

**SENATE STANDING COMMITTEE ON
ENVIRONMENT, COMMUNICATIONS AND THE ARTS**

**QUESTIONS ON NOTICE
SENATE INQUIRY INTO AUSTRALIA POST'S TREATMENT OF ILL AND INJURED WORKERS**

Senator Fielding asked on 12 February 2010.

Question

Performance Indicators

Senator FIELDING—Okay. I will have look at that. I may have a further question on that as well. Do you know where Australia Post sits in those rankings at all, offhand? I assume you would.

Mr Kibble—In terms of OH&S investigations?

Senator FIELDING—Yes.

Mr Kibble—Not off the top of my head, no. There are a range of performance indicators. The number of investigations will be one indicator. As I said, the commission indicators, which were attached to the back of our submission and which you have referred to, are other indicators. We can provide you some comparative data in relation to Australia Post's safety performance over a number of years.

Senator FIELDING—I want the ones I asked for specifically.

Mr Kibble—Yes. I am offering some further ones if you like.

Answer

Comcare has provided the following response:

The Safety, Rehabilitation and Compensation Commission (the Commission) sets a range of performance targets and measures for the Comcare scheme in relation to injury prevention, claims management and rehabilitation (the Commission Indicators).

The Commission also sets targets for individual licensees such as Australia Post.

The performance over the past three years against the Commission Indicators for Australia Post, licensees and the Comcare scheme are attached.

Commission Indicator Definitions

Indicator		Unit	Description	
Prevention indicators				
PI.1	Claims with 1 week lost time	Incidence rate	Number of claims in which the first week of incapacity was determined in the reporting period per 1000 full time equivalent (FTE) employees.	PI.1 and PI.3 reported by non-commuting/commuting claims
PI.2	Death claims	Incidence rate	Number of claims for death accepted in the reporting period per 100,000 FTE employees.	
PI.3	Claims with 1 day lost time	Frequency rate	Number of claims in which the first day of incapacity was determined in the reporting period per million hours worked.	PI.2 reported by injury/disease/commuting claims
Claims management indicators				
CI.1	New claims processing time	Days	Average time taken in calendar days (from date of receipt by determining authority to date of determination) to determine new claims for all new claims determined in the reporting period.	CI.1 and CI.3 reported by injury/disease claims
CI.2	New claims processed	Percentage	Number of new claims determined in the reporting period as a percentage of the total number of new claims received in the reporting period plus undetermined claims on hand at the start of the reporting period.	
CI.3	Time taken to decide requests for reconsideration	Days	Average time taken in calendar days (from date of receipt by determining authority to date of reviewable decision) to determine all new requests for reconsideration in the reporting period.	
Rehabilitation indicators¹				
RI.2	Claims with RTW programs	Percentage	The number of claimants, having had 2 weeks or more incapacity determined, who had a RTW plan determined either in the reporting period or prior to 2 weeks of incapacity being determined, as a percentage of the number of claimants who had the 2 nd week of incapacity determined in the period.	
RI.3	Claims with 6 weeks lost time	Incidence rate	Number of claims in which the 6 th week of incapacity was determined in the reporting period per 1000 FTE employees.	
RI.4	Claims with 12 weeks lost time	Incidence rate	Number of claims in which the 12 th week of incapacity was determined in the reporting period per 1000 FTE employees.	

¹ The Commission decided at its meeting on 18 June 2008 to discontinue reporting against Commission indicator RI.1 (Time to first rehabilitation intervention).

Australia Post Commission indicator performance—2006–07

Indicator		Australia Post performance	Australia Post target range 2006-07		Performance within target range	Scheme performance	Licensees' performance	
		2006–07	Upper	Lower		2006–07	2006–07	
PI.1	Claims with one week lost time (incidence rate)	Non-commuting	17.0	-	-	-	11.3	11.8
		Commuting	2.3	-	-	-	1.8	1.5
		<i>All claims</i>	19.3	24.4	16.3	✓	13.1	13.3
PI.2	Death claims (incidence rate)	Injury	3.2	Set at zero	Set at zero	✘	1.7	2.1
		Disease	0.0	No target	No target	N/A	2.1	2.1
		Commuting	0.0	No target	No target	N/A	0.3	0.0
PI.3	Claims with one day lost time (frequency rate) ¹	Non-commuting	13.3	-	-	-	8.5	9.4
		Commuting	2.0	-	-	-	1.6	1.4
		<i>All claims</i>	15.4	19.4	12.9	✓	10.0	10.8
CI.1	New claims processing time (days)	Injury	11	-	-	-	14	11
		Disease	17	-	-	-	50	22
		<i>All claims</i>	12	17	7	✓	26	13
CI.2	New claims processed	97%	100%	90%	✓	89%	95%	
CI.3	Reconsiderations processing time (days)	Injury	38	-	-	-	37	36
		Disease	42	-	-	-	39	37
		<i>All claims</i>	39	25	15	(a)	38	36
RI.2	Claims with RTW plans	87%	85%	75%	☆	67%	83%	
RI.3	Claims with 6 weeks lost time (incidence rate)	6.7	11.1	7.4	☆	5.7	4.8	
RI.4	Claims with 12 weeks lost time (incidence rate)	3.7	7.0	4.7	☆	3.8	2.7	

(a) The 2006-07 target for this indicator included reconsiderations undertaken on a determining authority's own motion. Australia Post's performance for 2006-07 against this target was 27 days. The revised Commission indicator, reported here, excludes reconsiderations of own motion.

