or fault element in failing to comply with this duty (i.e. strict liability applies) (section 30 to 34).

Private prosecutions of offences may be commenced by unions (and employer organisations) with the Director of Public Prosecutions (DPP) being able to intervene and take over the prosecution. (section 218). An officer of a corporation may also be charged with criminal liability if they are reckless (section 219).

Enforcement Powers (Part 5)

The Act allows inspectors to enter onto premises to investigate a breach of the Act (section 74), they are able to seize items (section 85), issue search warrants (division 5.3) seek a compliance agreement (division 6.3), give improvement notices (division 6.4), give prohibition notices (division 6.5), seek enforceable undertakings (division 6.6), issue injunctions (division 6.7).

If you are unhappy with decisions that have been made you can initially seek an internal review (section 177) and then subsequently an external review by the ACT Civil and Administrative Tribunal (ACAT) (section 179).

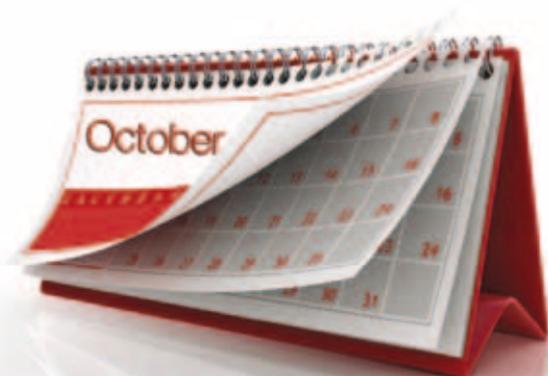
What do we do now to prepare for the changes occurring on 1 October 2009?

At present just be aware that the Work Safety Act is in existence and changes will occur. The Chamber of Commerce and Industry is running seminars around the new Act at the present time and the Australian Capital Territory Government is to provide Codes of Practice, generic consultation policy, information on employer's obligations and the new Workers Consultation Regime.

Is this the end of the changes to OHS?

No, the Federal Government is working on harmonising all of the States and Territories OHS laws. The Australian Capital Territory has committed itself to adopting the model OHS laws which will be created. This is expected to occur in 2011 or slightly later.

Source: Keith Fleming, DibbsBarker Lawyers, Canberra



NSW WorkCover Burning Cost Premium Model

The NSW WorkCover Burning Cost Premium model pilot commenced in June 2009 with a small selection of large employers in NSW. This meets with the NSW WorkCover Authority's vision to have premium arrangements that are more flexible for large employers by allowing choice between conventional and retro-paid loss (burning cost) premiums, and provides a viable alternative to self-insurance.

Retro-paid (burning cost) loss arrangements will operate within the NSW WorkCover Scheme, with premiums calculated by the Nominal Insurer and policies issued and claims administered by the employers existing Scheme agents, such as QBE.

The Burning Cost Premium Model

Due to the highly responsive nature of its formula, the burning cost method provides large employers with a strong financial incentive to reduce the number and cost of workers compensation claims.

Burning cost can potentially help employers achieve better occupational health and safety and injury management performance because of the financial incentives. It encourages employers to assist injured workers recover and provide return to work as the burning cost method exposes the employer to the cost of claim for longer than under the conventional method.

The purpose of burning cost is to align an employers premium more closely to their individual claims experience. Employers pay a deposit premium when the policy commences, and the premium is adjusted periodically depending on the employers claims experience, with a final premium being paid more than five years after the inception of the policy.

An employers final premium is not determined until the end of the run-off period. The final premium calculation date is four years after the policy expiry. At the final premium date, the cost of claims is determined and an adjustment factor applied that allows for future claim development as well as expense and other loadings. This contrasts with a conventional premium where the final premium is normally calculated within three months of the end of the policy period.

This arrangement means an employers premium is linked to their ongoing claims performance with the employer being accountable for claims outcomes for five years, namely the policy year and the four years following the expiry date.

