



Limestone Avenue, Campbell ACT 2601  
PO Box 225, Dickson ACT 2602, Australia  
ABN 41 687 119 230

This document was created in response to a Freedom of Information request made to CSIRO.

FOI Number: FOI2012/6

Date: 31 October 2012

Request: Correspondence from Comcare to CSIRO advising of the amount of premium payable to Comcare in the financial years from 2012/13 (current FY)

Documents: Docs 1-11

For more information, please refer to CSIRO's FOI disclosure log at [www.csiro.au/FOILog](http://www.csiro.au/FOILog)



Australian Government

Comcare

Doc 1

Chief Executive Officer

GPO Box 9905  
Canberra ACT 2601  
Tel: 02 6275 0001

Dr Geoff Garrett  
Chief Executive  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

Dear Dr Garrett

### 2005-2006 WORKERS' COMPENSATION PREMIUM AND REGULATORY CONTRIBUTION

I am writing to notify you officially of the workers' compensation premium and regulatory contribution for 2005-2006 for your agency.

I wrote to you on 6 June 2005 to indicate the likely premium and regulatory contribution. I now confirm those amounts:

- The premium for 2005-2006 is \$3,454,250.
- The regulatory contribution for 2005-2006 is \$83,498.

My 6 June letter explained factors in the premium for your agency and the increase in the overall rate for all Commonwealth agencies combined.

Enclosed is an invoice for the premium and regulatory contribution. Would you please arrange payment of the premium and regulatory contribution to Comcare by **31 July**. Section 97P of the *Safety, Rehabilitation and Compensation Act 1988* provides that interest, at a rate specified by the Minister, is payable for late payment of premiums or regulatory contributions. The current rate is 12.68% p.a.

I have also enclosed:

- a **Premium Quick Reference Sheet**. This sheet explains the factors in the premium calculation and summarises the claim data used;
- a *Guide to 2005-2006 Premiums*;
- a *Guide to 2005-2006 Regulatory Contributions*; and
- a **Declaration of 2004-2005 Actuals form**. This form seeks the actual number of employees and payroll for your agency for 2004-2005. Comcare will use the actual payroll for 2004-2005 to calculate a final adjustment of the 2004-2005 premium. Please return this form by **29 July 2005**.

The 2005-2006 premium is based on an estimate of 2005-2006 payroll that your agency provided to Comcare. In July 2006 we will ask for the actual payroll figure for 2005-2006 and we will calculate a premium adjustment based on the difference between the actual figure and the estimate. We can also adjust the premium mid year if your estimate of 2005-2006 payroll changes significantly. Your staff should call Comcare's Scheme Funding Group on ~~DELETION~~ such an adjustment is required.

Within fourteen days of Comcare sending this notice, the principal officer of an agency may, by written notice of objection, ask Comcare to review the premium and/or regulatory contribution. A notice of objection must set out the grounds for the objection. A notice of objection does not alter the due date for payment.

#### Information and assistance

If you and/or your staff require any further information or advice in relation to the matters covered in this letter, please call:

- the premiums help desk on ~~DELETION~~ about premium amounts and rates or information shown on the Premium Quick Reference Sheet
- the Comcare Customer Liaison Officer for your agency on 1300 366 979 about your agency's OHS and workers' compensation performance.

I would be happy to meet with you to discuss your agency's outcome if you think that would be useful. My telephone number is ~~DELETION~~

Yours sincerely

**DELETION**

1 July 2005



Australian Government  
Comcare

Doc 2

GPO Box 9905  
Canberra ACT 2601

Anna Mori  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

Dear Sir / Madam

### ADJUSTMENT TO THE 2005-2006 WORKERS' COMPENSATION PREMIUM

I am writing to tell you about the final adjustment to the 2005-2006 premium based on the actual payroll figure for 2005-2006 that your agency provided to Comcare.

