



Dust Diseases
Board

Workers' Compensation
(Dust Diseases) Board Annual Report

2011•12



Letter to the Minister

31 October 2012

The Hon. Gregory Stephen Pearce, BA LLB MLC
Minister for Finance and Services
Minister for the Illawarra
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Minister

In accordance with the *Annual Report (Statutory Bodies) Act 1984*, I have pleasure in submitting for your information and presentation to Parliament, the Annual Report of the Workers' Compensation (Dust Diseases) Board for the financial year ended 30 June 2012.

It provides a comprehensive insight into the Agency's performance over the 2011/12 financial year and an overview of its future direction.

Yours sincerely

Julie Newman
Chair
Workers Compensation Dust Diseases Board

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Chairperson's report

The Workers' Compensation (Dust Diseases) Board (DDB) plays a unique role in the compensation sphere, caring for workers who have contracted a dust disease as a result of their employment, and funding education initiatives and research into dust diseases.

On 1 January 2012 the new *Work Health and Safety Regulation 2011* came into effect in NSW, which regulates the provision of health monitoring for workers. Consequently the DDB Occupational Screening Service has now become known as the DDB Respiratory Health Monitoring Service. In the 2011/12 financial year, the DDB conducted 4429 examinations, nearly 30 per cent more than the previous year. In the past financial year the DDB's Health Services Team has provided services to 867 customers at a cost of almost \$8 million.

Research and education play a key role in the DDB activities. In 2011/12 the DDB awarded six research grants, in addition to the 10 ongoing grants looking into evaluating and improving existing treatments, examining the patterns and causes of dust diseases, and developing new treatments.

The DDB continues to be actively involved in sponsoring and promoting Asbestos Awareness Week and, as of August 2011, has also been a key member of the newly established Heads of Asbestos Coordination Authorities (HACA). Chaired by the WorkCover Authority of NSW, HACA ensures NSW government agencies and local councils effectively coordinate the safe management of asbestos in all stages of its lifecycle, and raise awareness about the dangers of asbestos.

During 2011 the DDB also sponsored the Australian Lung Foundation Conference and the Asbestos Diseases Foundation of Australia Helpline, which provides advice and support to asbestos-related disease sufferers.

Looking ahead, the DDB has a busy schedule focused on the continual improvement of its customer service, including: introducing a new case management system for handling applications for compensation to provide faster end to end processing of claims and a single point of contact for applicants; publishing information packages for key stakeholders including doctors and lawyers; new simpler application forms to be published and supplemented by new applicant information packages; and an enhanced website for customers and service providers.

Julie Newman
Chairperson

About the Dust Diseases Board

Vision

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

Our purpose

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

Who we are

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

Our history

The NSW Parliament enacted the *Workmen's Compensation (Silicosis) Act* in 1920. Under that statute, two schemes of compensation were promulgated. A joint committee, with wide-ranging responsibilities, operated from 1927-38, later becoming Committee No.1. In 1938, Committee No.2 was set up, with particular responsibility for compensation issues arising out of the atmospheric dust content in specified industries. Access to the scheme was limited to stonemasons, quarrymen, rock choppers and sewer miners employed in the County of Cumberland. The *Worker's Compensation (Silicosis) Act 1920* and both schemes were repealed when a more comprehensive Act, referred to as the *Workers' Compensation (Silicosis) Act 1942* (the 1942 Act) was introduced on 1 July 1942. Major amendments to the 1942 Act followed in 1945, 1953, 1957 and 1958.

The 1942 Act extended coverage of the scheme to allow for the payment of compensation to workers disabled by their exposure to silica dust from employment anywhere in NSW and to their dependants. The Workers' Compensation (Silicosis) Committee determined workers' eligibility and awarded compensation, managed the Workers' Compensation (Silicosis) Fund, from which payments and costs were provided, and controlled the Trust Funds held on behalf of dependants of deceased workers. The Committee consisted of two representatives of employers, two of employees and an independent chairman, all appointed by the Minister for Labour and Industry for an initial three year term. The Committee had exclusive jurisdiction to inquire into, hear and determine all matters and questions arising out of compensation claims, and depended upon medical certificates and findings of the Silicosis Medical Authority, consisting of three legally qualified medical practitioners appointed by the Minister.

Amending legislation referred to as the *Workers' Compensation (Dust Diseases) Amendment Act, 1967* became effective from 29 February 1968. The Workers' Compensation (Silicosis) Committee was replaced by the Workers' Compensation (Dust Diseases) Board. The range of diseases for which workers and their dependants could be compensated was widened to cover 24 dust diseases including those caused by asbestos.

The 1942 Act became known as the *Workers' Compensation (Dust Diseases) Act 1942* (the Act). Workers employed and exposed to dust in coal mines and Broken Hill mines were not covered by this scheme.

In 1977 the Act was further amended to provide for the twice yearly adjustment to the rate of compensation benefits.

Additional amendments in 1983 included an extension of the definition of the phrase "dust disease" and the provision of an avenue of appeal against decisions of the Medical Authority. In 1989 amendments to the Act allowed for the establishment and funding of the Dust Diseases Tribunal of NSW.

The Act was amended in February 1996 by the provisions of the *WorkCover Legislation Amendment Act 1995* repealing the *Workmen's Compensation (Broken Hill) Act 1920* and transferring the balance of the Broken Hill Compensation Fund to the Dust Diseases Fund. The DDB was then provided with the legislative authority to administer all existing compensation awards made by the Broken Hill Scheme prior to its Act being repealed.

A new Section, 8E, was inserted into the Act in 1998 to enable the DDB to recover monies from negligent third party occupiers and suppliers against whom damages had been claimed under common law in the Dust Diseases Tribunal.

What we do

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

Our services include:

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

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

The Portfolio Minister is the NSW Minister for Finance and Services. The Board is subject to the direction and control of the Minister and reports on its performance to the Minister. The Board is responsible to the Minister through the Chair of the Board. The current Minister for Finance and Services is the Hon. Greg Pearce, MLC.

Our compensation process

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

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

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

- the existence of a dust disease
- the extent of any disability resulting from the dust disease
- whether the dust disease resulted from exposure to dust in NSW and the extent of that exposure.

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

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

Our legislation

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

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

Our corporate direction and reporting

The 2011/12 Annual Report is structured to provide information using the key result areas and organisational outcomes identified in the 2011/12 Corporate Plan. The key result areas are:

- Efficient and effective compensation services.
- Sound fund management and scheme viability.
- Exemplar organisation.
- Cost and efficiency.
- Customer focussed approach.

The financial statements contain the audited financial statements for the year ended 30 June 2012.

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

Our contact details

Workers' Compensation Dust Diseases Board

Level 2, 82 Elizabeth Street, Sydney, NSW 2000
GPO Box 5323, Sydney NSW 2001

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

Email: enquiries@ddb.nsw.gov.au

Website: www.ddb.nsw.gov.au

Hours of business: 9:00am – 5:00pm, Mon – Fri
(Except public holidays)

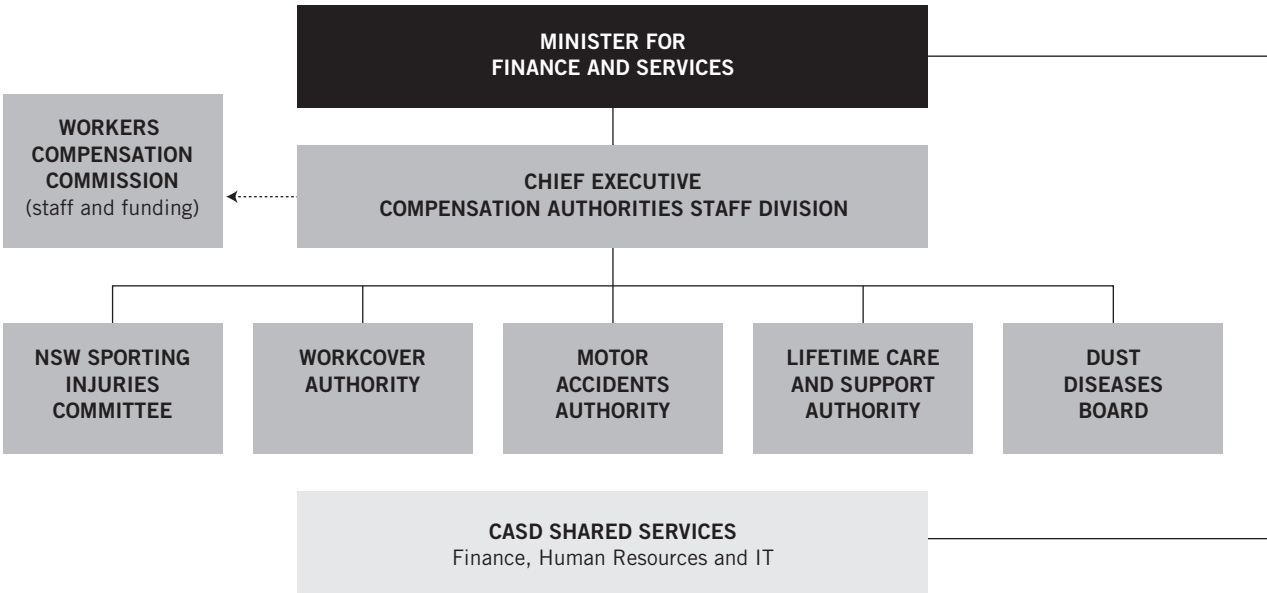
Bureau of Medical Inspection

Suite G01, 32 Sulphide Street, Broken Hill, NSW 2880
Ph: (08) 8087 2405

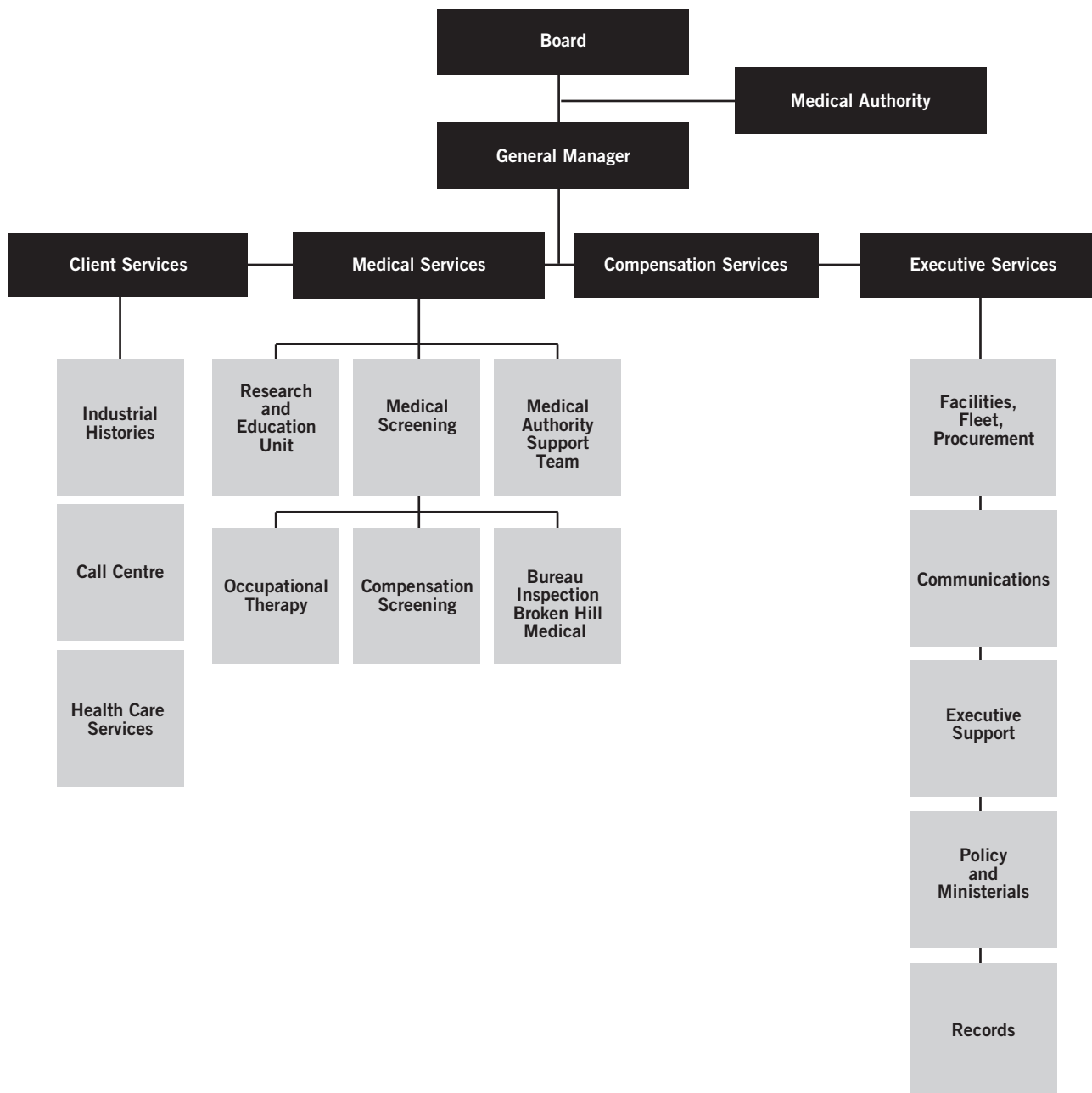
Hours of business: 9:00am – 1:00pm, Mon – Fri
(Except public holidays)

Organisational charts

Compensation Authorities Staff Division



Dust Diseases Board



NOTE: The DDB has a shared services arrangement with other CASD agencies for the provision of information technology, financial and human resource services.

