



Dust Diseases
Board

Workers' Compensation
(Dust Diseases) Board Annual Report

2012 • 13



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Workers' Compensation (Dust Diseases) Board
Annual Report
October 2013
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The Workers' Compensation (Dust Diseases) Board
2012–2013 Annual Report has been prepared in
accordance with the relevant legislation for the
Hon. Andrew James Constance, MP

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Workers' Compensation (Dust Diseases) Board .
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www.ddb.nsw.gov.au.

Letter to the Minister

30 September 2013

The Hon. Andrew James Constance, MP
Minister for Finance and Services
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Minister

In accordance with the Annual Report (Statutory Bodies) Act 1984, I have pleasure in submitting for your information and presentation to Parliament, the Annual Report of the Workers Compensation (Dust Diseases) Board for the financial year ended 30 June 2013.

It provides a comprehensive insight into the Agency's performance over the 2012—13 financial year and an overview of its future direction.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Julie Newman', is centered on a light grey rectangular background.

Julie Newman *PSM*
Chairperson
Workers Compensation (Dust Diseases) Board

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Chairperson's report

I am pleased to submit the Dust Diseases Board Annual Report for 2012–13 for presentation to Parliament.

The 2012–13 financial year has been one marked by a number of new initiatives for the Board, which is now part of the Safety, Return to Work and Support Division (SRWSD), formed for the purposes of consolidating governance arrangements under the Safety, Return to Work and Support Board Act 2012 on 1 August 2012.

In the 2012–13 financial year, the DDB conducted 1510 examinations, 13.4 per cent less than the previous year.

In the past year the Board launched its DDB Medical Practitioner Scholarship, a program designed to assist medical practitioners to further their knowledge of occupational dust diseases. In December 2012 the Board awarded the first two scholarships to Dr June Sim and Dr Neil Ozanne, both from Western Australia.

The DDB also introduced new Guidelines for Determining Disabled for Work for the use of the Medical Authority.

In making its services more accessible to its customers, the Board has also improved its administration by issuing new compensation application forms and providing online access to these forms.

The Board also entered into a contractual arrangement for development of a new case management system and held workshops with staff to develop the functional specifications required for the new case management system.

The DDB introduced a new industrial history report format to assist the decision making of the Board and Medical Authority when considering applications for awards of compensation.

The DDB has continued to carry out its occupational screening service for employers, which includes the 'Lung Bus'. The Lung Bus is Australia's only mobile respiratory service and travels to workplaces across NSW to provide screening for potential work-related breathing problems.

The DDB has also continued to support and promote Asbestos Awareness Week 2012, underscoring the dangers present for home renovators making structural changes to older homes in which asbestos is present.

Looking ahead, the DDB will focus on continuing to improve its customer services by:

- Introducing a new case management system for handling applications for compensation to provide faster end to end processing of claims and a single point of contact for applicants.
- Reviewing and updating the DDB's Privacy Management Plan to ensure that it complies with legislative requirements.
- Enhancing the DDB's website to be an information portal for customers and service providers.
- Undertaking a comprehensive client survey to inform our service delivery
- Reviewing and updating the content and language of all client template letters.



Julie Newman *PSM*
Chairperson

About the Dust Diseases Board

Vision

Every person affected by a compensable dust disease receives timely, accurate and effective services delivered with empathy and integrity.

Our purpose

To deliver a sustainable compensation scheme for NSW workers with a dust disease and their dependants.

Who we are

The Workers' Compensation (Dust Diseases) Board (DDB) provides a no fault workers' compensation scheme to past and present workers who have developed a compensable dust disease from occupational exposure to dust as a worker in NSW.

The Dust Diseases Board is an agency within the Safety, Return to Work and Support Division (SRWSD) of NSW Government. SRWSD is a Division of NSW Government and includes the WorkCover Authority of NSW, the Motor Accidents Authority of NSW, the Lifetime Care and Support Authority of NSW and the NSW Workers Compensation (Dust Diseases) Board.

Our history

The Dust Diseases Board has been continually operating for over 85 years. A dedicated workers' compensation scheme for occupational dust diseases was first established in 1920 to compensate workers with diseases caused by silica dusts.

Over the ensuing years, the scheme was expanded to provide compensation for a broader range of occupational dust diseases with diseases caused by exposure to asbestos dust now the most common dust diseases compensated by the Dust Diseases Board.

What we do

The DDB provides a no fault compensation scheme to people who have developed a dust disease from occupational exposure to dust as a worker in NSW and their dependants.

Our services include:

- undertaking medical examinations of applicants for workers' compensation benefits and for health monitoring. Examinations include lung function tests, chest x-rays and examination and interview by a respiratory physician. Examinations are conducted at our Sydney office, on our mobile respiratory screening unit and through a network of medical practitioners in NSW and interstate.
- facilitating the decision making process of the Medical Authority. The Medical Authority has legislative responsibility for determining whether an applicant for compensation has a dust disease under the Act, the extent of any disability caused by the dust disease and the level of occupational exposure as a worker in NSW that contributed to the causation of the disease.
- facilitating the decision making process of the members of the Board of the Dust Diseases Board (the Board). The Board has the legislative responsibility for determining whether that person is a worker under the Act (involving a

review of the applicant's industrial history and preparation of detailed reports for the Board's consideration), and determines the amount of an award to be made in accordance with the Act.

- paying compensation benefit payments to all beneficiaries under the Dust Diseases Scheme and paying hospital, medical, ambulance and other related expenses incurred as a result of a beneficiary's compensable dust disease.
- administering the Dust Diseases Fund (the Fund). The Fund is raised through a levy on employers to meet the liabilities of the Dust Diseases Scheme. The Board recommends levy rates, collects levy revenue and makes payments of compensation benefits and costs of administering the scheme from the Fund.
- managing the Dust Diseases Board Research and Community Support Grants Scheme. The scheme was established to encourage research into dust diseases and to provide funding to community organisations that provide support to sufferers of dust diseases and their families.
- providing 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 customers and their families on a range of matters including the benefit entitlements of dependents on the death of a worker.
- collating and maintaining all necessary statistical and related data to facilitate actuarial valuations of the liabilities of the Dust Diseases Scheme and research into dust diseases.

The Board is subject to the direction and control of the Minister for Finance and Services and reports on its performance to the Minister. The Board is responsible to the Minister through the Chair of the Board.

Our compensation process

Past and present workers wanting to apply for compensation to the DDB are required to:

- complete an application for medical assessment and an application for compensation
- undertake a medical assessment which includes a breathing test, chest x-ray and a medical examination
- 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 the extent of that exposure.

Once the Medical Authority has issued its certificate, the application is considered by the Board. The Board determines whether the applicant was a worker during any periods of occupational exposure to dust in NSW and, if so, the

applicant's compensation entitlements.

The dependants of a deceased worker who were dependant on the worker for support may also apply to the DDB to receive compensation benefits following the worker's death.

Our legislation

The DDB's operations are regulated principally by the provisions of the:

- *Workers' Compensation (Dust Diseases) Act 1942*
- *Worker' Compensation (Dust Diseases) Regulation 2008*
- *Workers' Compensation Act 1987*
- *Workers' Compensation Regulation 2003*
- *Workplace injury Management and Workers Compensation Act 1998*
- *Safety, Return to Work and Support Board Act 2012*

How the Annual Report is structured

For consistency, all SRWSD annual reports have been aligned to the following focus areas:

- Affordability, commerciality and solvency
- Safety, recovery and support
- Customer service
- Capabilities

The financial statements contain the audited financial statements for the year ended 30 June 2013.

The appendices to this report provide additional information required under the *Annual Reports (Statutory Bodies) Act 1984* and its regulations, the *Government Information (Public Access) Act 2009*, Treasury Circulars and Premier's memoranda.

Our locations

Workers' Compensation (Dust Diseases) Board

Level 2, 82 Elizabeth Street,
Sydney, NSW 2000

GPO Box 5323, Sydney NSW 2001

Ph: (02) 8223 6600 or toll free on 1800 550 027

Email: enquiries@ddb.nsw.gov.au

Website: www.ddb.nsw.gov.au

Hours of Business: 9:00am – 5:00pm,
Monday to Friday (public holidays excepted)

Bureau of Medical Inspection

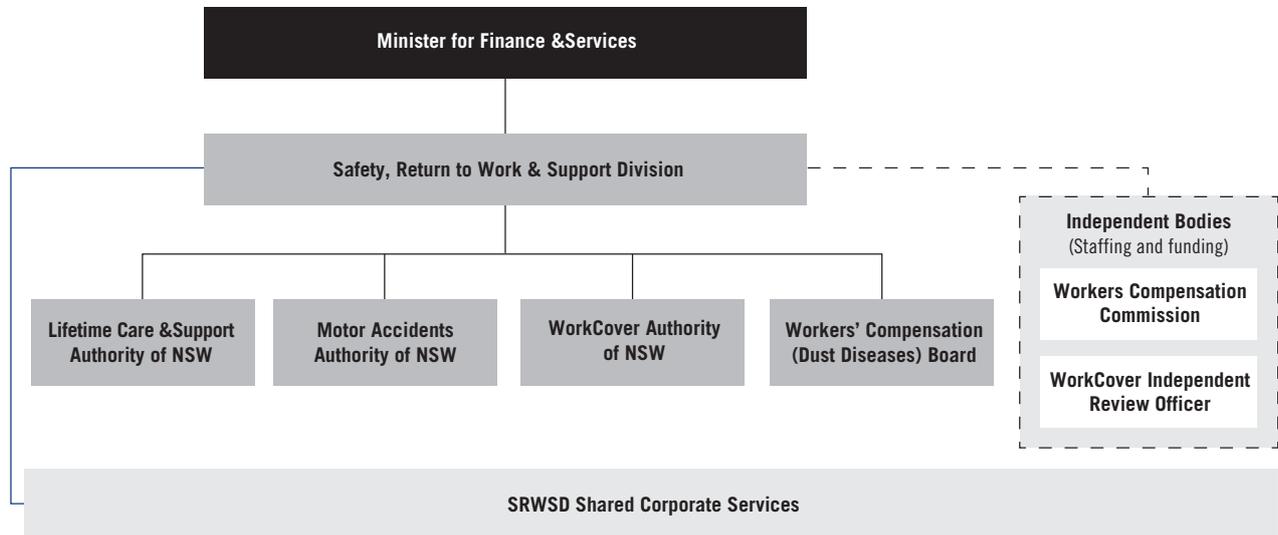
Suite G01, 32 Sulphide Street, Broken Hill, NSW 2880

Ph: (08) 8087 2405

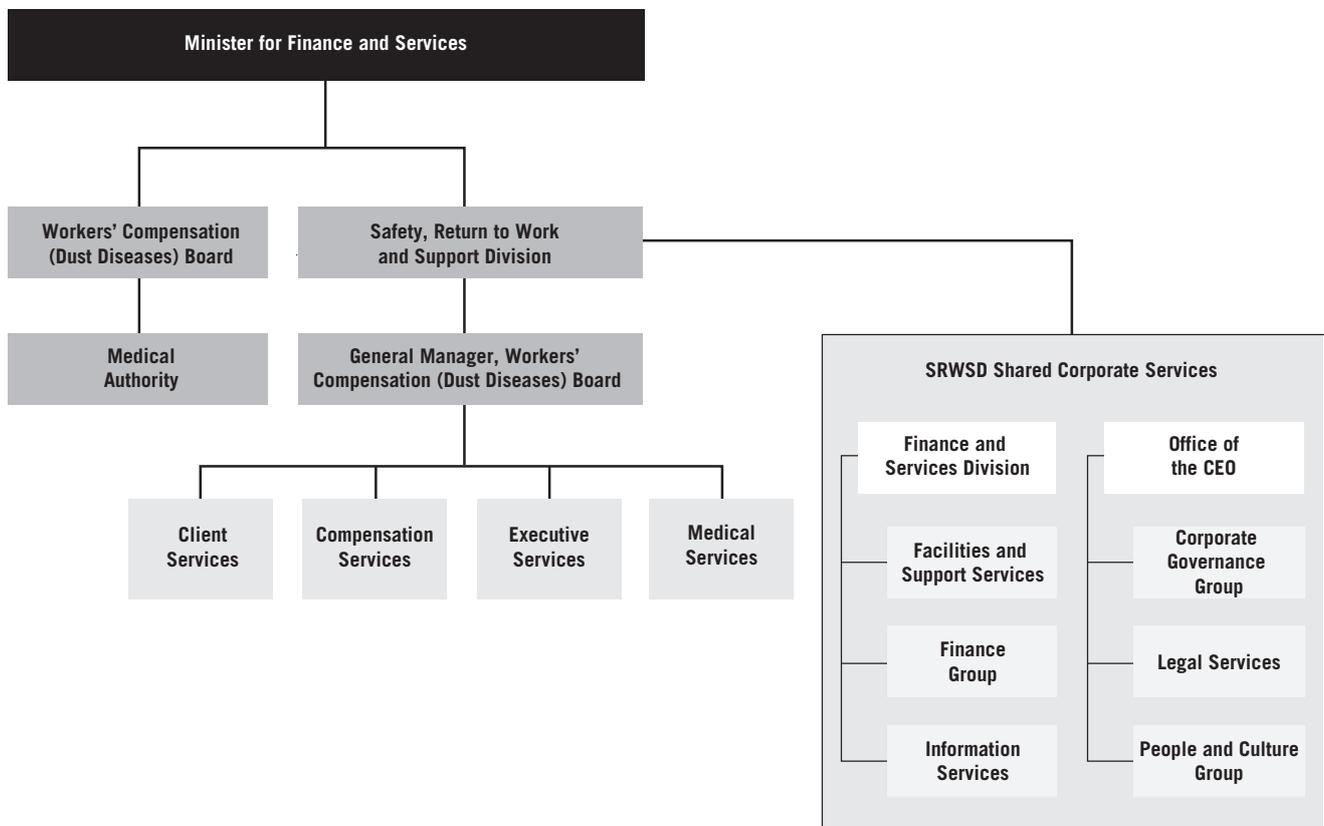
Hours of Business: 9:00am – 1:00pm Mon – Fri
(public holidays excepted)

Organisational charts

Safety, Return to Work and Support Division organisational chart



Workers Compensation (Dust Diseases) Board Divisional Structure



Corporate plan 2011–2015

The corporate plan provides the framework for the Dust Diseases Board to deliver its services in accordance with the State Government's priorities as set out in the State Plan.

The plan guides our work to ensure our customers, the community and our stakeholders understand our priorities. With the dedication of the Board and its staff, we will continue to deliver a socially just compensation system for workers and their families suffering from the effects of dust diseases.

Our Values

Our values are a shared understanding of what we stand for as an organisation. They guide us in making a positive difference our workplace culture and in the service we provide to our customers and the community.

Our values provide us with a clear understanding of our role in preserving the public interest, defending public value and adding professional quality and value to the commitment of the Government.

These values guide our personal work behaviours, how we make decisions, contribute to and represent our organisation, and how we interact and support each other.

| Integrity | Trust | Service | Accountability |
|--|---|--|--|
| <ul style="list-style-type: none"> • I consider people equally without prejudice or favour • I act professionally with honesty, consistency and impartiality • I take responsibility for situations, showing leadership and courage • I place the public interest over personal interest | <ul style="list-style-type: none"> • I appreciate difference and welcome learning from others • I build relationships based on mutual respect • I uphold the law, institutions of government and democratic principles • I communicate intentions clearly and invite teamwork and collaboration • I provide apolitical and non partisan advice | <ul style="list-style-type: none"> • I will provide services fairly with a focus on customer needs • I will be flexible, reliable and innovative in service delivery • I will engage with the not for profit and business sectors to develop and implement service solutions • I will focus on quality while maximising service delivery | <ul style="list-style-type: none"> • I will recruit and promote staff on merit • I will take responsibility for actions and decisions • I will provide transparency to enable public scrutiny • I will observe standards for safety • I will be fiscally responsible and focus on efficient, effective and prudent use of resources |

The Board, Medical Authority and Senior Management

The Board

The Dust Diseases Board (the Board) is constituted under the *Workers' Compensation (Dust Diseases) Act 1942* (the Act). The Board has seven members; an independent chairperson; three representatives of employers and three representatives of employees. All Board members are appointed by the Minister for Finance and Services 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 wide range of experience including engineering, workers' compensation, shop floor and employee relations.

The Board approves 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.

The work of the Board is supported by a number of committees being:

- Corporate Governance Committee
- Safety, Return to Work and Support Audit and Risk Committee
- Research Grants Committee.

The Board has the exclusive jurisdiction to determine all matters in respect of a claim for compensation under the Act, including the question of identity, dependency, fact of disablement and whether an award of compensation should be made. The Board is to undertake the following statutory functions:

- Determine claims for compensation made under the Act (s5(2)).
- Make determinations as to the classes of employment where there is a risk of contracting a dust disease (s6(3)).
- Administer the Workers Compensation Dust Diseases Fund (the Fund) (s6(2)).
- Estimate the amount to be expended from the Fund for each year (s6(4)).
- Make payments from the Fund for compensation payments, fees payable to members of the Board and the Medical Authority and for remuneration of the Board's staff (s6(2)).
- Make grants from the fund for research and to victims support groups (s6(2A)).
- The costs involved in the operation of the Dust Diseases Tribunal of NSW including the remuneration of its staff.

The Board is responsible for the corporate governance of the organisation and, as far as practicable, for ensuring that the Board's activities are carried out properly and efficiently.

Members of the Board of the Dust Diseases Board



Julie Newman PSM BHSMgt, CPA
Chairperson and Chief Executive Officer

Chief Executive of Safety, Return to Work and Support Division, Chair of the Workers' Compensation (Dust Diseases) Board and Member of the Safety, Return to Work and Support Board.

Julie has over 40 years' experience in the NSW public sector leading teams to deliver outstanding results. Julie has led diverse teams through periods of transformational change, and managed turnaround scenarios to strengthen the commercial viability and sustainable delivery of Governments services in the Safety, Return to Work and Support Division, WorkCover Authority of NSW, the Ambulance Service of NSW and NSW Health. In 2013, Julie was awarded the Public Service Medal in the Australia Day Honours.

As at 30 June 2013, Julie's roles included:

- Chief Executive Officer of Safety, Return to Work and Support Division
- Chair, Workers' Compensation (Dust Diseases) Board
- Member, Safety, Return to Work and Support Board
- Director, The Sargood Centre
- Chair, The Sargood Centre Audit and Risk Committee
- Chair of Heads of Asbestos Coordination Authorities.



Sylvia Kidziak AM FAICD FAIM FISA
FSIA (Hon) OFIEAust MICOH MRMIA
MNELA MNSA JP

Sylvia Kidziak is Managing Director of SL Engineering, a Councillor on the NSW Business Chamber Sydney North Regional Council and held the position

of Principal Consultant, Occupational Health, Safety and Environment Policy at Australian Business Ltd for 26 years. Sylvia is Chair of the ARPANSA Radiation Health and Safety Advisory Council. She was formerly a Commissioner on the Australian Safety and Compensation Council and the National Occupational Health and Safety Commission, Chair of the Occupational Health, Safety and Rehabilitation Council of NSW, Board Member of the NSW Cancer Council, Director on the NICNAS Industry Government Consultative Committee 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 Sylvia is Deputy Chair of the Board of the Asbestos Diseases Research Foundation and Chair of the Executive Committee. Sylvia Chairs the Board's Research Grants and Corporate Governance Committees. She was also a member of the recent Australian Government Asbestos Management Review Expert Advisory.



Brian Eichhorn

Brian Eichhorn is the representative of Australian Federation of Employers and Industries. Brian has worked in manufacturing industries all his working life. For the past 35 years he has held senior positions in Human Resources

Management. Brian 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.



Ray Petty FCPA FCIS AICD AAIM CPIM JP

Ray Petty was first appointed Board Member of the Dust Diseases Board in 1999 representing the Australian Industry Group. He is also an Independent Member of the Safety Return to Work and Support Division

and Independent Chair of Health Care Complaints Commission Audit and Risk Committees. Presently he is Director FIFO Capital. He has a career in Finance, Administration and Business Management spanning some 40 years.

Ray holds professional affiliations in finance and administration, for Accounting, Company Secretarial, Company Directors and Management and is a practising Justice of the Peace. In 2010 he was registered to the NSW Prequalification Scheme: Audit and Risk Committee Independent Chairs and Members.



Rita Mallia LLB/BCe (Hons)

Rita Mallia is the President of the Construction Forestry Mining and Energy Union (NSW Branch) Construction and General Division, having 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 Rita was the Union's Workers' Compensation Officer. Rita is a qualified solicitor. Rita also represents the CFMEU on the Vocational Training Appeal Panel.

Rita also represents the Dust Diseases Board on the Asbestos Diseases Research Foundation. Ms Mallia is also a director on the Board of the Schizophrenia Research Institute. Rita is a director of United Super Pty Ltd (CBUS), Uplus Pty Ltd and the Australian Construction Industry Redundancy Trust (ACIRT). Rita is a member of the Board's Research Grants Committee.



Dave Henry

Dave Henry is the Work Health and Safety Officer for the NSW Branch of the Australian Manufacturing Workers' Union (AMWU) and has occupied this position since early 2003. This position entails him representing workers in relation

to both work health and safety 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.

He is the current Chairman of the Industrial Health and Research Foundation (t/a Workers Health Centre). Dave is a member of the Board's Corporate Governance and Research Grants Committees.



Paul Noack

Paul Noack is a Branch Organiser for the Australian Workers Union, Greater NSW Branch. Paul has been active in the Trade Union movement for 40 years and is currently AWU delegate to Unions NSW and ACTU Congress and a State

and National Executive Officer of the Union. Paul's areas of responsibility include the States National Parks, State Forests, Roads and Maritime Service and the Chemical Industry.

Paul is a member of the NSW Mining and Extractives Industry Health Management Advisory Committee.

Paul has held previous appointments on company health and safety committees in the Automotive Industry, and has been actively involved in health and safety and workers' compensation issues for over the past 40 years.

