



ANNUAL REPORT

MAKING A DIFFERENCE

2005-2006

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Minister for Commerce
Minister for Finance
Minister for Industrial Relations
Minister for Ageing
Minister for Disability Services,
Vice President of the Executive Council and
Leader of the Government in the Legislative Council

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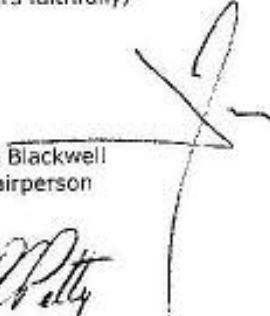
Dear Minister,

RE: Workers' Compensation Dust Diseases Board—Annual Report

In accordance with the Annual Reports (Statutory Bodies) Act 1984, it gives us much pleasure to submit the Workers' Compensation Dust Diseases Board's Annual report, covering the year ending 30 June 2006 for presentation to Parliament.

The financial statements for 2005/2006, which form part of the Report, have been submitted to and certified by the Auditor-General of New South Wales. The Statements reveal that the Board's finances are sound.

Yours faithfully,


Jon Blackwell
Chairperson


Ray Petty
Board Member

PROFILE OF THE DDB

CHARTER

The Workers' Compensation Dust Diseases Board (hereafter referred to as the DDB) provides statutory compensation to NSW Workers disabled by dust diseases resulting from exposure to dusts such as Asbestos and Silica. The Board was established as the Workmen's Compensation (Silicosis) Scheme No 1 in 1927 by legislation that was enacted in the NSW parliament in 1920. In 1942 it was amended and renamed the Workers' Compensation (Silicosis) Act 1942. In 1967 the Act was further amended to become the Workers' Compensation (Dust Diseases) Act, 1942-67.

MISSION

To provide no-fault compensation and quality practical assistance and services to workers and their dependents.

VISION

To become a world class compensating, screening, research and education body in occupational dust related disease.

ANNUAL REPORT 2005 / 2006

The DDB has prepared this Annual Report in accordance with the Annual Reports (Statutory Bodies) Act 1984 and the directions of the Minister for Commerce. It provides details of the Board's objectives, initiatives and achievements for the financial year ended 30 June 2006. This report also details the DDB's performance and future directions. In accordance with statutory requirements, the DDB notes that the total external production cost for the 2005/2006 Annual Report was \$6,086. The Annual Report is also available at our website www.ddb.nsw.gov.au

Production Team

Project Management: Liza Tinker, Manager, Executive Services and Denise Farlow, Manager, Project Services

Design and Printing: Plan B Creative Support Group

Legislation

Administer the Workers' Compensation (Dust Diseases) Act 1942-1967.

The DDB is subject to the direction of the Minister for Commerce, through whom it reports annually to the New South Wales Parliament.

The DDB has exclusive jurisdiction to determine all matters in respect of a claim for compensation including questions of identity, dependency, the fact of disablement and whether an award should be made. The Act does not allow legal representation before the Board.

A worker or a dependant of a deceased worker affected by a decision of the DDB in relation to a claim for compensation under the Act may appeal against the decision to the District Court of NSW.

Under the Act, the DDB is required to:

- Determine eligibility and awards compensation to workers and the dependants of deceased workers.
- Determine the classes of employment in any industry or process that may expose workers to the risk of contracting a specified dust disease.
- Administer the Workers' Compensation (Dust Diseases) Fund and pay all monies for compensation awards, research grants, fees, salaries and all other costs of administration of the Act including the operating expenses of the Dust Diseases Tribunal.
- Make an estimate before or during May in each year of the amount to be expended from the Fund for the following year commencing 1 July and also make an estimate of the liability outstanding under awards made in favour of workers and deceased workers.
- Administer the trust funds held on behalf of the dependants of deceased workers.

Services

The DDB provides a compensation screening service for workers who have had long term or extensive exposure to dusts such as asbestos or silica. As a general rule, because dust diseases are diseases of slow onset, applicants need to have had exposure to dust for a minimum of fifteen years prior to their application. This ensures that there are X-ray signs that will enable a proper diagnosis of a dust disease. No legal representation is required and there is no fee.

EXECUTIVE OFFICER'S REPORT

Welcome to the Dust Diseases Board 2005 - 2006 Annual Report.

The reporting period has been one of significant achievement. We have continued to respond to a challenging operational environment.

Our responses to the demands of change have been coherent, strategic and guided by the principle of accountability. It is with great pleasure that I present our report.



Core Business: facts and figures

Compensation Claims

During the year 611 new applications were received: 453 of these were non-malignant, 137 malignant; and 21 were applications by widows of deceased workers.

The number of cases considered by the Medical Authority was 4049. The Authority certified approval of an increased number of new claims: 425 compared to 342 in the previous year. These included claims made after the death of the worker.

The overall number of approved claims for malignant diseases (such as mesothelioma and dust-induced lung cancer) decreased during this financial year. New mesothelioma claims of 139 decreased from 145 in the previous year and lung cancer claims increased from 19 to 35.

The number of awards approved by the Board of Directors for the full financial year was 273 for workers and 194 for dependants: a total of 467 awards.

Medical Examinations

A total of 2,554 applicants were examined as a result of compensation claims. This is an increase of 184 medical examinations compared to the previous financial year.

Financial

The liability for outstanding claims as at 30 June 2006 has been determined by the Board's actuaries to be \$1,551 million compared to \$1,510 million in the previous year. The Board's overall expenditure in the year was \$79,705 million.

The Corporate Plan

As previously indicated, accountability is the driving imperative underpinning all the Board's actions. Our organisational philosophy fundamentally reflects our clients' needs. Our many functions are all dedicated to enhance the quality of service to them.

A central achievement this year was the Board's development and adoption of a new corporate plan to carry this philosophy into practice. It is the instrument establishing a concrete connection between the principle of accountability and attaining targeted and measurable outcomes for the organisation.

The corporate plan will position the Board as Australia's leading organisation in occupational respiratory health in the areas of compensation; client relations and service delivery; information systems; research; education, knowledge and skills.

This goal has been directly advanced by several other major achievements during the reporting period.

Organisational Restructure

Of first importance has been the Board's approval and implementation of an organisational re-structure.

This process involved the creation of a new Division, new management positions and the review of all DDB job descriptions. It refines the way we approach our work and the way we work together.

The restructure will not only ensure more effective business planning and improved operational efficiency – it will do so through fostering the capacities of our dedicated and hardworking staff. It expresses our commitment to focus on people: the people who form our organisation and the people they serve.

We are already beginning to see this structural re-design translating into improved services to our clients.

Information Management Upgrade

A further achievement supporting our effectiveness, transparency and accountability has been a major information management upgrade. This project has involved a complete rebuild of approaches to all our information and technology systems and entailed the refurbishment of levels three and four of our Elizabeth Street premises.

All streams of the project will eventually integrate into one confluent, secure and reliable information management solution across the entire organisation, governed by the respect for the privacy of the extremely sensitive personal data relating to our clients.

It's a demanding project but it will be well worth all the hard work when we've finished.

Asbestos Disease Research Institute

This year the Premier of NSW the Hon. Morris Iemma and Minister Della Bosca announced the foundation of a dedicated research facility focussing on the study of asbestos and other related dust diseases.

\$6.9 million will be allocated by the DDB to create a medical research facility at Concord Hospital, designed to lead the world in the early detection and more effective treatment of asbestos related cancers.

There is no doubt that the Asbestos Diseases Research Institute will take our achievements in NSW to another level.

The Institute will help position the Dust Diseases Board – in direct line with its mission – to be the leading organization in occupational respiratory health research in the world.

In the process it will build our national intellectual capital. It is a union of the good with the clever.

I wish to congratulate all those involved with the project.

Conclusion

The re-invigoration of the Dust Diseases Board's organisational strategy, its structure and its procedures have been important achievements. Each, individually, would be significant in any one year of operation. Collectively, in a single reporting period, they stand as evidence of the collective capacity of our organisation.

Once again, I wish to express my sincere appreciation of the work of all the members of the Medical Authority.

I also wish to thank the members of the Dust Diseases Board for their work, their wisdom and their dedication.

In particular I am grateful for the support and guidance of the Chairman of the Board Jon Blackwell.

It's important to recognise that the Dust Diseases Board is a bipartite body representing both industry and unions.

As Executive Officer I continue to be impressed by the demonstrated commitment of both these groups to our common goal: the alleviation of suffering of those with asbestos and other dust related illnesses.

Finally, I wish to thank the staff of the Dust Diseases Board.

I am grateful for their continued commitment and loyalty to the DDB during the past year and for their willingness to embrace change and development within an evolving organisation.

Through our combined effort I am convinced we will continue to make real contributions - to make a real difference.

Annual Reports are not usually the stuff of high excitement, but I believe this account of our work stands as a valuable record of fine public service. I trust you will find the Dust Diseases Board's 2005/2006 Annual Report interesting reading and welcome enquiries regarding the Board, its activities and its services.

Geoff Lansley
Executive Officer



The Hon John Della Bosca launching the Asbestos Disease Research Centre at Concord

Year in Review

	Corporate Objectives			
	<p>Claimants & beneficiaries receive their entitlements in an efficient, effective & timely manner</p>	<p>Efficient, Effective & Timely Claimant & Beneficiary Services</p>	<p>Quality Medical Screening Services</p>	<p>Equitable management of the Board's funds to maximise benefits for beneficiaries</p>
Our Performance	<ul style="list-style-type: none"> ■ 611 new applications. ■ 4,049 Medical Authority certifications. ■ 415 new claims certified as having a dust disease. ■ 467 new awards approved by the Board, 273 for workers and 194 for dependents. 	<ul style="list-style-type: none"> ■ Our call centre managed over 31,000 calls. ■ Decreased the backlog of cases awaiting preparation of an industrial history decreased from 198 to 84. ■ Industrial History Report Builder developed & rolled out to staff. ■ Industrial history process map & tracking system developed. 	<ul style="list-style-type: none"> ■ 2,554 applicant examinations conducted. 	<ul style="list-style-type: none"> ■ Schemes investments returned 11.83% for the 12 months to 30 June 2006.

Promote Research to improve the quality of medical treatment, level of assistance & wellbeing for victims of dust disease	Maintain an up-to-date appreciation of developments in dust diseases treatments, diagnosis, research & preventative measures	Promote & encourage industry to utilise the DDB's Mobile Occupational Respiratory Screening Service	Encourage organisational improvement & staff development
<ul style="list-style-type: none"> ■ Conducted Advanced Trainee Course to 31 medical practitioners. ■ 2 research grants awarded to fund research in: <ul style="list-style-type: none"> - Predictors of Respiratory Symptoms in Asbestos Related Diffuse Pleural Thickening. - Mesothelioma Blood Test: Identification of Individuals at Risk. - Completed Meso-1 trial study of 2 chemotherapeutic regimes & active symptom control in mesothelioma. 	<ul style="list-style-type: none"> ■ Continued to support the NSW Surveillance of Australian Workplace Based Respiratory Events (SABRE) Scheme. ■ 987 SABRE notifications made by treating doctors. ■ Attended 3 scientific conferences. ■ 11 papers published in scientific journals or presented at scientific meetings. 	<ul style="list-style-type: none"> ■ Provided respiratory screening services to 76 employers. ■ Screening over 4,193 employees exposed to Asbestos, Crystalline Silica or other hazardous substances. 	<ul style="list-style-type: none"> ■ Developed 2006-2009 Corporate Plan. ■ Established internal committees & working parties to improve operational systems & processes. ■ Created Medical Services Division to integrate the provision of screening & patient care services. ■ Established a joint consultative committee to improve communication, information sharing & the resolution of workplace issues. ■ Implemented the 2005-2009 IM&T Strategic Plan.

Our New Corporate Plan

The 2006—2009 Corporate Plan was developed collaboratively by our staff under the guidance of the Board. It provides the strategic framework that shapes the services we provide and decisions that we make.

The Corporate Plan sets out the broad goals and objectives of the Board and the key strategies we intend to follow for the next three years to achieve our outcomes. It details the values which underpin our work and establishes the key performance measures we will use to determine how effective we have been.

The Corporate Plan will be reviewed annually to ensure we remain on track as conditions change and our data gives us better information about what is working well and what requires fine-tuning.

Vision

What we aspire to

To become a world class compensating, screening, research and education body in occupational dust related disease

Mission

The way we get there

To provide no-fault compensation and quality practical assistance and services to workers and their dependents

Objectives

What we deliver

**Statutory no fault compensation
Medical and occupational screening, assessment & health surveillance
Research and education
Funds management**

Enablers

The critical success factors without which we will not achieve our objectives

Stakeholder engagement

Organisational Capability

Our Values

The corporate values which underpin everything we do

**Commitment to Quality Client Services
Teamwork, Trust & Accountability
Commitment to making a difference
Integrity, Respect and Compassion to our Clients
Commitment to Our People**

Corporate Objectives

Statutory No Fault Compensation	Medical & Occupational Screening, Assessment & Health Surveillance	Research & Education
<ul style="list-style-type: none"> ■ Effective preparation, submission & assessment of applicant's cases to Medical Authority/Board. ■ Consistent and effective Medical Authority and Board processes. ■ Effective management and processing of beneficiary entitlements. 	<ul style="list-style-type: none"> ■ Effective screening & assessment of workers. ■ Effective monitoring / health surveillance of workers and beneficiaries. 	<ul style="list-style-type: none"> ■ Establish the DDB as the pre-eminent source of research and education into dust diseases in Australia by: <ul style="list-style-type: none"> - Funding & conducting research to improve quality of medical treatment, outcomes & patient quality of life. - Effective data collection to support research & actuarial valuations of dust disease liability.

Key Performance Outcomes:

Increased quality and timeliness in identification, assessment & prioritisation of applicants & processing of applications.

Improved Medical Authority & Board satisfaction.

Accurate & timely delivery of entitlements & support services.

Key Performance Outcomes:

Workers are screened and monitored in a timely manner through efficient quality service.

Improvements in client satisfaction.

Key Performance Outcomes:

Establishment of the Asbestos Diseases Research Institute.

Improved research capacity in respiratory & dust diseases.

Greater awareness of the Research Grants Scheme.

External recognition of the DDB as a quality research and education organisation in dust diseases.

Values

Commitment to Quality Client Services	Teamwork, Trust & Accountability	Commitment to Making a Difference	Integrity, Respect & Compassion to Our Clients	Commitment to our People.
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Funds Management	Stakeholder Engagement (What partnerships must we build to achieve our desired outcomes)	Organisational Capability (How will we develop, skill, train and motivate our staff)
<ul style="list-style-type: none"> ■ Responsible and effective administration of DDB finances. ■ Sound trust fund administration. ■ Maximise return on investment. ■ Effective implementation of S8E recoveries. 	<ul style="list-style-type: none"> ■ Achieve effective stakeholder relationships through: <ul style="list-style-type: none"> - Establishing & maintaining partnerships with our principal stakeholders—unions and employer groups. - Building productive links with medical/health associations. - Actively engaging with industry to promote occupational screening services. 	<ul style="list-style-type: none"> ■ Effective leadership and strategic direction. ■ Support the development of capable, motivated and productive staff. ■ Effective management of information assets & technical infrastructure. ■ Operational efficiency and effective financial management.

Key Performance Outcomes:	Key Performance Outcomes:	Key Performance Outcomes:
<p>Fund remains sustainably funded for known liabilities.</p> <p>Out perform the investment benchmarks.</p> <p>Accurate & compliant reporting with statutory & financial accounting requirements.</p> <p>S8E recovery maximised.</p>	<p>Greater community and industry awareness of DDB roles and responsibilities.</p> <p>Effective and sustained partnerships with principal stakeholder groups, unions and employers.</p> <p>Effective and sustained partnerships with medical and allied health professionals.</p> <p>Improved linkages with relevant medical associations and community groups.</p>	<p>Improved manager and workforce capabilities and performance.</p> <p>Improved linkages between corporate, business and individual plans.</p> <p>IM&T Strategy and Framework implemented.</p> <p>Sustainable operating costs.</p> <p>Effective resource use.</p> <p>Improved operational efficiency.</p>

Key Performance Measures

Average time taken from receipt of application to final decision.	No of complaints received: Applicants, Beneficiaries, Other Parties.	Total number of appeals lodged against the Medical Authority or Board vs number of successful appeals.	Total DDB Assets vs. known liabilities (+/-10% tolerance).	Number of presentations delivered: scientific conferences, industry forums.
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Our priorities for 2006/2007

Corporate Objectives		
Statutory No Fault Compensation	Medical & Occupational Screening, Assessment & Health Surveillance	Research & Education
<ul style="list-style-type: none"> ■ Review and improve the initial assessment of applications. ■ Improve industrial history information management systems. ■ Continue to improve the standard of all Medical Authority correspondence. ■ Ensure all awards are processed within 2 weeks of Board meeting. ■ Improve process system for payment of medical benefit expenses. 	<ul style="list-style-type: none"> ■ Develop systems to monitor customer satisfaction and consumer complaints. ■ Upgrade medical services accommodation and facilities. ■ Improve system for payment of medical records and external medical examinations. ■ Integrate Lung Bus information management system into the DDB system. 	<ul style="list-style-type: none"> ■ Undertake 15-20 case comparisons to determine the most effective method of assessing workers past asbestos exposure. ■ Participate in treatment trials of dust diseases. ■ Conduct cohort study of DDB workers measuring SMRP. ■ Conduct study of DDB clients with ARPD to identify factors that determine disability. ■ Fund research into Pulmonary rehabilitation, the treatment of mesothelioma using new agents and the assessment of diffuse pleural thickening and early detection of dust related diseases.

