

SIRA's answers to supplementary questions

2024 Review of the Dust Diseases Scheme - Standing Committee on Law and Justice

QUESTION: Can you please provide further information about the vocational programs administered by SIRA for other schemes?

Question 1 a. What other industries does SIRA support with vocational programs?

ANSWER

SIRA is committed to advancing the 'health benefits of good work' for people with injuries in NSW through increased work participation. A suite of vocational programs, designed to align with the legislative requirements of the Workers Compensation (WC) and Compulsory Third-Party (CTP) Schemes, are tailored to the person's return to work (RTW) needs and can be used across all industry types, addressing diverse occupations.

SIRA's current suite of vocational programs incorporate:

- incentives for a new employer to employ a worker with an injury
- financial assistance for small employers
- funding for training, equipment, and workplace modifications
- work experience with a host employer
- covering costs to address immediate barriers to job seeking and RTW

SIRA's funded programs:

SIRA funded Program	Workers Compensation	Compulsory Third Party	Description
JobCover Placement program (JCPP) / Jobcover6 (JC6)	JCPP est. 1992 JC6 est. Jul 2020	JCPP est. Dec 2017 JC6 est. Jul 2020	A new employer financial incentive of \$10,400 (6 months) or \$27,400 (12 months) of paid employment.

Recover at Work Assist small business (RAW)	Est. 2019	Est. Dec 2017	A pre-injury small employer financial incentive, up to \$400/week for up to 6 weeks.
Transition to work	Est.2011	Est. Dec 2017	A payment to address barriers Tier 1 - \$200 for job-seeking Tier 2- up to \$5,000 for taking on a new job (e.g. relocation costs, childcare)
Training	Est. pre-1987 Act	Not available	Covers course costs, stationery and books, travel and accommodation to upgrade skills and qualifications needed to return to suitable work.
Equipment/ Workplace Modifications	Est pre- 1987 Act	Not available	Covers equipment and workplace modifications costs required for a safe RTW
Work Trial (WT)/ Connect2work (C2W)	WT est. 1994 C2W est. Jul 2020	Not available	Work experience placement with a host employer for up to 12 weeks, to build capacity and/or skills. Connect2work offers a financial incentive to the host employer of up to \$200/week.

Question 1 b. How many workers go through these programs per year?

ANSWER

Most people with an injury RTW within the first 13 weeks (approximately 8 out of 10 in the WC Scheme) and do not require the additional support of the SIRA funded vocational programs.

For those that require additional support the data is provided below.

Workers compensation SIRA funded program data for 7 financial years 2017-2024:

Program	Number of Participants	Average number of participants per year
JobCover Placement program/ JobCover6	2,119	303
Training	9,495	1,356

Recover at Work Assist for small businesses	473	68
Equipment/Workplace Modifications	2,465	352
Transition to work	922	132
Work Trial (with a reimbursement) /Connect2work	513	73

Participation levels in the vocational programs vary depending on the program and the insurer type.

SIRA-funded vocational programs were introduced into the CTP Scheme in December 2017. From January 2018 to June 2024 there have been 229 program participants in the CTP Scheme. The Recover at Work Assist program has the highest utilisation with 116 participants during this period.

Question 1 c. What is the success rate of these programs?

ANSWER

Some SIRA programs may indirectly lead to a positive outcome making a direct measure of success difficult, for example the training program. Similarly, a Work Trial may contribute to RTW by building work capacity but may not directly result in employment at its conclusion. The equipment and workplace modification program typically supports individuals already employed to stay at work, aiming to reduce reinjury risk.

Success is more easily measured for:

- a) JobCover Placement Programs (JCPP & JC6), as it directly links employment outcome to financial incentives provided to new employers. Of the 2,119 WC JCPP participants across FY 2017-2024, 68% were working using the most recent work status code and
- b) Recover at work assist for small business (RAW) provides a financial incentive to the employer where a worker is returning to work with their pre-injury employer. Of the 473 WC RAW participants across FY 2019-2024, 86% were working using the most recent work status code.