Meetings of the Board

Meetings of the members of the Board are generally held monthly. 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 | Meetings Attended |
|---------------------------------|-------------------|
| J. Newman | 10 |
| Employer Representatives | |
| S.W.S Kidziak (Member) | 9 |
| B Eichhorn (Member) | 9 |
| R Petty (Member) | 11 |
| B Seidler (Alternate Member) | 0 |
| G Choice (Alternate Member) | 0 |
| G Patterson (Alternate Member) | 0 |
| Employee Representatives | |
| R Mallia (Member) | 10 |
| D Henry (Member) | 10 |
| P Noack (Member) | 7 |
| S Robinson (Alternate Member) | 4 |
| A Sawtschuk (Alternate Member) | 1 |
| M Morey (Alternate Member) | 0 |

The Medical Authority

The Medical Authority is one of the two essential elements required for the granting of an award of compensation for a dust disease. While the Board is required to approve the award after certifying that the applicant is a worker, the Medical Authority has responsibility to declare that the applicant has a dust disease as the result of exposure as a worker in NSW and assesses the degree of disability resulting from the dust disease.

The Medical Authority consists of three senior respiratory physicians 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. A certificate of disability must be signed by a least two of the three members of the Medical Authority following consideration of the case.

Meetings of the Medical Authority

A total of 33 meetings were held during the year. Attendances are indicated below:

| Chairpersons | Meetings Attended |
|---|-------------------|
| Professor D Bryant (Chairperson) MBBS (Syd), MRACP, FRACP | 17 |
| Dr P Corte (Alternate Chairperson) MBChb, FCP (SA) (resigned December 2012) | 5 |
| Dr IT Gardiner (Alternate Chairperson) MBBS (NSW), FRACP | 8 |
| Employer Representatives | |
| Dr G Kauffman (Member) M.B.B.S (Hons) BSc(MED) (Hons) FRACP | 12 |
| Dr JS Mann (Alternate Member) MBBS (Syd), MD (Syd), FRACP | 12 |
| Dr E Clark (Alternate Member) MBBS, MRCP (Lond) | 9 |
| Employee Representatives | |
| Dr C Clarke (Member) MB, PhD (Lond), LL.M, FRACP | 15 |
| Dr G Hart (Alternate Member) MBBS, MRCP (Lond), FRACP | 17 |

Dust Diseases Board Senior Managers

Ms Anita Anderson, Diploma of Government
(Policy Development)
General Manager

Dr Giles Yates, PhD
Director, Medical Services

Ms Michele Daley, BA/BsocSc, MTD
Director, Client Services

Affordability, commerciality and solvency

Key achievements

The Dust Diseases Board undertook a number of key activities to better understand the drivers impacting on the Board's performance, improve benefits for customers and corporate governance.

The Board:

- worked with the Board's actuaries to better forecast future claims incidences and costs to the Board
- introduced a new industrial history report format to assist the decision making of the Board and Medical Authority when considering applications for awards of compensation
- approved the implementation of the SWRSD Audit and Risk Committee Charter and Internal Audit Charter.

Strategic Asset Allocation

The Strategic Asset Allocation that has been approved by the Safety, Return to Work & Support Board is as follows:

| | SAA | Actual |
|---|-------------|-------------|
| Australian Equities | 20.0% | 24.7% |
| International Equities | 21.0% | 27.1% |
| International Equities – Emerging Markets | 4.0% | 4.2% |
| Australian Unlisted Property | 10.00% | 0.0%* |
| Australian Listed Property | 5.0% | 5.8% |
| Australian Fixed Interest | 10.0% | 10.0% |
| Australian Inflation-linked Bonds | 25.0% | 23.6% |
| Cash | 5.0% | 4.6% |
| TOTAL FUND | 100% | 100% |
| | | |
| Diversified Growth Assets | 60.0% | 61.8% |
| Defensive Assets | 40.0% | 38.2% |
| TOTAL FUND | 100% | 100% |

* Allocation to unlisted property is yet to be funded due to custodian transition and availability of investments.

In August 2012, responsibility for management of funds was placed with the SRWSD Investment Division.

2012–13 Returns

| Performance | 1 Year (%) | 3 Year (% p.a.) | 5 Year (% p.a.) |
|-------------|------------|-----------------|-----------------|
| Fund | 17.38 | 8.79 | 4.86 |
| Benchmark** | 15.17 | 9.30 | 5.29 |
| Excess | 2.21 | -0.51 | -0.43 |

** Benchmark is a composite benchmark based on the Fund's strategic asset allocation.

Governance Arrangements

With the introduction of the *Safety, Return to Work & Support Act 2012* a new governance structure was introduced for the Workers' Compensation (Dust Diseases) Board Fund (the Fund). In August 2012 the Safety, Return to Work & Support Board (the Board) was established. The Board is responsible for setting the investment strategy for the Fund and reporting to the Minister on the Fund's performance.

The Board has established an Investment Committee to assist in discharging its functions. The Investment Committee reviews the investment strategy for the funds and makes recommendations to the Board as appropriate. The Investment Division and the Investment Committee are continuously assessing ways to reduce risk, improve the efficiency and solvency of the Fund and ensure that the Scheme can meet its future claims.

Since its inception, the Investment Committee has been developing its foundation governance documents including its Investment Beliefs Statement and the Investment Policy Statement.

Investment Operations and Administration

Collaboration

In August 2012, the Department of Finance & Services and NSW Treasury established a working group to review the administration of investments across NSW government. The Investment Division has worked closely with the working group and other government entities to assess the scope for cost savings and efficiencies in the investments, administration and operations areas.

Custody arrangements

Following the introduction of the *Safety, Return to Work & Support Act 2012*, the new governance structure and the oversight of other Statutory Funds, the Investment Division sought and has been granted an extension to the existing Custody & Related Services Agreement with State Street Bank and Trust. The renegotiated agreement includes an extension of up to two years and ongoing cost savings for the Fund.

Government waste reduction and purchasing policy

The DDB is committed to reducing the impact of its business activities on the environment and to this end has implemented the following:

- Recycling of confidential waste paper via a reputable service provider.
- Recycling of used toner cartridges in an environmentally friendly manner.
- Use of carbon neutral paper.
- Policies, procedures, guidelines and Corporate Plan available electronically on the DDB intranet.
- Pay advices transmitted to employees electronically via email.
- Application forms, brochures and annual reports available on the DDB website for members of the public to download.
- Use of email to distribute minutes of meetings, staff newsletters and other reports.
- Standardisation to a common letterhead for the organisation.
- Office lights are switched off when not in use.

The DDB is constantly reviewing ways to further reduce wastage and improve purchasing power in compliance with the NSW Government Waste Reduction and Purchasing Policy (WRAPP).

Dust disease contribution rate

From 30 June 2012, the Dust Diseases Contribution payable by an employer was the relevant dust diseases levy rate determined by the Board, plus Goods and Services Tax (GST).

This is because the total premium payable (including Dust Diseases Contribution) is regarded as a supply under GST legislation. GST had previously been included in the calculation of all NSW insurance premium components, except for the Dust Diseases Contribution.

This change remedies an anomaly in the collection of the Dust Diseases component of premium from employers since the introduction of the GST.

The year ahead

Over the coming year, the Board will focus on increasing the effectiveness of its governance, audit and risk management and its investment management capacity.

The Board will:

- undertake a further operational risk assessment
- implement a new case management system
- review procurement practices

Safety and support

Key achievements

Compensation services

The Compensation Services Team administers the workers' compensation benefits awarded to workers and their dependants.

Compensation awards granted

| | 2010/11 | 2011-12 | 2012-13 |
|-----------------------------|---------|---------|---------|
| New worker awards | 286 | 274 | 295* |
| New medical expenses awards | 42 | 23 | 22* |
| New dependant awards | 197 | 181 | 183* |
| Total Awards | 525 | 478 | 500 |

* includes applications received but not determined prior to 1 July 2012

A total of 738 applications for compensation were received over the 2012-13 financial year. Two hundred and eight six (286) applications were made by people who had been exposed as a worker while 192 applications were made by the dependants of a deceased worker. Two hundred and four (204) applications were for medical screening while 126 applications did not proceed.

The Board approved 295 new awards of compensation to workers who had been certified by the Medical Authority as being disabled as a result of their dust disease. The award consists of a weekly compensation benefit, payment of all medical and related treatment expenses and payment of funeral expenses. Allowances are paid for a dependant spouse and any dependent children aged up to 16 years or until 21 years if enrolled as a full time student.

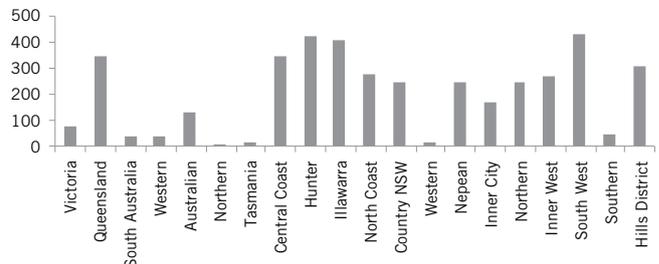
The Board also approved 22 new awards for the payment of medical expenses for workers who were in paid employment and ineligible to receive compensation benefits.

An additional 183 new awards of compensation were made to dependants of deceased workers. Awards to the dependants of a deceased worker consist of a lump sum payment together with weekly compensation benefits.

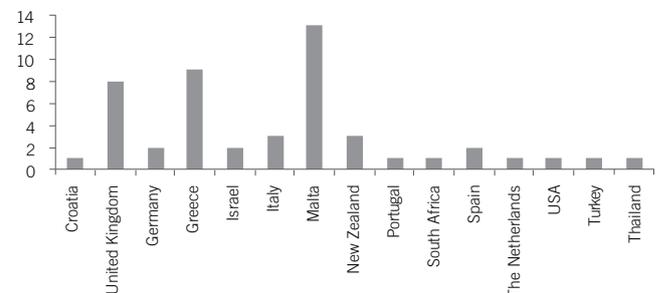
As at 30 June 2013, the DDB provided compensation benefits to 3961 customers: 1,128 workers and 2,833 dependants of deceased workers. The Dust Diseases Board paid out \$87.958m in compensation benefits during 2012-13 including \$10.862m in health care and funeral benefits.

The majority of our beneficiaries (41.7 per cent) reside in the Sydney area. A further 41.5 per cent live in regional New South Wales, while 15.7 per cent reside in other states and territories and 1.2 per cent (49 beneficiaries) reside overseas.

Beneficiaries categorised by Australian region of residence as at 30 June 2013



Beneficiaries categorised by country of residence as at 30 June 2013



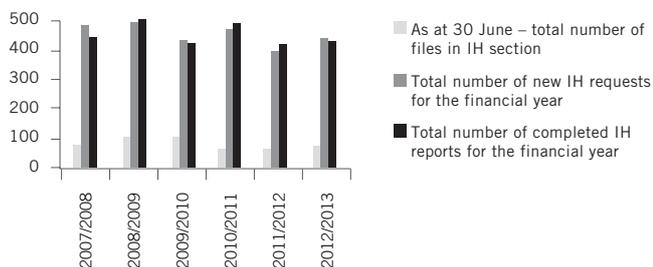
Industrial history services

The DDB's Industrial History Officers (IHOs) conduct interviews to compile an applicant's industrial history in support of their claim for benefits. Most interviews are conducted by telephone. Interviews with very ill clients are conducted at the applicant's home, or in hospital. The DDB provides a timely service to all its customers, but is able to respond quickly where an applicant is suffering serious health issues and a report needs to be prepared urgently.

Industrial history reports detail an applicant's employment history, including details of the location, nature and conditions of each employment, any areas or processes where dust was encountered and the frequency and duration of those exposures.

The Medical Authority uses the industrial history report to assess the extent of an applicant's exposure to dust in the workplace. The employment details within each industrial history enable the Board to determine if the applicant was exposed to dust as a worker within the meaning of the Workers' Compensation (Dust Diseases) Act 1942 and has any entitlement to an award of compensation.

During the year, the DDB, in consultation with relevant stakeholders, undertook a comprehensive review of the industrial history report format. This resulted in a number of improvements and changes to the report including the introduction of standardised exposure terms and definitions and a confidence rating scale for employment verification and exposure corroboration.. These key changes have resulted in an easy-to-read yet comprehensive picture of an applicant's total exposure experience providing the Medical Authority and Board with an enhanced level and quality of exposure information to support their decision making processes.



The number of industrial history reports completed by the DDB increased slightly by 2.8 per cent in 2012–13 from 411 in 2011–12 to 423. As at 30 June 2013, 88.6 per cent of industrial history reports were completed within 42 days.

Medical Authority support team

The Medical Authority Support Team collects and collates all the necessary medical information required by the Medical Authority to assess an application for compensation.

Medical reports and x-rays are obtained from applicants, their treating doctors, hospitals and other relevant medical providers.

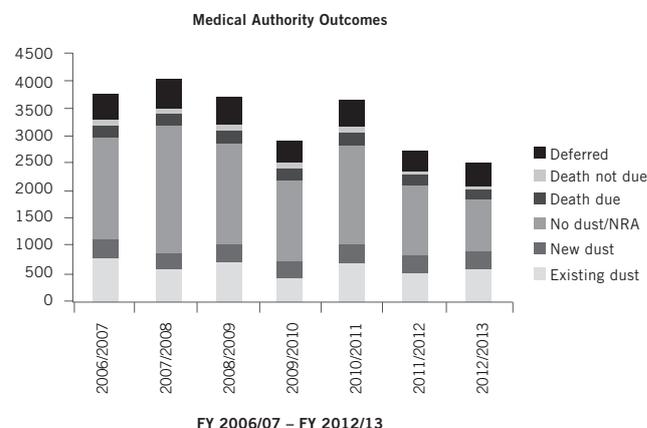
If the Medical Authority decides that further medical information is required to determine an applicant's claim, the Medical Authority will arrange for additional diagnostic tests to be performed.

The team records the decisions of the Medical Authority and advises applicants of decisions made by the Medical Authority. The team also provides copies of the DDB medical results to an applicant's treating doctor as required.

The Medical Authority considers both the medical evidence in applications for compensation benefits and the results of medical screening examinations conducted by the DDB. The Medical Authority considered 2516 cases in the year, including:

- 334 new cases of a dust disease
- 930 cases where there was no dust disease or where a dust disease was not reasonably attributable to occupational exposure as a worker under the Act
- 604 reviews of clients who have previously been certified with a dust disease
- 176 deaths certified as resulting from a dust disease in cases where the deceased worker had dependants.

Comparison of cases presented to the Medical Authority by year



Health care services

The DDB has a legislative responsibility and authority under Section 8(2)(d) of the *Workers' Compensation (Dust Diseases) Act 1942* to pay medical, hospital, ambulance and other related treatment expenses which are related to and reasonably necessary for the treatment of their dust disease. This includes expenses such as home oxygen, hospital fees, doctor/specialist fees, home nursing, ambulance fees, pharmaceuticals, aids and equipment, domestic assistance, nursing home and respite fees and minor home modifications.

The DDB's Health Care Services team co-ordinates the provision of a range of health care services to treat the worker's dust disease. A Health Care Services Officer contacts the worker to discuss their individual needs and at times may also liaise with their family, carer, treating doctor, treating specialist and a range of allied health professionals to arrange assessments and co-ordinate medical and related treatment services.

In order for the DDB to approve health care services, the worker's treating medical practitioner must provide certification that the treatment is reasonably necessary and that the necessity arises as a direct result of the worker's dust disease. In some instances, to assist the medical practitioner makes their functional determination, a report from an allied health professional such as an occupational therapist or registered nurse is required. In this case, the Health Care Services Officer will arrange for the appropriate assessment to be conducted in the person's home and forward the report to the appropriate medical practitioner. Once the relevant medical or health care service is completed, the Health Care Services team reviews and processes all invoices related to medical or health care expenses.

In the 2012–13 financial year, the Health Care Services team provided services to 982 clients and paid out \$9.992m in medical and treatment expenses (a 14 per cent increase on the \$8.072m paid in 2011–12). The team processed 15,200 invoices for medical treatment and related services throughout the year. The Health Care Services team continually review their processes to improve the quality and timeliness of service provision and reimbursement of medical expenses to workers. A focus was also placed on ensuring workers receive adequate and clear information about compensable health care services

Medical screening

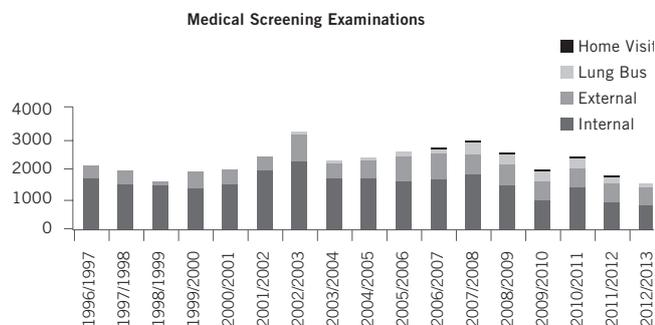
Past and present workers exposed to hazardous dusts in the workplace may apply to the DDB for a free medical examination to determine if they have a compensable dust disease. The DDB provides a team of respiratory physicians, radiographers and lung function scientists who examine applicants at the DDB's Sydney premises.

The examinations include a pulmonary function test and chest x-rays. Applicants residing interstate or in regional locations are examined on behalf of the DDB by a medical practitioner in their local area or on the DDB's Board's mobile respiratory screening unit. If an applicant is unable to leave their home due to illness, the DDB will arrange for a respiratory physician to visit the applicant at home.

Applicants who are found not to have a dust disease are invited to make appointments for ongoing DDB screening examinations to ensure that they receive any compensation entitlements if they develop a dust disease. Similarly, applicants who have a dust disease are invited to return for regular DDB screening examinations to ensure that they continue to receive their full entitlements.

A total of 1510 clients were examined in the 2012–13 financial year, which represents 13.4% less medical screenings conducted in the previous financial year.

Comparison of medical screenings by year



Health monitoring

For 11 years the DDB has operated a mobile respiratory screening service to assist NSW employers to meet their statutory obligation to screen workers who are at risk of occupational dust disease. In that time the DDB has conducted more than 42,085 respiratory health monitoring examinations.

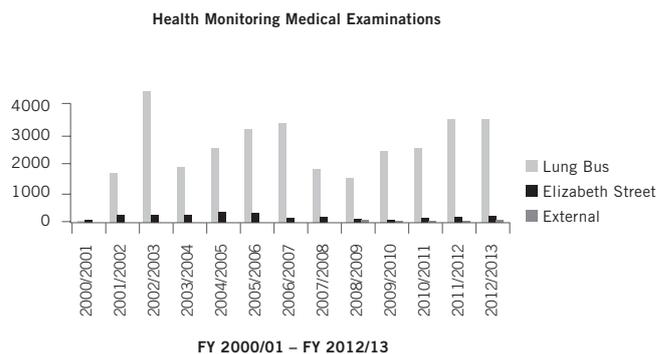
The mobile unit is equipped with a chest X-ray room, a lung function laboratory, a doctor's consulting room, a customer waiting room and a staff amenities room. A respiratory screening examination takes about 10 minutes and the mobile unit can screen up to 50 workers per day.

The DDB provides a health monitoring report to each worker who has been screened. In accordance with the requirements of the Work, Health and Safety Regulation 2011 the DDB also provides a health monitoring report in relation to employer. The Regulation requires that a health monitoring report include specific information including the name and date of the birth of the worker, whether or not the worker has been exposed to a

hazardous chemical or contracted disease, injury or illness as a result of their employment, a recommendation to the employer regarding remedial measures, including whether the worker can continue in their normal employment.

In 2012–13 the DDB conducted 4517 health monitoring examinations. This was a 1.9 per cent increase on the previous year.

The subsidised cost to NSW employers has remained at \$100 per worker (plus GST) for a number of years.



Research and education

The Research and Education Unit has four primary functions:

- Performing asbestos fibre counts on samples of lung tissue
- Administration of the research grants scheme
- Maintaining the research database
- Responding to requests for scientific information
- Providing secretariat support to the Board's Research and Community Grants Committee

At 30 June 2013, the unit was monitoring six ongoing research grants.

Research grant scheme

DDB is committed to improving services and access for workers who have contracted dust diseases. Our research grants scheme has been developed to deliver a range of positive outcomes for these workers. DDB awards funding for research programs in six key 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.
- Improving techniques for screening and diagnosis of dust diseases for assessing disability.
- Evaluating existing treatments and services for dust diseases.
- Research into epidemiology of dust diseases including data mining of DDB data sets.

It is envisioned that the research funded by the DDB will be a significant step forward in developing early detection methods, improved treatments and ultimately, better outcomes for all sufferers of dust diseases.

Current research grants

The DDB did not advertise a new funding round for research grants in the 2012–13 financial year.

As at 30 June 2013, the Research and Education unit was monitoring 6 ongoing DDB funded projects.

The following DDB funded research projects continued their research during the 2012–13 financial year:

- W/Professor YC Gary Lee “Fibroblast growth factor 9: a novel therapeutic and biomarker target in mesothelioma”
- Dr Edward Fysh “A multicentre randomised study comparing indwelling pleural catheter vs talc pleurodesis”
- Dr Steven Kao “Chemotherapy utilisation for malignant mesothelioma patients – optimal rate, barriers to access and patient preferences
- Dr Michaela Kirschner “MicroRNAs as Biomarkers for Malignant Mesothelioma”
- Dr Glen Reid “Using proteomics to improve prognostication and prediction in malignant mesothelioma”
- Professor Bruce Robinson “Releasing the ‘brakes’ on anti-tumour immune responses using chemo-immunotherapy in the treatment of mesothelioma”

The following research projects were completed during the 2012–13 financial year:

- Dr Delia Nelson from Curtin University “Modifying the mesothelioma tumour microenvironment: preparing for immune attack
- Dr Bahareh Badrian from the Lung Institute of Western Australia “MicroRNA as novel diagnostic and therapeutic targets in Malignant Mesothelioma.

During the year the research database was kept up to date with the addition of new cases of dust diseases,

The unit responded to 32 requests for scientific information; this represents a 31% increase on the number of requests received in the previous financial year. Requests for information were received from numerous sources including research institutes, industry groups, actuaries, the DDB Executive and Medical Authority and involved detailed analysis of DDB data, investigations into various industrial and occupational dust exposures, and medical literature searches into dust diseases.