Funds Management	Stakeholder Engagement	Organisational Capability
<ul style="list-style-type: none"> ■ Continue to outperform investment benchmarks. ■ Process all trust fund requests within 14 days of receipt. ■ Trust Fund interest payments distributed promptly every six months. 	<ul style="list-style-type: none"> ■ Strengthen our partnerships with unions and employer groups. ■ Continue to build productive links with medical and health care associations. ■ Engage with industry to promote the Mobile Occupational Respiratory Screening Service. ■ Continue to improve our website and develop a series of fact sheets on DDB services. 	<ul style="list-style-type: none"> ■ Implement Management Development program. ■ Achieve a 5% reductions in lost time injuries. ■ Refine financial processes and systems to deliver greater operational efficiency. ■ Continue to implement our IM&T Strategic Plan to improve the governance, management and use of information.

ORGANISATION

OBJECTIVES

- To deliver statutory no fault compensation
- To provide medical and occupational screening, assessment and health surveillance
- To fund research and education to occupational dust diseases
- Sound administration of funds management responsibilities

The DDB provides a system of “no fault” compensation to workers who have been exposed to dusts as a result of their employment in New South Wales. The DDB is committed to ensuring that beneficiaries receive practical assistance and advice that is delivered with empathy and care.

Role and Functions

The DDB has responsibility for the following functions:

- undertakes medical examinations of applicants for workers’ compensation benefits under the Dust Diseases Act incorporating lung function tests, chest X-rays and examination and interview by a respiratory physician (applicants for benefits unable to attend in person for examination provide reports and other relevant information through a network of respiratory physicians in NSW and interstate).
- facilitates the decision making process of the Medical Authority which has legislative responsibility for determining whether an applicant has a disease under the Act and the extent of disability.
- facilitates the decision making process of the members of the Board of the DDB which has the legislative responsibility for determining whether a dust disease is attributable to an applicant’s employment in NSW (involving a review of the applicant’s industrial history and preparation of detailed reports for Board consideration), whether that person is a worker under the Act and determines the quantum of the award to be made in accordance with the Act.
- processes benefit payments to all beneficiaries under the Dust Diseases Scheme and the payment of hospital, medical, ambulance and other related expenses incurred as a result of a beneficiaries’ compensable dust disease to which they are entitled under the Act.
- manages, on behalf of dependent beneficiaries of deceased workers, lump sum compensation payments awarded by the Board and held in the Dust Diseases Trust Fund.
- manages the Dust Diseases Fund raised through a levy on employers to meet the liabilities of the Dust Diseases Scheme, recommends levy rates, collects levy revenue and develops & implements investments.
- manages the DDB Research and Community Support Grants Scheme established to encourage research into dust diseases and to provide funding to community organisations providing support to sufferers of dust diseases and their families.
- provides advice and information to applicants on benefits available under the Dust Diseases Scheme and the method of application. The DDB also provides ongoing advice and assistance to sufferers and their families on a range of matters including the benefit entitlements of dependents on the death of a worker.
- maintains all necessary statistical and related data to facilitate actuarial valuations of the liabilities of the Dust Diseases Scheme and research into dust diseases.
- initiates and develops policy and legislative proposals in relation to the Dust Diseases Act and the Board’s administrative responsibilities.

BOARD OF DIRECTORS

The Board of Directors of the DDB are constituted under the Workers' Compensation (Dust Diseases) Act, 1942, which also defines the function of the DDB.

Functions

The Board of Director's Functions include:

- Approval of awards of compensation
- Determination of policy
- Approval and monitoring of budgets

The Board of Directors' ensure the organisation is managed and operated in an efficient and effective manner in accordance with its plans and policies.

Representation

The Board's Directors, consist of an independent chairperson, three representatives of employers and three representatives of employees, all of whom are appointed by the Minister for a period of three years.

The composition of the Board of Directors has always been designed to reflect the widest possible spread of industrial, managerial and occupational health and safety skills in the dusty trades. Members have a very wide range of experience including engineering, workers' compensation through to extensive shop floor and employee relations experience.

The Board of Directors is the final essential element of the compensation process with the sole responsibility to approve awards. It is a body whose deliberations are reinforced by a relevant and practical understanding of the processes, methods and materials in the industries where workers have been exposed.

Statement of Conduct

The Board of Directors of the DDB have endorsed this public statement of how they intend to discharge their responsibilities:

- Comply with the laws of New South Wales and the Commonwealth of Australia and with the provisions of this Code of Conduct. Where there is no relevant legislation, then the directors are committed to complying with the appropriate recognised Australian or International Standard of best practice.
- Endorse the principles of Corporate Governance as a way of providing stewardship to the organisation. The members recognise that Corporate Governance goes beyond legal standards and focuses on the effective management of relationships to produce enhanced corporate performance.
- In accordance with the principles of Corporate Governance members of the Board ensure that they:-
- Are scrupulous in the use of their position;
- Act conscientiously and with due care and skill, honestly, impartially and disinterestedly and be seen to do so;
- Act fairly and with due regard to the rights and interests of the people of New South Wales and workers affected by dust diseases;
- Ensure that they have or acquire a thorough working knowledge of the DDB's policies, procedures and operations;
- Will disclose to the Board of Director's any matter which might lead to a potential or actual conflict of interest and will not participate in any decision-making affected by such conflict of interest;
- Will treat all information to which they have access with utmost security and confidentiality and will not disclose such information to anyone without the authorisation of the Board of Director's; and
- Are prudent in their management to organisational resources.

Profiles of Directors



Jon Blackwell—Chairperson

Mr Jon Blackwell was appointed as Chairperson of the Board in August 2003. Mr Blackwell attended the University of Nottingham, UK and graduated in Social Administration (BA) in 1975. Mr Blackwell then completed the Certificate of Qualification in Social Work (MA) in 1978. Mr Blackwell emigrated to Australia in the early 1980's and has held various positions in Social Work and Health fields. Prior to his appointment with WorkCover NSW Mr Blackwell was employed as CEO, Central Coast Area Health.

Sylvia Kidziak AM

FAICD FAIM FISA MICOH MRMIA MNELA JP

Ms Kidziak is Managing Director of SL Engineering and has been the Principal Consultant, Occupational Health, Safety and Environment Policy at Australian Business Ltd for 24 years. She is also Chair of the ARPANSA Radiation Health and Safety Advisory Council, Member of the Australian Safety and Compensation Council, Member of the NSW Workers Compensation and Workplace Occupational Health and Safety Advisory Council and Member of the NICNAS Industry, Government Consultative Committee. She was Chair of the Occupational Health, Safety and Rehabilitation Council of NSW for 8 years.

In addition Ms Kidziak Chairs the Board's Research Grants and Corporate Governance Committees. She is also a member of the Board's Audit Committee.

Ms Kidziak has received several awards for her work which has included extensive advice on policy and technical issues relating to workplace health, safety and specifically asbestos. Previously her work was on power stations and construction sites in Australia and overseas. Her qualifications are in management, engineering and occupational health and safety.



Brian Eichhorn

Mr Eichhorn is the representative of Employers First. Brian has worked in manufacturing industries all his working life. For the past thirty (30) years he has held senior positions in Human Resources Management. Mr Eichhorn has qualifications in Human Resources and Occupational Health and Safety. He is a trustee of his company's superannuation fund and is a member of the Board's Research Grants Committee and Investment Committee.

Ray Petty

FCPA FCIS AAIM CPIM JP

Mr Petty represents the Australian Industry Group. He is a Business Development Consultant to Industry in Manufacturing. Mr Petty has worked in Manufacturing Industry for 35 years with a background in Finance and Administration. He managed Intercast & Forge P/L businesses in both Sydney and Adelaide. In addition to his professional affiliations, Mr Petty is the President, Northern Region, of the Federation of Automotive Product Manufacturers (FAPM) for the past seven years, and is a Director and Vice President of its National Executive Council. In 2000 Mr Petty was elected to the Australian Industry Group NSW Council as a General Councillor. Mr Petty has been a Director of the Dust Diseases Board for 6 years and is a member of the Board's Investment Committee and Audit Committee which he Chairs.





Robert Davies

AM JP

Mr Davies is a Justice of the Peace, an Australian Workers' Union Representative and has been a full time union official for 35 years. Mr Davies held various union positions at branch and national levels. He has represented the Labor Council of NSW on various tri-partite committees. He was a Trustee of three superannuation funds for 10 years and a Dust Diseases Board member for 32 years. Mr Davies is Chairman of the Board's Investment Committee.

Rita Mallia

Ms Mallia has been the Senior Legal Officer for the Construction, Forestry, Mining and Energy Union NSW, Construction and General Division, since February 2000. From 1996 to February 2000 Ms Mallia was the Union's Workers' Compensation Officer. In her role Ms Mallia provides legal assistance to the members of CFMEU in many matters including workers compensation and industrial issues.



Dave Henry

Mr Henry is the Occupational Health and Safety Officer for the New South Wales Branch of the Australian Manufacturing Workers Union (AMWU), he has held this position since early 2003. Prior to this Mr Henry was an industrial organiser working in the metal division from early 2001. He became a member of the Board of Director's of the DDB in 2003 and currently is a member of the Boards Corporate Governance and Research Grants Committees as well as the Awards Formulas Workgroup.

Mr Henry is a fitter and machinist by trade and completed his apprenticeship and worked for the State Rail Authority of New South Wales at the inter-urban depot at Flemington. Mr Henry represents workers on a number of Boards and is a member on WorkCovers Manufacturing Industry Reference Group (IRG); he also sits on a number of Standards Australia committees. Mr Henry is also a WorkCover accredited trainer.

Meetings

Meetings of the Board of Directors are generally held monthly, usually on a Thursday. Eleven (11) meetings were held during the year. Attendance is indicated below (the number next to the name indicates the number of meetings attended):

Chairperson	
J. Blackwell (Chairperson)	11
G. Lansley (Alt Chairperson)	11
Employer Representatives	
S.W.S Kidziak (Member)	11
B. Eichhorn (Member)	11
R. Petty (Member)	10
A. Garner (Alt. Member)	1
A. Thomas (Alt. Member)	0
Employee Representatives	
R. Davies (Member)	8
R. Mallia (Member)	10
D. Henry (Member)	9
W. Woodridge (Alt. Member)	1
A. Sawtschuk (Alt. Member)	1
N. Allen (Alt. Member)	4

Board Committees

The Board has four committees.

The work of these committees is supported by the Board's Executive Officer and Senior Management.

Research and Community Support Grants Scheme Committee

Responsible for developing DDB Research Grants funding policy, identifying priority funding areas and procedures for evaluating applications and developing funding recommendations for the Board of Directors.

The Committee is comprised of Sylvia Kidziak (Chairperson), Brian Eichhorn, Rita Mallia and Geoff Lansley (Alternate Chairperson of the Board of Directors and Executive Officer) which meets four times a year.

Investment Committee

The Investment Committee meets at least quarterly to consider all aspects of its investment policies and strategies as well as closely monitoring and assessing the performance of Fund Managers. It makes appropriate recommendations to the full Board of Directors for further consideration and implementation.

The Committee is comprised of Robert Davies (Chairperson), Brian Eichhorn, Nick Allen and Geoff Lansley.

Audit Committee

The Audit Committee meets twice a year and oversees the DDB's compliance with its statutory financial and other responsibilities, and to review internal and external audits and implementation of recommendations.

During 2005/2006 the Committee comprised Ray Petty (Chairperson), Sylvia Kidziak, Brian Eichhorn, Rita Mallia and Geoff Lansley.

Corporate Governance Committee

The Corporate Governance Committee meets at least three times per year and is empowered to oversee the DDB's compliance with its governance responsibilities. The committee during 2005/2006 comprised Sylvia Kidziak (Chairperson), Rita Mallia, Ray Petty, Dave Henry and Geoff Lansley.

MEDICAL AUTHORITY

The Medical Authority is one of the two essential elements required for the granting of an award of compensation for a dust disease. Whereas the Board of Director's is required to approve the award after certifying that the applicant is a worker, the Medical Authority has the sole responsibility to declare that the applicant has a dust disease and assesses the degree of disability.

The Medical Authority was appointed for a three-year term commencing 1 January 2005 and ending December 2007. The Authority consists of three medical practitioners appointed by the Minister, one nominated and appointed as chairperson by the Minister, one nominated by and representing employers and the other nominated by and representing employees. Each member of the Medical Authority has two alternates.

The Authority sits as an expert medical panel and will, as the Act requires, issue a certificate of disablement or death for the purpose of a claim for compensation.

A worker or a dependant of a deceased worker affected by a decision of the Medical Authority in relation to a claim for compensation under the Act may appeal against the Medical Authority's decision to the District Court of NSW or the NSW Appeals Court.

Meetings

Medical Authority meetings are usually held on Thursdays. 46 meetings were held during the year. Attendance is indicated below (the number next to the name indicates the number of meetings attended):

Chairpersons	
Professor D. Bryant (Chairperson) MBBS (Syd), MRACP, FRACP	19
Dr P. Corte (Alt. Chairperson) MBChb, FCP (SA)	15
Dr I.T. Gardiner (Member) MBBS (NSW), FRACP	9
Employer Representatives	
Dr J. Lee (Member) MBBS (Syd), FRACP, FCCP (USA)	14
Dr J.S. Mann (Alt Member) MBBS (Syd), MD (Syd), FRACP	23
Dr E. Clark (Alt. Member) MBBS, MRCP (Lond)	9
Employee Representatives	
Dr C Clarke (Member)	19
Dr G Hart (Alt. Member) MBBS, MRCP (Lond), FRACP	10
Dr M. Burns (Alt. Member) PHD, FRCP, FRACP	17

Activities

The Authority reviews the results of all medical examinations relating to an application for compensation and issues a certificate if the applicant is suffering from a dust disease and the appropriate level of disability.

The Medical Authority also reviews the cause of death in relation to claimants and certifies if the death was the result of exposure to dust.

It is DDB policy that there is a periodic review of all workers considered to be at risk from exposure to dust as well as a follow-up of workers who have been diagnosed as having a dust disease.

The Medical Authority considered a total of 4049 claims during the year. 3496 certificates were issued compared with 3090 the previous year. Details of certificates issued are given on the next page.

Certificates of Disablement

Disease	2005/2006	2004/2005	2003/2004
Asbestosis	49	48	51
Asbestos Related Pleural Disease (ARPD)	141	92	108
Mesothelioma	139	145	154
Asbestosis/Lung Cancer	6	3	7
Silicosis/Lung Cancer	0	4	1
Hexavalent Induced Lung Cancer	0	0	1
Silicosis	18	13	4
Lung Cancer in Association with Asbestos exposure	25	12	11
Silicosis/Asbestosis	0	0	1
ARPD/Asbestosis	13	12	12
Other	7	13	3
Workers found suffering increased disablement	106	100	78
Workers found suffering decreased disablement	1	2	3
Workers found suffering the same degree of disablement as previously certified	726	472	515
Workers certified to have pleural plaques	817	690	753
Workers certified not to have contracted a dust disease under the Act	1,104	1,173	1,515
TOTAL	3,152	2,779	3,217

Certificates in Respect of Deaths

Disease	2005/2006	2004/2005	2003/2004
Asbestosis	18	23	13
Asbestos Related Pleural Disease	9	13	2
Mesothelioma	146	131	145
Silicosis	1	4	2
ARPD/Asbestosis	2	3	1
Silicosis Carcinoma of the Lung	2	2	2
Lung Cancer in association with Asbestos Exposure	18	6	8
ARPD Carcinoma of the Lung	5	0	0
Asbestos Carcinoma of the Lung	10	16	8
Other	3	8	4
Workers' death not due to dust disease	116	105	138
TOTAL	330	311	323

MANAGEMENT

Profiles of Senior Management



Mr Geoff Lansley

Executive Officer and Alternate Chairperson of the Board

Master of Management Degree (UTS), and Associate Fellow of the Australian Institute of Management (AFAIM). Mr Lansley has extensive managerial experience in the public sector since 1985. As Executive Officer he is responsible for the management of the DDB, implementing the statutory responsibilities of the Dust Diseases Act and other related legislation, developing and implementing policies of the Board and for the administration of the Dust Diseases Compensation Scheme. This position reports to the Chairperson and part time members of the Board of Directors. Mr Lansley is a Member of the Institute of Public Administration Australia; Member Australian and New Zealand Society of Occupational Medicine, Associate Member Thoracic Society of Australia and New Zealand and Affiliate Member of the European Respiratory Society.

Mr Terrence Zachariah

Director, Finance and Compensation Services

Mr Zachariah holds a Bachelor of Business and is currently completing an MBA in Finance from Charles Sturt University. Mr Zachariah has been Director, Finance & Compensation Services since 1999 and is responsible for managing finance, treasury, investments and audit functions at the DDB. Mr Zachariah is also responsible for the management of the administration of compensation payments to DDB workers and dependants, and the DDB's facilities management, fleet management, procurement and payment of accounts. Prior to commencing his employment with the DDB Mr Zachariah obtained a broad range of domestic and international experience in the insurance and brokering industries.