Corporate plan 2011-2015

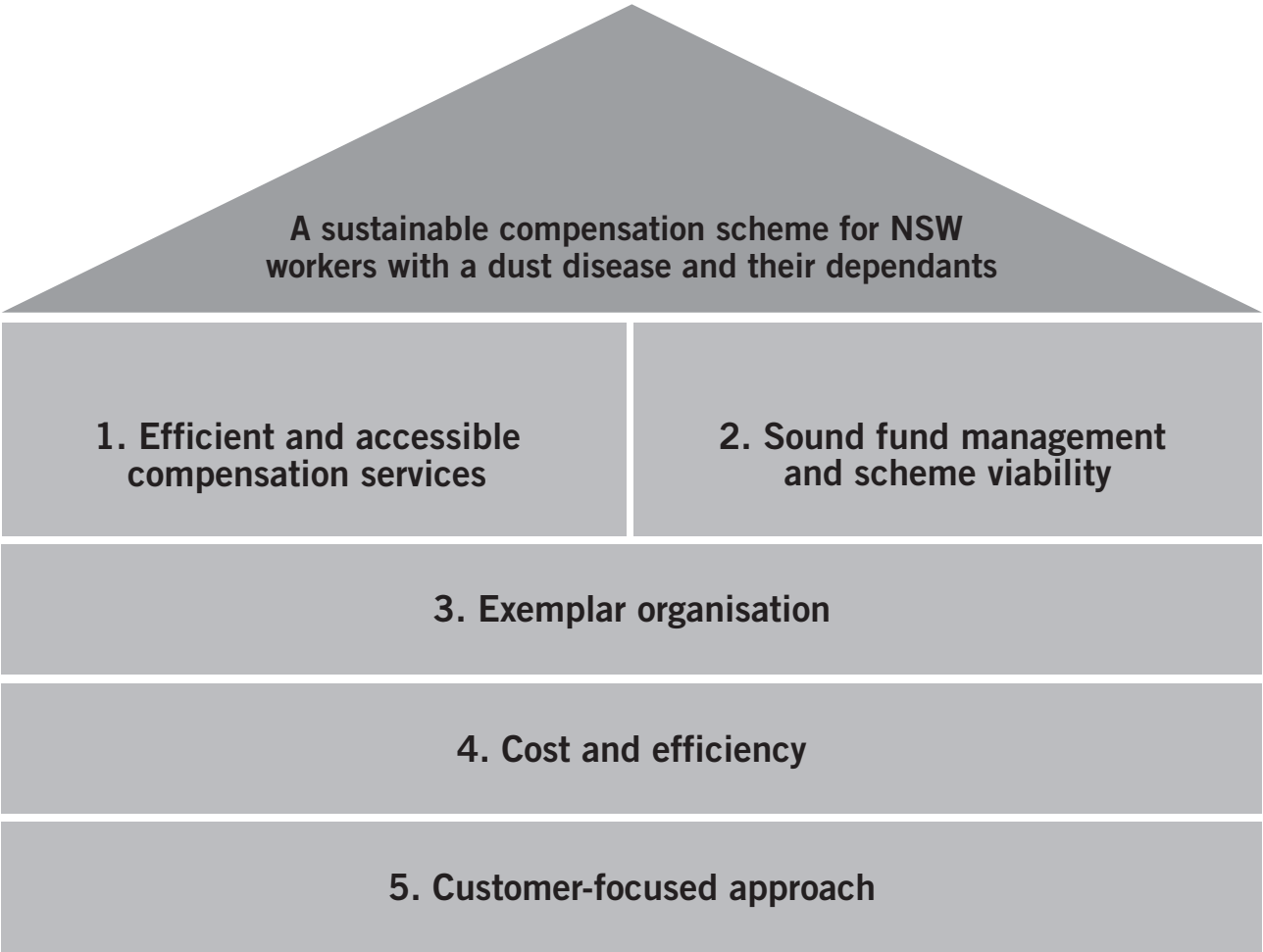
This corporate plan provides the framework for the Dust Diseases Board to deliver its services in accordance to the State Government's priorities as set out in the State Plan.

The plan will guide our work to ensure our customers, the community and our stakeholders understand our priorities.

With the dedication of the Board and its staff, we will continue to deliver a socially just compensation system for workers and their families suffering from the effects of dust diseases.

Our Values

<i>Integrity</i>	I do what I say I will do
<i>Respect</i>	I value people
<i>Ethical Behaviour</i>	I am honest and fair
<i>Accountability</i>	I take responsibility
<i>Excellence</i>	I aim to deliver my best



The Board, Medical Authority and Senior Management

The Board

The Board is constituted under the *Workers' Compensation (Dust Diseases) Act 1942 (the Act)*.

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

The composition of the Board is designed to reflect the widest possible spread of industrial, managerial and occupational health and safety skills in the dusty trades. Members have a wide range of experience including engineering, workers' compensation, shop floor and employee relations.

The Board approves awards of compensation. The Board's decision making is supported by a membership with relevant and practical understanding of the processes, methods and materials in the industries where workers have been exposed.

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

- Corporate Governance Committee
- Compensation Authorities Staff Division Audit and Risk Committee
- Investment Committee
- Research Grants Committee.

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

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

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

- develop the strategic and corporate plans in conjunction with management
- oversee the business of the DDB, ensuring it is operating in accordance with its vision statement and purpose
- set policies for the operation of the DDB
- manage organisational risk ensuring risk assessments are regularly undertaken, putting in place a risk management plan and policies to control and minimise risk
- ensure compliance with laws, ethical standards and government directions
- provide independent guidance to the management of the DDB
- set performance criteria for the organisation
- monitor and report on organisational performance
- finalise budgets, allocate funds, monitor and report on financial performance
- evaluate services and programs
- evaluate Board performance.

The Board's charter and statement of conduct

In 2010, the Board developed a new charter to assist the Board in carrying out its functions. The charter includes this public statement on how it intends to discharge its responsibilities.

The Board members agree to:

- comply with the laws of NSW and the Commonwealth of Australia and with the provisions of this Code of Conduct. Where there is no relevant legislation, then the directors are committed to complying with the appropriate recognised Australian or International standard of best practice.
- endorse the principles of corporate governance as a way of providing stewardship to the organisation. The members recognise that corporate governance goes beyond legal standards and focuses on the effective management of relationships to produce enhanced corporate performance.
- in accordance with the principles of corporate governance, ensure that they:
 - are scrupulous in the use of their position
 - act conscientiously and with due care and skill, honestly, impartially and disinterestedly, and be seen to do so
 - act fairly and with due regard to the rights and interests of the people of NSW and workers affected by dust diseases

- ensure that they have or acquire a thorough working knowledge of the DDB's policies, procedures and operations
- will disclose to the Board any matter which might lead to a potential or actual conflict of interest and will not participate in any decision-making affected by such conflict of interest
- will treat all information to which they have access with utmost security and confidentiality and will not disclose such information to anyone without the authorisation of the Board
- are prudent in their management to organisational resources.

Key achievements

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

- Worked with the Board's actuaries to better forecast future claims incidences and costs to the Board.
- Established new arrangements to broaden the scope of investment advice for the Workers' Compensation (Dust Diseases) Board Fund.
- Obtained NSW State Records approval to implement a new Functional Disposal Authority.
- Established new business continuity and operational risk management plans.

The Chair of the Board and the General Manager were both appointed to positions on the Heads of Asbestos Coordination Authority (HACA). HACA was assigned responsibility for the development of the draft asbestos plan for NSW and improving how government agencies monitor and respond to asbestos issues.

The year ahead

In the coming year, the Board will concentrate on continuing to improve the quality and timeliness of customer services and the Board's financial performance.

Members of the Board of the Dust Diseases Board

Julie Newman — Chairperson



Julie Newman has been Acting Chief Executive Officer of the Compensation Authorities Staff Division since December 2011.

Julie is the Chief Financial Officer of the Compensation Authorities Staff Division.

Julie's broad experience in the NSW Public Sector spans over 40 years, including 26 years in senior management and leadership roles in NSW Health and more recently in the Compensation Authorities Staff Division.



Sylvia Kidziak AM

**FAICD FAIM FISA FSIA (Hon)
OFIEAust MICOH MRMIA MNELA
MNSA JP**

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

Principal Consultant, Occupational Health, Safety and Environment Policy at Australian Business Ltd for 26 years. Sylvia is Chair of the ARPANSA Radiation Health and Safety Advisory Council and Member of the NSW Workers Compensation and Workplace Occupational Health and Safety Advisory Council. She was formerly a Commissioner on the Australian Safety and Compensation Council and the National Occupational Health and Safety Commission, Chair of the Occupational Health, Safety and Rehabilitation Council of NSW, Board Member of the NSW Cancer Council, Director on the NICNAS Industry Government Consultative Committee and Chair or member of various other Councils and Committees at the State and federal level concerned with occupational health and safety, workers compensation, radiation protection and nuclear safety.

In addition Sylvia is Deputy Chair of the Asbestos Diseases Research Foundation at ADRI and Chair of the Executive Committee. Sylvia Chairs the Board's Research Grants and Corporate Governance Committees. She is also a member of the Australian Government Asbestos Management Review expert advisory group.



Brian Eichhorn

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

has qualifications in Human Resources and Occupational Health and Safety. He is a trustee of his company's superannuation fund and is a member of the Board's Research Grants and is Chair of the Investment Committee. Brian also represents the Dust Diseases Board on the Asbestos Diseases Research Foundation.



Ray Petty

FCPA FCIS AICD AAIM CPIM JP

Ray Petty was first appointed Board Member of the Dust Diseases Board in 1999 representing the Australian Industry Group. He is also a Committee Member of the NSW Compensation Authorities

Staff Division, Audit and Risk Committee. He has a career in Finance, Administration and Business Management spanning some 40 years.

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



Rita Mallia

Rita Mallia is the President of the Construction Forestry Mining and Energy Union (NSW Branch) Construction and General Division, having been the Senior Legal Officer for the Construction, Forestry, Mining and Energy Union NSW, Construction and General

Division, since February 2000. From 1996 to February 2000 Rita was the Union's Workers' Compensation Officer. Rita is a qualified solicitor. Rita also represents the CFMEU on the Vocational Training Appeal Panel. Rita also represents the Dust Diseases Board on the Asbestos Diseases Research Foundation. Ms Mallia is also a director on the Board of the Schizophrenia Research Institute. Rita is a director of United Super Pty Ltd (CBUS) and the Australian Construction Industry Redundancy Trust (ACIRT). Rita is a member of the Board's Research Grants Committee.



Dave Henry

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

workers' compensation matters.

He is responsible for developing and implementing AMWU policy and representing the union at all levels of industry and government within his role. Dave is an HSR Approved Training Provider.

He is the current Chairman of the Industrial Health and Research Foundation (t/a Workers Health Centre).

Dave is a member of the Board's Corporate Governance and Research Grants Committees.



Paul Noack

Paul Noack is a Branch Organiser for the Australian Workers Union, Greater NSW Branch.

Paul has been active in the Trade Union movement for 40 years and is currently AWU delegate to Unions NSW and ACTU Congress.

