



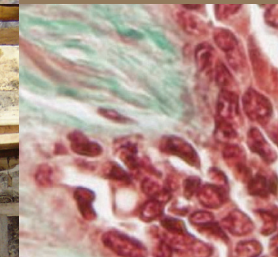
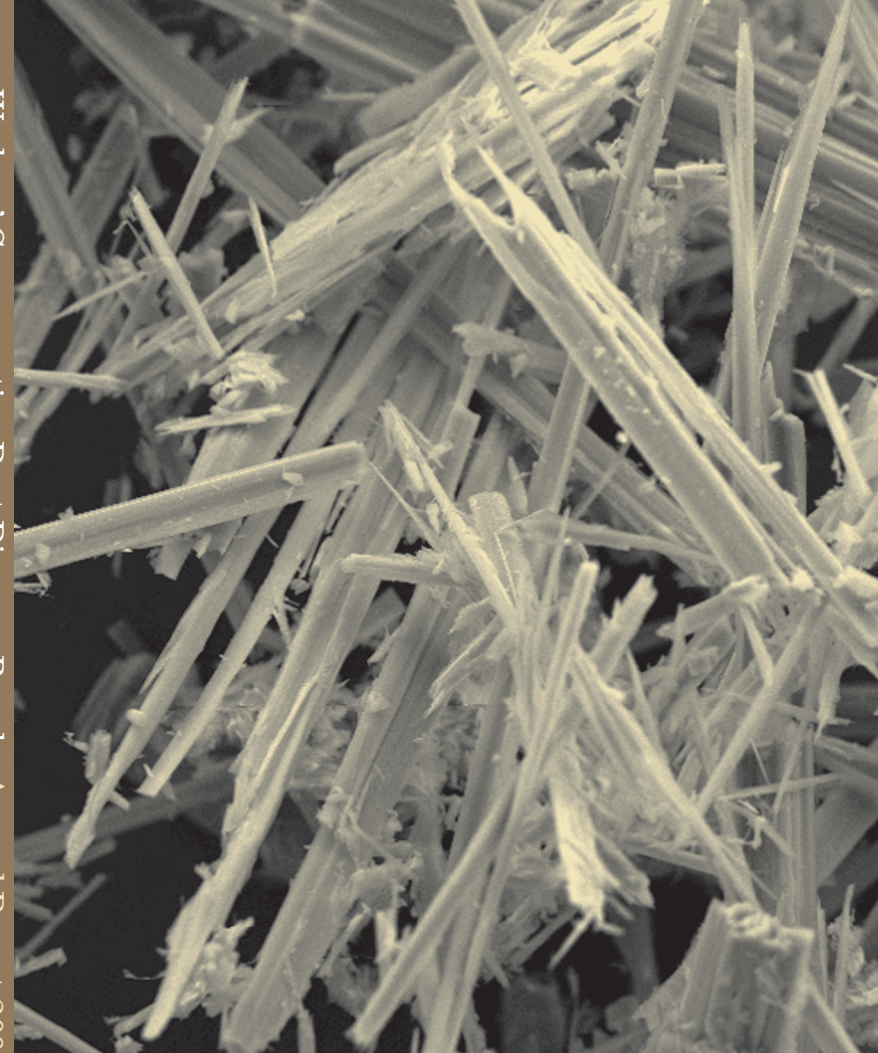
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Annual Report
2008-2009

Workers' Compensation Dust Diseases Board Annual Report 2008-2009



Annual Report
2008-2009

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The Hon. Joseph Tripodi, BEc(Hons) MP
Minister for Finance, Minister for Infrastructure
Minister for Regulatory Reform and
Minister for Ports and Waterways

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Dear Minister,

RE: Workers' Compensation Dust Diseases Board – Annual Report

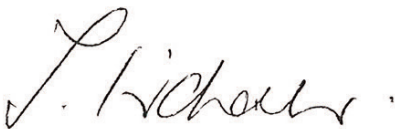
In accordance with the *Annual Reports (Statutory Bodies) Act 1984*, it gives us much pleasure to submit the Workers' Compensation Dust Diseases Board's Annual Report, covering the year ending June 2009 for presentation to Parliament.

The financial statements for 2008-2009, which form part of the Annual Report, have been submitted to and certified by the Auditor-General of New South Wales. The financial statements reveal that the Board's finances are sound.

Yours sincerely



Rob Thomson
Chairperson



Sylvia Kidziak
Board Member

About Us

The Workers' Compensation Dust Diseases Board (the DDB) provides statutory no-fault compensation to NSW workers disabled by dust diseases resulting from exposure to dusts in the workplace. 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*.

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

The DDB is committed to ensuring that clients receive practical assistance and advice that is delivered with empathy and care.

ANNUAL REPORT 2008 - 2009

The DDB has prepared this Annual Report in accordance with the Annual Reports (Statutory Bodies) Act 1984 and the directions of Minister for Finance. It provides details of the Board's objectives, initiatives and achievements for the financial year ended 30 June 2009. 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 2008-2009 Annual Report was \$9,078.00. The Annual Report is also available at our website www.ddb.nsw.gov.au

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Our Role and Functions

The DDB is administered under the Workers' Compensation (Dust Diseases) Act 1942-1967 and has the primary role of administering a no-fault workers compensation scheme for NSW workers disabled by dust diseases resulting from exposure to dusts in the workplace. 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 medical practitioners 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.

THE COMPENSATION PROCESS

To apply for compensation to the Dust Diseases Board a client is required to:

1. Complete an application for medical assessment and an application for compensation,
2. Undertake a medical assessment which includes a breathing test, chest x-ray and a medical examination, and
3. Attend an interview with one of our Industrial History Officers, who will assist the applicant to identify their dust exposure in the workplace.

The Board's Medical Authority reviews an applicant's medical information and assessment and certifies:

- The existence of a dust disease
- The extent of any disability resulting from the dust disease
- Whether the dust disease resulted from exposure to dust in NSW and % exposure

Once the Medical Authority has issued its certificate, the application is considered by the DDB's Board. The Board determines whether the applicant was a worker during any periods of occupational exposure to dust in New South Wales and, if so, the applicant's compensation entitlements.

OUR SERVICES

- Free of charge medical examinations
- Occupational 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**



General Manager's Report

I am pleased to present the DDB's Annual Report for 2008/2009.

The Dust Diseases Board is one of the oldest continually surviving compensation bodies of its type in the world. For just over 80 years, the DDB has been involved in compensating and caring for workers who have been unfortunate enough to contract a dust disease as result of their employment

The Board was originally established in 1927 to provide compensation for a variety of workers such as stonemasons, quarrymen, rock choppers and sewer miners employed in the Sydney area. These workers were particularly vulnerable to silicosis resulting from the high silica content of Sydney's sandstone bedrock.

However, over the years appropriate legislative changes have recognised the changes in the incidence and types of dust diseases to which New South Wales workers have been exposed. Today, the most frequent dust diseases encountered by the Board are those caused by exposure to asbestos.

The history of the DDB in relieving suffering through the provision of compensation is one of which we are rightly proud. Improving our ability to deliver this service, in more timely and effective ways, is a constant objective and was pursued with vigour throughout the year.

This year, the number of new compensation applications granted by the DDB increased from 406 to 480, an 18.2% increase. This brings the total number of compensation beneficiaries currently being assisted by the DDB to 3,590 as at 30 June 2009.

During the year the DDB implemented a revised organisation structure which included the creation of a Client Services Division. The new Division will play a lead role in ensuring our clients receive timely and responsive services. The DDB also undertook significant recruitment action across the agency with a view to reducing our reliance on temporary staff and strengthening our organisational capacity. A staff training and development program was also implemented.

The DDB managed significant funds as part of the compensation system it administered. In line with their responsibility the DDB worked to maintain its strong corporate governance and risk management systems. A new risk assessment of the agency was undertaken in December 2008. As a result a revised Risk Management Plan and Risk Management Policy were adopted by the Board. The Board's Corporate Governance Committee embarked on a review of all DDB corporate and operational policies to ensure that each continue to be relevant to management of the DDB and its staff. The Board's investment committee took an active and ongoing role in monitoring and protecting the DDB's fund during a period of significant global financial upheaval. In 2008/09 the DDB issued a further round of funding grants for research into the prevention, diagnosis and treatment of dust diseases.

The DDB has operated a mobile respiratory screening service since 2000. The "Lung Bus" provides a cost effective service to employers across New South Wales who are required to provide occupational screening to workers. During the year the DDB contracted to build a replacement "Lung Bus". The new mobile vehicle will allow the DDB to continue to provide this valued service to employers and workers.

In 2009/10 the DDB will be adopting a new corporate plan which will focus on improving the quality of information and services provided to clients, further strengthening our organisational capacity and building effective partnerships with other compensation agencies and related stakeholders.

Anita Anderson
General Manager

The Year In Review

STATUTORY NO FAULT COMPENSATION

During the year 808 new applications for compensation were received: This is a slight decrease from the 837 received in the previous financial year.

During the year, 472 new Industrial Histories were completed to support an applicant's claim for workers' compensation benefits.

The Medical Authority considered 3705 cases throughout the financial year. In some cases it was necessary for the Medical Authority to seek additional medical evidence and to review a case on more than one occasion. A total of 3214 certificates were issued including 336 new claims as having a dust disease.

The number of Awards of Compensation approved in the financial year included 288 for workers and 192 for dependants: a total of 480 new awards. This is an increase on the previous financial year where a total of 406 awards were approved by the Board. The Board also approved 25 medical expense awards for workers still engaged in full time employment and approved 6 redemption awards for dependants.

MEDICAL EXAMINATIONS

A total of 2527 applicants and workers were examined as a result of their claim for compensation in the 2008-2009 financial year, 355 fewer cases than had been reviewed in the previous financial year. 319 of these examinations were conducted in regional areas of NSW on the DDB Lung Bus.

In December 2008 the DDB commissioned an independent consultant report about maintaining the quality of the DDB's respiratory testing from Mr Gary Gazibarich BSc(Hons) GradCert HSM, Senior Hospital Scientist, Lung Function Lab, St Vincent's Hospital, Sydney. The report was delivered to the DDB on 30 June 2009.

The report reached a number of conclusions and made some recommendations:

- The results being obtained by the DDB are accurate and reliable
- The DDB should use the NHANE III set of reference values for spirometry to compare individual applicants against normal.
- The DDB should apply for accreditation of its testing laboratories by the Thoracic Society of Australia and New Zealand (TSANZ).
- The DDB should purchase some new items of equipment for calibrating the testing equipment.

The DDB is also responsible for the management and administration of the Bureau of Medical Inspection, Broken Hill who throughout the financial year conducted 416 hearing tests.

OCCUPATIONAL SCREENING SERVICE

In the 2008-2009 financial year the Occupational Screening team conducted 2004 health surveillance medical examinations across NSW. Health Surveillance is not part of the DDB's statutory role as a compensation provider, it is a service to NSW employers to assist them to meet their occupational health and safety obligations to their employees who have been exposed to hazardous substances.

On 16 October 2008 the Board approved a competitive tender process for construction of a respiratory screening vehicle to replace the DDB Lung Bus. Two tenders were received. The tender was awarded to Varley Specialised Vehicles Pty Ltd, Tomago, NSW for \$650,400 including GST. At 30 June 2009 construction had commenced and the new vehicle is on track to be delivered in December 2009.

The new bus will offer improved testing facilities and will act as a one-stop screening service that will travel to worksites across New South Wales. A screening will take approximately 15 minutes and consists of a digital x-ray, lung function test and examination by a doctor. The results are also checked by a radiologist and a specialist respiratory physician.

RESEARCH & EDUCATION

In 2008, the DDB strategically realigned the work of its Research and Education Unit. While the DDB's Research and Education Unit will continue to play an important role in research and education, the DDB's Board determined that scientific research activities would no longer be undertaken on Board premises. All future research projects funded by the Board will be managed externally through its Research Grants funding program.

All research projects undertaken in the Unit were concluded and new staffing arrangements were put in place to support the new role of the Unit.

Additional information about the current focus of the DDB Research and Education Unit can be found at page 30 of this Annual Report.

FUNDS MANAGEMENT

The financial difficulties that have affected the world's financial markets since November 2007 impacted on the returns of the Board's investments. The Investment Committee, and its Investment Consultant, met on a regular basis during the year to closely monitor the DDB's asset allocation and to review the performance of fund managers with a view to maximising investment returns during this difficult period.

As at 30 June 2009 total funds invested are \$578.6 million.

STAKEHOLDER ENGAGEMENT

Throughout the year the DDB liaised with its many stakeholder organisations.

The DDB was proud to be a major sponsor and participant of the National Asbestos Awareness Day ceremony hosted by the Asbestos Diseases Foundation of Australia at the Australian National Maritime Museum, Darling Harbour. National Asbestos Awareness Day aims to raise awareness about the dangers of exposure to asbestos and provide education on the safe handling and exposure of asbestos products.

The theme for 2008 was *Asbestos destroys lives – yesterday, today and tomorrow*.

ORGANISATIONAL CAPABILITIES

The staff of the DDB are dedicated to the provision of an effective and efficient service to our client base.

The DDB is committed to strengthening its organisation capacity by developing the skills and talents of its staff. To this end, a training strategy for all DDB staff was developed and implemented in the 2008-2009 financial year. The training strategy looks at various ways that our staff can improve their performance and service to our clients by helping people work co-operatively together, improved workplace communication and workplace flexibility.

Our Corporate Plan

The 2007-2010 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 in the 2009-2010 financial year 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 diseases**

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 that 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

- 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.
- Review Legislation in respect of juvenile dependant awards.

Medical & Occupational Screening, Assessment & Health Surveillance

- Effective screening & assessment of workers.
- Effective monitoring/ health surveillance of workers and beneficiaries.

Research & Education

- Establish the DDB as the pre-eminent source of research and education into dust diseases in Australia by:
 - ~ 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 and prioritisation of applicants and processing of applications.

Improved Medical Authority and Board satisfaction

Accurate and timely delivery of entitlements and 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 and 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

CORPORATE OBJECTIVES

Funds Management

- Responsible and effective administration of DDB finances.
- Sound trust fund administration.
- Maximise return on investment.
- Effective implementation of S8E recoveries.

Stakeholder Engagement

(What partnerships must we build to achieve our desired outcomes)

- Achieve effective stakeholder relationships through:
 - ~ 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.

Organisational Capability

(How will we develop, skill, train and motivate our staff)

- 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:

Fund remains sustainably funded for known liabilities.

Out performs the investment benchmarks.

Accurate and compliant reporting with statutory and financial accounting requirements.

S8E recovery maximised.



Key Performance Outcomes:

Greater community and industry awareness of DDB roles and responsibilities.

Effective and sustained partnerships with principal stakeholder groups, unions and employers.

Effective and sustained partnerships with medical and allied health professionals.

Improved linkages with relevant medical associations and community groups.



Key Performance Outcomes:

Improved manager and workforce capabilities and performance.

Improved linkages between corporate, business and individual plans.

IM&T Strategy and Framework implemented.

Sustainable operating costs.

Effective resource use.

Improved operational efficiency.

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.

Our Priorities for 2008-2009

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. ■ Continue to improve the standard of all client correspondence. ■ Ensure all awards are processed within 3 weeks of Board meeting. ■ Effective and timely assessment of applications for compensation. ■ Maintain effective Bureau of Medical Inspection operations at Broken Hill to meet community expectations. 	<ul style="list-style-type: none"> ■ Analyse data obtained from customer satisfaction survey with an aim to improving service delivery. ■ Implement a competitive tender process for the construction and purchase of a replacement "Lung Bus" vehicle. ■ Develop on-line radiology capacity . 	<ul style="list-style-type: none"> ■ Undertake 15-20 case comparisons to determine the most effective method of assessing workers' past asbestos exposure. ■ Provide scientific and medical support for the Medical Authority and DDB Board. ■ Provide presentations at Australian scientific conferences.
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. ■ Provide accurate financial and statistical information to Actuarial Consultants. 	<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 an organisational wide education and training project to improve staff policy knowledge and skills. ■ Ensure all policies are available on the intranet for staff to access. ■ Continue to implement our IM&T Strategic Plan to improve the governance, management and use of information. ■ Comply with statutory reporting requirements.

DDB Board

The activities of the DDB are governed by its Board. The Board is constituted under the *Workers' Compensation (Dust Diseases) Act, 1942*, which also defines the function of the DDB to include:

- Approval of awards of compensation
- Management of the Board's funds
- Corporate and financial governance
- Determination of corporate and operational policy
- Approval and monitoring of budgets

REPRESENTATION

The Board has 7 members; an independent chairperson; three representatives of employers and three representatives of employees. All Board members are appointed by the Minister for Finance for a period of three years.

The composition of the Board is 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 is the final essential element of the compensation process with sole responsibility for approving awards of compensation. The Board's decision making is supported by a membership with relevant and practical understanding of the processes, methods and materials in the industries where workers have been exposed.

STATEMENT OF CONDUCT

The DDB's Board has endorsed this public statement on how it intends to discharge its responsibilities. The Board members agree to:

- 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 the DDB 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 the DDB; and
 - ~ Are prudent in their management of organisational resources.

Profiles of Members of the Board

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 HonFSIA OFIEAust MICOH MRMIA MNELA MNSA JP



Ms Kidziak is Managing Director of SL Engineering. She held the position of Principal Consultant, Occupational Health, Safety and Environment Policy at Australian Business Ltd for 26 years and is a member of the OHS and Workers Compensation Policy Committee. Ms Kidziak is Chair of the ARPANSA Radiation Health and Safety Advisory Council, Commissioner on the Australian Safety and Compensation Council and Member of the NSW Workers Compensation and Workplace Occupational Health and Safety Advisory Council. She was Chair of the Occupational Health, Safety and Rehabilitation Council of NSW for 8 years, Board Member of the NSW Cancer Council for 9 years and Chair or member of various other Councils and Committees at the state and federal level concerned with occupational health and safety, workers compensation, radiation protection and nuclear safety.

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 and Board Member of the Asbestos Diseases Research Foundation.

Ms Kidziak has received several awards for her work which has included extensive advice on policy and technical issues relating to workplace health and 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 Australian federation of Employers & Industries. 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, Audit and Investment Committees. Mr Eichhorn also represents the Dust Diseases Board on the Asbestos Diseases Research Foundation.



RAY PETTY FCPA FCIS AAIM CPIM JP



Mr Petty represents the Australian Industry Group and is Group General Manager – Toyo Tyre & Rubber Australia Limited. Prior to 2005 he was a Business Development Consultant to Industry in Manufacturing having worked in Manufacturing Industry for 37 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 ten 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 Member on the Dust Diseases Board for 10 years and is a member of the Boards Corporate Governance Committee and Audit Committee, which he is Chairperson.

NICK ALLEN

Mr Nick Allen is the former Assistant Secretary of The Australian Workers' Union, Greater NSW Branch, and was a Trade Union Official for over 20 years. He holds an Associate Diploma in Industrial Law and represented members' interests in the metal, steel, aluminium, petro-chemical and aircraft industries. Mr Allen was the President of the Metal Trades Federation of Unions and was a member of the Manufacturing Engineering and Related Services Industry Training Advisory Board, NSW Manufacturing Council and Workers' Compensation and Workplace Occupational Health and Safety Council of NSW. Mr Allen is currently assigned with the recruitment and job placement sector.

**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 union, its officials and members of CFMEU in many matters including workers compensation and industrial issues. Ms Mallia also represents the CFMEU on the Construction Industry Reference Group and the Vocational Training Appeal Panel. Ms Mallia also represents the Dust Diseases Board on the Asbestos Diseases Research Foundation.