Your agency's actual payroll for 2005-2006 was \$6,068,702 higher than the estimate for 2005-2006. Multiplied by the premium rate for 2005-2006 (0.68%), this produces an adjustment to the 2005-2006 premium of \$41,267.

Enclosed is an invoice for the adjustment amount.

If you would like to discuss any aspect of your workers' compensation premium please call the Scheme Funding Group on **DELETION**

Yours sincerely

**DELETION**

General Manager  
Customer Services Support  
4 October 2005

REF: C081 / 2005 / 28/09/2006

1300 366 979

AUSTRALIA'S

*Safety*

WORKPLACES

[www.comcare.gov.au](http://www.comcare.gov.au)



Australian Government  
Comcare

Doc 3

Chief Executive Officer

GPO Box 9905  
Canberra ACT 2601  
Tel: 02 6275 0001

Dr Geoff Garrett  
Chief Executive  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

CHIEF EXECUTIVE'S  
OFFICE

03 JUL 2006

RECEIVED

Dear Dr Garrett

### 2006-2007 WORKERS' COMPENSATION PREMIUM AND REGULATORY CONTRIBUTION

I am writing to notify you officially of the workers' compensation premium and regulatory contribution for 2006-2007 for your agency.

I wrote to you on 8 June 2006 to indicate the likely premium and regulatory contribution. I now confirm those amounts:

- The premium for 2006-2007 is \$3,653,370.
- The regulatory contribution for 2006-2007 is \$102,280.

I have enclosed:

- a **Premium Quick Reference Sheet**. This sheet explains the factors in the premium calculation and summarises the claim data used;
- a *Guide to 2006-2007 Premiums*;
- a *Guide to 2006-2007 Regulatory Contributions*; and
- a **Declaration of 2005-2006 Actuals** form. This form seeks the actual number of employees and payroll for your agency for 2005-2006. Comcare will use the actual payroll for 2005-2006 to calculate a final adjustment of the 2005-2006 premium. Please return this form by **31 July 2006**.

An invoice was sent directly to the accounts area of your agency.

The 2006-2007 premium is based on an estimate of 2006-2007 payroll that your agency provided to Comcare. In July 2007 we will ask for the actual payroll figure for 2006-2007 and we will calculate a premium adjustment based on the difference between the actual figure and the estimate. We can also adjust the premium mid year if your estimate of 2006-2007 payroll changes significantly. Your staff should call Comcare's Scheme Funding Group on ~~DELETION~~ if such an adjustment is required.

Within fourteen days of Comcare sending this notice, the principal officer of an agency may, by written notice of objection, ask Comcare to review the premium and/or regulatory contribution. A notice of objection must set out the grounds for the objection. A notice of objection does not alter the due date for payment.

#### Information and assistance

I would be happy to meet with you or make senior Comcare staff available to discuss the broader context of your agency's premium outcome. My telephone number is ~~0221 0221~~

If you or your staff require more detailed information or advice in relation to the matters covered in this letter, please call:

- the premiums help desk on ~~0221 0221~~ about premium amounts and rates or information shown on the Premium Quick Reference Sheet
- 1300 366 979 about your agency's OHS and workers' compensation performance.

Yours sincerely

**DELETION**

30 June 2006



Australian Government  
Comcare

Doc 4

12 OCT 2007

GPO Box 9905  
Canberra ACT 2601

Mr Anthony Victory  
HRIS Manager  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

Dear Mr Victory

### ADJUSTMENT TO THE 2006-2007 WORKERS' COMPENSATION PREMIUM

I am writing to tell you about the final adjustment to the 2006-2007 premium based on the actual payroll figure for 2006-2007 that your agency provided to Comcare.

Your agency's actual payroll for 2006-2007 was \$357,182 higher than the estimate for 2006-2007. Multiplied by the premium rate for 2006-2007 (0.72%), this produces an adjustment to the 2006-2007 premium of \$2,572.

Enclosed is an invoice for the adjustment amount.