Mr Simon Bowden, LLB (Hons)

Director, Legal & Industrial History Services

Mr Simon Bowden joined the DDB in January 2005 in the role of Legal Officer. Mr Bowden is responsible for providing legal advice to the Board of Directors and DDB Senior Management on the Workers' Compensation Dust Diseases Act 1942 and related legislation, and the management of recoveries under Section 8E of the Act. In September 2005 Mr Bowden's role expanded to include managerial responsibility of the Industrial History Services Section and Bureau of Medical Inspection at Broken Hill.

Dr Giles Yates, PhD

Director, Medical Services

Dr Giles Yates has a PhD Bioethics (Monash University), Graduate Diploma in Public Administration (University of Sydney), MA Counselling (Macquarie University), BA Philosophy/Psychology (Macquarie University), registered psychologist in NSW. Dr Yates started at the DDB in June 2006. He has experience in health administration in the public, private and community sectors as well as academia. As Director of the Medical Services Division he is part of the Executive team and is responsible for the management of Screening Services including the Lung Bus, the Medical Authority Support Team and Patient Services.





Ms Vesna Medica
Manager, IM&T Support Services

Ms Vesna Medica has been employed at the DDB spanning 18 years with the last 9 years involved in information technology. She holds qualifications in Information Technology and a graduate certificate in vocational training from the Sydney Institute of Technology. She also holds ITIL certification in IT Service Management from the Office Government Commerce and qualifications in TESOL. Vesna has management responsibilities for IM&T Support Services, the Records Management Unit and the Call Centre.

Ms Denise Farlow
Manager, Project Services

Ms Denise Farlow has been employed at the DDB since January 2001. She currently holds the position of Manager, Projects Services and is responsible for developing and implementing a range of projects, policies, Ministerial Services and Corporate activities on behalf of the Executive Officer. Ms Farlow has Public Administration and Paralegal qualifications.



Ms Liza Tinker
Manager, Executive Services

Ms Liza Tinker has been employed at the DDB since September 2003. She holds qualifications in Administration and is currently completing a Bachelor of Arts at the University of New England. Liza holds the position of Manager, Executive Services and is responsible for managing the Human Resource Function at the DDB including OH&S and Workers Compensation and assists the Executive Officer in the effective running of Executive Services and the DDB.

Mr Stuart Montgomery
Manager, ICT Infrastructure

Mr Stuart Montgomery has been with the DDB since September 2003. He holds a Bachelor of Science with Honours from Imperial College, London. He is Responsible for the network and computer systems at the DDB and his qualifications include Microsoft Certified Systems Engineer and Cisco Certified Network Associate. An Associate of the Royal College of Science, Stuart's previous career was as a molecular geneticist at the University of Oxford before becoming the IT manager for Linacre College in 2000.



Making a Difference

DDB Holds the Record: in an entirely new way

When an organisation is as old as the Dust Board, with over eighty years of service, it's not hard to imagine just how much information has accumulated over time. There are thousands of past and present client records. They need to be stored; archived and administered: they need to comply with current legislation governing the management of information.



The DDB Records Team: Left to right: Vesna Medica, Sunny Balaji and Annemarie Manning

For this reason information technology management specialist June Hings was engaged as a consultant by the Dust Diseases Board to create a comprehensive information and technology management strategy.

"Developing the strategy has included a complete rethink of how information is managed at the Board," says June, who has been working in the field for more than twenty years.

As an information management specialist, June has worked on similar projects in other organisations and says many of the information issues the Board faces are not surprising, although each organisation does present its own unique set of challenges.

"The Dust Board is a fairly small organisation. In some organisations there are many information tentacles and varied processes that are so deeply ingrained it can be a real ordeal to untangle it. You can't easily retro-fit the disciplines of information management into some organisations because there can be many obstacles and a great deal of resistance to doing things differently. Fortunately, this is not true of the Board. Everyone is very keen for change and very aware of the need for it."

June says one of the biggest challenges in developing the strategy has been a logistical one – how to fit the enormous amount of physical records the Board holds into the available space.

"The Dust Diseases Board is located in quite a small building and it has paper records going back to 1927. There has been a huge task in just trying to make enough space to sort the records and set up a proper records and management area at the same time as the building is being refurbished.

"Twelve months ago we had basically two people working in IT at the Board, one busy in a corner on one floor and one busy in a corner on another. Now we have a whole floor of the building that is a dedicated information management and technology branch – with a really good area set up for records management which includes a proper compactus and mail room service areas. All the Board's information is now held in secure areas throughout the building."

One of the most important aspects of the project has involved an attitudinal shift at an organisational level.

"We've needed to explain to staff that information management requires strong procedural discipline. In exactly the same way that there are complex regulations governing managing finance, managing human resources, managing physical assets, there are equally rigorous regulations and legislation about managing information. Information assets are a hugely expensive and valuable resource for any organisation. The good news is that both management and staff have been very receptive and supportive to all the new things we're asking them to do."

According to June, the project is structured around five key areas: the rebuilding of the core business systems, the establishment of an enterprise-wide database (rather than isolated individual databases), the introduction of formal records management protocols supported by automated tools and scanning,, the upgrading of the technology architectural environment and finally, the digital x-ray project.

"The Board has on site hundreds of thousands of x-ray films taken over the years and these need to be captured in digital x-ray format so they can be available online both for managing service for that client and as part of a wider knowledge base for comparative research.

"All of these images will be stored in the Board's records management system so that at any point when a staff member calls up information about a client, that client's images and any correspondence about them will all be available. Every new record will be scanned electronically and available online.

A very strict security system, says June, will also be put in place – access to all information will be viewed only on a ‘needs to know’ basis.

The project is a three year strategy and the team are six months into it. “It’s a completely new approach to all the systems, the governance and the processes.

“All streams of the project will eventually integrate into one coherent, secure and reliable information management solution across the entire organisation.

It’s a demanding project but it will be well worth all the hard work when we’ve finished. Ultimately, all Dust Board staff will be able to do their jobs with much greater ease and efficiency which means better service to clients.”

Elements of the Dust Diseases Board’s Information and Management Strategy

Establish Records Management Unit Define, evaluate and create positions; recruit and familiarise staff; secure, fit out and equip accommodation; procure stock.

Records Management process design Analyse and design linear lifecycle of records in DDB - processes from creation to disposal.

Inventory and Location analysis Preliminary analysis of all files and x-rays held by DDB to determine quantity, location, storage, condition etc.

Preliminary cataloguing on level 3 ‘What and where’ - files are now organised in numeric order.

Develop DDB Disposal Authority Draft copy underway to be forwarded to State Records for approval.

Centralised Information Request Handling All requests for files/information are now being handled centrally by the new Records Unit.

Centralised procedures for incoming/outgoing mail Records staff in the process of handling all incoming/outgoing mail for entire DDB

Information templates Manager currently creating information templates to ensure consistent metadata is created for all documents.

Physical File wallets Specialised stationery for admin files, x-rays sleeves and clinical cards designed and now in use.

Records training Ongoing training for Records staff on DDB systems and record systems; educating other DDB staff in records management practices and protocols

Records Manager—Sunny Balaji

According to Sunny Balaji, DDB Records Manager, the cornerstone of the Board’s new information governance strategy is to maintain openness and easy access to information.

“It’s all part of our target to ensure that the Dust Diseases Board is a world leading organisation in respiratory health information.

“Accessibility is the key goal,” says Sunny.

“We want to deliver seamless access to information across the organisation.

One of the first steps in the process, says Sunny, has been to shift from physical to electronic records.

“In this way, we’re producing greater accessibility by breaking down the barriers in the use of records, created by their differences in form and content.

“We want to be able to locate and access all the information related to a particular single query irrespective of which system it is stored on, where it is located or what format it may be in. An x-ray film, a pathology report, a line in our database or an email message will all be equally accessible.”

The Records Management Unit will also ensure accuracy of information and support more extended uses of clinical information in medical research into dust diseases and in the forecasting of peaks in disease incidence.

While openness and accessibility are our twin peaks, these must be scaled in a manner consistent with respect for privacy.

Proper control of information, says Sunny, is a challenge facing all organisations as the risk of unauthorised disclosure of information becomes even greater as more and more information is recorded and transmitted electronically.

"At the Dust Diseases Board we are assigning responsibility for the ownership and safe custodianship to every document and record.

One major challenge, says Sunny, will be to achieve institutional, cultural acceptance of the new filing, document and mail handling processes.

I think Dust Diseases Board staff members are eager to make the system work more efficiently and I'm confident they'll work along with us at every new stage.

SERVICES

Board's Services Include:

- Free of charge medical examinations
- Commercial screening services
- Industrial History Services
- Emergency response to beneficiary requirements for medical care and services eg. Oxygen
- Information and education
- Website access
- The DDB's services are able to be accessed at its website www.ddb.nsw.gov.au

PUBLICATIONS

- Annual Reports
- DDB Guide to Compensation
- DDB Privacy Leaflet
- Occupational Respiratory Health Report
- Various Brochures on the DDB

Medical Examinations

The Dust Diseases Board has a team of respiratory physicians who examine applicants for compensation at the Dust Diseases Board's Sydney premises. The examinations include detailed pulmonary function tests and chest x-rays. Applicants who reside in a regional or country locality, are examined on behalf of the Dust Diseases Board by a respiratory physician in their local area.

A total of 2,554 applicants were examined as a result of their claim for compensation in the 2005/2006 financial year. Of this number, 935 were examined externally on the Dust Diseases Board's behalf in regional areas and 1,619 were examined by the Dust Diseases Board at our Sydney premises.

In Broken Hill, the Bureau of Medical Inspection undertakes the medical examination of Broken Hill mineworkers who are covered under the Act. During the year a total of 264 workers were also assessed for hearing tests.

Physicians also refer patients to the DDB following examination and diagnosis. In these cases the workers are often suffering a malignant condition and the physician considers that the patient is suffering from a compensable condition. The DDB then obtains all medical, clinical and radiological evidence from the patient and/or his or her physicians.

Client Focus

Client feedback to DDB's staff is consistently positive and particular mention is made of the courteous, efficient and helpful manner in which clients are dealt with.

The majority of our beneficiaries are personally interviewed by our Industrial History Officers. They also receive personal ongoing care from our Nurse Manager and contracted nursing staff for their medical requirements.

Patient Management Services

The Patient Management Services section handles all requests for healthcare services and equipment. This includes the hiring of equipment, home modifications and various types of care. A detailed fact sheet "Medical & Hospital Expenses" for beneficiaries has been developed to keep them informed of the various entitlements to medical, hospital and ambulance services.

Call Centre

The Call Centre is the first point of contact with the DDB and our staff are trained to answer all questions that an applicant might have in regard to the application process and functions of the DDB.

Industrial History Services

The Industrial History Services Section (previously known as Advisory and Client Services) is the first point of contact for a client who is believed to have a dust disease.

The Industrial History Officers visit workers either in their homes or hospital and compile an industrial history of the workers employment.

The Industrial History Officers prepare a comprehensive report on the employee's work practices and identify areas and processes where dust was encountered. This Industrial History aids in the proper diagnosis of a dust disease and helps to determine if the applicant is eligible for compensation.

Dust Diseases Board on the Web

The DDB's website is at www.ddb.nsw.gov.au The DDB website provides the public with access to our services and information about our organisation.

Our website now features:

- Information on the application process
- Application forms for compensation
- Medical Authority forms enabling the DDB to obtain vital health information from other doctors and health service providers
- Form of Special Endorsements
- Annual Reports
- Research information

Release of Information

During the year a total of nil requests were received by the DDB under F.O.I. legislation.

The Board received 384 requests for information other than F.O.I. with most being requested from solicitors.

The Board obtains signed authority forms from applicants for the release of information relating to their dust condition.

Documents including compensation claim files, medical reports and x-rays are available through an administrative release of information procedure.

When a solicitor makes a request for information on behalf of an applicant, it will only be provided if the applicant has signed a release authorising the solicitor to receive the information.

Information and Education

The Dust Diseases Board's 20 minute corporate video called "Making a Difference" has been distributed to various community groups. The aim of the video is to produce an effective communication tool to be used in local and international presentations. The Corporate Video is shown to employers, workers and worker representatives, health professionals and representatives of community groups. It is envisioned that audiences viewing the video will gain a clearer appreciation of the compensation scheme administered by the DDB.

The DDB's Research & Education Unit produced a new publication "A Guide to Compensated Occupational Lung Disease in NSW, 2005 Edition."

Information Technology

During the first half of the 2005/2006 financial year, major renovations were carried out on Levels 3 and 4. The renovations included room re-design and re-routing of all data and electrical cables within the DDB.

The renovation resulted in specific purpose areas mainly the Call Centre, Records Management Unit, IT server room, IT work room, IT development area, Executive Services and Boardroom. The Information Technology Section were heavily involved from design to end stage.

The dedicated server room on Level 3 houses the DDB's PABX system and all back end server equipment.

During the year, IT staff were involved in the planning and development of the 3 year IM&T Strategic Plan. IM&T Support Services expanded to include the Records Management Unit and the Call Centre, ultimately having total management responsibilities for the DDB information stream.

IT staff received intensive training in Call Centre technology setup and administration.

Privacy Act Compliance

The DDB, in 2001, commissioned IAB Management Services to develop a Privacy Management Plan in compliance with Section 33 of the Privacy and Personal Information Act 1998.

The Privacy Management Plan sets out the DDB's commitment to adhere to the Information Privacy Principles governing the collection, retention, accuracy, use and disclosure of access to personal information and corrections. The Privacy Management Plan has been submitted to the NSW Privacy Commissioner and has also been circulated amongst all staff and Board members.

The DDB has developed a Privacy Policy and Procedures to provide DDB staff with guidance on incorporating the information privacy principles and health privacy principles into their everyday work practices.

The DDB has also undertaken the following measures in relation to privacy:

- Inclusion on the Privacy Commissioner's database to receive updates and newsletters on privacy issues to be distributed to all staff.
- All forms completed by workers and dependants include a privacy notification.
- Website includes a privacy statement.

- The provision of proper disposal facilities for confidential material.
- Introduction of proximity access control for each floor.
- Privacy induction program developed for new staff members.
- Privacy Policy & Procedures issued to all staff

In the financial year ending 30 June 2006, the DDB had not received any complaints concerning alleged breaches of the Privacy and Personal Information Protection Act 1998 or the Health Records and Information Act 2000.

Screening Service

The DDB operates an integrated and comprehensive Occupational Respiratory Screening Service for industry on Level 7 of its Elizabeth Street premises.

This Screening Service operates as a one stop shop providing radiological facilities, lung function testing facilities and clinical examination in one location. The DDB retains each workers individual record to enable continuity of data. If a worker leaves industry or retires, the retained records will then be able to be utilised by the DDB in accordance with compensation protocol.

The DDB also operates a mobile screening service for industry using the Lung Bus. The Lung Bus is a fully equipped, purpose built respiratory clinic based on a coach chassis that is capable of screening up to 10 workers per hour. The Lung Bus enables the DDB to provide an outreach program "on-site" through the Mobile Respiratory Screening Service in addition to the Occupational Screening Service conducted on Level 7 at the DDB's premises.

Once the screening process has taken place, the DDB provides a report to both the worker and the employer, on their respiratory health. If a worker is certified as having evidence of asbestos (or any other dust exposure relevant to the DDB's coverage) he/she will be immediately catered for under the compensation protocol.

The DDB provides this service at competitive rates for industry however, no fee is charged for workers who fall under the compensation protocol.

Guarantee of Service

The DDB is committed to ensuring that workers and their dependants eligible under the Workers' Compensation (Dust Diseases) Act, 1942 are appropriately identified, assessed and compensated according to the spirit and meaning of the Act.

Our Guarantee to you

- We are committed to providing you with high quality service, which is relevant to your needs
- We use our resources responsibly to provide fair and equitable service
- We deliver services in a friendly, courteous and culturally sensitive manner

Our Service Standards

- Information you receive from us is accurate, consistent and up to date
- Telephone enquiries are answered promptly and responded to within one working day
- Written requests for information are responded to within 10 days
- All claimants and beneficiaries receive their entitlements on time
- All applications for benefits are processed promptly
- Complaints are investigated promptly and fairly

Risk Management

The DDB maintains insurance cover for a range of risks. These are reviewed annually.

The DDB commissioned a comprehensive Fraud and Risk Management Plan in the 2005/2006 financial year and has adopted and implemented many of the reports recommendations.

Complaints

The DDB believes that all members of the public have the right to expect courtesy, promptness, an understanding of the various services offered by the DDB and the right to make a complaint or offer feedback on how the DDB can improve service quality. To this effect the DDB has developed a comprehensive Complaints Handling Policy and Procedures for the handling and resolving of complaints.

Complaints made to the DDB were of a minor nature and resolved with individual complainants.

Stakeholder Involvement

Regular meetings held with Executive of Asbestos Diseases Foundation of Australia (adfa)

- Sponsorship of:
 - The Australian and New Zealand Society of Occupational Medicine (ANZSOM)
 - Asbestos Diseases Awareness Week
- Presentations on dust diseases at scientific conferences
 - ANZSOM Scientific Conference, August 2005
 - TSANZ Annual Scientific Meeting, March 2006

Electronic Service Delivery

The NSW Government has made a commitment to make all appropriate government services available online.

As a result the DDB has a website at www.ddb.nsw.gov.au where our clients are able to download information on the following:

- The role of the DDB
- Information on compensable diseases
- The compensation process
- Benefit structures
- Publications
- All forms needed to apply for compensation

Government Energy Management Policy

The DDB is committed to achieving savings in energy use and sustainable energy management principles. The DDB is compliant with this policy.