DAVE HENRY

Mr Henry is the Occupational Health and Safety Officer for the NSW Branch of the Australian Manufacturing Workers Union (AMWU). He has been in this role since early 2003. This position entails him representing workers in relation to both OH&S and workers' compensation matters. He is responsible for developing and implementing AMWU policy and representing the union at all levels of industry and government within his role. Prior to this he was an industrial organiser with the union from early 2001.

He is the current Chairperson of the Industrial Health and Research Foundation (t/a Workers Health Centre) and a Director & Deputy Chair of the Asbestos Diseases Research Foundation based at the Burnie Banton Centre Concord.



Mr Henry is a member of the NSW Workers' Compensation and Occupational Health & Safety Advisory Council. Since 2003, Mr Henry has sat on a number of Australian Standards committees and is at the forefront in developing health and safety policy and standards throughout industry both in this forum and others. 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)	8
A. Anderson (Alt Chairperson)	3

Employer Representatives

S.W.S Kidziak (Member)	10
B. Eichhorn (Member)	11
R. Petty (Member)	9
A. Garner (Alt. Member)	1
A. Thomas (Alt. Member)	1

Employee Representatives

N. Allen (Member)	11
R. Mallia (Member)	9
D. Henry (Member)	9
S. Robinson (Alt. Member)	3
A. Sawtschuk (Alt. Member)	1
D. Belan (Alt. Member)	0

Board Committees

The Board has four committees whose roles and functions are detailed below.

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

CORPORATE GOVERNANCE COMMITTEE

The committee is empowered to oversee the DDB's compliance with its governance responsibilities including an annual evaluation of the Board and its committees.

Throughout the year the committee undertook the following activities:

- Continued a systematic review of the Board's corporate and internal policies
- Discussed and made recommendations regarding policies and procedures in place for the approval of alternative therapies as a medical treatment
- Recommended a joint meeting of the Members of the Board of the Dust Diseases Board and Medical Authority to discuss procedures and compensation issues. This meeting was held in March 2009.
- Recommended discussions with WorkCover NSW leading to the development of a new IT management system to adequately support DDB operations.
- Discussed and made recommendations on job functions of staffing leading to an internal restructure.
- Recommended the implementation of a staff training strategy.
- Discussed the provision of legal services to the DDB.
- Sought advice from the DDB's General Manager on a range of internal procedures including fraud prevention, occupational health & safety, accrued annual leave and the services provided by the Lung Bus.
- Met with senior DDB staff to discuss the 2009-2010 Corporate Plan and Annual Budget.

- Monitored the realignment of the functions of the Research and Education Unit including the decision to no longer undertake internal scientific research activities.

The Corporate Governance Committee is comprised of Sylvia Kidziak AM (Chairperson), Ray Petty, Dave Henry and Nick Allen. The committee met on 4 occasions during the financial year and held working parties to address specific issues.

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.

Throughout the year the Committee undertook the following activities:

- Commissioned a review of all projects conducted internally at the DDB's Research & Education Unit.
- Made recommendations to strategically realign the functions of the Research and Education Unit including the decision to no longer conduct scientific research activities internally.
- Monitored the restructure and re-alignment of the Research and Education Unit to support DDB Business Requirements.
- Revised and implemented standard templates for the Research Grant Application form, the Research Funding Agreement, and the Application Guidelines.
- Recommended priority research areas and research strategy to the Board.
- Conducted a call for applications for DDB Research Grants and recommended funding for five new research projects.
- Implemented a peer evaluation report template to be completed when conducting scientific peer review of grant applications.
- Re-negotiated a Memorandum of Understanding with a scientific review organisation.
- Placed the DDB's Research Grant Scheme on the Australian Competitive Grants Register
- Recommended a new call for Research Grant applications for grants commencing 2010.

The Committee is comprised of Sylvia Kidziak AM (Chairperson), Brian Eichhorn, Dave Henry and Rita Mallia and met on four occasions during the financial year and held working parties to address various issues.

INVESTMENT COMMITTEE

The Investment Committee meets 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 Board for further consideration and implementation.

Throughout the year the Committee considered the following matters:

- Regularly reviewed fund manager's performance and trust fund returns
- Reviewed and amended the Board's Investment Policy
- Received presentations from Mercer Consulting, Perennial Investment Management, Legg Mason, PIMCO Australia Pty Limited, ING Investment Management and BT Investment Management.
- Closely monitored the Board's investments in the current volatile market.
- Appointed Nick Allen as the Committee's Chairperson and Alan Garner as Committee member.

The Committee is comprised of Nick Allen (Chairperson), Brian Eichhorn and Alan Garner.

The Investment Committee met on five occasions over the financial year.

AUDIT COMMITTEE

The Audit Committee meets quarterly each year and oversees the DDB's compliance with its statutory financial and other responsibilities. It also reviews internal and external audits and monitors implementation of recommendations.

Throughout the year the Committee considered the following matters:

- The NSW Audit Office Statutory Audit Report for year ending 30 June 2008
- The NSW Audit Office Client Service Report for year ending 30 June 2008
- The NSW Audit Office Client Service Plan for year ending 30 June 2009
- Ensure compliance with NSW Government policy and procedures
- NSW Treasury approved on-line banking facilities
- DDB Results and Services Plan 2008-2009
- DDB Audit Program
- DDB Budget and financial reports.
- The NSW Audit Office Management Letter for Year Ending 30 June 2007 (received under cover of letter dated 17 July 2008).

The Committee comprised Ray Petty (Chairperson), Sylvia Kidziak, Brian Eichhorn and Rita Mallia. The Audit Committee met on four occasions over the financial year.

Medical Authority

The Medical Authority sits as an expert medical panel and issues certificates for the purpose of a claim for compensation.

A certificate from the Medical Authority is one of the two essential elements required for the granting of an award of compensation for a dust disease. While the Board 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 and if the dust disease is reasonably attributable to exposure to dust where relevant.

The members of the Medical Authority were each re-appointed for a further three-year term commencing 1 January 2008 and ending December 2011. 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.

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

A total of 42 meetings were held during the year. Attendance is indicated below:

Chairpersons	Meetings attended
Professor D. Bryant (Chairperson) MBBS (Syd), MRACP, FRACP	19
Dr P. Corte (Alt. Chairperson) MBChb, FCP (SA)	12
Dr I.T. Gardiner (Member) MBBS (NSW), FRACP	11
Employer Representatives	
Dr G Kauffman (Member) M.B.B.S (Hons) BSc(MED) (Hons) FRACP	14
Dr J.S. Mann (Alt Member) MBBS (Syd), MD (Syd), FRACP	15
Dr E. Clark (Alt. Member) MBBS, MRCP (Lond)	12
Employee Representatives	
Dr C Clarke (Member) MB, PhD (Lond), LLM, FRACP	22
Dr G Hart (Alt. Member) MBBS, MRCP (Lond), FRACP	9
Dr M. Burns (Alt. Member) PHD, FRCP, FRACP	11

On 31 July 2008 the DDB held a medical conference for all Members of the Medical Authority and its respiratory physicians. Some of the topics discussed included:

- The latency period following exposure to asbestos
- The assessment of disability according to the American Medical Association Guides to the Evaluation of Permanent Impairment (6th Edition)
- The medical criteria for certifying asbestosis and asbestos related pleural disease (ARPD)

Because the nine members of the Medical Authority meet as panel of three, the conference provided an opportunity to meet as a group to discuss the unique issues of assessing disablement due to dust disease.

ACTIVITIES

The Medical Authority reviews the results of all medical examinations relating to an application for compensation and issues a certificate certifying if the applicant is suffering from a dust disease and, if so, the level of disability and the level of exposure in New South Wales. The Medical Authority regularly reviews the level of disability of workers already in receipt of workers' compensation benefits to determine if a beneficiary's level of disability has changed.

The Medical Authority also reviews the cause of death in relation to claimants and certifies if the death was due to a dust disease.

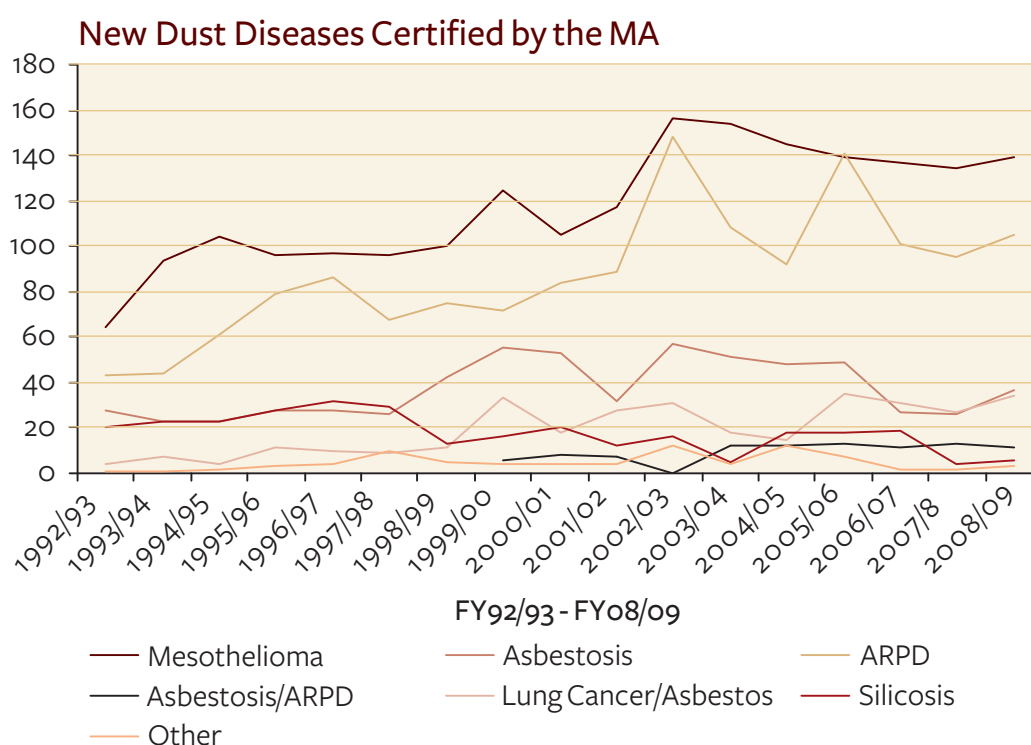
The DDB offers regular reviews of all applicants considered to be at risk from exposure to dust whether or not they have developed a dust disease.

The Medical Authority considered a total of 3705 matters during the year that included:

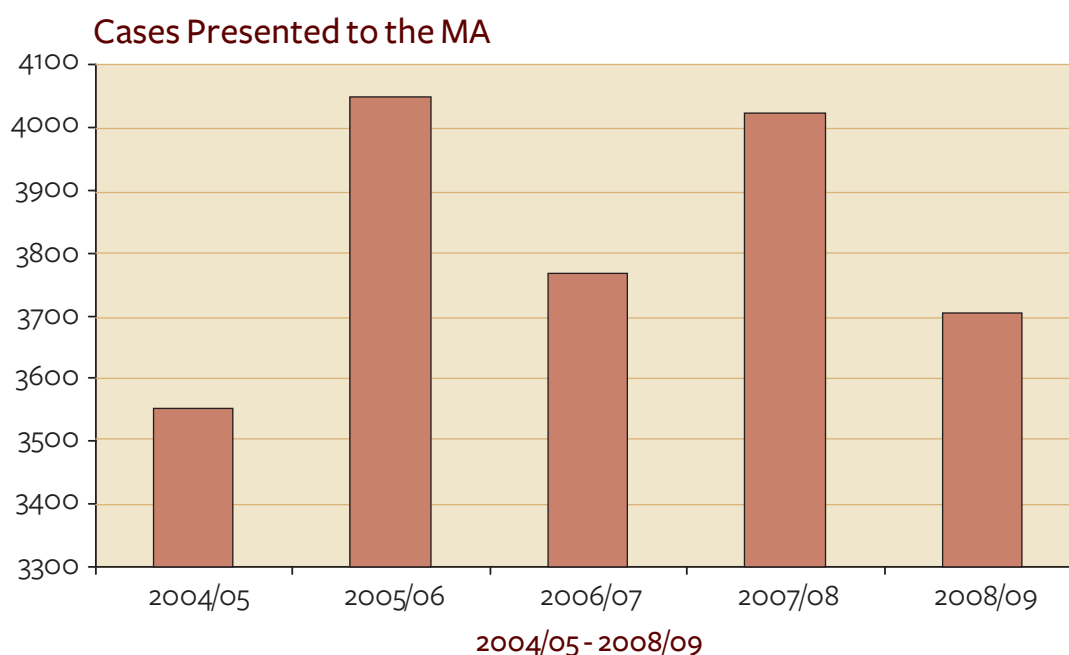
- 336 new cases of a dust disease
- 715 reviews of cases who have previously been certified with a dust disease
- 1808 cases of no dust disease and/or dust exposure not reasonably attributable to exposure under the *Workers' Compensation Dust Diseases Act 1942*
- 223 deaths certified as being due to a dust disease
- 487 cases deferred to obtain more information.

Details of certificates issued are provided in the following graphs and charts.

GRAPH ONE: NEW DUST DISEASES CASES

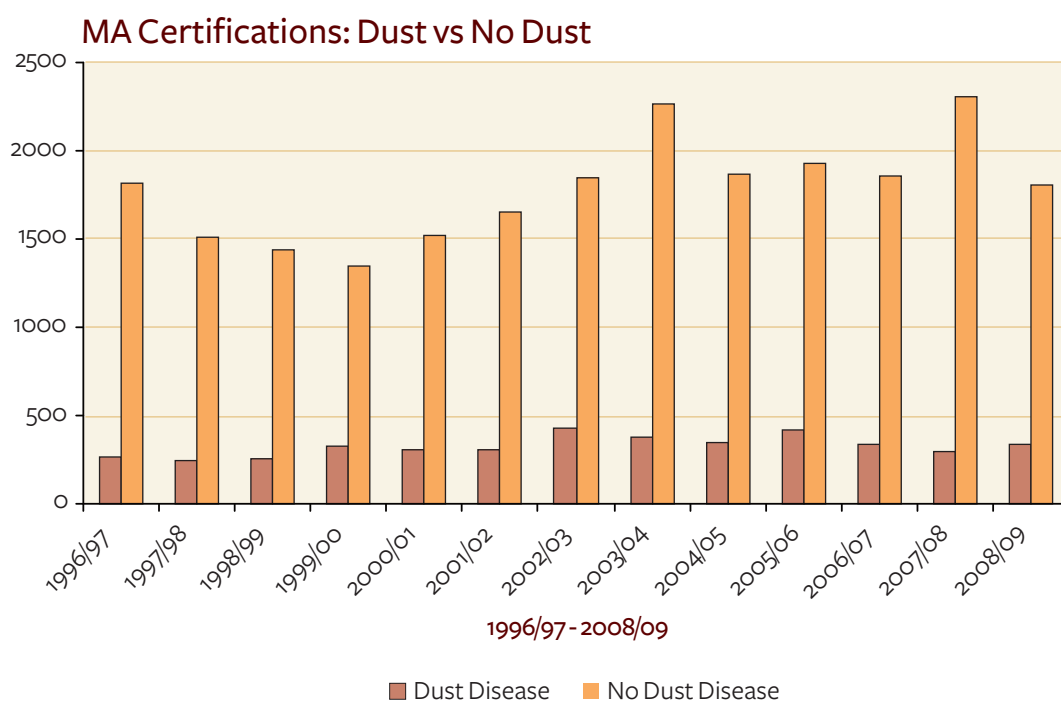


GRAPH TWO: CASES PRESENTED TO THE MEDICAL AUTHORITY

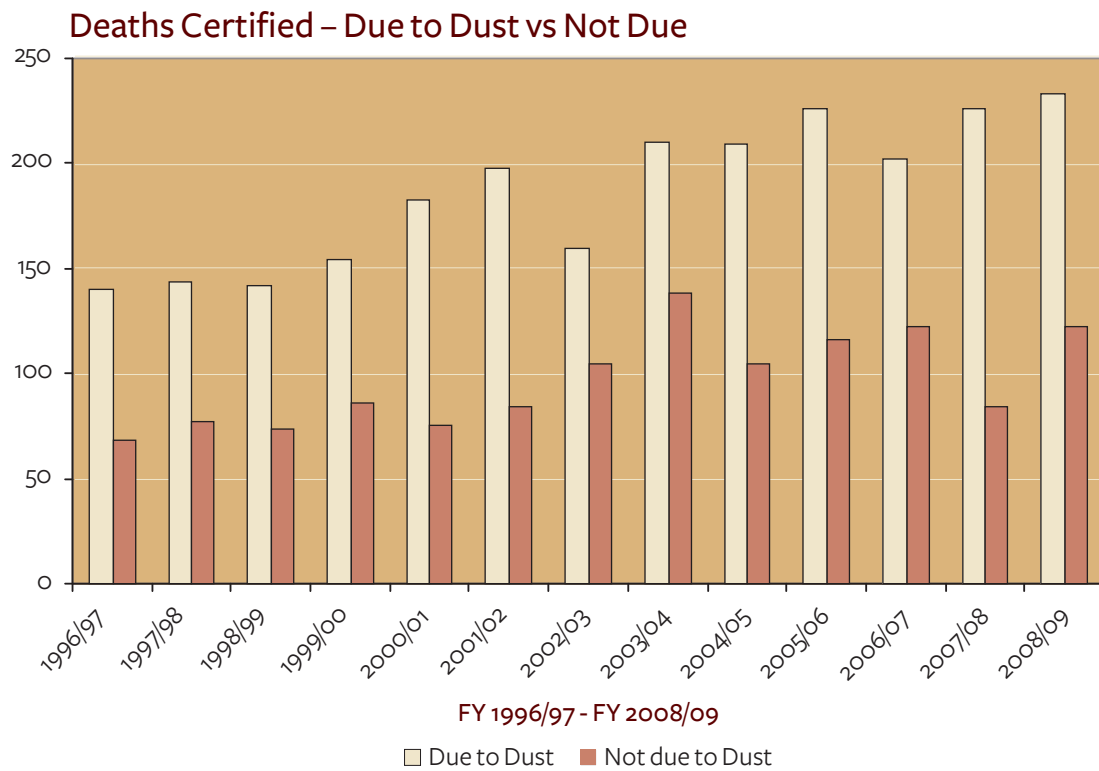


GRAPH THREE: DUST DISEASES VS NO DUST DISEASE

The Medical Authority issued 336 certificates for new dust diseases over the 2008-2009 financial year. The Medical Authority also reviewed 1808 cases of no dust disease/and or dust under the *Workers' Compensation (Dust Diseases) Act 1942*.



GRAPH FOUR: DEATHS CERTIFIED BY THE MEDICAL AUTHORITY



Management

PROFILES OF SENIOR EXECUTIVE MANAGEMENT TEAM

Ms Anita Anderson

General Manager and Alternate Chairperson of the Board

Anita Anderson was appointed to the position of General Manager commencing 7 April 2008.

Ms Anderson has held senior management position in the NSW public sector covering administration, strategic planning and policy. She was previously the Director, Local Courts in the NSW Attorney General's Department and Director, Strategic Planning and Policy with Legal Aid NSW. Ms Anderson was responsible for establishing the first Drug Court in Australia and has worked on a number of significant legislative projects including the establishment of a new fine enforcement system for New South Wales.

Ms Anderson holds a Diploma of Government (Policy Development).

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), and is a registered psychologist in NSW. Dr Yates commenced duties at the DDB in June 2006. He has management responsibility for Compensation Screening Services, Occupational Screening & the Lung Bus, the Medical Authority Support Team, the Research and Education Unit and the BMI office in Broken Hill. Dr Yates has prior employment experience in health administration in the public, private and community sectors as well as academia.