Upper and lower limits on the burner premium are set by providing maximum and minimum premium for each policy period. In the pilot the maximum premium is 2.5 times the basic tariff premium for all burning cost participants. The final premium may not exceed the specified maximum or minimum premium taking into account the employers actual wages for the 12 month insurance period.

There are a number of other elements of the retro - paid loss premium arrangements including:

- » The nominal insurer will calculate the premium, but the Scheme Agents including QBE, will issue premium notices and conduct claims and policy management as usual.
- » The claims experience of burner participants will be included in the WorkCover Industry Classifications, so that industry categories are not distorted by the removal of large employers and continue to represent the performance of the industry as a whole.
- » The cost of claims used to calculate premium will be as for conventional premium arrangements except that large claims will be capped at either \$350,000 or \$500,000 per claim.

Eligibility for the Retro Paid Loss (Burning Cost) Premium Pilot

- » Employers must have a basic tariff premium of more than \$500,000. This is consistent with WorkCover definition of a large employer and recognises that participants have the necessary resources and systems to implement the OHS and injury management systems needed to utilise the premium retro-paid loss method effectively.
- » Written commitment from the Company CEO and/or Board. This is to ensure that the most senior decision makers in each organisation understand the commitment required to participate, are confident the organisation meets the minimum requirements and are committed to making a priority improvements in workplace safety, injury management and

return to work. Organisations are expected to commit to the retro-paid loss premium method for a minimum of three years.

- » No undue volatility in claims history.
- » Satisfactory OHS and Workers Compensation compliance history
- » Return to Work program.
- » Bank Guarantee which provides protection for the Nominal Insurer in the event a participant's business fails, and would be equal to the maximum premium less premium paid to date, and will be reviewed annually at the time of the retro paid loss renewal.
- Key Performance Indicators (KPIs) are intended to reflect behavioural drivers for improving safety, injury management and return to work and to establish the necessary conditions for employers success in reducing premium.
- Evaluation of retro-paid loss premium arrangements. WorkCover will convene quarterly discussion groups for all participants to obtain feedback, review KPIs, and share ideas, and want employers who are willing to participate in such forums.

The premium formula for the burning cost method will be set out in the Insurance Premiums Order published in the Government Gazette and available on NSW WorkCover website at (www.workcover.nsw.gov.au)

As the burning cost premium model contains strong incentives for improving workplace safety, injury management and return to work performance, it is expected this approach will have a positive impact on employer and industry experience.

QBE is pleased to confirm it has a significant proportion of the large employers accepted into the initial pilot and QBE are committed to working closely with our customers and NSW WorkCover to ensure this initiative is successful and meets the objectives of its customers and the NSW WorkCover Authority.

Changes to NSW WorkCover Guidelines

From 1 May 2009, a number of changes to several Guidelines were implemented by WorkCover in NSW. It is timely to remind customers of some of the key components of those changes:

Changes prescribed in the WorkCover Guidelines for Claiming Compensation Benefits

1. No further need for a claim form in most cases.

In most circumstances, the need for a claim form can be waived and the claim taken to have been made. The following exceptions do apply:

- » a reasonable excuse was issued and continues to exist.
- » provisional liability has expired and there is insufficient information to determine liability.
- » an injury notification is made but there is insufficient information to determine liability.

From a practical sense, this means that a claim is now “duly made” when a case manager has collected enough evidence to make a determination on the claim.

2. Management of claims for permanent impairment

- (a) If an insurer is satisfied that an injury has resulted in permanent impairment and that maximum medical improvement is reached, they must initiate assessment of the permanent impairment and then make an offer. The expectation is that the insurer request information from the treating specialist (if trained) in the first instance.
- (b) Minimum information required for a worker to initiate a claim for permanent impairment.

A claim form is not required if the claim is in progress and the insurer has sufficient information regarding the injury sustained. A claim form is required if the worker has not made a previous claim or there is insufficient information about the injury to conclude that permanent impairment resulted.

