

Queensland Workers' Compensation Scheme

2002-2003

STATISTICS REPORT

INTRODUCTION

Q-COMP's Statistics Report has been expanded this year to report on all aspects of the Queensland workers' compensation scheme, including:

- Claims information reported by WorkCover Queensland and self-insured employers (including numbers, average costs and payments) for:
 - Statutory claims (Part A)
 - Common law claims (Part B)
- Scheme-wide information about the major regulatory services provided by Q-COMP for insurer and medical issues:
 - Medical Assessment Tribunals (Part C)
 - Review Unit (Part D)

ABOUT Q-COMP

The *Workers' Compensation and Rehabilitation Act 2003* established the Workers' Compensation Regulatory Authority, Q-COMP, from 1 July 2003.

Q-COMP's primary responsibility is to regulate the workers' compensation scheme in Queensland. In enforcing the Act, the Authority's functions are to:

- Monitor the compliance of insurers with the Act;
- Consider the performance of insurers under the Act, including the consistent application of the Act;
- Decide applications relating to self-insurance;
- Undertake reviews of insurer decisions and manage appeals against these reviews;
- Support and oversee the efficient administration of medical assessment tribunals;
- Undertake workplace rehabilitation accreditation and compliance activities;
- Provide rehabilitation advisory services;
- Maintain a database for scheme-wide reporting;
- Promote education about the workers' compensation scheme; and
- Collect fees, administer grants and other functions required.

BACKGROUND

The major recent legislative changes for workers' compensation include:

1 February 1997 – *WorkCover Queensland Act 1996*

1 July 1997 – *WorkCover Queensland Act 1996*

- Change in the definition of "worker" from anybody working under a contract of services, regardless of their taxpaying status to a PAYE taxpayer
- Changes to the definition of "injury" from requiring employment to be "a significant contributing factor" causing the injury to be "the major contributing factor" to the injury
- Provision for large employers to self-insure their workers' compensation risk

1 July 1999 – *WorkCover Queensland Amendment Act 1999*

- Changes to the definition of "injury" from requiring employment to be "the major contributing factor" causing the injury to be "a significant contributing factor" to the injury
- Establishment of a Review Unit separate from WorkCover's commercial business
- Establishment of a Review Council to monitor the Review Unit and Medical Assessment Tribunals

1 July 2000 – *WorkCover Queensland Amendment Act 1999*

- Change in the definition of "worker" from a PAYE taxpayer to a person working under a contract of service, regardless of their taxpaying status

1 July 2001 – *WorkCover Queensland Amendment Act 2001*

- Increase in the lump sum benefit payable to dependants on the death of a worker to \$250,000
- Increase in the maximum statutory benefit able to be received by an injured worker to \$150,000. The new maximum amounts apply to injuries occurring on or after 1 July 2001

1 July 2003 – *Workers' Compensation and Rehabilitation Act 2003*

- Establishes the Workers' Compensation Regulatory Authority, Q-COMP, as a statutory body to regulate the workers' compensation scheme in Queensland
- Maintains WorkCover as a fully commercial statutory body and retains all other provisions from the *WorkCover Queensland Act 1996*
- Amends the definition of "worker" to provide greater certainty by applying a "results test" in addition to the existing legislative criteria for determining whether a person is a worker. Under the "results test" a person will be considered a "worker" unless it can be shown that the person meets all the elements of the "results test"

PART A STATUTORY CLAIMS

INTRODUCTION

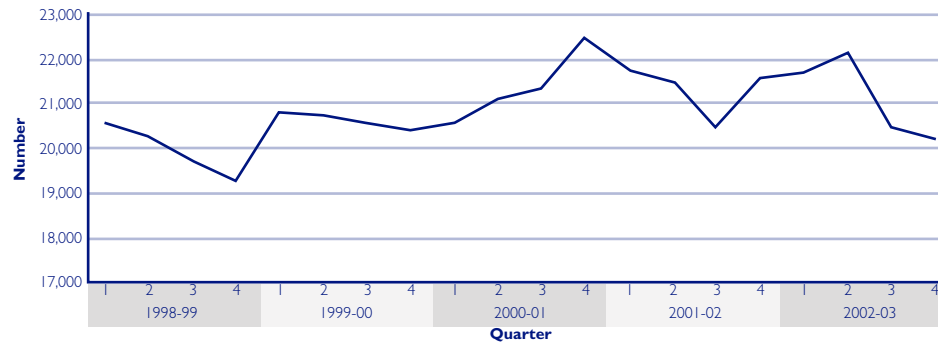
This is the fourth annual statistical report published by Q-COMP to disseminate scheme-wide data from the Queensland workers' compensation scheme (i.e. covering both WorkCover and self-insurers).

INTIMATIONS

Many factors influence the number of claims intimated by injured workers. Some of these factors which may have contributed to changes in numbers of intimations over the years include:

- Changing industry economics
- Variations in the overall numbers in the workforce
- Work process changes within industry, eg. automation, improved workplace health and safety practices

CLAIM INTIMATIONS, QUARTERLY 1998-1999 TO 2002-2003



In 2002-2003 there were 84,551 claims intimated in the Queensland workers' compensation scheme. This represents a 1.0% decrease from 2001-2002. The figure above illustrates claim intimations per quarter between 1998-1999 and 2002-2003.

CLAIM RATES

Claim rates have been calculated for 1998-1999 to 2002-2003. It is calculated as the number of claims intimated per 100,000 persons covered by the scheme. These allow for the comparison of the number of claim intimations relative to the number of people employed in Queensland. Due to the increased coverage of the scheme following the change to the definition of "injury" and "worker", the claim rate decreased in 2000-2001. Although the number of claims has remained relatively static over the past three years, a decrease in the claim rate has been observed with a decrease of 3.6% in 2001-2002, and a further decrease of 4.5% in 2002-2003.

CLAIM RATES (PER 100,000 EMPLOYEES COVERED BY THE SCHEME) 1998-1999 TO 2002-2003

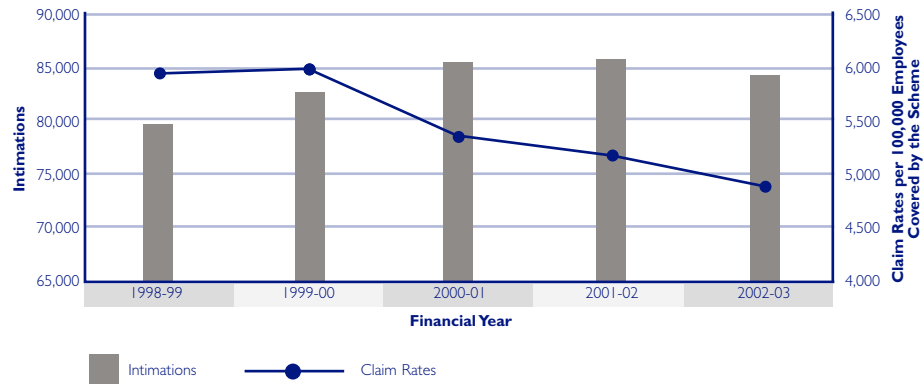
	Annual Comparison				
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
QUEENSLAND LABOUR FORCE					
Average Number of Employed People ('000) ^a	1,609.1	1,651.3	1,680.0	1,732.2	1,799.4
Change from Previous Year		2.6%	1.7%	3.7%	3.9%
Average Number of Employees Covered ('000) ^b	1,344.8	1,374.2	1,591.5	1,652.8	1,713.0
Change from Previous Year		2.2%	15.8%	4.4%	3.6%
QUEENSLAND WORKERS' COMPENSATION SCHEME					
Intimated Claims					
Number	79,805	82,335	85,340	85,407	84,551
Change from Previous Year		3.2%	3.6%	0.1%	-1.0%
Claim Rate					
Number per 100,000 employees covered ^b	5,934.3	5,991.5	5,362.2	5,167.4	4,935.8
Change from Previous Year		1.0%	-10.5%	-3.6%	-4.5%

a Australian Bureau of Statistics, Labour Force, Queensland (Average of May Quarter to February Quarter – for each of the above years), Cat No 6201.3.

b "Employees covered" is a subset of all employed persons depending on the legislation in place (see definitions)

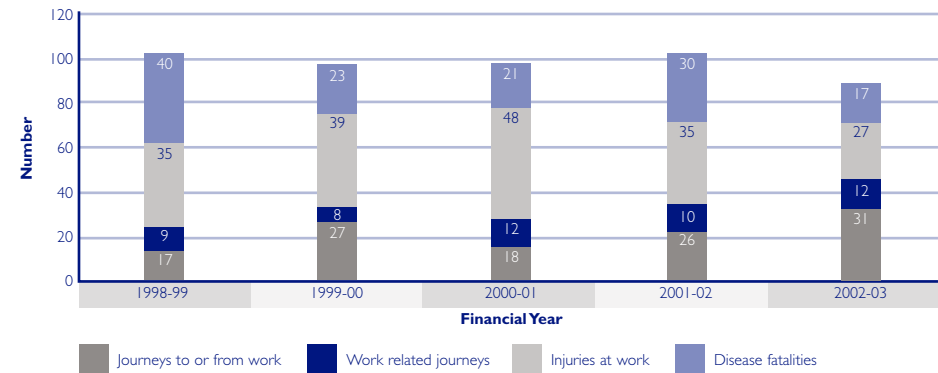
The following chart shows claim intimations versus the claim rate over the past five years. Although the number of claim intimations has remained relatively constant over the past three years, the claim rate has decreased due to the increasing size of the labour force. More specifically, on 1 July 2000, there was an increase in the coverage of the scheme due to the change of definition of "worker" from a PAYE taxpayer to a person working under a contract of services, regardless of their taxpaying status. This increased the scheme coverage by 15.8% from 1 July 2000, while the number of claims only increased 3.6% over the following financial year (2000-2001). The combined result of this was a 10% decrease in the claim rate from 1999-2000 to 2000-2001.