Mr Chris Bradshaw

Director, Finance and Compensation Services

Mr Bradshaw has been Director, Finance and Compensation Services since October 2008. Mr Bradshaw completed his degree in Accounting from the University of Western Sydney and has been a Certified Practicing Accountant since 2000. Mr Bradshaw has 20 years prior experience in a wide variety of industry sectors including private, public and not for profit. In the last 12 years Mr Bradshaw has held positions at the middle and senior management level responsible for both financial and management accounting functions. At the DDB Mr Bradshaw is responsible for managing finance, treasury, investments and audit functions. Mr Bradshaw also manages the DDB's compensation services, information management and technology, facilities management, fleet management, procurement and payment of accounts.

Ms Michele Daley

Director, Client Services

Michele Daley holds a Bachelor of Arts in Social Science and a Masters in Training and Development. Ms Daley commenced at the DDB in January 2009. She has extensive management experience in both the public and private sector. As Director of Client Services she is part of the Executive team and is responsible for the management of Industrial History Services Section, Health Care Services and the Call Centre.

Our Services

The DDB provides a range of service to workers who have been exposed to dust in the workplace. These service include:

- Free medical examinations to workers exposed to dust in the workplace
- Occupational screening services for employers including our mobile screening vehicle “the Lung Bus”
- Payment of compensation benefits
- Payment of medical and related treatment expenses for beneficiaries
- Information and education
- Free hearing tests at our Bureau of Medical Inspection, Broken Hill
- Provision of grants for research into the diagnosis, treatment and prevention of dust diseases
- Grants for organisations providing assistance to victims of dust disease or their families

The DDB’s services are able to be accessed at its website www.ddb.nsw.gov.au

GUARANTEE OF SERVICE

The DDB is committed to ensuring those 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

CLIENT FOCUS

Client feedback received by the DDB was consistently positive. Many clients commented on 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. Upon receiving an award of compensation beneficiaries receive information about ongoing personal assistance provided by our Health Care Services staff and contracted nursing staff for their medical treatment expenses. Compensation Services endeavours to provide compensation benefits in a timely and efficient manner to beneficiaries and their dependants.

INDUSTRIAL HISTORY SERVICES

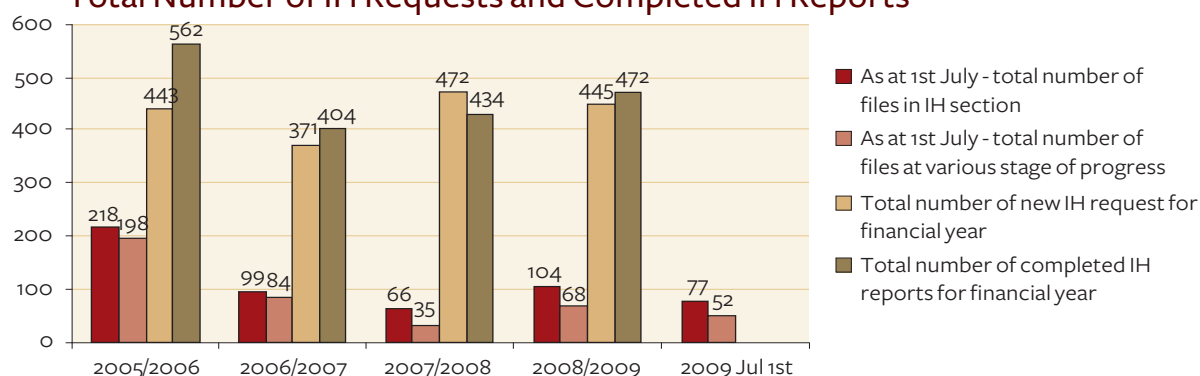
The Industrial History Services Section is generally the first point of contact for an applicant who is believed to have a dust disease and wishes to make a claim to receive workers’ compensation benefits under the *Workers’ Compensation (Dust Diseases) Act 1942*.

The Industrial History Officers (IHO's) usually visit applicants in their homes to conduct an interview, from which they will compile an industrial history report of all of the applicant's employments and exposures to dust in the workplace, including interstate and overseas employments. In some circumstances it may be necessary for the IHO to conduct interviews in hospitals or via a telephone call. When allocating cases, priority is given to those applicants who may be suffering from a malignant disease such as mesothelioma and lung cancer. Priority is also given to non malignant cases where the applicant is suffering serious health issues.

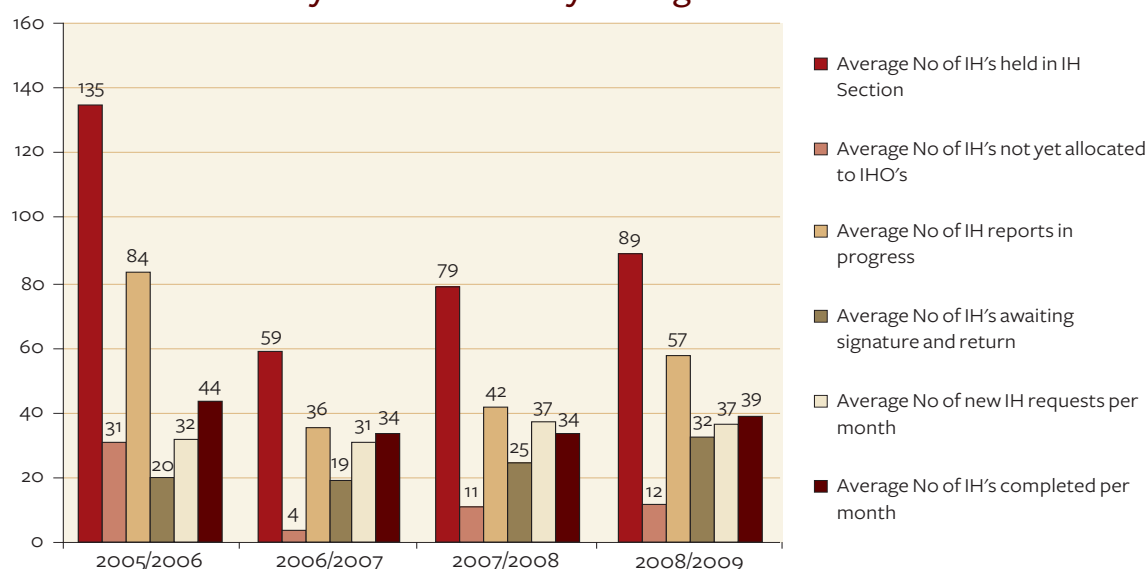
The Workers' Compensation (Dust Diseases) Act 1942 also allows a dependant spouse to lodge a claim for compensation after the worker's death. The IHO's will research the deceased workers employment history and compile an IH report to provide our Medical Authority Doctors and our Board members with the best possible indication of a deceased workers employment and dust exposure conditions from available information. The compilation of such IH reports does necessarily take considerably more time to complete as the IHO's have to obtain and verify details of work conditions and dust exposures from a wide variety of secondary sources.

The IHO's prepare a comprehensive IH report on all of the applicant's employments, including detail as to the location, nature & conditions of each employment, the work practices, any areas or processes where dust was encountered and the frequency and duration of those exposures. The dust exposure details in these IH reports, aids our Medical Authority Doctors in their assessment and proper diagnosis of a dust disease. The location and the nature & conditions details of each employment in the IH reports, enable the Board to determine which employments are those where an applicant is considered a Worker under the Act. It follows that this enables the Board to determine whether an applicant is eligible for compensation or if they are only partially entitled to compensation under the Act.

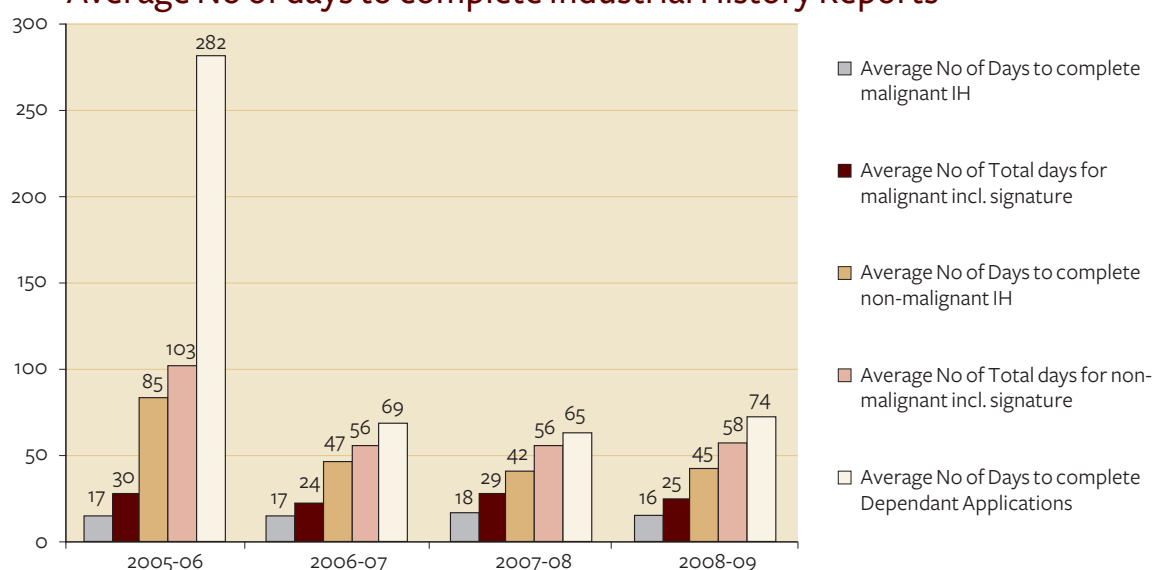
Total Number of IH Requests and Completed IH Reports



Industrial History Status ~ monthly averages



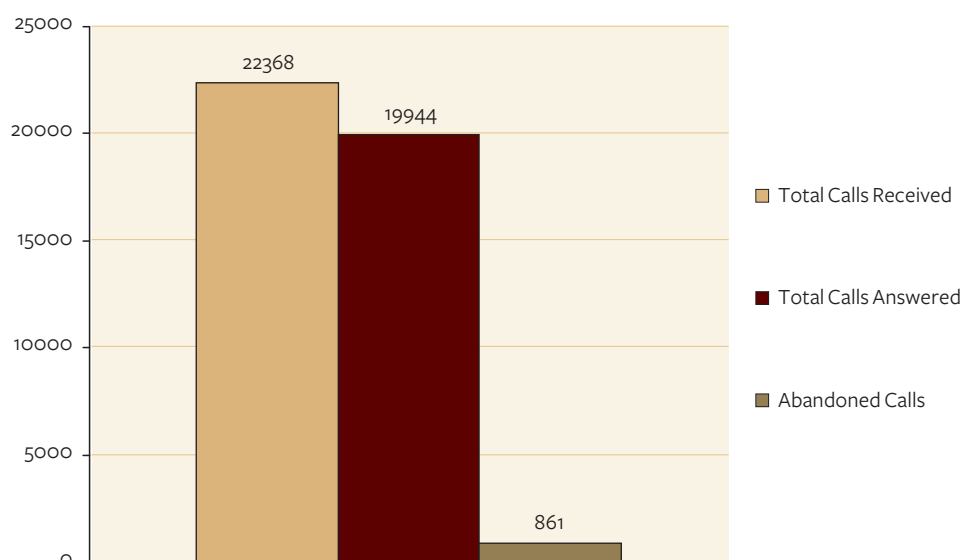
Average No of days to complete Industrial History Reports



CALL CENTRE

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

During the year, the DDB implemented a new telephone system across the DDB. Statistical information from the pre-existing and new systems has been amalgamated to provide an overall view of the telephone calls handled by the DDB. However, due to differences in the systems, the DDB is only able to provide estimated numbers for this year.



The Call Centre received an average of 22,368 inbound calls in the 2008-2009 financial year. This figure is less than reported in the previous financial year and can be attributed to the implementation of direct phone lines for all DDB staff.

The average waiting time for a call to be answered is 39 seconds which is consistent with last year's reported average waiting time of 43 seconds. The maximum waiting time for a call to be answered was 12:39 minutes.

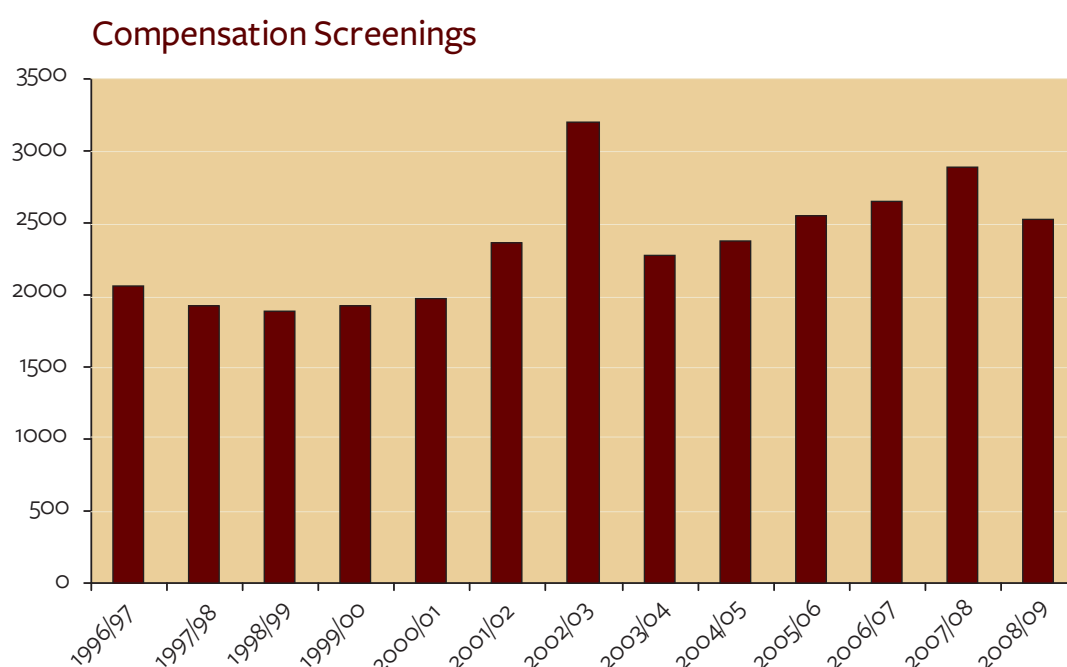
There was on average 861 instances where calls were abandoned prior to a Call Centre Officer answering the call. Abandoned calls occurred on average after 1:43 minutes spent on the incoming line queue. The maximum time spent on the queue before abandoning a call was 18:05 minutes.

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 medical practitioner in their local area or on the DDB's Lung Bus. In situations where an applicant is unable to leave their home due to illness the DDB's consultant Respiratory Physician will conduct an examination in the applicant's home.

Private physicians also regularly refer patients to the DDB following examination and diagnosis of a dust disease. The DDB assists the patient to make an application for compensation and obtains all medical, clinical and radiological evidence from the patient and/or his or her physicians for consideration by the Medical Authority.

A total of 2527 applicants were examined as a result of their claim for compensation in the 2008-2009 financial years. This is a decrease from the previous financial year when 2882 applicants were examined. A comparison of the number of compensation screenings and medical examinations undertaken from 1998 to 2009 appears in the graph below:



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 416 workers were also assessed for pre-employment audio tests, an increase on last years figure of 405.

HEALTH CARE SERVICES

The Dust Diseases Board compensates workers for the cost of treatments and services that are reasonably necessary as a result of their dust disease. This includes expenses such as: hospital fees, doctors' fees, home nursing, medical tests, oxygen, pharmaceuticals, specialised equipment, allied health professional fees, domestic assistance, travel to and from treatment and home modifications.

The Health Care Services Team provides and manages a range of treatment related services for clients with dust diseases. The Health Care Services Team provides services for approximately 300 clients after a written recommendation is received from a medical practitioner confirming that the service is reasonably necessary. In the 2008/2009 financial year the Health Care Services Team processed 10,565 invoices and provided over \$6.4 million of services for clients.

OCCUPATIONAL SCREENING SERVICE

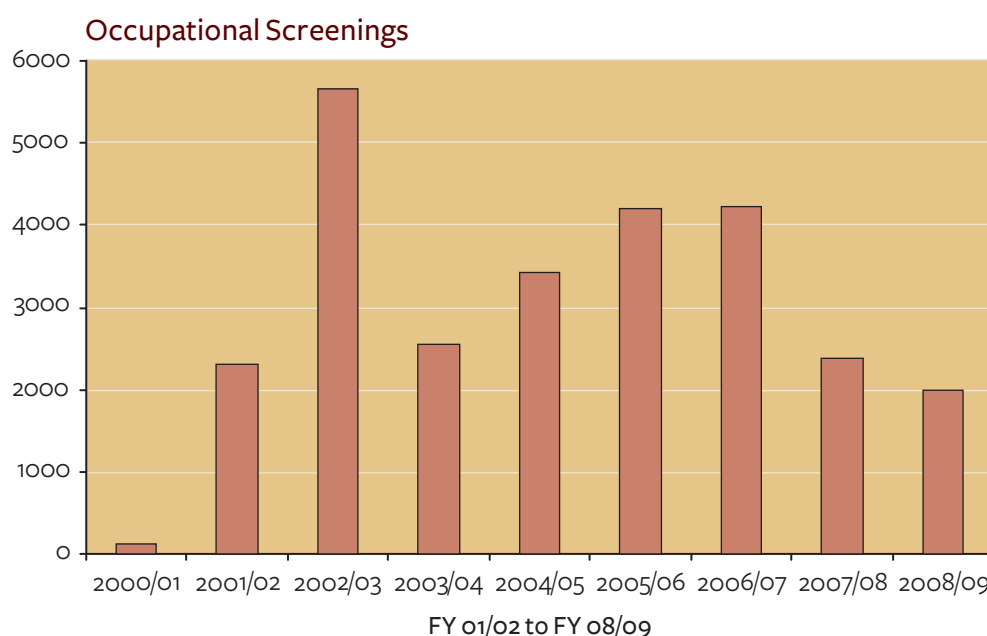
The DDB operates a mobile screening service for industry using the Lung Bus. The Lung Bus is a fully equipped, purpose built respiratory clinic based on a coach chassis that is capable of screening up to 7 workers per hour. The Lung Bus enables the DDB to provide an outreach program “on-site” through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

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 the industry or retires, the retained records will then be able to be utilised by the DDB in accordance with compensation procedures.

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 shows evidence of a dust disease he/she is offered the opportunity to apply for compensation screening.

The DDB provides this service at a subsidised rate for New South Wales employers.

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



Research Grants 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 for research to identify occupational exposures with the potential to cause occupational lung diseases.
- To provide funding for research into 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.

The DDB advertised a new round of research funding in the 2008-2009 financial year. Applicants were asked to submit research proposals in any of the following six priority areas:

- Innovative approaches to preventing occupational lung diseases
- Developing/evaluating improved treatments for dust diseases
- Developing/evaluating new treatments and services to improve quality of life for workers suffering from dust diseases
- Improved techniques for screening and diagnosis of dust diseases for assessing disability
- Evaluating existing treatments and services for dust diseases
- Epidemiology of dust diseases including data-mining of DDB data sets

The Research Grants Committee considered a total of 20 research proposals before recommending to the Board to award research funding to the following five successful applicants:

- Associate Professor Raylene Bowman, Prince Charles Hospital Brisbane Qld, was awarded \$260,000 over a two year period for her research proposal “Fast Track testing of existing drugs for malignant mesothelioma chemoprevention”
- Dr Manfred Beilharz, University of Western Australia, was awarded \$244, 941 over a two year period for his research proposal “The development and evaluation of an improved combined immunotherapy for mesothelioma”
- Dr Delia Nelson, The School of Biomedical Sciences, Curtin University of Technology, was awarded \$353,648 over a three year period for her research proposal “Modifying the mesothelioma tumour microenvironment: preparing for immune attack”
- Professor Bill Musk, Department of Respiratory Medicine, Sir Charles Gairdner Hospital, University of Western Australia, was awarded \$187,334 over two years for his research proposal “Effect of N-acetylcysteine supplementation on oxidation status and alveolar inflammation in people exposed to asbestos: a double blind randomised clinical trial”
- Professor Nico Van Zandwijk, Asbestos Diseases Research Institute, Bernie Banton Centre, was awarded \$155,210 over eighteen months for his research proposal “A quantitative analysis of the DDB data set of applicants with a diagnosis of malignant mesothelioma MM from 2006-2007”

The Board also provided on-going funding to two research projects approved in the 2007-2008 financial year:

- Dr Emily Stone, St Vincent’s and Mater Hospital, was awarded \$217, 200 funding over a two period for her research proposal “Mesothelioma and Radical Surgery Trail”
- Jennifer Alison, the University of Sydney, was awarded \$208, 967 funding over a two year period for her research proposal “Effects of Exercise Training on Quality of Life and Exercise Capacity in People with Dust Related Lung Diseases.”