- (c) Upon receipt of a claim for permanent impairment, the insurer must determine the claim:
 - (i) within one month after degree of permanent impairment becomes

fully ascertainable. That is, when the claimant has reached maximum medical improvement and agreement on the level of permanent impairment is reached based on a conforming medical report, or

- (ii) within two months after a claimant has provided all relevant particulars, or

- (iii) If QBE considers the report not in accordance with WorkCover Guides, we must advise the worker within two weeks of receipt of the claim that further information is required and we seek clarification from the author. If the required information is not received within 10 working days, QBE can arrange an independent medical examination.

QBE will then determine the claim within two months from the date of the examination or within one month of receiving that report, whichever is the earlier.

- (d) If an insurer accepts a claim for permanent impairment, they must:
 - » choose the more beneficial result in cases where there is more than one way to assess the level of impairment,
 - » attach the relevant medical report to any offer, and
 - » advise the claimant in writing if the impairment is assessed as zero and there are no other issues in dispute.

Changes prescribed in the WorkCover Guidelines on Independent Medical Examinations and Reports

1. Independent Medical Examinations in response to claims for permanent impairment

- » If a worker submits a report on permanent impairment, any questions about the report are posed to the author in the first instance.
- » Referral for an independent medical examination is only appropriate when information from the treating medical practitioner(s) is inadequate, unavailable or inconsistent and where the referrer has been unable to resolve

the issues related to the problem directly with the practitioner(s).

- » If the response from the assessor is inadequate, unavailable, inconsistent or not received in 10 working days, only then is a referral to an independent medical examiner appropriate.
- » An Independent Medical Examiner is to be a “specialist medical practitioner with qualifications relevant to the treatment of the injured worker’s injury”

2. Use of subsequent Independent Medical Examinations during claim management.

Subsequent independent medical examinations must be with the same medical practitioner unless they have ceased to practise (permanently or temporarily) in the specialty concerned, or they no longer practise in a location convenient to the worker, or both parties agree that a different medical practitioner is required.

A worker receiving weekly compensation payments can be required to submit themselves for subsequent independent medical examinations only when information from the treating medical practitioners remains inadequate, unavailable or inconsistent and where the referrer cannot resolve the issues related to the problem directly with the treating practitioner(s) and:

- » the subsequent independent medical examination is with a specialist medical practitioner with qualifications relevant to the treatment of the injured worker’s injury; and
- » the employer/insurer has evidence that the worker’s medical condition as a result of the injury has changed; or
- » the employer/insurer has evidence of a change in the worker’s health not resulting from the injury which will affect the worker’s participation in the labour market; or
- » the employer/insurer has evidence of a material change, or need for material change, in the manner or type of treatment; or
- » the worker makes a claim for section 66 lump sum compensation or work injury damages; or

(continued on page 5)

Changes to NSW WorkCover Guidelines

- » the worker requests a review pursuant to a notice issued under section 54 of the 1987 Act or section 74 of the 1998

Act and includes additional medical information that the employer/insurer is asked to consider; or

- » there has been at least six months since the last independent medical

examination required by the employer/insurer; or

- » the last independent medical examination was unable to be completed.

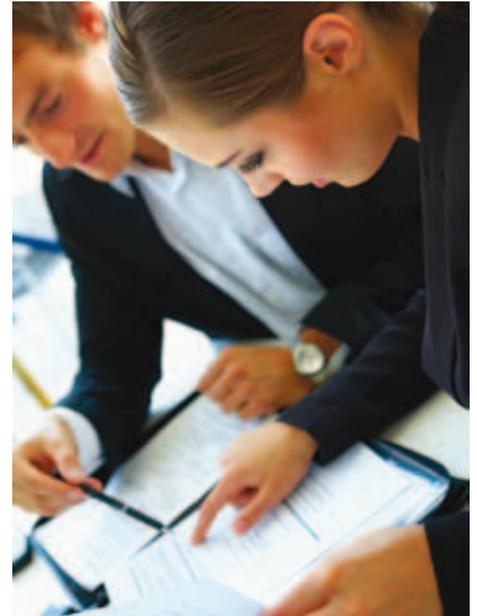
The South Australian Government has a New Approach to Enhance Return to Work