If you would like to discuss any aspect of your workers' compensation premium please call the Scheme Funding Group on *DELETION*

Yours sincerely

**DELETION**

General Manager  
Customer Services Support  
8 October 2007

REF: C081 / 2006 / 19/09/2007

1300 366 979

AUSTRALIA'S *Safe* WORKPLACES

[www.comcare.gov.au](http://www.comcare.gov.au)



Dr Geoff Garrett  
Chief Executive  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON VIC 2602

Dear Dr Garrett

### **2007-2008 WORKERS' COMPENSATION PREMIUM AND REGULATORY CONTRIBUTION**

I am writing to indicate the likely workers' compensation premium and regulatory contribution for 2007-2008 for your agency.

#### **Overall premium rate for all Commonwealth agencies combined**

My letter of 6 March 2007 advised the overall premium rate for all Commonwealth agencies combined for 2007-2008 would be similar to the last two years.

Following more recent analysis, I am able to reduce the overall premium rate for Commonwealth agencies from 1.77% of payroll for 2006-2007 to 1.55% of payroll for 2007-2008. This reduction is possible due to both improved injury prevention leading to fewer claims and anticipated savings from recent legislative amendments, particularly removal of cover for most journey claims.

The overall Commonwealth premium rate continues as one of the lowest in Australia. While these are pleasing results, preventing injuries and minimising the time off work of employees who are injured will determine whether rates rise or fall in future years.

#### **Agency premium**

The overall rate is only an indicator of the aggregate claim performance of all Commonwealth agencies.

Comcare sets a premium rate for each agency each year. The rate for an agency responds to trends in that agency's claim frequency and average claim cost as well as to overall claim trends and the total amount that Comcare needs to collect.



I expect the premium for 2007-2008 for your agency to be \$2,954,660. This amount is based on:

- a bonus amount of \$540,540. This amount is due to a revision of the 2006-2007 premium rate for your agency from 0.83% to 0.72% of 2006-2007 payroll. The revision responded to the development of your agency's claims for injuries suffered in 2003, 2004 and 2005.
- a 2007-2008 premium rate for your agency of 0.68% of 2007-2008 payroll. This rate responded to your agency's claims for injuries suffered in 2006 and earlier.
  - The 2007-2008 payroll at \$514,000,000 is \$22,600,000 higher than the 2006-2007 payroll.

Attached is a Premium Quick Reference Sheet that provides a summary of your agency's premium and injuries suffered in recent years.

In July I will notify you officially of the 2007-2008 premium. There may be a minor variation between the amount above and the amount in the final notice. Such a variation can result from final verification checks of our calculations.

### **Regulatory contribution**

I expect the regulatory contribution for 2007-2008 for your agency to be \$104,856.

Regulatory contributions fund activities of the Safety, Rehabilitation and Compensation Commission and Comcare related to regulatory functions under the *Safety, Rehabilitation and Compensation Act 1988* and the *Occupational Health and Safety (Commonwealth Employment) Act 1991*.

I will notify you officially of the regulatory contribution for 2007-2008 with the premium notice in July.

### **Further information**

I extend an invitation for you and your staff to seek further information and advice from Comcare. It is in both our interests to provide you with the assistance you require in developing strategies to reduce premiums and improve workplace safety.

To discuss premium rates or information on the Premium Quick Reference Sheet, your staff should call ~~DELETION~~

To discuss other issues your staff should call ~~DELETION~~

If you believe that there has been a miscalculation of the premium for your agency, please notify Comcare now rather than wait until the formal premium notice in July.

I would be happy to meet with you to discuss your agency's premium if you think that would be useful. My telephone number is . *Deletion*

Yours sincerely

**DELETION**

18 June 2007

03 JUL 2008

RECEIVED



Australian Government

Comcare

Chief Executive Officer

02 6275 0001

30 June 2008

Dr Geoff Garrett  
Chief Executive  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

Dear Dr Garrett

### 2008-09 Workers' Compensation Premium and Regulatory Contribution

Each year, Comcare determines a workers' compensation premium and regulatory contribution for each Commonwealth agency. Enclosed are details of your premium and contribution for 2008-09.

