

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Supplementary Budget Estimates Hearing 2012-13
17 October 2012

AGENCY/DEPARTMENT: COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION (CSIRO)

TOPIC: Comcare premiums

REFERENCE: Question on Notice (Hansard, 17 October 2012, pages 6-7)

QUESTION No.: SI-3

Senator COLBECK: Dr Clark and Mr Roy, you told us at the last estimates that you did not think CSIRO had a problem with its workplace culture. Bearing that in mind, is it true that there has been more than a \$3 million or over 250 per cent increase in the organisations Comcare premium for 2012-13, a \$900,000 drop in the bonus or penalty in just this one year, and a \$1.3 million reversal in the bonus or penalty in the space of the last two years? If those numbers are correct—which I think they are, based on the table that I have—how do you explain those significant changes in the premiums, given that the premiums have been fairly steady at about \$1.4 million to \$1.9 million over the previous three years?

Dr Clark: You are correct in that our premium has risen by 0.2 per cent from 0.47 per cent of payroll to 0.67 per cent of payroll. This is against a backdrop of a rise of all agencies combined—a rise of 0.36 per cent in payroll from an average of 1.41 per cent to 1.77 per cent. Whilst, as you pointed out, we have had a significant rise, it has been less in percentage terms than the average. The reasons indicated for that is the number of claims from 2011, around 84.4 per cent, the average lifetime cost per claim increasing from \$14K in 2008 to \$33K for 2011, and a sense of experiencing an increasing potential for claims, particularly based on that increased average amount.

Mr Roy: I might be to help with this and we would be very comfortable to table the explanatory letter that came from Comcare to support the case.

Senator COLBECK: Without having the core numbers to collate that to it makes it a bit difficult—

Dr Clark: We are happy to provide, as Mr Roy has outlined, the letter from Comcare.

ANSWER

Further information regarding the changes to CSIRO's Comcare premium has been provided in response to SI-77. The CSIRO has also included a copy of the letter Comcare sent to CSIRO concerning these changes.