CLAIM RATES (PER 100,000 EMPLOYEES COVERED BY THE SCHEME) AND INTIMATIONS 1998-1999 TO 2002-2003



FATAL INJURIES

FATAL INJURY INTIMATIONS (EXCLUDING CANCELLED CLAIMS) 1998-1999 TO 2002-2003



There were 87 fatalities intimated in 2002-2003, including disease fatalities. This represented a 13.9% decrease from the 2001-2002 figure of 101.

The proportion of fatalities resulting from **journeys to or from work** has almost doubled over the past five years (from n=17 in 1998-1999 to n=31 in 2002-2003).

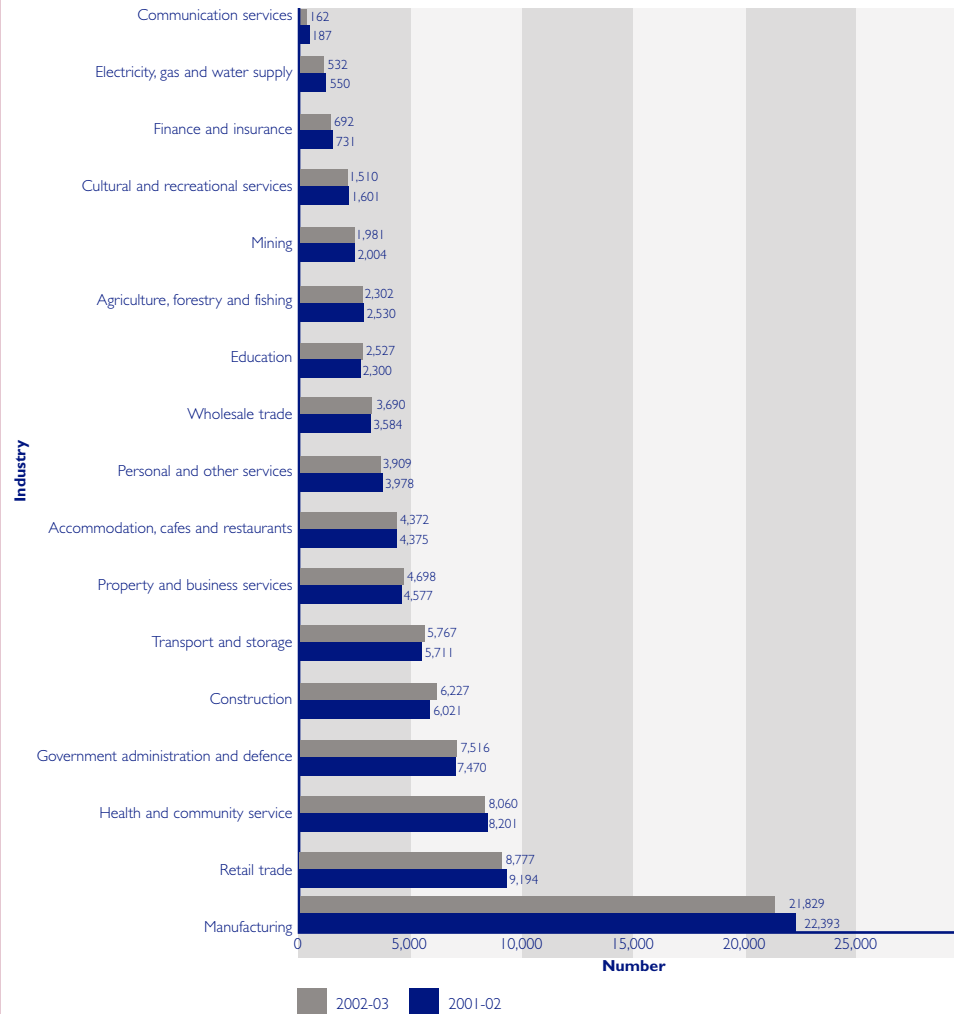
Work related journey fatalities have remained relatively constant over the past five years.

In 2002-2003, the number of fatalities due to **injuries at work** (n=27), was the lowest they have been over the five years examined.

The proportion of **disease** related fatalities decreased by 57.5% over the last five years (from n=40 in 1998-1999 to n=17 in 2002-2003).

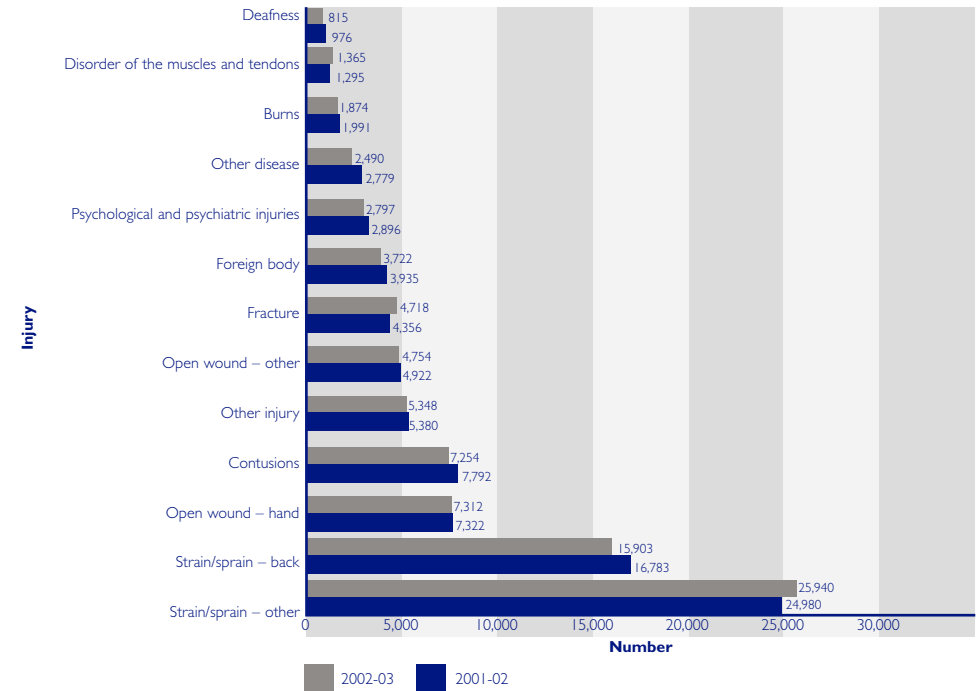
Compensated fatalities are included in the year the workers' compensation claim was lodged, not the year the worker died. With disease fatalities, considerable time could elapse between diagnosis and claim lodgement and death of the injured worker. In both cases, these figures are subject to development over time.

INDUSTRY STATUTORY CLAIM INTIMATIONS BY INDUSTRY 2001-2002 AND 2002-2003



Manufacturing represents the highest proportion of claims intimated in the Queensland scheme, mainly due to the size of the workforce and the nature of the work. It accounted for over a quarter (25.8%) of all intimations in 2002-2003. The Education industry experienced the largest increase in intimations (9.9%) from 2,300 in 2001-2002 to 2,527 in 2002-2003.

INJURY STATUTORY CLAIM INTIMATIONS BY INJURY TYPE 2001-2002 AND 2002-2003



Sprain and strain injuries accounted for almost half (49.5%) of all injuries intimated in 2002-2003. Of these, sprains and strains to the back were the major body location (accounting for almost one fifth or 18.8% of all intimations). The only injuries to experience an increase in claim intimations were fractures (up 8.3%), disorders of the muscles and tendons (up 5.4%) and sprains and strains other than the back (up 3.8%).

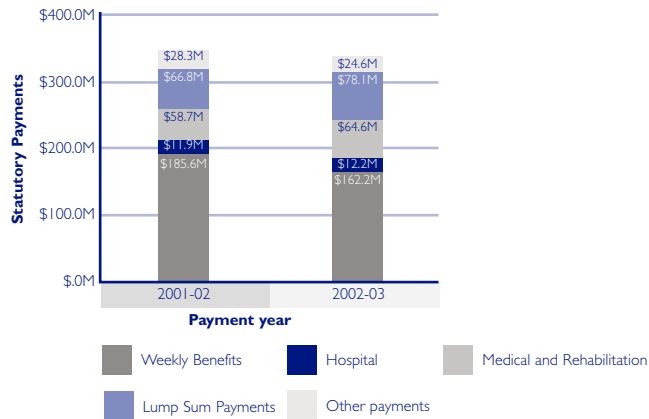
STATUTORY CLAIM PAYMENTS

This section compares the statutory claim payments made by the scheme in the last financial year by the payment type, industry and injury type. These payments include all statutory payments made by workers' compensation insurers on claims in the given year and include all weekly benefits, hospital payments, medical and rehabilitation payments, lump sum payments (including fatal lump sums), statutory legal expenses, and other payments (including medical reports, travel, investigation costs, etc).

