COMPARATIVE REVIEW OF WORKERS’ COMPENSATION SYSTEMS
IN SELECT JURISDICTIONS

JURISDICTION: COMCARE, AUSTRALIA

ENVIRONMENT

Population Size  The population of Australia, including all states and territories is 18,427,000 (May 1997).

Labour Force  Total labour force of Australia is 9,181,000 (May 1997).

Demographic and Economic Indicators  The country of Australia consists of six states (New South Wales, Queensland, South Australia, Tasmania, Victoria and Western Australia) and two territories (Australian Capital Territory and Northern Territory). It comprises 7,682,300 square kilometres, almost the size of the U.S.A. (excluding Alaska). It is about 50 percent greater in size than all of Europe and 32 times greater than the United Kingdom.

The unemployment rate for Australia was 8.6% (May 1997). Average weekly earnings was $694.10 (May 1997).
GOVERNANCE & ADMINISTRATION

Nature of System
A compulsory workers' compensation program for employees of the commonwealth - Australian federal government and national agencies\(^1\).

There is a central fund, but both self insurance and self administration is permitted.

Principles and Mandate
"Comcare's mission is to take a leading role in the reduction of the human and financial costs of workplace injury in Commonwealth employment by working with customer agencies to prevent injuries and return injured employees to work. In the context of this mission, Comcare's objectives are

- to reduce the incidence and severity of workplace injury and disease;
- manage claims efficiently;
- return injured employees to work safely and quickly.

In achieving these objectives, Comcare aims to develop a supportive and positive corporate culture".\(^2\) (1996-97 Annual Report, Comcare). The scheme, through its legislation and funding base, puts the onus on employers to reduce the cost and frequency of workplace accidents and illness and to work with Comcare to return injured workers to work in a quick and safe manner.

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\(^1\) All eight Australian states and territories have separate workers' compensation schemes - the Comcare scheme covers federal government employees only. There is another federal system in Australian for seafarers established under the Seafarers Rehabilitation and Compensation Act, 1992. Called Seacare, this is a private system with no self insurance or self administration permitted. In most cases, the benefit levels, medical aid provisions and dispute resolution processes are the same for the federal system for employees of federal government agencies as for Seacare.

\(^2\) The Safety, Rehabilitation and Compensation Act, 1988 replaced the Compensation (Commonwealth Employment) Act, 1971 (initially, the new Act was named the Commonwealth Employees Rehabilitation and Compensation Act (CERC) 1988, but it was amended in 1992 and renamed the SRC Act). The new Act introduced a new approach to workers compensation with its greater emphasis on rehabilitation and return to work.
**Comparative Review**

*Comcare, Australia*

**Access to Litigation**

Most common law rights were abolished from December 1988 onwards.

However, there is a provision allowing a claimant to make an election between statutory compensation amounts for permanent impairment and non-economic loss civil action. Civil action awards for non-economic loss are limited to $110,000 for employee claims, but there is no limit on a claim made by dependents. There is also no prohibition against third party actions or those made by dependents.

**Scope of System**

*Who is Covered?*

The commonwealth workers' compensation scheme covers all employees of direct and indirect commonwealth agencies - employees of the federal government and federal or national agencies - in Australia.

The number of employees insured by Comcare is 249,720 (the total number of employees covered under the commonwealth scheme is about 480,000). In 1996, there were 217 employers or agencies registered with Comcare.

*What is Covered?*

The commonwealth workers' compensation scheme covers any injury or illness arising out of and in the course of employment. This includes coverage for journeys and for ordinary recesses or breaks.

For a claim to be accepted there must be a diagnosed medical condition and work must be seen to have contributed to the medical condition to a "material degree".

Coverage is provided for occupational stress. Each claim for a stress related condition is assessed on its individual merits; no distinction is made between the nature of the stressors, though stress factors must include a material element of contribution by employment. Claims will not be accepted if the disease or injury that is suffered by an employee is the result of reasonable disciplinary action by the employer or is due to the failure of the employee to obtain a promotion, transfer or benefit in connection with their employment.
Self Insurance

Both self insurance and self administration is permitted in the commonwealth system.

Under the legislation, there are provisions to license commonwealth authorities and certain corporations to self insure and / or manage their workers' compensation liabilities. There is also provision for delegation.

