

## Senate Standing Committee on Economics

### ANSWERS TO QUESTIONS ON NOTICE

#### Treasury Portfolio

#### Budget Estimates

31 May – 2 June 2011

**Question No:** BET 51

**Topic:** Comcare claims relating to Siebel

**Hansard Page:** 104

#### Senator Xenophon asked:

**Senator XENOPHON:** ... In last year's annual report, it was stated that Comcare claims had been reduced by 9 per cent. I note that Comcare policy premiums, from my reading of it, have increased \$4.7 million, or in another way it has been increasing by \$90,000 a week. To what extent is this related to the Siebel program? In earlier reports we heard about RSI and other injuries. How many notifications have been reported to ATO management that could be linked to the Siebel program? I am happy for that to be taken on notice. There seems to be a disconnect between the number of claims being reduced by 9 per cent but the premiums with Comcare increasing by \$90,000 a week.

#### Answer:

The ATO workers' compensation premium and regulatory contribution under the Comcare scheme increased by \$4.7 million from 2009-10 (\$26.1 million) to 2010-11 (\$30.8 million).

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 the agency. It also takes into account expected future costs of claims and the agency's performance compared to other Australian Public Service 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.

There is no disconnect between the reduction in injury and rise of the premium. The cost of injury claims is rising, which can generally be attributed to a combination of the increasing cost of medical services, salary (time off work) and the costs associated with the administration of compensation by Comcare.

Also, some claims are accepted by Comcare after the close of the injury year. Often these claims are high-cost claims. Revisions to an agency's premium rate for a given year reflect acceptance of those claims as well as the development of existing claims.

More specifically, after the 2009-10 premium was set by Comcare, 32 claims (with the date of injury as 2008) were lodged and/or accepted by Comcare after the year in which the injury was incurred. Some of these claims were for psychological injuries and this

type of claim has high costs. This resulted in an adjustment to the ATO's 2010-11 premium.

The ATO has not identified any connection between the use of Siebel and the increase in Comcare premiums. The table below shows the number of incident reports mentioning Siebel reduced between the 2009 and 2010 calendar years.

Calendar year incident report data (not compensation claims)	Incident reports lodged in calendar year		
	Total	Reports relating to keying and mousing	
		Total	Reports that mentioned Siebel
2009	4,699	2,227 (47%)	145 (7%)
2010	3,219	1,489 (46%)	106 (7%)

Musculoskeletal disorder injuries can be caused by a range of activities including lifting, carrying, pushing, pulling, mousing, scrolling or keying when using software applications.

The ATO has programs and activities aimed at reducing the likelihood of staff injury associated with computer use. These include:

- information on optimal ergonomic set up for computer use
- access to ergonomic specialists at the time of commencing work at the ATO, and should staff experience pain or injury resulting from their work, and
- provision of specialist equipment to meet the needs of individuals with special needs or injuries.