PEOPLE

Organisational Changes

During 2005/2006 the DDB went through a restructure as a result of a review of the Operations and Client Services Division. As a result of this restructure the Operations and Client Services Division was renamed Medical Services, the IM&T Department and Call Centre became a Branch within Executive Services and a new Records Department was established.

Employment Relations

During the year Department Heads held regular meetings with their staff to bring them up to date on strategies, achievements and events and the Executive Officer holds an all of staff meeting on a monthly basis.

An Organisational Development Steering Committee was established during 2005/2006 to work through the recommendations of the review of the Operations and Client Services Division and included staff members from the various Divisions.

A Joint Consultative Committee was also established with the PSA to consult with staff about changes at the DDB.

Equal Employment Opportunity

During 2005/2006 the proportion of women employed by the DDB represented 55% of the workforce compared with 56% the previous year. The highest female salary level is \$83,907.00.

Ethnic Affairs Priority Statement (EAPS)

The Dust Diseases Board is committed to providing equitable access to our services by ensuring that the planning, development and delivery of our services recognizes the different linguistic, religious, racial and ethnic backgrounds of our beneficiaries, their families and community stakeholders. Initiatives undertaken in the 2005/2006 financial year include:

- Provision of NAATI accredited Interpreters and translation services to applicants, beneficiaries and their families when needed;
- Improving knowledge of services provided by the Dust Diseases Board by translating our fact sheet "Medical and Hospital Expenses" into the languages most commonly spoken and used by our beneficiaries and their families;
- Training for Industrial History Officers on "Working with Interpreters" provided by the Community Relations Commission;
- Implementation of working arrangements & policies designed to accommodate cultural and religious differences

In the 2005/2006 financial year the Dust Diseases Board will continue to consolidate our commitment to EAPs by adopting the following initiatives:

- Provision of training on "Working with Interpreters" to staff working in Medical Services and Compensation Services;
- Translation of additional fact sheets into languages other than English;
- Providing support to Dust Diseases Board staff members who wish to sit for a language examination administered by the Community Relations Commission or gain accreditation from NAATI in order to participate in the Community Language Allowance Scheme.

Health and Safety

A total of 5 Workers' Compensation Claims were accepted during 2005/2006, compared with 4 claims lodged in the previous financial year. Four claims were soft tissue injuries and 1 claim was a result of incorrect manual handling.

The Occupational Health and Safety Committee has continued its commitment to improving workplace health and safety. The Committee and the DDB's Executive, work together by encouraging all staff members and management representatives to participate in finding practical solutions to workplace Occupational Health and Safety problems.

The Occupational Health and Safety committee meetings are an open forum for all employees of the Board where permanent revisions of policy and staff concerns relating to policy, work practices and training are addressed and resolved. Through a consultation process, the OH&S Committee recommends actions to improve health and safety at Head Office, the Lung Bus and the Broken Hill Branch for its employers, employees, patients and visitors.

The DDB has undertaken the following measures in relation to OH&S during the 2005/2006 financial year:

- Review and upgrade of our Occupational Health and Safety Policy across the DDB
- Regular workplace inspections to identify, isolate and eliminate hazards and risks
- 12 monthly Fire Evacuation Drills, Warden Training and Fire Equipment inspections
- Staff Training in OHS Consultation
- Occupational Health and Safety Greencard training
- Return to Work Coordination Training
- First Aid Officer Training

Training and Development

During 2005/2006 staff members at the Dust Diseases Board attended courses in the following:

- Fraud and Corruption Prevention
- Bullying and Awareness Training
- Assertiveness Training
- OH&S Consultation
- First Aid Training
- Computer training in Microsoft Outlook, Microsoft Excel and Microsoft Word
- Management and Supervision Training
- Annual Report Development
- Policy Development
- CED Job Evaluation
- Plan, Prepare and Promote Training
- Privacy Training

Staffing

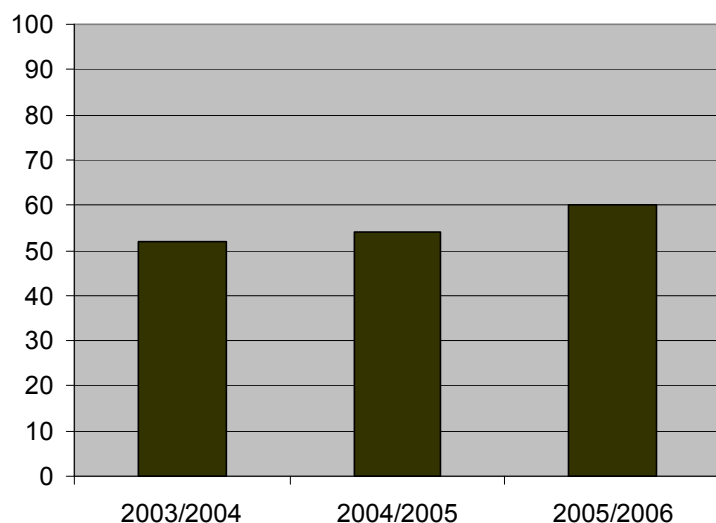
At 30 June 2006, there were 38 permanent and 7 temporary staff. In addition there were 15 contractors involved in our Medical Services, IM&T and Finance and Compensation Services sections. The increase in contractors is due to the staff employed to implement the IM&T Strategic Plan. The DDB also partly funds an outreach worker with the Asbestos Diseases Foundation of Australia (adfa).

During the year 355 days were lost due to unplanned absences.

Division	Permanent		Temporary		Contract		TOTAL
	Female	Male	Female	Male	Female	Male	
Executive Services	6	4	0	0	2	2	14
Medical Services	6	4	4	1	4	5	24
Legal & Industrial History Services	2	6	1	1	0	0	10
Finance & Compensation Services	7	3	0	0	1	1	12
Total	21	17	5	2	7	8	60

Comparison of DDB staffing in previous years

The increase in staff for 2005/2006 is due to the creation of a Records Management Department and an increase in contractors to implement the DDB IM&T Strategic Plan.



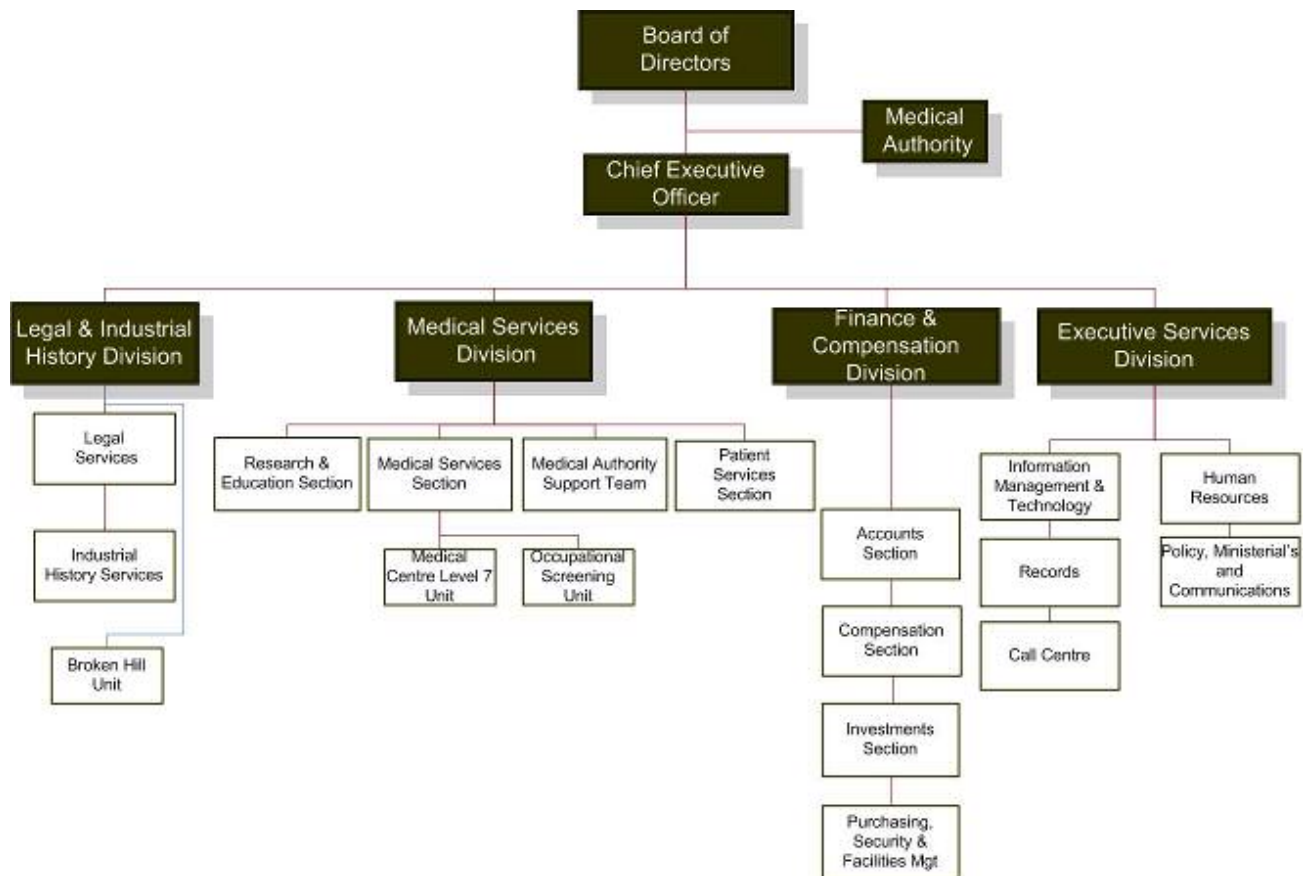
Personnel Policies and Practices

During the 2005/2006 financial year the DDB had a working party to review, develop and educate staff on policies at the DDB.

Following is a list of personnel policies and practices for all staff at the DDB:

- Staff Code of Conduct
- Corporate Conduct
- Corruption Fraud Policy
- Corporate Wardrobe Policy
- DDB Flexible Working Hours Policy
- Expenses Policy
- Employee use of the Internet Policy
- Grievance Management Policy and Procedures
- Infection Control Policy
- Internet and Email Policy
- Mobile Phone Policy
- Occupational Health and Safety Policy
- Premier's Dept – Alcohol and Other Drugs Policy
- Protected Disclosures Internal Reporting Policy
- Records Management Policy
- Travel and Other Associated Allowances: Policy and Procedures
- Working from Home Policy

Organisation Chart



RESEARCH SCHEME

Purpose and Objectives

- To fund research into improved medical treatment available to victims of dust diseases.
- To fund research into advancing the understanding of the origins and development of occupational lung diseases.
- To provide funding to clinical/medical or other research which may support the achievement of 1) and 2) above.
- To provide funding into research to identify occupational exposures with the potential to cause occupational lung diseases.
- To provide funding to assist in assessing the extent of lung diseases in the workforce and potential claimants to improve the DDB's capacity to forecast future liabilities.
- To fund research which may assist the Medical Authority in assessing and validating claims for compensation.
- To fund research which may increase the efficiency & effectiveness of the DDB in discharging its statutory responsibilities.
- To fund projects, programs and initiatives that contribute to prevention and education in respect of occupational lung diseases.

The DDB has developed a comprehensive research strategy to improve outcomes for sufferers of Dust Diseases in New South Wales.

Dr Kirsty Hannaford Turner was the recipient of the TSANZ/DDB Occupational and Environmental Diseases Prize at the Thoracic Society of Australia and New Zealand's Annual Scientific Meeting held in Canberra in March 2006 for her work "Asbestos fibres in lung tissue of a control population of New South Wales residents".

The DDB's Research Grants Scheme is currently in its sixth year of operation and to date has approved research grants in excess of a total of \$4 million.

Investment Report

The Board manages its investment portfolio, which totalled \$582M as at 30 June 2006, through the Investment Committee and its Investment Consultants.

The Committee meets regularly and at least quarterly to review managers' performance and to determine appropriate investment strategies and asset allocation. The Board has obtained the Treasurers approval to invest in growth assets comprising up to 65% of total funds. The return on investment funds for the year was 11.83%, which is considered satisfactory bearing in mind that there was a 50/50 split between growth and interest bearing assets for the full year.

As at 30 June 2006, funds were invested in the following asset classes:

	\$m Cash Plus	\$m Fixed Interest	\$m O/Seas Fixed Int	\$m Aust. Equities	\$m O/Seas Equities	\$m Property	\$m Total	% Total
Barclays Global				55.8	58.8		114.6	19.7
Capital National					57.9		57.9	9.9
Legg Mason Asset		48.9				16.1	65.0	11.2
Colonial First State	48.2						48.2	8.3
ING Funds Mgt	39.3						39.3	6.8
Macquarie Fund Mgt						16.5	16.5	2.8
Perennial Investments		69.0					69.0	11.9
BT Financial Group			63.8				63.8	10.9
Treasury Corp	25.2			82.4			107.6	18.5
Total	112.7	117.9	63.8	138.2	116.7	32.6	581.9	100.0

A comparison of returns and liability management performance is as follows:

Duration of underlying liabilities	Investments \$m	Consolidated Return %	T.Corp Benchmarks
0-2y Cash Plus	112.7	5.85	5.76
2-7y Bond Market	181.7	2.93	2.33
4 – 7y Medium Term	-	-	15.88
7 + y Long Term	287.5	20.04	-

Application for extension of time

The New South Wales Treasury has granted an extension of time for submission of the Dust Diseases Board's Annual Report to 30 November 2006 in accordance with Section 13(3) of the Annual Reports (Statutory) Bodies Act 1984.

Payment of accounts

Supplier accounts are paid within vendor terms. At the end of the financial year amounts outstanding to vendors are accrued and reflected appropriately in the financial statements.

Credit Card Usage

The Executive Officer certifies that credit card usage in the Workers' Compensation Dust Diseases Board has been conducted in accordance with relevant Premier's Memorandums and Treasury Directions.

Legal Costs

During 2005/2006 12 appeals were lodged against a Medical Authority decision compared with 5 appeals the previous year.

During the year the Board incurred legal costs amounting to \$420,771.47.

Internal Audits Undertaken During 2005/2006

- Corruption/Fraud Prevention Risk Assessment Review
- Bureau of Medical Inspection, Broken Hill
- Research Grants
- Investments Review
- Review of Travel Allowance Policies and Procedures
- Review of the operations of the mobile screening unit ("Lung Bus")
- Workers' Compensation payment for medical and hospital expenses

Internal Audits Planned for 2006/2007

- Compensation Payments Review
- Tax Compliance Review
- Payroll Review
- Fixed Assets Review

Consulting Costs

During the year the Board expended \$506,680 on consultants. The increase in consulting costs is primarily attributable to the upgrading of the information Technology infrastructure.

Major consultancy costs are listed as follows:

Consultants	Purpose	\$
Finity Consulting	Actuarial evaluation of liabilities of Dust Diseases Scheme	152,362
Doll Martin Associates	IT Projects	73,800
Point Zero	IT systems development	74,790
Paul Scown	Concord Research Institute Project implementation	50,464
Others	Miscellaneous financial, administration, computer and medical consultancy costs	155,264
TOTAL		506,680

Expenditure and Budget Estimates

The estimated expenditure for 2006/2007 is \$89m an increase of \$11.4m over the estimates for 2005/2006.

	Budget Estimates 2005 / 2006	Actual 2005 / 2006	Budget Estimates 2006 / 2007
Income	\$,000	\$,000	\$,000
Levies collected	63,300	76,699	83,064
Investment Income	46,350	42,082	69,057
Rent Received	30	6	-
Bank Interest	200	277	210
Motor Vehicle Sales	75	15	45
Solicitors and Production Fees	30	28	30
Occ Resp Health Assess Fees	300	479	350
Recoveries	525	885	700
Miscellaneous	4	180	149
GST Credit	847	862	645
TOTAL INCOME	111,661	121,513	154,250
Expenditure			
Compensation			
Workers-weekly payments	19,332	15,185	16,797
Hospital and Ambulance	1,196	1,657	1,270
Medical	3,969	5,314	5,564
Dependants-weekly payments	16,418	19,824	19,595
Lump sum awards to dependants	21,364	20,947	21,974
Funeral Expenses	410	1,465	1,319
	62,689	64,392	66,519
Costs Associated with Medical Examinations and Medical Authority			
Specialist Medical Officer fees	175	432	450
Medical Authority fees and supplies	170	305	330
Medical Investigation and clinical notes	285	129	135
X-ray fees and supplies	320	367	380
Workers travelling expenses	50	50	60
	1,000	1,283	1,355
Personnel services and related costs			
Personnel services costs	3,218	3,818	3,970
Contractors and agency staff	495	519	530
	3,713	4,337	4,500
Administration Expenses			
Alterations and repairs to buildings	150	579	350
Officers travelling expenses	70	98	80
Administration, Office & General Expenses	3,288	2,374	2,538
	3,508	3,051	2,968
Capital Expenditure			
Purchase of fixed assets	560	352	2,176
	560	352	2,176
Other Expenses			
Management fees payable to insurers	-	1,492	1,662
Grants for Occupational Lung Disease Research	1,300	443	4,750
Dust Diseases Tribunal Operating Expenses	5,015	4,355	5,155
	6,315	6,290	11,567
TOTAL EXPENDITURE	77,785	79,705	89,085

FINANCIAL STATEMENTS

- Statement by Members of the Board
- Independent Audit Report
- Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow Statement
- Notes to the Cash Flow Statement
- Notes to the Financial Statements

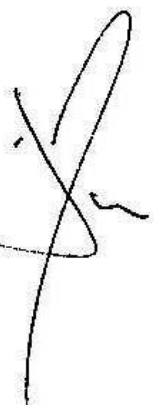
Workers' Compensation (Dust Diseases) Board

Financial Report for the year ended 30 June 2006

Statement by the Members of the Board

Pursuant to Section 41C of the Public Finance and Audit Act 1983, and in accordance with a resolution of the Members of Workers Compensation (Dust Diseases) Board, we declare on behalf of the Board that in our opinion:

1. The accompanying Financial Statements and Notes exhibit a true and fair view of the financial position as at 30 June 2006 and financial performance for the year ended 30 June 2006 of the Workers' Compensation (Dust Diseases) Board.
2. The Financial Report has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations, the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2005, and relevant Treasury Circulars; and
3. we are not aware of any circumstances at the date of this declaration which would render any particulars in the Financial Report to be misleading or inaccurate to any material extent.