#### Overall premium rate for all Commonwealth agencies combined

Your organisation is one of 167 Commonwealth agencies covered for workers compensation liabilities under the *Safety, Rehabilitation and Compensation Act 1988*.

I am pleased to advise that the overall average premium rate for the Commonwealth sector has decreased to 1.36% of wages and salary, a 12% drop from 1.55% in 2007-08.

This overall reduction follows the 12% decrease in average premium rate last year when the average rate fell from 1.77% to 1.55%. When standardised and compared against all other schemes in Australia this reflects an encouraging rate, second lowest across all jurisdictions.

This scheme performance is largely attributable to reduced claim frequency (that is, fewer injuries are occurring in Commonwealth workplaces). The result reflects ongoing efforts to prevent workplace injury and disease and also mirrors general trends in Australia.

However organisations cannot rely on improvements in claim frequency alone to reduce the human and financial costs of workplace injury. Claim costs, including those attributable to psychological injury claims, are continuing as a significant upward pressure on workers' compensation premiums. These direct costs can best be treated through early and effective vocational rehabilitation, as they mainly arise from time off work payments and longer incapacity duration.

As premium rates respond to trends in both claim frequency and average claim cost improvement in health and safety outcomes, injury prevention and minimising the time taken off work by injured employees will be priority areas for our scheme in 2008-09. We will work with you and our other partner organizations to maintain the current encouraging trends.

GPO Box 9905, Canberra ACT 2601  
1300 366 979 [www.comcare.gov.au](http://www.comcare.gov.au)

AUSTRALIA'S SAFEST WORKPLACES

## Your agency premium rate for 2008-09

The above overall rate is only an indicator of the aggregate claim performance of all Commonwealth agencies and Comcare sets a unique rate each year for each agency. This rate responds to agency trends in claim frequency and average claim cost as well as to overall trends and the total amount Comcare needs to collect.

The 2007-08 premium for your agency was \$2,954,660.

The 2008-09 payroll is higher than the 2007-08 payroll.

The premium for 2008-09 for your agency is \$2,142,400. This amount is based on:

- a revision of the 2007-08 premium rate for your agency from 0.68% to 0.54% of 2007-08 payroll. This revision produces a bonus amount of \$719,600.
- a 2008-09 premium rate for your agency of 0.53% of 2008-09 payroll. This rate responded to your agency's claims for injuries suffered in 2007 and earlier.

## Regulatory contribution

Regulatory contributions fund activities of the Safety, Rehabilitation and Compensation Commission and Comcare related to regulatory functions under the *Safety, Rehabilitation and Compensation Act 1988* and the *Occupational Health and Safety Act 1991*.

The regulatory contribution for 2008-09 for your agency is \$103,833.

## Further information

I have enclosed:

- a *Premium Quick Reference Sheet* that provides a summary of your agency's premium and claims
- a *Guide to 2008-09 Premiums*
- a *Guide to 2008-09 Regulatory Contributions*
- a *Declaration of 2007-08 Actuals* form. This form seeks the number of employees and payroll for 2007-08 which will be used to calculate a final adjustment of the 2007-08 premium. Please return this form by **31 July 2008**.

We will send an invoice direct to your accounts area.

In July 2009 we will ask for the actual 2008-09 payroll figure and calculate a final adjustment. We can adjust the 2008-09 premium before then if your agency provides a revised estimate of 2008-09 payroll.

Within fourteen days of this notice, the principal officer of an agency may, by written notice, ask Comcare to review the premium and/or regulatory contribution. A notice of objection must set out the grounds for the objection. A notice of objection does not alter the due date for payment.

I invite you and your staff to seek further information and advice from Comcare. We recognise that your employees are your most valuable resource and that an effective partnership is the key to reducing the human and financial costs of workplace injury. It is in both our interests to provide you with the assistance you require in developing strategies to improve workplace safety and reduce premiums.