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

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

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

Members of the Board who resigned prior to 30 June 2012

Lisa Hunt BA LLB – Chairperson

Appointed Chairperson January 2010

Resigned position January 2012

Meetings of the Board

Meetings of the Board of Directors are generally held monthly, usually on a Thursday. Eleven (11) meetings were held during the year. Attendance is indicated below (the number next to the name indicates the number of meetings attended):

Chairperson	
L. Hunt (Resigned January 2012)	5
J. Newman (appointed February 2012)	5
Employer Representatives	
S.W.S Kidziak (Member)	8
B. Eichhorn (Member)	10
R. Petty (Member)	11
B. Seilder (Alt. Member)	0
G. Choice (Alt. Member)	0
G. Patterson (Alt. Member)	0
Employee Representatives	
R. Mallia (Member)	7
D. Henry (Member)	11
P. Noack (Member)	3
S. Robinson (Alt. Member)	6
A. Sawtschuk (Alt. Member)	1
M. Morey (Alt. Member)	1

The Medical Authority

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

The Medical Authority consists of three senior respiratory physicians appointed by the Minister, one nominated and appointed as chairperson by the Minister, one nominated by and representing employers, and the other nominated by and representing employees.

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

Meetings of the Medical Authority

A total of 36 meetings were held during the year. Attendances are indicated below:

Chairpersons	Meetings attended
Professor D. Bryant (Chairperson) MBBS (Syd), MRACP, FRACP	14
Dr P. Corte (Alt. Chairperson) MBChb, FCP (SA)	13
Dr I.T. Gardiner (Alt. Chairperson) MBBS (NSW), FRACP	8
Employer Representatives	
Dr G Kauffman (Member) M.B.B.S (Hons) BSc(MED) (Hons) FRACP	11
Dr J.S. Mann (Alt Member) MBBS (Syd), MD (Syd), FRACP	16
Dr E. Clark (Alt. Member) MBBS, MRCP (Lond)	9
Employee Representatives	
Dr C. Clarke (Member) MB, PhD (Lond), LLM, FRACP	20
Dr G. Hart (Alt. Member) MBBS, MRCP (Lond), FRACP	15

Dust Diseases Board Senior Managers

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

Dr Giles Yates, PhD
Director, Medical Services

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

Customer services

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

As at 30 June 2012 the Dust Diseases Board provided compensation benefits to 3886 customers being 1107 workers and 2779 dependants of deceased workers.

The Dust Diseases Board's services include:

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

Key achievements

The DDB, in line with the objectives of the new corporate plan, undertook a number of activities to improve the range, quality and timeliness of its customer services. The DDB:

- entered into a contract for the provision of home nursing services for our workers located across NSW and other states around Australia
- introduced changes to the compensation application process to improve the timeliness for determining applications
- introduced a telephone advice service to inform customers of the details of awards of compensation made by the Board and provide an opportunity to answer customer questions following the making of an award
- developed new procedures for the administration of the Board's Beneficiary Trust Fund.

Our customer service charter

During the year, the Board reviewed and updated our customer service charter. The charter sets out how the DDB will make sure our customers receive a high standard of service from us.

The DDB will provide to its customers:

- information on the services offered and customer rights and responsibilities
- a respectful, courteous and professional service
- responses to enquiries and requests for information in an accurate and timely manner
- access to services between 9.00am and 5.00pm Monday to Friday (except public holidays)

- qualified interpreters to customers who do not speak English
- access to the National Relay Service if a customer is hearing and/or speech impaired
- a referral to an alternative contact point if the DDB is unable to provide the service required.

Customers of the DDB can expect:

- to be treated with courtesy and respect
- to receive the same level of service as all other DDB customers
- DDB staff to observe the highest standards of ethical and professional behaviour
- DDB staff to be impartial and open with customers when dealing with their enquiry or application
- their privacy to be protected
- to be advised of the progress of their application or enquiry
- DDB staff to communicate with customers clearly and concisely
- to have a decision about their application for compensation reviewed if they disagree with that decision.

Compensation services

The Compensation Services Team is responsible for the administration of workers' compensation benefits awarded to workers and their dependants.

Compensation awards granted

	2009/10	2010/11	2011/12
New worker awards	262	286	274
New medical expense awards	26	42	23
Dependants awards	213	197	181
Total awards	501	525	478

A total of 719 applications for compensation were received over the 2011/12 financial year. Three hundred and fifty eight (358) applications were made by people who had been exposed as a worker while 204 applications were made by the dependants of a deceased worker. One hundred and thirty six (136) applications were for medical screening while 21 applications did not proceed.

The Board approved 274 new awards of compensation to workers who had been certified by the Medical Authority as being disabled for work as a result of their dust disease. The award consists of a weekly compensation benefit, payment of all medical and related treatment expenses and payment of funeral expenses. Allowances are paid for a dependant spouse and any dependant children aged up to 16 years or until 21 years if enrolled as a full time student.

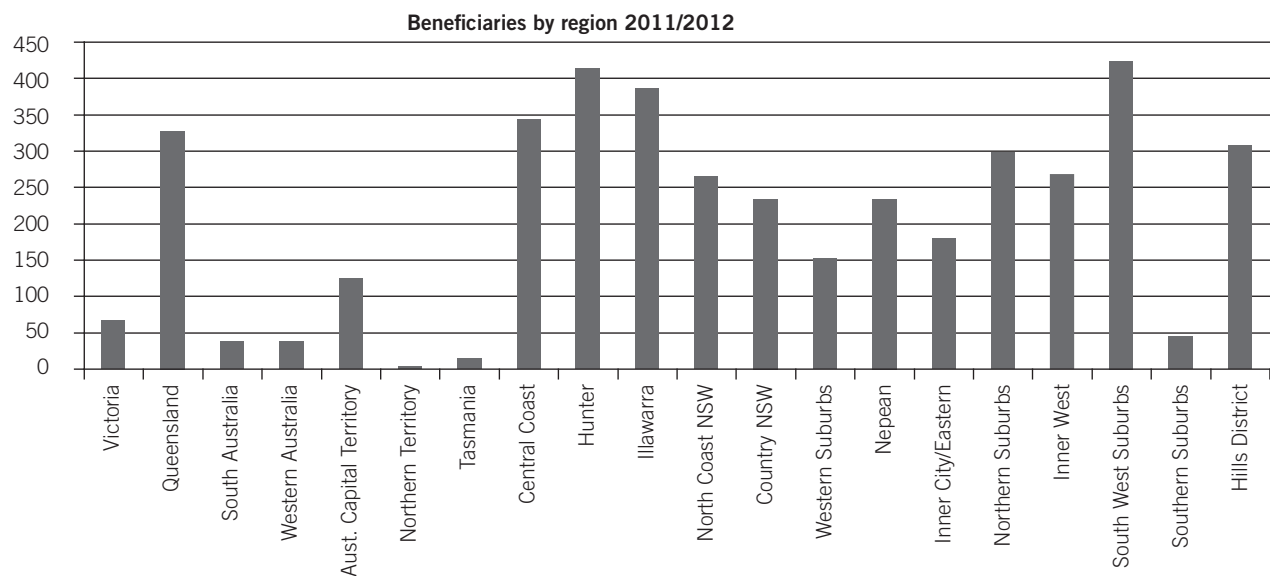
An additional 181 new awards of compensation were made to dependants of deceased workers. Awards to the dependants of a deceased worker consist of a lump sum payment together with weekly benefits.

The Board approved 23 new awards for the reimbursement of medical expenses for workers who were still in paid employment and ineligible to receive weekly benefits.

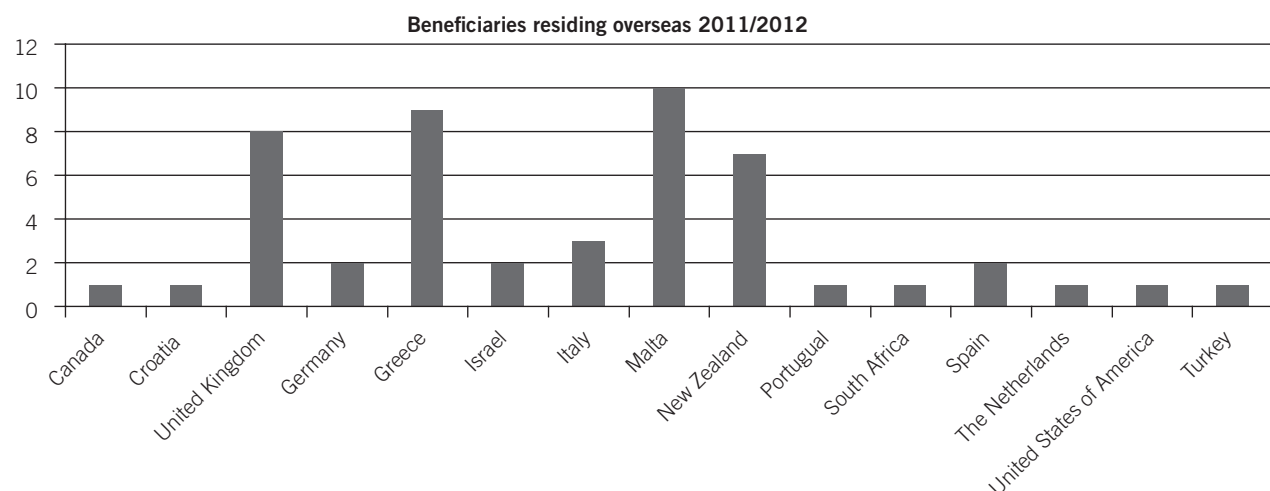
As at 30 June 2012 the DDB provided compensation benefits to 3886 customers being 1107 workers and 2779 dependants of deceased workers.

The Board paid out \$77.169m in compensation benefits during 2011/12 including \$9.967m in health care and funeral benefits.

The majority of our beneficiaries (45.5 per cent) reside in the Sydney area. A further 38.9 per cent live in regional NSW, while 14.5 per cent live in other states and territories and 1.1 per cent (50 beneficiaries) live overseas.



*the above figures include beneficiaries in receipt of compensation in the 2011/12 financial year but who were deceased as at 30 June 2012.



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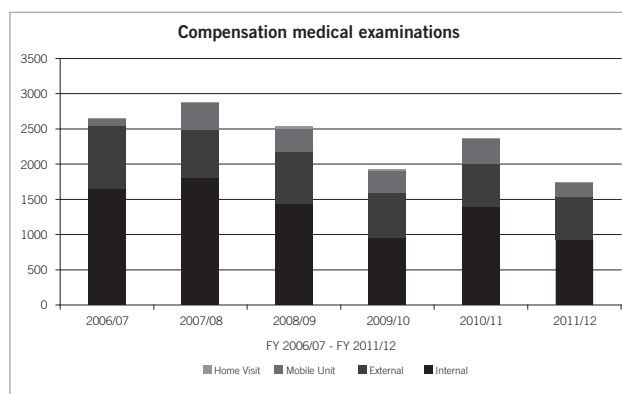
Medical screening

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

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

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

A total of 1744 clients were examined in the 2011/12 financial year. A graph of the number of medical screenings examinations each financial year appears below.



Comparison of medical screenings by year

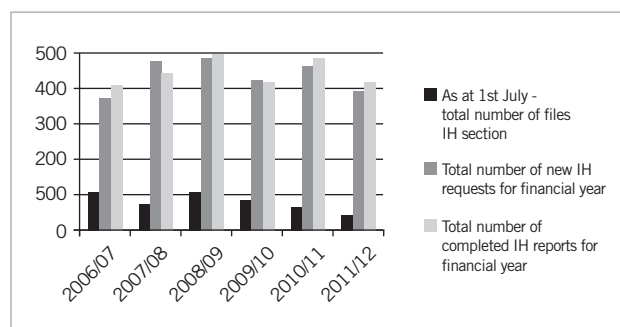
Industrial history services

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

Industrial History Reports are detailed reports that provide a description of an applicant's employment history, including details as to the location, nature and conditions of each employment, any areas or processes where dust was encountered and the frequency and duration of those exposures.

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

The number of Industrial History Reports completed by the DDB decreased slightly by 14 per cent in 2011/12 from 478 in 2010/11 to 411. The DDB significantly improved the time taken to complete industrial history reports throughout the year. By 30 June 2011, 82 per cent of reports were completed in under 21 days and 96 per cent were completed in under 42 days.



Medical Authority Support Team

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

Some applicants apply to the DDB after they have been diagnosed with a dust disease by their own doctor. The Medical Authority Support Team obtains all relevant medical reports and x-rays from these applicants or from their treating doctors.