Data as at 30 June 2007

Australia Post Commission indicator performance—2007–08

Indicator			Australia Post performance	Australia Post target range 2007–08		Performance within target range	Scheme performance*	Licensees' performance*
			2007–08	Upper	Lower		2007–08	2007–08
PI.1	Claims with one week lost time (incidence rate)	Non-commuting	15.5	20.3	13.5	✓	8.3	9.5
		Commuting	0.0	N/A	N/A	N/A	0.2	0.1
PI.2	Death claims	Injury	3.0	Set at zero	Set at zero	✗	2.2	2.5
		Disease	0.0	N/A	N/A	N/A	3.7	1.7
		Commuting	0.0	N/A	N/A	N/A	0.3	0.0
PI.3	Claims with one day lost time (frequency rate)	Non-commuting	12.7	18.2	12.2	✓	6.2	7.7
		Commuting	0.0	N/A	N/A	N/A	0.2	0.1
CI.1	New claims processing time (days)	Injury	11	16	6	✓	17	10
		Disease	18	23	13	✓	49	23
CI.2	New claims processed		94%	100%	90%	✓	88%	94%
CI.3	Reconsiderations processing time (days)	Injury	22	28	18	✓	23	23
		Disease	19	31	21	☆	27	22
RI.2	Claims with RTW plans		88%	85%	75%	☆	70%	89%
RI.3	Claims with 6 weeks lost time (incidence rate)		5.8	9.6	6.4	☆	4.2	3.8
RI.4	Claims with 12 weeks lost time (incidence rate)		2.8	6.3	4.2	☆	2.8	2.0

*Excludes CBA entities, for which licences commenced on 31 March 2008

Data as at 30 June 2008

Australia Post Commission indicator performance—2008–09

Indicator	Australia Post performance 2008–09	Australia Post target range 2008–09		Performance within target range	Scheme performance 2008–09	Licensees' performance 2008–09		
		Upper	Lower					
		PI.1	Claims with one week lost time (incidence rate)				Non-commuting	18.0
		Commuting	0.1	N/A	N/A	N/A	0.1	0.0
PI.2	Death claims	Injury	3.1	Set at Zero	Set at Zero	✓	1.1	1.2
		Disease	0.0	N/A	N/A	N/A	1.9	0.0
		Commuting	0.0	N/A	N/A	N/A	0.0	0.0
PI.3	Claims with one day lost time (frequency rate)	Non-commuting	13.4	17.3	11.5	✓	6.7	7.9
		Commuting	0.1	N/A	N/A	N/A	0.0	0.0
CI.1	New claims processing time (days)	Injury	10	20	10	✓	13	9
		Disease	21	35	25	☆	46	21
CI.2	New claims processed		95%	100%	90%	✓	89%	95%
CI.3	Reconsiderations processing time (days)	Injury	11	35	25	☆	23	14
		Disease	7	35	25	☆	27	16
RI.2	Claims with RTW plans		88%	90%	80%	✓	71%	88%
RI.3	Claims with 6 weeks lost time (incidence rate)		6.9	9.4	6.3	✓	4.1	3.6
RI.4	Claims with 12 weeks lost time (incidence rate)		4.3	6.1	4.1	✓	2.7	2.0

Data as at 30 June 2009

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Senator Fisher asked on 12 February 2010.

Question

CHAIR—Okay. Are you aware of any self-insureds who remunerate their officers and link more attractive remuneration to, for example, rates of lost time through injury or injury management.

Mr Kibble—No, I am not aware of any licensees that do that. But I would take that on notice because maybe there would be some who do that that I personally do not know about. I will certainly take that on notice. I am not aware of any but it is a possibility that they do that.

Answer

Comcare has provided the following response:

When undertaking an audit of a self insured licensee as part of its regulation under the licensee's conditions of licence and the *Safety, Rehabilitation and Compensation Act 1988*, Comcare looks at senior management position descriptions to see that appropriate responsibilities and accountabilities are in place for ensuring a safe and health workplace and effective rehabilitation and claims management. Whilst most position descriptions contain key performance indicators, there is no indication of whether monetary rewards or bonuses are attached to the attainment of those indicators.