Public sector authorities may apply to the Safety, Rehabilitation and Compensation Commission (SRCC) for a Class 1, 2 or 3 license. Under a Class 1 license, a licensed authority self insures its workers' compensation liabilities, while Comcare retains responsibility for claims management. Under a Class 2 license, a licensed authority retains responsibility for claims management, but remains insured with Comcare for its workers compensation liabilities. Under a Class 3 license, a licensed authority both self insures and assumes responsibility for claims management.

Commonwealth authorities that have been or are about to be privatized may apply to the SRCC for a Class A or Class B license. As well, certain private sector corporations that are carrying on business in competition with a commonwealth authority or a privatized commonwealth authority may apply for a Class A or B license³.

There are prudential requirement established as a condition of licensing, including reinsurance requirements. The Integrated Public Sector Licensing Model "provides the necessary incentive to licensed authorities to maintain compliance with the conditions of license while also providing an objective basis for rewarding performance in excess of minimum requirements" (excerpt 1995-96 Annual Report, Comcare Australia).

³ Australia Post, Telstra Corporation Ltd., Reserve Bank of Australia and ADI Ltd. have a Class 3 license. CSL Ltd. and Filtron Pty Ltd. have a Class A license. Licensed authorities have a representative on the SRCC. The Australian Defense Force (ADF) is the largest self insurer and administrator and operates under delegation from the CEO of Comcare. The ADF has a representative on the SRCC.
Comparative Review

Comcare, Australia

Organizational Framework

Comcare is the federal agency responsible for the administration of the commonwealth workers' compensation scheme. It administers the Safety, Rehabilitation and Compensation Act 1988 (SRC Act) and provides support and resources to the SRCC. Comcare is also responsible for prevention, regulation and enforcement in Commonwealth workplaces under the Occupational Health and Safety (Commonwealth Employment) Act 1991 (OHS (CE) Act) (see section on "Health and Safety and Prevention").

Comcare's head office is located in the Australian Capital Territory, with regional offices in the Australian Capital Territory, the North East (NSW and Queensland) and the South West (Victoria and Tasmania, South Australia and Northern Territories and Western Australia). Comcare had 417 full time staff and 39 part time staff in 1995-96.

Established in June 1992, the SRCC provides regulatory oversight for the SRC Act and OSH (CE) Act. The major functions of the SRCC are:

- the development of OHS policies and strategies and ensuring compliance with the OHS (CE) Act;
- the development of general policy guidelines for Comcare Australia and licensed authorities on the operation of the SRC Act;
- ensuring, as far as practicable, consistency in the administrative practices and procedures used by Comcare Australia and licensed authorities under the SRC Act;
- the development and implementation of licensing policy to allow certain corporations and commonwealth authorities to self insure and/or manage their own claims;
- the determination of premiums for all Departments and authorities participating in the Comcare Australia premium system;
- the determination of employer contributions under the OHS (CE) Act;
- the oversight of legislative policy in relation to the SRC Act and the OHS (CE) Act and advising the Minister on matters.

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4 In 1992, with the amendment to the legislation, Comcare and the SRCC were made separate entities in law. Comcare is required by statute to provide secretariat services and other assistance and resources to the SRC Commission as are reasonable for the performance of the Commission's functions.
relating to the Acts.

**Governance Structure**

The SRCC is governed by a ten person board of directors appointed by the Governor General. The Minister for Workplace Relations and Small Business puts forward nominations to the Executive Council and the Executive Council then makes recommendations to the Governor General.

The SRCC is composed of a Chairperson, the CEO Comcare Australia (who is also appointed by the Governor General following a selection process conducted on behalf of the Minister), the CEO of the National Occupational Health and Safety Commission, an employer representative, a Licensed Authorities representative, an Australian Defense Force representative, two union (ACTU) or employee representatives, an occupational health and safety expert and a consulting actuary.

**Policy Development**

A key objective of Comcare is to "provide policy advice and administrative support for the SRCC in exercising its functions under the SRC Act and the OHS(CE) Act". There are formal consultative arrangements with licensed authorities, the Australian Defense Force, as a delegated authority, and Seacare. Comcare coordinates the consultative committees and processes and, where necessary prepares papers for the SRCC.

The Commissioners represent various interest groups and regularly meet with various constituents' groups or individuals.

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5 Key policy initiatives in 1995-96 included providing project leadership to the Benchmarking Study undertaken by the Heads of Workers Compensation Authorities (HWCA) (a joint effort of commonwealth, state and territories workers compensation schemes to develop a model for a nationally consistent workers compensation scheme); staff support and project management of an administrative review of the SRC Act and staff support for an operational review of the OHS(CE) Act.
Comparative Review
Comcare, Australia

Accountability
Comcare and the SRCC are responsible to the Minister for Workplace Relations and Small Business on issues that require government input and approval. There is no legislative reporting requirement to government. Comcare must comply with the policies, and practice and procedure guidelines set down by the SRCC.