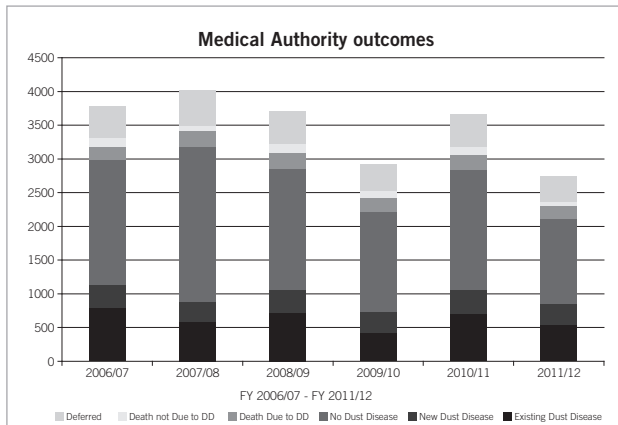
If the Medical Authority decides that further medical information is required to determine an applicant's claim, the Medical Authority will arrange for additional diagnostic tests to be performed.

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

When the DDB is notified that a worker in receipt of benefits with one or more dependents has died, the Medical Authority Support Team liaises with the bereaved family to obtain the relevant information for the Medical Authority to make a decision about whether the death was due to a dust disease. This information is required to determine the dependant's compensation entitlements. The Medical Authority considered over 2600 cases throughout the year.

The Medical Authority considered 2748 cases in the year, including:

- 303 new cases of a dust disease
- 1270 cases where there was no dust disease or where a dust disease was not reasonably attributable to occupational exposure as a worker under the Act
- 546 reviews of applicants who have previously been certified with a dust disease
- 185 deaths certified as resulting from a dust disease
- 381 cases which were deferred needing more information.



Comparison of cases presented to the Medical Authority by year

Health care services

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

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

In order for the DDB to approve health care services, the worker's treating medical practitioner must provide certification that the treatment is reasonably necessary

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

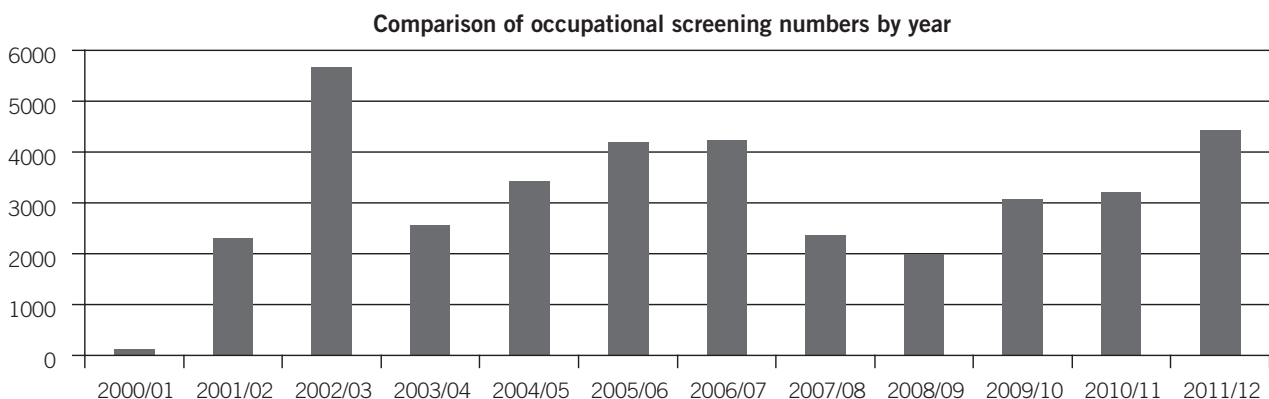
In the 2011/12 financial year, the Health Care Services Team provided services to approximately 867 customers at a total value of over \$8.072 m. 17,278 invoices were processed throughout the year, a 12.5 per cent increase on the 15,119 invoices processed in the previous financial year. The Health Care Services team also reviewed a number of their processes to improve the quality and timeliness of service provision and reimbursement of medical expenses to workers. A focus was also placed on ensuring workers receive adequate and clear information about services they are entitled to.

Health monitoring

For 10 years the DDB has operated a mobile respiratory screening service to assist NSW employers to meet their obligations to screen workers who are at risk of occupational dust disease. In that time the DDB has conducted more than 33,000 respiratory health monitoring examinations.

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

On 1 January 2012, the new *Work Health and Safety Regulation 2011* came into effect in NSW, which regulates the provision of health monitoring for workers.



Consequently the DDB Occupational Screening Service has become the DDB Respiratory Health Monitoring Service. This regulation is part of the new harmonised work health and safety legislation being introduced across Australia.

The DDB provides a health monitoring report to each worker who has been screened. The new regulation now requires the employer to obtain a health monitoring report in relation to each worker and sets out the minimum information that must be included in a health monitoring report. Previously the DDB only provided a de-identified summary report to the employer.

In 2011/12 the DDB conducted 4429 health monitoring examinations. This was a 27.7 per cent increase on the previous year.

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

Information and education

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

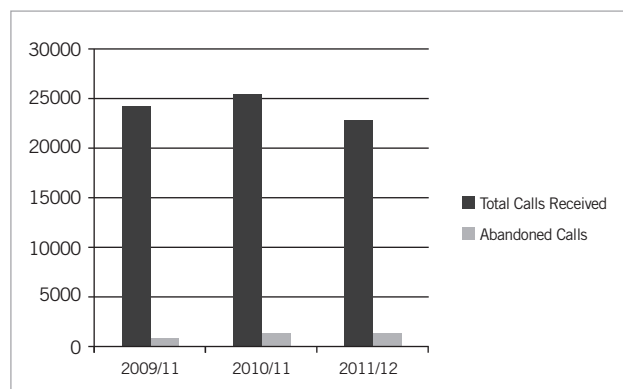
The DDB has also developed a number of informative fact sheets explaining the range of services available for our clients, including:

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

The DDB will continue its focus on redesigning its website in the 2012/13 financial year to better reflect the needs of its customers and the community.

Call centre

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



Comparison of incoming calls by year

The call centre received approximately 22,636 inbound calls in the 2011/12 financial year; a slight decrease on the 25,148 approximate calls received in the previous financial year.

The average waiting time for a call to be answered was 15 seconds, a significant improvement on last year's average waiting time of 38 seconds. The maximum waiting time for a call to be answered was 11.54 minutes.

Approximately 1320 (5.8 per cent) calls were abandoned prior to a call centre officer answering the call which is consistent with last year's results. Abandoned calls occurred on average after 45 seconds spent on the incoming line queue with the maximum time spent on the queue, before abandoning the call being 7.47 minutes.

Bureau of Medical Inspection

In Broken Hill, the Bureau of Medical Inspection performs pre-employment audiometry tests for Broken Hill mineworkers. During the year, the Bureau performed a total of 266 audiometry tests, a decrease on last year's figure of 473.

The DDB Mobile Health Unit visited the Bureau of Medical Inspection, Broken Hill to conduct 28 compensation medical examinations.

Research and education

The Research and Education Unit has four primary functions:

- Performing asbestos fibre counts on samples of lung tissue.
- Administration of the research grants scheme.
- Maintaining the research database.
- Responding to requests for scientific information.

At 30 June 2012, the unit was monitoring 10 ongoing research grants. During the year the database was kept up-to-date with the addition of new cases of dust diseases and it was audited by cross-referencing against administration records. The Unit responded to 22 requests for scientific information. These requests involved providing summary information to research institutes, industry groups, actuaries, the DDB Executive and Medical Authority on various dust diseases such as silicosis, asbestosis, lung cancer, and occupational and industrial dust exposures.

Research grant scheme

DDB is committed to improving services and access for workers who have contracted dust diseases. Our research grants scheme has been developed to deliver a range of positive outcomes for these workers.

DDB awards funding for research programs in six key areas:

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

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

Current research grants

As at 30 June 2012, the Research and Education Unit was monitoring 10 ongoing DDB funded projects.

The DDB advertised a new round of research funding in the 2011/12 financial year. The Research Grants Committee considered a total of 17 applications before recommending to the Board to award research funding to the following (6) successful applicants:

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

The following DDB funded research projects continued their research during the 2011/12 financial year:

- Prof David Currow “A prospective, randomised, placebo-controlled, double-blind, cross-over study of the efficacy of sustained-release low dose morphine in the subjective sensation of dyspnoea as a result of maximally treated mesothelioma OR asbestosis or other causes of interstitial lung disease in opioid naïve participants”
- Dr Bahareh Badrian “MicroRNA as novel diagnostic and therapeutic targets in malignant mesothelioma”
- Drs Scott Fisher and Dr Amanda Cleaver “Combining prime-boost anti-tumour vaccination with debulking surgery for the treatment of malignant mesothelioma”
- Dr Delia Nelson “Modifying the mesothelioma tumour microenvironment: preparing for immune attack”

The following research projects were completed during the 2011/12 financial year:

- Dr Glen Reid “Molecular manipulation of malignant mesothelioma”
- Prof Bill Musk “Effect of N-acetylcysteine supplementation on oxidation status and alveolar inflammation in people exposed to asbestos: a double-blind randomised clinical trial.”
- A/Prof Raylene Bowman “Fast Track testing of existing drugs for malignant mesothelioma chemoprevention”
- A/Prof Jenny Alison “Effects of exercise training on quality of life and exercise capacity in people with dust-related disease”

Stakeholder involvement

During the 2011/12 financial year the DDB participated in the following stakeholder involvement:

We sponsored:

- National Asbestos Awareness Week 2011 hosted by the Asbestos Diseases Foundation of Australia.
- The Australian Lung Foundation Conference, 2011.
- The Asbestos Diseases Foundation of Australia Help Line, a service which provides advice and support to victims of asbestos related diseases and their families on a range of issues including counselling and carers support.

We attended:

- PSA Women’s Conference, Sydney, 2011.
- Thoracic Society of Australia and New Zealand (TSANZ) and the Australian and New Zealand Society of Respiratory Science Annual Meeting – Perth.

Complaints and appeals

The DDB is committed to providing a courteous, timely and professional service to every customer. The DDB believes that all members of the public have the right to expect courtesy, professionalism and promptness in their dealings with the DDB. All members of the public have the right to make a complaint or offer feedback on how the DDB can improve its service standards. All complaints are managed in a way that is consistent with the principles of natural justice. All complaints are assessed in terms of their type and seriousness before any action is taken. To this effect, the DDB has in place a comprehensive Complaints Handling Policy and Guidelines for the resolution of complaints. The DDB's complaints and feedback procedures help to identify and ensure systemic problems or service shortfalls are identified and resolved.

In the 2011/12 financial year, for the second year running, the DDB did not receive any formal complaints.

Ministerial representations were made by or on behalf of five applicants or customers regarding a number of issues including:

- applications declined for an award on the basis that the applicant is not disabled for work with a dust disease
- the medical examination process
- requests for reimbursement of medical expenses declined on the basis that were not reasonable and necessary and/or related to the worker's compensable dust disease
- delays in communication and service delivery.

A worker or a dependant of a deceased worker affected by a decision of the Board or its Medical Authority in relation to a claim for compensation under the Act may appeal against the decision to the District Court of NSW.

During the year, three appeals against decisions of the Medical Authority were lodged in the District Court. One appeal matter was withdrawn while the remaining two appeal matters are yet to be finalised.

The year ahead

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

- A new case management system for handling applications for compensation will be introduced to provide faster end to end processing of claims and a single point of contact for our applicants.
- New application forms in a simple to complete format will be published and supplemented by new applicant information packages.
- The DDB's internet will be enhanced to be an information portal for customers and service providers.
- Information packages for key stakeholders including doctors and lawyers will be published.
- The content and language of all client template letters will be reviewed and updated.

Our organisation

Key focus areas:

Sound fund management and scheme viability
Exemplar organisation
Cost and efficiency

Our achievements

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

- implemented revised Fraud and Corruption Control Policy and Internal Reporting Policy.
- updated our business continuity and crisis management plans.
- conducted a gap analysis of business practices related to the management of invested funds and financial reporting and entered into new arrangements for obtaining investment advice and service.
- consolidated and updated procedural manuals.
- engaged the services of CASD Investment Division to provide internal investment advice and services to the Board.
- six DDB staff members were nominated for CASD Staff Achievement Awards across the following categories: customer service, values in action, innovation, achievement and leadership.