The following five scientific articles supported by DDB research funding were published in journals during the year:

‘Blood-Based Early Detection of Malignant Mesothelioma’ (Correspondence), Park E-K et al, *Journal of Clinical Oncology*, Vol 26, 2008.

‘Exhaled Breath Condensate Biomarkers in Asbestos-related Lung Disorders’, Chow, S. et al, *Respiratory Medicine*, Vol. 103, pp 1091 – 1097, 2009.

‘Asbestos-related Occupational Lung Diseases in NSW, Australia and Potential Exposure of the General Population’ (Review Article), Park E-K. et al, *Industrial Health*, Vol 46, pp. 535 – 540, 2008.

'Soluble Mesothelin-Related Protein in an Asbestos-Exposed Population: The Dust Diseases Board Cohort Study', Park E-K et al, *American Journal of Respiratory Critical Care Medicine*, Vol 178, No 8, pp. 832 – 7, 2008.

'Early Detection of Malignant Pleural Mesothelioma Through Measurement of Soluble Mesothelin-Related Protein and Positron Emission Tomography', O'Lone, E.L et al, *Medical Journal of Australia*, Vol 190, No 3, pp 158 – 159, 2009

DDB RESEARCH AND EDUCATION UNIT

The Research & Education Unit was restructured and realigned at the end of 2008 and is now responsible for:

1. Processing applications for new research grants
2. Monitoring the compliance of external researchers with DDB funding agreements
3. Operating as the clearing house for requests for scientific information in the DDB
4. Managing the collection and storage of DDB data for research purposes
5. Managing the DDB scientific library and journal subscriptions
6. Drafting scientific content for DDB publications
7. Monitoring international dust disease research
8. Researching questions referred by the Medical Authority
9. Organising education sessions and speakers for DDB training for health providers, industry, unions, government, the wider community and DDB in-service training.
10. Arranging/conducting post mortem fibre-counts for the Medical Authority
11. Attending conferences and representing the DDB in scientific gatherings

COMPLAINTS

The DDB believes that all members of the public have the right to expect courtesy, professionalism and promptness in their dealings with the DDB. All members of the public have the right to make a complaint or offer feedback on how the DDB can improve its service standards. To this effect the DDB has developed a comprehensive Complaints Handling Policy and Guidelines for the resolution of complaints.

In the 2008-2009 financial year the DDB received a total of three formal complaints. There was one complaint in health care services and two in the application process. All complaints were resolved to the satisfaction of the complainant and where appropriate, letters of apology were issued.

STAKEHOLDER INVOLVEMENT

During the 2008-2009 financial year the DDB participated in the following stakeholder involvement:

- Sponsorship of:
 - ~ The Australian and New Zealand Society of Occupational Medicine (ANZSOM)
 - ~ National Asbestos Diseases Awareness Week 2007 hosted by the Asbestos Diseases Foundation of Australia (adfa)
- Attended the following conferences:
 - The General Manager provided a presentation on compensation entitlements at the National Asbestos Awareness Day, National Maritime Museum, Sydney, November 2008
 - The General Manager provided a presentation on the Dust Diseases Compensation Scheme in New South Wales at the WorkSafe Tasmania Conference, Hobart, October 2008
 - DDB staff attended the Asbestos Diseases Research Institute Conference on Asbestos related issues, Concord Repatriation Hospital, Sydney. January 2009
 - The General Manager and Director, Medical Services attended the Australia Mesothelioma Register Forum, Melbourne, February 2009.

PUBLICATIONS

- Annual Reports
- DDB Guide to Compensation
- DDB Privacy Leaflet
- Occupational Screening Leaflet
- A Guide to Compensation Occupational Lung Diseases in NSW
- The Lung Bus: Mobile Respiratory Unit
- Funeral Benefits

INFORMATION AND EDUCATION

In 2009-2010 the DDB will be developing a comprehensive information kit for clients who will include information in plain language on the benefits and services available from the DDB and the procedures for accessing those services. The DDB will also be redesigning its internet web page to better reflect the information needs of its clients and the community.

During the 2009-2010 the DDB developed a new information brochure for its clients on Funeral Benefit entitlements.

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 of the role of the DDB
- Information on compensable diseases
- The compensation process
- Benefit structures
- 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
- Annual Reports
- Publications
- Research Information
- Search function

People

ORGANISATIONAL CHANGES

In 2008-2009 the DDB consolidated its staffing position.

Following consultation with staff and Unions a new DDB staffing establishment was settled and approved by the Board in July 2008.

As a result of the review, a Client Services Division was created, to be managed by the new position of Director Client Services.

The new establishment also provided for the creation of a generic Client Service Officer position, Clerk Grade 3/4 to work across all areas of the organisation.

These structural and staffing changes have the advantage of enabling a more streamlined delivery of services.

During the reporting period the DDB also conducted a recruitment drive to permanently fill all vacant positions, thus further consolidating its human resources and capacity to deliver service to clients.

In 2008-2009 the DDB moved to strengthen organisational capacity by implanting a Training Plan. The plan aims to ensure that 90% of staff receive 3 or more days of training per year.

EMPLOYMENT RELATIONS

During the year the General Manager held monthly staff meetings with all DDB staff to bring them up to date on strategies, achievements, events and, to share ideas and thoughts. The General Manager also meets monthly with the Executive Team and Management Team. Directors and Managers hold regular team meetings within their area of operation.

A Joint Consultative Committee was established to consult with staff at the DDB and meets on a monthly basis.

HEALTH AND SAFETY

There were three injury notifications in the period 2008-2009. One of these resulted in a workers compensation claim and provisional liability was accepted. This matter related to a fall on the way to work and is now finalised.

During the reporting year one long term claim was finalised, leaving the DDB with three open claims.

The Occupational Health and Safety Committee has continued its commitment to improving workplace health and safety. The Committee and the DDB's Management Team 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 meets on a monthly basis and is 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, clients and visitors.

The DDB has undertaken the following measures in relation to OH&S during the 2008-2009 financial year:

- Regular workplace inspections to identify, isolate and eliminate hazards and risks
- 12 monthly Fire Evacuation Drills, Warden Training and Fire Equipment inspections
- Purchased "backpack" style first aid kits for the First Aid Officers
- Purchased new first aid kits for each DDB Floor

- Updated Material Safety Data Sheets for each DDB Floor and the Lung Bus
- Reviewed and updated the Occupational Health and Safety Policy and Procedures
- Reviewed and updated the OHS Consultation Statement
- Purchased new Notice Boards for each DDB Floor to display OH&S paperwork and information
- Conducted a risk assessment of the DDB
- Participated in the consultation process regarding the implementation of a Visitors Log and Visitor Passes
- Participated in the consultation process on a number of reviewed policies including the DDB's Safe Driving Policy
- The Chairperson attended the WorkCover OHS Chairperson meetings
- Participated and made recommendations in the consultation process regarding the plans for the new Lung Bus replacement vehicle
- Liaised with the Chief Emergency Warden to review placement of emergency alarms on each floor and made recommendation where appropriate for alarms to be repositioned.
- Recommended that testing of electrical tags be undertaken.
- Purchased mouthguards for inclusion in first aid kits
- Reviewed all workplace incidents.

TRAINING AND DEVELOPMENT

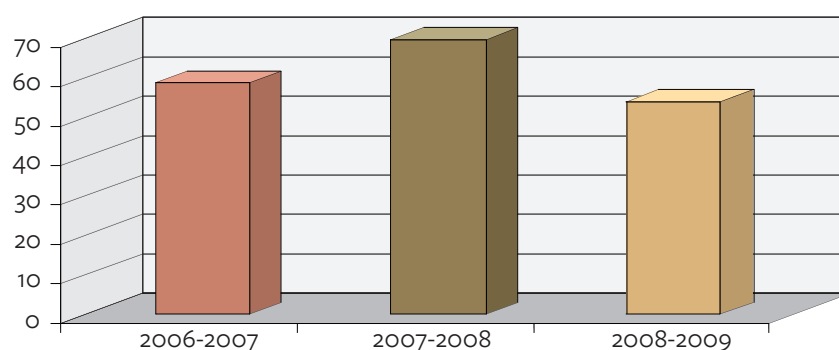
During 2008-2009 staff members attended courses in the following:

- First State Superannuation Sessions
- First State Super 2009 Employer Sessions
- Dignity and Respect Training
- Senior First Aid Certificate Training
- State Archives Authority of NSW – Managing Information in the Digital Age
- Spirometry Principles and Practices – The Alfred Hospital, Melbourne
- Community and Outreach Care – Contemporary Issues – the College of Nursing
- Practical Skills for PSA Delegates
- PC Training and Accessing WorkCover's Intranet
- Dealing with Terminally Ill Clients and Bereaved Families
- NSW Treasury Management Course for Government Authorities and Businesses
- Training for Floor Wardens
- Emergency Evacuation Procedure Training for management and staff
- PSA Delegates Meeting – Changes to Australia's OH&S Laws
- Employee Assistance Service Training – Davidson Trahaire Corpsych
- Payroll Year End Processing Refresher
- Training to update the DDB Intranet and Internet

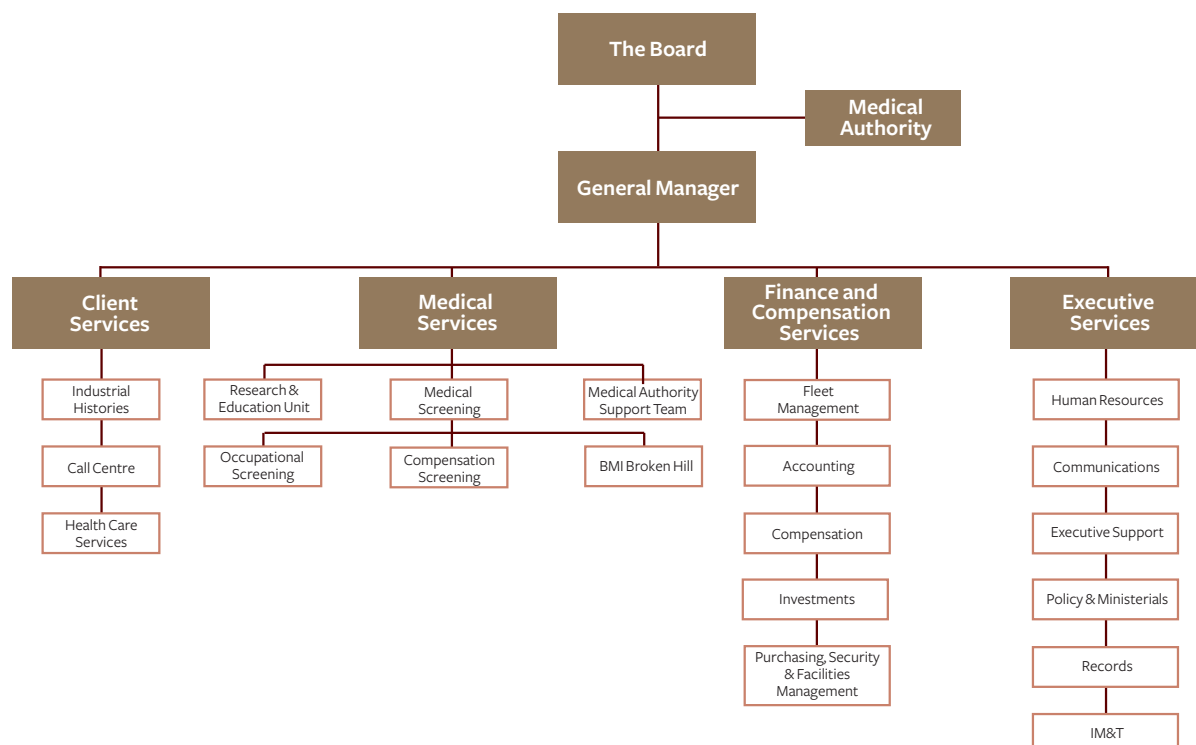
STAFFING

Division	Permanent		Temporary		Contract		TOTAL
	Female	Male	Female	Male	Female	Male	
Executive Services	5	2	0	1	0	0	8
Medical Services	11	2	4	0	1	1	19
Legal & Industrial History Services	8	6	0	0	0	0	14
Finance & Compensation Services	3	7	0	0	0	0	10
Total	27	17	4	1	1	1	51

COMPARISON OF DDB STAFFING IN PREVIOUS YEARS



ORGANISATION CHART



Corporate Governance

The DDB's Board is responsible for the corporate and financial governance of the DDB.

RISK MANAGEMENT

The Board regularly conducts a risk assessment of its activities covering both strategic and operational risks. The current risk assessment was prepared in December 2008. The assessment is used to prepare the DDB's annual internal audit plans. The annual audit plan also includes provision for additional audits should circumstances change during the course of the year. The preparation of the risk assessment is based on a methodology recognising inherent risks and control effectiveness.

The Board's internal auditors are IAB Services. Each audit has a stated objective. All recommendations to improve controls require a management response on what action will be taken and a date by when the action will be completed. The audit function is overseen by the Board's Audit Committee.

INTERNAL AUDITS UNDERTAKEN DURING 2008-2009

The DDB finalised two internal audit during the 2008-2009 financial year:

- Review of Payroll.
- Review and update of risk registers.

INTERNAL AUDITS PLANNED FOR 2009-2010

The DDB is currently undertaking a review of its risk assessment to inform the internal audit plan for 2008-2009.

- Review medical expense and compensation payments processes.
- Review the engagement and management of external third party contractors.
- Review compliance with State Records and FOI legislation.
- Review industrial and employment history management processes, with focus on the effectiveness of verification and monitoring processes.
- Review the status of the current legislative compliance framework.
- Review the effectiveness of the revised levy management process.

BUSINESS CONTINUITY PLAN

The DDB has developed a thorough and comprehensive Business Continuity Plan that details the policy and business procedures that have been implemented to protect the DDB from the effects of a major failure or disaster and to minimise any damage or loss caused by such events. The plan incorporates strategies, personnel requirements, procedures and resources required to respond to any short or long-term business interruption.

The Business Continuity Plan was updated during the year and with continuous monitoring will be undertaken to ensure that any changes to business process and/or technical infrastructure are captured in a timely way and reflected in the Business Continuity Plan.

POLICIES, PROCEDURES AND GUIDELINES

Following is a list of policies, procedures and guidelines available on the DDB intranet:

- Assessment and Approval of Expenses Related to Attendance of a Medical Examination
- Asset Disposal Policy
- Staff Code of Conduct and Acceptable Behaviours

- Complaints Policy and Procedures
- Computer Password Policy
- Board of Directors Statement of Corporate Conduct
- DDB Corporate Plan 2007-2010
- Corporate Uniform Policy
- Delegations Manual
- Employee Use of the Internet
- Expenses Policy
- Flexible Working Hours Policy
- Gifts and Benefits Policy
- Gifts and Benefits Policy – Board Members and Members of the Medical Authority
- Grievance Management Policy
- Induction Policy
- Industrial History Officers Guidelines and Procedures
- Internet and Email Policy and Guidelines
- Creating, Reviewing and Evaluating Positions Policy and Procedures
- Leave Policy
- Mobile Phone Policy
- Motor Vehicle Policy
- Occupational Health and Safety Policy
- Call Centre Procedures
- Overtime Policy
- Privacy Policy and Procedures
- Protected Disclosures Policy and Procedures
- Records Management Policy
- Recruitment and Selection Policy and Procedures
- Study Leave and Study Time Assistance Guidelines
- Travel and Other Related Allowances Policy & Procedures
- Working From Home Policy
- Claims Assessment Committee Protocol

During the year a review of the DDB's schedule of policies was undertaken to ensure that all corporate policies remained relevant to the work of the DDB and complied with current Government policies and directions.

RELEASE OF INFORMATION

In the financial year ended 30 June 2009 the DDB had not received any requests for information under Freedom of Information Act 1989.

The Board received 487 requests for information other than F.O.I. applications, most being requests from solicitors for access to files under the provisions of the Dust Diseases Tribunal Act.

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.

PRIVACY ACT COMPLIANCE

The DDB's 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 2009, 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.

INFORMATION TECHNOLOGY

The DDB and WorkCover NSW worked together throughout the year under the Shared Partnership Agreement for Information Communication and Technology (ICT) to strengthen the DDB's information technology infrastructure and to identify the DDB's future requirements. This partnership yielded a number of benefits including access to a wider range of technology specialists, adoption of a common ICT platform and substantial economies of scale.

Key achievements included the upgrading of telephone systems throughout the organisation and the commencement of work to transfer the management of applications to the WorkCover environment. The transfer of the applications will be completed in 2009/10.

Work also commenced on developing a new 5 year Information Technology Strategic Plan for the DDB which will align key business systems more closely to the DDB's corporate objectives, provide its staff with improved tools to do their work and provide services to our client. The DDB also commenced a process design review to identify future case management needs for the agency.

In 2009/10 the DDB will be working to implement the key strategies contained in its New Strategic Plan.

BUSINESS CONTINUITY PLAN

The DDB has developed a thorough and comprehensive Business Continuity Plan that details the policy and business procedures that have been implemented to protect the DDB from the effects of a major failure or disaster and to minimise any damage or loss caused by such events. The plan incorporates strategies, personnel requirements, procedures and resources required to respond to any short or long-term business interruption.

The Business Continuity Plan was updated during the year and with continuous monitoring will be undertaken to ensure that any changes to business process and/or technical infrastructure are captured in a timely way and reflected in the Business Continuity Plan.

Financial Management

INVESTMENT REPORT

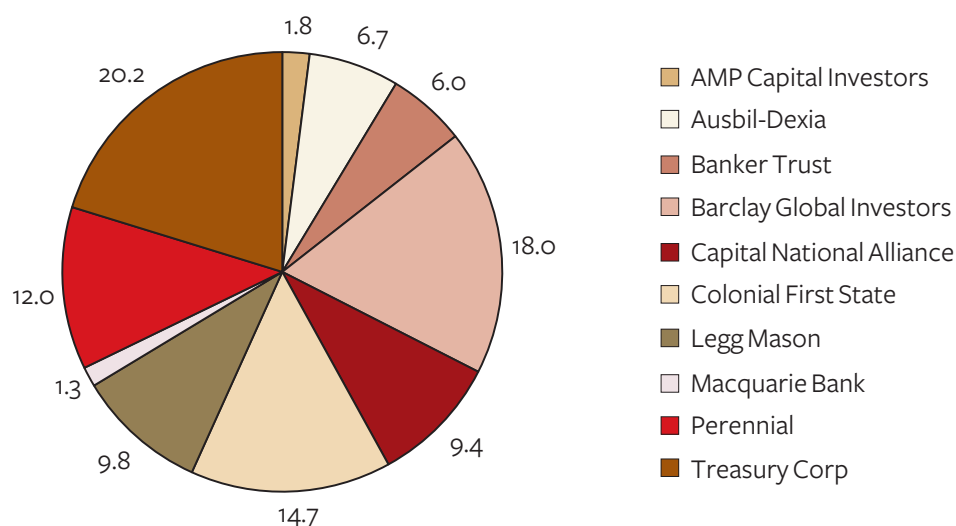
The financial difficulties that have affected the world since November 2007 peaked in March 2009. Throughout this period the Board's Investment strategy was to maintain its investment portfolio but to follow a passive strategy placing monies into cash or bonds for any new investments made. The approach saw the Board's placement of funds in growth investments fall to 44.4% (compared to 52.5% in June 2008 and 64.5% in June 2007). The Investment Committee met regularly to review its strategy and to look at further opportunities in the market as they presented themselves. The Board's investment horizon strategy continues to be for the long term.