In November 2012 WorkCover NSW provided the DDB with copies of 1528 files containing industrial and occupational data collected between the 1930s and the 1990s for specific various companies. The files also contain important reference material including Asbestos Regulations, Codes of Practice or other relevant guidelines of value to the DDB compensation assessment process. Industrial Hygiene reports for specific companies contained in the files documented workplace exposures to dusts, relevant industrial processes, workplace exposure assessments, the efficacy of exposure controls, and recommendations to minimise exposures. The Research and Education Unit is extracting the data from these files to build upon existing resources for the assessment of work-related dust exposures.

Medical Practitioner Occupational Dust Diseases Scholarship

The DDB launched its Medical Practitioner Occupational Dust Diseases Scholarship in the 2012–13 financial year. The scholarship is designed to assist medical practitioners to further their knowledge and experience in the prevention, diagnosis and treatment of occupational dust diseases. The scholarships are for a maximum of \$6,000 each to meet the costs of travel, accommodation and living expenses associated with attending the Dust Diseases Board in Sydney for one week.

In December 2012 the Board awarded the first two scholarships to Dr June Sim and Dr Neil Ozanne, both from Western Australia. They will attend their scholarship activities at the DDB in September and November 2013 respectively.

Stakeholder involvement

During the 2012–13 financial year the DDB participated in the following stakeholder involvement:

We sponsored:

- National Asbestos Awareness Week 2012 hosted by the Asbestos Diseases Foundation of Australia.
- An educational grant in support of professional development of members of the Australian and New Zealand Society of Occupational Medicine
- The Occupational and Environmental Lung Disease/ Population Health prize presented at the Thoracic Society of Australia and New Zealand scientific conference, 2013.
- The Asbestos Diseases Foundation of Australia Help Line, a service which provides advice and support to victims of asbestos related diseases and their families on a range of issues including counselling and carers support.

Customers

Customer Service

Our customers include past and present workers exposed to hazardous dusts in the workplace, their dependants and families.

As at 30 June 2013 the DDB provided compensation benefits to 3961 customers comprising 1,128 workers and 2,833 dependants of deceased workers.

The Dust Diseases Board's services include:

- payment of compensation benefits to eligible workers and dependants
- coordination and payment of medical and related expenses for affected workers
- free medical examinations to workers exposed to dust in the workplace
- occupational screening service for employers including our mobile screening vehicle the "Lung Bus"
- information and education
- pre-employment hearing tests at our Bureau of Medical Inspection, Broken Hill.

Key achievements

The Dust Diseases Board undertook a number of key activities to better understand the drivers impacting on the Board's performance, improve benefits for customers and corporate governance:

The Board:

- developed new compensation application forms and provided online access to forms
- launched the "DDB Medical Practitioner Scholarship", a program designed to assist medical practitioners to further their knowledge of occupational dust diseases
- introduced new Guidelines for Determining Disabled for Work for the use of the Medical Authority
- introduced a new Customer Service Charter.

Our customer service charter

In May 2013 the Safety, Return to Work and Support Division (SRWSD) introduced a new customer service charter. The SRWSD consists of the following agencies:

- Workers' Compensation (Dust Diseases) Board
- Lifetime Care and Support Authority
- Motor Accidents Authority
- WorkCover NSW

The customer service charter sets out how SRWSD Agencies, including the Dust Diseases Board, will make sure that our customers receive a high level of service.

What you can expect from us:

- We will identify ourselves when dealing with you

- We will listen to you and be responsive
- We will treat you fairly, courteously and consistently
- Our information and advice will be:
 - Accessible
 - Accurate
 - Consistent
 - Timely
- We will provide open, flexible communication options that take into account our diverse customer groups.
- We will respect your privacy and ensure that personal data remains confidential
- Our actions will be completed within an agreed timeframe
- We will follow through on commitments we make
- Our services will generally be free of charge and, where costs are involved, we will inform you in advance
- We will apologise when we get it wrong
- We will value and encourage your feedback
- We will have a policy and procedure for managing complaints and feedback, and it will be accessible to you
- We will avoid any conduct that is unlawful or discriminatory
- In accordance with legislative provision and NSW policies, we will take all necessary steps to provide information and services that are accessible
- We will use feedback to continuously review and improve our services

Information and education

A comprehensive information kit for customers has been developed that includes information in plain language on the benefits and services available from the DDB and the procedures for accessing these services.

The DDB has also developed a number of informative fact sheets explaining the range of services available for our clients, including:

- respiratory medical examinations
- compensation payments for workers and their dependants
- domestic assistance
- home nursing assistance
- alternative therapies
- funeral benefits.

The DDB will continue its focus on redesigning its website in the 2013–14 financial year to better reflect the needs of its customers and the community.

Call centre

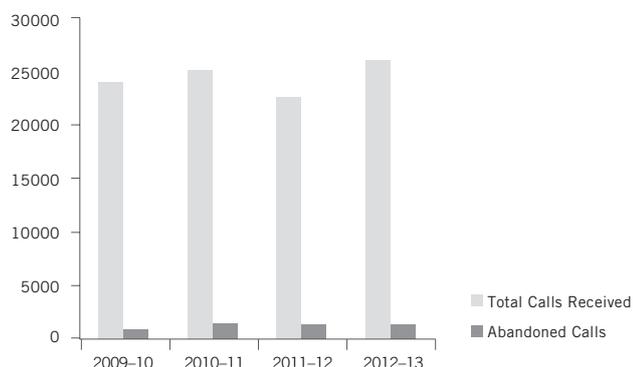
The call centre is the first point of contact with the DDB and our staff are trained to answer all questions that an applicant

might have in regard to the application process and functions of the DDB.

The call centre received 26,131 inbound calls in the 2012–13 financial year; a significant 13.4% increase on the 22,636 approximate calls received in the previous financial year.

Approximately 1390 (5.3 per cent) calls were abandoned prior to a call centre officer answering the call which is consistent with last year's results. Abandoned calls occurred on average after 51 seconds spent on the incoming line queue.

Comparison of incoming calls by year

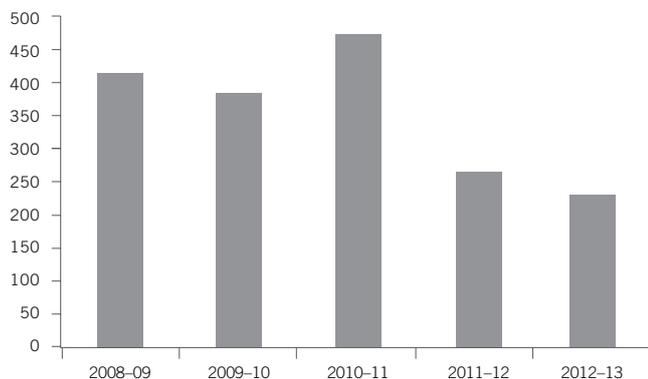


Bureau of Medical Inspection

In Broken Hill, the Bureau of Medical Inspection performs pre-employment audiometry tests for Broken Hill mineworkers. During the year, the Bureau performed a total of 231 audiometry tests, a 13% decrease on last year's figure of 266.

The DDB Mobile Health Unit visited the Bureau of Medical Inspection, Broken Hill to conduct 30 compensation medical examinations.

Comparison of pre-employment audiometry tests by year



Complaints and appeals

The DDB is committed to providing a courteous, timely and professional service to every customer. 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. All complaints are managed in a way that is consistent with the principles of natural justice. All complaints are assessed in terms of their type and seriousness before any action is taken.

To this effect, the DDB has in place a comprehensive Complaints Handling Policy and Guidelines for the resolution of complaints. The DDB's complaints and feedback procedures help to identify and ensure systemic problems or service shortfalls are identified and resolved.

While a number of minor customer services issues were resolved at the first point of contact, the DDB did not receive any formal serious complaints.

A person affected by a decision of the Board or its Medical Authority in relation to a claim for compensation under the Act may appeal against the decision to the District Court of NSW. During the year, 2 appeals to the District Court were lodged; 1 against a decision of the Medical Authority and 1 against a decision of the Board. Both appeals were determined in favour of the appellant.

The year ahead

In the coming year, the DDB will focus on continuing to improve its customer services:

- A new case management system for handling applications for compensation will be introduced to provide faster end to end processing of claims and a single point of contact for our applicants.
- The DDB's Privacy Management Plan will be reviewed and updated to ensure that it complies with legislative requirements.
- The DDB's internet will be enhanced to be an information portal for customers and service providers.
- Will undertake a comprehensive client survey to inform our service delivery
- The content and language of all client template letters will be reviewed and updated.

Capabilities

Key focus areas:

- Sound fund management and scheme viability
- Exemplar organisation
- Cost and efficiency

Our achievements

During the year, the Board undertook a number of activities aimed at improving its organisational performance and corporate governance. The Board:

- recorded an overall operating surplus for the 2012–13 financial year
- approved the implementation of the SWRSD Audit and Risk Committee Charter and Internal Audit Charter
- transferred responsibility for investment management of the Dust Diseases Fund to the SRWSD Investment Division

Corporate Governance

The DDB is a member of a number of committees within SWRSD established to provide enhanced corporate governance and planning across SWRSD.

Safety, Return to Work & Support Division

The DDB is established under section 5 of the *Workers' Compensation (Dust Diseases) Act 1942*. It is an agency within the Safety, Return to Work and Support Division of NSW Government.

SRWS is a Division of NSW Government reporting to the Minister for Finance and Services. It was established on 1 August 2012 under the Safety, Return to Work and Support Board Act 2012 and includes the WorkCover Authority of NSW, the Motor Accidents Authority of NSW, the Lifetime Care and Support Authority of NSW and the NSW Workers' Compensation (Dust Diseases) Board.

SRWSD provides staff to undertake the work of the Board.

SRWSD operates a shared services model hosted by WorkCover. Functions including strategy and performance, people and culture, finance and information technology services, legal, procurement and asset management services are provided by the shared services divisions to all SRWSD agencies and employees.

Organisational Capability

During the 2012–13 year, a significant number of actions and initiatives aligned with the GROWing Our Culture Framework (GROW) launched in 2011 were undertaken. The GROW framework is designed to support sustainable cultural change and improved capability across SRWSD through the creation of a constructive, empowered, productive and safe workplace. GROW includes 7 key focus areas of Wellness, Safety, Achievement, Capability, Leadership, Customer Experience and Innovation.

The following is a summary of the major GROW initiatives and actions implemented to achieve increased organisational capability:

- A significant realignment program commenced in early 2012 and continued throughout 2012–13. This major organisational review of capabilities, roles and structure included a number of new appointments to key leadership roles, including the role of Chief Executive and a number of General Managers and senior executive positions.
- A focus on values and ethics commencing with the formal adoption of the Public Sector Values of Integrity, Trust, Service and Accountability as the SRWSD Values and development and issue of a revised SRWSD Code of Conduct and Ethics Policy.
- Development of a comprehensive Leadership Strategy designed to build both leadership and management capability. The Leadership Strategy was launched through a series of Leadership Summits held throughout April and May. The summits were attended by people leaders from across the organisation and provided an opportunity for people leaders to:
 - share in the overall vision;
 - learn about key management practices and culture;
 - build relationships and collaborate;
 - share inspiring leadership experiences with each other.
- A focus on developing a high performance culture through goal identification and achievement, supported by authentic conversations. Information sessions on performance management were held across the organisation with clear expectations set that managers are required to address poor performance early and are to have regular performance discussions with their employees. The importance of ensuring employees have role clarity, clear objectives, comfort with participating in authentic performance discussions and an understanding of how progress and performance is measured were highlighted as vital components towards enabling a constructive and productive workplace.
- Commencement of the SRWSD Mandatory Training Program, with modules on “Maintaining a Harassment Free Office” and “Drug and Alcohol Awareness” released to employees in December 2012 and modules on the “SRWSD Code of Conduct and Ethics” and “Public Interest Disclosures and Reporting Corrupt Conduct” released in May 2013.
- Continued enhancement of the rigour and transparency of recruitment and selection processes including implementation of behavioural interviewing and the introduction of pre-screening questions.
- The inaugural SRWSD Annual Employee Awards Ceremony, providing an opportunity to acknowledge and celebrate the excellent work performed by employees from across the organisation, was held in May.
- A move to actively encouraging and enabling early intervention and support for SRWSD employees who have concerns in the workplace with working relationships and personal issues.
- Implementation of a tiered Service and Advice model within People and Culture including a clearly understood

approach to case management to support people managers and employees who are managing workplace issues.

Workforce diversity and inclusion

SRWSD is committed to building a workplace culture which values and understands the benefits of a diverse workforce, reflective of the wider community.

In 2012–13, a number of initiatives and actions were implemented to support this commitment, including the introduction of mandatory training for all staff on maintaining a harassment free work environment, planning for the development of a 'diversity and inclusion' intranet page, and preparation for the launch of a SRWSD diversity council/employee network. A diversity events calendar was also developed to plan and promote key diversity events, such as Harmony Day, NAIDOC Week, International Women's Day and International Day for People with a Disability.

A number of initiatives aimed at recognising, valuing and supporting employees from diverse backgrounds, identified EEO groups and groups of interest identified through workforce data analysis (e.g. young workers) or through current focus (e.g. carers) were implemented.

Employees with a disability

- SRWSD is a gold-level partner with the Australian Network on Disability (AND), which will enhance our capacity to attract and retain people with disabilities and become a disability-confident organisation.
- Adjusted a position description, with consideration to individual reasonable adjustment requirements, to enable the permanent appointment of a young worker with a disability. This young worker is now being supported with additional training to aid career enhancement.
- Developed 'personal emergency evacuation plans', or PEEPs. A PEEP is an individualised emergency evacuation plan designed for someone with a disability or injury, who may need assistance during an emergency. These plans are being coordinated between employees with a disability and fire wardens to ensure emergency coordinators are aware of individual employee needs should an evacuation be required.

Indigenous employees

- Sponsored an indigenous student through the University of Newcastle's IBIS Scholarship Program, which provides work experience during two, 10-week industry placements within SRWSD.

Employees from a multicultural background

Implemented actions from the SRWSD multicultural plan, including:

- putting a statement in all SRWSD job advertisements encouraging applicants from diverse cultural backgrounds
- placing multicultural awareness information in induction packs and relevant leadership programs.

Women

- Female employees were also nominated to attend the International Women's Day celebrations.
- Sponsored six women from across the business to attend the Australian Women In Leadership Conference, which provided an opportunity to network with other women from across the private and public sector and to hear from a number of talented and respected leaders
- Sponsored three women in the Drive Your Career Program, which helps participants plan and develop strategies for their career, including how to seek opportunities for greater responsibility and maintaining work/life balance.

Young workers

- Expanded the SRWSD Scholarship Scheme to include two more scholarships with the University of NSW and another two with the University of Newcastle, bringing the total number of scholarships for young emerging professionals to seven. The program includes work experience placements in business areas aligned to the students' area of study.
- Sponsored three young employees from across SRWSD to attend the 2013 NSW Public Sector Young Leaders Conference in May.
- Employees with carer responsibilities
- Development of an information pack for Managers to raise awareness of issues facing employees with carer responsibilities, as defined within the *NSW Carers (Recognition) Act 2010*. Information sessions for Managers will be rolled out across SRWSD later in 2013.

SRWSD Audit and Risk Committee

SRWSD has established the Audit and Risk Committee (the Committee) in compliance with Treasury Circular NSW TC 09/08 August 2009.

The Committee provides independent assistance to the Board by overseeing and monitoring the Board's governance, risk and control frameworks, and its external accountability requirements. The Committee also develops the annual Internal Audit Plan for SRWSD agencies and oversees the implementation of recommendations made in internal audits.

Board member Mr Ray Petty is also a member of the SRWSD Committee and represents the Board's interests on the Committee.

SRWSD Finance and Information Services Governance Committee

The Committee provides a forum to share expertise and form of strategic partnerships where relevant across SRWSD agencies in the areas of financial and information services management. The Committee works to ensure the budget, forecast and forward estimate assumptions are consistent across SRWSD agencies; agency budgets are aligned with their strategic plan, government priorities and whole of government initiatives; approve or endorse budgets, forecasts and forward estimates as required; ensure procurement activities across the SRWSD

agencies achieve value for money in support of service delivery; monitor financial performance; and direct the undertaking of specific financial analysis as and when required.

The Committee acts as the executive decision making body responsible for overseeing and reviewing all SRWSD strategy and projects from proposal to successful delivery and maintenance. The Committee is accountable for the recommended approval of IS projects budget funding to SRWSD agencies. The General Manager of the DDB is a member of the Committee.

SRWSD Executive Team

The SRWSD Executive Team was established to provide a forum for SRWSD agencies to oversee the development of SRWSD and to discuss and address issues of common application to member agencies. The General Manager of the DDB is a member of the SRWSD Executive Team.

Work Health Safety and Employee Wellbeing

The Workers' Compensation (Dust Diseases) Board continues an exemplar safety record with only 1 claim for workers' compensation lodged in the 2012–13 reporting year. The early intervention approach to work health safety and injury management implemented across SRWSD has contributed to claims performance.

The DDB implemented the provisions of the Work Health Safety legislation introduced in 2012 with the election of Health and Safety Representatives and representation on the joint Safety Return to Work and Support Division (SRWSD) Health and Safety Committee. The DDB participates in policy development and strategies lead by SRWSD to improve safety and injury management performance.

The DDB continues to focus on employee Wellbeing by participating in the SRWSD's GROW Safety and Wellbeing initiatives.

The DDB had 21 staff members, making up 3 teams, participating in the Global Corporate Challenge for 2012. The Global Corporate Challenge is a great team building exercise that encourages staff to improve their fitness by meeting the World Health Organisation's recommendation of 10,000 steps per day.

The DDB undertakes a number of activities to ensure that all employees have a safe and healthy work environment including:

- Manager and staff meetings include a standing agenda item for WHS issues.
- Maintenance checks of all DDB fire extinguishers were carried out and certified as meeting requirements.
- Conducted regular workplace inspections to identify, isolate and eliminate hazards and risks.
- Provided flu-vax immunisation shots to staff at no cost to staff.

Health and Safety Representative

The *Work Health and Safety Act 2012* (the Act) came into effect from 1 January 2012. One of the objects of the Act is to provide fair and effective workplace consultation, cooperation and representation. The DDB has consulted with its' work force and resolved to elect a Health and Safety Representative.

The DDB Health and Safety Representative (HSR) is committed to representing staff to ensure an ongoing commitment to improving workplace health and safety. The HSR and the DDB 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.

Further to the HSR providing a mechanism for consultation, the Safety Return to Work and Support Division established an overarching strategic Health and Safety Committee; the SRWSD HSC. The HSC provides a forum for consultation on the management of health and safety across the whole SRWSD workforce. The Committee held its first meeting on 26 March 2013. The SRWSD consults with the committee on relevant workplace health and safety related policies for the SRWSD. The DDB is represented on the SRWSD HSC by its HSR and management appointed representative.

Multicultural Policies and Service Program

The DDB is committed to providing equitable access to our services by ensuring that the planning, development and delivery of our services recognises the different linguistic, religious, racial and ethnic backgrounds of our clients, their families and community stakeholders.

The DDB undertakes the following activities to ensure compliance with the Multicultural Policies and Service Program:

- Providing access to NAATI approved interpreters for clients who do not speak or who have limited understanding of English. Interpreting services can be either face-to-face or over the telephone.
- Encouraging staff to obtain accreditation for the Community Language Allowance Scheme (CLAAS).
- Promoting staff participation in key social justice events such as Harmony Day and NAIDOC week.
- Actively promoting a positive workplace that is accepting, tolerant and emphatic towards the various nationalities and ethnicities that make our workforce, client base and community stakeholders.

In 2013–14 the DDB will maintain its commitment to ensure compliance with the Multicultural Policies and Service Program.

Training and development

In addition to programs focused on enhancing skills and capability, the key focus for the last 12 months was on performance management, career management and wellbeing to support staff.

- In the 2012-13 financial year, 163 programs were conducted across SRWSD, with a total attendance of 2135. All DDB employees attended at least 1 training course throughout the year. All DDB people leaders attended Leadership summits where they were introduced to the SRWSD Leadership strategy designed to strengthen leadership capacity across the SRWSD. DDB employees also completed mandatory on-line training modules in:
 - Drug and Alcohol Awareness
 - Maintaining a Harassment Free Office
 - Code of Conduct and Ethics
 - Public Interest Disclosures and Reporting Corrupt Conduct

DDB employees also attended a number of external conferences including:

- PSA Women's Conference, Sydney, 2012.
- Australian Institute of Occupational Hygienist Conference, Adelaide, 2012
- The Australian and New Zealand Society of Respiratory Science Annual Scientific meeting, Darwin, 2013

Employee Statistics – Dust Diseases Board

| | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|------------------------------------|-----------|-----------|-----------|-----------|
| Administration & Clerical | 31 | 33 | 41 | 40 |
| Departmental Professional Officers | 9 | 9 | 9 | 9 |
| Senior Officers | 1 | 1 | 1 | 1 |
| TOTAL | 41 | 43 | 51 | 50 |

Note: The HR Statistics quoted for 2012-13 are headcount figures as at 20 June 2013 (being the census date for the Public Service Commission Annual Workforce profile data-collection)

Equal Employment Opportunity

| Trends in the Representation of EEO Groups | | | | |
|---|------------------|-------|-------|-------|
| EEO Group | Benchmark/Target | 2011 | 2012 | 2013 |
| Women | 50% | 60.8% | 62.8% | 61.0% |
| Aboriginal People and Torres Strait Islanders | 2.6% | 2.0% | 2.3% | 2.4% |
| People whose First Language Spoken as a Child was not English | 19.0% | 11.0% | 9.3% | 8.1% |
| People with a Disability | N/A | 3.3% | 3.5% | 3.7% |
| People with a Disability Requiring Work-Related Adjustment | 1.5% | 0.0% | 0.0% | 0.0% |

| Trends in the Distribution of EEO Groups | | | | |
|---|------|------|------|--|
| EEO Group | 2011 | 2012 | 2013 | |
| Women | 100 | N/A | N/A | |
| Aboriginal People and Torres Strait Islanders | N/A | N/A | N/A | |
| People whose First Language Spoken as a Child was not English | N/A | N/A | N/A | |
| People with a Disability | N/A | N/A | N/A | |
| People with a Disability Requiring Work-Related Adjustment | N/A | N/A | N/A | |

Note 1: A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels.