Compensation Authorities Staff Division

The DDB is part of the Compensation Authorities Staff Division (CASD). Member agencies of CASD also include the WorkCover Authority of NSW, Motor Accidents Authority and Lifetime Care and Support Authority.

CASD provides staff to undertake the work of the Board.

In December 2010, the DDB entered into shared service arrangements with CASD for the provision of human resource, finance and information technology services. The arrangements provide the Board with a consistent standard of service to staff and improved service delivery outcomes.

The DDB is a member of a number of committees within CASD established to provide enhanced corporate governance and planning across CASD. In the coming year, the agencies will expand shared services arrangements to include legal, procurement and building services.

CASD Audit and Risk Committee

The CASD Audit and Risk Committee (Audit and Risk Committee) was established in compliance with Treasury Circular NSW TC 09/08 August 2009.

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

Mr Ray Petty, Board member is a member of the Audit and Risk Committee and represents the Board's interests on the Committee.

CASD IT Steering Committee

The CASD IT Steering Committee (IT Steering Committee) is the executive decision making body responsible for overseeing and reviewing all CASD IT strategy and projects from proposal to successful delivery and maintenance. The IT Steering Committee is accountable for the recommended approval of IT projects budget funding to CASD agencies Boards and associated financial governance committees, IT projects review and prioritising of IT projects across CASD. The IT Steering Committee is responsible for timely decision processes and directions affecting escalated IT project issues and prioritisation. The IT Steering Committee is responsible for reporting to various CASD related Boards on the progress and status of major projects as required.

CASD Budget Committee

The role of the CASD Budget Committee is to share expertise and enable the forming of strategic partnerships where relevant across CASD agencies; ensure the budget, forecast and forward estimate assumptions are consistent across CASD agencies; ensure each CASD agency budget is aligned with their strategic plan, government priorities and whole of government initiatives; approve or endorse budgets, forecasts and forward estimates as required; ensure procurement activities across the CASD agencies achieve value for money in support of service delivery; monitor financial performance; and direct the undertaking of specific financial analysis as and when required.

CASD Executive Team

The CASD Executive Team was established to provide a forum for CASD agencies to oversee the development of CASD and to discuss and address issues of common application to CASD agencies.

The General Manager of the DDB is a member of the CASD Shared Services Group, CASD IT Steering Committee, CASD Budget Committee and CASD Executive Team.

Health and Safety

In the 2011/12 financial year 11 injury notifications and one compensation claim were lodged relating to a fall onsite. There was no time lost in relation to this claim. Three of the notifications of injury or illness related to slips, trips and falls; two onsite and one external.

As at 30 June 2012, the DDB has two open workers' compensation claims, both long-standing.

Comparison of injury notifications for the last three years:

	Notifications	Claims	Hours lost
2009/10	8	4	412.25*
2010/11	5	3	36.75
2011/12	11	1	0

*409.0 hours relate to a single claim

The DDB continues to provide access to confidential counselling services for staff through the Employee Assistance Program. Staff have enjoyed access to learning programs, information sessions and activities through the wellbeing and safety components of the organisation's cultural change program, GROW.

WHS Committee

The *Work Health and Safety Regulation 2011* (WHS Regulation) commenced from 1 January 2012. The WHS Regulation contains changes to consultation arrangements. Under the WHS Regulation employees can elect to have a Health and Safety Representative or a Work Health and Safety Committee (WHS Committee). From 1 January 2012, the OHS Committee became known as the WHS Committee.

The WHS Committee has continued its commitment to improving workplace health and safety. The WHS Committee and the DDB Management Team work together by encouraging all staff members and management representatives to participate in finding practical solutions to workplace health and safety problems.

The WHS Committee meets on a quarterly basis and is an open forum for all employees of the DDB where permanent revisions of policy and staff concerns relating to policy, work practices and training are addressed and resolved. Through a consultation process, the WHS Committee recommends actions to improve health and safety at head office, the Lung Bus and the Broken Hill branch for its employers, employees, customers and visitors.

The DDB undertook the following measures in relation to work health and safety during the 2011/12 financial year:

- Consulted with staff regarding changes to consultation arrangements under the *Work Health and Safety Regulation 2011*.
- Assessments of all work floors (including the Mobile Respiratory Screening Unit) were carried out by the WHS Committee and recommendations implemented.
- A standing agenda item for work health and safety issues was included on the agenda for manager and staff meetings.
- All work health and safety issues raised at committee level were satisfactorily resolved.
- Maintenance checks of all DDB fire extinguishers were carried out and certified as meeting requirements.
- Conducted regular workplace inspections to identify, isolate and eliminate hazards and risks.
- Provided flu-vax immunisation shots to staff at no cost.

Training and development

Over 90 per cent of staff attended a minimum of two day training throughout the year.

50 per cent of staff attended three or more days training in the reporting period.

Training courses attended by staff in 2011/12 included the following:

- Preparing for your Performance Discussion
- Nominated Disclosure Officer Training
- Working Smart with Outlook
- Leading Self
- Turning Stress into Success
- Effective Recruitment and Behavioural Interviewing
- Job Application and Interview Skills
- Managing your Personal Brand
- Manage and Implement Change
- Coffee Clinic – Happy People Healthy Business
- Managing Performance
- Time Management Outlook Programs
- St John's Senior First Aid Course
- Hiring Management Candidate Management
- Roving Training in Word
- Microsoft Excel
- Taking Good Minutes
- Bronchial Challenge Tests and Induced Sputum eNO
- Self Care Through Mindfulness for those Providing Bereavement Support
- Merit Selection Refresher Training

10 staff also participated in the CASD wide Leadership Challenge. The Leadership Challenge had a number of key objectives being:

- to engage teams in innovative processes that can address key organisational issues
- to develop high performing teams
- to encourage collaboration and break down silos
- to develop creative problem solving skills.

One DDB staff member was the recipient of the CASD Scholarship to undertake a Graduate Diploma of Personal Injury Management (Deakin University).

In addition, six staff attended approved study leave programs throughout the reporting period in relation to:

- » Frontline Management Certificate IV (2)
- » Diploma of Record Keeping
- » Master of Business Administration (MBA) (Newcastle)
- » Graduate Diploma of Occupational Hygiene (Deakin University)
- » Graduate Certificate in Respiratory Science (Charles Sturt University)

Human resources statistics

	2011/12	2010/11	2009/10	2008/09
Administration and clerical	33	41	40	41
Departmental professional	9	9	9	13
Senior officers	1	1	1	1
Total	43	51	50	55

Employment relations

During the year the General Manager held meetings with staff on a regular basis to bring them up to date on strategies, achievements, events and to share ideas and thoughts. The General Manager also meets monthly with the executive team and management team.

Staff participated in charity fund raisers including the Cancer Council's Daffodil Day and a morning tea to raise funds to support the not for profit agency, Monika's Dog Rescue.

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

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

Policies, guidelines and procedures

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

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

Information technology

In 2011, the DDB established a project team to analyse its processes and overall case management requirements. A detailed and specific business and functional requirements document covering all aspects of customer and case management systems was prepared. In November 2011, following approval by the State Contracts Control Board, the DDB issued a tender for a new case management system. Following an extensive evaluation of tender responses, SBC Consulting Pty Limited were selected as the successful tenderer. Work on the development of the new system commenced in May 2011. It is expected the new system will be fully operating by 1 July 2013. The new system will deliver a number of benefits to the DDB and its clients.

Savings to be realised from the new system include:

- more productive use of time and enhanced focus on delivery of client services
- reduced client application processing times
- reduced risk in financial management and the accuracy compensation/award payments
- improved audit reporting and data security
- secure financial transactions with a resultant reduced risk of fraud
- enhanced monitoring of compliance issues
- reduced application maintenance and support costs
- improved reporting and actuarial forecasting
- improved organisational efficiency as a result of improved forecasting.

Business continuity

In April 2011, the DDB engaged Cliff Reece & Associates Pty Limited to undertake a vigorous review of the DDB's Business Continuity Plan and Crisis Management Plan. As a result of this review new, easy to follow Business Continuity Plan and Crisis Management Plans were developed and implemented in the 2011/12 financial year.

The new plans will assist to protect the DDB from the effects of a major failure or disaster and to minimise any damage or loss caused by such events. The plans incorporate strategies, personnel requirements, procedures and resources required to respond to any short or long-term business interruption.

Risk management and internal audit

The CASD Internal Audit Unit (IAU) is an independent review function that manages, through an outsourced service provider, an annual plan of risk-based audits across all the CASD Agencies including the DDB. In 2011/12, nine reviews were completed in the DDB or CASD-wide (including the DDB). These reviews made 78 audit recommendations to strengthen the organisation's internal controls.

The following internal audit reviews were completed in 2011/12:

- CASD Accounts Payable
- CASD Accounts Receivable
- CASD Flex Leave
- CASD Management of Investments*
- CASD Payroll
- CASD Procurement Management*
- CASD Recruitment Management Process*
- DDB Award Payments
- DDB Quality of the Medical Authority Communication/Information from External Sources and the Effectiveness of the Decision Making Process.

*Internal audit reviews from the 2010/11 audit plan completed during the 2011/12 year.

In addition to the above, the following internal audit review, from the 2011/12 audit plan, was in progress as at 30 June 2012:

- CASD Occupational Health and Safety Management Process; and Workers Compensation Management Process.

The IAU also undertakes a range of fraud and corruption prevention activities. In 2011/12, CASD-wide policies for Fraud and Corruption Control and Internal Reporting were launched. IAU staff act as Public Interest Disclosure Officers to whom staff can report allegations of corrupt conduct within the *Public Interest Disclosure Act 1994*. IAU also manages investigations into corrupt conduct liaising, where appropriate, with the Independent Commission Against Corruption (ICAC).

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

Public interest disclosures (PIDS)

1. Statistical information on PIDS

	Jan 2012 – June 2012
Number of public officials who made PIDs	0
Number of PIDs received	0
Of PIDs received, number primarily about:	
Corrupt conduct	0
Maladministration	0
Serious and substantial waste	0
Government information contravention	0
Local government pecuniary interest contravention	0
Number of PIDs finalised	0

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

2. Commentary on PID obligations

- 2.1 The DDB has an Internal Reporting Policy that was issued by the Chief Executive to all DDB staff in October 2011.
- 2.2 The Department Head has taken action to make staff aware of their rights and responsibilities under the *Public Interest Disclosure Act 1994*. Awareness activities within the current PID reporting period (1 January to 30 June 2012) include induction training, refresher training, internet communications and staff meetings.

CASD audit and risk committee attendance 2010/2011

Audit and Risk Committee	Number eligible to attend	Number attended
Doug Wright (Chair)	6	6
Carolyn Walsh (deputy Chair)	6	6
Robert Ingui	6	6
Cass O'Connor	6	6
Ray Petty	6	6
Sue Clark ¹	4	4
Lisa Hunt ²	4	1
Julie Newman ³	5	5

¹ Sue Clark appointment ended 22 February 2012.

² Lisa Hunt CASD Chief Executive until 2 February 2012. The CASD Chief Executive is a standing invitee of the CASD Audit and Risk Committee

³ Julie Newman attended as acting Chief Executive

Invested funds management

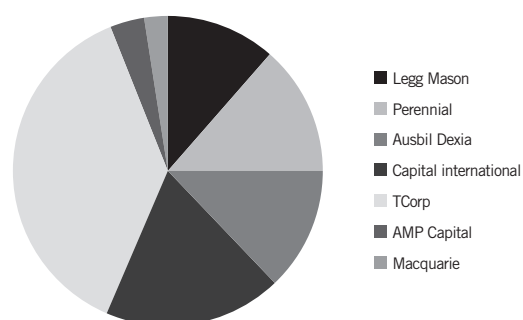
2011/12 was a challenging year for the investments of the Board. Investments have returned a modest 0.69 per cent for the financial year. The Board's Investment Committee continually monitors the performance of its fund managers to ensure that the maximum return is achieved. During the year the Board and its Investment Advisor, Mercers, reviewed the strategic asset allocation of its investments and has undertaken a program of moving towards this allocation as opportunities arise in the market. The Board has approval to invest in growth assets up to 65 per cent of the value of its portfolio, currently 59.6 per cent (2011: 59.5 per cent). The strategic asset allocation of the Board is to increase the growth assets to 65 per cent as opportunities arise. The investment portfolio of the Board is valued at \$677.4m (2011: 676.9m).