The South Australian State Government has announced a series of projects designed to help injured workers return to the workplace after an injury. The first round of projects were introduced on 1 July comprising:

- » Introducing training as an effective part of the rehabilitation of injured workers and their return to work;
- » An educational program for small businesses who find it difficult to provide injured workers with alternative duties;
- » Creating a 'whole life' action plans for injured workers;

- » A Next Step program, which will deliver tailored employment programs for injured workers
- » Preparing injured workers for retraining and upskilling to new jobs;
- » Work placement opportunities for injured workers;
- » A program to restore a positive mental approach to returning to work.

The WorkCover SA Board expects to be seeking further expressions of interests for innovative ways to improve return to work outcomes for the Scheme as part of the continued roll-out of projects under the Fund.



Principal Contractor's liability in the Northern Territory

Section 127 of the Northern Territory Workers Rehabilitation and Compensation Act (WRCA) allows a "worker" of a subcontractor to claim compensation against the Principal Contractor.

What do you do when the subcontractor contends it employs no "workers", because all individuals engaged by it have supplied the subcontractor with an Australian Business Number (ABN), and / or its employees are not Territory workers (for example, they are from interstate and working temporarily in the Northern Territory)?

In the Northern Territory:

- » If a person provides the subcontractor with an ABN, then that person is not a "worker". The Northern Territory

definition of "worker" seeks to make use of the fact an ABN, on its face, suggests the person is an employer/in business on his or her own account.

- » Only "Territory workers" (that is workers whose employment is "connected" to the Territory (the worker usually works in that employment in the Northern Territory; or the worker is usually based in the Northern Territory; or the principal place of business in Australia of the worker's employer is located in the Northern Territory)) can claim under the WRCA.

Regarding the ABN, it is possible for people to withdraw it and change their status to that of "worker". The subcontractor and the individual holding the ABN can agree in writing "that the ABN no longer applies to the work or service performed by the person". And whether an individual is a "Territory worker" is often difficult to determine.

Accordingly, the risk management issue for the Principal Contractor when doing business with its subcontractors, is the Principal Contractor would not have the practical means to discover, evaluate or to be kept informed about, whether or not a particular person has provided an ABN to the subcontractor (or has provide the ABN and subsequently withdrawn it); or whether any particular individual is a Territory worker (in the employ of the subcontractor).

Even if the subcontractor claims to employ no Territory workers or that the subcontractor engages only individuals who have supplied an ABN to the subcontractor, the simplest way for the Principal Contractor to deal with the risks associated with the definition of "worker" and "Territory worker" in the Northern Territory legislation is to require all subcontractors to carry workers compensation insurance for works in the Northern Territory.

Source: CridlandsMP Lawyers,

OHS Risk Management Essentials

QBE Workers Compensation is committed to providing managers, employees and workplaces with OHS Risk Management Essentials. The Essentials will assist businesses to minimise risk and drive cost efficiencies through the delivery of a range of services, assistance and advice designed to facilitate the creation and growth of safe and healthy workplaces.

There are three components in QBE's OHS Risk Management Essentials and individual modules for:

➔ **Management**

➔ **Workplace**

➔ **Employees**



Management

M1 Executive Management Review Program

QBE will work together with members of your executive team to deliver a structured approach to OHS and injury management that is aligned to your business needs and engages all levels of your business.

M2 Legal Briefings for Senior Managers

QBE can arrange a briefing for your management team conducted by an experienced OHS trial lawyer. Together we will provide specific information outlining your OHS legal rights, responsibilities and how to protect your organisation from legal exposure and prosecution.