Question 1 d. Have these programs been externally evaluated? What was the result of that evaluation?

ANSWER

SIRA is currently tendering for an external evaluation of the SIRA funded programs within the WC and CTP Schemes. To support this external evaluation, SIRA has undertaken an initial internal quantitative and qualitative review of the programs.

The external evaluation will review initial findings to ensure the SIRA funded programs meet their intent, assess their efficacy and cost effectiveness. Additionally, it will look to identifying any gaps and opportunities to enhance the existing suite of programs.

Question 1 e. What is the average length of time between commencing a vocational program and a worker securing quality, secure employment?

ANSWER

SIRA does not currently hold data on the average length of time between commencing a vocational program and securing quality, secure employment. This in part is due to the varying functions of the programs, e.g. the equipment and work placement modifications program has a focus on reducing risk for workers already at work, while work trials aim to build capacity, skills and experience to improve employability.

Additionally, vocational programs are generally facilitated by Workplace Rehabilitation Providers (WRP) and their commencement is dependent on the timing of the referral to the WRP – evidence supports that early intervention leads to improved outcomes.

The JCPP and JC6 are programs where employment with a new employer is on commencement of the program and recover at work assist for small business is directly in relation to a RTW with the pre-injury employer.

SIRA's RTW data shows the worker's work status (i.e. if the worker has RTW, with the pre-injury employer, new employer, not at work etc) at a point in time but doesn't indicate the quality and security of that employment.

Question 1 f. Are there any particular demographic trends that have been identified in these programs?

ANSWER

No specific demographic trends have been identified across the vocational programs ahead of the external evaluation findings. Age, gender and region appear to align with the overall distribution of claims within the schemes. Indicating that participation in the programs generally mirrors the demographics and regional patterns observed in claim volumes.

It is noted that individuals with a psychological injury that participated in the JobCover Placement Program demonstrated better RTW outcomes compared to those with physical injuries, reflecting an inverse trend in RTW success.

Question 1 g. For workers under the age of 40, what is the uptake of these vocational programs? What is the success rate?

ANSWER

SIRA funded program participation for WC across FY2017-2024 reflects lower utilisation for age groups under 40 years. Approximately 39% of all claimants are under 40 years of age. 20% of the programs were utilised by people under 40 years of age.

For JobCover Placement Programs:

- under 40-year age group had a higher 'success rate' of 77% (working Work Status code) compared to all JCPP participants (68%) across this same 7-year period.

For the Recover at Work for Small Business Program:

- under 40-year age group had a higher 'success rate' of 88% (working Work Status code) compared to all RAW participants (86%) across this same 7-year period.

Question 1 h. For workers over the age of 40, what is the uptake of these vocational programs? What is the success rate?

ANSWER

There is higher utilisation for aged over 40 years. Approximately 61% of all claimants are aged over 40 years, with 80% of the programs utilised by people in this age group.

For JobCover Placement Programs:

- 40 years and over age group had a lower 'success rate' of 65% (working Work Status code) compared to all JCPP participants (68%) across this same 7-year period.

For Recover at work for small business program:

- 40 years and over age group had a lower 'success rate' of 85% (working Work Status code) compared to all RAW participants (86%) across this same 7-year period.

Question 1 i. Please provide any other relevant information, data or resources.

ANSWER

It is anticipated that the external evaluation draft findings and report will be available by end of financial year 2025.

For information on SIRA funded program details see:

<https://www.sira.nsw.gov.au/workers-compensation/recovery-after-a-workplace-injury/sira-funded-programs>

QUESTION 2: Your submission identified an approved insurer contribution of \$75M for 24/25, but the Dust Diseases Contribution notice for 24/25 list determination amounts adding up to just short of \$63M. Can you please explain the difference between those two numbers?

ANSWER

The Dust Diseases Contribution Notice sets out the interim contributions from the Nominal Insurer and the Specialised Insurers only (totalling \$62.85 million). The balance of the total insurer contribution of \$75 million comes from self-insurers including government self-insurers.