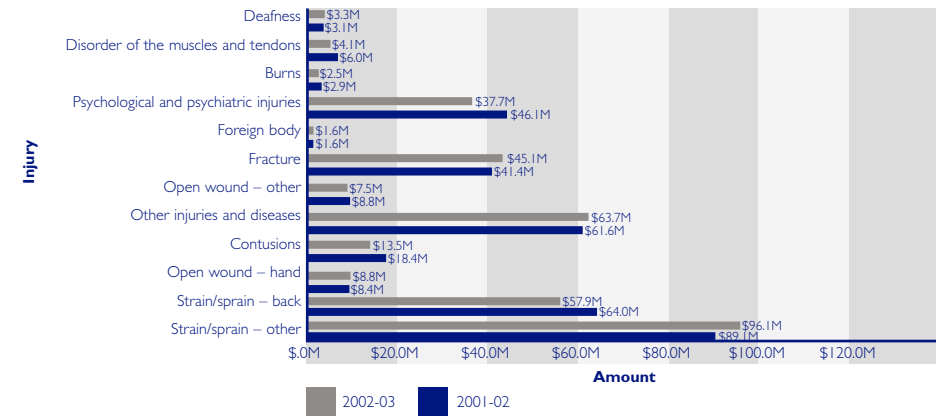
In 2002-2003, workers' compensation insurers paid \$341.8M in statutory benefits to injured workers and their providers (down 2.7% from the \$351.4M in 2001-2002). These payments are made up of five main components - weekly benefits, hospital, medical and rehabilitation, lump sum and other payments such as travel, statutory legal costs etc.

The breakdown of these payments in 2002-2003 shows almost half (47.5%) of statutory claim payments paid were for weekly benefits. Payments for lump sum settlements accounted for 22.8% of payments and medical and rehabilitation services accounted for a further 18.9% of payments.

STATUTORY CLAIM PAYMENTS BY PAYMENT TYPE 2001-2002 AND 2002-2003

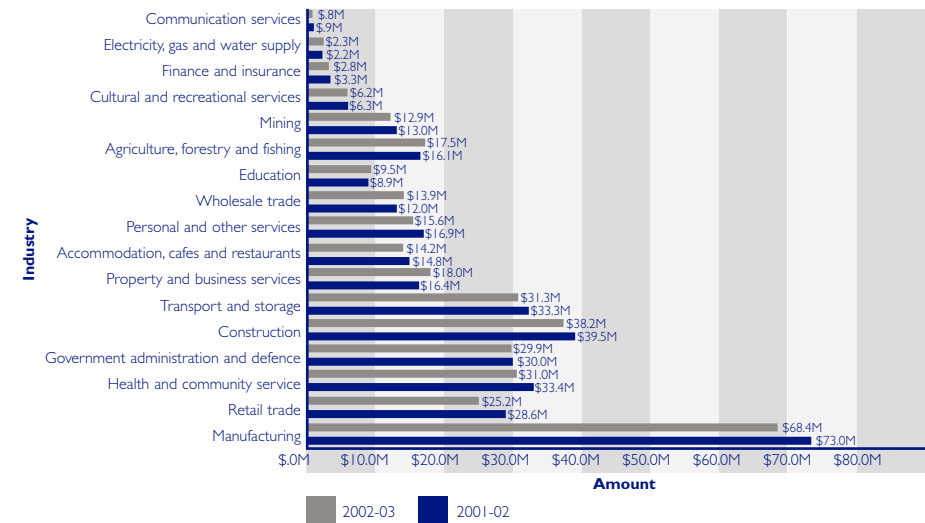


STATUTORY CLAIM PAYMENTS BY INJURY TYPE 2001-2002 AND 2002-2003



The majority of statutory claim payments in 2002-2003 were claims with a primary injury of sprains and strains other than the back, accounting for 28.1% of all statutory payments.

STATUTORY CLAIM PAYMENTS BY INDUSTRY 2001-2002 AND 2002-2003



Claims from the manufacturing industry accounted for the majority of statutory claim payments in 2002-2003 at 20.0%.

CLAIM TYPE

Almost half (41.3%) of the claims intimated resulted in time lost from work (time lost claims – TLC). The second most frequent claim type was medical expense only (MEO) claims which accounted for 39.1% of claims. Other claim types (i.e. fatal claims, lump sum only claims, etc) accounted for the remaining 19.6% of claims intimated.

FINALISED TIME LOST CLAIMS

Average finalised time lost claim costs and durations are calculated using finalised time lost claims. The number of finalised time lost claims increased 18.3% to 45,760 in 2002-2003 from 38,690 in 2001-2002. **Note that the averages are based on claims finalised in the financial year and may have had payments and compensation periods over a number of years.**

AVERAGE FINALISED TIME LOST CLAIM DURATION

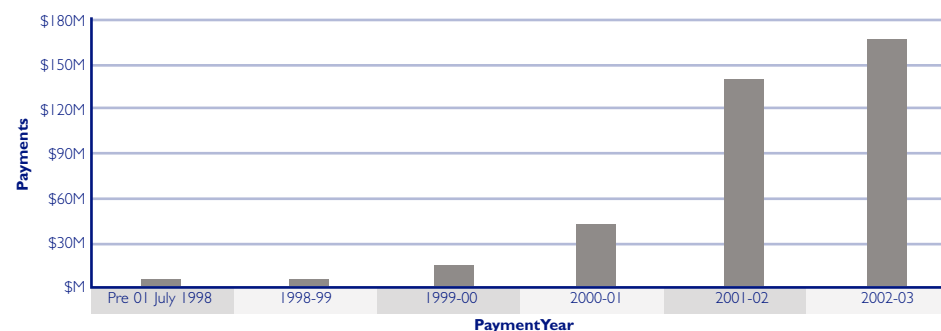
Over the past two years, durations for finalised time lost claims including the excess paid by the employer (where applicable) have increased by 16.4% from 35.4 days in 2001-2002 to 41.2 days in 2002-2003.

AVERAGE FINALISED TIME LOST CLAIM COSTS

The average finalised time lost claim cost is calculated on all statutory payments made on a claim that was ceased or finalised within a year – **the payments made on these claims may have occurred over several years.**

The figure below illustrates the payments made on claims finalised in 2002-2003. Over half of the payments to these claims occurred in previous years. Only 45.1% of the statutory payments made on claims finalised in 2002-2003 were paid in the 2002-2003 year. Over a third, 38.7%, of the payments were made in the 2001-2002 year with the other 16.2% of payments being made in years prior to this.

PAYMENT YEAR FOR FINALISED TIME LOST CLAIMS 2002-03



The claims that cost more to the scheme tend to be those that have longer durations. These usually occur over several years, and therefore would not impact on the average finalised time lost claim costs until the year the claim is ceased or finalised. Payments on these claims, however, may have occurred over a number of years. Due to this, the benefits of a reduction in the total statutory payments (see page 5) made in the 2002-2003 year will not be reflected in the average finalised time lost claim cost until future years.

The average finalised time lost claim cost increased by 16.4% from \$6,906 in 2001-2002 to \$8,040 in 2002-2003. This cost may vary depending on factors such as:

- The duration of claims – the longer an injured worker is away from work the more weekly benefits and medical expenses the claim will incur. In 2002-2003 the average finalised time lost claim duration increased by 16.4%.
- Level of medical and other expenses required for the injury (the Health CPI increased 3.7% in the last financial year. The maximum lump sum payable increased by 17.3% from \$127,000 to \$150,000 for injuries occurring after 1 July 2001).
- Changes in industry claim rates and the average wages paid in industry.
- The mix of injuries intimated scheme-wide (the severity of injury can impact on the average finalised time lost claim duration and cost).
- Changes in practices by insurers can have an impact on claim finalisation and average costs.

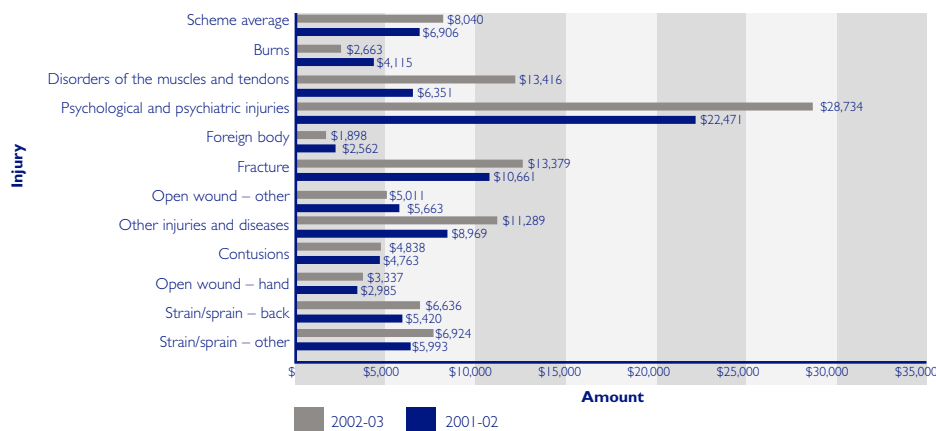
GENERAL COST COMPARED TO INCREASES TO AVERAGE FINALISED TIME LOST CLAIM COST 2001-2002 AND 2002-2003

Indicator	% Change
AVERAGE FINALISED TIME LOST CLAIM COST	16.4%
Consumer Price Index^a	
Average All Groups, Brisbane (excluding GST)	3.4%
Health, Brisbane (excluding GST)	3.7%
Full Time Adult Ordinary Time Earnings^b	2.1%

a Australian Bureau of Statistics, Consumer Price Index, Australia, Cat No 6401.0 – All Groups CPI and Health CPI Brisbane, % change from June 2003 to the corresponding quarter of previous year.