The Board's investments have been impacted by the uncertainty surrounding the ability for the global economies to sustain growth post the global financial crisis. At the forefront of this uncertainty has been the US sovereign credit rating downgrade, continuing European debt crisis, as well as the fear of a Chinese hard landing.

The table below shows the breakup of the Board's investment portfolio by sector indicating the percentage of holdings as compared to the strategic asset allocation.

Type or investment funds	\$ 'M	Holding %	SAA %
Cash plus	\$105.3	15.6	13.0
Australian fixed interest	\$168.2	24.8	22.0
Australian shares	\$176.6	26.1	30.0
International shares	\$188.4	27.8	30.0
Listed property	\$38.9	5.2	5.0
	\$677.4	100.0	100.0
Type or investment funds	\$ 'M	Holding %	SAA %

Funds are invested with the following managers:



The table below illustrates asset allocation across fund managers as at 30 June 2012

	Cash \$m	Australian fixed interest \$m	Australian shares \$m	International shares \$m	Listed property \$m	Total \$m
Legg Mason		76.8				76.8
Perennial		91.4				91.4
Ausbil Dexia			89.0			89.0
Capital international				127.0		127.0
TCorp	105.3		87.7	61.4		254.5
AMP Capital					20.8	20.8
Macquarie					18.1	18.1
	105.3	168.2	176.7	188.4	38.9	677.4

The Board's strategy is to invest for the long term with fluctuation in the investment market being accepted as a normal occurrence. However, the Investment Committee and the Board monitors the financial markets and events that effect the Board's investments and modifies its strategy for shorter term events.

The 2011/12 investment returns of funds invested by the Board are as follows:

Investment	Investment Horizon	Investment Return, 1 year to June 2012
Cash	0-1.5 Years	
TCorp cash		4.82%
Colonial cash *(divested April 2012)		3.70%
Strategic cash/bonds	1.5-3 Years	
TCorp strategic cash		4.99%
Long term growth - Australian fixed interest	7+ Years	
Legg Mason western bond		11.87%
Perennial AU FI		10.60%
Long term growth – Aust equity	7+ Years	
Ausbil dexia		-8.17%
TCorp Australian shares sector		-7.88%
Long term growth – Int. equity	7+ Years	
Capital national - unhedged		-1.15%
Capital national - hedged		-0.97%
Tcorp Int Eq		-4.76%
Tcorp emerging markets		-10.17%
Long term growth – property	7+ Years	
Amp capital global property		7.97%
Macquarie true listed property		11.03%

Payment of accounts

The DDB is responsible for the payment of accounts for the reimbursement of medical and related expenses incurred by our workers as well as accounts for our administration costs. Supplier accounts are paid within vendor terms. At the end of the financial year amounts outstanding to vendors are accrued and reflected appropriately in the financial statements. No interest or penalty charges were incurred in the 2011-2012 financial year for late payment for goods and services received.

The following tables have been prepared in accordance with Treasury Circular NSW TC 06/26:

Aged analysis at the end of each quarter

Quarter	Current (ie within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
	\$'000	\$'000	\$'000	\$'000	\$'000
September	48	26	0	5	1
December	45	36	24	52	18
March	7	3	0	0	13
June	322	0	0	0	3

Account paid on time within each quarter

Quarter	Total accounts paid on time			Total amount paid
	Target %	Actual %	\$'000	\$'000
September	95	96	29,560	30,936
December	95	96	28,592	29,845
March	95	97	28,556	29,466
June	95	96	28,081	29,230

Government waste reduction and purchasing policy

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

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

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

Dust Disease Contribution rate

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

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

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

The year ahead

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

- undertake a further operational risk assessment
- implement a new case management system
- review procurement practices
- provide access to an online system for staff performance management.

Internal Audit and Risk Management Statement

Internal Audit and Risk Management Statement for the 2011-2012 Financial Year for the Workers' Compensation (Dust Diseases) Board

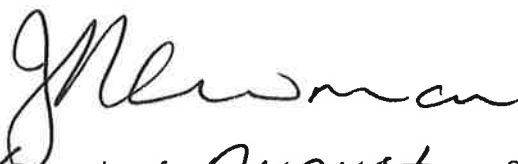
I, Julie Newman, Chair of the Workers' Compensation (Dust Diseases) Board, am of the opinion that the Workers' Compensation (Dust Diseases) Board has internal audit and risk management processes in operation that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*. Core requirement 3 has been fully in operation since 22 February 2012 when the Audit and Risk Committee membership was reduced from six to five.

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

- □ Douglas Wright, independent Chair
- Carolyn Walsh, independent Member
- Susan Clark, independent Member (until 22 February 2012)
- Robert Ingui, independent Member
- Raymond Petty, independent Member
- Cass O'Connor, independent Member

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

Julie Newman
Chair



Dated this 16 day of August 2012

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

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Statement by Members of the Board

STATEMENT BY THE MEMBERS OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 30 JUNE 2012

Under section 41C of the Public Finance and Audit Act 1983:

- We certify that the financial statements for Workers' Compensation Dust Diseases Board have been prepared in compliance with the *Public Finance and Audit Act 1983*, Treasurer's Directions and the *Public Finance and Audit Regulation 2010* and in compliance with Australian Accounting Standards.
- In our opinion the financial statements exhibit a true and fair view of the financial performance and position of the Workers' Compensation Dust Diseases Board.
- At the date of signing these financial statements, we are not aware of any circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.



JULIE NEWMAN

A/Chairperson and A/Chief Executive Officer

Safety, Return to Work and Support Division

Dated at Sydney this 26th day of September 2012



RAY PETTY

Board Member

Actuarial Certificate

WORKERS COMPENSATION DUST DISEASES BOARD of NSW Actuarial Certificate Outstanding Claims Liabilities as at 30 June 2012

Taylor Fry Consulting Actuaries ("Taylor Fry") has been engaged WorkCover Authority of NSW ("WorkCover") and the Workers' Compensation Dust Diseases Board of NSW ("the Board") to estimate the outstanding claims liabilities of the Board under the Workers' Compensation (Dust Diseases) Act as at 30 June 2012.

Data

The valuation of outstanding claims liabilities as at 30 June 2012 is based on data provided to us by the Board. We have not independently verified the data provided to us but have reviewed it for reasonableness and internal consistency. We are of the opinion that it is suitable for the purpose of estimating the claims liabilities.

Basis of our estimates

The outstanding claims liabilities below are central estimates in that they contain no deliberate bias towards either over or under estimation. The estimate is inflated and discounted, and includes an allowance for future expenses associated with paying the claims liabilities. Our valuation has separately considered expected payments for claims which have already been reported ("known claims") and for claims which have not yet been reported but for which the exposure to dust has already occurred and a disease will eventually emerge ("future claims").

Valuation results

The outstanding claims liability for known and future claims as at 30 June 2012 is estimated to be **\$1,665.1m**. The breakdown of the result between known and future claims is as follows:

Component	Net central estimate (\$m)
Known claims	686.7
Future claims	978.4
Total liability	1,665.1

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

In our opinion, we have used models and assumptions which are appropriate, and the conclusions presented in this report are reasonable, given the information currently available and based on the current claims environment. To the extent that these trends vary due to changes in the emergence of dust diseases, advancements in medical technology, changes in

Actuarial Certificate

legislation and so forth, the claims outcomes can be expected to differ, perhaps materially, from our estimates of claims liability.

Report

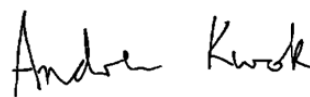
The valuation of outstanding claims as at 30 June 2010² has been documented in our report dated 12 July 2012. This report contains details on data, methodology, assumptions, results and sensitivities to key assumptions. This report constitutes Actuarial Advice as defined in the Code of Professional Conduct (the Code) issued by the Institute of Actuaries of Australia and our advice complies with the Code in this respect.

Relevant Standards

Our report complies with the Actuaries Institute's Professional Standard PS300 titled "Valuations of General Insurance Claims" dated February 2010. The central estimate of the liabilities documented in our report has been prepared in accordance with the requirements of Accounting Standard AASB137 titled "Provisions, Contingent Liabilities and Contingent Assets".



Guy Whitehead



Andrew Kwok

Fellows of the Institute of Actuaries of Australia

page 2

DDB – Actuarial Certificate
July 2012

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Independent auditor's report



INDEPENDENT AUDITOR'S REPORT

Workers' Compensation (Dust Diseases) Board

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Workers' Compensation (Dust Diseases) Board (the Board), which comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Board as at 30 June 2012, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

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

The Board's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Independent auditor's report



INDEPENDENT AUDITOR'S REPORT

Workers' Compensation (Dust Diseases) Board

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

My opinion does *not* provide assurance:

- about the future viability of the Board
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements
- about the assumptions used in formulating the budget figures disclosed in the financial statements.

Independence

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

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.

A Oyetunji
Director, Financial Audit Services

28 September 2012
SYDNEY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Statement of Comprehensive Income for the year ended 30 June 2012

		Actual 2012	Budget 2012	Actual 2011
	Notes	\$'000	\$'000	\$'000
Expenses excluding losses				
Operating expenses				
Personnel Services	2(a)	4,353	4,164	4,311
Other operating expenses	2(b)	(33,332)	5,406	70,868
Depreciation and amortisation	2(c)	416	824	555
Grants and subsidies	2(d)	5,270	6,066	5,312
Finance costs	2(e)	97,947	90,410	89,192
Total expenses excluding losses		74,654	106,870	170,238
Revenue				
Sale of goods and services	3(a)	647	456	337
Investment revenue	3(b)	4,423	68,032	55,888
Retained taxes, fees and fines	3(c)	94,956	37,562	88,732
Other revenue	3(d)	(25,788)	820	32,017
Total revenue		74,238	106,870	176,974
Gain/(Loss) on disposal	4	(2)	-	33
Net result		(418)	-	6,769
(Other comprehensive income)				
Net increase in property, plant and equipment revaluation surplus		-	-	582
(Total other comprehensive income)		-	-	(582)
Total comprehensive income		(418)	-	7,351

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Statement of Financial Position as at 30 June 2012

		Actual 2012	Budget 2012	Actual 2011
	Notes	\$'000	\$'000	\$'000
Assets				
Current assets				
Cash and cash equivalents	5	68,243	27,403	60,937
Receivables	6	107,044	695	93,130
Financial assets at fair value	7	209,235	191,508	170,625
Total current assets		384,522	219,606	324,692
Non-current assets				
Receivables	6	889,290	958,177	920,593
Financial assets at fair value	7	401,720	514,183	445,379
Property, plant and equipment	8			
- Buildings		5,680	5,695	5,845
- Computer hardware		39	42	91
- Furniture and fittings		7	8	9
- Motor vehicles		496	532	562
- Office equipment		19	20	30
- Scientific and medical equipment		110	118	223
Total property, plant and equipment		6,351	6,415	6,760
Intangible assets	9	-	1,459	8
Total non-current assets		1,297,361	1,480,234	1,372,740
Total assets		1,681,883	1,699,840	1,697,432
Liabilities				
Current liabilities				
Payables	10	5,734	3,825	4,893
Provisions	11	104,557	95,167	91,188
Total current liabilities		110,291	98,992	96,081
Non-current liabilities				
Provisions	11	1,563,033	1,591,872	1,592,374
Total non-current liabilities		1,563,033	1,591,872	1,592,374
Total liabilities		1,673,324	1,690,864	1,688,455
Net assets		8,559	8,976	8,977
Equity				
Reserves		2,208	2,208	2,208
Accumulated funds		6,351	6,768	6,769
Total equity		8,559	8,976	8,977

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Statement of Changes in Equity for the year ended 30 June 2012

	Accumulated funds	Asset revaluation surplus	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2011	6,769	2,208	8,977
Net result for the year	(418)	-	(418)
Total other comprehensive income	-	-	-
Total comprehensive income for the year	(418)	-	(418)
Transactions with owners in their capacity as owners	-	-	-
Balance at 30 June 2012	6,351	2,208	8,559
Balance at 1 July 2010	-	1,626	1,626
Net result for the year	6,769	-	6,769
Other comprehensive income:			
Net increase in property, plant and equipment	-	582	582
Total other comprehensive income	-	582	582
Total comprehensive income for the year	6,769	582	7,351
Transactions with owners in their capacity as owners	-	-	-
Balance at 30 June 2011	6,769	2,208	8,977

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Statement of Cash Flows for the year ended 30 June 2012

		Actual 2012	Budget 2012	Actual 2011
	Notes	\$'000	\$'000	\$'000
Cash flows from operating activities				
Payments				
Personnel services		(3,602)	(4,180)	(4,195)
Grants and subsidies		(5,270)	(6,066)	(5,830)
Other		(81,675)	(93,843)	(82,488)
Total payments		(90,547)	(104,089)	(92,513)
Receipts				
Sale of goods and services		736	456	337
Interest received		34,492	34,888	30,445
Retained taxes, fees and fines		89,769	90,978	80,897
Other		26	2,706	827
Total receipts		125,023	129,028	112,506
Net cash flows from operating activities	15	34,476	24,939	19,993
Cash flows from investing activities				
Proceeds from sale of plant and equipment		-	-	47
Proceeds from sale of investments		44,347	-	51,430
Purchases of plant and equipment		(2)	(1,930)	(8)
Purchases of investments		(71,515)	(56,543)	(101,522)
Net cash flows from investing activities		(27,170)	(58,473)	(50,053)
Net increase/(decrease) in cash		7,306	(33,534)	(30,060)
Opening cash and cash equivalents		60,937	60,937	90,997
Closing cash and cash equivalents	5	68,243	27,403	60,937

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 1 Summary of significant accounting policies

(a) Reporting entity

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

These financial statements for the year ended 30 June 2012 have been authorised for issue by the Board on 26 September 2012.