Self-Insurer contributions are based on the reasonable estimate by each self-insurer of the wages to be paid in the financial year. A reconciliation process is undertaken once actual wages are known and this is referred to as the final adjusted contribution.

QUESTION 3: Has SIRA done any sensitivity analysis for the Dust Diseases Scheme that would estimate the impact on the scheme's future required levies, and impact on contributors to the scheme, if there were an increase in prevalence of silica related dust diseases in other workforces, like tunnelling? Please provide any sensitivity analysis, research or assumptions undertaken by SIRA in relation to that analysis.

ANSWER

SIRA's role in the statutory dust diseases scheme is limited to determining the insurers or classes of insurers by whom contribution is made to the Dust Diseases Fund, the amount of the individual contribution and the times at which the contributions are to be paid.

SIRA does not collect data on claims or any other aspect of the Dust Diseases Scheme. The Dust Diseases Authority and the scheme actuaries are best placed to undertake any analysis of the impact on the dust diseases levy of an increased prevalence of silicosis and related diseases.

QUESTION 4: Has SIRA done any sensitivity analysis for the Dust Diseases Scheme that would estimate impact on the scheme's future required levies, and impact on contributors to the scheme, if there were an increase in the number of compensable diseases under the Scheme? Please provide any sensitivity analysis, research or assumptions undertaken by SIRA in relation to that analysis.

ANSWER

SIRA's role in the statutory dust diseases scheme is limited to determining the insurers or classes of insurers by whom contribution is made to the Dust Diseases Fund, the amount of the individual contribution and the times at which the contributions are to be paid.

SIRA does not collect data on claims or any other aspect of the Dust Diseases Scheme. The Dust Diseases Authority and the scheme actuaries are best placed to undertake any analysis of the impact on the dust diseases levy of an increased prevalence of compensable dust diseases.

QUESTION 5: Is there any arrangement available for the collection of levies based on estimated future liabilities? If yes, please identify. If no, what section of legislation or regulation would need to be amended in order to provide that power?

ANSWER

In accordance with section 6 of the *Workers' Compensation (Dust Diseases) Act 1942*, the Dust Diseases Authority estimates the amount to be expended out of the Dust Diseases Fund (Fund) for the following year. icare advises SIRA of the amount including how much will be paid from the existing assets/investment returns of the Fund and the balance required to be collected from insurers through the Dust Diseases Levy. This is commonly referred to as a Pay As You Go arrangement.

There are no explicit provisions in the *Workers' Compensation (Dust Diseases) Act 1942* for the collection of levies based on estimated future liabilities. The specific drafting of any such amendments would be a matter for the Parliamentary Counsel Office.

QUESTION 6: How does SIRA plan to address the concerns raised regarding the challenges faced by workers exposed to silica dust in multiple jurisdictions and the potential for legislative amendments to ensure equitable compensation for these workers?

ANSWER

Workers' compensation is a function of the states and territories. Each state and territory administer their own scheme along with three Commonwealth schemes. While there are features common to all the schemes, there is significant variation in respect of eligibility, coverage, calculation and duration of entitlements and other supports available to workers diagnosed with a dust disease.

SIRA plays a limited statutory role in the NSW Dust Diseases Scheme.

National workers compensation work

As part of the work of the Heads of Workers Compensation Authorities (HWCA), SIRA worked closely with other jurisdictions to develop best practice workers compensation principles for workers with silicosis and related diseases. This was a recommendation of the National Dust Diseases Taskforce. The principles were endorsed by HWCA and forwarded to SafeWork Australia. At the November 2024 meeting, it was agreed that SafeWork Australia will work with the Commonwealth and social partners to progress the work including consultation with social partners on the principles. SIRA continues to support this work as needed.

QUESTION 7: What is SIRA doing to improve the current return-to-work programs and the need for better support for workers transitioning to new industries following a dust disease diagnosis?

ANSWER

SIRA plays a limited statutory role in the NSW Dust Diseases Scheme, however, SIRA is commencing discussions with icare and SafeWork NSW to explore potential options that the Scheme may be able to implement.