Note 2: The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

Employee Relations

During the year the General Manager held meetings with staff on a regular basis 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.

The DDB participated in the SRWSD Joint Consultative Committee which provides a forum for employees and management to discuss any organisational change, policy issues, and/or industrial issues affecting employees of SRWSD in part or as a whole, and allowing for the exchanging of views and the opportunity for the parties to influence decisions before they are made.

Regular consultation meetings with union representatives and managers of the DDB were also held on a quarterly basis to discuss issues of relevance only to the DDB.

Policies, guidelines and procedures

The DDB reviews its policies on a bi-annual basis to ensure that all corporate policies remain relevant to the work of the DDB and comply with current government policy and directions.

A full list of the DDB's statutory policies, procedures and guidelines can be found on our website www.ddb.nsw.gov.au or by contacting the Right for Information officer at gipa@ddb.nsw.gov.au or by phone (02) 8223 6600.

Key achievements

- entered into a contractual arrangement for development of a new case management system and held workshops with staff to develop the functional specifications required for the new case management system.
- Four DDB staff members received six nominations in the SRWSD Annual Staff Awards across the following categories: Customer experience, values in action, pursuit of excellence, outstanding achievement by a team or individual, commitment to wellness and safety, and leadership excellence.

Information technology

During the 2012–13 financial year, the DDB has been installing a new case management system to cover all aspects of customer and case management. The system will deliver the following benefits and savings:

- Enhanced focus on delivery of client services
- Reduced client application processing times
- Reduced risk in financial management and the accuracy of compensation/award payments
- Improved audit reporting and data security;
- Secure financial transactions with reduced risk of fraud;
- Enhanced monitoring of compliance issues;
- Reduced application maintenance and support costs;
- Improved reporting and actuarial forecasting;
- Improved organisational efficiency as a result of improved forecasting;
- Greater clarity of workflow and processes and
- Improved status monitoring of individual clients, applications and providers.

In addition to the many services the DDB currently provides,

Atlas will:

- enable our vendors to access online invoicing
- enable our medical authority and board members to log in remotely to their files
- allow Doctors to remotely upload medical appointment outcomes
- assist in the management of detailed health care plans for each client
- streamline the work effort required to manage screening appointments and the Lung Bus.

Business continuity

The DDB reviewed its Business Continuity Plan and Crisis Management Plans first developed and implemented in the 2011–12 financial year. The DDB worked with the SRWSD Information Services Branch to ensure disaster recovery plans were operating effectively in relation to the DDB's key business management systems.

The business continuity and crisis management plans assist 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 plans incorporate strategies, personnel requirements, procedures and resources required to respond to any short or long-term business interruption.

Risk Management

During the year the DDB added to its existing individual agency-based approach to managing operational risks with an integrated whole-of-SRWSD risk management approach. The new approach is consistent with AS/NZS standards (31000) and is appropriate for the agency as it reflects how the board(s) responsibilities across SRWSD resides with the Safety, Return to Work and Support Board and the Workers' Compensation (Dust Diseases) Board following the formation of SRWSD under the *Safety, Return to Work and Support Board Act 2012* in August 2012. The operationalising of the risk management approach commenced with the delivery of a Strategic Risk Review.

Internal Audit Unit

The Safety, Return to Work and Support Division (SRWSD) Internal Audit Unit (IAU) is an independent review function that manages, through an outsourced service provider, an annual plan of risk-based audits across all the SRWSD Agencies including Workers Compensation (Dust Diseases) Board (DDB). In 2012–13, seven reviews were completed in DDB or SRWSD-wide (including DDB). These reviews made 43 audit recommendations to strengthen the organisation's internal controls.

The following internal audit reports were issued in 2012–13:

- SRWSD OHSS*
- SRWSD Procurement
- SRWSD Business Continuity Management
- SRWSD Grants and rebates

- SRWSD Information Requests including GIPA
- SRWSD Mobile Phones
- DDB Case Management System (interim reports)

* Internal audit reviews from the 2011–12 audit plan completed during the 2012–13 year.

In addition to the above, the following internal audits, from the 2012–13 audit plan, were in progress as at 30 June 2013:

- SRWSD Shared Service Delivery
- SRWSD Project Management
- Investment Division Performance Reporting to Management and Stakeholders
- DDB Case Management System

The IAU also undertakes a range of fraud and corruption prevention activities. In 2012–13, SRWSD-wide policies for Fraud and Corruption Control and Internal Reporting were updated and issued to all staff by the SRWSD Chief Executive Officer. IAU staff act as Public Interest Disclosure Officers to whom staff can report allegations of corrupt conduct within the Public Interest Disclosure Act 1994. IAU also manages investigations into corrupt conduct liaising, where appropriate, with the Independent Commission Against Corruption (ICAC).

The Director Corporate Governance acts as the Chief Audit Executive and reports directly to the SRWSD Audit and Risk Committee for strategic direction and accountability purposes, and reports administratively to the Chief Executive Officer to facilitate day to day operations.

Public Interest Disclosures (PIDs)

a. Statistical information on PIDs

| 1 July 2012–30 June 2013 | |
|---|-----|
| Number of public officials who made PIDs | 0 |
| Number of PIDs received | 0 |
| Of PIDs received, number primarily about: | N/A |
| Corrupt conduct | 0 |
| Maladministration | 0 |
| Serious and substantial waste | 0 |
| Government information contravention | 0 |
| Local government pecuniary interest contravention | 0 |
| Number of PIDs finalised | 0 |

Note: The number of PIDs finalised only refers to PIDs that have been received since 1 January 2012

b. Commentary on PID obligations

The Workers' Compensation (Dust Diseases) Board (DDB) has an Internal Reporting Policy that was updated and re-issued by the Chief Executive Officer to all DDB staff in December 2012.

The Chief Executive Officer has taken action to make staff

aware of their rights and responsibilities under the *Public Interest Disclosure Act 1994*. Awareness activities within the current PID reporting period (1 July 2012 to 30 June 2013) include induction training, refresher training, and internet communications.

Audit and Risk Committee Attendance 2012–13

The Audit and Risk Committee provides independent assistance to all SRWSD entities by overseeing and monitoring their governance, risk and control frameworks, and their external accountability requirements.

The CASD Audit and Risk Committee was replaced by the SRWSD Audit and Risk Committee during the year following the enactment of the Safety, Return to Work and Support Board Act 2012, which commenced on Wednesday, 1 August 2012.

| CASD Audit and Risk Committee | Number eligible to attend | Number attended |
|-------------------------------|---------------------------|-----------------|
| Doug Wright (Chair) | 1 | 1 |
| Carolyn Walsh (deputy Chair) | 1 | 1 |
| Robert Ingui | 1 | 1 |
| Cass O'Connor | 1 | 1 |
| Ray Petty | 1 | 1 |
| Julie Newman* | 1 | 1 |

* Julie Newman attended as Chief Executive, CASD. The Chief Executive was a standing invitee of the CASD Audit and Risk Committee.

| SRWSD Audit and Risk Committee | Number eligible to attend | Number attended |
|--------------------------------|---------------------------|-----------------|
| Raymond Whitten (Chair) | 4 | 4 |
| Elizabeth Carr | 4 | 4 |
| Mark Lennon | 4 | 3 |
| Ray Petty | 4 | 3 |
| Julie Newman* | 4 | 4 |

* Julie Newman attended as Chief Executive Officer, SRWS. The Chief Executive Officer is a standing invitee of the SRWSD Audit and Risk Committee.

Internal Audit and Risk Management Statement

Internal Audit and Risk Management Statement for the 2012-2013 Financial Year for the Workers' Compensation (Dust Diseases) Board

I, Julie Newman, Chair of the Workers' Compensation (Dust Diseases) Board, am of the opinion that the Workers' Compensation (Dust Diseases) Board has internal audit and risk management processes in operation that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*.

I, Julie Newman, Chair of the Workers' Compensation (Dust Diseases) Board, am of the opinion that the Safety, Return to Work and Support Division Audit and Risk Committee for the Workers' Compensation (Dust Diseases) Board is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

- Raymond Whitten, independent Chair (Term: 31 October 2012 - 30 September 2016)
- Raymond Petty, independent Member (Term: 31 October 2012 - 30 September 2015)
- Elizabeth Carr, independent Member (Term: 31 October 2012 - 30 September 2016)
- Mark Lennon, independent Member (Term: 31 October 2012 - 30 September 2016)

These processes provide a level of assurance that enables the senior management of the Workers' Compensation (Dust Diseases) Board to understand, manage and satisfactorily control risk exposures.

As required by the policy, I have submitted an Attestation Statement outlining compliance with the policy to Treasury on behalf of the Treasurer.



Julie Newman
Chair

Dated this 26th day of July 2013

Contact Officer: Anita Anderson, General Manager
Workers' Compensation (Dust Diseases) Board
Level 2, 82 Elizabeth Street, Sydney NSW 2000
Telephone: (02) 8223 6600

Financial statements

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Statement by members of the Board

WORKERS' COMPENSATION DUST DISEASES BOARD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Statement by Chairperson and Board

Pursuant to Section 41C of the *Public Finance and Audit Act 1983* I state that in my opinion:

1. the accompanying financial statements exhibit a true and fair view of the financial position of the Workers' Compensation Dust Diseases Board as at 30 June 2013 and transactions for the year then ended; and
2. these statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Public Finance and Audit Regulation 2010, Australian Accounting Standards and the Treasurer's Directions.

Further, I am not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Ray Petty
Board Member
Workers' Compensation Dust Diseases
Board
17 September 2013



Julie Newman *PSM*
Chairperson
Workers' Compensation Dust Diseases
Board
17 September 2013

Actuarial Certificate

WORKERS COMPENSATION DUST DISEASES BOARD of NSW Actuarial Certificate Outstanding Claims Liabilities as at 30 June 2013

Taylor Fry Consulting Actuaries ("Taylor Fry") has been engaged WorkCover Authority of NSW ("WorkCover") and the Workers' Compensation Dust Diseases Board of NSW ("the Board") to estimate the outstanding claims liabilities of the Board under the Workers Compensation (Dust Diseases) Act as at 30 June 2013.

Data

The valuation of outstanding claims liabilities as at 30 June 2013 is based on data provided to us by the Board. We have not independently verified the data provided to us but have reviewed it for reasonableness and internal consistency. 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 below are central estimates in that they contain no deliberate bias towards either over or under estimation. The estimate is inflated and discounted, and includes an allowance for future expenses associated with paying the claims liabilities. Our valuation has separately considered expected payments for claims which have already been reported ("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 ("future claims").

Valuation results

The outstanding claims liability for known and future claims as at 30 June 2013 is estimated to be **\$1,672.7m**. The breakdown of the result between known and future claims is as follows:

| Component | Net central estimate (\$m) |
|------------------------|----------------------------|
| Known claims | 703.4 |
| Future claims | 969.3 |
| Total liability | 1,672.7 |

There is a significant degree of uncertainty associated with estimation of future claim payments. In the case of estimating dust disease claims, this is further exacerbated by the long latency periods, difficulties in obtaining reliable data relating to timing and exposure of potential claimants, and the general lack of knowledge and understanding as to the most appropriate models to use to project future claims.

In our opinion, we have used models and assumptions which are appropriate, and the conclusions presented in this report are reasonable, given the information currently

page 1

DDB – Actuarial Certificate
July 2013

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available and based on the current claims environment. To the extent that these trends vary due to changes in the emergence of dust diseases, advancements in medical technology, changes in legislation and so forth, the claims outcomes can be expected to differ, perhaps materially, from our estimates of claims liability.

Report

The valuation of outstanding claims as at 30 June 2013 has been documented in our report dated 12 July 2013. 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 report complies with the Actuaries Institute's Professional Standard PS300 titled "Valuations of General Insurance Claims" dated February 2010. The central estimate of the liabilities documented in our report has been prepared in accordance with the requirements of Accounting Standard AASB137 titled "Provisions, Contingent Liabilities and Contingent Assets".



Guy Whitehead



Sharanjit Paddam

Fellows of the Institute of Actuaries of Australia

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Workers' Compensation (Dust Diseases) Board

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Workers' Compensation (Dust Diseases) Board (the Board), which comprise the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Board as at 30 June 2013, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

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

The Board's Responsibility for the Financial Statements

The members of the Board are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the members of the Board determines is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

I believe 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
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements
- about the assumptions used in formulating the budget figures disclosed in the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- 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 roles by the possibility of losing clients or income.



A Oyetunji
Director, Financial Audit Services

17 September 2013
SYDNEY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Statement of comprehensive income for the year ended 30 June 2013

| | | Actual 2013 | Budget 2013 | Actual 2012 |
|---|-------|----------------|----------------|---------------|
| | Notes | \$ '000 | \$ '000 | \$ '000 |
| Expenses excluding losses | | | | |
| Operating expenses | | | | |
| Personnel services | 2(a) | 3,443 | 4,639 | 4,353 |
| Other operating expenses | 2(b) | 3,075 | 4,073 | 2,927 |
| Depreciation and amortisation | 2(c) | 298 | 848 | 416 |
| Grants and subsidies | 2(d) | 5,718 | 6,253 | 5,270 |
| Finance costs | 2(e) | 103,045 | 90,575 | 97,947 |
| Other expenses | 2(f) | (7,717) | 1,907 | (36,259) |
| Total expenses excluding losses | | 107,862 | 108,295 | 74,654 |
| Revenue | | | | |
| Sale of goods and services | 3(a) | 544 | 470 | 647 |
| Investment revenue | 3(b) | 119,633 | 72,747 | 4,423 |
| Retained taxes, fees and fines | 3(c) | 100,825 | 94,865 | 94,956 |
| Other revenue | 3(d) | (111,980) | (59,787) | (25,788) |
| Total Revenue | | 109,022 | 108,295 | 74,238 |
| Loss on disposal | 4 | (44) | - | (2) |
| Other gains / (losses) | 5 | (442) | - | - |
| Net result | | 674 | - | (418) |
| Other comprehensive income | | - | - | - |
| Total other comprehensive income | | - | - | - |
| Total comprehensive income | | 674 | - | (418) |

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Statement of financial position as at 30 June 2013

| | Notes | Actual 2013 \$'000 | Budget 2013 \$'000 | Actual 2012 \$'000 |
|--------------------------------------|-------|-----------------------|-----------------------|-----------------------|
| Assets | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | 6 | 11,934 | 20,009 | 68,243 |
| Receivables | 7 | 106,556 | 99,033 | 107,044 |
| Financial assets at fair value | 8 | 107,414 | 149,711 | 209,235 |
| Total Current Assets | | 225,904 | 268,753 | 384,522 |
| Non-Current Assets | | | | |
| Receivables | 7 | 772,249 | 856,076 | 889,290 |
| Financial assets at fair value | 8 | 685,404 | 569,801 | 401,720 |
| Property, plant and equipment | 9 | | | |
| Land and buildings | | 5,513 | 5,533 | 5,680 |
| Plant and equipment | | 573 | 487 | 671 |
| Total property, plant and equipment | | 6,086 | 6,020 | 6,351 |
| Intangible assets | 10 | - | 1,452 | - |
| Total Non-Current Assets | | 1,463,739 | 1,433,349 | 1,297,361 |
| Total Assets | | 1,689,643 | 1,702,102 | 1,681,883 |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Payables | 11 | 5,538 | 3,716 | 5,812 |
| Provisions | 12 | 106,625 | 97,537 | 104,479 |
| Total Current Liabilities | | 112,163 | 101,253 | 110,291 |
| Non-Current Liabilities | | | | |
| Provisions | 12 | 1,568,247 | 1,591,872 | 1,563,033 |
| Total Non-Current Liabilities | | 1,568,247 | 1,591,872 | 1,563,033 |
| Total Liabilities | | 1,680,410 | 1,693,125 | 1,673,324 |
| Net Assets | | 9,233 | 8,977 | 8,559 |
| Equity | | | | |
| Reserves | | 2,208 | 2,208 | 2,208 |
| Accumulated funds | | 7,025 | 6,769 | 6,351 |
| Total Equity | | 9,233 | 8,977 | 8,559 |

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Statement of changes in equity for the year ended 30 June 2013

| | Accumulated Funds | Asset Revaluation Surplus | Total |
|--|-------------------|---------------------------|--------------|
| | \$'000 | \$'000 | \$'000 |
| Balance at 1 July 2012 | 6,351 | 2,208 | 8,559 |
| Net result for the year | 674 | - | 674 |
| Total other comprehensive income | - | - | - |
| Total comprehensive income for the year | 674 | - | 674 |
| Transactions with owners in their capacity as owners | - | - | - |
| Balance at 30 June 2013 | 7,025 | 2,208 | 9,233 |
| Balance at 1 July 2011 | 6,769 | 2,208 | 8,977 |
| Net result for the year | (418) | - | (418) |
| Total other comprehensive income | - | - | - |
| Total comprehensive income for the year | (418) | - | (418) |
| Transactions with owners in their capacity as owners | - | - | - |
| Balance at 30 June 2012 | 6,351 | 2,208 | 8,559 |

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Statement of cash flows for the year ended 30 June 2013

| | | Actual 2013 | Budget 2013 | Actual 2012 |
|---|-------|------------------|------------------|-----------------|
| | Notes | \$'000 | \$'000 | \$'000 |
| Cash flows from operating activities | | | | |
| Payments | | | | |
| Personnel services | | (3,687) | (4,639) | (3,602) |
| Grants and subsidies | | (5,594) | (6,253) | (5,270) |
| Other | | (91,809) | (91,807) | (81,675) |
| Total Payments | | (101,090) | (102,699) | (90,547) |
| Receipts | | | | |
| Sale of goods and services | | 907 | 470 | 736 |
| Interest received | | 23,473 | 37,345 | 34,492 |
| Retained taxes, fees and fines | | 102,734 | 94,857 | 89,769 |
| Other | | 1,298 | 1,341 | 26 |
| Total Receipts | | 128,412 | 134,013 | 125,023 |
| Net cash flows from operating activities | 16 | 27,322 | 31,314 | 34,476 |
| Cash flows from investing activities | | | | |
| Proceeds from sale of plant and equipment | | 9 | - | - |
| Proceeds from sale of investments | | 138,000 | - | 44,347 |
| Purchases of plant and equipment | | (86) | (250) | (2) |
| Purchases of investments | | (221,554) | (81,580) | (71,515) |
| Net cash flows from investing activities | | (83,631) | (81,830) | (27,170) |
| Net increase/(decrease) in cash | | (56,309) | (50,516) | 7,306 |
| Opening cash and cash equivalents | | 68,243 | 70,525 | 60,937 |
| Closing cash and cash equivalents | 6 | 11,934 | 20,009 | 68,243 |

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

1. Summary of Significant Accounting Policies

a. Reporting entity

The Workers' Compensation (Dust Diseases) Board (the Board) is a NSW government entity. The Board is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These financial statements for the year ended 30 June 2013 have been authorised for issue by the Board on 17 September 2013.

b. Basis of preparation

The Board's financial statements are general purpose financial statements which have been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Regulation, and
- the Financial Reporting Directions published in the Financial Reporting Code for General Government Sector Entities or issued by the Treasurer.

Property, plant and equipment and financial assets at 'fair value through profit or loss' are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention unless otherwise stated.

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.

c. Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

d. Trust fund

The Board receives and holds, on behalf of beneficiaries, lump sum awards and disbursements made to beneficiaries of deceased workers. The investment of funds is in cash equivalent products with investment earnings passed through to recipient accounts. 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 facility. Refer to Note 17 for further information.

e. Insurance

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

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

Income, expenses and assets are recognised net of the amount of GST, except that:

- 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 the asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

g. Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

i. Levy contributions

The Board's funds were generated from dust diseases levies collected from Nominal, Specialised and Self-insurers, under the *Workers' Compensation (Dust Diseases) Act 1942* (the Act). The levy revenue is recognised when it falls due and receivable by the Board.

The levies were used to meet the expenses of the Board's operations under the Act.

Funds are kept in interest bearing investment accounts in accordance with the Act and the *Public Authorities (Financial Arrangements) Act 1987*.

ii. Rendering of services

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

iii. Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

iv. Other revenue

Solicitor's production fees revenue is recognised in accordance with AASB 118 Revenue.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

1. Summary of Significant Accounting Policies (continued)

h. 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.

Fair value is the amount for which an asset can be exchanged between knowledgeable, willing parties in an arm's length transaction.

ii. Capitalisation thresholds

The capitalisation threshold for property, plant and equipment is \$5,000 and above individually (or forming part of a network costing more than \$5,000) while that for intangible assets is \$100,000 and above.

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)(as amended by NSWTC 12/05 and NSWTC 10/07). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial social-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

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 was completed on 30 June 2011 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.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

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 surplus, 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 net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the revaluation surplus in respect of the same class of assets, they are debited directly to the revaluation surplus.

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 revaluation surplus 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.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

1. Summary of Significant Accounting Policies (continued)

h. Assets (continued)

v. Depreciation of property plant and equipment (continued)

The following depreciation rates were used:

| Categories | % |
|---|-----|
| Buildings | 2.5 |
| Computer hardware | 25 |
| Furniture and fittings | 10 |
| Motor vehicles: passenger cars | 20 |
| Motor vehicles: mobile respiratory unit | 10 |
| Office equipment | 20 |
| Science and medical equipment | 20 |

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

vi. Restoration costs

The estimated cost of dismantling and removing an asset and restoring the office sites is included in the cost of an asset, to the extent it is recognised as a liability.

vii. Maintenance

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.

viii. Leased assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Statement of Comprehensive Income in the periods 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.

Intangible assets are computer software and recorded at cost less accumulated amortisation and impairments. Amortisation has not been charged against assets that are still at work-in-progress status because they are not ready for utilisation.

The useful lives of intangible assets are assessed to be finite. No amortisation is charged on intangible assets until they are ready for use. The Board charges amortisation on intangible assets using the straight-line method over a period of 4 years.