(b) Basis of preparation

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

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

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of compliance

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

(d) Administered activities

The Board receives and holds, on behalf of beneficiaries, lump sum awards and disbursements made to beneficiaries of deceased workers. The investment of funds is in cash equivalent products with investment earnings passed through to recipient accounts. As the Board performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the Board's own objectives, these funds are not recognised in the financial statements. The Board does not charge any fee for providing this facility.

(e) Insurance

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

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

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

- the amount of GST incurred by the Board as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of the asset or as part of an item of expense
- receivables and payables are stated with the amount of GST included.

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

(g) Income recognition

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

(i) Levy contributions

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

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

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 1 Summary of significant accounting policies (continued)

(ii) Rendering of services

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

(iii) Investment revenue

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

(iv) Other revenue

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

(h) Assets

(i) Acquisitions of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Board. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

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

(ii) Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5000 and above individually (or forming part of a network costing more than \$5000) are capitalised.

(iii) Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-1). This policy adopts fair value in accordance with AASB 116 Property, Plant and Equipment.

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

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Board revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 30 June 2011 and was based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

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

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

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

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation surplus in respect of that asset is transferred to accumulated funds.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 1 Summary of significant accounting policies (continued)

(iv) Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, the Board is effectively exempted from AASB 136 Impairment of Assets and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(v) Depreciation of property plant and equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Board.

All material separately identifiable components of assets are depreciated over their shorter useful lives. Land is not a depreciable asset. The decision not to recognise depreciation on land is reviewed annually. The following depreciation rates were used:

Categories	Before 1 January 2010
	%
Buildings	2.5
Computer hardware	25
Furniture and fittings	10
Motor vehicles: passenger cars	20
Motor vehicles: mobile respiratory unit	10
Office equipment	20
Science and medical equipment	20

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

(vi) Restoration costs

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

(vii) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(viii) Leased assets

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

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

(ix) Intangible assets

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

The Board recognises intangible assets only if it is probable that future economic benefits will flow to the Board and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost.

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

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

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

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

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 1 Summary of significant accounting policies (continued)

(x) Receivables

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

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

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

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

(xi) Investments

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

Fair value through profit or loss:

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

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

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

(xii) Impairment of financial assets

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

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

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence. However, reversals of impairment losses on an investment in an equity instrument classified as 'available-for-sale' must be made through the revaluation surplus. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(xiii) Derecognition of financial assets and financial liabilities

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

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

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

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

(xiv) Other assets

Other assets are recognised on a cost basis.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 1 Summary of significant accounting policies (continued)

(j) Liabilities

(i) Payables

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

(ii) Personnel services

The Board receives personnel services from Compensation Authorities Staff Division (CASD). The Board is responsible for paying payroll tax and other employee benefits including on-costs while CASD is responsible for all other related administrative services. CASD is a not-for-profit entity with no net assets.

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

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

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

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

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

Long service leave and superannuation

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

Expected future payments (over 12 months) are discounted using markets yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The calculation is performed by a qualified actuary. The discount rate used is three per cent.

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

(iii) Make-good provision (building leases)

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

(iv) Provision for compensation payable

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

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

The estimate for claims yet to be made uses an extension of the methodology used for known claims. However, assumptions are required regarding both the number of future claims and the characteristics of the claims to enable annuity and assurance functions to be used.

The actuarial valuation of the outstanding claims liability consists of current and future costs relating to administering the Act as stated under section 6(2), which specifically include:

- compensation payable
- fees payable to the members of the Board
- cost of personnel services obtained by the Board from Compensation Authorities Staff Division
- fees payable to the Medical Board
- costs involved in reimbursing workers under section 9A - travel expenses associated with medical examinations

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 1 Summary of significant accounting policies (continued)

- costs of operation of the District Court relating to appeals under section 8I
- costs of administering the Act and any other money that the Board is required to pay under the Act
- costs relating to medical or related treatment or hospital treatment or occupational rehabilitation service or ambulance service as under section 8.2(d) and reasonable
- funeral expenses under section 8(2A)
- compensation recoveries under section 8E.

The total actual costs incurred on the above payments net of section 8E recoveries during each year is offset against the provision for compensation payable. The resulting movement in provision is taken to the Statement of Comprehensive Income. Refer to Note 2(a) for more details.

(j) Equity and reserves

(i) Revaluation surplus

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

(ii) Accumulated funds

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

(k) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. There was no transfer of functions between the Board and other government agencies during the year. Other amendments made to the budget are not reflected in the budgeted amounts.

(l) Comparative information

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

(m) New Australian Accounting Standards issued but not yet effective

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

- AASB 9 Financial Instruments
- AASB 13 Fair Value Measurement
- AASB 119 Employee Benefits
- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)
- AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13
- AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income
- AASB 2011-11 Amendments to Australian Accounting Standards arising from Interpretation 20

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 2 Expenses excluding losses

	2012	2011
	\$'000	\$'000
(a) Personal services		
Salaries and wages (including recreation leave)	3,056	3,592
Superannuation – defined contribution plans	271	298
Superannuation – defined benefit plans	531	-
Long service leave	239	96
Workers' compensation insurance	24	11
Payroll tax and fringe-benefits tax	160	180
Allowances	40	60
Agency short-term staff	-	5
Other related expenses	32	69
	4,353	4,311
(b) Other operating expenses		
(i) Movement in provision excluding finance cost		
– Movement in provision for compensation – known claims	2,439	(1,390)
– Movement in provision for compensation – estimated future claims	(116,981)	(11,155)
Total net movement during the year excluding finance cost	(114,542)	(12,545)
(ii) Amounts used during the year		
– Compensation and awards		
* Compensation to workers	17,122	16,774
* Compensation to dependants	30,246	28,925
* Lump sum awards to dependants	19,834	25,298
* Healthcare services and funeral benefits	9,967	9,068
* Reduced by: compensation recoveries under Section 8E	(1,526)	(1,496)
	75,643	78,569
– Medical examination of workers		
* Medical fees and other related supplies	1,125	970
* Workers travelling expenses	28	44
	1,153	1,014
– Administration and office expenses		
* Auditor's remuneration – audit of the financial statements	98	83
* Auditor's remuneration – internal audit and reviews	31	17
* Actuarial fees	166	207
* Bad debts	2	3
* Board members' fees and allowances	91	88
* Buildings maintenance, repairs and management	125	132
* Consultants	58	184
* Contractors	542	171
* Insurance	36	61
* Legal fees	(41)	371
* Operating lease: minimum lease payments	19	23
* Service partnership agreement fees	929	755
* Other	871	981
	2,927	3,076
Total amounts used during the year	79,723	82,659
	1,487	754
Total other operating expenses	(33,332)	70,868

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 2 Expenses excluding losses (continued)

	2012	2011
	\$'000	\$'000
(c) Depreciation and amortisation		
Depreciation		
– Buildings	167	150
– Computer hardware	49	67
– Furniture and fittings	2	2
– Motor vehicles	66	66
– Office equipment	11	11
– Science and medical equipment	113	120
	408	416
Amortisation		
– Computer software	8	139
	416	555
(d) Grants and subsidies		
Dust Diseases Tribunal funding	4,580	4,330
Research projects and provision of advice	690	973
Sponsorships and other research funding	-	9
	5,270	5,312
(e) Finance costs		
Unwinding of discount rate	97,947	89,192

Notes:

In March 2012, NSW Treasury issued TPP 12-01 Accounting Policy: Financial Reporting Code for NSW General Government Sector Entities (the Financial Reporting Code). Previously, the Financial Reporting Code was only applicable to budget dependant entities but the revised Code now extends to all agencies that are within the General Government Sector in which the Board is now required to comply.

Adoption of the revised Financial Reporting Code has resulted in a consequential reclassification of the following financial line items. These changes are merely presentation change. They do not result in any additional expenses being recognised.

Financial item	Classification	
	Current year	Previous year
Levy collection expenses	Other operating expenses	Levy collection costs
Unwinding of discount rate on provisions for known claims and estimated future claims	Finance costs	Provisions for compensation payments and estimated compensation for future claims

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 3 Revenue

	2012	2011
	\$'000	\$'000
(a) Sale of goods and services		
Rendering of services - Occupational respiratory health assessment	647	337
	647	337
(b) Investment revenue		
Interest revenue from financial assets not at fair value through profit or loss	211	144
TCorp Hour-Glass investment facilities designated at fair value through profit or loss	(8,669)	11,258
Other financial assets designated at fair value through profit or loss	12,881	44,486
	4,423	55,888
(c) Retained taxes, fees and fines		
Levy contributions		
– Self-insurer - NSW Self Insurance Corporation	7,787	7,391
– Specialised insurer and other self insurers	13,575	11,790
– Workers Compensation Nominal Insurer	73,594	69,551
Total levy contributions	94,956	88,732
	94,956	88,732
(d) Other revenue		
Movement in outstanding contributions	(25,814)	31,993
Solicitors' production fees	26	24
Total other revenue	(25,788)	32,017

Notes:

The following table shows reclassification of relevant financial items. These changes are merely presentation change. They do not result in any additional expenses being recognised.

Financial item	Classification	
	Current year	Previous year
Rendering of services	Sale of goods and services	Other revenue
Interest revenue from financial assets not at fair value through profit or loss	Investment revenue	Bank interest
Movement in outstanding contributions	Retained taxes, fees and fines	Movement in outstanding contributions

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 4 Gain/(loss) on disposal

	2012	2011
	\$'000	\$'000
Gain/(Loss) on disposal of property, plant and equipment	(2)	33

Gain on disposal of property, plant and equipment was classified as an item under 'Other revenue' in previous year.

NOTE 5 Current assets – Cash and cash equivalents

	2012	2011
	\$'000	\$'000
Cash at bank and on hand	3,923	(46)
Short-term deposits:	-	41,780
– Colonial First State Enhanced cash	64,320	19,203
– TCorp Hour-Glass investment - Cash facility	68,243	60,937

For the purposes of the Statement of Cash Flows, cash includes cash at bank and on hand and highly liquid investments.

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:

Cash and cash equivalent assets (per Statement of Financial Position)	68,243	60,937
Closing cash and cash equivalents (per Statement of Cash Flows)	68,243	60,937

Refer to Note 18 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments.

NOTE 6 Current/non-current assets – Receivables

	2012	2011
	\$'000	\$'000
Current		
Sale of goods and services	80	169
Other receivable relating to S8E and other – WCA	2,683	1,599
Interest receivable	2,148	-
Retained taxes, fees and fines	5,187	-
Prepayments	-	21
GST receivable	85	68
Debtors - workers and dependants	172	73
Outstanding contributions	96,689	91,200
	107,044	93,130
Non-current		
Outstanding contributions	889,304	920,593
Total receivables	996,334	1,013,723

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 7 Current assets – Financial assets at fair value

	2012	2011
	\$'000	\$'000
Current		
Legg Mason - Australian fixed interest	76,867	68,682
Perennial Investment Partners Limited – Australian fixed interest	91,364	82,727
TCorp Hour-Glass investment - Strategic cash facility	41,004	19,216
	209,235	170,625
Non-current		
AMP capital – property	20,748	19,303
Ausbil Dexia Limited – Australian equities	88,953	96,873
BT Financial Group – International fixed interest	-	42,843
Macquarie Investment Management Limited – Property	18,053	16,260
National Corporate Investment Trust – Global equity trust	92,207	95,179
National Corporate Investment Trust – Global equity trust hedged	32,630	33,217
TCorp Hour-Glass investment – Long-term growth facility	149,129	141,704
	401,720	445,379
Total financial assets at fair value	610,955	616,004

Refer to Note 18 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments.