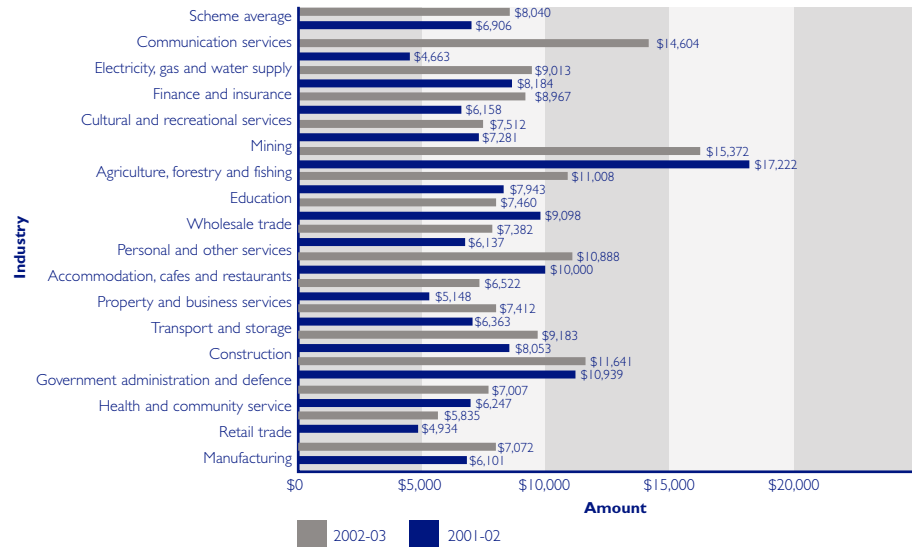
b Australian Bureau of Statistics, Average Weekly Earnings, Cat No 6302.0 – Change in full-time adult ordinary time earnings from February 2002 to February 2003.

AVERAGE FINALISED TIME LOST CLAIM COST BY INJURY TYPE 2001-2002 AND 2002-2003



Average finalised time lost claim costs by injury and by industry vary significantly. Although psychological and psychiatric injuries account for only 3.3% of all claims, they are the most expensive with an average finalised time lost claim cost of \$28,734. In particular, the duration of psychological and psychiatric claims impacts on the average finalised time lost claim cost of these claims, with an average finalised time lost claim duration of 149.7 days for psychological and psychiatric injuries compared with the scheme average of 41.2 days. The second most expensive injury type, disorders of the muscles and tendons, (\$13,416) also only accounted for a small proportion of injuries (1.6%).

AVERAGE FINALISED TIME LOST CLAIM COST BY INDUSTRY 2001-2002 AND 2002-2003



Of all industry claims, mining industry claims had the highest average finalised time lost claim cost (\$15,372) partially due to the higher wages paid in the industry. The average weekly earnings (full time adults) for employees in the mining industry (\$1,406) is much higher than the Queensland average (\$820) (Source: ABS, Average Weekly Earnings, Cat No 6302.0, March 2003).

Similarly, industries that tended to have lower average finalised time lost claim costs – accommodation, restaurants and cafes, and retail – also had the lowest average weekly earnings of all industries (between \$674 and \$684).

The largest increase in average finalised time lost claim costs was in the communication services industry, up 213.2% from \$4,663 in 2001-2002 to \$14,604 in 2002-2003. It should be noted that due to the small numbers of time lost claims that are ceased or finalised each year within this industry, one claim with high costs would have a great impact on the average finalised time lost claim cost.

DETAILED SUB-INDUSTRY BREAKDOWN

The detailed sub-industry breakdown illustrates intimations and average finalised time lost claim costs and durations over the past two financial years (a full listing of the mapping to the breakdown to ANZSIC codes is included on page 16).

The highest average finalised time lost claim costs were in the coal mining sub-industry (\$17,140) and the highest average time lost claim durations was recorded in the 'other agriculture' sub-industry ('other agriculture' includes dairy farming; poultry pig and other livestock farming; animal breeding, sugar and other non grain crop farming) with an average of 77.3 days.

STATUTORY CLAIM INTIMATIONS, STATUTORY CLAIM PAYMENTS, AVERAGE FINALISED TIME LOST CLAIM COSTS & DURATIONS BY INDUSTRY AND SUB-INDUSTRY 2001-2002 AND 2002-2003

	CLAIM INTIMATIONS			CLAIM PAYMENTS (\$)			AVERAGE FINALISED TIME LOST CLAIM COSTS (\$)			AVERAGE FINALISED TIME LOST CLAIM DURATIONS (DAYS)		
	2001-02	2002-03	% Increase/ (Decrease)	2001-02	2002-03	% Increase/ (Decrease)	2001-02	2002-03	% Increase/ (Decrease)	2001-02	2002-03	% Increase/ (Decrease)
Agriculture, Forestry and Fishing	2,530	2,302	(9.9%)	\$16.1M	\$17.5M	8.7%	\$7,943	\$11,008	38.6%	48.5	57.6	18.8%
Horticulture and fruit growing	945	894	(5.4%)	\$3.9M	\$4.3M	10.3%	\$5,636	\$7,186	27.5%	42.1	45.3	7.7%
Grain, sheep and beef cattle farming	737	644	(12.6%)	\$6.0M	\$6.8M	13.3%	\$8,705	\$14,109	62.1%	49.5	61.9	25.0%
Other agriculture	377	372	(1.3%)	\$3.5M	\$3.5M	0.0%	\$11,194	\$14,171	26.6%	63.9	77.3	20.9%
Other agriculture, forestry and fishing	463	389	(16.0%)	\$2.6M	\$2.9M	11.5%	\$7,449	\$11,017	47.9%	41.6	59.7	43.4%
Mining	2,004	1,981	(1.2%)	\$13.0M	12.9M	(0.8%)	\$17,222	\$15,372	(10.7%)	48.4	49.1	1.4%
Coal mining	997	942	(5.5%)	\$5.3M	\$5.0M	(5.7%)	\$19,205	\$17,140	(10.8%)	45.6	44.4	(2.6%)
Metal and ore mining	583	586	0.5%	\$3.9M	\$4.5M	15.4%	\$16,678	\$13,132	(21.3%)	41.1	38.9	(5.3%)
Other mining	201	228	13.4%	\$1.9M	\$1.6M	(15.8%)	\$10,439	\$16,508	58.1%	46.0	64.8	40.9%
Services to mining	218	223	2.3%	\$1.8M	\$1.8M	0.0%	\$19,270	\$13,623	(29.3%)	69.9	60.1	(14.0%)
Manufacturing	22,393	21,829	(2.6%)	\$73.0M	\$68.4M	(6.3%)	\$6,101	\$7,072	15.9%	30.5	34.8	14.2%
Meat and meat product manufacturing	4,862	4,267	(12.2%)	\$12.4M	\$11.3M	(8.9%)	\$3,691	\$5,215	41.3%	20.4	26.7	30.8%
Other food manufacturing	2,850	2,599	(8.8%)	\$10.8M	\$9.4M	(13.0%)	\$6,501	\$8,099	24.6%	33.2	42.4	27.7%
Textile, clothing, footwear and leather manufacturing	403	420	4.2%	\$2.1M	\$1.8M	(14.3%)	\$8,272	\$9,222	11.5%	49.5	55.3	11.6%
Wood and paper product manufacturing	1,287	1,392	8.2%	\$4.6M	\$4.3M	(6.5%)	\$7,762	\$6,479	(16.5%)	37.4	35.1	(6.2%)
Printing, publishing and recorded media	584	542	(7.2%)	\$2.0M	\$1.6M	(20.0%)	\$6,076	\$6,217	2.3%	34.0	35.3	3.8%
Petroleum, coal, chemical and associated product manufacturing	1,469	1,364	(7.1%)	\$4.2M	\$4.2M	0.0%	\$7,719	\$7,771	0.7%	41.9	38.6	(7.9%)
Non-metallic mineral product manufacturing	927	982	5.9%	\$8.3M	\$6.0M	(27.7%)	\$9,251	\$12,132	31.1%	42.2	51.0	20.9%
Metal product manufacturing	5,342	5,803	8.6%	\$14.1M	\$14.3M	1.4%	\$7,548	\$7,344	(2.7%)	33.5	33.8	0.9%
Machinery and equipment manufacturing	3,544	3,314	(6.5%)	\$9.9M	\$10.0M	1.0%	\$5,946	\$7,183	20.8%	26.8	32.7	21.9%
Other manufacturing	1,056	1,119	6.0%	\$4.7M	\$5.5M	17.0%	\$7,846	\$7,710	(1.7%)	42.1	38.5	(8.5%)
Electricity, Gas and Water Supply	550	532	(3.4%)	\$2.2M	\$2.3M	4.5%	\$8,184	\$9,013	10.1%	28.5	34.5	20.9%
Construction	6,021	6,227	3.4%	\$39.5M	\$38.2M	(3.3%)	\$10,939	\$11,641	6.4%	50.9	55.1	8.2%
General construction	2,701	2,380	(11.9%)	\$15.7M	\$14.0M	(10.8%)	\$10,996	\$12,789	16.3%	47.2	57.8	22.4%
Site preparation services	374	432	15.5%	\$3.9M	\$3.3M	(15.4%)	\$15,638	\$16,473	5.3%	76.3	74.9	(1.9%)
Building structure services	374	478	27.8%	\$4.0M	\$3.2M	(20.0%)	\$14,040	\$10,304	(26.6%)	59.2	58.9	(0.6%)
Installation trade services	1,346	1,454	8.0%	\$5.5M	\$5.9M	7.3%	\$8,587	\$8,554	(0.4%)	41.7	39.4	(5.6%)
Building completion services	879	1,007	14.6%	\$7.5M	\$8.6M	14.7%	\$9,629	\$12,030	24.9%	52.3	59.0	12.9%
Other construction services	327	468	43.1%	\$2.8M	\$3.2M	14.3%	\$8,853	\$10,572	19.4%	47.0	52.5	11.8%