The Board reviews its amortisation rate and method on an annual basis.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Board's intangible assets, the assets are carried at cost less any accumulated amortisation.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

x. Receivables

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

The Outstanding contributions receivable asset represents the future contributions receivable to pay total costs relating to outstanding claims. Reimbursements receivable are recognised as a separate asset when it is virtually certain that the reimbursement will be received if the Board settles the obligation and shall not exceed the amount of the related provision.

The cost of compensation claims and other costs of the Board are recovered from insurers who pass this cost on to employers through a levy included in their workers' compensation insurance premiums in accordance with sections 6(6) and 6(7D) of the Act. The levies are assessed each year to ensure that the Board has sufficient funding for the coming year. This assessment gives the Board certainty that Outstanding contributions receivable will be recovered through future levies. Accrued levy comprises adjustment for Specialised insurers, if applicable.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

1. Summary of Significant Accounting Policies (continued)

h. Assets (continued)

xi. Investments

Investments are initially recognised at fair value. The Board determines the classification of financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Fair value through profit or loss:

The Hour-Glass Investment Facilities are designated at fair value through profit or loss using the second leg of the fair value option i.e. these financial assets are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about these assets is provided internally on that basis to the Board's key management personnel.

The movement in the fair value of the Hour-Glass Investment Facilities incorporates distributions received as well as unrealised movements in fair value and is reported in the line item 'investment revenue'.

The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on the statement of financial position date.

xii. Impairment of financial assets

All financial assets, except those measured at fair value through profit or loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the Board will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

xiii. Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire, or if the Board transfers the financial asset:

- where substantially all the risks and rewards have been transferred, or
- where the Board has not transferred substantially all the risks and rewards, if the Board has not retained control.

Where the Board has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Board's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

xiv. Other assets

Other assets are recognised on a cost basis.

i. Liabilities

i. Payables

These amounts represent liabilities for goods and services provided to the Board and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

ii. Personnel services

The Board receives personnel services from Safety, Return to Work and Support Division (SRWSD). The Board is responsible for paying payroll tax and other employee benefits including on-costs while SRWSD is responsible for all other related administrative services. SRWSD is a not-for-profit entity with no net assets.

In the Board's financial statements, any on-going obligations related to SRWSD's staff providing personnel services to the Board are shown as Payable to service entity under the heading of Provisions in the Statement of Financial Position.

Salaries and wages, annual leave, sick leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that are due to be settled within 12 months after the end of the period in which the employees render the service are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

1. Summary of Significant Accounting Policies (continued)

i. Liabilities (continued)

ii. Personnel services (continued)

Long service leave and superannuation

The liability for long service leave is recognised in the provision for personnel services and measured as the present value of expected future payments to be made in respect of personnel services received up to the reporting date. Consideration is given to salary levels, long service leave balance, assumed rates of taking leave in service, rates of death, disablement, retirement, and resignation, and rates of salary escalation.

Expected future payments (over twelve months) are discounted using markets yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The calculation is performed by a qualified actuary. The discount rate used is 3.75% (2012: 3.00%).

The superannuation expense for the financial year is determined by using the formula specified in Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions. At the end of the financial year, the superannuation expenses and the related liabilities are further adjusted based on actuarial advice.

iii. Make-good provision (building leases)

Make-good provision is recognised for the estimate of future payments for make good upon the termination of the lease of its office premises in Broken Hill.

iv. Provision for compensation payable

Provision for compensation payable includes actuarially assessed costs of claims made and an actuarially assessed estimate for claims yet to be made.

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

The estimate for claims yet to be made uses 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 consists of current and future costs relating to administering the Act as stated under section 6(2), which specifically include:

- compensation payable,
- fees payable to the members of the Board,
- cost of personnel services obtained by the Board from Safety, Return to Work and Support Division,
- fees payable to the Medical Board,
- costs involved in reimbursing workers under section 9A – travel expenses associated with medical examinations
- costs of operation of the District Court relating to appeals under section 8I,
- costs of administering the Act and any other money that the Board is required to pay under the Act,
- costs relating to medical or related treatment or hospital treatment or occupational rehabilitation service or ambulance service as under section 8.2(d) and reasonable funeral expenses under section 8(2A),
- 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 provision for compensation payable. The resulting movement in provision is taken to the Statement of Comprehensive Income. Refer to Note 2(f) for more details.

j. Equity and reserves

i. Revaluation surplus

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with the Board's policy on the revaluation of property, plant and equipment as discussed in note 1(h)(iii).

ii. Accumulated funds

The category 'Accumulated Funds' includes all current and prior period retained funds.

k. Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period, as adjusted for section 24 of the PFAA where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

1 Summary of Significant Accounting Policies (continued)

I. Comparative information

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.

m. New Australian Accounting Standards issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective. These new Standards will not have any direct impact on the financial performance or position of the Board:

- AASB 9 *Financial Instruments*
- AASB 13 *Fair Value Measurement*
- AASB 119 *Employee Benefits*
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9*
- AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13*
- AASB 2011-10 *Amendments to Australian Accounting Standards arising from AASB 119*
- AASB 2012-5 *Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*
- AASB 2012-6 *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transitional Disclosures.*

2. Expenses Excluding Losses

| | 2013 | 2012 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| a. Personnel services | | |
| Salaries and wages (including recreation leave) | 3,180 | 3,128 |
| Superannuation – defined contribution plans | 277 | 271 |
| Superannuation – defined benefit plans (including actuarial (gains)/losses) | (270) | 531 |
| Long service leave | 77 | 239 |
| Workers' compensation insurance | 22 | 24 |
| Payroll tax and fringe benefits tax | 157 | 160 |
| | 3,443 | 4,353 |
| b. Other operating expenses | | |
| i. Administration and office expenses | | |
| • Auditor's remuneration – audit of the financial statements | 47 | 98 |
| • Auditor's remuneration – internal audit and reviews | 40 | 31 |
| • Actuarial fees | 117 | 166 |
| • Bad debts | 4 | 2 |
| • Board members' fees and allowances | 80 | 91 |
| • Buildings maintenance, repairs and management | 132 | 125 |
| • Consultants | 88 | 58 |
| • Contractors | 163 | 542 |
| • Insurance | 25 | 36 |
| • Legal fees | 260 | (41) |
| • Operating lease: minimum lease payments | 19 | 19 |
| • Service partnership agreement fees | 1,104 | 929 |
| • Other | 996 | 871 |
| | 3,075 | 2,927 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

| 2. Expenses Excluding Losses (continued) | | |
|---|-----------------|------------------|
| | 2013 | 2012 |
| | \$'000 | \$'000 |
| c. Depreciation and amortisation | | |
| Depreciation | | |
| – Buildings | 167 | 167 |
| – Computer hardware | 3 | 49 |
| – Furniture and fittings | - | 2 |
| – Motor vehicles | 66 | 66 |
| – Office equipment | 10 | 11 |
| – Science and medical equipment | 52 | 113 |
| | 298 | 408 |
| Amortisation | | |
| – Computer software | - | 8 |
| | 298 | 416 |
| d. Grants and subsidies | | |
| Dust Diseases Tribunal funding | 4,821 | 4,580 |
| Research projects and provision of advice | 711 | 690 |
| Sponsorships and other research funding | 186 | - |
| | 5,718 | 5,270 |
| e. Finance costs | | |
| Unwinding of discount rate | 103,045 | 97,947 |
| Finance costs relate to movement in the carrying amount of the outstanding liability that reflects the passage of time associated with the use of discount rate determining the value of the outstanding claims liability. (Note 12 refers) | | |
| f. Other expenses | | |
| i. Compensation payments made during the year | | |
| • Compensation to workers | 19,280 | 17,122 |
| • Compensation to dependants | 32,732 | 30,246 |
| • Lump sum awards to dependants | 25,084 | 19,834 |
| • Healthcare services and funeral benefits | 10,862 | 9,967 |
| • Reduced by: compensation recoveries under Section 8E | (1,446) | (1,526) |
| | 86,512 | 75,643 |
| ii. Medical examination of workers | | |
| • Medical fees and other related supplies | 1,178 | 1,125 |
| • Workers travelling expenses | 28 | 28 |
| | 1,206 | 1,153 |
| iii. Movement in provision for compensation excluding finance cost (Refer note 12) | | |
| • Movement in provision for compensation – known claims | (29,830) | 2,439 |
| • Movement in provision for compensation – estimated future claims | (65,605) | (116,981) |
| Total net movement during the year excluding finance cost | (95,435) | (114,542) |
| iv. Levy collection expenses | - | 1,487 |
| Total other expenses | (7,717) | (36,259) |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

| 3. Revenue | | |
|--|------------------|-----------------|
| | 2013 | 2012 |
| | \$'000 | \$'000 |
| a. Sale of goods and services | | |
| Rendering of services – Occupational respiratory health assessment | 544 | 647 |
| Total sale of goods and services | 544 | 647 |
| b. Investment revenue | | |
| Interest revenue from financial assets not at fair value through profit or loss | 189 | 211 |
| TCorp Hour-Glass investment facilities designated at fair value through profit or loss | 42,651 | (8,669) |
| TCorp Bond portfolio | (6,212) | - |
| Other financial assets designated at fair value through profit or loss | 83,005 | 12,881 |
| Total investment revenue | 119,633 | 4,423 |
| c. Retained taxes, fees and fines | | |
| Levy contributions | | |
| – Self-insurer – NSW Self Insurance Corporation | 8,674 | 7,787 |
| – Specialised insurer and other self insurers | 14,181 | 13,575 |
| – Workers Compensation Nominal Insurer | 77,970 | 73,594 |
| Total levy contributions | 100,825 | 94,956 |
| Total retained taxes, fees and fines | 100,825 | 94,956 |
| d. Other revenue | | |
| Movement in outstanding contributions | (112,023) | (25,814) |
| Solicitors' production fees | 43 | 26 |
| Total other revenue | (111,980) | (25,788) |
| 4. Loss on Disposal | | |
| Loss on disposal of property, plant and equipment | (44) | (2) |
| 5. Other gains/(losses) | | |
| Allowance for impairment of receivables | (442) | - |
| 6. Current Assets – Cash and Cash Equivalents | | |
| Cash at bank and on hand | 2,882 | 3,923 |
| Short-term deposits: | | |
| – TCorp Hour-Glass investment – Cash facility | 9,052 | 64,320 |
| | 11,934 | 68,243 |
| For the purposes of the Statement of cash flows, cash includes cash at bank and on hand and highly liquid investments. | | |
| Cash and cash equivalent assets recognised in the Statement of financial position are reconciled at the end of the financial year to the Statement of cash flows as follows: | | |
| Cash and cash equivalent assets (per Statement of financial position) | 11,934 | 68,243 |
| Closing cash and cash equivalents (per Statement of cash flows) | 11,934 | 68,243 |
| Refer to Note 19 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments. | | |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

7. Current/Non-Current Assets – Receivables

| | 2013 | 2012 |
|---|----------------|----------------|
| | \$'000 | \$'000 |
| Current | | |
| Sale of goods and services | 160 | 80 |
| Other receivables | 2,874 | 2,683 |
| less: Allowance for impairment | (442) | - |
| Interest receivable | - | 2,148 |
| Retained taxes, fees and fines | 1,985 | 5,187 |
| GST receivable | 92 | 85 |
| Debtors – workers and dependants | 181 | 172 |
| Contributions from insurers | 101,707 | 96,689 |
| | 106,556 | 107,044 |
| Non-current | | |
| Contributions from insurers yet to be levied | 772,249 | 889,290 |
| Total Receivables | 878,805 | 996,334 |
| Movement in the allowance for impairment | | |
| Balance at 1 July | - | - |
| Increase/(decrease) in allowance recognised in profit or loss | 442 | - |
| Balance at 30 June | 442 | - |
| Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 19. | | |

8. Current/Non-Current Assets – Financial Assets at Fair Value

| | | |
|--|----------------|----------------|
| Current | | |
| Legg Mason – Australian fixed interest | 1,262 | 76,867 |
| Perennial Investment Partners Limited – Australian fixed interest | 78,601 | 91,364 |
| TCorp Hour-Glass investment – Strategic cash facility | 27,551 | 41,004 |
| | 107,414 | 209,235 |
| Non-current | | |
| AMP Capital – Property | 24,212 | 20,748 |
| Ausbil Dexia Limited – Australian Equities | 88,532 | 88,953 |
| Macquarie Investment Management Limited – Property | 22,423 | 18,053 |
| National Corporate Investment Trust – Global equity trust | 128,144 | 92,207 |
| National Corporate Investment Trust – Global equity trust hedged | 41,803 | 32,630 |
| TCorp Bond portfolio | 189,488 | - |
| TCorp Hour-Glass investment – Long-term growth facility | 190,802 | 149,129 |
| | 685,404 | 401,720 |
| Total Financial Assets at Fair Value | 792,818 | 610,955 |
| Refer to Note 19 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments. | | |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

9. Non-Current Assets – Property, Plant and Equipment

| | Buildings | Computer Hardware | Furniture and Fittings | Motor Vehicles | Office Equipment | Scientific and Medical Equipment | Total |
|---|--------------|-------------------|------------------------|----------------|------------------|----------------------------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At 1 July 2012 – fair value | | | | | | | |
| Gross carrying amount | 5,847 | 404 | 15 | 661 | 53 | 801 | 7,781 |
| Accumulated depreciation and impairment | (167) | (365) | (8) | (165) | (34) | (691) | (1,430) |
| Net carrying amount | 5,680 | 39 | 7 | 496 | 19 | 110 | 6,351 |
| At 30 June 2013 – fair value | | | | | | | |
| Gross carrying amount | 5,847 | - | - | 661 | 10 | 885 | 7,403 |
| Accumulated depreciation and impairment | (334) | - | - | (231) | (10) | (742) | (1,317) |
| Net carrying amount | 5,513 | - | - | 430 | - | 143 | 6,086 |

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

Year ended 30 June 2013

| | | | | | | | |
|---|--------------|----------|----------|------------|----------|------------|--------------|
| Net carrying amount at start of financial year | 5,680 | 39 | 7 | 496 | 19 | 110 | 6,351 |
| Additions | - | - | - | - | - | 86 | 86 |
| Disposals | - | (404) | (15) | - | (43) | (3) | (465) |
| Depreciation expense | (167) | (3) | - | (66) | (10) | (52) | (298) |
| Write-back of depreciation on disposal | - | 368 | 8 | - | 34 | 2 | 412 |
| Net carrying amount at end of financial year | 5,513 | - | - | 430 | - | 143 | 6,086 |

At 1 July 2011 – fair value

| | | | | | | | |
|---|--------------|-----------|----------|------------|-----------|------------|--------------|
| Gross carrying amount | 5,845 | 577 | 36 | 661 | 54 | 992 | 8,165 |
| Accumulated depreciation and impairment | - | (486) | (27) | (99) | (24) | (769) | (1,405) |
| Net carrying amount | 5,845 | 91 | 9 | 562 | 30 | 223 | 6,760 |

At 30 June 2012 – fair value

| | | | | | | | |
|---|--------------|-----------|----------|------------|-----------|------------|--------------|
| Gross carrying amount | 5,847 | 404 | 15 | 661 | 53 | 801 | 7,781 |
| Accumulated depreciation and impairment | (167) | (365) | (8) | (165) | (34) | (691) | (1,430) |
| Net carrying amount | 5,680 | 39 | 7 | 496 | 19 | 110 | 6,351 |

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the prior reporting period is set out below:

Year ended 30 June 2012

| | | | | | | | |
|---|--------------|-----------|----------|------------|-----------|------------|--------------|
| Net carrying amount at start of financial year | 5,845 | 91 | 9 | 562 | 30 | 223 | 6,760 |
| Additions | 2 | - | - | - | - | - | 2 |
| Disposals | - | (174) | (21) | - | - | (191) | (386) |
| Depreciation expense | (167) | (49) | (2) | (66) | (11) | (113) | (408) |
| Write back of depreciation on disposal | - | 171 | 21 | - | - | 191 | 383 |
| Net carrying amount at end of financial year | 5,680 | 39 | 7 | 496 | 19 | 110 | 6,351 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

10. Intangible Assets

| | Computer Software | Total |
|---|-------------------|----------|
| | \$'000 | \$'000 |
| At 1 July 2012 | | |
| Cost (gross carrying amount) | 745 | 745 |
| Accumulated amortisation and impairment | (745) | (745) |
| Net carrying amount | - | - |
| At 30 June 2013 | | |
| Cost (gross carrying amount) | 617 | 617 |
| Accumulated amortisation and impairment | (617) | (617) |
| Net carrying amount | - | - |
| Reconciliation | | |
| A reconciliation of the carrying amount of the intangible assets at the beginning and end of the current reporting period is set out below: | | |
| Year ended 30 June 2013 | | |
| Net carrying amount at start of financial year | - | - |
| Additions | - | - |
| Disposals | (128) | (128) |
| Net revaluation increment | - | - |
| Amortisation expense | - | - |
| Write back of amortisation on disposal | 128 | 128 |
| Net carrying amount at end of financial year | - | - |
| At 1 July 2011 | | |
| Cost (gross carrying amount) | 768 | 768 |
| Accumulated amortisation and impairment | (760) | (760) |
| Net carrying amount | 8 | 8 |
| At 30 June 2012 | | |
| Cost (gross carrying amount) | 745 | 745 |
| Accumulated amortisation and impairment | (745) | (745) |
| Net carrying amount | - | - |
| Reconciliation | | |
| A reconciliation of the carrying amount of the intangible assets at the beginning and end of the prior reporting period is set out below: | | |
| Year ended 30 June 2012 | | |
| Net carrying amount at start of financial year | 8 | 8 |
| Additions | - | - |
| Disposals | (24) | (24) |
| Amortisation expense | (8) | (8) |
| Write back of amortisation on disposal | 24 | 24 |
| Net carrying amount at end of financial year | - | - |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

11. Current Liabilities – Payables

| | 2013 | 2012 |
|--------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Creditors | 108 | 1,276 |
| Dust Diseases levy creditors | - | 1,292 |
| Accrued expenses and other creditors | 5,350 | 3,166 |
| Accrued salaries, wages and on-costs | 80 | 78 |
| | 5,538 | 5,812 |

Refer to Note 19 for further information regarding credit risk, liquidity risk, and market risk, including a maturity analysis of the above payables.

12. Current/Non-Current Liabilities – Provisions

| | 2013 | 2012 |
|--|------------------|------------------|
| | \$'000 | \$'000 |
| Current | | |
| Personnel services and related on-costs | | |
| Recreation leave | 345 | 379 |
| Long service leave | 1,046 | 944 |
| | 1,391 | 1,323 |
| Other provisions | | |
| Provision for compensation – known claims | 83,165 | 82,338 |
| Provision for compensation – estimated future claims | 22,069 | 20,818 |
| | 105,234 | 103,156 |
| Total current provisions | 106,625 | 104,479 |
| It is expected that the current leave provisions and related on-costs will be settled over the following period: | | |
| Expected to be settled no more than twelve months | | |
| Recreation leave and related on-costs | 345 | 379 |
| Long service leave and related on-costs | 15 | 25 |
| | 360 | 404 |
| Expected to be settled after more than twelve months | | |
| Long service leave and related on-costs | 1,031 | 919 |
| Non-current | | |
| Personnel services and related on-costs | | |
| Long service leave | 30 | 74 |
| Superannuation | 756 | 1,029 |
| | 786 | 1,103 |
| Other provisions | | |
| Make good provision | 2 | 2 |
| Provision for compensation – known claims | 620,245 | 604,349 |
| Provision for compensation – estimated future claims | 947,214 | 957,579 |
| | 1,567,461 | 1,561,930 |
| Total non-current provisions | 1,568,247 | 1,563,033 |
| Total Provisions | 1,674,872 | 1,667,512 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

12. Current/Non-Current Liabilities – Provisions (continued)

| | 2013 | 2012 |
|---|------------------|------------------|
| | \$'000 | \$'000 |
| Aggregate employee benefits and related on-costs | | |
| Provisions – Current | 1,391 | 1,323 |
| Provisions – Non-Current | 786 | 1,103 |
| Accrued salaries, wages and on-costs (Note 11) | 80 | 78 |
| | 2,257 | 2,504 |
| Provision for compensation payments and estimated compensation for future claims | | |
| Under the <i>Workers' Compensation (Dust Diseases) Act 1942</i> , the Board provides a no-fault compensation scheme to people who have developed a dust disease from occupational exposure to dust as a worker in NSW. The scheme covers a variety of workers such as stonemasons, quarrymen, rock choppers, sewer miners as well as those caused by exposure to asbestos. At 30 June 2013, liabilities for compensation payments and estimated compensation for future claims were valued by the actuaries Taylor Fry Proprietary Limited. | | |
| The liability for compensation payments and estimated compensation for future claims are measured as the present value of the expected future payments. The present values after discounting are as follow: | | |
| Not later than one year | 105,234 | 103,156 |
| Later than one year but not later than five years | 365,900 | 349,967 |
| Later than five years | 1,201,559 | 1,211,961 |
| Total | 1,672,693 | 1,665,084 |
| Compensation 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 <i>Workers' Compensation (Dust Diseases) Act 1942</i> gives the Board authority to impose levies on NSW Employers each year to meet annual operating costs. | | |
| The Board includes in its provision an estimate compensation payable for claims yet to be made of \$969,283,000 (2012: \$978,397,000). This figure is shown in the Statement of Financial Position as a liability with the corresponding Outstanding contributions receivable asset (net of cumulative surplus or deficit to date) representing the right to levy employers for these outstanding claims. | | |
| Movements in the provision during the financial year are set out below: | | |
| Carrying amount at start of financial year | 1,665,084 | 1,681,679 |
| Changes in actuarial assumptions | (1,200) | (30,466) |
| Less: Personnel services – refer note 2(a) | (3,443) | (4,353) |
| Administration & office expenses – refer note 2(b)(i) | (3,075) | (2,927) |
| Compensation payments made during the year – refer note 2(f)(i) | (86,512) | (75,643) |
| Medical examination costs of workers – refer note 2(f)(ii) | (1,206) | (1,153) |
| Change in discount rate | - | - |
| Finance cost (unwinding of discount – refer note 2(e)) | 103,045 | 97,947 |
| Carrying amount at end of financial year | 1,672,693 | 1,665,084 |

The liability brought to account is the amount recommended by the actuaries being their central estimate. The provision for compensation payable is measured at the present value of the expected future payments to persons who have accepted a claim for compensation or who are estimated by the actuaries to be entitled to compensation in the future.