The Board has approval to invest in a growth assets up to 65% of the value of its portfolio. However, the Investment Committee will continue to monitor all aspects of its investment strategy and the Board will make adjustments on a needs basis.

As at 30 June 2009 the allocation of investments were:

Type of Payment	%
Cash Plus	27.8
Australian Fixed Interest	21.8
Overseas Fixed Interest	6.0
Australian Shares	22.7
Overseas Shares	18.4
Listed Property	3.3
	100.0

Funds are invested with the following managers



The table below illustrates asset allocation across fund managers as at 30 June 2009:

	\$m Cash Plus	\$m Aust Fixed Interest	\$m O/Seas Fixed Interest	\$m Aust. Shares	\$m O/Seas Shares	\$m Property	\$m Total	% Total
AMP Capital Investors						10.6	10.6	1.8
Ausbil-Dexia				39.0			39.0	6.7
Banker Trust			34.6				34.6	6.0
Barclay Global Investors				51.8	52.4		104.2	18.0
Capital National Alliance					54.3		54.3	9.4
Colonial First State	85.1						85.1	14.7
Legg Mason		56.8					56.8	9.8
Macquarie Investments						7.8	7.8	1.3
Perennial		69.5					69.5	9.8
Treasury Corp	76.0			40.7			116.7	20.2
Total	161.1	126.3	34.6	131.5	106.7	18.4	578.6	100.0

The Board's strategy is to invest for the long term with fluctuation in the investment market being accepted as a normal occurrence. However, as a result of the current financial events the Board has reviewed in shorter term strategy and adopted a more defensive investment strategy.

The comparison of funds invested by the Board with Fund Managers other the Treasury Corporation (TCorp) are as follows:

	Investment Time Horizon	Investment Return	T.Corp Comparison
Cash	0 – 1.5 Years		
Colonial First Investments		7.17%	5.35%
Strategic Cash	1.5 – 3 Years		
Legg Mason		8.49%	5.8%
Perennial		12.36%	5.8%
BT Financial Group		6.55%	5.8%
Long Term Growth – Aust Equity	7+ Years		
Barclay Global Investments		(22.73%)	(14.02%)
Ausbil Dexia		(17.72%)	(14.02%)
Long Term Growth – Int. Equity	7+ Years		
Barclay Global – Alpha		(19.14%)	(18.34%)
Barclay Global – Hedged		(31.82%)	(18.34%)
Capital National		(16.10%)	(18.34%)
Capital National – Hedged		(32.89%)	(18.34%)
Long Term Growth – Property	7+ Years		
Macquarie True Index Listed		(42.27%)	(44.37%)
AMP Property Secured Fund		(39.38%)	(44.37%)

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. No interest or penalty charges were incurred in the 2008-2009 financial year for late payment of accounts for goods and services received.

CREDIT CARD USAGE

The General Manager certifies that all 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 2008-2009, one (1) new appeal was lodged against a Medical Authority decision compared with nil appeal matters received in the previous year. The DDB also continued to incur legal costs for four existing appeal matters that were ongoing in the New South Wales District Court.

During the year the Board incurred legal costs for appeal matters and legal advice on various matters pertaining to the operations of the Board amounting to a total of \$135,000.

CONSULTING COSTS

During the year the Board expended \$233,138 on consultants, down from \$733,312 expended in the previous financial year. As a result of entering into a shared corporate service arrangement with the WorkCover Authority of NSW for provision of IT services the DDB has been able to reduce its reliance on external service providers thus reducing overall expenditure on consultants.

Major consultancy costs are listed as follows:

Consultants	Purpose	\$
PricewaterhouseCoopers Actuarial P/L	Actuarial evaluation of liabilities of Dust Diseases Scheme	155,128
Others	Human resources, business continuity planning, peer review of actuarial liabilities evaluations and financial services.	78,010
TOTAL		233,138

Expenditure and Budget Estimates

The estimated expenditure for 2009 / 2010 is \$90.1m a decrease of \$2.3m from the estimates for 2008 / 2009.

	Budget Estimates 2008/2009 \$,000	Actual 2008/2009 \$,000	Budget Estimates 2009/2010 \$,000
Income			
Levies / contributions income	93,364	85,616	93,207
Investment Income	69,611	(59,293)	39,378
Bank Interest	495	182	90
Recoveries under Section 8E	600	1,930	700
Occupational Respiratory Health Assessment Fees	286	324	311
Other income	80	222	106
TOTAL INCOME	164,436	28,981	133,792
Expenditure			
Compensation			
Workers - weekly payments	16,497	16,133	16,367
Dependants - weekly payments	24,942	24,620	25,315
Lump sum awards to dependants	20,637	22,268	20,000
Health care benefits	7,259	6,031	7,416
Funeral benefits	1,445	1,791	1,900
	70,780	70,843	70,998
Costs Associated with Medical Examinations and Medical Authority			
Specialist Medical Officer fees	563	462	515
Medical Authority fees and supplies	185	183	216
Medical Investigation and clinical notes	42	59	44
Radiology fees, lung function testing fees and supplies	447	362	419
Workers travelling expenses	60	55	58
	1,297	1,121	1,252
Personnel services and related costs			
Personnel services costs	4,862	4,472	4,263
	4,862	4,472	4,263
Administration Expenses			
Administration, Office & General Expenses	5,505	2,649	3,699
	5,505	2,649	3,699
Capital Expenditure			
Purchase of fixed assets	2,703	138	1,939
	2,703	138	1,939
Other Expenses			
Management fees payable to insurers	846	1,330	872
Grants for Occupational Lung Disease Research	1,534	397	2,040
Dust Diseases Tribunal Operations funding	4,911	4,096	5,050
	7,291	5,823	7,962
TOTAL EXPENDITURE	92,438	85,046	90,113

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WORKERS' COMPENSATION (DUST DISEASES) BOARD**FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2009****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 report exhibits a true and fair view of the financial position as at 30 June 2009 and financial performance for the year ended 30 June 2009 of the Workers' Compensation (Dust Diseases) Board.
2. The financial report has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2005, and Treasurer's Directions; 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.



Rob Thomson
Chairperson



Ray Petty
Board Member

21 October 2009



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Workers' Compensation (Dust Diseases) Board

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Workers' Compensation (Dust Diseases) Board (the Board), which comprises the balance sheet as at 30 June 2009, the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Board as at 30 June 2009, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

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

The Board's Responsibility for the Financial Report

The members of the Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Board's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A 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 of New South Wales are not compromised in their role by the possibility of losing clients or income.



C J Giumelli
Director, Financial Audit Services

21 October 2009
SYDNEY

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Income Statement
FOR THE YEAR ENDED 30 JUNE 2009

	Note	Year ended 30 June 2009 \$,000	Year ended 30 June 2008 \$,000
Revenues:			
Contributions	5	85,616	90,449
Movement in outstanding contributions	13	24,396	171,301
Bank interest		182	378
Compensation recoveries - Section 8E	3.n (i)	-	712
Other income	6	546	472
Total revenues		110,740	263,312
Expenses:			
Investment losses	7	59,293	54,469
Outstanding claims movement	8, 16	(44,054)	115,804
Depreciation and amortisation	14, 15	550	543
Dust Diseases Tribunal funding	3.n (ii)	4,096	-
Finance cost	8, 16	89,128	92,932
Levy collection costs		1,330	(692)
Research grants	9	397	256
Total expenses		110,740	263,312
Profit for the year		-	-

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

WORKERS' COMPENSATION (DUST DISEASES) BOARD

Balance Sheet

AS AT 30 JUNE 2009

	Note	30 June 2009 \$,000	30 June 2008 \$,000
Current assets			
Cash and cash equivalents	10, 3.n (iii)	151,230	117,666
Trade and other receivables	11	1,068	2,796
Other financial assets	12	138,987	129,011
Total current assets		291,285	249,473
Non-current assets			
Other financial assets	12	291,240	386,028
Outstanding contributions	13	1,039,570	1,015,174
Property, plant and equipment	14	6,238	6,513
Intangible assets	15	300	466
Total non-current assets		1,337,348	1,408,181
TOTAL ASSETS		1,628,633	1,657,654
Current liabilities			
Outstanding claims	16	84,409	86,314
Provisions	17(i)	1,498	864
Trade and other payables	17(ii)	9,470	6,691
Bank overdraft		-	327
Total current liabilities		95,377	94,196
Non-current liabilities			
Outstanding claims	16	1,531,630	1,561,806
Provisions	18	-	26
Total non-current liabilities		1,531,630	1,561,832
TOTAL LIABILITIES		1,627,007	1,656,028
NET ASSETS		1,626	1,626
Equity			
Reserves		1,626	1,626
Accumulated funds		-	-
TOTAL EQUITY		1,626	1,626

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 2009

	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	30 June 2009 \$,000	30 June 2008 \$,000	30 June 2009 \$,000	30 June 2008 \$,000	30 June 2009 \$,000	30 June 2008 \$,000
Opening Equity	-	-	1,626	1,626	1,626	1,626
Profit for the year	-	-	-	-	-	-
Closing Equity	-	-	1,626	1,626	1,626	1,626

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

WORKERS' COMPENSATION (DUST DISEASES) BOARD

Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2008

	30 June 2009 (Outflows) / Inflows \$,000	30 June 2008 (Outflows) / Inflows \$,000
Cash flows from operating activities:		
Payments		
Compensation payments	(62,778)	(56,786)
Medical examination of workers	(1,120)	(1,206)
Payments to suppliers	(13,950)	(15,071)
Levy collection costs	(1,130)	692
Research grants	(380)	(256)
Dust Diseases Tribunal funding	(3,711)	(3,620)
Total payments	(83,269)	(76,247)
Receipts		
Contributions - levies	89,767	108,639
Investment distributions	43,045	49,151
Compensation recoveries	1,200	712
Interest received	182	378
Occupational respiratory health assessment fees	324	311
Other receipts	306	572
Total receipts	134,824	159,763
NET CASH PROVIDED BY OPERATING ACTIVITIES (A)	51,555	83,516
Cash flows from investing activities:		
Payments for purchase of plant and equipment	(138)	(362)
Payments for purchase of intangible assets - software	-	(69)
Proceeds from sale of plant and equipment	-	95
Purchase of investments (excluding cash equivalents)	(110,906)	(43,768)
Redemption of investments (excluding cash equivalents)	93,380	-
NET CASH USED IN INVESTING ACTIVITIES	(17,664)	(44,104)
Net increase in cash held	33,891	39,412
Cash and cash equivalents at the beginning of the year	117,339	77,927
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (B)	151,230	117,339

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

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Cash Flow Statement
FOR THE YEAR ENDED 30 JUNE 2009

(A) Reconciliation of profit for the year to net cash provided by operating activities

	30 June 2009 \$,000	30 June 2008 \$,000
Profit for the year	-	-
Depreciation and amortisation	550	543
Assets written off	29	-
Increase/(decrease) in personnel services provisions	608	(71)
(Decrease)/increase in outstanding claims	(32,081)	131,846
(Increase) in outstanding contributions	(24,396)	(171,301)
(Profit) on sale of motor vehicles	-	(3)
Investment income - market movements	102,338	103,620
Increase in payables	2,781	4,288
Decrease in receivables	1,726	14,594
NET CASH PROVIDED BY OPERATING ACTIVITIES	51,555	83,516

(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. The reconciliation of cash and cash equivalents at the end of the year as shown in the Cash Flow Statement to the related items in the Balance Sheet is disclosed in Note 10.

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009

1. Reporting Entity

The Workers Compensation (Dust Diseases) Board of NSW (the Board) 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 2009 was authorised for issue by the Members of the Workers Compensation (Dust Diseases) Board on the 15th day of October 2009

3. Summary of Significant Accounting Policies

a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with:

- Australian Accounting Standards including Australian Accounting Interpretations; and
- The requirements of the Public Finance and Audit Act 1983 and Regulation and relevant Treasury Circulars.

Property, plant and equipment, investments and other financial assets are measured at fair value. 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 Australian Accounting Interpretations.

c) Revenue Recognition

- i) Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Board and the amount of revenue can be reliably measured.
- ii) Investment income and contributions from insurers are recognised as they accrue.

d) Insurance

The Board's insurance activities for personnel provided by Office of WorkCover Authority are conducted through the NSW Self Insurance Corporation's Treasury Managed Fund Scheme of self insurance for Government Agencies. The expense (premium) is determined by the Fund Manager based on past claim experience. All other risks are covered through appropriate policies obtained through AON Risk Services Pty Limited who carry out annual reviews of values to be covered and revise cover values accordingly.

e) 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 Board 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.

f) Assets

i) Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Board. 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.

ii) 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.

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

3. Summary of Significant Accounting Policies - continued

f) Assets - continued

iii) 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 07-1). 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 Board 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.

iv) Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, the Board 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.

v) 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 Board.

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 Board. 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.

vi) 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.

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

3. Summary of Significant Accounting Policies - continued

f) Assets - continued

vii) Leased Assets

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

ix) Intangible Assets

The Board recognises intangible assets only if it is probable that future economic benefits will flow to the Board 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.

g) 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 impairment is accounted for in the Income Statement.

h) Investments

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.

i) Other Assets

Other assets are recognised on a cost basis.

j) Outstanding Contributions Receivable

The Outstanding Contributions Receivable asset represents the future contributions receivable to pay total costs relating to Outstanding Claims and is adjusted by the amount necessary to result in a nil surplus or deficit for the year. The Outstanding Contributions Receivable equates to total liabilities net of all other assets.

The cost of compensation claims and other costs of the Board are recovered from Employers through a levy included in their workers' compensation insurance premiums in accordance with Sections 6 and 7D of the Workers' Compensation (Dust Diseases) Act 1942 (the Act). The levies are reassessed each year to ensure that the Board has sufficient funding for the coming year. This reassessment gives the Board certainty that Outstanding Contributions Receivable will be recovered through future levies.

k) Payables

These amounts represent liabilities for goods and services provided to the Board 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 using the effective interest method.

l) Outstanding Claims Liability

Outstanding claims include claims incurred but not yet paid (Known Claims) and incurred but not yet reported (IBNR Claims).

An actuarial valuation is undertaken to determine a best or central estimate for these liabilities.

The outstanding amounts on known claims are calculated using a combination of actuarial functions called annuity and assurance functions.

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

3. Summary of Significant Accounting Policies - continued

l) Outstanding Claims Liability - continued

IBNR claims are estimated using an extension of the methodology used for known claims. However assumptions are required regarding both the number of future claims and the characteristics of the claims to enable annuity and assurance functions to be used.

The actuarial valuation of the Outstanding Claims Liability provision consists of current and future costs relating to administering the Act as stated under section 6(2), which specifically include:

- i) all compensation payable under the Act
- ii) all fees payable to the members of the Board
- iii) the cost of personnel services obtained by the Board from Office of Work Cover Authority
- iv) fees payable to the Medical Authority
- v) costs involved in reimbursing workers under section 9A - travel expenses associated with medical examinations
- vi) costs of operation of the District Court relating to appeals under section 8I
- vii) costs of administering the Act and any other money that the Board is required to pay under this Act,
- viii) costs relating to medical or related treatment or hospital treatment or occupational rehabilitation service or ambulance service as per section 8.2(d) and reasonable funeral expenses as per section 8(2A),
- ix) compensation recoveries under section 8E.

The total actual costs incurred on the above payments net of section 8E recoveries during each year is offset against the Outstanding Claims Liability provision as amounts used. The resulting movement in provision is taken to the Income Statement. Refer to note 8.

m) Trust Funds

The Board 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 23. As the Board performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the Board's own objectives, these funds are not recognised in the financial statements. The Board does not charge any fee for providing this service.

n) Comparative figures

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

i) Compensation recoveries Section 8E

Compensation recoveries under Section 8E is included in the Claims Liability valuation. In 2008 this item was disclosed under revenue instead of being offset against amounts used during the year. However as the amount is not material the correction has not been done with retrospective effect.

ii) Dust Diseases Tribunal funding

Dust Diseases Tribunal funding has been excluded from the Claims Liability valuation in 2009 as it is not regarded as strictly forming part of the claims payable but an operational cost. As such this expense is disclosed as an expense in the income statement in the current year. However as the amount is not material this correction has not been done with retrospective effect.

iii) Cash and cash equivalents - Note 10

Highly liquid investments which are considered cash equivalents for cash flow purposes have been included under cash and cash equivalents as disclosed in the Balance Sheet. The reclassification was made to better align the Board's financial report with the requirements of Australian Accounting Standards.

In the prior year cash of \$2,000 was disclosed as cash and bank balances and highly liquid investments of \$117,664,008 were disclosed separately under other financial assets - current. The comparative figures relating to these items have been reclassified to cash and cash equivalents.

o) Personnel services

The Board's staff are provided by the Office of Work Cover Authority. Salaries and wages and associated oncosts, annual leave and long service leave are recognised and measured in respect of employee services up to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

WORKERS' COMPENSATION (DUST DISEASES) BOARD

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

3. Summary of Significant Accounting Policies - continued

p) Recently issued or revised Accounting Standards/Interpretations

In this reporting period, the following recent Australian Accounting Standards/Interpretations have not been early adopted. According to reasonably estimable information available at date of this balance sheet, the possible financial impact that application of the new Standards/Interpretations will have on the Board's financial report in the period of initial application is regarded to be immaterial.

AASB Amendment / Interpretation	Area of impact of the new Standard / Amended Standard / Interpretation
AASB 101 (Sept 2007), AASB 2207-8 and AASB 2007-10	Presentation of financial statements
AASB 2008-2	Puttable financial instruments
AASB 2008-5 and AASB 2008-6	Amendments to Australian Accounting Standards arising from the Annual Improvements Project
AASB 2008-9	AASB 1049 amendments consistent with AASB 101
AASB 2009-2	Financial instruments disclosures

The above amendments/interpretations are applicable to annual reporting periods beginning on or after 1 January 2009.

4. Financial Instruments

The Board's principle financial instruments are detailed below. These financial instruments arise directly from the Board's operations or are required to finance the Board's operations. The Board does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes.

The Board's main risks arising from financial instruments are outlined below, together with the Board's objectives, policies and processes for measuring and managing the risk. Further quantitative and qualitative disclosures are included throughout this financial report.

The Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Board, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit Committee on a continuous basis.

a) Financial Instrument Categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
Class			2009	2008
			\$,000	\$'000
Cash and cash equivalents	10	N/A	151,230	117,666
Receivables	11	at amortised cost	854	61
Other Financial assets	12	At fair value through Profit and Loss - designated as such upon initial recognition	430,227	515,039

Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
Class			2009	2008
			\$,000	\$'000
Payables	17 (ii)	at amortised cost	9,470	6,691

Statutory assets and liabilities consisting of Accrued levy debtors, Outstanding contributions receivable and Claims liabilities have been excluded from financial assets and liabilities in accordance with AASB 7.