	CLAIM INTIMATIONS			CLAIM PAYMENTS (\$)			AVERAGE FINALISED TIME LOST CLAIM COSTS (\$)			AVERAGE FINALISED TIME LOST CLAIM DURATIONS (DAYS)		
	2001-02	2002-03	% Increase/ (Decrease)	2001-02	2002-03	% Increase/ (Decrease)	2001-02	2002-03	% Increase/ (Decrease)	2001-02	2002-03	% Increase/ (Decrease)
Wholesale Trade	3,584	3,690	3.0%	\$12.9M	\$13.9M	7.8%	\$6,137	\$7,382	20.3%	32.5	38.7	19.0%
Basic material wholesaling	1,237	1,358	9.8%	\$4.3M	\$5.4M	25.6%	\$6,766	\$7,589	12.2%	35.4	38.3	8.1%
Machinery and motor vehicle wholesaling	1,129	1,145	1.4%	\$3.4M	\$3.6M	5.9%	\$4,953	\$7,001	41.3%	24.1	33.6	39.4%
Personal and household good wholesaling	1,207	1,182	(2.1%)	\$5.2M	\$4.9M	(5.8%)	\$6,416	\$7,454	16.2%	35.8	42.7	19.3%
Retail Trade	9,194	8,777	(4.5%)	\$28.6M	\$25.2M	(11.9%)	\$4,934	\$5,835	18.3%	28.3	33.4	18.2%
Supermarket and grocery stores	3,732	3,424	(8.3%)	\$8.8M	\$7.1M	(19.3%)	\$3,015	\$3,992	32.4%	16.7	21.3	27.5%
Specialised food retailing	722	659	(8.7%)	\$3.5M	\$3.0M	(14.3%)	\$6,438	\$7,675	19.2%	40.4	53.8	33.1%
Personal and household good retailing	2,551	2,558	0.3%	\$8.9M	\$7.7M	(13.5%)	\$6,082	\$6,667	9.6%	34.3	38.7	12.8%
Motor vehicle retailing and services	2,172	2,129	(2.0%)	\$7.5M	\$7.4M	(1.3%)	\$8,217	\$7,128	(13.2%)	47.8	39.1	(18.3%)
Accommodation, Cafes and Restaurants	4,375	4,372	(0.1%)	\$14.8M	\$14.2M	(4.1%)	\$5,148	\$6,522	26.7%	34.1	42.7	25.4%
Accommodation	1,694	1,809	6.8%	\$5.1M	\$5.5M	7.8%	\$5,549	\$5,589	0.7%	36.1	36.3	0.6%
Pubs, taverns and bars	789	810	2.7%	\$3.5M	\$3.1M	(11.4%)	\$5,289	\$8,039	52.0%	35.9	53.0	47.7%
Cafes and restaurants	1,285	1,188	(7.5%)	\$3.7M	\$3.2M	(13.5%)	\$4,293	\$5,643	31.5%	28.5	37.7	32.4%
Clubs (hospitality)	593	558	(5.9%)	\$2.5M	\$2.4M	(4.0%)	\$5,877	\$9,019	53.5%	39.6	58.0	46.5%
Transport and Storage	5,711	5,767	1.0%	\$33.3M	\$31.3M	(6.0%)	\$8,053	\$9,183	14.0%	37.6	44.8	19.1%
Road transport	2,049	2,181	6.4%	\$16.3M	\$16.5M	1.2%	\$11,337	\$11,494	1.4%	55.9	57.4	2.7%
Rail, water, air and other transport	1,981	1,921	(3.0%)	\$9.7M	\$7.7M	(20.6%)	\$6,181	\$6,590	6.6%	26.7	30.2	13.0%
Services to transport	1,336	1,350	1.0%	\$6.3M	\$5.8M	(7.9%)	\$6,592	\$8,270	25.4%	28.4	39.4	38.6%
Storage	333	310	(6.9%)	\$1.0M	\$1.3M	30.0%	\$5,755	\$7,325	27.3%	35.9	38.7	7.8%
Communication Services	187	162	(13.4%)	\$0.9M	\$0.8M	(11.1%)	\$4,663	\$14,604	213.2%	28.1	69.1	146.0%
Finance and Insurance	731	692	(5.3%)	\$3.3M	\$2.8M	(15.2%)	\$6,158	\$8,967	45.6%	32.5	47.0	44.7%
Finance	522	470	(10.0%)	\$2.7M	\$1.9M	(29.6%)	\$5,862	\$9,723	65.9%	30.9	48.3	56.4%
Insurance and services to finance and insurance	207	220	6.3%	\$0.6M	\$0.9M	50.0%	\$8,395	\$6,632	(21.0%)	44.7	42.9	(3.9%)
Property and Business Services	4,577	4,698	2.6%	\$16.4M	\$18.0M	9.8%	\$6,363	\$7,412	16.5%	38.7	41.5	7.2%
Property services	653	733	12.3%	\$3.3M	\$3.4M	3.0%	\$8,162	\$11,565	41.7%	46.0	56.7	23.2%
Scientific, technical and computer services	439	399	(9.1%)	\$1.8M	\$2.2M	22.2%	\$6,479	\$9,488	46.4%	36.5	39.9	9.4%
Legal, accounting, marketing and business services	481	497	3.3%	\$2.0M	\$1.9M	(5.0%)	\$6,067	\$9,964	64.2%	38.9	51.4	32.2%
Employment services	1,666	1,831	9.9%	\$2.4M	\$3.2M	33.3%	\$3,379	\$3,661	8.4%	20.9	24.0	14.6%
Other business services	1,324	1,232	(6.9%)	\$6.9M	\$7.3M	5.8%	\$7,660	\$8,546	11.6%	47.8	52.1	8.9%
Government Administration and Defence	7,470	7,516	0.6%	\$30.0M	\$29.9M	(0.3%)	\$5,750	\$7,007	21.9%	29.9	31.9	6.8%
Local government	3,310	3,312	0.1%	\$10.4M	\$11.0M	5.8%	\$3,721	\$5,129	37.9%	19.0	22.7	19.6%
Other government	4,145	4,198	1.3%	\$19.6M	\$18.9M	(3.6%)	\$8,505	\$8,602	1.1%	44.7	39.7	(11.1%)

	CLAIM INTIMATIONS			CLAIM PAYMENTS (\$)			AVERAGE FINALISED TIME LOST CLAIM COSTS (\$)			AVERAGE FINALISED TIME LOST CLAIM DURATIONS (DAYS)		
	2001-02	2002-03	% Increase/ (Decrease)	2001-02	2002-03	% Increase/ (Decrease)	2001-02	2002-03	% Increase/ (Decrease)	2001-02	2002-03	% Increase/ (Decrease)
Education	2,300	2,527	9.9%	\$8.9M	\$9.5M	6.7%	\$9,098	\$7,460	(18.0%)	39.7	42.4	6.7%
School education	856	867	1.3%	\$3.0M	\$2.8M	(6.7%)	\$9,501	\$6,485	(31.7%)	41.2	32.4	(21.3%)
Post school education	900	878	(2.4%)	\$4.1M	\$3.9M	(4.9%)	\$8,625	\$8,922	3.4%	38.8	43.5	12.1%
Other education	537	780	45.3%	\$1.8M	\$2.8M	55.6%	\$9,272	\$6,950	(25.0%)	39.2	48.7	24.4%
Health and Community Services	8,201	8,060	(1.7%)	\$33.4M	\$31.0M	(7.2%)	\$6,247	\$7,778	24.5%	37.1	46.3	24.8%
Hospitals	3,703	3,604	(2.7%)	\$14.9M	\$13.2M	(11.4%)	\$6,488	\$7,818	20.5%	35.9	44.7	24.5%
Nursing homes	1,255	1,137	(9.4%)	\$5.1M	\$4.8M	(5.9%)	\$5,570	\$7,432	33.4%	38.1	47.1	23.6%
Other health services	1,214	1,231	1.4%	\$4.8M	\$4.6M	(4.2%)	\$8,209	\$9,574	16.6%	40.0	51.9	29.7%
Community services	2,003	2,078	3.7%	\$8.6M	\$8.4M	(2.3%)	\$5,479	\$7,189	31.2%	37.3	46.1	23.5%
Cultural and Recreational Services	1,601	1,510	(5.7%)	\$6.3M	\$6.2M	(1.6%)	\$7,281	\$7,512	3.2%	36.7	39.5	7.8%
Motion picture, radio and television services	264	323	22.3%	\$1.2M	\$1.2M	0.0%	\$8,149	\$9,721	19.3%	37.4	45.9	22.8%
Libraries, museums and the arts	218	230	5.5%	\$0.4M	\$0.5M	25.0%	\$7,301	\$3,736	(48.8%)	33.4	20.9	(37.5%)
Sport and recreation	1,114	956	(14.2%)	\$4.6M	\$4.5M	(2.2%)	\$7,136	\$7,447	4.4%	37.0	40.4	9.1%
Personal and Other Services	3,978	3,909	(1.7%)	\$16.9M	\$15.6M	(7.7%)	\$10,000	\$10,888	8.9%	47.0	50.0	6.4%
Personal services	602	597	(0.8%)	\$2.9M	\$3.2M	10.3%	\$8,871	\$9,310	4.9%	47.3	55.8	17.9%
Public order and safety services	3,024	2,879	(4.8%)	\$11.8M	\$10.7M	(9.3%)	\$11,048	\$11,485	4.0%	48.2	47.9	(0.7%)
Other services	340	428	25.9%	\$2.2M	\$1.7M	(22.7%)	\$7,165	\$10,478	46.2%	39.7	51.4	29.4%
Pre 1997 Injury or Unknown Industry	240	97	N/A	\$2.0M	\$3.8M	90.0%	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL	85,407	84,551	(1.0%)	\$351.4M	\$341.8M	(2.7%)	\$6,906	\$8,040	16.4%	35.4	41.2	16.5%

Breakdown of the Australian and New Zealand Standard Industrial Classifications used in each industry grouping are included on page 16.