The actuarial 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.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

12. Current/Non-Current Liabilities – Provisions (continued)

Provision for compensation payments and estimated compensation for future claims (continued)

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, Taylor Fry Proprietary Limited, in the valuation of liability report dated 22 July 2013 have used actuarial functions (known as annuity and assurance functions) to estimate the compensation payable for claims yet to be lodged 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 provision for compensation payable:

| | 2013 | 2012 |
|---|------|------|
| | % | % |
| Compensation expected to be paid | | |
| Not later than one year | | |
| • Wages inflation rate | 4.0 | 4.0 |
| • Discount rate | 6.0 | 6.0 |
| Later than one year | | |
| • Wages inflation rate | 4.0 | 4.0 |
| • Discount rate | 6.0 | 6.0 |

Sensitivity analysis for the valuation as at 30 June 2013

The liability represents the best estimate and is based on standard actuarial assessment. The table below shows sensitivities to the valuation.

| | 30 June Liability | Effect on 30 June Liability | Percentage Effect |
|---|-------------------|-----------------------------|-------------------|
| | \$m | \$m | % |
| Central estimate of the Board's liability | 1,673 | | |
| All valuation assumptions used | | | |
| Increase inflation/discounting gap by one percent per annum | 1,487 | (186) | (11.1) |
| Decrease inflation/discounting gap by one per cent per annum | 1,900 | 227 | 13.6 |
| Increase superimposed inflation on medical benefits by one per cent per annum | 1,691 | 18 | 1.1 |
| Decrease superimposed inflation on medical benefits by one per cent per annum | 1,657 | (15) | (0.9) |
| Increase expected average lifetime disability by five per cent | 1,681 | 8 | 0.5 |
| Decrease expected average lifetime disability by five per cent | 1,664 | (8) | (0.5) |
| Increase current average age by one year | 1,638 | (34) | (2.1) |
| Decrease current average age by one year | 1,708 | 35 | 2.1 |
| Increase the average increment by zero point zero five years | 1,655 | (18) | (1.1) |
| Decrease the average increment by zero point zero five years | 1,691 | 18 | 1.1 |
| Increase the standard deviation of age by two | 1,680 | 8 | 0.5 |
| Decrease the standard deviation of age by two | 1,665 | (8) | (0.5) |
| Increase the proportion of married workers by five per cent | 1,727 | 55 | 3.3 |
| Decrease the proportion of married workers by five per cent | 1,618 | (55) | (3.3) |
| Change mortality improvement percentage to eighty per cent | 1,730 | 57 | 3.4 |
| Change mortality improvement percentage to one hundred per cent | 1,655 | (17) | (1.0) |
| Increase number of future asbestosis claims by five per cent | 1,678 | 6 | 0.3 |
| Increase number of future mesothelioma claims by five per cent | 1,713 | 41 | 2.4 |
| Increase number of future silicosis claims by five per cent | 1,673 | 1 | 0.0 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

13. Commitments for Expenditure

| | 2013 | 2012 |
|--|-----------|-----------|
| | \$'000 | \$'000 |
| Operating lease commitments | | |
| Future non-cancellable operating lease rentals not provided for and payable: | | |
| Not later than one year | 10 | 19 |
| Later than one year and not later than five years | 10 | 7 |
| Later than five years | - | - |
| Total (including GST) | 20 | 26 |

The Board leases motor vehicles under non-cancellable operating leases expiring within two years. The leases have varying terms, escalation clauses and renewal rights.

Expenditure commitments for the Board include input tax credits of \$2,000 (2012: \$2,000) which are expected to be recoverable from the Australian Taxation Office.

14. Contingent Liabilities and Contingent Assets

As at 30 June 2013, the Board does not have any contingent assets and liabilities (2012: nil).

15. Budget Review

Net result

The net result is \$0.6m favourable and approximates budget.

Assets and liabilities

Total assets were \$12.5m unfavourable to budget primarily due to:

- Favourable financial assets holdings of \$73.3m as a result of strong investment returns.
- Unfavourable receivable from insurers of \$83.8m as strong investment returns have reduced the need for future levies on insurers.

Total liabilities were \$12.7m favourable to budget due to movements in the actuarially assessed provision for compensation payments.

Cash flows

- Net operating activities were \$4.0m unfavourable to budget due to lower realised investment revenue of \$13.8m offset by favourable contributions of \$7.9m from insurers.
- Investing cash activities were \$1.8m favourable to budget due to the reinvestment of surplus funds into financial assets.

16. Reconciliation of Cash Flows from Operating Activities to Net Result

| | 2013 | 2012 |
|---|------------|--------------|
| | \$'000 | \$'000 |
| Net cash used on operating activities | 27,322 | 34,476 |
| Assets written off | - | - |
| Depreciation and amortisation | (298) | (416) |
| Loss on disposal | (44) | (2) |
| Investment income – market movements | 98,309 | (32,217) |
| Change in assets and liabilities | | |
| Increase/(Decrease) in receivables: Current | (488) | 13,914 |
| Increase/(Decrease) in receivables: Non-current | (117,041) | (31,303) |
| Decrease/(Increase) in payables: Current | 274 | (842) |
| Decrease/(Increase) in provisions: Current | (2,146) | (13,369) |
| Decrease/(Increase) in provisions: Non-current | (5,214) | 29,341 |
| Net result | 674 | (418) |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

17. Trust Fund

The Board holds cash and highly liquid investment assets in the Beneficiary Fund which consists of lump sum awards made to beneficiaries of deceased workers. These assets and the corresponding payable to beneficiaries are excluded from the financial statements as the Board cannot use them for the achievements of its objectives. The Board does not charge any fee for providing this service.

The following is a summary of the transactions in the beneficiary fund account:

| | Notes | 2013 \$'000 | 2012 \$'000 |
|---|-------|----------------|----------------|
| Fund balance at start of financial year | | 77,829 | 82,445 |
| Add: Receipts | | | |
| Investment revenue and bank interest | 17(a) | 2,736 | 4,144 |
| Lump sum awards received for dependants | | (20) | 18,889 |
| Total Receipts | | 2,716 | 23,033 |
| Less: Payments | | | |
| Withdrawals by beneficiaries | | 16,040 | 27,649 |
| Total Payments | | 16,040 | 27,649 |
| Fund balance at end of financial year | | 64,505 | 77,829 |
| Notes: | | | |
| a. Investment revenue and bank interest | | | |
| Distribution in November | | 1,315 | 1,788 |
| Distribution in May | | 1,286 | 2,105 |
| Undistributed investment returns | | 135 | 251 |
| Total | | 2,736 | 4,144 |
| The simple average return on investments for the year | | 3.84% | 5.17% |

18. Trust Fund Assets and Liabilities

| | | | |
|---|-------|---------------|---------------|
| Assets | | | |
| Cash at bank | | 2,100 | 1,619 |
| Financial assets | 18(a) | 62,405 | 76,210 |
| Total Assets | | 64,505 | 77,829 |
| Liabilities | | | |
| Payable to beneficiaries | | 64,370 | 77,576 |
| Undistributed investment revenue | | 135 | 253 |
| Total Liabilities | | 64,505 | 77,829 |
| Notes: | | | |
| a. Financial assets | | | |
| Colonial First State – Wholesale premium cash enhanced fund | | 35,265 | 50,198 |
| TCorp Cash Portfolio | | 1,930 | 3,926 |
| TCorp Hour-Glass investment – Strategic cash facility | | 25,210 | 22,086 |
| Total Financial Assets | | 62,405 | 76,210 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

19. Financial Instruments

The Board's principle financial instruments are outlined 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 financial instruments, including derivative instruments, for speculative purposes.

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

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 and Risk Committee on a continual basis.

a. Financial instrument categories

| | Category | | Carrying Amount 2013 | Carrying Amount 2012 |
|--------------------------------|----------|--|-------------------------|-------------------------|
| Financial Assets | Notes | | \$'000 | \$'000 |
| Class: | | | | |
| Cash and cash equivalents | 6 | N/A | 11,934 | 68,243 |
| Receivables ¹ | 7 | Loans and receivables (at amortised cost) | 160 | 2,228 |
| Financial assets at fair value | 8 | At fair value through profit or loss – designated as such upon initial recognition | 792,818 | 610,955 |
| Financial Liabilities | | | | |
| Class: | | | | |
| Payables ² | 11 | Financial liabilities (at amortised cost) | 5,538 | 4,520 |

Notes:

1. Excludes statutory receivables, prepayments and outstanding contributions receivable (i.e. not within scope of AASB 7).

2. Excludes statutory payables, unearned revenue and claims liabilities (i.e. not within scope of AASB 7).

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 (net of any allowance for impairment, if applicable).

Credit risk arises for the financial assets of the Board, including cash and receivables. No collateral is held by the Board. The Board has not granted any financial guarantees.

The Board's deposits held with NSW Treasury Corporation (TCorp) are guaranteed by the State and are AAA-rated by Standard & Poor's.

Cash

Cash comprises cash on hand and bank balances held at private financial institutions. Interest is earned on daily bank balances at the monthly average.

Receivable – trade debtors

All trade debtors are recognised as amounts receivable as at balance date. Collectability 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. This evidence includes past experience, and current and expected changes in economic conditions. There is no independently assessed rating of the clients other than past experience and their compliance with credit terms, these credit terms are monitored by management on a monthly basis. No interest is earned on trade debtors.

The only financial assets that are past due are 'sale of goods and services' in the 'receivables' category of the Statement of financial position.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

19. Financial Instruments (continued)

b. Credit risk (continued)

| Receivables – trade debtors | Total ^{1,2} | Past Due but not Impaired ^{1,2} | Considered Impaired ^{1,2} |
|-----------------------------|----------------------|--|------------------------------------|
| | \$'000 | \$'000 | \$'000 |
| 2013 | | | |
| < 3 months overdue | 20 | 20 | - |
| 3 months – 6 months overdue | 16 | 16 | - |
| > 6 months overdue | 40 | 40 | - |
| 2012 | | | |
| < 3 months overdue | 2 | 2 | - |
| 3 months – 6 months overdue | 18 | 18 | - |
| > 6 months overdue | 26 | 26 | - |

Notes:

- Each column in the table reports 'gross receivables'.
- The ageing analysis excludes statutory receivables, as these are not within scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the Statement of financial position.

Authority deposits

The Board has placed funds on deposit with TCorp, which has been rated ranging from 'A' to 'AAA' by Standard and Poor's. These deposits are similar to money market or bank deposits and can be placed 'at call'. The interest rate payable on at call deposits can vary. The deposits at balance date were earning an average interest rate of 2.04% (2012: 5.1%), while over the year, the weighted average interest rate was 3.89% (2012: 4.9%) on a weighted average balance during the year of \$9.05M (2012: \$64.32M). None of these assets are past due or impaired.

In addition, the Board also placed funds with various private investment funds. The credit risk associated with these funds, other than receivables is managed through the selection of counterparty fund managers with minimum credit rating standards as approved by NSW Treasury.

The Board also placed a minimal amount of funds with Westpac Banking Corporation to meet its daily operating expense needs. The cash at bank earns interest at floating rates based on daily bank deposit rates. The weighted average interest rate on these funds was 2.72% (2012: 3.68%).

c. Liquidity risk

Liquidity risk is the risk that the Board will be unable to meet its payment obligations when they fall due. The Board continuously manages risk through monitoring of future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances, if applicable.

The Board's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW Treasury Circular NSWTC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid, automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Head of the Board (or a person appointed by the Head of the Board) may automatically pay the supplier simple interest. The rate of interest applied during the year was 10.95% (2012: 12.37%).

Maturity analysis and interest rate exposure of financial liabilities

| | Weighted Average Effective Interest Rate | Nominal Amount | Fixed Interest Rate | Variable Interest Rate | Non-interest Bearing | < 1 year | 1–5 years | > 5 years |
|-------------|--|----------------|---------------------|------------------------|----------------------|----------|-----------|-----------|
| | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2013 | | | | | | | | |
| Payables | N/A | 5,538 | - | - | 5,538 | 5,538 | - | - |
| 2012 | | | | | | | | |
| Payables | N/A | 4,520 | - | - | 4,520 | 4,520 | - | - |

Note: The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Board can be required to pay. The tables include both interest (if applicable) and principal cash flows and therefore may not reconcile to the Statement of financial position.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

19. Financial Instruments (continued)

d. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. 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 20% of the Boards' Investments at any time and that investments will have an appropriate divestment between growth investments and interest bearing investments.

The effect on profit or loss, and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Board operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis for 2012. The analysis assumes that all other variables remain constant.

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 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 has used throughout the year have been approved by NSW Treasury under the Part 4 of the *Public Authorities (Financial Arrangements) (PAFA) Act 1987* are as follows:

| Institution | Product class |
|----------------------------------|---|
| AMP Capital | Property |
| Ausbil Dexia | Australian Equity |
| Capital National Alliance | International Equity (hedged and unhedged) |
| Legg Mason | Australian Fixed Interest |
| Macquarie Investment Management | Property |
| NSW Treasury Corporation (TCorp) | Cash, Australian and international equities (including emerging markets), bonds |
| Perennial | Australian Fixed Interest |

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

Exposure to interest rate risk arises primarily through interest-bearing securities. A reasonably possible change of interest earnings (as in table below) is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Board's exposure to interest rate risk is set out below.

| | Carrying Amount | -1% | | 1% | |
|--------------------------------|-----------------|----------------|---------|----------------|--------|
| | | Profit or Loss | Equity | Profit or Loss | Equity |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2013 | | | | | |
| Financial assets | | | | | |
| Cash and cash equivalents | 11,934 | (119) | (119) | 119 | 119 |
| Receivables | 160 | (2) | (2) | 2 | 2 |
| Financial assets at fair value | 792,818 | (7,928) | (7,928) | 7,928 | 7,928 |
| Financial liabilities | | | | | |
| Payables | 5,538 | (55) | (55) | 55 | 55 |
| 2012 | | | | | |
| Cash and cash equivalents | 68,243 | (682) | (682) | 682 | 682 |
| Receivables | 2,228 | (22) | (22) | 22 | 22 |
| Financial assets at fair value | 610,955 | (6,110) | (6,110) | 6,110 | 6,110 |
| Financial liabilities | | | | | |
| Payables | 4,520 | (45) | (45) | 45 | 45 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

19. Financial Instruments (continued)

d. Market risk (continued)

Other price risk – TCorp Hour-Glass facilities and other private funds

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 holds units in the following investment facilities with TCorp and other various private fund managers:

| Facility | Investment Sectors | Investment Horizon | 2013 | 2012 |
|-----------------------------|--|----------------------|---------|---------|
| | | | \$'000 | \$'000 |
| TCorp | | | | |
| Cash facility | Cash, money market instruments | Up to 1.5 years | 9,052 | 64,320 |
| Strategic cash facility | Cash, money market and other interest rate instruments | 1.5 years to 3 years | 27,551 | 41,004 |
| Bond Portfolio | Cash, money market instruments | 7 years and over | 189,488 | - |
| Long-term growth facility | Cash, money market instruments, Australian and international bonds, listed property, Australian shares | 7 years and over | 190,802 | 149,129 |
| Other private funds | | | | |
| Medium-term growth facility | Cash, money market instruments, Australian and international bonds, listed property, Australian shares | 3 years to 7 years | 79,863 | 168,231 |
| Long-term growth facility | Cash, money market instruments, Australian and international bonds, listed property, Australian shares | 7 years and over | 305,114 | 252,591 |

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 balance date, and their effect on profit or loss:

| Facility | | Change in unit price | | Effect on profit or loss | |
|---|-----|----------------------|------|--------------------------|--------|
| | | 2013 | 2012 | 2013 | 2012 |
| | | % | % | \$'000 | \$'000 |
| TCorp Hour-Glass investment – Cash facility | +/- | 1 | 1 | 91 | 643 |
| TCorp Hour-Glass investment – Strategic cash facility | +/- | 1 | 1 | 276 | 410 |
| TCorp Hour-Glass investment – Long-term growth facility | +/- | 15 | 16 | 28,620 | 23,861 |

The effect of changes in unit prices on other components of equity is nil.

e. Fair value compared to carrying amount

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass facilities, which are measured at fair value. The value of the Hour-Glass Investments is based on the Board's share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass facilities are valued using 'redemption' pricing.

f. Fair value estimation

NSW Treasury has given the Board the approval to value all its investments held through external fund managers other than NSW Treasury Corporation (TCorp) at fair value through profit or loss. The fair value of all investment facilities, other than those with TCorp is based on the unit value using 'redemption' pricing provided by external fund managers.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Workers' Compensation Dust Diseases Board

Notes to the financial statements

19. Financial Instruments (continued)

g. Fair value measurements recognised in the Statement of financial position

The Board uses the following hierarchy for disclosing the fair value of financial instruments by valuation technique:

- Level 1 – Derived from quoted prices in active markets for identical assets/liabilities.
- Level 2 – Derived from inputs other than quoted prices that are observable directly or indirectly.
- Level 3 – Derived from valuation techniques that include inputs for the asset/liability not based on observable market data (unobservable inputs).

| | Level 1 | Level 2 | Level 3 | 2013 Total |
|---|----------------|----------------|----------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial assets at fair value | | | | |
| AMP Capital – Property | 24,212 | - | - | 24,212 |
| Ausbil Dexia Limited – Australian Equities | 88,532 | - | - | 88,532 |
| Legg Mason – Australian Fixed Interest | - | 1,262 | - | 1,262 |
| Macquarie Investment Management Limited – Property | - | 22,423 | - | 22,423 |
| National Corporate Investment Trust – Global Equity Trust | 169,947 | - | - | 169,947 |
| Perennial Investment Partners Limited – Australian Fixed Interest | - | 78,601 | - | 78,601 |
| TCorp Bond portfolio | 189,488 | - | - | 189,488 |
| TCorp Hour-Glass investment – Strategic cash facility | - | 27,551 | - | 27,551 |
| TCorp Hour-Glass investment – Long-term growth facility | - | 190,802 | - | 190,802 |
| | 472,179 | 320,639 | - | 792,818 |

There were no transfers between level 1 and level 2 during the financial year ended 30 June 2013.

| | Level 1 | Level 2 | Level 3 | 2012 Total |
|---|----------------|----------------|----------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial assets at fair value | | | | |
| AMP Capital – Property | 20,748 | - | - | 20,748 |
| Ausbil Dexia Limited – Australian Equities | 88,953 | - | - | 88,953 |
| Legg Mason – Australian Fixed Interest | - | 76,867 | - | 76,867 |
| Macquarie Investment Management Limited – Property | - | 18,053 | - | 18,053 |
| National Corporate Investment Trust – Global Equity Trust | 124,837 | - | - | 124,837 |
| Perennial Investment Partners Limited – Australian Fixed Interest | - | 91,364 | - | 91,364 |
| TCorp Bond portfolio | - | - | - | - |
| TCorp Hour-Glass investment – Strategic cash facility | - | 41,004 | - | 41,004 |
| TCorp Hour-Glass investment – Long-term growth facility | - | 149,129 | - | 149,129 |
| | 234,538 | 376,417 | - | 610,955 |

There were no transfers between level 1 and level 2 during the financial year ended 30 June 2012.

End of audited financial statements

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Appendix 1: Legislation and services provided

The Dust Diseases Board is responsible for administering entitlements available under the *Workers' Compensation (Dust Diseases) Act 1942*. Services provided by the Dust Diseases Board include:

- 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 pre-employment 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 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 of NSW.
- Persons whose exposure to the inhalation of dust occurred whilst self-employed.

Dust Diseases covered by the Workers' Compensation (Dust Diseases) Act 1942

The following dust diseases are listed under Schedule 1 of the *Workers' Compensation (Dust Diseases) Act 1942*:

- 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 for work as a result and;

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

The certification of a dust disease depends on three elements:

- i. a full size chest x-ray and/or chest CT scan
- ii. a clinical examination and a lung function test
- iii. an industrial history for the applicant.

An award for compensation is granted in a two part interdependent process:

Part 1: the Medical Authority must certify that the applicant has a dust disease specified by Schedule 1 of the *Workers' Compensation (Dust Diseases) Act 1942* or any other pathological condition of the lungs, pleura or peritoneum that is caused by dust that may also cause a disease listed under Schedule 1.

Part 2: the Board considers the Medical Authority's findings, determines the applicant's status as a worker under the Act and approves the Award.

Legal Change

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

Section 6 of the Safety, Return to Work and Support Board Act 2012 gave the Safety Return to Work and Support Board authority to determine investment policies for the investment of funds held in the *Workers' Compensation (Dust Diseases) Fund* established under the *Workers' Compensation (Dust Diseases) Act 1942* on and from 1 August 2012.

Appendix 2: Chief and Senior Executive Officers

The Dust Diseases Board does not employ any officers under Division 3 of the *Public Sector Employment and Management Act 2002*.

Staff are provided to the DDB by the Safety, Return to Work and Support Division.

Appendix 3: Significant inter-departmental committees

Our General Manager is a member of:

- Asbestos Co-Regulators Working Group
- Australian Mesothelioma Register Steering Committee
- Safety, Return to Work and Support Division (SRWSD) Joint Consultative Committee
- SRWSD Executive Team Group
- SRWSD Finance and Information Services Governance Committee
- Safework Australia – Technical Advisory Group
- Heads of Asbestos Co-ordination Authorities (HACA)

Appendix 4: Right to information

The Government Information (Public Access) Act 2009 (NSW) focuses on making government information more readily available.

Under the new government information laws, there are four ways in which you can access information.

- 1. Mandatory release:** We will disclose certain information on our website, free of charge. This includes our policy documents, current publication guide, disclosure log and register of government contracts.
- 2. Proactive release:** In addition to the information contained on our website, we will also release as much government information as possible, in an appropriate way and free of charge (or at the lowest reasonable cost).
- 3. Informal request:** You can request specific information be released. You will not need to make a formal application unless it is determined one is required.

- 4. Formal application:** In limited circumstances you will need to lodge a formal request to access some types of information. You have a right to access information in this way unless the GIPA Act provides a reason to withhold the information.