M3 Discounted OHS Services and Resources for QBE Clients

QBE has always endeavoured to continuously provide new and proven quality products and services. Through arrangements with numerous industry leading national providers, you can gain expert service provision across a broad range of OHS products and services, all at discounted prices. Our aim is to provide you access to skilled service providers at highly competitive rates.

M4 Risk Management Investments

We invite you to take advantage of our in-house OHS Risk Management professionals. They can assist you in the decision making process to determine the most effective use of your risk management investment.

M5 Management Information Systems

QBE's OHS Risk Management Consultants can assist you to determine which software product to select that will best suit your business needs and work together to plan, document and implement your safety management system.

M6 An Integrated Approach to Prevention, Injury Management and Premium

We can assist you to integrate your workplace injury management systems using AS 4801, Australian Standard for Occupational Health and Safety Management System. The integrated approach is outcome focused with a priority to reduce premium costs. It is a measurement-based system underpinned by regular reviews of practices, procedures and controls.

Employees

E1 Preventing and Managing Occupational Stress

The QBE Preventing and Managing Occupational Stress training package will enable you to identify psychosocial hazards, assess the risks of these hazards to your organisation, and most importantly, eliminate or minimise these risks. We will arm you with the tools to effectively manage stress claims.

E2 Using Emotional Intelligence in the Workplace

Gaining an understanding of how emotions influence the decisions made on a daily basis is imperative if you want to drive a safer culture through high performance in your workplace. QBE recognises the importance of this issue and can assist you to identify a provider that can deliver a series of workshops tailored to your individual workplace needs.

E3 Workplace Health and Wellbeing Programs

Companies that have introduced health and wellbeing programs report savings on costs of treatment for psychological and psychiatric conditions, improved productivity, reduced time off, and a reduction in new cases of occupational illness. QBE can assist you to implement a health and wellbeing program that suits your organisational needs and priorities.

The Workplace

W1 Safer Workplace Culture

Imagine if your staff followed key safety procedures because they really wanted to. Imagine if they contributed to a goal of zero accidents, and that your organisation could reap the safer workplace rewards such as higher productivity and profits. Some Australian companies have already experienced this kind of success and QBE is ready and able to assist you to work towards this goal.

W2 OHS Learning Online

QBE can arrange access to an OHS online training product which enables your employees to complete competency-based video training modules, anytime, anywhere and at any speed.

It is an ideal solution for any organisation with a workforce that is dispersed across a number of locations, or has employees with differing OHS training requirements.

W3 OHS Risk Management Consultancy Services

QBE's OHS Risk Management Consultants offer you a coordinated approach to workers compensation and OHS in the workplace. They can provide timely advice, system audits, on-site assistance, workplace inspection and training. Even on seemingly small matters, early advice and intervention by one of our professionals can help prevent escalation of costs.

We recommend using the OHS Risk Management Essentials in combination with each other to achieve maximum impact. If you would like to obtain further information about any of the Essentials talk to your QBE Account Manager, Insurance Broker or visit our website at www.qbe.com.au.



The MS Fun run on Sunday 14th June

Australian Home Care Services teamed up with QBE for the 2009 MS fun run on Sunday 14th June at Albert Park Lake. The team participated in the 10 km, 5 – 10 km walk raising \$3, 136.00.



Have you signed up for Workers Compensation training this year?

The QBE 2009 Workers Compensation Training program offers topics in claims management, Occupational Health and Safety (OHS), return to work and workers compensation premium.

Our courses within the 2009 National Training Program are available free of charge in most cases. Where a fee does apply, we offer a discounted rate for QBE policy holders.



Registration made easy!

Simply visit our complete course outline online at www.qbe.com.au/workerscompensation/training, telephone toll free on 1800 198 243, or email training@qbe.com

WESTERN AUSTRALIA

Western Australia Workers' Compensation and Injury Management Act 1981 Review

The review of the WA Workers' Compensation and Injury Management Act 1981 (the Act) was announced by the Minister for Commerce in March 2009. The four main areas of the review process are:

1. Create an improved structure for the Act, to enhance the readability and consistency of the legislation.

2. Improve the efficiency of the legislation to respond to changing circumstances.
3. Address anomalies which have been identified through past experience in the operation of the Act, including matters raised in the evaluation of the 2005 reforms or by stakeholders.
4. Address specific policy issues, such as age discrimination, as identified by stakeholders.