I would be happy to meet with you to discuss your agency's results if you think that would be useful. ~~DELETION~~ General Manager Prevention and Rehabilitation is available to facilitate these discussions on ~~DELETION~~. To discuss premiums or information on the enclosed reference sheet, your staff should call ~~DELETION~~.

Yours sincerely

**DELETION**

Chief Executive Officer

CHIEF EXECUTIVE'S  
OFFICE

02 JUL 2009

RECEIVED



Australian Government

Comcare

Chief Executive Officer  
02 6275 0001

30 June 2009

Dr Megan Clark  
Chief Executive Officer  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

Dear Dr Clark

### **2009–10 workers' compensation premium and regulatory contribution**

I am writing to notify you of the 2009–10 workers' compensation premium and regulatory contribution for your agency.

#### **Overall premium rate**

I am pleased to note that the overall premium rate for the Commonwealth sector has decreased again this year. As a proportion of wages and salary, the premium has dropped from 1.55 per cent in 2007–08, to 1.36 per cent in 2008–09, and 1.25 per cent in 2009–10.

This success has been achieved by reducing the frequency of claims through improved prevention of workplace injuries.

Our analysis indicates 2009–10 will be a difficult year to continue these improvements. In many agencies, reductions in claim numbers have started to plateau while rehabilitation and return to work results have been stable for several years.

In addition, although our prevention strategies have been successful in limiting physical injuries, the effects of disease-type and gradual onset conditions, including psychological illness and conditions associated with body stressing, represent an increasing proportion of claims.

To further reduce claim numbers, we will need to put a greater focus on rehabilitation and assist injured employees return to safe and suitable employment. The growing shift towards gradual onset and disease-type claims will also need to be managed as part of all agencies' prevention strategies.

In 2009–10 Comcare looks forward to working with your agency to address these emerging challenges and to further reduce the human and financial costs of workplace injury and disease.

#### **Your agency's 2009–10 premium**

The overall premium rate above is an indicator of the aggregate claim performance of all Commonwealth agencies combined.

AUSTRALIA'S SAFEST WORKPLACES

Comcare sets a unique premium rate for each agency each year. The rate for an agency responds to trends in that agency's claims as well as to overall trends and the total amount that Comcare needs to collect.

The premium for 2009-10 for your agency is \$1,711,000. This amount is based on:

- a revision of the 2008-09 premium rate for your agency from 0.53% to 0.47% of 2008-09 payroll. The revision responded to the development of your agency's claims for injuries suffered in 2005, 2006 and 2007.
- a 2009-10 premium rate for your agency of 0.37% of 2009-10 payroll.

### Regulatory contribution

Your agency's regulatory contribution for 2009-10 is \$95,323. Regulatory contributions fund activities of the Safety, Rehabilitation and Compensation Commission and Comcare related to functions under the *Safety, Rehabilitation and Compensation Act 1988* and the *Occupational Health and Safety Act 1991*.

### More information

I have attached the following documents that provide information on how these components are calculated:

- The *Premium Quick Reference Sheet* which includes information specific to your agency, such as trends in premium rates, claims numbers and claims development.
- *Guide to Comcare premiums for 2009-10* and *Guide to 2009-10 Regulatory Contributions*. These guides describe how, within 14 days of receiving this notice, the principal officer of an agency may lodge a written objection seeking a review of the premium and/or regulatory contribution (lodging an objection does not alter the due date for payment).

Could you please arrange to have the attached *Declaration of 2008-09 Actuals* form completed and returned before 31 July 2009—this completed form enables a final adjustment to your agency's 2008-09 premium.

We will send an invoice for your 2009-10 premium amount directly to the accounts section of your agency.

If you or your staff would like to meet to discuss your agency's results, please contact ~~DELETION~~ Director of Scheme Funding, on ~~DELETION~~ to discuss the premium calculation in detail, or your customer manager on 1300 366 979 to discuss workers' compensation claims.