Jon Blackwell
Chairman



Ray Petty
Board Member

19 October 2006



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDIT REPORT

Workers' Compensation (Dust Diseases) Board

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of the Workers' Compensation (Dust Diseases) Board:

- presents fairly the Board's financial position as at 30 June 2006 and its performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and
- complies with section 41B of the *Public Finance and Audit Act 1983* (the Act) and the *Public Finance and Audit Regulation 2005*.

My opinion should be read in conjunction with the rest of this report.

Scope

The Financial Report and Board's Responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement and accompanying notes to the financial statements for the Board, for the year ended 30 June 2006.

The members of the Board are responsible for the preparation and true and fair presentation of the financial report in accordance with the Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material misstatement*.

My audit accorded with Australian Auditing Standards and statutory requirements, and I:

- assessed the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Board in preparing the financial report, and
- examined a sample of evidence that supports the amounts and disclosures in the financial report.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that Board members had not fulfilled their reporting obligations.

My opinion does *not* provide assurance:

- about the future viability of the Board,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Audit Independence

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



G J Gibson, FCPA
Assistant Auditor-General

SYDNEY
20 October 2006

Workers' Compensation (Dust Diseases) Board**INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2006 \$,000	2005 \$,000
Revenues from ordinary activities:			
Investment income	13	63,903	37,181
Contributions	14	77,807	69,578
Movement in outstanding contributions	15	(21,267)	143,473
Bank interest		277	223
Compensation recoveries - Section 8E		885	1,314
Other income	16	579	424
Total revenues		122,184	252,193
Expenses on ordinary activities:			
Claims paid	17	65,676	56,268
Outstanding claims expense	18	(41,561)	116,000
Administration and office expenses	19	4,620	4,284
Personnel services	20	4,040	3,431
Depreciation and amortisation		336	311
Finance cost	10	83,600	86,000
Loss on sale of motor vehicles		1	10
Research grants		443	1,122
Dust Diseases Tribunal operating expenses		4,606	4,234
Total expenses		121,761	271,660
Profit / (Loss) from ordinary activities		423	(19,467)

The accompanying notes form an integral part of these financial statements.

Workers' Compensation (Dust Diseases) Board

BALANCE SHEET AS AT 30 JUNE 2006

	Note	2006 \$,000	2005 \$,000
Current assets			
Cash and bank balances		517	34,866
Trade and other receivables	5	13,470	12,315
Other financial assets	6	230,625	186,107
Total current assets		244,612	233,288
Non-current assets			
Other financial assets	6	351,318	297,859
Outstanding contributions	7	956,213	977,480
Property, plant and equipment	8	4,711	3,759
Intangible assets	9	71	89
Total non-current assets		1,312,313	1,279,187
TOTAL ASSETS		1,556,925	1,512,475
Current liabilities			
Outstanding claims	10	76,855	68,437
Provisions	11	866	380
Trade and other payables		2,852	1,572
Total current liabilities		80,573	70,389
Non-current liabilities			
Outstanding claims	10	1,474,584	1,440,963
Provisions	12	142	853
Total non-current liabilities		1,474,726	1,441,816
TOTAL LIABILITIES		1,555,299	1,512,205
NET ASSETS		1,626	270
Equity			
Reserves		1,626	34,678
Accumulated funds		-	(34,408)
TOTAL EQUITY		1,626	270

The accompanying notes form an integral part of these financial statements.

Workers' Compensation (Dust Diseases) Board

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2006

	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	2006	2005	2006	2005	2006	2005
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000
Opening Equity	(34,408)	(14,941)	34,678	15,429	270	488
Revaluation of Non-current Investments	-	-	-	19,249	-	19,249
Valuation of Investments at fair value - AASB 139	33,985	-	(33,985)	-	-	-
Revaluation surplus - buildings	-	-	933	-	933	-
Profit / (Loss) from ordinary activities	423	(19,467)	-	-	423	(19,467)
Total Equity	-	(34,408)	1,626	34,678	1,626	270

Workers' Compensation (Dust Diseases) Board

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	2006 \$,000	2005 \$,000
Cash flows from operating activities:	Inflows / (outflows)	Inflows / (outflows)
Payments		
Compensation to workers	(15,185)	(13,248)
Hospital / Ambulance / Medical expenses	(6,971)	(5,632)
Compensation to dependants	(19,824)	(17,814)
Lump sum awards to dependants	(20,947)	(18,134)
Funeral expenses	(1,465)	(582)
Medical examination of workers	(1,283)	(1,063)
Administration and office expenses	(4,543)	(4,466)
Personnel services expenses	(4,337)	(2,951)
Research grants	(443)	(519)
Dust Diseases Tribunal operating expenses	(4,355)	(4,234)
Total payments	(79,353)	(68,643)
Receipts		
Contributions - levies	76,699	62,231
Investments income	42,082	29,931
Compensation recoveries	885	1,335
Rent income	6	70
Interest income	277	223
Occupational respiratory health assessment fees	479	324
Other receipts	208	31
GST credits	862	707
Total receipts	121,498	94,852
NET CASH PROVIDED BY OPERATING ACTIVITIES (a)	42,145	26,209
Cash flows from investing activities:		
Payments for purchase of plant and equipment	(331)	(161)
Payments for purchase of intangible assets - software	(21)	(54)
Proceeds from sale of plant and equipment	15	103
Purchase of investments (excluding cash equivalents)	(90,072)	(114,111)
Redemption of investments (excluding cash equivalents)	58,719	108,804
NET CASH (USED IN) INVESTING ACTIVITIES	(31,690)	(5,419)
Net increase in cash held	10,455	20,790
Cash and cash equivalents at the beginning of the year	102,753	81,963
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (b)	113,208	102,753

Workers' Compensation (Dust Diseases) Board

NOTE TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

a) Reconciliation of net cash provided by operating activities to operating result

	2006 \$,000	2005 \$,000
Profit / (Loss) for the period	423	(19,467)
Depreciation and amortisation	336	311
Bad debts written off	5	4
(Decrease) / increase in provisions / superannuation liability	(711)	127
Increase in outstanding claims	42,039	202,000
Decrease / (increase) in outstanding contributions	21,267	(143,473)
Loss on sale of motor vehicles	1	10
Investment income - market movements	(21,821)	(7,250)
Increase in payables and provisions	1,766	1,176
Decrease / (increase) in receivables	(1,160)	(7,229)
NET CASH PROVIDED BY OPERATING ACTIVITIES	42,145	26,209

b) Reconciliation of cash and cash equivalents

For the purpose of the Cash Flow Statement, cash includes cash on hand and balances with banks and highly liquid investments. Cash at the end of the year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	2006 \$,000	2005 \$,000
Cash on hand and balances with banks	517	34,866
Short-term investments (included under - Current assets - Other financial assets):		
NSW T Corp Hour Glass - Cash Facility Trust	25,178	84
ANZ Investment (ING) - Cash Plus Fund	39,326	44,086
Colonial First State Investments - Enhanced Cash	48,187	23,717
TOTAL CASH AND CASH EQUIVALENTS	113,208	102,753

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

1. Reporting Entity

The Workers Compensation (Dust Diseases) Board of NSW (DDB) is a not-for-profit reporting entity (as profit is not its principal objective) and is consolidated as part of the NSW Total State Sector Accounts.

2. Date of Authorisation for Issue

The Financial Report for the year ended 30 June 2006 has been authorised for issue by the Members of the Workers Compensation (Dust Diseases) Board on the 19th day of October 2006.

3. Summary of Significant Accounting Policies

a) Basis of Preparation

The agency's financial statements are a general purpose financial report which has been prepared in accordance with:

- applicable Australian Accounting Standards which include Australian equivalents to International Financial Reporting Standards (AEIFRS), Urgent Issues Group (UIG) interpretations; and
- the requirements of the Public Finance and Audit Act, 1983, Public Finance and Audit Regulation 2005 and relevant Treasury Circulars.

Property, plant and equipment, investments and other financial assets are measured at fair value through profit and loss. Other financial statements items are measured in accordance with the historical cost convention.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

b) Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include AEIFRS. This is the first financial report prepared based on AEIFRS and comparatives for the year ended 30 June 2005 have been restated accordingly, unless otherwise permitted.

In accordance with AASB 1 *First-time adoption of Australian Equivalents to International Financial Reporting Standards* and Treasury Mandates, the date of transition to AASB 132 *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* was deferred to 1 July 2005. As a result, comparative information for these two standards is presented under the previous Australian Accounting Standards which applied to the year ended 30 June 2005. The basis used to prepare the 2004 / 05 comparative information for financial instruments under previous Australian Accounting Standards is discussed in Note 3 (v).

Reconciliations of AEIFRS equity, property plant and equipment, intangible assets and superannuation liability for 30 June 2005 to the comparative balances reported in the 30 June 2006 financial report are detailed in Note 27.

c) Income Recognition

- i) Income is recognised when the Board has control of the good or right to receive, it is probable that the economic benefits will flow to the agency and the amount of revenue can be measured reliably.
- ii) Investment income and contributions
Investment income and contributions from insurers are recognised as they accrue.

d) Prior period correction regarding disclosure of personnel services expenses

The Board's staff were supplied by the WorkCover Authority until 17 March 2006 and by the Office of WorkCover Authority from 17 March 2006. In prior periods, the Board's financial report recognised and classified all staff related expenses and liabilities as employee benefits, as if staff were employed by the Board. This policy was adopted because the Board was responsible for meeting these expenses and liabilities. Following amendments to the Public Sector Employment and Management Act 2002 on 17 March 2006, the NSW Treasury clarified accounting requirements for staff used by one entity who were employees of another entity under the Public Sector Employment and Management Act 2002. The Board should have been accounting for its staff costs as "Personnel Services" to reflect that other organisations supplied personnel services to the Board. To correct this, amounts previously disclosed as employee related expenses and liabilities have been reclassified as "Personnel Services".

This prior period adjustment has no impact on the operating result or equity of the current or prior reporting periods.

For superannuation, economic assumptions are disclosed in the Office of WorkCover Authority's Financial Report.

e) Insurance

The Agency's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government Agencies. The expense (premium) is determined by the Fund Manager based on past experience.

f) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where:

- the amount of GST incurred by the agency as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- receivables and payables are stated with the amount of GST included.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 - Continued

g) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Agency. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

h) Capitalisation Thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

i) Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 05-3). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Agency revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation of buildings was completed on 26 June 2006 and was based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the Income Statement, the increment is recognised immediately as revenue in the profit / loss. Revaluation decrements are recognised immediately as expenses in the Income Statement, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

j) Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, the Agency is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

k) Depreciation of Property, Plant and Equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the agency.

Property, plant and equipment are depreciated on a straight line basis over the estimated useful lives. The rates of depreciation are: buildings 2.5%, office equipment 20%, computer equipment 25%, science and medical equipment 20%, furniture and fittings 10% and motor vehicles 20%. The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Agency. Property, plant and equipment are held at fair value less accumulated depreciation.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

l) Maintenance

The day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

m) Leased Assets

Operating lease payments are charged to the Income Statement in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 - Continued

n) Intangible Assets

The Agency recognises intangible assets only if it is probable that future economic benefits will flow to the Agency and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite. Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Agency's intangible assets, the assets are carried at cost subject to an assessment for impairment at the date of transition, less any accumulated amortisation. Amortisation is provided at the rate of 25% on a straight line basis over the estimated useful lives.

o) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Income Statement when impaired.

p) Investments policy for year ended 30 June 2006

Investments are initially recognised at fair value. The Board determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end. Investments are currently designated at fair value through profit or loss. Gains or losses on these assets are recognised in the Income Statement.

q) Other Assets

Other assets are recognised on a cost basis.

r) Payables

These amounts represent liabilities for goods and services provided to the Agency and other amounts, including interest. Payables are initially recognised at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost.

s) Outstanding Claims

Outstanding claims include claims incurred but not yet paid and incurred but not yet reported. An actuarial valuation is undertaken to determine a best or central estimate for these liabilities.

The cost of compensation claims and other costs of the Board are recovered from Employers through a levy included in workers compensation insurance premiums. Because of the certainty of this source of funding an Outstanding Contributions asset representing future contributions receivable is recognised equivalent to claims and other liabilities.

t) Trust Funds

The agency receives monies in a trustee capacity for lump sum awards and disbursements made to beneficiaries of deceased workers. The transactions relating to these funds for the reporting period is set out in Note 25. As the agency performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the agency's own objectives, these funds are not recognised in the financial statements.

u) Comparative Information

Comparative figures have been restated based on AEIFRS with the exception of financial instruments information, which has been prepared under the previous AGAAP Standard as permitted by AASB 1.36A (also refer Note 4.c). The transition date to AEIFRS for financial instruments was 1 July 2005; its' impact is disclosed in the statement of changes in equity and other impacts are further discussed in Note 27.

v) Financial Instruments accounting policy for 2004 / 2005 comparative period

Interest revenue is recognised as it accrues. Distribution revenue is recognised when the DDB's right to receive payment is established.

For non-current "other financial assets", revaluation increments and decrements are recognised in the same manner as physical non-current assets.

For "other financial assets", revaluation increments and decrements are recognised in the Income Statement.

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 - Continued

4. Financial Instruments

The Board's principal financial instruments are outlined below. These financial instruments arise directly from the Board's operations. The Board does not enter into or trade financial instruments for speculative purposes.

a) Cash on hand and balances with banks

Cash comprises cash on hand and balances with banks. Interest is paid on all accounts at a rate equivalent to the weekly average of the 30 days bank bill rate less 30 basis points, regardless of the balances held in each account.

b) Receivables

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. The credit risk is the carrying amount. No interest is earned on trade debtors. The carrying amount approximates net fair value.

c) Investments

The Board has investments in TCorp's Hourglass Facility Trusts and with other Fund Managers. The investments are represented by a number of units of a managed investment pool, with each particular pool having different investment horizons and being comprised of a mix of asset classes appropriate to that investment horizon.

The Board's investments are:

	2006 \$,000	2005 \$,000
T Corp Hour-Glass Investment Facilities - Cash Facility	25,178	84
Colonial First State Investments - Cash Enhanced Fund	48,187	23,717
ING Investment Management - ANZ Cash Plus Fund	39,326	44,086
Colonial First State Investments - Wholesale Funds	-	21,936
Citigroup Asset Management Aust Ltd	-	47,201
Perennial Investment Partners Ltd - Aus Fixed Interest	68,977	49,083
Legg Mason - Aus Fixed Interest	48,957	-
T Corp Hour-Glass Investment Facilities - Aus Equities	82,420	69,402
Barclays Global Investors Aust Ltd - Aus Equities	55,823	93,695
Barclays Global Investors Aust Ltd - Int Equities	32,633	-
Barclays Global Investors Aust Ltd - Hedged Int Equities	26,134	-
National Corporate Investment Trust - Int Equities	57,933	-
BT Financial Group - Int Fixed Interest	63,772	60,918
AMP Asset Capital Investors - Property	-	6,213
Citigroup Asset Management Aust Ltd	-	10,308
Macquarie Investment Management Ltd - Property Securities Fund	16,478	9,253
Capital National Alliance	-	48,070
Legg Mason - Property Securities Trust	16,125	-
TOTAL INVESTMENTS	581,943	483,966

These investments are generally able to be redeemed with seven days notice (dependent upon the facility). The value of the investments held can decrease as well as increase depending upon market conditions. The value that best represents the maximum credit risk exposure is the net fair value. The value of the above investments which represents the Board's share of the value of the underlying assets of the facility and those assets are stated at net fair value, based on the market value.

d) Credit risk exposures

The credit risk of the Board is limited to the carrying amount of the financial assets included in the Balance Sheet.

e) Payables

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

f) Derivatives

Fund managers use derivative instruments within an appropriate control environment. Derivative contracts are not used for speculative purposes and are not leveraged. The use of derivative instruments is undertaken within authorised and clearly defined limits.

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 – Continued

g) Interest Rate Risk

The Board's exposure to interest rate risk arises from assets and liabilities bearing variable interest rates.