IMPORTANT NOTE: The average finalised time lost claim costs and durations within some sub-industries appear to fluctuate greatly. These fluctuations are mainly due to the small number of ceased or finalised time lost claims within these sub-industries during the year, where one claim with high or low costs or durations can greatly impact the average.

PART B CLAIMS FOR DAMAGES AT COMMON LAW

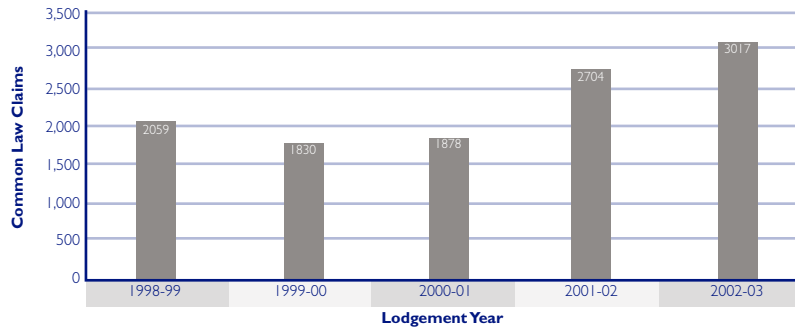
INTRODUCTION

This is the first published information about claims for damages at common law (common law claims) experience since the commencement of self-insurance in 1998.

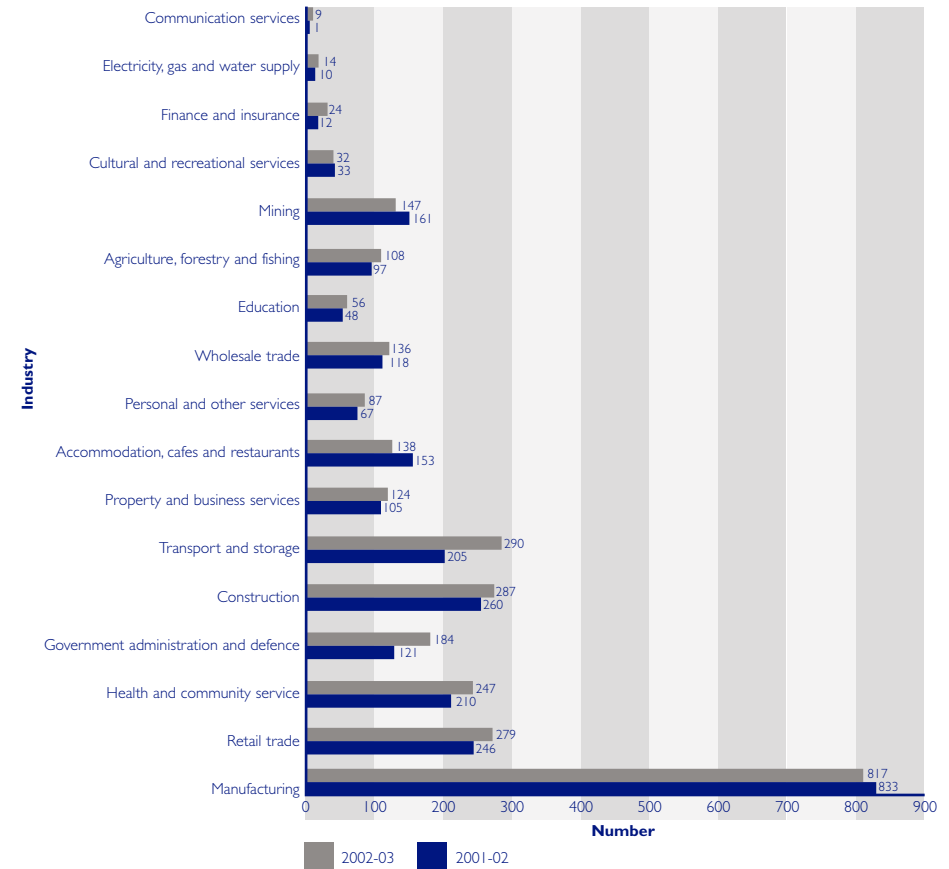
LODGEMENTS

Over the past five years, common law lodgements have increased 46.5%. After several years of relatively stable common law claim lodgements the scheme experienced a large increase in 2001-2002 (up 44.0%), and a further 11.6% increase in 2002-2003.

COMMON LAW CLAIM LODGEMENTS 1998-99 TO 2002-03

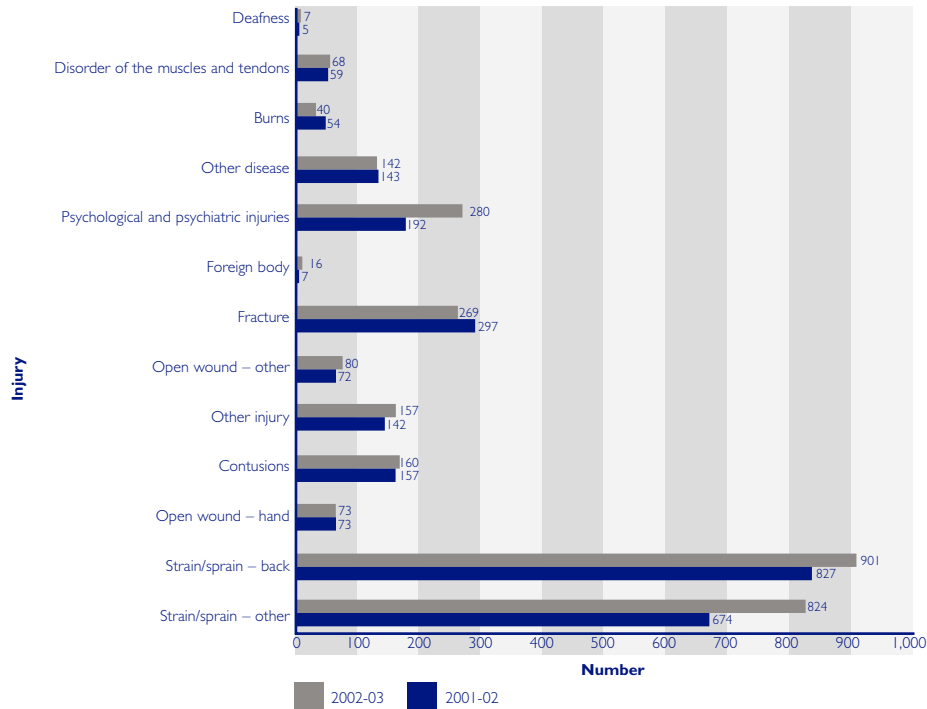


COMMON LAW CLAIM LODGEMENTS BY INDUSTRY 2001-02 AND 2002-03



Manufacturing represents the highest proportion of common law claims lodged in the Queensland scheme, accounting for over a quarter (27.1%) of all common law claim lodgements in 2002-03. Industries experiencing large increases in lodgements include Government Administration and Defence (up 52.1%) and Transport and Storage (up 41.5%).

COMMON LAW CLAIM LODGEMENTS BY INJURY 2001-02 AND 2002-03

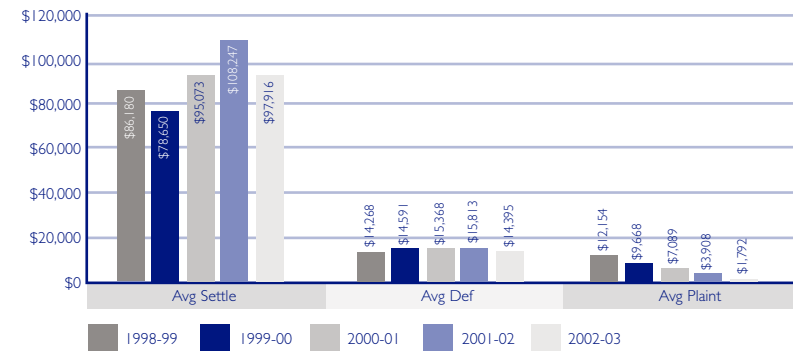


Sprain and strain injuries accounted for over half (57.2%) of all common law lodgements in 2002-2003. Of these, sprains and strains to the back were the major body location (accounting for almost one third or 29.9% of all lodgements).

AVERAGE COSTS

The average settlement cost of a finalised common law claim has decreased 9.5% from \$108,247 in 2001-02 to \$97,916 in 2002-03. However there has been a 13.6% increase since 1998-99. The average defendant's cost has decreased 9.0% from \$15,813 in 2001-02 to \$14,395 in 2002-03, while the average plaintiff's cost has decreased 54.1% from \$3,908 in 2001-02 to \$1,792 in 2002-03. It should be noted that restrictions on awarding of plaintiff costs was introduced for injuries occurring on or after 01/01/1996.

AVERAGE COSTS FOR FINALISED COMMON LAW CLAIMS BY PAYMENT TYPE 1998-99 TO 2002-03



AVERAGE TIMEFRAMES

For claims lodged within the year, the average time from date of injury to lodgement of a common law claim has increased 3.7% from 2.79 years in 2001-02 to 2.89 years in 2002-03.

For claims finalised within the year, the average time from the lodgement of a common law claim to finalisation has decreased 23.1% from 2.15 years in 2001-02 to 1.66 years in 2002-03.