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

4. Financial Instruments - continued

b) Credit Risk

Credit Risk arises when there is the possibility of the Board's debtors defaulting on their contractual obligations resulting in a financial loss to the Board. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets.

Credit risk arises for the financial assets of the Board, including cash and receivables. No collateral is held by the Board and no financial guarantees have been granted.

Credit risk associated with the Board's financial assets, other than receivables is managed through the selection of counterparty Fund Managers with minimum credit rating standards as approved by NSW Treasury.

Cash

Cash comprises cash on hand and bank balances with Westpac Banking Corporation (Westpac). Interest is earned on daily bank balances at the monthly average.

Receivables - Trade Debtors

All trade debtors are recognised as amounts receivable as at balance date. Collectibility of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known as uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Board will not be able to collect all amounts due. There is no independently assessed rating of the clients other than past experience and their compliance with credit terms, these credit terms is monitored by management on a monthly basis.

2009	Total \$'000	Past due but not impaired \$'000	Considered impaired \$'000
< 3 Months overdue	368	368	-
3 to 6 Months overdue	412	412	-
> 6 Months overdue	74	74	-
2008	Total \$'000	Past due but not impaired \$'000	Considered impaired \$'000
< 3 Months overdue	60	60	-
3 to 6 Months overdue	-	-	-
> 6 Months overdue	1	1	-

c) Liquidity Risk

Liquidity risk is the risk that the Board will be unable to meet its payment obligations when they fall due. Management continually manages risk through monitoring of future cash flows and maturity planning of investment assets to ensure adequate amounts of high quality liquid assets are available on an as needs basis.

During the current year and the preceding years, there have been no defaults or breaches of any payable obligations. No assets have been pledged as collateral. The Board's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised as amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled within the trading terms agreed between the supplier and the Board. If no terms have been agreed to in advance then the payment terms applied are those set out in the Treasurers Direction 219.01 in that payment is made no later than the month end following the month in which the invoice has been received.

The contractual maturity dates of the Board's payables is less than one month.

WORKERS' COMPENSATION (DUST DISEASES) BOARD

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

4. Financial Instruments - continued

d) Market Risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in the market pricing. The Board's exposure to market risk is limited to market fluctuations of each managed fund unit. Whilst it is understood that market risk is made up by currency risk, interest rate risk and other price risk the Board's approach is that all investments are placed through external fund managers, and that at least five fund managers are to be retained to ensure that the investment portfolio has an appropriate spread of investments to minimise the risk. Also that a fund manager will not have more than 40% of the Boards' Investments at any time and that investments will have an appropriate divestment between growth investments and interest bearing investments.

The Board has placed Investment funds with a number of Treasury approved Fund Managers including NSW Treasury Corporation.

In 1999 investment powers for the Board were gazetted under an amendment to the Part 4 of the Public Authorities (Financial Arrangements) (PAFA) Regulation 1999. Under specific conditions that all investments are to be with fund managers, and that all investments are to be of a long term nature with the objective that all investments are to be of a long term nature with the objective that all investments on average be over a twelve month period. An allocation of the assets is to be split between growth assets and interest bearing investments, with the split ratio not to exceed the current approved asset allocation of 65:35.

The following Fund Managers that the Board currently use and have been approved by NSW Treasury under the Part 4 PAFA Act 1987 are as follows:-

Institution	Product Class
TCorp NSW Treasury Corporation	Cash, Australian Shares
ING (ANZ Investments)	Cash
Colonial First State	Cash
Barclay Global Investments	Australian Shares, International Shares (Hedged & Unhedged)
Capital National Alliance	International Shares (Hedged)
Legg Mason	Australian Bonds, Property
IOOF / Perennial	Australian Bonds
BT Financial Group	International Bonds, Absolute Return Fund
Macquarie Investment Management	Property
AMP Capital	Property

The above fund managers act as trustees for each of the asset classes that they have been allocated and are required to act in the best interests of the unit holders and to administer the trusts in accordance with the trust deeds.

Interest Rate Risk

The Board has no exposure to interest bearing liabilities. The Board's exposure to interest rate risk may arise from interest earning assets included in cash and cash equivalents and fixed interest investments as set out below:

Sensitivity Analysis of impact on profit and loss from unit price changes:

	Change in Unit Price	Impact on Profit and Loss	
		2009 \$'000	2008 \$'000
Cash and cash equivalents	+/- 1%	+/- 1,512	+/- 1,177
Fixed Interest investments	+/- 1%	+/- 1,736	+/- 1,397

Other Pricing Risk

Exposure to 'other pricing risk' primarily arises through the Investment portfolio which includes investments through TCorp. The Board holds no direct equity investments. All investments held are in unit trusts held by Treasury approved Fund Managers. All investments are held for strategic rather than trading purposes. The Board invests financial assets to offset claims liability short fall currently \$1,039,570,000 (2008: \$1,015,174,000) refer to note 13.

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

4. Financial Instruments - continued

d) Market Risk - continued

Other Pricing Risk - continued

The Board holds units in the following investment facilities with various fund managers:

Facility	Investment Sectors	Investment Horizon	2009 \$'000	2008 \$'000
Cash	Cash	Up to 2 years	148,366	117,664
Bond Markets	Cash, Money Market Instruments, Australian & International Bonds	2 to 7 years	138,987	129,011
Long Term Growth	Cash, Money Market Instruments, Australian & International Bonds, Listed Property, Australian & International Equity	7 years and over	291,240	386,028

The unit price for each facility is equal to the total fair value of the net investments held by the facility divided by the number of units issued for that facility. Unit prices are calculated daily and published daily.

Each fund manager as trustee for each of the above facilities is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. Each Fund Manager manages the performance and risk of facility in accordance with a mandate agreed by the parties. A significant portion of the administration of the facilities is outsourced to external custodians.

The Investment portfolio that the Board currently maintains is diversified across a wide mix of investments with varying investment horizons. The following table is management's assessment of reasonably possible changes in unit prices at 30 June 2009, and their effect on Profit and loss:

Sensitivity Analysis of impact on profit and loss from unit price changes:

	Change in Unit Price	Impact on Profit and Loss	
		2009 \$'000	2008 \$'000
Cash	+/- 1%	+/- 1,484	+/- 1,176
Equity	+/- 15%	+/- 35,742	+/- 45,186
Fixed Interest	+/- 5%	+/- 8,680	+/- 9,159
Property	+/- 10%	+/- 1,835	+/- 3,063

e) Fair Value

The Board has sought and been approved by NSW Treasury to value all investments held through fund managers other than NSW Treasury Corporation at fair value through profit and loss. The exception of TCorp from this approval is that TCorp investments are automatically measured at fair value as per Treasury Directions. As discussed the underlying value of all of the investment facilities is at market value. All facilities are valued using 'redemption' pricing.

	Year ended 30 June 2009	Year ended 30 June 2008
5. Contributions	\$,000	\$,000
Licensed Insurer - Workers Compensation Nominal Insurer	68,117	70,365
Special insurer - New South Wales Self Insurance Corporation	5,219	4,820
Self and other Special Insurers	12,280	15,264
	85,616	90,449

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

5. Contributions - continued

Workers' Compensation (Dust Diseases) Act 1942 allows the Board to collect levies from Licensed, Special and Self Insurers. Levies recognised for the year is as above.

	Year ended 30 June 2009 \$,000	Year ended 30 June 2008 \$,000
6. Other income		
Occupational respiratory health assessment fees	324	311
Occupational respiratory services cost recoveries	11	-
Solicitors production fees	25	25
Miscellaneous income	136	35
Research contributions	50	98
Profit on sale of motor vehicles	-	3
	546	472
7. Investment Losses		
Distributions	(43,045)	(49,151)
Movement in market values - impairment losses	102,338	103,620
	59,293	54,469
8. Outstanding claims movement		
Known claims:		
Outstanding known claims at beginning of the year	601,657	573,729
Outstanding known claims at end of the year	605,368	601,657
Net movement in outstanding known claims	3,711	27,928
Incurred but not reported claims (IBNR):		
IBNR Claims at beginning of the year	1,046,463	942,545
IBNR Claims at end of the year	1,010,671	1,046,463
Net movement in outstanding IBNR claims	(35,792)	103,918
Total net movement in outstanding claims	(32,081)	131,846
Less: Finance cost reported separately in Income Statement	(89,128)	(92,932)
Outstanding claims movement - net	(121,209)	38,914
Add: Amounts used during the year		
Compensation and awards:		
Compensation to workers	16,133	14,892
Compensation to dependants	24,620	22,757
Lump sum awards to dependants	22,268	19,125
Healthcare services costs	6,031	6,323
Funeral benefits	1,791	1,840
	70,843	64,937
Medical examination of workers:		
Medical Authority fees and supplies	183	171
Medical investigation and clinical notes	59	56
X-rays and supplies	362	422
Workers travelling expenses	55	57
Special medical officer fees	462	501
	1,121	1,207

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

	Year ended 30 June 2009 \$,000	Year ended 30 June 2008 \$,000
8. Outstanding claims movement - continued		
Administration and office expenses:		
Audit fees - audit of the financial report	63	65
Audit fees - internal audits	35	55
Board Members fees and allowances	70	72
Building maintenance, repairs and management	88	146
Consultants	233	733
Legal fees	135	251
Other expenses	2,025	2,151
	2,649	3,473
Personnel services paid to Office of WorkCover Authority:		
Salaries and allowances	2,926	2,706
Payroll tax	231	167
Fringe benefits tax	(12)	26
Annual leave expense	292	265
Long service leave expense	110	84
Workers compensation insurance	29	19
Superannuation	896	386
	4,472	3,653
Compensation recoveries - Section 8E (refer note 3.n (i))	(1,930)	-
Dust Diseases Tribunal funding (refer note 3.n (ii))	-	3,620
Total amounts used during the year	77,155	76,890
Outstanding claims movement reported in Income Statement	(44,054)	115,804
9. Research grants		
Research projects funding and provision of advice	283	174
Asbestos Diseases Foundation of Australia - operations funding	87	59
Sponsorships and other research funding	27	23
	397	256
	30 June 2009 \$,000	30 June 2008 \$,000
10. Cash and cash equivalents		
Cash on hand and balances with banks	2,863	2
Short-term investments treated as cash equivalents:		
NSW T Corp Hour Glass - Cash Facility Trust	63,316	32,205
ANZ Investment (ING) - Cash Plus Fund	-	23,381
Colonial First State Investments - Enhanced Cash	85,051	62,078
Cash and cash equivalents stated under current assets	151,230	117,666
Bank overdraft stated under current liabilities	-	(327)
Cash and cash equivalents as per cash flow statement	151,230	117,339
11. Trade and other receivables		
Accrued levy income	3	2,336
Trade receivables	854	61
Prepayments and other assets	211	327
Office of WorkCover Authority - Superannuation reserve - SASS	-	43
Office of WorkCover Authority - Superannuation reserve - SANCS and SSS	-	29
	1,068	2,796

Accrued levy income of \$2,500 comprises the hindsight adjustment for Special and Self Insurers (2008: \$2,336,000).

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

	30 June 2009	30 June 2008
12. Other financial assets - Investments - Current:	\$,000	\$,000
T Corp Hour Glass - Strategic Cash	12,684	-
Perennial Investment Partners Ltd - Australian Fixed Interest	69,520	54,739
Legg Mason - Australian Fixed Interest	56,783	52,435
BT Financial Group - Absolute Return Funds	-	10,509
Warrakiri Asset Management - Absolute Return Funds	-	11,328
Total current investments	138,987	129,011
Other financial assets - Investments - Non-current:		
T Corp Hour Glass Facility - Australian Equities	40,733	57,568
Barclays Global Investors Aust Ltd - Australian Equities	51,831	67,425
AUSBIL - Australian Equities	39,020	36,900
Barclays Global Investors Aust Ltd - International Equities	24,819	30,897
Barclays Global Investors Aust Ltd - Hedged International Equities	27,533	40,676
National Corporate Investment Trust - Global Equities with currency management	-	67,771
National Corporate Investment Trust - Global Equity Trust	11,913	-
National Corporate Investment Trust - Global Equity Trust Hedged	42,428	-
BT Financial Group - International Fixed Interest	34,609	32,538
PIMCO - International Fixed Interest	-	21,625
Macquarie Investment Management Ltd - Property	7,765	13,162
AMP Capital - Property	10,589	17,466
Total Non-current portion	291,240	386,028
TOTAL INVESTMENTS	430,227	515,039
13. Outstanding contributions		
Outstanding contributions at the beginning of the year	1,015,174	843,873
Movement in outstanding contributions as per Income Statement	24,396	171,301
Outstanding contributions at the end of the year	1,039,570	1,015,174

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008	30 June 2009	30 June 2008
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000
Buildings	5,986	5,986	(424)	(274)	5,562	5,712
Furniture and fittings	36	36	(21)	(18)	15	18
Motor vehicles	233	233	(210)	(202)	23	31
Computer equipment	603	568	(392)	(271)	211	297
Office equipment	23	50	(5)	(30)	18	20
Science & med. equipment	841	825	(548)	(474)	293	351
Capital projects in progress	116	84	-	-	116	84
	7,838	7,782	(1,600)	(1,269)	6,238	6,513

a) Buildings consists of five strata floors at 82, Elizabeth Street, Sydney. These buildings (except level 14 and renovations to levels 2 and 7 which are stated at cost) 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 equates to their net carrying amount.

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2008 CONTINUED

14. Property, plant and equipment - continued

Reconciliation of net carrying amount:

	Net carrying amount 30 Jun. 2008 \$,000	Additions \$,000	Disposals \$,000	Depreciation on disposals \$,000	Net revaluation movements \$,000	Depreciation charge \$,000	Net carrying amount 30 Jun. 2009 \$,000
2009							
Buildings	5,712	-	-	-	-	150	5,562
Furniture and fittings	18	-	-	-	-	3	15
Motor vehicles	31	-	-	-	-	8	23
Computer equipment	297	35	-	-	-	121	211
Office equipment	20	23	50	40	-	15	18
Science & med. Equipment	351	48	32	16	-	90	293
Capital projects in progress	84	32	-	-	-	-	116
	6,513	138	82	56	-	387	6,238

	Net carrying amount 30 Jun. 2007 \$,000	Additions \$,000	Disposals \$,000	Depreciation on disposals \$,000	Net revaluation movements \$,000	Depreciation charge \$,000	Net carrying amount 30 Jun. 2008 \$,000
2008							
Buildings	5,862	-	-	-	-	150	5,712
Furniture and fittings	22	-	-	-	-	4	18
Motor vehicles	143	-	129	37	-	20	31
Computer equipment	216	180	107	107	-	99	297
Office equipment	30	-	8	8	-	10	20
Science & med. Equipment	352	98	14	14	-	99	351
Capital projects in progress	-	84	-	-	-	-	84
	6,625	362	258	166	-	382	6,513

15. Intangible assets

	Gross carrying amount 30 June 2009 \$,000	Gross carrying amount 30 June 2008 \$,000	Accumulated depreciation 30 June 2009 \$,000	Accumulated depreciation 30 June 2008 \$,000	Net carrying amount 30 June 2009 \$,000	Net carrying amount 30 June 2008 \$,000
2009						
Computer software	768	855	(468)	(389)	300	466
	768	855	(468)	(389)	300	466

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 30 Jun. 2008 \$,000	Additions \$,000	Disposals \$,000	Amortisation on disposals \$,000	Amortisation charge \$,000	Net carrying amount 30 Jun. 2009 \$,000
2009						
Computer software	466	-	87	84	163	300
	466	-	87	84	163	300

	Net carrying amount 30 Jun. 2007 \$,000	Additions \$,000	Disposals \$,000	Amortisation on disposals \$,000	Amortisation charge \$,000	Net carrying amount 30 Jun. 2008 \$,000
2008						
Computer software	558	69	8	8	161	466
	558	69	8	8	161	466

WORKERS' COMPENSATION (DUST DISEASES) BOARD

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

16. 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 valuation contains numerous assumptions regarding the future numbers of claims and regarding the characteristics of the workers and their dependants particularly in respect to their age at time of report and their life expectancy.

Given the uncertainty of this portfolio a range of assumptions may be plausible which reflect the current environment in which claims are managed and settled. The main assumptions are:

- ~ Inflation and discount rates
- ~ Mortality
- ~ Average disability
- ~ Age distribution
- ~ Dependant - Spouses

The actuaries, PricewaterhouseCoopers Actuarial Pty Limited, in the valuation of liability report dated 17 September 2009 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:

	30 June 2009	30 June 2008
Not later than one year		
- Wages inflation rate	4.00%	4.25%
- Discount rate	6.00%	6.00%
Later than one year		
- Wages inflation rate	4.00%	4.25%
- Discount rate	6.00%	6.00%

Known claims:

	30 June 2009 \$,000	30 June 2008 \$,000
Outstanding claims at beginning of the year	601,657	573,729
Net movement in outstanding known claims	3,711	27,928
Outstanding known claims at end of the year	605,368	601,657
Incurred but not reported claims:		
IBNR claims at beginning of the year	1,046,463	942,545
Net movement in outstanding IBNR claims	(35,792)	103,918
IBNR claims at end of the year	1,010,671	1,046,463
Outstanding Known Claims	605,368	601,657
Incurred but not reported claims (IBNR claims)	1,010,671	1,046,463
TOTAL OUTSTANDING CLAIMS	1,616,039	1,648,120
Movement in Outstanding Claims:		
Carrying amount at beginning of the year	1,648,120	1,516,274
(Reduction in)/ Additional provision - gross	(44,054)	67,625
Change in discount rate for year	-	48,179
(Reduction in)/ Additional provision - net as reported in Income Statement	(44,054)	115,804
Amounts used during the year - refer note 8 for details	(77,155)	(76,890)
Unwinding of discount - reported as finance cost in Income Statement	89,128	92,932
Carrying amount at end of the year	1,616,039	1,648,120
Breakdown of total liability as shown in the Balance Sheet:		
Current liability	84,409	86,314
Non-current liability	1,561,630	1,561,806
	1,616,039	1,648,120

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

16. Outstanding Claims - continued

The Outstanding Claims Liability will be funded by funds held in investments and by future levies. The financial target for the 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 \$1,010,670,703 (2008 - \$1,046,463,020). This figure is shown in the Balance Sheet as a liability with the corresponding asset Outstanding Contributions Receivable (net of cumulative surpluses or deficits to date) representing the right to levy employers for these outstanding claims.

17. Provisions and trade payables - current	30 June 2009	30 June 2008
17(i) Provisions - current	\$,000	\$,000
Provisions for Personnel Services payable to Office of WorkCover Authority		
Accrued personnel services and on costs	58	32
Long service leave	549	501
Annual leave	412	331
Superannuation liability - SASS	94	-
Superannuation liability - SANCS and SSS	385	-
	1,498	864
17(ii) Trade and other payables - current		
Workers' Compensation Nominal Insurer (WCNI)	7,097	5,279
Trade creditors	101	236
Accrued expenses and other creditors	2,272	1,176
	9,470	6,691
Payables Workers' Compensation Nominal Insurer \$7,097,000 represents \$5,767,000 hindsight refund adjustment for over forecasting of 2009 licensed insurer levy contributions and \$1,330,000 payable as levy collection costs for 2009 (2008 : hindsight levy refund adjustment and levy collection costs payable to WCNI \$5,279,000).		
18. Provisions - non-current		
Provisions for Personnel Services payable to Office of WorkCover Authority		
Long service leave	-	26
	-	26

19. Commitments for expenditure

a) Operating lease commitments

At the reporting date the Board had the following non-cancellable operating leases not provided for and payable:

Not later than one year	60	50
Later than one year and not later than five years	67	55
Later than five years	-	-
	127	105

Operating leases consist of lease of offices at 427 Argent Street, Broken Hill and lease of five motor vehicles.