I would also like to take this opportunity to inform you that I will be starting in a new role as the Chief Commissioner of the Australian Transport Safety Bureau from 1 July 2009. I have enjoyed working with you during my time in Comcare.

~~DELETION~~ will be acting CEO from 1 July 2009. He and all Comcare staff remain committed to providing your agency with quality advice and services.

I thank you for your support and efforts during the past several years in helping us reduce the human and financial costs of workplace injury and disease.

Yours sincerely

**DELETION**

Chief Executive Officer

**AUSTRALIA'S SAFEST WORKPLACES**



CHIEF EXECUTIVE'S  
OFFICE

03 JUL 2010

RECEIVED



Australian Government

Comcare

GPO Box 9905, Canberra ACT 2601  
1300 366 979 [www.comcare.gov.au](http://www.comcare.gov.au)

30 June 2010

Dr Megan Clark  
Chief Executive Officer  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

Dear Dr Clark

I write to advise your agency's workers' compensation premium and regulatory contribution for 2010–11 under the Comcare scheme.

The average premium rate for the Commonwealth sector for 2010–11 will be 1.20 per cent of payroll, a four per cent reduction from last year's average (1.25 per cent). This strong result reflects an overall improvement in work health and safety through the prevention of injury at federal workplaces, more effective rehabilitation and improved return to work outcomes.

#### Agency's premium

Comcare sets a unique premium rate for each agency, reflecting work health and safety performance. It responds to the number, duration and cost of claims made by employees of your agency. It also takes account of the agency's performance compared to other federal employers. As such, it represents each agency's share of the total amount of premium Comcare needs to collect to ensure the scheme is sustainable and covers all suffered in 2010–11.

Based on this, I advise that your agency's premium for 2010–11 is \$1,494,000, taking into account:

- a revision of the 2009–10 premium rate for your agency from 0.37% to 0.28% of 2009–10 payroll that reflects the development of your agency's claims for injuries suffered in 2006, 2007 and 2008.
- a 2010–11 premium rate for your agency of 0.34% of 2010–11 payroll. The early development of injury year 2009 indicates more claims and higher estimated lifetime costs for injuries suffered in 2009 than for injuries suffered in 2008.

#### Regulatory contribution

Under federal law, Comcare is required to collect contributions from employers to fund regulatory activity. These amounts are determined in accordance with principles outlined in the *Australian Government Cost Recovery Guidelines*.

Accordingly, I advise that your agency's regulatory contribution for 2010–11 is \$348,018. In addition, as explained in our 17 March 2010 letter, I confirm Comcare will vary the regulatory charge for 2008–09 by \$27,727.

#### Invoice

The invoice for the 2010–11 premium and regulatory contribution (including the adjustment of the 2008–09 regulatory contribution) will be sent directly to your accounts section, together with a copy of this letter.

#### Supporting information and right of review

Any aspect of the premium, regulatory charges, or your agency's work health and safety performance can be discussed by contacting ~~DELETION~~ Director Prudential Management, on ~~DELETION~~ or by email to ~~DELETION~~

As explained in the attached guides, federal law allows a review of the premium and regulatory charges outlined in this notification. Please note that requesting a review does not affect the obligation to make payment by 31 July.

#### Future goals

Comcare remains committed to delivering lower premiums to employers wherever possible. To do this, we will be looking for opportunities to work in partnership with your colleagues to improve work health and safety, and to provide better support to your employees in their recovery and rehabilitation.

I look forward to working closely with you in the future.

Yours sincerely

## DELETION

Deputy CEO and Head, Scheme Integrity Group



Australian Government

Comcare

Doc 9

20 December 2011

Ms Mandy Yialeloglou  
Health and Safety Operations Advisor  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

Dear Ms Yialeloglou

#### ADJUSTMENT TO THE 2010-11 WORKERS' COMPENSATION PREMIUM

I am writing to tell you about the final adjustment to the 2010-11 premium based on the actual payroll figure that your agency provided to Comcare.