COMMON LAW PAYMENTS

Over the past two years, common law payments increased by 7.6% from \$278.3M in 2001-02 to \$299.5M in 2002-03, as compared to a 2.7% decrease in statutory payments. The breakdown of these payments in 2002-03, shows that the majority of common law payments is made up of settlements (84.0%), followed by defendant's costs (14.7% of common law payments), and plaintiff's costs made up the remaining 1.3%.

COMMON LAW PAYMENTS 2001-02 AND 2002-03

	2001-02	2002-03	% Increase/ (Decrease)
Payment Type			
Settlements	\$231.7M	\$251.6M	8.6%
Defendant's Costs	\$39.4M	\$44.1M	11.9%
Plaintiff's Costs	\$7.2M	\$3.8M	(47.3%)
Total Common Law Payments	\$278.3M	\$299.5M	7.6%

PART C MEDICAL ASSESSMENT TRIBUNALS (MAT)

INTRODUCTION

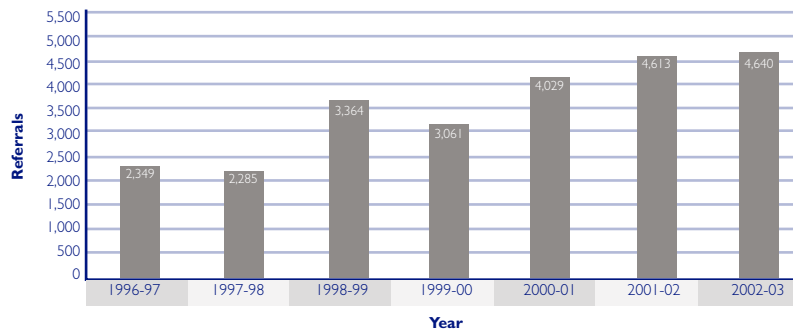
The Medical Assessment Tribunals provide an independent medical assessment of injury or impairment for workers' compensation claims. Only workers who are referred by their workers' compensation insurer attend the Medical Assessment Tribunals.

REFERRALS

In 2002-03, 4,640 cases were referred to the Medical Assessment Tribunals. This represents a 0.6% increase on the 4,613 cases referred in 2001-02. This is a reduction in the growth of referrals to Tribunals as observed in previous years.

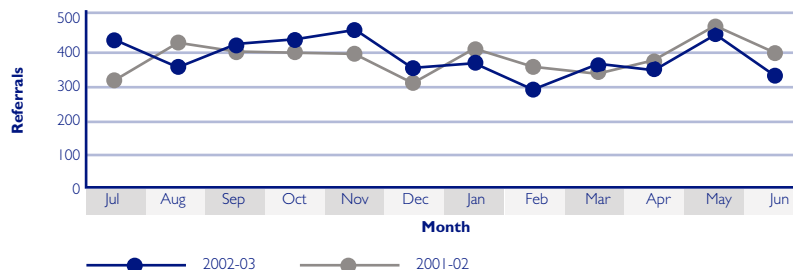
The following graph illustrates the increase in referrals over the past 7 years. During this period, referrals to the MATs have approximately doubled (an increase of 97.5%).

MAT REFERRALS 1996-97 TO 2002-03



The following figure illustrates the referrals to MATs over the past 2 years on a month by month basis. Historically, peaks for MAT referrals are in May and the low referral periods are December and June.

MAT REFERRALS BY MONTH 2001-02 AND 2002-03

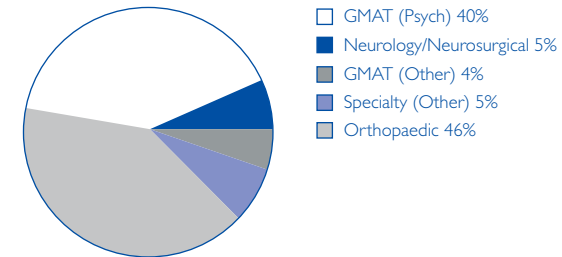


CASES DETERMINED

By Tribunal Type

In 2002-03 3,646 cases were determined by the MATs, almost half of these (46%) were determined at an Orthopaedic Specialty Tribunal with a further 40% determined at a General Medical Assessment Tribunal (Psych).

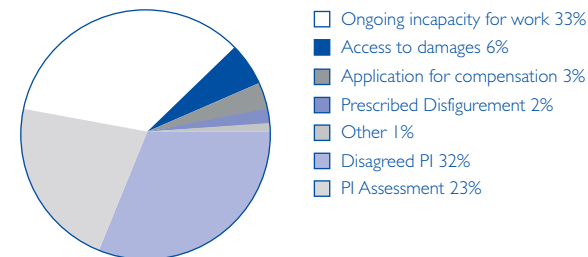
CASE DETERMINED BY TRIBUNAL TYPE 2002-03



By Referral Reason

Over half (55%) of the cases determined by the MATs are for PI Assessment. This has been broken down further into cases where there is an initial PI assessment (23%), and determination of PI where an assessment has been disputed (32%). A further third (33%) of the cases determined were for assessment of ongoing incapacity for work.

CASE DETERMINED BY REFERRAL REASON 2002-03



PART D REVIEW UNIT

INTRODUCTION

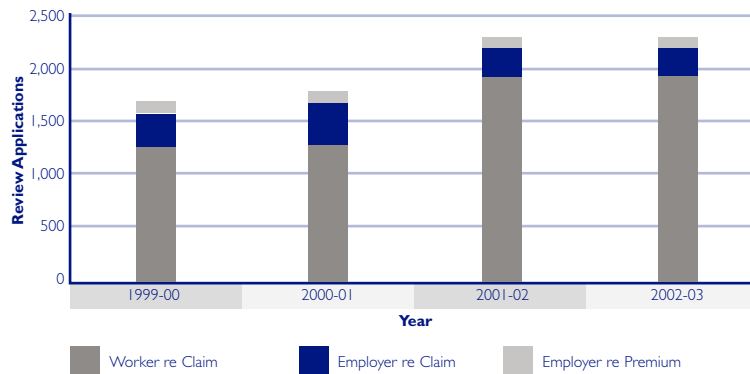
Workers and employers can apply to Q-COMP if they disagree with certain decisions made by their workers' compensation insurer (WorkCover or a self-insurer). Q-COMP impartially reviews claims and premium decisions. Individuals dissatisfied with the outcome of the review can further appeal to the Industrial Magistrate.

REVIEW APPLICATIONS

Applications Received

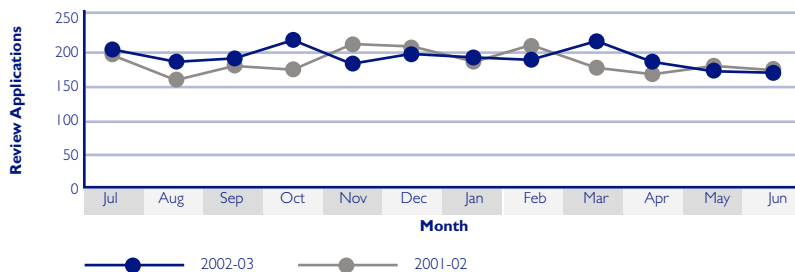
The Review Unit received 2,297 applications in the 2002-03 year. While there has only been small growth (up 1.9%) in review applications over the last year; substantial growth has been recorded over the prior two years (between 1999-00 and 2001-02 an increase of 34.3% was recorded).

REVIEW APPLICATIONS BY TYPE 1999-00 TO 2002-03



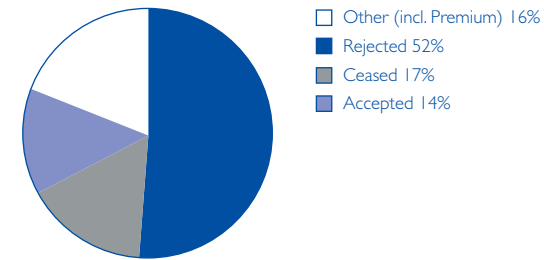
Review applications occur relatively constantly over the year; although there has been a downturn in review applications towards the end of 2002-03.

REVIEW APPLICATIONS BY MONTH 1999-00 TO 2002-03



Over half (52%) of all review applications are about the insurer decision to reject the claim, a further 17% are following the cessation of the claim and 14% are lodged by the employer after the claim has been accepted. The following graph illustrates the distribution of review applications by the insurer decision which is being reviewed.

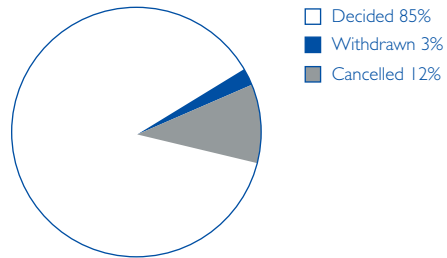
REVIEW APPLICATIONS RECEIVED BY INSURER DECISION 2002-03



Outcomes

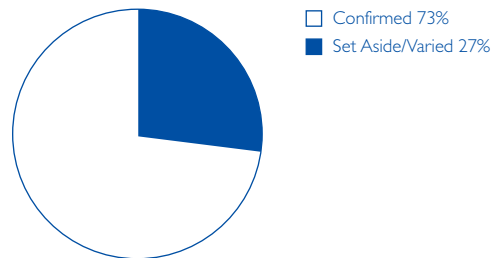
Only 15% of review applications are cancelled or withdrawn.

REVIEW FINALISATIONS 2002-03



The original decision of the insurer is confirmed by the Review Unit in almost three-quarters of review decisions (73%).

OUTCOMES OF DECIDED REVIEW APPLICATIONS 2002-03



APPEAL LODGEMENTS

In 2002-03 there were 421 appeals lodged with the Industrial Magistrate and a further 17 lodged with the Industrial Court.