Performance Assessment
The operations of Comcare are governed by five key objectives: to take a lead role in the prevention of workplace accidents, and in partnership with customers manage the return to work of injured employers; to provide cost effective and efficient prevention, return to work and compensation services; to become an insurer of choice for new or existing commonwealth enterprises; to provide policy advice and administrative support to the SRCC; and to become a best practice organization in the provision of all products and services. Performance or progress on these objectives is tracked and reported on in Comcare's Annual Report.

Claims Adjudication Process
Claims adjudication is based on a "total claims management approach" which involves the coordination of all Comcare services for each claim by individual claims managers.

The National Claims Help Line (established in October 1995) provides claimants with a "ready point" of access for advice and assistance on entitlements and procedures and complaint resolution.

There is a set protocol with the Ombudsman's Office relating to the provision of information and how complaints respecting Comcare are to be dealt with by Ombudsman's contact officers.

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6 As secretariat to the SRCC, Comcare is managing a working group to review the performance measurement tools used within the jurisdiction. The goal of the review is to develop a new revised set of indicators including, where possible, benchmarks or best practices developed as part of the HWCA Benchmarking Study and WorkSafe Australia OHS performance measures.

7 The 1995-96 Annual Report for Comcare indicates that the issue of claims review continues to be contentious. Comcare practice of requiring an independent medical examination to determine whether the illness or injury is work related and remains work related is viewed by some employees and their doctors as an indication of an adversarial approach on the part of Comcare.
Dispute Resolution

Mediation / Conciliation

There is no formal mediation/conciliation process in the Australian commonwealth system.

Appeals Process

There is an internal review process for disputed claims and matters, subject to referral to the external Administrative Appeals Tribunal (AAT)\(^8\).

Claimants or employers may refer a disputed matter directly to Comcare for "reconsideration". A separate review section, comprising officers who were not involved in the original determination, undertake the reconsiderations.

Determinations or decision of Comcare can then be appealed to the AAT. The AAT presides over administrative issues form all government jurisdictions, not just compensation issues, and is completely independent of the SRCC and Comcare. Members of the AAT are appointed by the Governor General on recommendation of the Executive Council through nominations from the Attorney General.

An appeal from an AAT decision can be taken to the Federal Court on a question of law and from there to the High Court.

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\(^8\) The 1995-96 Annual Report notes that the appeal rate is increasing; requests for reconsideration increased 33% between 1994-95 and 1995-96 and appeals to AAT increased in the same proportion. In response, Comcare is currently examining its decision making and dispute resolution policies and processes in an attempt to reduce the number of disputed claims.
### Comparative Review

**Comcare, Australia**

#### ASSESSMENTS / FINANCING

**Assessment or Premium Setting Process**

The goal of the commonwealth workers' compensation scheme is to be "fully funded"\(^9\). The SRC Act requires that the sum of premium amounts collected will cover the liabilities of the scheme at that point and in the future. Under the legislation, the SRCC estimates a premium for each Department or commonwealth authority for each financial year based on the advice of an independent actuary. The SRCC is responsible for setting premiums and for developing the specific model to be used in calculating premiums.

The premium amount for each customer comprises the prescribed amount and a bonus or penalty amount. Bonus or penalty amounts reflect the customer's claims cost experience over the last two years. The goal of the bonus or penalty amounts is to reward customers whose claims loss experience is better than predicted and to penalize those whose claims loss experience is worse than predicted.

**Assessment/Premium Rates**

The average premium rate for the commonwealth federal agencies for 1996-97 was 1.59 cents per wage and salary dollar, down from 1.69 in 1995-96 (this rate has stayed fairly constant, fluctuating between 1.9% to 1.59% from 1990/91 to 1996/97). The average rate for Australian Commonwealth Territory (ACT) government services was 5.00 cents per wage and salary dollar for 1996/97, down from 5.20 in 1995-96\(^10\).

**Second Injury Funds / Disaster Funds**

There is no subsidiary funding provided for second injury or other funds.

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\(^9\) Only notionally fully funded given that premiums are paid into the government Consolidated Revenue Fund and not then separately earmarked.