As of 1 June 2012, the DDB commenced charging a \$30 application fee and, where applicable, a processing fee of \$30 per hour. The fees payable may be reduced in certain circumstances, such as when an applicant is suffering financial hardship or where there is demonstrated public interest in releasing the information. Should it be determined that your application will attract a processing fee, you will be contacted by the Right to Information Officer to arrange for payment via cheque or money order. Information which is released informally under section 8 of the GIPA Act is not subject to the fees policy.

In the financial year ended 30 June 2012 the DDB received 37 requests for information under the Government Information (Public Access) Act 2009, a 9.7 per cent decrease from the previous year. As at 30 June 2013, four (4) GIPA requests received within the 2012—13 were yet to be finalised

Table A: Number of applications by type and outcome*

| | Access granted in full | Access granted in part | Access refused in full | Information not held | Information already available | Refuse to deal with application | Refuse to confirm/deny whether information is held | Application withdrawn |
|---|------------------------|------------------------|------------------------|----------------------|-------------------------------|---------------------------------|--|-----------------------|
| Media | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Members of Parliament | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Private Sector Business | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Not for profit organisations or community groups | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Members of the public (application by legal representative) | 9 | 4 | 1 | 12 | 0 | 0 | 0 | 0 |
| Members of the public (other) | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B

Table B: Number of applications by type of application and outcome

| | Access granted in full | Access granted in part | Access refused in full | Information not held | Information already available | Refuse to deal with application | Refuse to confirm/deny whether information is held | Application withdrawn |
|---|------------------------|------------------------|------------------------|----------------------|-------------------------------|---------------------------------|--|-----------------------|
| Personal information applications | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| Access applications (other than personal information applications) | 9 | 0 | 0 | 7 | 0 | 0 | 0 | 0 |
| Access applications that are partly personal information application and partly other | 1 | 4 | 0 | 5 | 0 | 0 | 0 | 0 |

* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being the individual).

Table C: Invalid applications

| Reason for invalidity | Number of applications |
|--|------------------------|
| Application does not comply with formal requirements (section 41 of the Act) | 13 |
| Application is excluded information of the Agency (section 43 of the Act) | 0 |
| Application contravenes restraint order (section 110 of the Act) | 0 |
| Total number of invalid applications received | 13 |
| Invalid applications that subsequently became valid applications | 8 |

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the Act.

| | Number of applications |
|---|------------------------|
| Overriding secrecy laws | 0 |
| Cabinet information | 0 |
| Executive Council information | 0 |
| Contempt | 0 |
| Legal professional privilege | 0 |
| Excluded information | 0 |
| Documents affecting law enforcement and public safety | 0 |
| Transport safety | 0 |
| Adoption | 0 |
| Care and protection of children | 0 |
| Ministerial code of conduct | 0 |
| Aboriginal and environmental heritage | 0 |

* More than one public interest consideration may apply in relation to a particular access application, and if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure; matters listed in table to section 14 of Act.

| | Number of occasions when application not successful |
|--|---|
| Responsible and effective government | 0 |
| Law enforcement and security | 0 |
| Individual rights, judicial processes and nature justice | 5 |
| Business interests of agencies and other persons | 0 |
| Environment, culture, economy and general matters | 0 |
| Secrecy provisions | 0 |
| Exempt documents under interstate Freedom of Information legislation | 0 |

Table F: Timelines

| | Number of applications |
|--|------------------------|
| Decided within statutory timeframe (20 days plus any extensions) | 29 |
| Decided after 35 days (by agreement with applicant) | 0 |
| Not decided within time (deemed refusal) | 3 |
| Total | 32 |

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

| | Decision varied | Decision upheld | Total |
|--|-----------------|-----------------|----------|
| Internal review | 0 | 0 | 0 |
| Review by Information Commissioner* | 0 | 0 | 0 |
| Internal review following recommendation under section 93 of the Act | 0 | 0 | 0 |
| Review by ADT | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The date in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Application for review under Part 5 of the Act (by type of applicant)

| | Number of applications |
|---|------------------------|
| Application by access applicants | 0 |
| Applications by persons to whom information the subject of the access application relates (see section 54 of the Act) | 0 |

Privacy Act Compliance

The Privacy Management Plan sets out the Dust Diseases Board's commitment to adhere to the Information Privacy Principals 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 been circulated amongst staff, the Board and Medical Authority. The Privacy Policy and Procedures was developed to provide staff with guidance on incorporating the information and health privacy principals into their everyday work practices.

The Dust Diseases Board has also undertaken the following measures in relation to privacy:

- Dust Diseases Board Privacy Policy and Procedures
- Procedures to guide staff on how to manage requests for personal information in compliance with the *Privacy and Personal Information Protection Act 1998*.
- The inclusion of a privacy notification on application forms
- The inclusion of a privacy statement on the Dust Diseases Board website
- Proximity access control for each floor occupied by the Dust Diseases Board
- Provision of disposal facilities for confidential material
- Privacy induction program for new staff members

In the financial year ending 30 June 2013 the Dust Diseases Board had not received any complaints concerning alleged breaches of the *Privacy and Personal Protection Act 1998*.

File Access Requests

The Dust Diseases Board receives requests from law firms for copies of files held in relation to individual workers who are pursuing common law action in the Dust Diseases Tribunal. These requests are made in accordance with the *Dust Diseases Tribunal Act 1989*. Requests in relation to claims subject to claims resolution processes in the Dust Diseases Tribunal may also be received under the Dust Diseases Tribunal Regulation 2007.

A total of 628 requests for production of files were received in the financial year ending 30 June 2013, an increase of 3 per cent from the previous year.

Requests for files are subject to a \$55 production fee and radiology results provided on CD incur a fee of \$16.50.

The total value of production fees received in the 2012–13 financial year represented \$30,444.50

Appendix 5: Staff code of conduct

The Safety, Return to Work and Support Division (SRWSD) Code of Conduct and Ethics Policy sets out the ethical principles and professional standards of the conduct that all staff of SRWSD agencies, including the Dust Diseases Board, are expected to adopt in the course of their employment and in the performance of their duties.

SRWSD staff have an obligation to act in the public interest. SRWSD staff hold a position of trust in the community and each day make decisions which affect the lives of others. It is important that SRWSD staff abide by a standard of professional behaviour which promotes and maintains public confidence and trust in the work of the Safety, Return to Work and Support Division, and each of its Agencies. SRWSD staff are responsible and accountable for applying the appropriate standard of professional behaviour in the performance of our duties as public employees.

The SWRSD Code of Conduct and Ethics Policy was implemented in February 2013 and will be due to review in January 2015.

Appendix 6: Land disposal

The Board did not dispose of any land in the 2012–2013 financial year.

Appendix 7: Legal costs

The total legal costs incurred for appeal matters and legal advice on a range of matters pertaining to the operation of the Dust Diseases Board totalled \$260,000. This is a significant increase on last year's expenditure of \$42,000 and can be attributed to payment of appellant costs in unsuccessful appeals.

The Board received a total of 2 appeals in the 2012–123 financial year.

Appendix 8: Consulting costs

During the year the Board expended \$88,400.00 on consultants, and increase on the \$58,303.95 expended in the previous financial year. Consultant fees were expended on investment advice in relation to the Workers' Compensation (Dust Diseases) Fund.

The Dust Diseases Board has entered into shared corporate service arrangements with the SRWSD for the provision of IT, Investment, Legal, Internal Audit, HR and payroll services allowing the Dust Diseases Board to reduce its reliance on external consultants.

| Vendor | Description | Vendor total |
|---|-------------------------------|-----------------|
| Mercer Investments Australia | Independent investment advice | 88,400 |
| Total greater than \$50,000 | | 88,400 |
| Plus nil consultants \$50,000 and under | | - |
| Total consultants | | \$88,400 |

Appendix 9: Overseas travel

The DDB did not incur any costs for overseas travel in the 2012–2013 financial year.

Appendix 10: Publications

The DDB produces a number of brochures and factsheets for our customers to inform them of their rights, responsibilities and workers' compensation entitlements. Publications are distributed free of charge and most are available for downloading from our website at www.ddb.nsw.gov.au/publications

A list of our publications is as follows:

- SWRSD Code of Conduct and Ethics Policy
- SRWSD Customer Service Charter
- Guide to compensation brochure
- Alternative therapies factsheet
- Domestic assistance factsheet
- Equipment (therapeutic aids) factsheet
- Health care services factsheet

- Nursing care factsheet
- Applying for compensation Fact Sheet
- Compensation payments factsheet
- Funeral benefits factsheet
- Compensation benefits for Dependant Spouse/Partner
- Respiratory medical examination factsheet
- Privacy Disclosure Statement
- Proof of identity factsheet
- Right to information factsheet
- Lung Bus brochure
- Information sheet for lawyers dealing with the Dust Diseases Board
- Annual Reports

Appendix 11: Funds granted to non-government community organisations

The following funds were granted to the Asbestos Diseases Foundation of Australia (ADFA), a non-government community organisation that provides support to NSW asbestos victims and their families:

- \$15,500 was granted to fund activities for National Asbestos Awareness Day
- \$65,000 per annum was granted to fund the ADFA helpline service.

The Board also granted \$25,000 to the Australian and New Zealand Society of Occupational Medicine to fund its professional development program for its members.

Appendix 12: Credit card usage

Credit card use within the DDB is certified in accordance with Premier's Memorandum and Treasurer's direction. The SRWSD has a rigorous process in place to ensure full accountability for the use of credit cards.

Appendix 13: Fraud control policy

The Dust Diseases Board does not tolerate corrupt conduct, fraud, maladministration or serious and substantial waste of public money. The DDB has an up to date Fraud and Corruption Control Policy in place.

Appendix 14: Production notes

The Dust Diseases Board Annual Report is a publicly available document and can be accessed on our website ddb.nsw.gov.au.

Production Team:

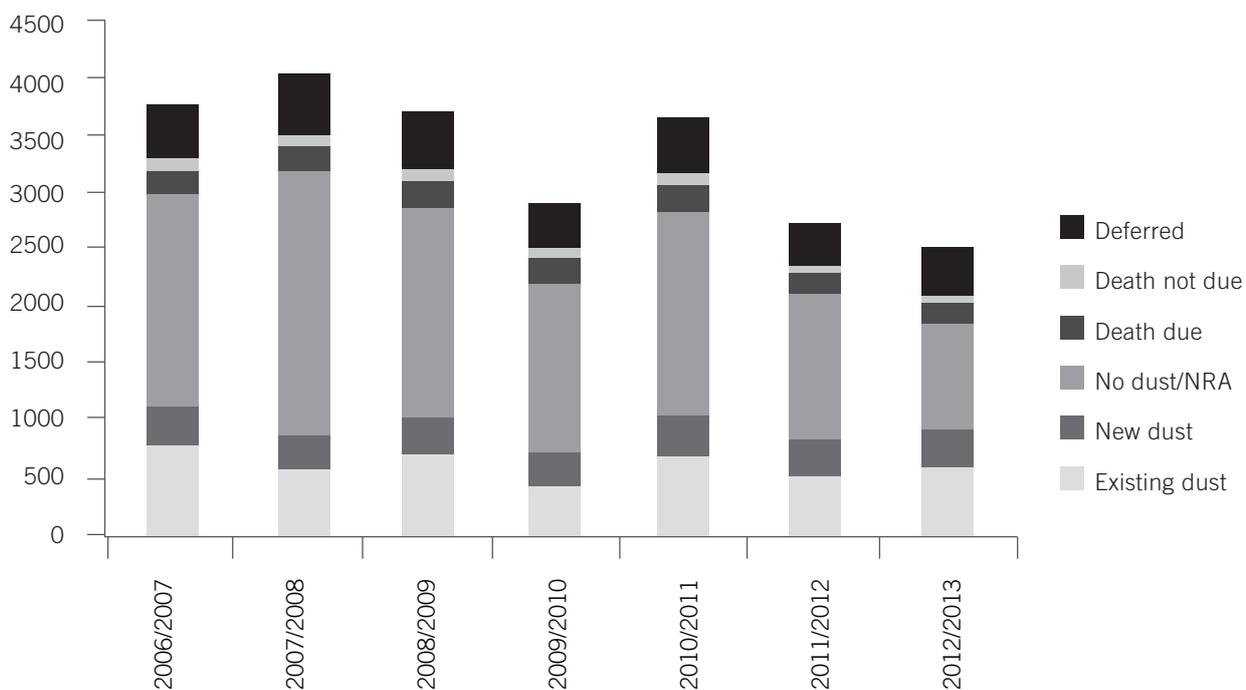
Project Management by Executive Division, Dust Diseases Board in collaboration with the WorkCover Authority, Analysis, Strategy, Innovation and Communications Branch.

Appendix 15: 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 2013 | 6,381 | 4,960 | 11,341 |
| Total | 8,394 | 5,868 | 14,262 |

Appendix 16: Cases certified by the Medical Authority

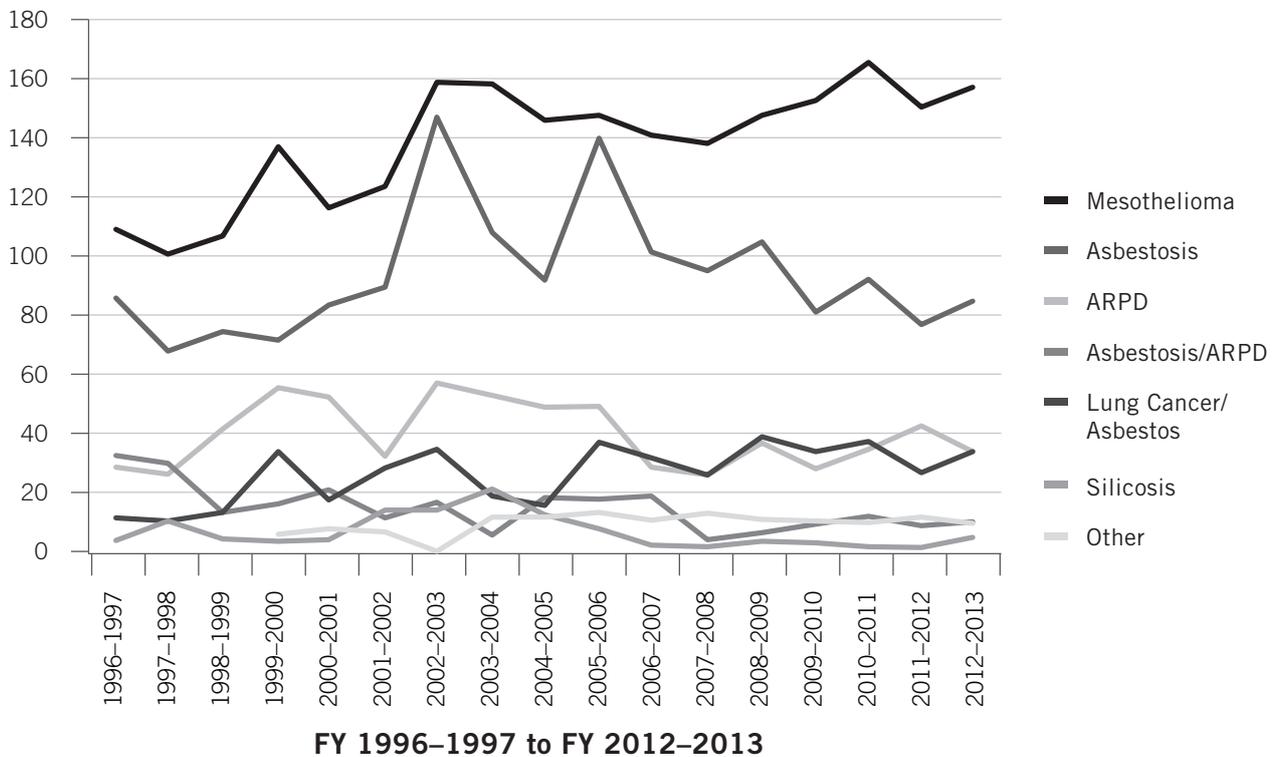
Medical Authority Outcomes



FY 2006/07 – FY 2012/13

Appendix 17: Medical Authority certificates: new dust diseases Certified

New Dust Diseases Certified by the Medical Authority



Appendix 18: Workers' Compensation (Dust Diseases) Act 1942 Contributions under section 6 for 2012–2013 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 2013, 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 2013/2014 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 2012 will be as follows:

| Insurer Contribution Amount | Contribution |
|--------------------------------------|--------------|
| Catholic Church Insurances Limited | \$765,000 |
| Guild Insurance Limited | \$156,000 |
| Hotel Employers Mutual Limited | \$204,000 |
| Racing NSW | \$24,000 |
| StateCover Mutual Limited | \$693,000 |
| Workers Compensation Nominal Insurer | \$78,000,000 |

and

- c. determined that upon notification of an employers actual wages paid for the financial year an insurer's 2013–2014 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 the financial year 2013–2014 by 31 October each year; and
- d. in respect of the year commencing 1 July 2013, 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 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 2013; and
- e. determined that the 2013–2014 interim contribution 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 2013 and 31 March 2014; and
- f. determined that the 2013–2014 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 2013–2014 financial year and calculated in accordance with clause (d) and is to be paid by 31 October 2013 less the interim contribution paid under clause (e), as the case may require (see note 1 below).

| Item | Class of Employment | Contributions (percentage of wages) |
|------|--|---|
| 1. | The class of employment 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 classes 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 2013-2014 |
| 3. | Employment in respect of which, for the purpose of calculating the correct premium under the Insurance Premiums Order 2013-14, 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 correct premium under the Insurance Premiums Order 2013-14, 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 correct premium under the Insurance Premiums Order 2013-14, 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 correct premium under the Insurance Premiums Order 2013-14, 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 correct premium under the Insurance Premiums Order 2013-14, 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 correct premium under the Insurance Premiums Order 2013-14, 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 correct premium under the Insurance Premiums Order 2013-14, a business classification listed in SCHEDULE 1 applies to the employer concerned | 0.05 per cent |
| 10. | Employment in respect of which, for the purpose of calculating the correct premium under the Insurance Premiums Order 2013-14, a business classification listed in SCHEDULE 1 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 (2013–2014), 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 (2013–2014) does not apply to an employer's policy, the contribution to be paid by the insurer concerned under section 6 of the Dust Diseases Act is to be calculated as if that Order did apply to the policy.
4. See Table A to the Insurance Premiums Order 2013–2014 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 2013–2014.