Your agency's actual payroll for 2010-11 was \$4,466,673 lower than the estimate for 2010-11. Multiplied by the premium rate for 2010-11 (0.33%), this produces an adjustment to the 2010-11 premium of - \$14,740.

Enclosed is a cheque for the adjustment amount.

If you would like to discuss any aspect of your workers' compensation premium please call the Prudential Management Team on *Deletion*

Yours sincerely

**DELETION**

Deputy CEO

GPO BOX 9905  
CANBERRA ACT 2601  
P 1300 366 979

COMCARE.GOV.AU



Australian Government

Comcare

8 July 2011

Dr Megan Clark  
Chief Executive Officer  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

Dear Dr Clark

### Workers' compensation premium and regulatory contribution

I write to advise you of your agency's workers' compensation premium and regulatory contribution for 2011–12 under the Comcare scheme.

#### Premium

Under Comcare's premium model (which is applied equally to all Commonwealth agencies), the premium responds to each agency's work health and safety and rehabilitation performance. These are measured by the number of claims and their estimated lifetime cost. Comcare also has regard to the size of the overall premium pool needed to fund the expected cost of injuries across the Commonwealth sector.

The development of the ultimate cost of claims is inherently uncertain. Estimates of the expected lifetime cost of claims are updated each financial year to reflect new information and trends in the pattern of claim costs and time off work. Federal law also allows for a revision of a previous year's premium rate to reflect the development of claims arising from injury or disease suffered in previous years.

Based on independent actuarial advice, the overall premium rate for the Commonwealth sector needs to be 1.41 per cent of payroll for 2011–12 (from 1.20% for 2010–11). This is an increase from last year. It reflects a range of factors, including increasing numbers of claims for psychological illness (which on average cost much more than physical injury claims), increases in average claim costs, our investment in a new claims operating model to improve the support for harmed workers in their recovery and return to work, changes to federal law increasing the qualifying age for pensions, wage and medical cost inflation, and economic factors including future inflation and discount rates.

Taking into account your agency's number of claims and their estimated lifetime cost as well as the total premium pool needed for the Commonwealth sector, I advise that your agency's premium for 2011–12 is \$1,931,400 (inclusive of GST). This premium is based on:

- a revision of the 2010–11 premium rate for your agency from 0.34% to 0.33% of 2010–11 payroll. The revision responded to the development of your agency's claims for injuries suffered in 2007, 2008 and 2009.
- a 2011–12 premium rate for your agency of 0.33% of 2011–12 payroll.

#### Regulatory contribution

Under federal law, Comcare is required to collect contributions from employers to fund regulatory activity. These amounts are determined in accordance with principles outlined in the *Australian Government Cost Recovery Guidelines*.

Accordingly I advise that your agency's regulatory contribution for 2011–12 is \$358,772.

## Invoice

The invoice for the 2011-12 premium and regulatory contribution will be sent directly to your accounts section together with a copy of this letter.

## Supporting information and right of review

An explanation of the methodology for determining premiums and regulatory contributions and details of the specific data and calculations for your agency are attached.

If you wish to discuss any aspect of the premium or regulatory charges, or your agency's work health and safety performance, please contact ~~DELETION~~ or by email ~~DELETION~~ Director Prudential Management, on

As explained in the attached guides, federal law allows a review of the premium and regulatory charges outlined in this notification. Please note that requesting a review does not affect an agency's obligation to make payment by the due date.

## Future goals

Comcare remains committed to working with Commonwealth agencies to improve the health and well being of federal workers as well as systems of supporting their recovery and return to health and work following workplace harm.

I look forward to working closely with you in the future.