2006	Weighted average interest rate	1 year or less	Over 1 year to 5 years	More than 5 years	Non- interest bearing	Total carrying amount
Financial Assets	%	\$'000	\$,000	\$'000	\$'000	\$'000
Cash assets	5.75	517	-	-	-	517
Receivables	N/A	-	-	-	13,470	13,470
Investments	11.7	230,625	63,772	287,546	-	581,943
Total		231,142	63,772	287,546	13,470	595,930

Financial Liabilities						
Payables	N/A	-	-	-	2,852	2,852
Total		-	-	-	2,852	2,852

2005	Weighted average interest rate	1 year or less	Over 1 year to 5 years	More than 5 years	Non- interest bearing	Total carrying amount
Financial Assets	%	\$'000	\$,000	\$'000	\$'000	\$'000
Cash assets	5.27	34,866	-	-	-	34,866
Receivables	N/A	-	-	-	12,315	12,315
Investments	12.51	186,107	60,918	236,941	-	483,966
Total		220,973	60,918	236,941	12,315	531,147

Financial Liabilities						
Payables	N/A	-	-	-	1,572	1,572
Total		-	-	-	1,572	1,572

5. Trade and other receivables	2006	2005
	\$,000	\$,000
Trade receivables	13,198	12,118
Prepayments and other assets	272	197
	13,470	12,315

6. Other financial assets - Investments		
Current:		
T Corp Hour Glass - Cash Facility Trust	25,178	84
Colonial First State Investments - Enhanced Cash	48,187	23,717
ANZ Investments (ING) - Cash Plus Fund	39,326	44,086
Colonial First State Investments - Wholesale Funds	-	21,936
Citigroup Asset Management Aust Ltd	-	47,201
Perennial Investment Partners Ltd - Aus Fixed Interest	68,977	49,083
Legg Mason - Aus Fixed Interest	48,957	-
Total current portion	230,625	186,107
Non-current:		
T Corp Hour Glass Facility - Aus Equities	82,420	69,402
Barclays Global Investors Aust Ltd - Aus Equities	55,823	93,695
Barclays Global Investors Aust Ltd - Int Equities	32,633	-
Barclays Global Investors Aust Ltd - Hedged Int Equities	26,134	-
NCIT - Int Equities	57,933	-
BT Financial Group - Int Fixed Interest	63,772	60,918
AMP Asset Capital Investors - Property	-	6,213
Citigroup Asset Management Aust Ltd	-	10,308
Macquarie Investment Management Ltd - Property	16,478	9,253
Capital National Alliance	-	48,070
Legg mason - Property	16,125	-
Total Non-current portion	351,318	297,859
TOTAL INVESTMENTS	581,943	483,966

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 – Continued

	2006 \$,000	2005 \$,000
7. Outstanding contributions		
Outstanding contributions at the beginning of the year	977,480	834,007
Movement in outstanding contributions (refer Note 15)	(21,267)	143,473
Outstanding contributions at the end of the year	956,213	977,480

8. Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2006 \$,000	2005 \$,000	2006 \$,000	2005 \$,000	2006 \$,000	2005 \$,000
Buildings	4,120	3,445	-	(172)	4,120	3,273
Furniture and fittings	21	21	(12)	(10)	9	11
Motor vehicles	388	395	(231)	(165)	157	230
Computer equipment	477	249	(191)	(134)	286	115
Office equipment	58	8	(18)	(8)	40	-
Science & med. Equipment	433	401	(334)	(271)	99	130
	5,497	4,519	(786)	(760)	4,711	3,759

- a) Buildings consists of four strata floors at 82, Elizabeth Street, Sydney. These buildings were valued at \$4,120,000 as at 26 June 2006, on the basis of an open market valuation, by an independent valuer Colliers International Consultancy and Valuation Pty Ltd.
- b) The Board has determined that the fair value of assets (other than buildings) equates to their net carrying amount.

Reconciliation of net carrying amount:

	Net carrying amount 2005 \$,000	Additions \$,000	Disposals \$,000	Depreciation on disposals \$,000	Net revaluation movements \$,000	Depreciation charge \$,000	Net carrying amount 2006 \$,000
Buildings	3,273	-	-	-	933	86	4,120
Furniture and fittings	11	-	-	-	-	2	9
Motor vehicles	230	21	27	11	-	78	157
Computer equipment	115	228	-	-	-	57	286
Office equipment	-	50	-	-	-	10	40
Science & med. Equipment	130	32	-	-	-	63	99
	3,759	331	27	11	933	296	4,711

9. Intangible assets

	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	2006 \$,000	2005 \$,000	2006 \$,000	2005 \$,000	2006 \$,000	2005 \$,000
Computer software	264	242	(193)	(153)	71	89
	264	242	(193)	(153)	71	89

- a) The Board has determined that the fair value of the computer software equates to their net carrying amount.

Reconciliation of net carrying amount:

	Net carrying amount 2005 \$,000	Additions \$,000	Disposals \$,000	Depreciation on disposals \$,000	Net revaluation movements \$,000	Amortisation charge \$,000	Net carrying amount 2006 \$,000
Computer software	89	21	-	-	-	39	71
	89	21	-	-	-	39	71

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 - Continued

10. Outstanding Claims

The liability for outstanding claims is measured as the present value of the expected future payments reflecting the fact that all the claims do not have to be paid out in the immediate future.

The actuaries, Finity, in the valuation of liability report dated 4 August 2006 have used actuarial functions (known as annuity and assurance functions) to estimate the liability for known and incurred but unreported claims on an inflated and discounted basis, taking account of expected mortality and the known characteristics of each claimant.

The following inflation rates and discount rates were used in measuring the liability of outstanding claims:

Claims expected to be paid:	2006	2005
Not later than one year		
- Inflation rate	4%	3.5%
- Discount rate	6%	5.25%
Later than one year		
- Inflation rate	4%	3.5%
- Discount rate	6%	5.25%

	2006	2005
	\$,000	\$,000
Known claims:		
Outstanding claims at beginning of the year	515,600	465,200
Net movement in outstanding known claims	42,841	50,400
Outstanding known claims at end of the year	558,441	515,600
Incurred but not reported claims:		
IBNR claims at beginning of the year	993,800	842,200
Net movement in outstanding IBNR claims	(802)	151,600
IBNR claims at end of the year	992,998	993,800
Outstanding Known Claims	558,441	515,600
Incurred but not reported claims (IBNR)	992,998	993,800
TOTAL OUTSTANDING CLAIMS	1,551,439	1,509,400
Movement in Outstanding Claims:		
Carrying amount at beginning of the year	1,509,400	1,307,400
Additional provision	65,115	126,268
Amounts used during the year	(65,676)	(56,268)
Unwinding of discount – reported as finance cost in income statement	83,600	86,000
Change in discount rate	(41,000)	46,000
Carrying amount at end of the year	1,551,439	1,509,400
Breakdown of total liability as shown in the Balance Sheet:		
Current liability	76,855	68,437
Non-current liability	1,474,584	1,440,963
	1,551,439	1,509,400

The Outstanding Claims Liability will be funded by funds held in investments and by future levies. The financial target for the Workers' Compensation (Dust Diseases) Board is to be fully funded for known claims, i.e. to have sufficient funds to pay the lifetime entitlements in respect of claims with a Certificate of Disablement issued. The Workers' Compensation (Dust Diseases) Act 1942 gives the Board Authority to impose levies each year to meet annual operating costs.

The Board includes in its liability estimate Claims Incurred But Not Reported of \$992.9m. This figure is shown in the Balance Sheet as a liability with the corresponding asset receivable representing the right to levy employers for these outstanding claims.

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 - Continued

	2006 \$,000 Office of WorkCover Authority	2005 \$,000 WorkCover Authority
11. Provisions - current		
Accrued personnel services	17	-
Long service leave	458	93
Annual leave	334	287
Payroll tax payable	50	-
Workers compensation insurance payable	7	-
	866	380
12. Provisions - non-current		
Long service leave	26	363
Superannuation liability	116	490
	142	853
13. Investment income	2006 \$,000	2005 \$,000
Distributions	42,082	29,931
Movement in market values	21,821	7,250
	63,903	37,181
14. Contributions		
Effective 12 January 1997, Workers' Compensation (Dust Diseases) Act 1942 was amended to allow the DDB to collect levies from Insurers. Levies are principally derived from Licensed and Self-insurers and the amount recognised for the year is as follows:		
Licensed Insurers	57,429	54,685
Self and Special Insurers	20,378	14,893
	77,807	69,578
15. Movement in outstanding contributions		
Outstanding contributions at the beginning of the year	977,480	834,007
Outstanding contributions at the end of the year	956,213	977,480
(Decrease) / Increase in outstanding contributions	(21,267)	143,473
16. Other income		
Occupational respiratory health assessment fees	479	324
Solicitors production fees	28	27
Miscellaneous income	16	3
Rent received on office premises	6	70
Research contributions	50	-
	579	424
17. Claims paid		
Compensation and awards:		
Compensation to workers	15,186	13,135
Compensation to dependants	19,824	17,763
Lump sum awards to dependants	20,947	18,057
Hospital and ambulance	1,657	1,203
Medical	5,314	4,469
Funeral expenses	1,465	574
	64,393	55,201
Medical examination of workers:		
Medical Authority fees and supplies	165	144
Medical investigation and clinical notes	129	249
X-rays and supplies	507	349
Workers travelling expenses	50	51
Special medical officer fees	432	274
	1,283	1,067
TOTAL	65,676	56,268

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 - Continued

	2006 \$,000	2005 \$,000
18. Outstanding claims expense		
Known claims:		
Outstanding claims at beginning of the year	515,600	465,200
Outstanding known claims at end of the year	558,441	515,600
Net movement in outstanding known claims	42,841	50,400
Incurred but not reported claims (IBNR):		
IBNR Claims at beginning of the year	993,800	842,200
IBNR Claims at end of the year	992,998	993,800
Net movement in outstanding IBNR claims	(802)	151,600
Total net movement in outstanding claims	42,039	202,000
Less: Finance cost reported separately	(83,600)	(86,000)
Outstanding claims expense	(41,561)	116,000
19. Administration and office expenses		
Audit fees - audit of the financial report	61	41
Audit fees - internal audits	255	91
Board Members fees and allowances	97	75
Building maintenance, repairs and management	661	122
Consultants	507	439
Debts written off	5	4
Legal fees	421	1,095
Management fee to insurers	1,492	1,347
Other expenses	627	685
Sundry expenses	494	385
TOTAL	4,620	4,284
20. Personnel services - WorkCover Authority - 1 July 2005 to 17 March 2006		
Salaries and allowances	2,461	2,508
Payroll tax	192	165
Fringe benefits tax	111	64
Annual leave expense	240	198
Long service leave expense	67	86
Workers compensation insurance	23	14
Superannuation	(188)	396
Total	2,906	3,431
Personnel services - Office of WorkCover Authority - 18 March to 30 June 2006		
Salaries and allowances	879	-
Payroll tax	63	-
Fringe benefits tax	21	-
Long service leave expense	27	-
Superannuation	139	-
Workers compensation insurance	5	-
Total	1,134	-
Total personnel services expense	4,040	3,431

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 - Continued

	2006 \$,000	2005 \$,000
21. Commitments for expenditure		
a) Operating lease commitments		
At the reporting date the Agency had the following non-cancellable operating leases not provided for and payable:		
Not later than one year	167	-
Later than one year and not later than five years	32	-
Later than five years	-	-
Total	199	-

Operating leases consist of lease of premises at level 14, 82 Elizabeth Street, Sydney, lease of offices at 427 Argent Street, Broken Hill and lease of three motor vehicles.

The operating lease commitments include GST of \$18,090.

b) Commitments for capital expenditure

At the reporting date the Agency had the following capital commitments approved by the Board but not contracted / provided for:

Buildings - level 14, 82 Elizabeth Street, Sydney	1,320	-
Infrastructure	7,590	-
Total	8,910	-

These expenditures are due for payment:

Not later than one year	5,115	-
later than one year and not later than five years	3,795	-
Later than five years	-	-
Total	8,910	-

The commitments for capital expenditure include GST of \$810,000.

The capital expenditure commitment for infrastructure represents the Agency's contribution towards construction of a laboratory to research asbestos-related diseases at Concord Repatriation General Hospital as per NSW Premier's directions dated 21 March 2006.

These operating lease commitments and capital commitments are expected to be financed from internally generated funding from future levy income and investment income.

22. Events after the Balance Sheet Date

On the 12 July DDB agreed to purchase level 14 Elizabeth Street at a cost of \$1,200,000 excluding GST. This amount has been disclosed as commitment for capital expenditure under Note 21(b).

23. Contingent liabilities

The Board's solicitors, McLaughlin & Riordan and Goldrick Farrell Mullan Solicitors, have provided an estimate of future legal costs totalling \$726,000 (2005—\$550,000) on cases where appeals have been lodged relating to compensation claims.

The contingent liabilities include GST of \$66,000 (2005 - \$50,000).

24. Related party transactions

The Board utilises resources provided by WorkCover Authority to assist in the billing and collection of the dust diseases levy. WorkCover Authority charges an administration fee for provision of these services.

The Board procures personnel services from the Office of WorkCover Authority since 18 March 2006. The Management Agreement for these services had not been finalised at the balance sheet date.

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 - Continued

25. Trust Fund

The Trust Fund consists of lump sum awards and disbursements made to beneficiaries of deceased workers.

	2006 \$,000	2005 \$,000
Operations for the year to 30 June:		
Income		
Lump Sum awards received for dependants	20,947	18,134
Net return on Investments	4,134	3,802
	25,081	21,936
Expenditure		
Payments made to dependants	18,304	15,840
Net Increase in Trust Fund	6,777	6,096
Trust Funds at beginning of the year	70,159	64,063
Trust Funds at end of the year	76,936	70,159
Financial Position as at 30 June:		
Trust assets:		
Cash at bank	5,095	6,105
Investments	71,841	64,054
	76,936	70,159
Trust liabilities:		
Owing to dependants	76,584	69,829
Undistributed return on investments	352	330
	76,936	70,159

26. Recently issued or amended accounting standards

a) The following Australian Accounting Standards are being early adopted. Any initial impacts on the first time adoption are detailed in the Statement of Changes in Equity and Note 27.

AASB Amendment	Affected Standards
2005-4	AASB 139: Financial Instruments: Recognition and Measurement. Issued June 2005.

b) In this reporting period, the following recent Australian Accounting Standards that are not yet effective were not used in preparing this financial report.

2005-1	AASB 139: Financial Instruments: Recognition and Measurement. Issued May 2005.
2005-5	AASB 1 First-time adoption of AEIFRS. AASB 139: Financial Instruments: Recognition and Measurement. Issued June 2006.
2005-9	AASB 132: Financial Instruments: Presentation AASB 139: Financial Instruments: Recognition and Measurement. Issued September 2005.
2005-10	AASB 101: Presentation of Financial Statements. AASB 117: Leases. AASB 132: Financial Instruments: Presentation AASB 139: Financial Instruments: Recognition and Measurement. Issued September 2005.
2005-11	AASB 101: Presentation of Financial Statements. AASB 132: Financial Instruments: Presentation AASB 139: Financial Instruments: Recognition and Measurement. Issued September 2005.
2006-1	AASB 121: The Effects of Changes in Foreign Exchange Rates
AASB 7	AASB 7: Financial Instruments: Disclosures. Issued August 2005.

All AASB amendments above are applicable for the year commencing 1 July 2006 with the exception of AASB 7 which is applicable from the year commencing 1 July 2007. No assessment has been made of the change in accounting policy in the year of change, or the financial impact of adoption of any of the amendments above.

Workers' Compensation (Dust Diseases) Board

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 - Continued

27. The financial impact of adopting Australian Equivalents to International Financial Reporting Standards

The Board has applied the AEIFRS for the first time in the 2005 / 06 financial report. The key areas where changes in accounting policies have impacted the financial report are disclosed below. Some of these impacts arise because AEIFRS requirements are different from previous AASB requirements (AGAAP). Other impacts arise from options in AEIFRS that were not available or not applied under previous AGAAP. The Board has adopted the options mandated by NSW Treasury for all NSW public sector agencies. The impacts below reflect Treasury's mandates and policy decisions.

The impacts of adopting AEIFRS on equity, surplus / (deficit), cash flow, property plant and equipment, intangible assets and superannuation liability are shown below:

	Note	30 June 2005 \$,000	1 July 2004 \$,000
a) Reconciliation of Equity			
Total equity under AGAAP		693	693
Defined benefit superannuation adjustment for change in discount rate	1	(423) **	(205) *
Total equity under AEIFRS		270	488
* adjustment at date of transition			
** cumulative adjustments as at date of transition plus the year ended 30 June 2005			
b) Reconciliation of (Deficit) for the year			
(Deficit) for the year under AGAAP		(19,249)	
Increase in superannuation expense due to change in discount rate	1	(218)	
(Deficit) for the year under AEIFRS		(19,467)	
c) Cash Flow statement			
The reconciliation of (Deficit) reported under the reconciliation of Net Cash Provided by Operating Activities to Operating Result will be as per (b) above.			
(Decrease) in Superannuation liability under AGAAP		(91)	
Increase in superannuation liability	1	218	
Increase in Superannuation liability under AEIFRS		127	
d) Property, Plant and Equipment			
Property, Plant and Equipment, carrying amount under AGAAP		3,848	4,057
Intangible assets carrying amount to be disclosed separately	2	(89)	(95)
Property, Plant and Equipment, carrying amount under AEIFRS		3,759	3,962
e) Intangible assets			
Intangible assets, carrying amount under AGAAP		-	-
Intangible assets carrying amount transferred from Property, plant and equipment	2	89	95
Intangible assets, carrying amount under AEIFRS		89	95
f) Superannuation liability			
Superannuation liability under AGAAP		67	158
Increase in liability due to adjustment for change in discount rate	1	423	205
Superannuation liability under AEIFRS		490	363

Notes

- AASB 119 *Employee Benefits* requires the defined benefit superannuation obligation to be discounted using government bond rate as at each reporting date, rather than long-term expected rate of return on plan assets. This has increased the superannuation liability, reduced opening cumulated funds and increased the annual superannuation expense. During 2004-05 the long term bond rate fell by nearly one per cent, resulting in a significant increase in the superannuation liability and expense.
- AASB 138 *Intangible Assets* stipulates the criteria for the recognition and measurement of intangible assets and AASB 101 *Presentation of Financial Statements*, section.68(c) requires intangible assets to be disclosed as a separate line item in the Balance Sheet. Accordingly the carrying amount representing the cost less amortisation of computer software which are not an integral part of the related hardware have been separated from property, plant and equipment to comply with these standards.