The fourth aim of the legislative review process is to address certain specific policy issues through the preparation of Issues Paper/s. WorkCover WA will produce a paper on each of those matters, which are set out below:

(continued on page 9)

Western Australia Workers' Compensation and Injury Management Act 1981 Review

Subject Matter	Policy Issue	The Paper
Age Limitations	The Workers' Compensation and Injury Management Act 1981 limits weekly entitlements available to injured workers over the age of 64 years.	The Minister for Commerce has asked WorkCover WA to examine the matter in greater detail and to report on the policy options available to either amend or remove the age restrictions.
Common law access for uninsured workers under the 'safety net' provisions	The WorkCover WA General Account provides a 'safety net' for an injured worker whose employer is uninsured. The safety net is limited to entitlements for statutory compensation and does not cover common law damages. If certain provisions are met, an injured worker whose employer is uninsured may be able to sue the employer at common law. However if the employer has no capacity to meet damages payments awarded by the Court, the General Account will not provide funds to the injured worker.	This paper will consider the policy issues associated with allowing injured workers access to the General Account in such circumstances.
Role of WorkCover WA in regulating the workers' compensation scheme	A variety of proposals have been raised regarding WorkCover WA's role in regulating the workers' compensation scheme through monitoring, education and enforcement activities.	This paper will consider the future role of WorkCover WA with regard to its regulatory functions.
Insurance Premium Ambiguities	<ul style="list-style-type: none"> » A variety of issues have been raised regarding ambiguities in the way workers' compensation insurance premiums are calculated. These include: » Treatment of superannuation in the calculation of workers' compensation insurance premiums; and » Section 175 premiums payable in the contract chain. 	This paper will examine the issues raised and develop appropriate policy options to resolve them.
	Some of these matters may require legislative clarification or guidance notes.	
WorkCover WA's Dispute Resolution Directorate	The Dispute Resolution Directorate (DRD) was established consequent to the 2005 legislative reforms. Feedback provided on these reforms via an early evaluation report (2007) indicated a number of specific areas of concern.	Many of these concerns have subsequently been addressed through DRD's processes of continuous improvement, including the current Rules Review undertaken by the Workers' Compensation Commissioner.

WorkCover WA has indicated that the review will not undertake a broad ranging examination of the benefits and entitlements contained within the scheme.

The first meeting of the reference group was held in May 2009, with a term ending November 2009. The report is to be provided to the Minister by the end of December 2009.

1st July Prescribed Amounts Increase

From the 1st July the annual adjustment to Prescribed Amount increased by 5.6%, the weekly cap by 6.3%.

Current schedule of benefits as follows:-

Death	\$244,082:00 (wholly dependant)
Prescribed Amount	\$178,047:00
Med./hosp.etc.	\$53,414:00
Voc. rehab	\$12,463 :00
Capped weekly rate	\$2,026:10

Capped extensions to both the weekly and medical expenses are available subject to certain criteria.

WorkSafe Victoria Campaign to help injured workers return to work

With more than 152,000 Victorians injured at work seriously enough to lodge a workers compensation claim in the last five years, at a cost of more than \$6 billion in rehabilitation and compensation, WorkSafe Victoria has launched a new campaign about helping injured workers get back to work.

The campaign highlights how important returning to work after an injury is to the recovery of an injured worker and their life. WorkSafe's Return to Work Director, Dorothy Frost, said that every year approximately 24,000 Victorians suffer a work-related injury or illness that requires them to have time off work.

"For many injured workers, returning to work is a significant milestone in their recovery.

We're not denying that it can be a challenging experience. But this is why the support of family, workmates and others in the community is important."