Yours sincerely

**DELETION**

Deputy CEO



Australian Government

Comcare

28 June 2012

Dr Megan Clark  
Chief Executive Officer  
Commonwealth Scientific and Industrial Research Organisation  
PO Box 225  
DICKSON ACT 2602

Dear Dr Clark

**Workers' compensation premium and regulatory contribution**

I write to advise you of your agency's workers' compensation premium and regulatory contribution for 2012-13 under the Comcare scheme.

**Premium**

I advise that your agency's premium for 2012-13 is \$4,951,300 (inclusive of GST).

Comcare has a statutory requirement to set a premium pool which covers the estimated lifetime cost of workers' compensation claims expected to occur in the premium year. Based on peer-reviewed, independent actuarial advice, the overall premium pool for the Commonwealth sector needs to increase to 1.77 per cent of payroll for 2012-13 (from 1.41% for 2011-12) to meet the estimated cost of claims.

This increase reflects that people harmed at work in federal workplaces are not recovering as quickly as they should, evidenced by increases in the average duration of lost time for recent claims and poor return to work for long-term incapacity claims. Reductions in market interest rates this year have also contributed to the increase.

The adverse trends in the duration and cost of claims have significantly increased Comcare's liabilities for outstanding claims. By setting the 2012-13 overall premium pool at 1.77 per cent of payroll, Comcare is striking a balance between the requirement to meet the increase in claims cost and a medium-term path to strengthen the scheme's funding position. The action Comcare is taking to address the increasing complexity and cost of claims and the increase in premiums in 2012-13 will assist to return the scheme to a sustainable funding position over time. However, on the current actuarial projections, further premium increases are likely to be required in future years.

Under Comcare's premium model, which is unchanged from 2011-12, each agency's premium also responds to its own work health and safety and rehabilitation performance. Performance is measured by the number of claims and their estimated lifetime cost. Federal law also allows for a revision of a previous year's premium rate to reflect the development of claims arising from injury or disease suffered in previous years, in the form of a bonus or penalty premium component.

Your agency's premium for 2012-13 has been calculated taking into account your agency's number of claims and their estimated lifetime cost as well as the total premium pool needed for the Commonwealth sector. The premium is based on:

- a 2012-13 premium rate for your agency of 0.67% of 2012-13 payroll. The early development of injury year 2011 indicates more claims for injuries suffered in 2011 than for injuries suffered in 2010.

GPO BOX 9905  
CANBERRA ACT 2601  
P 1300 366 979

COMCARE.GOV.AU

- a revision of the 2011–12 premium rate for your agency from 0.33% to 0.47% of 2011–12 payroll. The revision responded to the development of your agency's claims for injuries suffered in 2008, 2009 and 2010. The development of your agency's claims has increased the estimated cost of claims for all of these injury years.

#### **Regulatory contribution**

Under federal law, Comcare is required to collect contributions from employers to fund its regulatory activity in respect of work health and safety, rehabilitation and compensation. These amounts are determined in accordance with principles outlined in the *Australian Government Cost Recovery Guidelines*.

Accordingly I advise that your agency's regulatory contribution for 2012–13 is \$350,817.

#### **Invoice**

The invoice for the 2012–13 premium and regulatory contribution will be sent directly to your finance section with a copy of this letter.

#### **Supporting information and right of review**

We have attached to this letter an explanation of the methodology for determining premiums and regulatory contributions together with details of the specific data and calculations for your agency.

If you wish to discuss any aspect of the premium or regulatory charges, please contact ~~DELETION~~ Director Prudential Management, on ~~DELETION~~ or by email

~~DELETION~~

As explained in the attached guides, federal law allows a review of the premium and regulatory charges outlined in this notification. Please note that requesting a review does not affect an agency's obligation to make payment by the due date.

#### **Future goals**

At Comcare we recognise the key role which employers play to reduce harm and support workers in their recovery and return to work. We will continue to support you to improve injury prevention and rehabilitation outcomes. Your commitment is important to promote worker health and wellbeing and assist harmed workers in their return to health and work.

I look forward to working closely with you in the future.

Yours sincerely

**DELETION**

Deputy CEO