End of audited financial statements.

APPENDICES

Appendix 1

Services Provided

The Dust Diseases Board provides screening services to all persons whose employment as a worker exposed them to the inhalation of a dust, which may cause a dust disease, with the exception of the following persons:

- Workers in or about a mine to which the Coal Mines Regulation Act 1912, applies (these workers are covered by other State legislation);
- Employees of the Commonwealth Government;
- Persons whose exposure to the inhalation of dust occurred in the course of their employment outside New South Wales; and
- Persons whose exposure to the inhalation of dust occurred whilst self-employed.

Dust Diseases covered by the Act are as follows:

- Aluminosis
- Asbestosis
- Asbestos Induced Carcinoma of the Lung
- Asbestos Related Pleural Disease (ARPD)
- Bagassosis
- Berylliosis
- Byssinosis
- Coal Dust Pneumoconiosis
- Farmer's Lung
- Hard Metal Pneumoconiosis
- Mesothelioma
- Silicosis
- Silico-tuberculosis
- Talcosis

To be eligible for compensation a worker has to demonstrate two things:

Firstly, that he/she has a dust disease and suffers impairment as a result and,

Secondly, that this disease was the result of his/her exposure to dust whilst employed as a worker in New South Wales.

The diagnosis of a dust disease depends on three elements:

1. A full size chest X-Ray and/or chest CT Scan;
2. A clinical examination and a lung function test; and
3. An Industrial History for the applicant.

An award of compensation is granted in a two part inter-dependant process:

Part 1, the Medical Authority must certify that the applicant has a disease of the lungs or pleura caused by exposure to dust under the Act.

Part 2, the Board then reviews the Medical Authority's findings, confirms the worker's employment and financial status and approves the award.

Appendix 2

Miscellaneous

Chief and Senior Executive Officers

The Board has no officers employed under Division 3 of the Public Sector Employment and Management Act 2002.

Funds granted to Non-Government Community Organisations

Board approved funding of \$100,000 pa jointly with WorkCover NSW to fund an Outreach Worker employed by the Asbestos Diseases Foundation of Australia to raise community awareness of asbestos in the built environment.

Legal Change

There were no changes during the year to the Workers' Compensation (Dust Diseases) Act 1942.

Overseas Visits

Mr Simon Bowden, Director, Legal & Industrial History Services travelled to New Zealand in May 2006 in order to visit and interview Applicants for Workers' Compensation whom claimed to have developed a dust disease as a result of employments in New South Wales and to hold meetings with the New Zealand Accident Compensation Corporation discussing how they administer their statutory scheme in relation to dust diseases.

Ms Sylvia Kidziak, Board Member and Chairperson, Research Grants Committee attended the American Thoracic Society International Conference in San Diego in May 2006.

The DDB maintains a very high level of engagement with national and international organisations to ensure that it has access to all relevant information relating to developments in asbestos research across the world.

Land Disposal

The Board did not dispose of any properties.

Staff Code of Conduct

Staff are committed to providing quality service through the concept of total quality management and the code reflects the Board's vision, mission and values in the way we work and how we achieve results.

Appendix 3

Awards made since the inception of the original scheme of 1927

Name	Awards to Disabled Workers	Awards to Dependants of deceased workers	TOTAL
No. 1 Scheme – September 1927 to 30 June 1942 (approx. 15 years)	245	64	309
No. 2 Scheme – March 1938 to June 1942 (approx. 4 years)	7	3	10
Silicosis Act – 1 July 1942 to 28 February 1968 (approx. 26 years)	1,761	841	2,602
Dust Diseases Act – 29 February 1968 to 30 June 2006	4,735	3,818	8,553
TOTAL	6,748	4,726	11,474

Appendix 4

Deaths according to disease

Table below represents deaths by causation and average age since the inception of the Act on 29 February 1968.

DISEASE	DEATH DUE TO DUST	DEATH NOT DUE TO DUST	TOTAL	AVERAGE AGE OF DEATH DUE TO DUST
Asbestosis	443	241	684	73.25
Silicosis	444	943	1,387	71.21
Byssinosis	11	19	30	71.83
Hard Metal Pneumoconiosis	2	3	5	63.43
Farmer's Lung	1	2	3	61.17
Aluminosis	0	1	1	-
Bagassosis	0	1	1	-
ARPD	214	89	303	76.87
Silico-Tuberculosis	8	12	20	62.80
Asbestosis/ARPD	41	25	66	77.85
Emery Pneumoconiosis	0	1	1	-
Talcosis	1	2	3	65.74
Silico-asbestosis	11	4	15	68.44
Mesothelioma	1,931	9	1,940	68.22
Peritoneal Mesothelioma	2	0	2	65.76
Carcinoma of the Lung*	226	2	228	70.51
Silicosis/Lung Cancer	28	0	28	71.31
Silicosis/Mixed Dust Fibrosis	3	0	3	72.60
Mixed Dust Pneumoconiosis	1	0	1	61.47
Lung Cancer in Association with Asbestos Exposure	117	4	121	68.73
TOTAL	3,484	1,358	4,842	68.89

* includes Hexavalent Chromium Associated Lung Cancer, Asbestosis/Lung Cancer and ARPD/Lung Cancer

Appendix 5

Beneficiaries who received compensation payments during 2005/2006 by disease.

DISEASE	WORKERS	DEPENDANTS	TOTAL
Asbestosis	241	327	568
Silicosis	181	261	442
Byssinosis	2	7	9
Hard Metal Pneumoconiosis	4	2	6
Farmer's Lung	0	1	1
Aluminosis	2	1	3
Occupational Asthma	1	0	1
ARPD	488	136	624
Silico-Tuberculosis	1	6	7
Asbestosis/ARPD	63	23	86
Talcosis	0	1	1
Silico-asbestosis	3	2	5
Mesothelioma	229	1,313	1,542
Lung Cancer in Association with Silica Exposure	1	74	75
Silicosis/ARPD	2	0	2
Carcinoma of the Lung*	20	25	45
Silicosis/Lung Cancer	6	19	25
Silicosis/Mixed Dust Fibrosis	0	1	1
Pleural Plaques and Pain	2	0	2
Mixed Dust Pneumoconiosis	0	1	1
Lung Cancer in Association with Asbestos Exposure	19	103	122
Peritoneal Mesothelioma	23	54	77
TOTAL	1,288	2,357	3,645

* includes Hexavalent Chromium Associated Lung Cancer, Asbestosis/Lung Cancer and ARPD/Lung Cancer

WORKERS' COMPENSATION (DUST DISEASES) ACT 1942

CONTRIBUTIONS UNDER SECTION 6 FOR 2006-2007 FINANCIAL YEAR

NOTICE is given that the WorkCover Authority, in pursuance of section 6 of the Workers' Compensation (Dust Diseases) Act 1942 ("the Dust Diseases Act"), has

- (a) in respect of policies issued or renewed to take effect in the year commencing 30 June 2006, determined the contribution to be paid under section 6 of the Dust Diseases Act by each **insurer** insuring or indemnifying an employer in respect of a class of employment specified in Column 1 of the Table below to be an amount equal to the percentage of wages (being the total wages payable by the employer to workers in respect of the period of the policy) specified in Column 2 of the Table opposite that class; and
- (b) in respect of the year commencing 1 July 2006, determined the contribution to be paid under section 6 of the Dust Diseases Act by each self-insurer to be an amount equal to the percentage of wages (being the total wages payable by the self-insurer to workers in respect of that year) specified in Column 2 of the Table below opposite –
 - (i) the class of employment specified in item 1 of Column 1 of the Table below if, and to the extent that, wages are payable by the self-insurer to workers in respect of employment during that year and of that class; or
 - (ii) the class of employment specified in Column 1 of the Table which corresponds to the business activity classification (of classifications) adopted by the WorkCover Authority for the purpose of determining the contribution payable by the self-insurer to the WorkCover Authority Fund for the financial year commencing 1 July 2006,

as the case may require (see note 1 below).

Table of Contribution Rates

Item	Column 1 Class of Employment	Column 2 Contribution (percentage of wages)
1	The class of employment specified in paragraph D(12) of the determination made by the Workers' Compensation (Dust Diseases) Board under section 6(3) of the Workers' Compensation (Dust Diseases) Act 1942 and published in Gazette No. 64 of 11 May 1979.	4 per cent
2	Any other class of employment determined by the Workers' Compensation (Dust Diseases) Board under section 6(3) of the Workers' Compensation (Dust Diseases) Act 1942.	The percentage specified in this Column opposite the class of employment in Column 1 corresponding to the business classification that applies to the employer concerned in calculating the relevant premium under the Insurance Premiums Order (2006-2007).
3	Employment in respect of which, for the purpose of calculating the relevant premium under the insurance Premiums Order (2006/2007), a business classification listed in Schedule 1 applies to the employer concerned.	1.25 per cent.

4	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2005-2006), a business classification listed in Schedule 2 applies to the employer concerned.	0.50 per cent
5	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2006-2007), a business classification listed in Schedule 3 applies to the employer concerned.	0.28 per cent
6	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2006-2007), a business classification listed in Schedule 4 applies to the employer concerned.	0.165 per cent
7	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2006-2007), a business classification listed in Schedule 5 applies to the employer concerned.	0.11 per cent
8	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2006-2007), a business classification listed in Schedule 6 applies to the employer concerned.	0.075 per cent
9	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2006-2007), a business classification listed in Schedule 1 applies to the employer concerned.	0.05 per cent
10	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2006-2007), a business classification listed in Schedule 8 applies to the employer concerned.	0.025 per cent

NOTE:

1. If wages are payable by an employer (including a self-insurer) to workers in respect of employment during the relevant period, being employment of the class specified in item 1 of Column 1 of the above Table, the percentage of wages specified in Column 2 for that item applies to such part of the total wages payable to the employer's workers as relates to employment of that class, and items 2-10 of the Table (as the case may require) apply to the remainder of the wages.
2. If, in the calculation of an employer's premium under the Insurance Premiums Order (2006-2007), business classifications mentioned in two or more of Schedules 1-8 below properly apply to the employer, the dust diseases contribution rates in Column 2 of the Table are to apply to such part of the total wages payable by the employer as relates to the relevant classification. The same applies to calculation of a self-insurer's dust diseases contribution by reference to its WorkCover Authority Fund contribution.
3. If the Insurance Premiums Order (2006-2007) does not apply to an employer's policy, the contributions to be paid by the insurer concerned under section 6 of the Dust Diseases Act is to be calculated as if that Order did not apply to the policy.
4. See Table A to the Insurance Premiums Order (2006-2007) for full descriptions of relevant business classifications below.
5. The expressions "policy", and "workers" used above have the same meanings as in the Workers Compensation Act 1987 and the Workplace Injury Management and Workers Compensation Act 1998 and references to wages "payable" include references to wages paid.
6. The expression "wages" used above has the same meaning as in the Insurance Premiums Order 2006-2007.

Dated, this 8th day of May 2006

Jon Blackwell
Chief Executive Officer
WorkCover Authority

Industry Classifications

Listed below are Class Numbers (In Premiums Order) followed by their Business Classification Title.

Schedule 1

263210 Fibro-Cement Sheeting Mfg

Schedule 2

255100 Rubber Tyre Mfg

255900 Other Rubber Product Mfg nec

282100 Shipbuilding

424200 Carpentry Services

Schedule 3

221100 Wool Scouring

221200 Synthetic Fibre Textile Mfg

221300 Cotton Textile Mfg

221400 Wool Textile Mfg

221500 Textile Finishing

251000 Petroleum Refining

262100 Clay Brick Mfg

262200 Ceramic Product Mfg

262300 Ceramic Tile and Pipe Mfg

262900 Other Ceramic Product Mfg nec

263100 Cement and Lime Mfg

271100 Basic Iron and Steel Mfg

271200 Iron and Steel Casting & Forging

271300 Steel Pipe and Tube mfg

282300 Railway Equipment Mfg

361000 Electricity Supply

411100 House Construction

411200 Residential Building Construction nec

411300 Non-Residential Building Construction

425940 Construction Services nec

630100 International Sea Transport

630200 Coastal Water Transport

630300 Inland Water Transport

662100 Stevedoring

Schedule 4

131100 Iron Ore Mining

131200 Copper Ore Mining – Underground

131300 Copper Ore Mining – Surface

131410 Gold Ore Mining – Underground

131420 Gold Ore Mining – Surface

131500 Mineral Sand Mining

131610 Nickel Ore Mining – Underground

131620 Nickel Ore Mining – Surface

131710 Silver-Lead-Zinc Ore Mining – Underground

131720 Silver-Lead-Zinc Ore Mining – Surface

131910 Other Metal Ore Mining nec – Underground

131920 Other Metal Ore Mining nec – Surface

142010 Other Mining nec – Underground

142020 Other Mining nec – Surface

217100 Sugar Mfg

217200 Confectionery Mfg

217300 Seafood Processing

217400 Prepared Animal and Bird Feed Mfg

217900 Food Mfg nec

218100 Soft Drink, Cordial and Syrup Mfg

218200 Beer and Malt Mfg

218300 Wine Mfg

218400 Spirit Mfg

224100 Men's and Women's Clothing Mfg

224200 Tailoring and Dress-making

224300 Sleepwear, Underwear and Baby Clothing Mfg

233100 Pulp, Paper and Paperboard Mfg

223200 Solid Paperboard container Mfg

233300 Corrugated Paperboard Container Mfg

233400 Paper Bag and Sack Mfg nec

233900 Other Paper Product Mfg

254100 Explosive Mfg

254200 Paint Mfg

254300 Medicinal and Pharmaceutical Product Mfg

254400 Pesticide Manufacturing

254500 Soap and Other Detergent Mfg

254600 Cosmetic and Toiletry Preparation Mfg

254700 Ink Manufacturing

254900 Other Chemical Product Mfg nec

261000 Glass and Glass Product Mfg

263220 Plaster Product Mfg

263300 Concrete Slurry Mfg

263400	Concrete Pipe and Box Culvert Mfg	041200	Prawn Fishing
263510	Terrazzo Mfg	041300	Finfish Trawling
263520	Concrete Product Mfg nec	041400	Squid Jigging
273100	Aluminium Rolling, Drawing, Extruding	041500	Line Fishing
273200	Non-Ferrous Metal Rolling, Drawing, Extruding nec	041900	Marine Fishing nec
273300	Non-Ferrous Metal Casting	141100	Gravel and Sand Quarrying
274100	Structural Steel Fabricating	141900	Construction Material Mining nec
274200	Architectural Aluminium Product Mfg	152000	Other Mining Services
274900	Structural Metal Product Mfg nec	211110	Abattoirs
276100	Hand Tool and General Hardware Mfg	211120	Meat Packing and Freezing
276200	Spring and Wire Product Mfg	211130	Meat Processing
276300	Nut, Bolt, Screw and Rivet Mfg	211140	Animal By-product Processing nec
276400	Metal Coating and Finishing	211210	Poultry Abattoirs
276500	Non-Ferrous Pipe Fitting Mfg	211220	Poultry Meat Processing
276900	Fabricated Metal Product Mfg nec	211300	Bacon, Ham and Smallgoods Mfg
362000	Gas Supply	222120	Furniture Upholstery and Cover Mfg
370100	Water Supply	222130	Non-canvas Textile Blind and Awning Mfg
370200	Sewerage and Drainage Services	222200	Textile Floor Covering Mfg
421010	Demolition	222300	Rope Cordage and Twine Mfg
421020	Site Preparation Services	222900	Other Textile Product Mfg nec
422200	Bricklaying Services	232100	Plywood and Veneer Mfg
422300	Roofing Services	241100	Paper Stationery Mfg
423100	Plumbing Services	241210	Printing
423200	Electrical Services	241310	Printing Trade Services
423300	Air Conditioning & Heating Services	275900	Sheet Metal Product Mfg nec
424110	Cement Rendering & Plastering	281100	Motor Vehicle Mfg
424120	Plasterboard & Decorative Plaster Fixing	281200	Motor Vehicle Body Mfg
424300	Tiling and Carpeting Services	281300	Automotive Electrical and Instrument Mfg
424400	Painting & Decorating Services	281900	Automotive Component Mfg nec
523300	Domestic Hardware and Houseware Retailing	286100	Agricultural Machinery Mfg
650100	Pipeline Transport	286200	Mining and Construction Machinery Mfg
650900	Transport nec	286300	Food Processing Machinery Mfg
662200	Water Transport Terminals	286410	Machine Tool and Part Mfg
662300	Port Operators	286420	Metal Dies, Cutting, Sinking, Mfg and Repair
662920	Services to Water Transport	286500	Lifting and Material Handling Equipment Mfg
861100	Hospitals (Except Psychiatric Hospitals)	286600	Pump and Compressor Mfg
861200	Psychiatric Hospitals	286700	Commercial Space Heating and Cooling Equipment Mfg
952110	Laundry and Dry Cleaning Operations	286900	Industrial Machinery and Equipment Mfg nec
952120	Self-service Laundries and Dry Cleaning Agencies	294100	Jewellery and Silverware Mfg
Schedule 5		294200	Toy and Sporting Good Mfg
041100	Rock Lobster Fishing	294900	Manufacturing nec
		425910	Scaffolding Services