The operating lease commitments include GST of \$11,527 (2008 - \$9,476).

b) Commitments for capital expenditure

Capital commitments approved by the Board which were not provided for in these financial statements amounted to \$827,115 (2008 - \$nil). The capital commitments includes GST of \$75,192 (2008 - \$nil).

The capital commitments are expected to be settled not later than one year and will be financed from future income.

WORKERS' COMPENSATION (DUST DISEASES) BOARD

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

20. Contingent liabilities

The Board's solicitors, McLaughlin & Riordan and Goldrick Farrell Mullan Solicitors, have provided an estimate of future legal costs totalling \$506,000 (2008—\$413,000) on cases where appeals have been lodged relating to compensation claims.

The contingent liabilities include GST of \$46,000 (2008 - 38,000).

21. 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.

22. Events occurring after the balance sheet date

The Investment Market volatility of the previous year has subsided and values have climbed steadily. Since Balance Date the markets have continued their recovery. However, it is unknown at this time if the recovery will continue or whether there will be another decline in the markets. An estimate of the effects of this volatility on the Board's investments was not readily available at the date this financial report was authorised for issue.

The Board's investment strategy remains unchanged in that our investment horizon is for the long term. The Board's percentage of growth assets of 44.4% (2008 52.45%) is less than the allowed maximum of 65%. Refer to note 4(d) Market Risk. The Board will continue to monitor the investment markets and make adjustments to its portfolio of investments on need basis. Other than the above there has not been any other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Board, the results of those operations, or the state of affairs of the Board in future financial years.

23. Trust Fund

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

	Year ended 30 June 2009 \$,000	Year ended 30 June 2008 \$,000
Operations for the year to 30 June:		
Receipts and Income		
Lump Sum awards received for dependants	22,268	19,126
Investment income and bank interest (A)	3,561	4,255
	25,829	23,381
Payments		
Payments made to dependants (B)	23,743	23,990
Net Increase/(Decrease) in Trust Fund	2,086	(609)
Trust Funds at beginning of the year	76,831	77,440
Trust Funds at end of the year	78,917	76,831
Financial Position as at 30 June:		
Trust assets:		
Cash at bank	3,036	2,389
Investments (C)	75,881	74,442
	78,917	76,831
Trust liabilities:		
Owing to beneficiaries	78,530	76,480
Undistributed return on investments	387	351
	78,917	76,831

WORKERS' COMPENSATION (DUST DISEASES) BOARD
Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

	Year ended 30 June 2009 \$,000	Year ended 30 June 2008 \$,000
23. Trust Fund - continued		
(A) Investment Income		
Investment income and bank interest - distribution in November	1,831	1,761
Investment income and bank interest - distribution in May	1,343	2,143
Investment income and bank interest in June	387	351
	3,561	4,255
Simple average return on investments for the year	4.57%	5.52%

(B) Payments made to dependants

Payments made to dependants consists of withdrawals made by the Beneficiaries during the year. The Board does not charge any fee for providing this service.

	30 June 2009 \$,000	30 June 2008 \$,000
(C) Investments		
The investments held on behalf of the Trust Funds consists of:		
BT Financial Group - Enhanced Cash Fund	-	25,903
Colonial First State - Wholesale Premium Cash Enhanced Fund	53,521	22,061
ING Investment Management - Premium Treasury Fund	17,751	26,478
T Corp Strategic Cash Facility	4,609	-
	75,881	74,442

These investments are able to be redeemed within seven days notice. The value of the investments held can decrease as well as increase depending upon market conditions. The value of the above investments which represents the Trust'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.

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 up until January 2009 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

There were no overseas visits in 2008-2009.

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.

FRAUD CONTROL POLICY

The Workers' Compensation Dust Diseases Board does not tolerate corrupt conduct, fraud, maladministration or serious and substantial waste of public money.

Appendix 3

PAYMENTS MADE TO WORKERS AND DEPENDANTS OF DISABLED WORKERS DURING 2008-2009 ACCORDING TO DISEASE.

	Workers				Dependants			OVERALL TOTAL
	Weekly Compensation \$,000	Hospital Medical & Ambulance \$,000	Funeral Expenses \$,000	Total \$,000	Weekly Compensation \$,000	Lump Sum Payments \$,000	Total \$,000	
Asbestosis	1,990	609	262	2,861	2,758	2,263	5,021	7,882
Silicosis	1,690	117	107	1,854	1,414	492	1,906	3,760
Byssinosis	4	0	6	20	48	23	71	91
Hard Metal Pneumoconiosis	28	4	0	32	6	0	6	38
Farmer's Lung	0	0	0	0	12	0	12	12
Aluminosis	26	0	0	26	6	0	6	32
ARPD	4,513	1,078	253	5,844	1,108	927	2,035	7,879
Silico-Tuberculosis	12	2	0	14	0	0	0	14
Asbestosis/ARPD	525	85	189	799	221	202	423	1,222
Talcosis/Asbestosis	12	2	0	14	0	0	0	14
Talcosis	0	0	0	0	4	0	4	4
Silico-asbestosis	24	0	0	24	16	0	16	40
Pleural Mesothelioma	4,688	3,289	908	8,885	15,313	15,790	31,103	39,988
Peritoneal Mesothelioma	333	450	28	811	652	329	981	1,792
Lung Cancer in association with silica	33	8	0	41	0	0	0	41
Carcinoma of the Lung*	246	168	48	462	975	395	1,370	1,832
Silicosis/Lung Cancer	89	93	22	204	224	41	265	469
Silicosis/Mixed Dust Fibrosis	0	0	0	0	2	0	2	2
Mixed Dust Pneumoconiosis	0	0	0	0	10	0	10	10
Lung Cancer in Association with Asbestos Exposure	723	201	86	1,010	1,278	1,634	2,912	3,922
Pleural Plaques & Pain	26	0	0	26	0	0	0	26
Occupational Asthma	7	1	0	8	0	0	0	8
Asbestosis/ARPD	0	0	4	4	10	0	10	14
Silicosis/Progressive Massive Fibrosis	9	0	0	9	0	0	0	9
Silicosis/ARPD	21	3	9	33	2	0	2	35
TOTAL	15,029	6,100	1,781	22,910	24,112	22,040	46,152	69,062

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

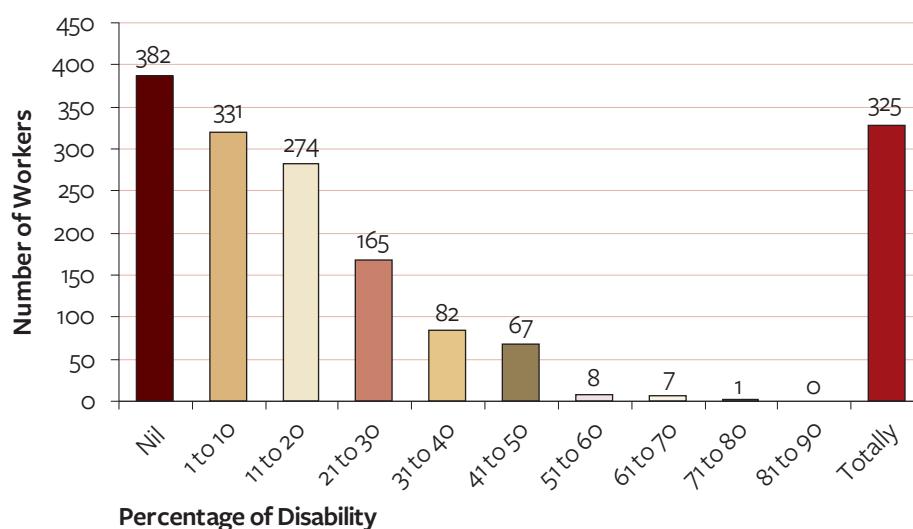
Appendix 4

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 2007	5,502	4,383	9,885
TOTAL	7,515	5,291	12,806

Appendix 5

PERCENTAGE OF DISABILITY OF CURRENT DISABLED WORKERS



Appendix 6

DEATHS ACCORDING TO DISEASE

Table below represents deaths by causation and average age since 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	456	242	698	73.31
Silicosis	444	943	1,387	71.32
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	00.00
Occupational Asthma	0	1	1	00.00
ARPD	233	91	324	77.41
Silico-Tuberculosis	8	12	20	62.80
Asbestosis/ARPD	41	25	66	77.64
Talcosis	1	2	3	65.74
Emery Pneumoconiosis	0	1	1	00.00
Silicosis-asbestosis	11	4	15	68.44
Pleural Mesothelioma	2,000	9	2,009	68.36
Carcinoma of the Lung*	233	2	235	70.15
Silicosis/Lung Cancer	29	0	29	70.79
Silicosis/Mixed Dust Fibrosis	3	0	3	72.60
Mixed Dust Pneumoconiosis	1	0	1	61.47
Lung Cancer in Association with Asbestos Exposure	129	4	133	69.00
Peritoneal Mesothelioma	110	0	110	64.45
Asbestosis/Peritoneal Mesothelioma	1	0	1	66.42
Asbestosis/ARPD/Lung Cancer	1	0	1	71.43
TOTAL	3,715	1,361	5,076	70.01

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

Appendix 7

AVERAGE AGES OF WORKERS AT COMMENCEMENT OF COMPENSATION AND AT DEATH

Industry groupings of workers showing average ages at date of effect of compensation and date of death since the inception of the Act on 29 February 1968.

INDUSTRY	AGE AT COMMENCEMENT	AGE AT DEATH
Schedule 1		
Fibro-Cement Sheet Manufacturing	65.18	69.62
Schedule 2		
Rubber Tyre Manufacturing	69.96	72.43
Shipbuilding	67.59	71.38
Carpentry Services	71.17	71.95
Schedule 3		
Other Mining nec – Underground	77.63	79.64
Other Mining nec - Surface	68.37	71.42
Synthetic Fibre Textile Manufacturing	77.87	78.11
Cotton Textile Manufacturing	76.16	77.73
Wool Textile Manufacturing	65.57	72.20
Textile Finishing	74.60	75.73
Other Rubber Product Manufacturing	66.47	72.80
Clay Brick Manufacturing	58.78	72.76
Ceramic Tile and Pipe Manufacturing	69.98	72.92
Other Ceramic Product Manufacturing nec	82.55	84.77
Cement and Lime Manufacturing	63.64	70.01
Terrazzo Manufacturing	72.90	69.57
Concrete Product Manufacturing nec	66.56	70.06
Basic Iron and Steel Manufacturing	66.24	71.61
Iron and Steel Casting and Forging	60.52	73.76
Railway Equipment Manufacturing	75.65	78.50
Electricity Supply	69.58	73.51
House Construction	64.51	70.17
Cement Rendering and Plastering	70.90	72.52
Tiling and Carpeting Services	70.59	78.22
Painting and Decorating Services	72.36	73.35
Construction Services	72.16	73.12
Stevedoring	70.35	73.08
Port Operators	75.30	76.91
Services to Water Transport nec	75.50	75.24
Schedules 4, 5, 6, 7 and 8	69.98	72.17
TOTAL	66.92	71.75

Appendix 8

STATISTICS RELATING TO MESOTHELIOMA AWARDS – STATISTICAL INFORMATION FROM 1982-1983 TO 2008-2009

YEAR	NO OF DEATHS	FIRST EXPOSURE (1)	LATENCY PERIOD (2)	LENGTH OF SURVIVAL (3)	AGE AT DEATH (4)
2008-2009	140	22.49	41.88	2.92	73.16
2007-2008	150	22.14	37.13	2.59	73.82
2006-2007	141	20.77	55.99	2.19	73.59
2005-2006	139	20.38	42.13	2.04	72.04
2004-2005	149	20.82	46.02	2.32	72.68
2003-2004	134	22.66	41.94	1.81	69.33
2002-2003	112	20.95	44.40	2.87	73.29
2001-2002	131	22.53	42.34	2.36	69.92
2000-2001	124	20.92	46.27	1.11	69.50
1999-2000	110	20.91	46.23	0.96	69.34
1998-1999	102	23.69	43.53	0.87	67.87
1997-1998	94	23.90	43.91	1.17	69.33
1996-1997	87	24.67	42.37	1.08	67.99
1995-1996	124	23.56	44.29	1.19	69.04
1994-1995	94	24.37	44.06	0.81	69.24
1993-1994	80	25.19	41.75	0.91	67.85
1992-1993	52	22.29	41.91	1.01	65.20
1991-1992	56	23.62	41.62	0.90	64.34
1990-1991	62	23.17	40.33	1.00	64.49
1989-1990	45	23.77	42.87	0.91	67.55
1988-1989	46	23.41	42.52	1.20	67.13
1987-1988	36	24.14	39.88	0.88	64.90
1986-1987	35	22.86	41.93	1.16	65.95
1985-1986	30	22.11	41.15	1.07	64.33
1984-1985	26	24.94	40.12	0.79	65.85
1983-1984	25	22.28	37.36	0.92	60.56
1982-1983	17	23.56	35.66	0.80	60.02
TOTAL	2,341	22.81	42.58	1.40	68.09

(1) First exposure is the average age of workers when first exposed to asbestos

(2) Latency period represents the number of years between initial exposure to asbestos and Dust Diseases Board certificate of disablement for work.

(3) Survival time is the length of time in years between the date of issuing a Dust Diseases Board certificate of disablement for work and date of death.

(4) Age at death represents the average age of workers at date of death.

Note: There are insufficient deaths recorded each year prior to 1 July 1982 to provide viable figures.

Workers' Compensation (Dust Diseases) Act 1942

CONTRIBUTIONS UNDER SECTION 6 FOR 2009-2010 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 2009, determined the contribution to be paid under section 6 of the Dust Diseases Act by an **insurer** insuring or indemnifying an employer in respect of a class of employment specified in Column 1 of Table 1 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) determined that the 2009-2010 financial year interim contribution to be paid by an insurer to the Workers' Compensation (Dust Diseases) Fund in twelve equal instalments by the fifteenth day of each month commencing 15 July 2009 will be as follows:

Insurer	Contribution Amount
Workers Compensation Nominal Insurer	\$73,200,000
Catholic Church Insurances Limited	\$1,068,533
StateCover Mutual Limited	\$376,231
Guild Insurance Limited	\$190,610
Racing NSW	\$12,328
Hotel Employers Mutual Limited	\$116,00

and

- (c) determined that upon notification of an employers actual wages paid for the financial year an **insurers** 2009-2010 financial year contribution is to be calculated in accordance with clause (a) and paid to the Workers' Compensation (Dust Diseases) Fund less previous contributions for that financial year 2009-2010 by 31 October each year; and
 - (d) in respect of the year commencing 1 July 2009, determined the contribution to be paid under section 6 of the Dust Diseases Act by each **self-insurer** is 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 Table 1 below opposite –
 - (i) the class of employment specified in item 1 of Column 1 of Table 1 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 item 1 of Column 1 of Table 1 which corresponds to the business activity classification (or 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 2009; and
 - (e) determined that the 2009-2010 interim contribution is to be paid by each **self-insurer** to the Workers' Compensation (Dust Diseases) Fund is to be based on a reasonable estimate by the **self-insurer** of the wages to be paid during the financial year and calculated in accordance with clause (d) and paid in two equal instalments on 31 October 2009 and 31 March 2010; and
 - (f) determined that the 2009-2010 final contribution to be paid by each **self-insurer** to the Workers' Compensation (Dust Diseases) Fund is to be based on the actual wages paid by the **self-insurer** during the 2009-2010 financial year and calculated in accordance with clause (d) and is to be paid by 31 October 2010 less the interim contribution paid under clause (e),
- as the case may require (see note 1 below).

TABLE 1

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 Dust Diseases Act 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 Dust Diseases Act.	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 (2009-2010).
3	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2009-2010), 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 (2009-2010), 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 (2009-2010), 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 (2009-2010), 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 (2009-2010), 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 (2009-2010), 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 (2009-2010), a business classification listed in Schedule 7 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 (2009-2010), 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 (2009-2010), 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 (2009-2010) 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 (2009-2010) 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 2009-2010.

Dated, this 4th day of June 2009

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 Manufacturing

Schedule 2

255100 Rubber Tyre Manufacturing

282100 Shipbuilding

424200 Carpentry Services

Schedule 3

041100 Rock Lobster Fishing

142010 Other Mining nec - Underground

142020 Other Mining nec - Surface

221200 Synthetic Fibre Textile Manufacturing

221300 Cotton Textile Manufacturing

221400 Wool Textile Manufacturing

221500 Textile Finishing

255900 Other Rubber Manufacturing nec

261000 Glass and Glass Product Manufacturing

262100 Clay Brick Manufacturing

262300 Ceramic Tile and Pipe Manufacturing

262900 Other Ceramic Product Manufacturing nec

263100 Cement and Lime Manufacturing

263220 Plaster Product Manufacturing

263300 Concrete Slurry Manufacturing

263400 Concrete Pipe and Box Culvert Manufacturing

263510 Terrazzo Manufacturing

263520 Concrete Product Manufacturing nec

271100 Basic Iron and Steel Manufacturing

271200 Iron and Steel Casting & Forging

411100 House Construction

423100 Plumbing Services

424110 Cement Rendering and Plastering

424300 Tiling and Carpeting Services

424400 Painting and Decorating Services

425930 Building Exterior Cleaning and Maintenance Services

425940 Construction Services nec

650100 Pipeline Transport

650900 Transport nec

662100 Stevedoring

662920 Services to Water Transport nec

Schedule 4

041200 Prawn Fishing

041300 Finfish Trawling

041400 Squid Jigging

041500 Line Fishing

041900 Marine Fishing nec

131100 Iron Ore Mining

131200 Copper Ore Mining – Underground

131910 Other Metal Ore Mining nec - Underground

131920 Other Metal Ore Mining nec - Surface

141100 Gravel and Sand Quarrying

152000 Other Mining Services

211130 Meat Processing

216100 Bread Manufacturing

217100 Sugar Manufacturing

217200 Confectionery Manufacturing

217300 Seafood Processing

217400 Prepared Animal and Bird Feed Manufacturing

217900 Food Manufacturing nec

218200 Beer and Malt Manufacturing

221100 Wool Scouring

222110 Made-up Textile Product Manufacturing

222200 Textile Floor Covering Manufacturing

222300 Rope, Cordage and Twine Manufacturing

222900 Other Textile Product Manufacturing nec

224100 Men's and Women's Clothing Manufacturing

224200 Tailoring and Dress-making

224300 Sleepwear, Underwear and Baby Clothing Manufacturing

224900 Other Clothing Manufacturing nec

233100 Pulp, Paper and Paperboard Manufacturing

251000 Petroleum Refining

254200 Paint Manufacturing

254500 Soap and Other Detergent Manufacturing

254900 Other Chemical Product Manufacturing nec

262200 Ceramic Product Manufacturing

271300 Steel Pipe and Tube Manufacturing

272200 Aluminium Smelting

272300 Copper, Silver, Lead and Zinc Smelting, Refining

272900 Basic Non-Ferrous Metal Manufacturing nec

273100 Aluminium Rolling, Drawing, Extruding

273200 Non-Ferrous Metal Rolling, Drawing, Extruding nec

273300 Non-Ferrous Metal Casting

274100 Structural Steel Fabricating

274900 Structural Metal Product Manufacturing nec

275900 Sheet Metal Product Manufacturing

276100 Hand Tool and General Hardware Manufacturing

276200 Spring and Wire Product Manufacturing

276300 Nut, Bolt, Screw and Rivet Manufacturing

276400 Metal Coating and Finishing

276900 Fabricated Metal Product Manufacturing nec

281100 Motor Vehicle Manufacturing

282300 Railway Equipment Manufacturing

286100 Agricultural Machinery Manufacturing

294100 Jewellery and Silverware Manufacturing

294200 Toy and Sporting Good Manufacturing
 294900 Manufacturing nec
 361000 Electricity Supply
 362000 Gas Supply
 411200 Residential Building Construction nec
 421010 Demolition
 421020 Site Preparation Services
 422200 Bricklaying Services
 422300 Roofing Services
 423200 Electrical Services
 423300 Air Conditioning & Heating Services
 424120 Plasterboard & Decorative Plaster Fixing
 425910 Scaffolding Services
 425920 Exterior/Interiors Blind and Awning Installation Services
 630100 International Sea Transport
 630200 Coastal Water Transport
 630300 Inland Water Transport
 662200 Water Transport Terminals
 662300 Port Operators
 662910 Water Transport Agency Services
 663000 Services to Air Transport