\(^10\) The high premium costs of the ACT government have been the subject of two major reviews which concluded that the high premium costs were due to poor OHS and rehabilitation / return to work practices by management in the ACT government public sector.
**COMPENSATION BENEFITS**

| **Claim Rate** | The number of reported claims under the commonwealth system in 1995-96 was 32,796, down slightly from 34,979 in 1994/95 (this includes self administrators)\(^{11}\). Comcare itself received 15,813 claims in 1995-96 and accepted 13,436. Claim frequency per 100 FTE in 1995-96 was 6.60% (8.70% for ACT agencies). |
| **Medical Aid** | **Nature of Aid** | Medial aid coverage is comprehensive -- there are no limits on reasonable services. |
| **Choice of Provider** | The injured worker has free choice concerning their health care provider. Comcare may nominate legally qualified medical practitioners of its own choice for the provision of a medical opinion, but not for treatment. |
| **Medical Cost Containment Initiatives** | Since 1995-96, Comcare covers medical costs to the extent set out in the scales of fees followed by the various State workers' compensation jurisdictions for the payment of medical and health services. Prior to that it had been Comcare policy to pay up to the rates set by the various professional health and medical associations. |

\(^{11}\) The total claim rate gradually dropped from 32,160 in 1990/91 to 28,503 in 1993/94 before it rose to its current level.
Rehabilitation

Physical/
Occupational/
Vocational

Early and safe return to work are the central principles of the commonwealth workers' compensation scheme.

Under the legislation, employers are responsible for managing the return to work of their injured employees. Each employer is responsible for establishing its own RTW policy (section 41 of the SRC Act and Comcare Return to Work Policy Guidelines for Employers). The RTW policy of each agency is to be highly integrated with the agencies injury prevention and management approach. It must be reviewed regularly in consultation with employee organizations and its performance monitored and evaluated\(^\text{12}\).

Each employee must have an individual program "tailored" to their needs and must actively participate in the development and implementation of their program. The customer case manager, who is responsible for managing the return to work of the agency's injured employees, works closely with the Comcare claims manager to ensure effective, safe and early return to work and rehabilitation. The employer may use approved rehabilitation providers to provide physical and occupational rehabilitation services.

The role of Comcare is to provide training and education and provide ongoing support and advise to Rehabilitation Case Managers within customer organizations.

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\(^{12}\) During 1995-96, the Australian National Audit Office undertook an audit of the case management return to work program of a number of commonwealth agencies. Tabled in Parliament in May 1996 the ANAO report made a number of recommendations for improving the efficiency and effectiveness of return to work policy, practice and outcomes. Comcare undertook a project titled Better Case Management, for the purpose of developing model rehabilitation policies and practices for workplaces, quality performance data packages for customer agencies, improvements to the quality assurance of rehabilitation program providers to ensure employers and case managers have access to quality occupational rehabilitation services; and improved information on the effectiveness of return to work programs.
Social

If an injured worker is unable to return to his or her pre-injury duties, academic or vocational training may be provided to allow for alternative employment options. Counseling is provided as part of a claimant's medical treatment. Modifications to a claimant's home, office or vehicle, and appliances, where recommended by a qualified medical practitioner may also be provided.

Rehabilitation Incentives

The employer is required to provide the injured worker with suitable employment within the commonwealth. An employee's benefits may be suspended if the employee fails to comply with their rehabilitation program. There is no direct financial subsidy scheme or program provided by Comcare.

Trends in Treatment of Subjective Complaints

In 1995-96, an occupational stress program was piloted with four major commonwealth employers. The SRCC National Strategy for the Prevention and Management of Occupational Stress, was a joint project with Comcare and the employer developing and piloting strategies specific to their workplace to deal with the types of stress that manifest in that workplace. The project produced case materials that are available to be used by other employers to assist them in developing their own stress prevention and management programs.

In January 1995, A Stress Claims Management Centre was established to be a "centre of excellence for the management of ACT and NSW stress claims" (excerpt from Annual Report 1995-96, Comcare). The centre piloted a new approach to the management and treatment of stress claims based on a consistent and thorough approach to decisions on liability for stress claims; close liaison with claims managers, employers, employees, treating practitioners and rehabilitation advisers and return to work advice from in-house clinical psychologists.