Dated this 26 day of April 2013

Julie Newman *PSM*
Chief Executive Officer
WorkCover Authority

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|---|
| Schedule 1 | |
| 263210 | Fibro-Cement Sheeting Manufacturing |
| 282100 | Shipbuilding |
| Schedule 2 | |
| 255100 | Rubber Tyre Manufacturing |
| 424200 | Carpentry Services |
| 425940 | Construction Services nec |
| Schedule 3 | |
| 041100 | Rock Lobster Fishing |
| 041200 | Prawn Fishing |
| 041300 | Finfish Trawling |
| 041400 | Squid Jigging |
| 041500 | Line Fishing |
| 041900 | Marine Fishing nec |
| 142010 | Other Mining nec – Underground |
| 142020 | Other Mining nec – Surface |
| 221300 | Cotton Textile Manufacturing |
| 221400 | Wool Textile Manufacturing |
| 221500 | Textile Finishing |
| 255900 | Other Rubber Product Manufacturing nec |
| 262100 | Clay Brick Manufacturing |
| 262300 | Ceramic Tile and Pipe Manufacturing |
| 262900 | Other Ceramic Product Manufacturing nec |
| 263100 | Cement and Lime Manufacturing |
| 263400 | Concrete Pipe and Box Culvert Manufacturing |
| 263510 | Terrazzo Manufacturing |
| 271200 | Iron and Steel Casting and Forging |
| 272300 | Copper, Silver, Lead and Zinc Smelting, Refining |
| 281100 | Motor Vehicle Manufacturing |
| 282220 | Boat repairing |
| 282900 | Transport Equipment Manufacturing nec |
| 294900 | Manufacturing nec |
| 421010 | Demolition |
| 422200 | Bricklaying Services |
| 422300 | Roofing Services |
| 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 |
| 650100 | Pipeline Transport |
| 650900 | Transport nec |
| 662100 | Stevedoring |
| Schedule 4 | |
| 131100 | Iron Ore Mining |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|--|
| 131910 | Other Metal Ore Mining nec – Underground |
| 131920 | Other Metal Ore Mining nec – Surface |
| 141100 | Gravel and Sand Quarrying |
| 211110 | Abattoirs |
| 211130 | Meat Processing |
| 216100 | Bread Manufacturing |
| 217100 | Sugar Manufacturing |
| 217200 | Confectionery Manufacturing |
| 217900 | Food Manufacturing nec |
| 218200 | Beer and Malt Manufacturing |
| 221100 | Wool Scouring |
| 221200 | Synthetic Fibre Textile 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 |
| 251000 | Petroleum Refining |
| 254200 | Paint Manufacturing |
| 254500 | Soap and Other Detergent Manufacturing |
| 254900 | Other Chemical Product Manufacturing nec |
| 261000 | Glass and Glass Product Manufacturing |
| 262200 | Ceramic Product Manufacturing |
| 263220 | Plaster Product Manufacturing |
| 263520 | Concrete Product Manufacturing nec |
| 264010 | Fibreglass Insulation Products Manufacturing |
| 264020 | Non-Metallic Mineral Product Manufacturing nec |
| 271100 | Basic Iron and Steel Manufacturing |
| 271300 | Steel Pipe and Tube Manufacturing |
| 272100 | Alumina Production |
| 272200 | Aluminium Smelting |
| 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 |
| 275100 | Metal Container Manufacturing |
| 275900 | Sheet Metal Product Manufacturing nec |
| 276100 | Hand Tool and General Hardware Manufacturing |
| 276300 | Nut, Bolt, Screw and Rivet Manufacturing |
| 276400 | Metal Coating and Finishing |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|--|
| 276900 | Fabricated Metal Product Manufacturing nec |
| 282210 | Boatbuilding |
| 282300 | Railway Equipment Manufacturing |
| 285200 | Electrical Cable and Wire Manufacturing |
| 286900 | Industrial Machinery and Equipment Manufacturing nec |
| 291900 | Prefabricated Building Manufacturing nec |
| 294200 | Toy and Sporting Good Manufacturing |
| 361000 | Electricity Supply |
| 362000 | Gas Supply |
| 370100 | Water Supply |
| 411100 | House Construction |
| 411200 | Residential Building Construction nec |
| 423200 | Electrical Services |
| 423300 | Air Conditioning and Heating Services |
| 424120 | Plasterboard and Decorative Plaster Fixing |
| 424510 | Aluminium Door and Window Installation |
| 424520 | Glazing Services |
| 425910 | Scaffolding Services |
| 425920 | Exterior/Interior Blind and Awning Installation Services |
| 453900 | Building Supplies Wholesaling nec |
| 462400 | Motor Vehicle Dismantling |
| 532900 | Automotive Repair and Services nec |
| 620000 | Rail Transport |
| 630100 | International Sea Transport |
| 630200 | Coastal Water Transport |
| 662200 | Water Transport Terminals |
| 662300 | Port Operators |
| 662910 | Water Transport Agency Services |
| 662920 | Services to Water Transport nec |
| 663000 | Services to Air Transport |
| 952110 | Laundry and Dry Cleaning Operations |
| 963300 | Fire Brigade and Civil Emergency Services |
| Schedule 5 | |
| 131200 | Copper Ore Mining – Underground |
| 131300 | Copper Ore Mining – Surface |
| 131410 | Gold Ore Mining – Underground |
| 131420 | Gold Ore Mining – Surface |
| 131500 | Mineral Sand Mining |
| 131610 | Nickel Ore Mining – Underground |
| 131620 | Nickel Ore Mining – Surface |
| 131710 | Silver-Lead-Zinc Ore Mining – Underground |
| 131720 | Silver-Lead-Zinc Ore Mining – Surface |
| 211140 | Animal By-product Processing nec |
| 216200 | Cake and Pastry Manufacturing |
| 217300 | Seafood Processing |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|--|
| 217400 | Prepared Animal and Bird Feed Manufacturing |
| 218100 | Soft Drink, Cordial and Syrup Manufacturing |
| 218400 | Spirit Manufacturing |
| 219000 | Tobacco Product Manufacturing |
| 222110 | Made-up Textile Product Manufacturing |
| 222120 | Furniture Upholstery and Covers Mfg |
| 231200 | Wood Chipping |
| 231300 | Timber Resawing and Dressing |
| 232100 | Plywood and Veneer Manufacturing |
| 233100 | Pulp, Paper and Paperboard Manufacturing |
| 233400 | Paper Bag and Sack Manufacturing |
| 241220 | Newspaper Printing |
| 252000 | Petroleum & Coal Product Manufacturing nec |
| 253400 | Organic Industrial Chemical Manufacturing nec |
| 253500 | Inorganic Industrial Chemical Manufacturing nec |
| 254100 | Explosive Manufacturing |
| 254400 | Pesticide Manufacturing |
| 254700 | Ink Manufacturing |
| 263300 | Concrete Slurry Manufacturing |
| 276500 | Non-Ferrous Pipe Fitting Manufacturing |
| 281300 | Automotive Electrical and Instrument Manufacturing |
| 281900 | Automotive Component Manufacturing nec |
| 282400 | Aircraft Manufacturing |
| 286100 | Agricultural Machinery Manufacturing |
| 286410 | Machine Tool and Part Manufacturing |
| 286420 | Metal Dies, Cutting, Sinking, Manufacturing and Repairing |
| 286700 | Commercial Space Heating and Cooling Equipment Manufacturing |
| 291100 | Prefabricated Metal Building Manufacturing |
| 292200 | Sheet Metal Furniture Manufacturing |
| 294100 | Jewellery and Silverware Manufacturing |
| 370200 | Sewerage and Drainage Services |
| 421020 | Site Preparation Services |
| 422400 | Structural Steel Erection Services |
| 451900 | Farm Produce & Supplies Wholesaling nec |
| 452300 | Chemical Wholesaling |
| 472200 | Clothing Wholesaling |
| 523300 | Domestic Hardware and Houseware Retailing |
| 525900 | Retailing nec |
| 923900 | Recreational Parks and Gardens |
| 952120 | Self-service Laundries & Dry Cleaning Agencies |
| Schedule 6 | |
| 013000 | Dairy Cattle Farming |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|--|
| 030100 | Forestry |
| 030210 | Softwood Timber Plantation Logging |
| 030220 | Hardwood and Other Timber Logging |
| 030300 | Services to Forestry |
| 110100 | Coal Mining – Underground |
| 110200 | Coal Mining – Surface |
| 120000 | Oil and Gas Extraction |
| 152000 | Other Mining Services |
| 211120 | Meat Packing and Freezing |
| 212900 | Dairy Product Manufacturing nec |
| 216300 | Biscuit Manufacturing |
| 218300 | Wine Manufacturing |
| 222130 | Non-canvas Textile Blind and Awning Manufacturing |
| 226100 | Leather Tanning and Fur Dressing |
| 226200 | Leather and Leather Substitute Product Manufacturing |
| 232200 | Fabricated Wood Manufacturing |
| 232910 | Wooden Blind Manufacturing |
| 241210 | Printing |
| 253100 | Fertiliser Manufacturing |
| 254300 | Medicinal and Pharmaceutical Product Manufacturing |
| 254600 | Cosmetic and Toiletry Preparation Manufacturing |
| 285100 | Household Appliance Manufacturing |
| 285400 | Electric Light and Sign Manufacturing |
| 286200 | Mining and Construction Machinery Manufacturing |
| 286300 | Food Processing Machinery Manufacturing |
| 422110 | Concrete Construction Services |
| 453100 | Timber Wholesaling |
| 473100 | Household Appliance Wholesaling |
| 532200 | Automotive Electrical Services |
| 532400 | Tyre Retailing |
| 611010 | Road Freight Transport – Bulk Freight |
| 630300 | Inland Water Transport |
| 664900 | Services to Transport nec |
| 712000 | Telecommunication Services |
| 782920 | Technical Services nec |
| 786610 | Cleaning Services : Non Government Contractors |
| 786620 | Cleaning Services : Government Contractors |
| 861200 | Psychiatric Hospitals |
| 963400 | Waste Disposal Services |
| Schedule 7 | |
| 012300 | Sheep-Beef Cattle Farming |
| 012400 | Sheep Farming |
| 021100 | Cotton Ginning |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|--|
| 021200 | Shearing Services |
| 021300 | Aerial Agricultural Services |
| 021910 | Services to Livestock Farming nec |
| 021920 | Services to Crop Farming nec |
| 021930 | Services to Fruit & Vegetable Growing nec |
| 021940 | Agricultural Land Clearing & Fencing |
| 021950 | Other Services to Agriculture nec |
| 021960 | Pet Boarding and Kennels nec |
| 141900 | Construction Material Mining nec |
| 211210 | Poultry Abattoirs |
| 211300 | Bacon, Ham and Smallgood Manufacturing |
| 212100 | Milk and Cream Processing |
| 212200 | Ice Cream Manufacturing |
| 231100 | Log Sawmilling |
| 233200 | Solid Paperboard Container Manufacturing |
| 233300 | Corrugated Paperboard Container Manufacturing |
| 233900 | Other Paper Product Manufacturing nec |
| 241100 | Paper Stationery Manufacturing |
| 241310 | Printing Trade Services |
| 241320 | Services to Printing and Publishing nec |
| 253200 | Industrial Gas Manufacturing |
| 256200 | Plastic Extruded Product Manufacturing |
| 256400 | Plastic Product, Rigid Fibre Reinforced, Manufacturing |
| 276200 | Spring and Wire Product Manufacturing |
| 285300 | Battery Manufacturing |
| 286500 | Lifting and Material Handling Equipment Manufacturing |
| 286600 | Pump and Compressor Manufacturing |
| 292300 | Mattress Manufacturing (Except Rubber) |
| 292900 | Furniture Manufacturing nec |
| 411300 | Non-Residential Building Construction |
| 412100 | Road and Bridge Construction |
| 422120 | Concrete Paving Services |
| 425100 | Landscaping Services |
| 451100 | Wool Wholesaling |
| 451200 | Cereal Grain Wholesaling |
| 472300 | Footwear Wholesaling |
| 523500 | Recorded Music Retailing |
| 525200 | Antique and Used Good Retailing |
| 525400 | Flower Retailing |
| 532300 | Smash Repairing |
| 611020 | Road Freight Transport – Short Distance |
| 611040 | Furniture Delivery and Removal Service |
| 661100 | Parking Services |
| 661900 | Services to Road Transport nec |
| 782300 | Consulting Engineering Services |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|---|
| 786420 | Building Caretaking Services |
| 820000 | Defence |
| 843200 | Technical and Further Education |
| 844010 | Driving Schools |
| 844020 | Other Education and Training nec |
| 923100 | Zoological and Botanic 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 |
| 012100 | Grain Growing |
| 012200 | Combined Grain Growing, Sheep Farming and Beef Cattle Farming |
| 012510 | Beef Cattle Farming |
| 012520 | Beef Cattle Feedlots |
| 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 |
| 022000 | Hunting and Trapping |
| 042000 | Aquaculture |
| 151100 | Petroleum Exploration (Own Account) |
| 151200 | Petroleum Exploration |
| 151300 | Mineral Exploration (Own Account) |
| 151400 | Mineral Exploration Services |
| 211220 | Poultry Meat Processing |
| 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 |
| 232300 | Wooden Structural Component Manufacturing |
| 232920 | Other Wood Product Manufacturing nec |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|--|
| 242100 | Newspaper Publishing |
| 242200 | Other Periodical Publishing |
| 242300 | Book and Other Publishing |
| 243000 | Recorded Media Manufacturing and Publishing |
| 253300 | Synthetic Resin Manufacturing |
| 256100 | Plastic Blow Moulded Product Manufacturing |
| 256300 | Plastic Bag and Film Manufacturing |
| 256500 | Plastic Foam Product Manufacturing |
| 256600 | Plastic Injection Moulded Product Manufacturing |
| 274200 | Architectural Aluminium Product Manufacturing |
| 281200 | Motor Vehicle Body Manufacturing |
| 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 nec |
| 285900 | Other Electrical Equipment Manufacturing nec |
| 292100 | Wooden Furniture and Upholstered Seat Manufacturing |
| 412200 | Non-Building Construction nec |
| 423400 | Telecommunication, Alarm and Security System Installation Services |
| 452100 | Petroleum Product Wholesaling |
| 452200 | Metal and Mineral Wholesaling |
| 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 & Equipment Wholesaling nec |
| 462100 | Car Wholesaling |
| 462200 | Commercial Vehicle Wholesaling |
| 462300 | Motor Vehicle New or Used Part Dealing |
| 471100 | Meat Wholesaling |
| 471200 | Poultry and Smallgood Wholesaling |
| 471300 | Dairy Produce Wholesaling |
| 471400 | Fish Wholesaling |
| 471500 | Fruit and Vegetable Wholesaling |
| 471600 | Confectionery and Soft Drink Wholesaling |
| 471700 | Liquor Wholesaling |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|---|
| 471800 | Tobacco Product Wholesaling |
| 471900 | Grocery Wholesaling nec |
| 472100 | Textile Product Wholesaling |
| 473200 | Furniture Wholesaling |
| 473300 | Floor Covering Wholesaling |
| 473900 | Household Good Wholesaling nec |
| 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 | Wholesaling Trade Agent – No Goods Handling |
| 511000 | Supermarket and Grocery Stores |
| 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 |
| 521000 | Department Stores |
| 522100 | Clothing Retailing |
| 522200 | Footwear Retailing |
| 522300 | Fabric and Other Soft Good Retailing |
| 523100 | Furniture Retailing |
| 523200 | Floor Covering Retailing |
| 523400 | Domestic Appliance 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 |
| 525300 | Garden Equipment Retailing |
| 525500 | Watch, Spectacles and Jewellery Retailing |
| 526110 | Household Equipment Repair Services (Electrical) |
| 526120 | Household Equipment Repair Services (Electronics) |
| 526900 | Household Equipment Repair Services nec |
| 531100 | Car Retailing |
| 531200 | Motor Cycle Dealing |
| 531300 | Trailer and Caravan Dealing |
| 532100 | Automotive Fuel Retailing |
| 571000 | Accommodation |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|--|
| 572000 | Pubs, Taverns and Bars |
| 573000 | Cafes and Restaurants |
| 574000 | Clubs (Hospitality) |
| 611030 | Road Freight Transport – Long Distance |
| 612100 | Long Distance Bus Transport |
| 612200 | Short Distance Bus Transport (Including Tramway) |
| 612340 | Other Road Passenger Transport nec |
| 640100 | Scheduled International Air Transport |
| 640200 | Scheduled Domestic Air Transport |
| 640300 | Non-Scheduled Air and Space Transport |
| 664100 | Travel Agency Services |
| 664210 | Freight Forwarding (Road) – Goods Handling |
| 664220 | Freight Forwarding (Road) – No Goods Handling |
| 664310 | Freight Forwarding (Other Than Road) – Goods Handling |
| 664320 | Freight Forwarding (Other than Road) – No Goods Handling |
| 664410 | Customs Agencies – Goods Handling |
| 664420 | Customs Agencies – No Goods Handling |
| 670100 | Grain Storage |
| 670900 | Storage nec |
| 711110 | Postal Delivery Services |
| 711120 | Postal Agency Services |
| 711200 | Courier Services |
| 731000 | Central Bank |
| 732100 | Banks |
| 732200 | Building Societies |
| 732300 | Credit Unions |
| 732400 | Money Market Dealers |
| 732900 | Deposit Taking Financiers nec |
| 733000 | Other Financiers |
| 734000 | Financial Asset Investors |
| 741100 | Life Insurance |
| 741200 | Superannuation Funds |
| 742100 | Health Insurance |
| 742200 | General Insurance |
| 751100 | Financial Asset Broking Services |
| 751900 | Services to Finance and Investment nec |
| 752000 | Services to Insurance |
| 771110 | Residential Strata Schemes |
| 771120 | Residential Property Operators |
| 771210 | Commercial Property Strata Schemes |
| 771220 | Commercial Property Operators and Developers |
| 772000 | Real Estate Agents |
| 773000 | Non-Financial Asset Investors |
| 774100 | Motor Vehicle Hiring |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|---|
| 774210 | Boat and Ferry Hiring |
| 774220 | Other Transport Equipment Leasing nec |
| 774310 | Plant and Machinery Hiring and Leasing Without Operator |
| 774320 | Plant and Machinery Hiring and Leasing With Operator |
| 774330 | Office Equipment Hiring and Leasing |
| 781000 | Scientific Research |
| 782100 | Architectural Services |
| 782200 | Surveying Services |
| 782910 | Laboratory Services nec |
| 783100 | Data Processing Services |
| 783200 | Information Storage and Retrieval Services |
| 783300 | Computer Maintenance Services |
| 783400 | Computer Consultancy Services |
| 784100 | Legal Services |
| 784200 | Accounting Services |
| 785100 | Advertising Services |
| 785210 | Sign Writing |
| 785220 | Commercial Art and Display Services |
| 785300 | Market Research Services |
| 785400 | Business Administrative Services |
| 785410 | Corporate Head Office Administration |
| 785500 | Business Management Services |
| 786100 | Employment Placement Services |
| 786300 | Secretarial Services |
| 786411 | Investigative Services |
| 786412 | Security Services |
| 786500 | Pest Control Services |
| 786700 | Contract Packing Services nec |
| 786900 | Business Services nec |
| 811100 | Central Government Administration |
| 811200 | State Government Administration |
| 811300 | Local Government Administration |
| 812000 | Justice |
| 813000 | Foreign Government Representation |
| 841000 | Preschools and Kindergartens |
| 842100 | Infants and Primary Schools |
| 842200 | Secondary Education |
| 842300 | Combined Primary and Secondary Education |
| 842400 | Special School Education |
| 843100 | Higher Education |
| 861100 | Hospitals (Except Psychiatric Hospitals) |
| 861300 | Nursing Homes |
| 862100 | General Practice Medical Services |
| 862200 | Specialist Medical Services |
| 862300 | Dental Services |
| 863100 | Pathology Services |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|--|
| 863200 | Optometry and Optical Dispensing |
| 863300 | Ambulance Services |
| 863400 | Community Health Centres |
| 863500 | Physiotherapy Services |
| 863600 | Chiropractic Services |
| 863900 | Other Health Services nec |
| 864000 | Veterinary Services |
| 871000 | Child Care Services |
| 872100 | Accommodation for the Aged |
| 872200 | Residential Care Services nec |
| 872910 | Home Care Services |
| 872920 | Non-Residential Care Services nec |
| 911100 | Film and Video Production |
| 911200 | Film and Video Distribution |
| 911300 | Motion Picture Exhibition |
| 912100 | Radio Services |
| 912200 | Television Services |
| 921000 | Libraries |
| 922000 | Museums |
| 924110 | Theatre and Orchestra Productions |
| 924120 | Other Theatre and Musical Performance |
| 924200 | Creative Arts |
| 925100 | Sound Recording Studios |
| 925200 | Performing Arts Venues |
| 925910 | Agency Services to the Arts |
| 925920 | Services to the Arts nec |
| 931110 | Horse and Dog Racing Operations |
| 931200 | Sports Grounds and Facilities nec |
| 931911 | Sports and Services to Sport nec |
| 931912 | Sports Administrators Services |
| 932100 | Lotteries |
| 932200 | Casinos |
| 932900 | Gambling Services nec |
| 933000 | Other Recreation Services |
| 951100 | Video Hire Outlets |
| 951900 | Personal and Household Goods Hiring nec |
| 952130 | Carpet Cleaners |
| 952200 | Photographic Film Processing |
| 952300 | Photographic Studios |
| 952400 | Funeral Directors, Crematoria and Cemeteries |
| 952510 | Gardening Services |
| 952520 | Amenity Tree Services |
| 952600 | Hairdressing and Beauty Salons |
| 952910 | Adult Personal Services |
| 952920 | Personal Services nec |
| 961000 | Religious Organisations |
| 962100 | Business and Professional Associations |

| Class No . (in Premiums Order) | Business Classification Title |
|-----------------------------------|-------------------------------|
| 962200 | Labour Associations |
| 962900 | Interest Groups nec |
| 963100 | Police Services |
| 963200 | Corrective Centres |

Corporate plan objectives and results for 2012–13

| Corporate plan objectives and results for 2012–13 | | | |
|--|--|---|--|
| Key Performance Area | Key Performance Indicator | Target | 2012–13 Results |
| 1. Efficient compensation services <ul style="list-style-type: none"> Quality and timely services Simple application processing Sound decision making Clear communication about our services, processes and decisions | 1. Medical examinations undertaken within 30 days | 75% by 2013 80% by 2015 | 76% |
| | 2. Compensation applications determined within 42 days | 70% by 2013 85% by 2015 | 15%staff |
| | 3. Benefits and substantiated expenses paid within 14 days | 95% by 2013 | 90% |
| | 4. Accurate payment of entitlements | 100% | 100% |
| 2. Sound Fund Management and Scheme Viability <ul style="list-style-type: none"> Effective governance, audit and risk management Accurate actuarial assessments Proactive assessment of key cost drivers and trends | 5. Accurate levy setting | 98% | 100% |
| | 6. Levies collected by due date | 90% by 2013 | 99% |
| | 7. Funding ratio | (90% to 110%) | 106% |
| 3. Exemplar Organisation <ul style="list-style-type: none"> Clear direction and support Organisational capability to deliver our services Effective performance management A safe, supportive and productive workplace | 8. Staff satisfaction survey outcomes | >80% by 2013 | N/a |
| | 9. All DDB staff engaged in workplace safety and injury management | 100% | 100% |
| | 10. All injured staff have sustainable return to work | 100% | 100% |
| | 11. All staff have a Development Plan | 100% by 2012 | 100% |
| 4. Cost & Efficiency <ul style="list-style-type: none"> Evidence used to direct and prioritise our services Operate within budget Benchmark the cost of service delivery Measure our outcomes Manage our risks | 12. Actual expenditure varies less than 2% from operating budget | 100% compliance by 2013 | 19.1% |
| | 13. Actual expenditure varies less than 20% from operating forecast | 100% compliance by 2013 | 19.1% |
| | 14. Close out of action items raised in audit reports by due date | >80% | 85% |
| 5. Customer Focused Approach <ul style="list-style-type: none"> Customer Service Charter and service standards that are linked to our values A consistent and seamless customer experience Accessible, timely and accurate information Effective applicant referral pathways | 15. Fair and transparent decisions | <1% decisions varied by internal review or appeal | <1% |
| | 16. Customer satisfaction with compensation services | >85% by 2014 | > than 90% – 2011 result |
| | 17. Application enquiries answered within 48 hours | 100% by 2013 | 100% |
| | 18. Compliance with service standards | >90% by 2013 | 90% |
| | 19. Complaints resolved within 28 days | 100% | N/a – nil complaints received in 2012–13 |
| | 20. Compensation estate payment settled within 28 days of death notification | 100% | 100% |

Appendix 19: Fast Facts

| Affordability, commerciality and solvency | Results* |
|---|-----------------|
| Number of applications for compensation received in 2012-13 financial year | 738 |
| Amount paid in compensation benefits | \$87.958m |
| Amount paid in medical and treatment expenses | \$9.992m |
| Investment overall return | 17.38% |
| Safety Recovery and Support | Results* |
| Number of customers receiving compensation benefits | 3,961 |
| Number of new awards of compensation made | 500 |
| Number of medical screening examinations conducted | 1,510 |
| Number of health monitoring examinations conducted | 4,517 |
| Customer Service | Results* |
| Number of inbound phone calls received by call centre | 26,131 |
| Number of audiometry tests conducted | 231 |
| Capabilities | Results* |
| Number of staff as at 20 June 2013 | 41 |
| Percentage of Women employees | 61% |
| Percentage of Aboriginal and Torres Strait Islander employees | 2.4% |
| Percentage of employees whose first language was not English | 8.1% |
| Percentage of employees with a disability | 3.7% |
| Percentage of employees with a disability requiring work related adjustment | 0% |

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