Appeal lodgements to the Industrial Magistrate have gone up 45.7% over the past two years from 289 lodgements in 2000-01.

APPEAL OUTCOMES

Over half of all appeals are finalised before reaching court, with 57.7% of cases withdrawn by the appellant and 17.7% settled.

Of the 103 cases which were determined by a court only a third (35.9%) were upheld in favour of the appellant with the remainder struck out or dismissed by the magistrate.

ANZSIC CODES

All industry codes are based on the workers' compensation insurers' coding of industry to the divisions from the "Australian and New Zealand Standard Industry Classification" (ANZSIC), ABS.

Agriculture, forestry and fishing

- Horticulture and fruit growing (ANZSIC: all 011).
- Grain, sheep and beef cattle farming (ANZSIC: all 012).
- Other agriculture (ANZSIC: all 01 excluding 011 and 012).
- Other agriculture forestry and fishing (ANZSIC: all 02,03 and 04).

Mining

- Coal mining (ANZSIC: all 11).
- Metal and ore mining (ANZSIC: all 13).
- Other mining (ANZSIC: all 12 and 14).
- Services to mining (ANZSIC: all 15).

Manufacturing

- Meat and meat product manufacturing (ANZSIC: all 211).
- Other food manufacturing (ANZSIC: all 21 excluding 211).
- Textile clothing, footwear and leather manufacturing (ANZSIC: all 22).
- Wood and paper product manufacturing (ANZSIC: all 23).
- Publishing and recorded media (ANZSIC: all 24).
- Petroleum, coal, chemical and associated product manufacturing (ANZSIC: all 25).
- Non-metallic mineral product manufacturing (ANZSIC: all 26).
- Metal product manufacturing (ANZSIC: all 27).
- Machinery and equipment manufacturing (ANZSIC: all 28).
- Other manufacturing (ANZSIC: all 29).

Electricity, gas and water supply

- Electricity, gas and water supply (ANZSIC: all 36 and 37).

Construction

- General construction (ANZSIC: all 41).
- Site preparation services (ANZSIC: all 421).
- Building structure services (ANZSIC: all 422).
- Installation trade services (ANZSIC: all 423).
- Building completion services (ANZSIC: all 424).
- Other construction services (ANZSIC: all 425).

Wholesale trade

- Basic material wholesaling (ANZSIC: all 45).
- Machinery and motor vehicle wholesaling (ANZSIC: all 46).
- Personal and household good wholesaling (ANZSIC: all 47).

Retail trade

- Supermarket and grocery stores (ANZSIC: all 511).
- Specialised food retailing (ANZSIC: all 512).
- Personal and household good retailing (ANZSIC: all 52).
- Motor vehicle retailing and services (ANZSIC: all 53).

Accommodation, cafes and restaurants

- Accommodation (ANZSIC: all 571).
- Pubs, taverns and bars (ANZSIC: all 572).
- Cafes and restaurants (ANZSIC: all 573).
- Clubs (Hospitality) (ANZSIC: all 574).

Transport and storage

- Road transport (ANZSIC: all 61).
- Rail transport (ANZSIC: all 62).
- Water, air and other transport (ANZSIC: all 63 and 64 and 65).
- Services to transport (ANZSIC: all 66).
- Storage (ANZSIC: all 67).

Communication services

- Communication services (ANZSIC: all 71).

Finance and insurance

- Finance (ANZSIC: all 73).
- Insurance and services to finance and insurance (ANZSIC: all 74 and 75).

Property and business services

- Property services (ANZSIC: all 77).
- Scientific and technical services (ANZSIC: all 781 and 782).
- Computer services (ANZSIC: all 783).
- Legal and accounting services (ANZSIC: all 784).
- Marketing and business services (ANZSIC: all 785).
- Employment services (ANZSIC: 7861, 7862, 7863)
- Other business services (ANZSIC: all 786 except 7861 to 7863).

Government administration and defence

- Local government (ANZSIC: all 8113).
- Other government (ANZSIC: all 81 and 82 excluding 8113).

Education

- School education (ANZSIC: all 842).
- Post school education (ANZSIC: all 843).
- Other education (incl preschool) (ANZSIC: all 841 and 844).

Health and community services.

- Hospitals (ANZSIC: all 8611 and 8612).
- Nursing homes (ANZSIC: all 8613).
- Other health services (ANZSIC: all 86 excluding 861).
- Community services (ANZSIC: all 87).

Cultural and recreational services

- Motion picture, radio and television services (ANZSIC: all 91).
- Libraries, museums and the arts (ANZSIC: all 92).
- Sport and recreation (ANZSIC: all 93).

Personal and other services

- Personal services (ANZSIC: all 95).
- Public order and safety services (ANZSIC: all 963).
- Other services (ANZSIC: all 96 excluding 963).

STATUTORY DEFINITIONS

Average Finalised Time Lost Claim Cost – The average statutory cost of ceased or finalised time lost claims, including any excess amount paid for by the employer. Claims with compensation together with lump sum payments are included as time lost claims.

Average Finalised Time Lost Claim Durations – Work days lost due to an injury on ceased or finalised time lost claims, including any work days lost paid for by the employer. Claims with compensation together with lump sum payments are included as time lost claims.

Employees covered – Under legislation, the type of workers covered by workers' compensation varies. Between 1 July 1997 and 30 June 2000 a "worker" was limited to PAYE taxpayers, before and after this period the definition of a worker included anybody working under a contract of service. Using ABS definitions, employees are always covered by workers' compensation. "Own account workers" are covered prior to 1 July 1997 and after 30 June 2000 and "employers" and "contributing family members" are not covered.

Fatal claims – All claims where an injury or disease caused the death of an injured worker; excluding cancelled and rejected claims.

Industry – All industry codes are based on the insurers' coding of industry to the divisions from the "Australian and New Zealand Standard Industry Classification", ABS.

Injury Type – All injury codes are based on the insurers' coding of injury to the nature and location codes of the "Type of Occurrence Classification System", Second Edition, National Occupational Health and Safety Commission (NOHSC). Where large numbers of injury nature classifications occurred (such as strain/sprain and open wound) they have been further broken down using the location of the injury.

Intimations – All claims lodged with insurers, regardless of the outcome (i.e. includes cancelled and rejected claims).

Statutory Claim Payments – All statutory payments made in 2002-2003, including any payments for time lost made by the employer as part of the compensation period (excess) as reported by WorkCover.

Psychological and psychiatric injuries – the injury nature code from the "Type of Occurrence Classification System", Second Edition, National Occupational Health and Safety Commission (NOHSC) has been renamed psychological and psychiatric injuries in this publication and includes claims commonly referred to as "stress" claims.

Time Lost Claims – All claims which have resulted in time lost from work excluding fatalities, (i.e. compensation is paid for the time lost), including those with a lump sum payment. Claims with compensation together with lump sum payments are included as time lost claims.

COMMON LAW DEFINITIONS

NOTE: Claims for Damages at Common Law – termed Common Law Claims for the purposes of this publication.

Common Law Claim Lodgements – All common law claims lodged with insurers, regardless of the outcome. If a common law claim is associated with more than 1 statutory claim, it will be counted for each statutory claim it is associated with (i.e. if 1 common law claim is associated with 3 statutory claims, the common law lodgement has been counted 3 times).

Average Settlement Cost – The average settlement cost, regardless of when payments were made, of finalised common law claims (this does not include claims with a \$0 settlement amount).

Average Defendant's Cost – The average defendant's cost, regardless of when payments were made, of finalised common law claims (this does not include claims with a \$0 settlement amount).

Average Plaintiff's Cost – The average plaintiff's cost, regardless of when payments were made, of finalised common law claims (this does not include claims with a \$0 settlement amount).

Settlement Payments – Settlement payments are calculated as the gross settlement amount less contributory negligence less contribution from third party less statutory claim payments.

Defendant's Costs – Costs incurred by the defendant.

Plaintiff's Costs – Costs incurred by the plaintiff.

Common Law Claim Payments – All common law payments made within the financial year.

Average Timeframes – The average time, in years, from either the injury date to common law claim lodgement or common law lodgement to common law finalisation. These are based on the finalisation year of the common law claim.

MEDICAL ASSESSMENT TRIBUNALS DEFINITIONS

Cases determined – All cases heard and determined by the Medical Assessment Tribunals.

Referral reasons – The specific questions which can be asked of the Medical Assessment Tribunals are defined in the *Workers' Compensation and Rehabilitation Act 2003*.

REVIEW UNIT DEFINITIONS

Reviews

Confirmed – Insurer's decision is confirmed by the Review Unit.

Set aside – Insurer's decision is set aside by the Review Unit and a new decision substituted.

Varied – Insurer's decision is varied by the Review Unit.

Appeals

Withdrawn – Appeals withdrawn by the appellant prior to court hearing.

Struck out – Appeals struck out by the Magistrate because of failure of the appellant to comply with legislative or court requirements.

Settled – The parties to the appeal have negotiated a settlement out of court.

Dismissed – After hearing evidence, the Magistrate has dismissed the appeal and confirmed the review decision.

Upheld – After hearing evidence, the Magistrate has upheld the appeal and set aside or varied the review decision.

This report was prepared by the Scheme Analysis and Systems Support Unit of Q-COMP using available data at the time of preparation. Inquiries regarding technical aspects of this publication should be forwarded to the Data Analyst, Q-COMP on (07) 323 541 19 or by email to statistics@qcomp.com.au. For general inquiries contact the Research Officer, Q-COMP on (07) 340 43468.

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