Disability Benefits
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<th><strong>Short-Term Benefits -</strong></th>
<th><strong>Temporary Disability</strong></th>
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<tr>
<td><strong>Weekly &quot;loss of earnings or wage loss&quot; compensation:</strong></td>
<td><strong>Rate:</strong> For the first 45 weeks, wage loss compensation is provided at a rate equivalent to the employer's normal weekly earnings (NWE), less any amount earned. After 45 weeks, wage loss compensation is 75% to 100% of NWE depending on actual work hours. As of November 1997, the maximum rate is $1,059.90 per week (150% Average Week Ordinary Time Earnings (AWOTE) for full-time adults as published by the Australian Bureau of Statistics). There is an additional benefit for a dependent spouse of $70.40 and for each dependent child of $35.19 (July 1997). <strong>Indexed:</strong> Automatic adjustment based on AWOTE. <strong>Duration:</strong> Term of disability. <strong>Taxable:</strong> Yes.</td>
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<th><strong>Long-Term Benefits -</strong></th>
<th><strong>Permanent Partial and Total Disability</strong></th>
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<tr>
<td><strong>Economic &quot;loss of earnings or wage loss&quot; awards or pensions:</strong></td>
<td><strong>Rate:</strong> See above - 75% to 100% of NWE, subject to maximum of 150% AWOTE and scaled to degree of disability or impairment. <strong>Indexed:</strong> Automatic adjustment based on AWOTE. <strong>Duration:</strong> Age 65. <strong>Taxable:</strong> Yes. <strong>Offset Against Other Social Security Benefits:</strong> No.</td>
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**Award for permanent physical impairment:**
**Periodic (pension or annuity):** None.
**Lump-sum:** There are lump-sum awards for both permanent physical impairment and non-economic loss associated with permanent physical impairment. As of July 1997, the maximum award for permanent impairment is $112,625.29. The maximum award for non-economic loss is $42,234.50. No award for non-economic loss is granted if the level of impairment is assessed below 10% (with exceptions for fingers, toes, taste and smell).
**Covers Disfigurement:** Yes.

**Impairment Schedule:** Degree of impairment is assessed according to approved guides for permanent impairment and non-economic loss.
Supplemental Awards: Clothing is not covered unless for a therapeutic purpose. Personal care needs are paid whether injury is permanent or not, although the duration may impact on the nature of the delivery.

Hearing Loss

There are no special provisions for hearing loss.

Death Benefits

Funeral Expense Benefits

Funeral Costs: A lump-sum of up to $3,899.73 is provided to cover the reasonable costs of funeral and burial expenses (1997 rate).

Emergency Lump-sum: None.

Survivor Benefits

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<th>Survivor Category</th>
<th>Lump-sum</th>
<th>Pension</th>
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<tr>
<td>Dependent family members</td>
<td>Equal share of up lump-sum of up to $168,937.90 (July 1997).</td>
<td>None.</td>
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<tr>
<td>Dependent children</td>
<td>None.</td>
<td>$56.30 per week for each dependent child (July 1997).</td>
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</table>
HEALTH & SAFETY & PREVENTION

Organization Structure

Agencies Responsible

Comcare is responsible for the administration of the occupational health and safety legislation for common wealth employments (389,345 employees and 219 agencies or customers were covered under the OHS (CE) Act in 1995-96).

Services offered and functions performed by Comcare under the OHS program for commonwealth employment include education, regulation, enforcement, research and the provision of policy advice to both the SRCC and agencies.

Comcare must also, by statute, incorporate national OHS standards established by the National Occupational Health and Safety Commission (NOHSC) into commonwealth occupational health and safety legislation, to ensure that the health and safety regulations that apply to commonwealth employees are consistent with national standards and priorities determined by NOHSC. During 1995/96, NOHSC focused its attention to three broad national issues: development of uniform national occupational health and safety standards; facilitation of improved industry performance in occupational health and safety; and the promotion of technical excellence in occupational health and safety.

Source of Funding

The Commonwealth OHS program is funded by compulsory contributions made by Commonwealth employers. The size of the contribution made by each employer is a percentage of their premium payment to the workers' compensation scheme. For those employers which do not pay a workers' compensation premium to Comcare, a notional premium is used as the basis for the size of the OHS contribution.

Accident Reporting

Under the OHS (CE) Act all serious incidents and dangerous occurrences must be reported to Comcare. Comcare publishes a book every six months to provides employers "with an indication of the nature and causes of injuries and incidents in their workplaces with a view to facilitating development of targeted prevention programs" (1995-96, Comcare, Annual
OHS Representatives & Committees
Under the OSH (CE) Act, there are requirements relating to both OHS Committees and workplace health and safety representatives. Unions may negotiate with the employer about the establishment of committees and representatives.