Comcare understands that it is not unusual for Australian employers to link injury prevention and management to their performance management framework through the use of bonuses or other types of remuneration. This is consistent with guidance from Comcare that organisations should hold managers accountable for people management outcomes and establish clear expectations through performance management frameworks and workplace agreements.

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Investigation of Australia Post's principal determination

CHAIR—Is it within Comcare's bailiwick to investigate Australia Post's use of that determination?

Mr Kibble—Only to the extent that it comes under the SRC Act, yes when they start misusing the information provided in that process, for example. But, if it is strictly about their power to do that et cetera, that does not fit within Comcare's bailiwick directly, no.

CHAIR—How far could you go with that assessment or investigation?

Mr Kibble—If they were misusing the information that was obtained through that process—without the employee's consent, for example—under the SRC Act, absolutely we could. It is within our bailiwick.

CHAIR—Perhaps you could get back to the committee on the extent to which you would be able to assess and investigate that determination.

Mr Kibble—Yes.

Answer

Comcare has provided the following response:

Australia Post, like most other employers, is able to manage its ill or injured employees under three frameworks. The first involves an informal or voluntary-for-employees process aimed at early intervention management of ill or injured employees which is aimed at maintaining the employee at or achieving the employee's early return to the workplace on medically certified and suitable duties. In Australia Post, this is their 'Injury Management (Early Intervention) Program' which sits outside the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) and therefore Comcare's direct regulation of this function in Australia Post.

Should an employee lodge a workers' compensation claim and it is subsequently determined that the employer is liable, the second framework applies - management of return to work under the SRC Act's Part III (rehabilitation) provisions. As Australia Post is also a licensee with powers to determine claims under the SRC Act, it also has SRC Act Part II (compensation) powers and obligations. Comcare, on behalf of the Safety, Rehabilitation and Compensation Commission, regulates Australia Post's exercise of its SRC Act Part II and Part III powers as part of its conditions of licence.

The third framework, fitness for duty, applies to employees of Australia Post who may or may not also come under the above two frameworks. Comcare understands that Australia Post's fitness for duty framework comes under its 'Principal Determination' and is regulated under

the workplace relations system of regulation. Comcare is unable to regulate Australia Post's exercise of its powers and functions under this framework.

Of course, there will be situations where matters arising under the other frameworks will be relevant to Comcare's regulation of Australia Post's exercise of its SRC Act Part II and Part III powers. For example, determining authorities and rehabilitation authorities under the SRC Act, including Australia Post, cannot use information obtained under a fitness for duty assessment in making decisions under the SRC Act unless the injured or ill worker consents to its release.

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OHS Investigations

Senator FIELDING—How many investigations of occupational health and safety breaches did Comcare carry out at Australia Post and over how long? I would not mind that broken up over periods.

Mr Kibble—Senators, I do not have those figures with me but I can certainly take that on notice.

Senator FIELDING—Could you take it on notice to go back a number of years and do it by year?

Mr Kibble—Absolutely, yes. No problems.

Senator FIELDING—Relative to other self-insurers covered by Comcare, is this number higher or lower than others?

Mr Kibble—In terms of OH&S investigations?

Senator FIELDING—Yes.

Mr Kibble—We will take that on notice and provide that to you.

Senator FIELDING—And maybe provide it for all the areas that you look after; that way you are not cherry-picking certain ones.

Mr Kibble—Sorry, Senator?

Senator FIELDING—In other words, I want the information for the other self-insurers that you look after as well.

Mr Kibble—Yes. We can provide figures in relation to OH&S investigations of Australia Post, licensees as a whole and the scheme as a whole, if you would like.

Answer

Comcare has provided the following response:

		Total Number of Investigations Commenced	Number of investigations* regarding:			
			<i>Fatality</i>	<i>Serious Personal Injury</i>	<i>Dangerous Occurrence</i>	<i>Employee Incapacity</i>
2006/07	APC	34	0	3	13	0
	All Licensees (17 employers)	61	1	12	24	0
	OHS Act Employers (189 employers)	252	3	42	94	0
2007/08	APC	29	3	1	9	0
	All Licensees (25 employers)	126	7	20	66	1
	OHS Act Employers (187 employers)	346	12	61	160	3
2008/09	APC	39	3	6	11	0
	All Licensees (29 employers)	151	11	35	71	0
	OHS Act Employers (198 employers)	294	18	62	133	3
2009/10 FYT 25 Feb 10	APC	49	2	2	2	0
	All Licensees (29 employers)	138	7	21	39	0
	OHS Act Employers (202 employers)	234	12	38	77	0

* This is not an exhaustive list of investigation types. Total investigation figures also include investigations commenced as a result of disputed PINs, complaints, and proactive planning by Comcare

Significant** Investigations as at 19 Feb 2010	
APC	3
All Licensees	17
OHS Act Employers	27

** These are investigations underway which are considered high profile and high priority for Comcare