Schedule 5

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
 216200 Cake and Pastry Manufacturing
 216300 Biscuit Manufacturing
 218300 Wine Manufacturing
 218400 Spirit Manufacturing
 219000 Tobacco Product Manufacturing
 222120 Furniture Upholstery and Cover Manufacturing
 222130 Non-canvas Textile Blind and Awning Manufacturing
 232100 Plywood and Veneer Manufacturing
 233200 Solid Paperboard Container Manufacturing
 233300 Corrugated Paperboard Container Manufacturing
 233400 Paper Bag and Sack Manufacturing
 233900 Other Paper Product Manufacturing nec
 241220 Newspaper Printing
 253500 Inorganic Industrial Chemical Manufacturing nec
 254100 Explosives Manufacturing
 254400 Pesticide Manufacturing
 254600 Cosmetic and Toiletry Preparation Manufacturing
 254700 Ink Manufacturing
 264010 Fibreglass Insulation Products

Manufacturing
 264020 Non-Metallic Mineral Product Manufacturing nec
 272100 Alumina Production
 274200 Architectural Aluminium Product Manufacturing
 276200 Spring and Wire Product Manufacturing
 276500 Non-Ferrous Pipe Fitting Manufacturing
 281300 Automotive Electrical and Instrumental Manufacturing
 282210 Boatbuilding
 282220 Boat repairing
 282400 Airport Manufacturing
 282900 Transport Equipment Manufacturing
 285200 Electrical Cable and Wire Manufacturing
 286420 Metal Dies, Cutting, Sinking, Manufacturing and Repairing
 286700 Commercial Space Heating and Cooling Equipment Manufacturing
 286900 Industrial Machinery and Equipment Manufacturing nec
 370100 Water Supply
 370200 Sewerage and Draining Services
 411300 Non-Residential Building Construction
 422110 Concrete Construction Services
 422120 Concrete Paving Services
 422400 Structural Steel Erection Services
 425100 Landscaping Services
 453100 Timber Wholesaling
 453900 Building Supplies Wholesaling nec
 523300 Domestic Hardware and Housing Retailing
 532900 Automotive Repair and Services nec
 620000 Rail Transport
 952100 Laundry and Dry Cleaning Operations
 952120 Self Service Laundries
 963300 Fire Brigade and Civil Emergency Services

Schedule 6

141900 Construction Material Mining nec
 211110 Abattoirs
 211120 Meat Packing and Freezing
 211140 Animal By-product Processing nec
 211210 Poultry Abattoirs
 211220 Poultry Meat Processing
 211300 Bacon, Ham and Smallgood Manufacturing
 212100 Milk and Cream Processing
 212200 Ice Cream Manufacturing
 212900 Dairy Product Manufacturing
 218100 Soft Drink, Cordial and Syrup Manufacturing
 226100 Leather Tanning and Fur Dressing
 226200 Leather and Leather Substitute Product Manufacturing
 232200 Fabricated Wood Manufacturing
 232910 Wooden Blind Manufacturing
 232920 Other Wood Product Manufacturing nec
 241100 Paper Stationery Manufacturing

241210 Printing
 241310 Printing Trade Services
 254300 Medicinal and Pharmaceutical Product Manufacturing
 256200 Plastic Extruded Product Manufacturing
 281200 Motor Vehicle Body Manufacturing
 281900 Automotive Component Manufacturing nec
 286200 Mining and Construction Machinery Manufacturing
 286300 Food Processing Machinery Manufacturing
 286410 Machine Tool and Part Manufacturing
 286500 Lifting and Material Handling Equipment Manufacturing
 286600 Pump and Compressor Manufacturing
 291900 Prefabricated Building Manufacturing nec
 412100 Road and Bridge Construction
 423400 Telecommunications, Alarm and Security System Installation Services
 452300 Chemical Wholesaling
 462400 Motor Vehicle Dismantling
 523500 Recorded Music Retailing
 523100 Automotive Fuel Retailing
 532200 Automotive Electrical Services
 532300 Smash Repairing
 532400 Tyre Retailing
 611020 Road Freight Transport – Short Distance
 611040 Furniture Delivery and Removal Service
 963400 Waste Disposal Services

Schedule 7

012100 Grain Growing
 012200 Combined Grain Growing, Sheep Farming and Beef Cattle Farming
 012300 Sheep-Beef Cattle Farming
 012400 Sheep Farming
 012510 Beef Cattle Farming
 012520 Beef Cattle Feedlots
 030100 Forestry
 030210 Softwood Plantation Timber Logging
 030220 Hardwood and Other Timber Logging
 030300 Services to Forestry
 110100 Coal Mining - Underground
 110200 Coal Mining - Surface
 231100 Log Sawmilling
 231200 Wood Chipping
 231300 Timber Resawing and Dressing
 232300 Wooden Structural Component Manufacturing
 241320 Services to Printing and Publishing nec
 253100 Fertiliser Manufacturing
 253200 Industrial Gas Manufacturing
 253300 Synthetic Resin Manufacturing
 253400 Organic Industrial Chemical Manufacturing nec
 256100 Plastic Blow Moulded Product Manufacturing
 256300 Plastic Bag and Film Manufacturing

256400 Plastic Product, Rigid Fibre Reinforced, Mfg
 256500 Plastic Foam Product Manufacturing
 275100 Metal Container Manufacturing
 285100 Household Appliance Manufacturing
 285300 Battery Manufacturing
 285400 Electric Light and Sign Manufacturing
 285900 Other Electrical Equipment Manufacturing nec
 291100 Prefabricated Metal Building Manufacturing
 292200 Sheet Metal Furniture Manufacturing
 292300 Mattress Manufacturing (Except Rubber)
 292900 Furniture Manufacturing nec
 424510 Aluminium Door and Window Installation
 424520 Glazing Services
 452100 Petroleum Product Wholesaling
 452200 Metal and Mineral Wholesaling
 462100 Car Wholesaling
 462200 Commercial Vehicle Wholesaling
 462300 Motor Vehicle New or Used Part Dealing
 473100 Household Appliance Wholesaling
 473200 Furniture Wholesaling
 473300 Floor Covering Wholesaling
 473900 Household Good Wholesaling nec
 512100 Fresh Meat, Fish and Poultry Retailing
 512200 Fruit and Vegetable Retailing
 512300 Liquor Retailing
 512400 Bread and Cake Retailing
 512500 Takeaway Food Retailing
 512600 Milk Vending
 512900 Specialised Food Retailing nec
 523100 Furniture Retailing
 523200 Floor Covering Retailing
 523400 Domestic Appliance Retailing
 525200 Antique and Used Good Retailing
 525300 Garden Equipment Retailing
 525400 Flower Retailing
 525900 Retailing nec
 611010 Road Freight Transport – Bulk Freight
 611030 Road Freight Transport – Long Distance
 664100 Travel Agency Services
 664220 Freight Forwarding (Road) – No Goods Handling
 664900 Services to Transport nec
 734000 Financial Asset Investors
 782100 Architectural Services
 782300 Consulting Engineering Services
 782920 Technical Services nec
 786610 Cleaning Services : Non Government Contractors
 786620 Cleaning Services : Government Contractors
 820000 Defence
 841000 Preschools and Kindergartens
 844010 Driving Schools
 844020 Other Education and Training nec
 861200 Psychiatric Hospitals
 912100 Radio Services
 912200 Television Services

923100 Zoological and Botanic Gardens
 923900 Recreational Parks and Gardens
 970000 Private Households Employing Staff

Schedule 8

011100 Plant Nurseries
 011200 Cut Flower and Flower Seed Growing
 011300 Vegetable Growing
 011400 Grape Growing
 011500 Apple and Pear Growing
 011600 Stone Fruit Growing
 011700 Kiwi Fruit Growing
 011900 Fruit Growing nec
 013000 Dairy Cattle Farming
 014100 Poultry Farming (Meat)
 014200 Poultry Farming (Eggs)
 015100 Pig Farming
 015200 Horse Farming
 015300 Deer Farming
 015900 Other Livestock Farming nec
 016100 Sugar Cane Growing
 016200 Cotton Growing
 016900 Other Crop and Plant Growing nec
 021100 Cotton Ginning
 021200 Shearing Services
 021300 Aerial Agricultural Services
 021910 Services to Livestock Farming nec
 021920 Services to Crop Farming nec
 021930 Services to Fruit and Vegetable Growing nec
 021940 Agricultural Land Clearing and Fencing
 021950 Other Services to Agriculture nec
 021960 Pet Boarding and Kennels nec
 022000 Hunting and Trapping
 042000 Aquaculture
 120000 Oil and Gas Extraction
 151100 Petroleum Exploration (Own Account)
 151200 Petroleum Exploration
 151300 Mineral Exploration (Own Account)
 151400 Mineral Exploration Services
 213000 Fruit and Vegetable Processing
 214000 Oil and Fat Manufacturing
 215100 Flour Mill Product Manufacturing
 215200 Cereal Food and Baking Mix Manufacturing
 223100 Hosiery Manufacturing
 223200 Cardigan and Pullover Manufacturing
 223900 Knitting Mill Product Manufacturing nec
 225000 Footwear Manufacturing
 242100 Newspaper Publishing
 242200 Other Periodical Publishing
 242300 Book and Other Publishing
 243000 Recorded Media Manufacturing and Publishing
 252000 Petroleum and Coal Product Manufacturing nec
 283100 Photographic and Optical Good Manufacturing
 283200 Medical and Surgical Equipment

Manufacturing
 283900 Professional and Scientific Equipment Manufacturing nec
 284100 Computer and Business Machine Manufacturing
 284200 Telecommunication, Broadcasting and Transceiving Equipment Manufacturing
 284900 Other Electronic Equipment Manufacturing
 292100 Wooden Furniture and Upholstered Seat Manufacturing
 412200 Non-Building Construction nec
 451100 Wool Wholesaling
 451200 Cereal Grain Wholesaling
 451900 Farm Produce and Supplies Wholesaling nec
 461100 Farm and Construction Machinery Wholesaling
 461200 Professional Equipment Wholesaling
 461300 Computer Wholesaling
 461400 Business Machine Wholesaling nec
 461500 Electrical and Electronic Equipment Wholesaling nec
 461900 Machinery and Equipment Wholesaling nec
 471100 Meat Wholesaling
 471200 Poultry and Smallgoods Wholesaling
 471300 Dairy Produce Wholesaling
 471400 Fish Wholesaling
 471500 Fruit and Vegetable Wholesaling
 471600 Confectionery and Soft Drink Wholesaling
 471700 Liquor Wholesaling
 471800 Tobacco Product Wholesaling
 471900 Grocery Wholesaling nec
 472100 Textile Product Wholesaling
 472200 Clothing Wholesaling
 472300 Footwear Wholesaling
 479100 Photographic Equipment Wholesaling
 479200 Jewellery and Watch Wholesaling
 479300 Toy and Sporting Good Wholesaling
 479400 Book and Magazine Wholesaling
 479500 Paper Product Wholesaling
 479600 Pharmaceutical and Toiletry Wholesaling
 479910 Wholesaling nec
 479920 Wholesale Trade Agent – No Goods Handling
 511000 Supermarket and Grocery Stores
 521000 Department Stores
 522100 Clothing Retailing
 522200 Footwear Retailing
 522300 Fabric and Other Soft Good Retailing
 524100 Sport and Camping Equipment Retailing
 524200 Toy and Game Retailing
 524300 Newspaper, Book and Stationery Retailing
 524400 Photographic Equipment Retailing
 524500 Marine Equipment Retailing
 525100 Pharmaceutical, Cosmetic and Toiletry Retailing
 525500 Watch, Spectacles and Jewellery Retailing
 526110 Household Equipment Repair Services (Electrical)
 526120 Household Equipment Repair Services

(Electronics)	with Operator
526900 Household Equipment Repair Services nec	774330 Office Equipment Hiring and Leasing
531100 Car Retailing	781000 Scientific Research
531200 Motor Cycle Dealing	782200 Surveying Services
531300 Trailer and Caravan Dealing	782910 Laboratory Services nec
571000 Accommodation	783100 Data Processing Services
572000 Pubs, Taverns and Bars	783200 Information Storage and Retrieval Services
573000 Cafes and Restaurants	783300 Computer Maintenance Services
574000 Clubs (Hospitality)	783400 Computer Consultancy Services
612100 Long Distance Bus Transport	784100 Legal Services
612200 Short Distance Bus Transport (Including Tramway)	784200 Accounting Services
612340 Other Road Passenger Transport nec	785100 Advertising Services
640100 Scheduled International Air Transport	785210 Sign Writing
640200 Scheduled Domestic Air Transport	785220 Commercial Art and Display Services
640300 Non-Scheduled Air and Space Transport	785300 Market Research Services
661100 Parking Services	785400 Business Administration Services
661900 Services to Road Transport nec	785500 Business Management Services
664210 Freight Forwarding (Road) – Goods Handling	786100 Employment Placement Services
664310 Freight Forwarding (Other than Road) – Goods Handling	786300 Secretarial Services
664320 Freight Forwarding (Other than Road) – No Goods Handling	786411 Investigative Services
664410 Customs Agencies – Goods Handling	786412 Security Services
664420 Customs Agencies – No Goods Handling	786420 Building Caretaking Services
670100 Grain Storage	786500 Pest Control Services
670900 Storage nec	786700 Contract Packing Services nec
711110 Postal Delivery Services	786900 Business Services nec
711120 Postal Agency Services	811100 Central Government Administration
711200 Courier Services	811200 State Government Administration
712000 Telecommunication Services	811300 Local Government Administration
731000 Central Bank	812000 Justice
732100 Banks	813000 Foreign Government Representation
732200 Building Societies	842100 Infants and Primary Schools
732300 Credit Unions	842200 Secondary Education
732400 Money Market Dealers	842300 Combined Primary and Secondary Education
732900 Deposit Taking Financiers nec	842400 Special School Education
733000 Other Financiers	843100 Higher Education
741100 Life Insurance	843200 Technical and Further Education
741200 Superannuation Funds	861100 Hospitals (Except Psychiatric Hospitals)
742100 Health Insurance	861300 Nursing Homes
742200 General Insurance	862100 General Practice Medical Services
751100 Financial Asset Broking Services	862200 Specialist Medical Services
751900 Services to Finance and Investment nec	862300 Dental Services
752000 Services to Insurance	863100 Pathology Services
771110 Residential Strata Schemes	863200 Optometry and Optical Dispensing
771120 Residential Property Operators	863300 Ambulance Services
771210 Commercial Property Strata Schemes	863400 Community Health Centres
771220 Commercial Property Operators and Developers	863500 Physiotherapy Services
772000 Real Estate Agents	863600 Chiropractic Services
773000 Non-Financial Asset Investors	863900 Other Health Services nec
774100 Motor Vehicle Hiring	864000 Veterinary Services
774210 Boat and Ferry Hiring	871000 Child Care Services
774220 Other Transport Equipment Leasing nec	872100 Accommodation for the Aged
774310 Plant and Machinery Hiring and Leasing Without Operator	872200 Residential Care Services nec
774320 Plant and Machinery Hiring and Leasing	872910 Home Care Services
	872920 Non-Residential Care Services nec
	911100 Film and Video Production
	911200 Film and Video Distribution
	911300 Motion Picture Exhibition

921000 Libraries	951900 Personal and Household Goods Hiring nec
922000 Museums	952130 Carpet Cleaners
924110 Theatre and Orchestra Productions	952200 Photographic Film Processing
924120 Other Theatre and Musical Performance	952300 Photographic Studios
924200 Creative Arts	952400 Funeral Directors, Crematoria and Cemeteries
925100 Sound Recording Studios	952510 Gardening Services
925200 Performing Arts Venues	952520 Amenity Tree Services
925910 Agency Services to the Arts	952600 Hairdressing and Beauty Salons
925920 Services to the Arts nec	952910 Adult Personal Services
931110 Horse and Dog Racing Operations	952920 Personal Services nec
931200 Sports Grounds and Facilities nec	961000 Religious Organisations
931911 Sports and Services to Sport nec	962100 Business and Professional Associations
931912 Sports Administrators Services	962200 Labour Associations
932100 Lotteries	962900 Interest Groups nec
932200 Casinos	963100 Police Services
932900 Gambling Services nec	963200 Corrective Centres
933000 Other Recreation Services	The relevant sections of the determination made by
951100 Video Hire Outlets	

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 Manufacturing 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:

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

WORKERS COMPENSATION DUST DISEASES BOARD of NSW

Actuarial Certificate

Outstanding Claims Liabilities as at 30 June 2009

PricewaterhouseCoopers has been requested by the Dust Diseases Board of NSW (“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 2009.

Data

The valuation of outstanding claims liabilities as at 30 June 2009 is based on data provided to us by the Board. We have not independently verified the data provided to us but we have reviewed it for reasonableness and internal consistency and we are of the opinion that it is suitable for the purpose of estimating the claims liabilities.

Basis of our estimates

The outstanding claims liabilities summarised below are central estimates in that they contain no deliberate bias towards either over or under estimation. The estimate is in inflated and discounted dollar terms meaning that expected claim payments have first been inflated to the expected time of payment before being discounted to allow for the time value of money. We have also included in our estimate an allowance for the expected future expenses associated with paying the claims liabilities.

Our valuation has separately considered expected payments for claims which have already been reported to the Board (“Known Claims”) and for claims which have not yet been reported but for which the exposure to dust has already occurred and a disease will eventually emerge (“IBNR Claims”).

Valuation results

Our central estimate of the outstanding claims liability as at 30 June 2009 is \$1,616.0m which can be broken down between Known and IBNR Claims as follows:

Item	\$m
Known Claims	605.4
IBNR	1,010.7
	1,616.0

Uncertainty

Estimating the outstanding claims liabilities for dust diseases which will continue to emerge, and be paid, for decades to come is an inherently uncertain exercise. This is particularly true for the IBNR claims where the numbers of claims are not yet known and the characteristics of those claims may emerge to be different to our expectations.

We have assumed a continuation of existing trends in our valuation which are based on the current claims environment. To the extent that these trends vary due to advancements in medical technology, changes in the emergence of dust diseases, legislative changes and so forth, the claims outcomes will also vary. This variation is normal and is to be expected.

Report

We have documented our valuation in full in our report dated 17 September 2009. This report contains details on data, methodology, assumptions, results and sensitivities to key assumptions. This report constitutes Actuarial Advice as defined in the Code of Professional Conduct (the Code) issued by the Institute of Actuaries of Australia and our advice complies with the Code in this respect.

Relevant Standards

Our central estimate of the liabilities has been prepared in accordance with the requirements of Australian Accounting Standard AASB137 and combined with our report is compliant with the Institute of Actuaries of Australia's Professional Standard PS300 which covers the estimation of general insurance technical liabilities and was issued in August 2007.

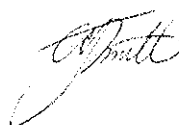


Conor O'Dowd

Fellow of the Institute of Actuaries of Australia

Fellow of the Institute of Actuaries (London)

17 September 2009



Andrew Smith

Fellow of the Institute of Actuaries of Australia

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