To the tune of Australian singer, Alex Lloyd's Brand New Day, the new television commercial tells the story of a Dad's return to work through the support of his family, employer and colleagues. As the day progresses, we see him getting on with his job and ultimately his life.

Ms Frost said that experience showed that helping an injured worker to return to safe and sustainable work sooner, even if it's on reduced hours or alternative duties, can achieve a better return to work outcome in the long term.

"We know that you don't have to be 100% recovered to return to work," Ms Frost said.

"We also know that getting back to work can help a worker to recover and return to normal life."

"Therefore it's beneficial to start thinking, talking and planning for a workers return to work early. This is as soon as practical after someone suffers an injury or illness at work."

"At the end of the day, helping an injured worker return to work is good for the worker, their families, workmates and it's good for business."

Some Facts and Figures on Victorian Workplace Injuries

- » WorkSafe is responsible for Victoria's workers compensation scheme and helps to ensure that Victoria's 203,000 employers and 2.6 million workers are protected if someone is injured at work.
- » Each year, approximately 30,000 WorkSafe claims are reported, with an estimated cost of over \$1.2 billion.
- » The most common injuries and illness are strains and sprains, stress, fractures, open wounds, and contusions and crushing's.
- » Each year, 24,000 Victorians suffer a work-related injury or illness that requires them to have time off work.
- » Of those Victorians off work for 20 days or more, 54% are back at work within 13 weeks and 74% are back at work within 26 weeks.

A Return to Work Case Study by Virgin Blue Airlines

Returning your injured worker to work involves careful review and assessment of their jobs, work practices and the risk they pose. Controlling those risks and making the necessary change to the workplace or work practices is a positive step forward.

Case Background

Anthony is a 33 year old team leader employed at Virgin Blue. On the 7th February 2008 he felt his back spasm whilst completing his normal duties. He ceased work during his shift, saw his treating doctor and was certified unfit for work for 20 days and referred for physiotherapy treatment. Anthony continued to receive physiotherapy twice a week and commenced a light exercise program. His progress began off slow, however over time he showed significant improvement.

Virgin Blue showed significant support to Anthony conducting regular workplace support meetings, Employee Assistance Program, allowed allocation of flexible shifts for treatment and provided employer support right through the time he was certified unfit, and worked closely with Anthony's treating doctor for a timely return to work. As soon as Anthony was certified with a capacity for work on 30th May, Virgin Blue were quick to act and provide suitable duties with Anthony beginning six hour shifts.

With ongoing support Anthony received from his employer, working together with QBE and treating doctor he made a successful return to work and was cleared for normal duties effective 14th June 2008 with no ongoing medical treatment.

The following is their story, detailing an account of their experience with this case, highlighting the benefits of working together with open communication lines between all stakeholders to achieve a successful return to work.

Q. What were the barriers to have Anthony back in the role?

- » Differential diagnosis
- » Reported depression-like symptoms
- » Anthony's belief that he needed to be pain-free before returning to work in any capacity
- » Physiotherapists early suggestion that Anthony may not be able to return to pre-injury duties

Q. How did Virgin Blue address these barriers?

- » Assistance offered to Anthony accessing medical assistance, Virgin Blue preferred provider
- » Listening to Anthony's concerns and story
- » Liaising with treating doctor about psychological services, who agreed that it would be beneficial, and providing this correspondence to QBE
- » Offering Employer Assistance Program
- » Encouraging Anthony to commence on very light duties and hours
- » Offering a graduated return to work
- » Regular face to face support meetings

Q. What internal assistance did the employee receive?

- » Employee Assistance Program (first 3 counselling sessions free),
- » time off as required for medical treatment,
- » management / team support,
- » cab vouchers if required

Q. What external support and assistance was the employee provided with?

- » Virgin Blue facilitated in arranging counselling and assisted Anthony with research on locations for his strengthening program and medical management.
- » A Workplace Assessment for functional education was offered to Anthony but he declined.