Offenses and Penalties
Types of Offenses and Maximum Fines:
Under the OSH (CE) Act, the approach is different for commonwealth agencies and Government Business Enterprises (or GBEs, which are government entities that operate in a commercial manner, but over which the government retains some degree of ownership).

For commonwealth agencies, sanctions include:
- the power to ask the offending agency for details of the action it proposes to take to rectify the contravention
- referral of the contravention to the appropriate Minister of State
- the power to hold public inquiries
- the power to name the offending agency in parliament.

For GBEs the chief sanction under the legislation is prosecution. The maximum penalty that can be imposed on an employer, or GBE, for failure to meet their duty of care to their employees or to third parties in the workplace is $100,000. Contraventions by suppliers, manufacturers and installers of plant equipment are subject to a maximum fine of $20,000. Lesser penalties, of up to $5,000 apply to employees of GBEs who have contravened the Act.

Convictions:
1995 - None
1996 - three charges against the Australian National Railways Commission for failure by employer to meet duty of care in death of a railway shunter - penalty $50,000.
1997 - one conviction against the Australian National Railways Commission for failure by employer to meet duty of care in serious injury of a railway shunter; penalty $30,000 (three other charges are pending).
### Administrative Penalties

There is no provision for administrative fines in the OHS (CE) legislation. However, Comcare is participating in a group formed by representatives of OHS authorities in Australian jurisdictions to consider the benefits of on-the-spot fines as an effective enforcement strategy.

### OHS Legislative Review

There is no legislated or mandate review requirement for the OHS (CE) Act or regulations. A comprehensive review of the Act was however, carried out in 1995, though no amendments were made to the legislative framework. Comcare, on direction of the minister, is currently carrying out a review of the effectiveness of its consultative arrangements.

### Health and Safety and Loss Prevention Initiatives

Objective 1 of Comcare is "To take a leading role in the prevention of workplace injuries and, in partnership with customers, manage the return to work of injured employees".

In 1995-96, for the first time, set funding for prevention programs was established (0.3% of total premiums collected under the SRC Act are set aside to fund prevention programs).

Two national prevention strategies receive funding from the SRCC: the SRCC National Strategy for the Prevention and Management of Manual Handling Injuries (including back injuries, sprains and strains and Occupational Overuse Syndrome); and the SRCC National Strategy for the Prevention and Management of Occupational Stress (see "Trends in Treatment of Subjective Complaints"). Case study material was produced under these strategies for use by other commonwealth agencies as a practical step-by-step guide in developing their own manual handling and/or occupational stress programs.

In addition to investigating specific incidents and accidents, under its Planned Investigation Program, Comcare systematically audits commonwealth employers to test compliance with the OHS (CE) Act. These proactive audits are used to provide an analysis of deficiencies and make specific recommendations to improve health and safety in a workplace.
FRAUD PREVENTION

Comcare has an established fraud prevention unit consisting of slightly more than four full-time equivalent staff, including a full-time manager of the national fraud prevention program, two full-time staff in the ACT office, and staff in other regional offices whose time is partly devoted to fraud prevention activities.

Comcare manages its fraud investigations workload by using a mixture of in-house investigations which are conducted by Comcare' State Fraud Prevention Officers, supplemented by contractual service providers (private investigators) and investigations referred to the Australian Federal Police (AFP).

In 1996/97, Comcare undertook either directly or under contract, 225 investigations into cases of suspected fraud involving claimants suspected of defrauding the compensation program (322 investigations were undertaken in 1995/96). In 1996/97 four investigations resulted in criminal convictions, and 84 investigations resulted in Comcare taking administrative action, ranging from restricting benefits for a limited period to ceasing benefits for a compensation claim (in 1995/96 there were four convictions and 88 administrative remedies imposed).

There are formal efforts to consult and cooperate with the federal Australian law enforcement agencies to strengthen Comcare's national fraud program and reduce inefficiency and duplication of effort. Initiatives to improve fraud prevention, detection and investigation services include the development of consistent methods of investigation and reporting and advanced fraud investigation training and fraud awareness training.

The Insurance Council of Australia estimates that 10% of workers compensation claims are fraudulent, but anecdotal evidence suggests that the incidence of fraud in the Comcare system is much lower, somewhere between five and 10% of claims. In 1996/97, the estimated savings to Comcare as a result of its fraud prevention activities was $15 million ($11.5 million in 1995/96).