425920	Exterior/Interior Blind and Awning Installations Services	282900	Transport Equipment Mfg nec
425930	Building Exterior Cleaning and Maintenance Services	285100	Household Appliance Mfg
532100	Automotive Fuel Retailing	285200	Electric Cable and Wire Mfg
532200	Automotive Electrical Services	285300	Battery Mfg
532300	Smash Repairing	285400	Electric Light and Sign Mfg
532400	Tyre Retailing	285900	Other Electrical Mfg nec
532900	Automotive Repair and Services nec	412100	Road and Bridge Construction
611010	Road Freight Transport – Bulk Freight	412200	Non-Building Construction nec
611020	Road Freight Transport – Short Distance	422110	Concrete Construction Services
611030	Road Freight Transport – Long Distance	422120	Concrete Paving Services
611040	Furniture Delivery and Removal Service	422400	Structural Steel Erection Services
620000	Rail Transport	425100	Landscaping Services
663000	Services to Air Transport	453100	Timber Wholesaling
843200	Technical and Further Education	453900	Building Supplies Wholesale nec
Schedule 6		523100	Furniture Retailing
212100	Milk and Cream Processing	523200	Floor Covering Retailing
212200	Ice Cream Mfg	523400	Domestic Appliance Retailing
212900	Dairy Product Mfg nec	523500	Recorded Music Retailing
216100	Bread Mfg	963100	Police Services
216200	Cake and Pastry Mfg	963200	Corrective Services
216300	Biscuit Mfg	963300	Fire Brigade and Civil Emergency Services
219000	Tobacco Product Mfg	963400	Waste Disposal Services
224900	Other Clothing Mfg nec	Schedule 7	
226100	Leather Tanning and Fur Dressing	011100	Plant Nurseries
226200	Leather and Tanning Substitute Product Mfg	011200	Cut Flower and Flower Seed Growing
253100	Fertiliser Mfg	011300	Vegetable Growing
253200	Industrial Gas Mfg	011400	Grape Growing
253300	Synthetic Resin Mfg	011500	Apple and Pear Growing
253400	Organic Industrial Chemical Mfg nec	011600	Stone Fruit Growing
253500	Inorganic Industrial Chemical Mfg nec	011700	Kiwi Fruit Growing
256100	Plastic Blow Moulded Product Mfg	011900	Fruit Growing nec
256200	Plastic Extruded Product Mfg	012100	Grain Growing
256300	Plastic Bag and Film Mfg	012200	Combined Grain Growing, Sheep Framing and Beef Cattle Farming
256400	Plastic Product, Rigid Fibre Reinforced, Mfg	012300	Sheep-Beef Cattle Farming
256500	Plastic Foam Product Mfg	012400	Sheep Farming
256600	Plastic Injection Moulded Product Mfg	012510	Beef Cattle Farming
264010	Fibreglass Insulation Products Mfg	012520	Beef Cattle Feedlots
264020	Non-Metallic Mineral Product Mfg nec	014100	Poultry Farming (Meat)
282210	Boatbuilding	014200	Poultry Farming (Eggs)
282220	Boat Repairing	030100	Forestry
282400	Aircraft Mfg	030210	Softwood Plantation Timber Logging
		030220	Hardwood Timber Logging

030300	Services to Forestry	Schedule 8	
231100	Log Sawmilling	013000	Dairy Cattle Farming
231200	Wood Chipping	015100	Pig Farming
231300	Timber Resawing and Dressing	015200	Horse Farming
241220	Newspaper Printing	015300	Deer Farming
241320	Services to Printing and Publishing nec	015900	Other Livestock Farming nec
272100	Alumina Production	016100	Sugar Cane Growing
272200	Aluminium Smelting	016200	Cotton Growing
272300	Copper, Silver, Lead and Zinc Smelting, Refining	016900	Other Crop and Plant Growing nec
272900	Basic Non-Ferrous Metal Mfg	021100	Cotton Ginning
284100	Computer and Business Machine Mfg	021200	Shearing Services
284200	Telecommunications, Broadcasting and Transceiving Equipment Mfg	021300	Aerial Agricultural Services
284900	Other Electronic Equipment Mfg nec	021910	Services to Livestock Farming nec
423400	Telecommunications, Alarm and Security System Installation Services	021920	Services to Crop Farming nec
451100	Wool Wholesaling	021930	Services to Fruit and Vegetable Growing nec
451200	Cereal Grain Wholesaling	021940	Agricultural Land Clearing and Fencing Services
451900	Farm Produce and Supplies Wholesaling nec	021950	Other Services to Agriculture nec
473100	Household Appliance Wholesaling	021960	Pet Boarding and Kennels nec
473200	Furniture Wholesaling	022000	Hunting and Trapping
473300	Floor Covering Wholesaling	042000	Aquaculture
473900	Household Good Wholesaling nec	110100	Coal Mining – Underground
511000	Supermarket and Grocery Stores	110200	Coal Mining – Surface
512100	Fresh Meat, Fish and Poultry Retailing	120000	Oil and Gas Extraction
512200	Fruit and Vegetable Retailing	151100	Petroleum Exploration (Own Account)
512300	Liquor Retailing	151200	Petroleum Exploration Services
512400	Bread and Cake Retailing	151300	Mineral Exploration (Own Account)
512500	Takeaway Food Retailing	151400	Mineral Exploration Services
512600	Milk Vending	213000	Fruit and Vegetable Processing
512900	Specialised Food Retailing nec	214000	Oil and Fat Mfg
525100	Pharmaceutical, Cosmetic and Toiletry Retailing	215100	Flour Mill Product Mfg
525200	Antique and Used Good Retailing	215200	Cereal Food and Baking Mix Mfg
525300	Garden Equipment Retailing	223100	Hosiery Mfg
525400	Flower Retailing	223200	Cardigan and Pullover Mfg
525500	Watch and Jewellery Retailing	223900	Knitting Mill Product Mfg nec
525900	Retailing nec	225000	Footwear Manufacturing
612100	Long Distance Bus Transport	242100	Newspaper Publishing
612200	Short Distance Bus Transport (Including Tramway)	242200	Other Periodical Publishing
842200	Secondary Education	242300	Book and Other Publishing
842300	Combined Primary and Secondary Education	243000	Recorded Media Mfg and Publishing
842400	Special School Education	252000	Petroleum and Coal Product Mfg nec
912100	Radio Services	275100	Metal Container Mfg
912200	Television	283100	Photographic and Optical Good Mfg

283200	Medical and Surgical Equipment Mfg	479400	Book and Magazine Wholesaling
283900	Professional and Scientific Equipment Mfg nec	479500	Paper Product Wholesaling
291100	Prefabricated Metal Building Mfg	479600	Pharmaceutical and Toiletry Wholesaling
291900	Prefabricated Building Manufacturing nec	479910	Wholesaling nec
292100	Wooden Furniture and Upholstered Seat Mfg	479920	Wholesale Trade Agent – No Goods Handling
292200	Sheet Metal Furniture Mfg	521000	Department Stores
292300	Mattress Mfg (Except Rubber)	522100	Clothing Retailing
292900	Furniture Mfg nec	522200	Footwear Retailing
424510	Aluminium Door and Window Installation	522300	Fabric and Other Soft Good Retailing
424520	Glazing Services	524100	Sport and Camping Equipment Retailing
452100	Petroleum Product Wholesaling	524200	Toy and Game Retailing
452200	Metal and Mineral Wholesaling	524300	Newspaper, Book and Stationery Retailing
452300	Chemical Wholesaling	524400	Photographic Equipment Retailing
461100	Farm and Construction Machinery Wholesaling	524500	Marine Equipment Retailing
461200	Professional Equipment Wholesaling	526110	Household Equipment Repair Services (Electrical)
461300	Computer Wholesaling	526120	Household Equipment Repair Services (Electronic)
461400	Business Machine Wholesaling nec	526900	Household Equipment Repair Services nec
461500	Electrical and Electronic Equipment Wholesaling nec	531100	Car Retailing
461900	Machinery and Equipment Wholesaling nec	531200	Motor Cycle Dealing
462100	Car Wholesaling	531300	Trailer and Caravan Dealing
462200	Commercial Vehicle Wholesaling	571000	Accommodation
462300	Motor Vehicle New and Used Part Dealing	572000	Pubs, Taverns and Bars
462400	Motor Vehicle Dismantling	573000	Cafes and Restaurants
471100	Meat Wholesaling	574000	Clubs (Hospitality)
471200	Poultry and Smallgoods Wholesaling	661100	Parking Services
471300	Dairy Produce Wholesaling	661900	Services to Road Transport nec
471400	Fish Wholesaling	664100	Travel Agency Services
471500	Fruit and Vegetable Wholesaling	664210	Freight Forwarding (Road) – Goods Handling
471600	Confectionary and Soft Drink Wholesaling	664220	Freight Forwarding (Road) – No Goods Handling
471700	Liquor Wholesaling	664310	Freight Forwarding (Other than Road) – Goods Handling
471800	Tobacco Product Wholesaling	664320	Freight Forwarding (Other than Road) – No Goods Handling
471900	Grocery Wholesaling nec	664410	Customs Agencies – Goods Handling
472100	Textile Product Wholesaling	664420	Customs Agencies – No Goods Handling
472200	Clothing Wholesaling	664900	Services to Transport nec
472300	Footwear Wholesaling	670100	Grain Storage
473100	Household Appliance Wholesaling	670900	Storage nec
473200	Furniture Wholesaling	711110	Postal Delivery Services
473300	Floor Covering Wholesaling	711120	Postal Agency Services
473900	Household Good Wholesaling nec	144200	Courier Services
479100	Photographic Equipment Wholesaling	712000	Telecommunication Services
479200	Jewellery and Watch Wholesaling	731000	Central Bank
479300	Toy and Sporting Good Wholesaling		

732100	Banks	786100	Employment Placement Services
732200	Building Societies	786300	Secretarial Services
732300	Credit Unions	786411	Investigative Services
732400	Money Market Dealers	786412	Security Services
732900	Deposit Taking Financiers nec	786420	Building Caretaking Services
733000	Other Financiers	786500	Pest Control Services
734000	Financial Asset Investors	786610	Cleaning Services (Non NSW Government Schools Contract)
741100	Life Insurance	786620	Cleaning Services (NSW Government Schools and Sites Contracts)
741200	Superannuation Funds	786700	Contract Packing Services nec
742100	Health Insurance	786900	Business Services nec
742200	General Insurance	811100	Central Government Administration
751100	Financial Asset Broking Services	811200	State Government Administration
751900	Services to Finance and Investment nec	812000	Justice
752000	Services to Insurance	813000	Foreign Government Representation
771110	Residential Strata Schemes	820000	Defence
771120	Residential Property Operators	841000	Preschools and Kindergartens
771210	Commercial Property Strata Schemes	843100	Higher Education
771220	Commercial Property Operators and Real Estate Developers	844010	Driving Schools
772000	Real Estate Agents	844020	Other Education and Training nec
773000	Non-Financial Asset Investors	861300	Nursing Homes
774100	Motor Vehicle Hiring	862100	General Practice Medical Services
774210	Boat and Ferry Hiring	862200	Specialist Medical Services
774220	Other Transport Equipment Leasing nec	862300	Dental Services
774310	Plant and Machinery Hiring and Leasing Without Operator	863100	Pathology Services
774320	Plant and Machinery Hiring and Leasing with Operator	863200	Optometry and Optical Dispensing
774330	Office Equipment Hiring and Leasing	863300	Ambulance Services
781000	Scientific Research	863400	Community Health Centres
782100	Architectural Services	863500	Physiotherapy Services
782200	Surveying Services	863600	Chiropractic Services
782300	Consulting Engineering Services	863900	Other Health Services nec
782910	Laboratory Services nec	864000	Veterinary Services
782920	Technical Services nec	871000	Child Care Services
783100	Data Processing Services	872100	Accommodation for the Aged
783200	Information Storage and Retrieval Services	872200	Residential Care Services nec
783300	Computer Maintenance Services	872910	Home Care Services
783400	Computer Consultancy Services	872920	Non-Residential Care Services nec
785100	Advertising Services	911100	Film and Video Production
785210	Sign Writing	911200	Film and Video Distribution
785220	Commercial Art and Display Services	911300	Motion Picture Exhibition
785300	Market Research Services	921000	Libraries
785400	Business Administration Services	922000	Museums
785500	Business Management Services	923100	Zoological and Botanic Gardens

923900	Recreational Parks and Gardens
924110	Theatre and Orchestra Productions
924120	Other Theatre and Musical Performance
924200	Creative Arts
925100	Sound Recording Studios
925200	Performing Arts Venues
925910	Agency Services to the Arts
925920	Services to the Arts nec
931110	Horse and Dog Racing Operations
931200	Sports Grounds and Facilities nec
931911	Sports and Services to Sport nec
931912	Sports Administration Services
932100	Lotteries
932200	Casinos
932900	Gambling Services nec
933000	Other Recreation Services
951100	Video Hire Outlets
951900	Personal and Household Goods Hiring nec
952130	Carpet Cleaners
952200	Photographic Film Processing
952300	Photographic Studios
952400	Funeral Directors, Crematoria and Cemeteries
952510	Gardening Services
952520	Amenity Tree Services
952600	Hairdressing and Beauty Salons
952910	Adult Personal Services
952920	Personal Services nec
961000	Religious Organisations
962100	Business and Professional Associations
962200	Labour Associations
962900	Interest Group nec

The relevant sections of the determination made by the Board on 19 April 1979 and published in Government Gazette Number 64 of 11 May 1979 are reproduced below:

Determined Classes of Employment

- A Pursuant to Section 6(3) of the Workers' Compensation (Dust Diseases) Act 1942, the Board hereby determines that the classes of employment referred to in paragraph D of this determination are the classes of employment which are of such a nature as to expose the worker to the risk of contracting a dust disease and that two or more of the sub-paragraph of that paragraph may apply to any one industry; such determination to have effect on and from the first day of June, 1979.
- B In paragraph D of this determination: "Asbestos material" or "asbestos product", when mentioned in reference to determined classes of employment, means any material or product, as the case may be, composed of asbestos, or asbestos mixed with any other material or substance.
- C For the purposes of paragraph D of this determination a process shall be deemed to be incidental to a Mfg or other operation if the process is carried on in an enclosed or partly enclosed areas in which that operation is carried on or performed.
- D The classes of employment referred to in paragraph A of this determination are all classes of employment in the following processes (other than processes carried on in or about Broken Hill mines or in or about mines to which the Coal Mines Regulation Act 1912, as amended by subsequent Acts, applies): (12) Handling or processing of asbestos and the manufacture of asbestos products.

Any process in or incidental to:

- (a) The loading, unloading, sorting, storing, handling, testing or analysing of asbestos or asbestos minerals;
- (b) The mixing, blowing, teasing or blending of asbestos minerals or asbestos or any substance containing asbestos;
- (c) The finishing, cutting, drilling, planning, sewing, sawing, grinding or weaving of asbestos, asbestos materials or asbestos products;
- (d) The cleaning of any bags, chambers or appliances for collection of asbestos dust;
- (e) Any lagging, insulating, demolishing or spraying operation in which asbestos or any substance containing asbestos is used, handled or dismantled;
- (f) The use of asbestos covered or asbestos coated welding rods;
- (g) The collection and cleaning of overalls contaminated by asbestos;
- (h) The wearing and use of any product made from woven asbestos.

J Actuarial Certificate

This certificate was finalised and signed on 29 September 2006.

WORKERS COMPENSATION DUST DISEASES BOARD

Actuarial Certificate

Outstanding Claims Liabilities as at 30 June 2006

Finity Consulting Pty Limited has been requested by the Dust Diseases Board ("the Board") and the WorkCover Authority of NSW to estimate the outstanding claims liabilities of the Board under the Workers Compensation (Dust Diseases) Act as at 30 June 2006.

Data

Our valuation of the Board's outstanding claims liabilities at 30 June 2006 relies on data provided to us by the Board. We have not independently verified the data supplied but we have, where possible, made checks for reasonableness and consistency. In our view there were no data deficiencies which would have a material effect on our estimates.

Basis of Our Estimates

Our estimates include allowance both for *known claims*, being claims for which the Board's Medical Authority had made a determination as at 30 June 2006, and for *IBNR claims*, which we have interpreted to mean future claims which will arise as a result of dust exposure that commenced prior to 30 June 2006.

We have made *central estimates* of the outstanding claims liabilities, which means that our assumptions have been selected to yield estimates which are not knowingly above or below the expected ultimate liabilities. Our estimates are *discounted*, ie, they allow for future investment income, and include allowance for future *expenses* incurred in the management of the outstanding claims.

Valuation Results

Our estimate of the DDB's outstanding claims liabilities as at 30 June 2006 is \$1,551 million. This amount is made up as follows:

Outstanding Claims	
	\$m
Known Claims	558
IBNR Claims	993
Total Outstanding Claims	1,551

Our understanding is that the Board has provided \$1,551 million in its financial statements as at 30 June 2006 for the outstanding claims liability.

COMPLIANCE INDEX

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