Q. What was the outcome?

Once Anthony was certified fit to perform suitable duties, his gradual upgrade to pre-injury duties and hours was very swift. This occurred in coordination with a reported reduction in his analgesic use and treatment. Anthony was promoted to full time in the duration of his claim. He recently participated in a Work Safe Campaign stating in his interview that you don't have to be pain free to be at work. He has had very minimal (if any) ongoing medical costs, and reports being very grateful to Virgin Blue for the assistance provided.

Q. What do you think may have happened if no help or employer intervention was provided?

- » Secondary psychological illness
- » Long term incapacity
- » Ongoing symptoms
- » Ongoing medical costs

Q. What has been the benefit to the employer by working to support the employee and remove barriers?

Reduction in sick leave, productivity, team moral, speedy recovery, grateful team member.

Useful tips to remember when building a Return to Work plan:

- ✓ Working with the GP,
- ✓ Have flexible working hours, regular supportive reviews,
- ✓ Provide access to a psychologist/ counsellor or Employee Assistance Programme,
- ✓ Review of workload,
- ✓ Provision of assistance by re distributing tasks,
- ✓ Ensure that the appropriate work/life balance and /or disability support policies and procedures are in place.

Case Study provided by Becky Lloyd, Case Manager Virgin Blue Airlines

To learn more about Anthony's successful return to work, watch his video at www.worksafe.vic.gov.au

Payment of Special Contribution by Employers in Tasmania*

Determination has been reached that it will no longer be necessary to extend the HIH levy beyond 30 June 2009.

For the past few years, all workers compensations policyholders, self-insurers and government agencies have been required to pay a special contribution under section 128A of the Workers Rehabilitation and Compensation Act 1988 (the Act). This special contribution was established to meet liabilities created by the collapse of the HIH Insurance Group and is generally referred to as the 'HIH levy'.

When it was first introduced in 2002, it was thought that the HIH levy may have to be in place for some 9 to 10 years to meet the outstanding HIH liabilities. However in late 2008, the Nominal Insurer advised that a

loan taken out to fund the HIH liabilities was likely to be completely repaid during this current financial year, seven years after the levy commenced.

The earlier than expected discharge of the debt is due mainly to increased dividends received from the liquidator and some further dividends are expected.

The Act requires the Minister to make a determination in December of the HIH levy that will apply for twelve month period commencing from 30 June the following year. On the basis of advice received from the Nominal Insurer (as outlined above), the Minister determined in December last year that it would not be necessary to extend the HIH levy beyond 30 June 2009.

Please note that whilst you will not be required to collect HIH levy payments for policies commencing/renewed on or after 30 June 2009, levy payments will be required on all premium adjustments for policies commencing prior to 30 June 2009.

The receipt of levy payments up to 30 June 2009 plus further dividends from the liquidation of HIH assets will result in some excess funds being collected, The Nominal Insurer will seek direction from the Minister on the management of these funds.

* Source: Department of Justice, Workplace Standards Tasmania, 5 May 2009

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Sydney	(02) 9375 4444
Campbelltown	(02) 4621 9600
Lismore	(02) 6627 5999
Newcastle	(02) 4968 6444
Parramatta	(02) 8831 0322
Wollongong	(02) 4224 3487
Albury	(02) 6042 3555 1800 817 820

ACT

Canberra	(02) 6201 3333
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Tasmania

Hobart	(03) 6237 3866
Launceston	(03) 6332 0799

Victoria

Melbourne	(03) 9246 2444 1800 817 820
Albury	(02) 6042 3555 1800 817 820
Bendigo	(03) 5440 4700 1800 807 585
Geelong	(03) 5226 8788 1800 817 820
Knox	(03) 9246 2444 1800 817 820
Mildura	(03) 5051 1810 1800 817 820
Shepparton	(03) 5823 6400 1800 807 628

Northern Territory

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South Australia

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Perth	(08) 9213 6100
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