NOTE 8 Non-current assets – Property, plant and equipment

	Buildings	Computer hardware	Furniture and Fittings	Motor vehicles	Office equipment	Scientific and Medical equipment	Capital projects in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2011 – fair value								
Gross carrying amount	5,845	577	36	661	54	992	-	8,165
Accumulated depreciation and impairment	-	(486)	(27)	(99)	(24)	(769)	-	(1,405)
Net carrying amount	5,845	91	9	562	30	223	-	6,760
At 30 June 2012 – fair value								
Gross carrying amount	5,847	404	15	661	53	801	-	7,781
Accumulated depreciation and impairment	(167)	(365)	(8)	(165)	(34)	(691)	-	(1,430)
Net carrying amount	5,680	39	7	496	19	110	-	6,351

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 8 Non-current assets – Property, plant and equipment (continued)

Reconciliation

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

	Buildings	Computer hardware	Furniture and fittings	Motor vehicles	Office equipment	Scientific and medical equipment	Capital projects in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2012								
Net carrying amount at start of financial year	5,845	91	9	562	30	223	-	6,760
Additions	2	-	-	-	-	-	-	2
Disposals	-	(174)	(21)	-	-	(191)	-	(386)
Net revaluation increment	-	-	-	-	-	-	-	-
Depreciation expense	(167)	(49)	(2)	(66)	(11)	(113)	-	(408)
Write-back of depreciation on disposal	-	171	21	-	-	191	-	383
Net carrying amount at end of financial year	5,680	39	7	496	19	110	-	6,351
At 1 July 2010 - fair value								
Gross carrying amount	5,986	595	36	852	53	985	14	8,521
Accumulated depreciation and impairment	(573)	(437)	(25)	(224)	(12)	(650)	-	(1,921)
Net carrying amount	5,413	158	11	628	41	335	14	6,600
At 30 June 2011 - fair value								
Gross carrying amount	5,845	577	36	661	54	992	-	8,165
Accumulated depreciation and impairment	-	(486)	(27)	(99)	(24)	(769)	-	(1,405)
Net carrying amount	5,845	91	9	562	30	223	-	6,760

Reconciliation

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

Year ended 30 June 2011

Net carrying amount at start of financial year	5,413	158	11	628	41	335	14	6,600
Additions	-	-	-	-	-	8	-	8
Disposals/Transfers	-	(17)	-	(191)	-	-	(14)	(222)
Net revaluation increment	582	-	-	-	-	-	-	582
Depreciation expense	(150)	(67)	(2)	(66)	(11)	(120)	-	(416)
Write back of depreciation on disposal	-	17	-	191	-	-	-	208
Net carrying amount at end of financial year	5,845	91	9	562	30	223	-	6,760

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 9 Intangible assets

	Software	Software WIP	Total
	\$'000	\$'000	\$'000

At 1 July 2011

Cost (gross carrying amount)	768		768
Accumulated amortisation and impairment	(760)		(760)
Net carrying amount	8		8

At 31 March 2012

Cost (gross carrying amount)	745		745
Accumulated amortisation	(745)		(745)
Net carrying amount	-		-

Reconciliation

A reconciliation of the carrying amount of the intangible assets at the beginning and end of the current reporting period is set out below:

Year ended 30 June 2012

Net carrying amount at start of financial year	8		8
Additions	-		-
Disposals	(24)		(24)
Net revaluation increment	-		-
Amortisation expense	(8)		(8)
Write back of amortisation on disposal	24		24
Net carrying amount at end of financial year	-		-

At 1 July 2010

Cost (gross carrying amount)	768		768
Accumulated amortisation and impairment	(621)		(621)
Net carrying amount	147		147

At 30 June 2011

Cost (gross carrying amount)	768		768
Accumulated amortisation and impairment	(760)		(760)
Net carrying amount	8		8

Reconciliation

A reconciliation of the carrying amount of the intangible assets at the beginning and end of the current reporting period is set out below:

Year ended 30 June 2011

Net carrying amount at start of financial year	147		147
Amortisation expense	(139)		(139)
Net carrying amount at end of financial year	8		8

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 10 Current liabilities – Payables

	2012	2011
	\$'000	\$'000
Creditors	1,276	1,464
Dust Diseases levy creditors	1,292	1,203
Accrued expenses and other creditors	3,166	2,226
	5,734	4,893

Refer to Note 18 for further information regarding credit risk, liquidity risk, and market risk, including a maturity analysis of the above payables.

NOTE 11 Current/non-current liabilities – Provisions

	2012	2011
	\$'000	\$'000
Current		
Personnel services (including related on-costs):		
Recreation leave	379	448
Long service leave	944	858
Salaries and wages	78	75
	1,401	1,381
Provision for compensation - known claims	82,338	71,943
Provision for compensation - estimated future claims	20,818	17,864
	104,557	91,188
It is expected that the current leave provisions and related on-costs will be settled over the following period:		
Expected to be settled no more than 12 months	379	448
Recreation leave and related on-costs	25	43
Long service leave and related on-costs	404	491
Expected to be settled after more than 12 months		
Long service leave and related on-costs	919	815
Non-current		
Personnel services (including related on-costs):		
Long service leave	74	-
Superannuation	1,029	502
	1,103	502
Restoration costs	2	-
Provision for compensation - known claims	604,349	574,041
Provision for compensation - estimated future claims	957,579	1,017,831
	1,563,033	1,592,374
Total Provisions	1,667,590	1,683,562
Aggregate employee benefits and related on-costs		
Provisions – Current	1,401	1,381
Provisions – Non-Current	74	-
	1,475	1,381

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 11 Current/non-current liabilities – Provisions (continued)

Provision for compensation payments and estimated compensation for future claims

Under the Workers Compensation (Dust Diseases) Act 1942, the Board provides a no-fault compensation scheme to people who have developed a dust disease from occupational exposure to dust as a worker in NSW. The scheme covers a variety of workers such as stonemasons, quarrymen, rock choppers, sewer miners as well as those caused by exposure to asbestos. At 30 June 2012, liabilities for compensation payments and estimated compensation for future claims were valued by the actuaries Taylor Fry Proprietary Limited. The liabilities as at 30 June 2011 were valued by PricewaterhouseCoopers Actuarial.

The liability for compensation payments and estimated compensation for future claims are measured as the present value of the expected future payments. The present values after discounting are as follows:

	2012	2011
	\$'000	\$'000
Not later than one year	103,156	89,807
Later than one year but not later than five years	349,967	385,039
Later than five years	1,211,961	1,206,833
Total	1,665,084	1,681,679

Compensation will be funded by funds held in investments and by future levies. The financial target for the Board is to be fully funded for known claims, ie to have sufficient funds to pay the lifetime entitlements in respect of claims with a Certificate of Disablement issued. The Workers' Compensation (Dust Diseases) Act 1942 gives the Board authority to impose levies on NSW employers each year to meet annual operating costs.

The Board includes in its provision an estimate compensation payable for claims yet to be made of \$978,396,041 (2011: \$1,035,694,795). This figure is shown in the Statement of Financial Position as a liability with the corresponding outstanding contributions receivable asset (net of cumulative surplus or deficit to date) representing the right to levy employers for these outstanding claims.

Movements in the provision during the financial year are set out below:

	2012	2011
	\$'000	\$'000
Carrying amount at start of financial year	1,681,679	1,605,032
Net movement in gross provision	(30,466)	30,144
Less: Personnel services - refer note 2(a)	(4,353)	(4,311)
Amount used during the year - refer note 2(b)(ii)	(79,723)	(82,659)
Change in discount rate	-	44,281
Unwinding of discount - refer note 2(d)	97,947	89,192
Carrying amount at end of financial year	1,665,084	1,681,679

The finance costs above represent the increase in the liability for outstanding claims from the end of the previous financial year to the end of the current financial year which is due to discounted claims not settled being one period closer to settlement.

The provision for compensation payable is measured as the present value of the expected future payments to persons who have an accepted claim for compensation or who are estimated by the actuaries to be entitled to compensation in the future.

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

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

- inflation and discount rates
- mortality
- average disability
- age distribution
- dependant - Spouses.

The actuaries, Taylor Fry Proprietary Limited, in the valuation of liability report dated 30 June 2012 have used actuarial functions (known as annuity and assurance functions) to estimate the compensation payable for claims yet to be lodged on an inflated and discounted basis, taking account of expected mortality and the known characteristics of each claimant.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 11 Current/non-current liabilities – Provisions (continued)

The following inflation rates and discount rates were used in measuring the provision for compensation payable:

	2012 %	2011 %
Compensation expected to be paid		
Not later than one year		
• Wages inflation rate	4.0	4.0
• Discount rate	6.0	6.0
Later than one year		
• Wages inflation rate	4.0	4.0
• Discount rate	6.0	6.0

Sensitivity analysis for the valuation as at 30 June 2012

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

	30 June Liability	Effect on 30 June Liability	Percentage effect
	\$m	\$m	\$m
Central estimate of the Board's liability	1,665		
All valuation assumptions used			
Increase inflation/discounting gap by one percent per annum	1,482	(183)	-11.0
Decrease inflation/discounting gap by one per cent per annum	1,893	228	13.7
Increase superimposed inflation on medical benefits by one per cent per annum	1,683	18	1.1
Decrease superimposed inflation on medical benefits by one per cent per annum	1,650	(15)	-0.9
Increase expected average lifetime disability by five per cent	1,673	8	0.5
Decrease expected average lifetime disability by five per cent	1,657	(8)	-0.5
Increase current average age by one year	1,630	(35)	-2.1
Decrease current average age by one year	1,701	36	2.2
Increase the average increment by zero point zero five years	1,646	(19)	-1.2
Decrease the average increment by zero point zero five years	1,685	20	1.2
Increase the standard deviation of age by two	1,662	(3)	-0.2
Decrease the standard deviation of age by two	1,668	3	0.2
Increase the proportion of married workers by five per cent	1,724	59	3.5
Decrease the proportion of married workers by five per cent	1,606	(59)	-3.5
Increase number of future asbestosis claims by five per cent	1,671	5	0.3
Increase number of future mesothelioma claims by five per cent	1,708	43	2.6
Increase number of future silicosis claims by five per cent	1,666	1	0.0

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 12 Commitments for expenditure

	2012	2011
	\$'000	\$'000
(a) Operating lease commitments		
Future non-cancellable operating lease rentals not provided for and payable:		
Not later than one year	19	30
Later than one year and not later than five years	7	25
Later than five years	-	-
Total (including GST)	26	55

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

NOTE 13 Contingent liabilities and contingent assets

As at 30 June 2012, the Authority does not have any contingent assets and liabilities as at the reporting date (2011: nil).

NOTE 14 Budget review

Net result

The actual net result is lower than budget by \$0.42m, primarily due to the following:

- Other Operating Expenses are lower than budget by \$38.7m, primarily due to actuarial movement: compensation payments, medical and funeral benefits, and other administration expenses.
- Finance costs are higher than budget by \$7.54m due to actuarial movement as a result of timing differences on outstanding claim estimates and valuation.
- Investment revenue is lower than budget by \$63.52m, primarily due to ongoing poor performances across the growth sectors, including equities, property and emerging markets coupled with changes to the Strategic Asset Allocation during the year.
- Retained taxes fees and fines are higher than budget by \$57.39m, primarily due to higher contribution revenue as a result of stronger employment condition than expected, a shift of wages to industries where a higher dust diseases levy rate applies and an increase in levy rates.

Assets and liabilities

- Cash and cash equivalents are higher than budget by \$40.84m due to a higher proportion of investment assets in cash and fixed interest products than required by the Strategic Asset Allocation.
- Total current and non current receivables are lower than budget by \$37.46m, primarily because contributions yet to be levied (\$20m) was not included in the budget.
- Total current and non-current financial assets at fair value are lower than budget by \$94.74m primarily due to losses in asset values plus a higher proportion of investment assets in cash and fixed interest products than required by the Strategic Asset Allocation.
- Intangible assets are lower than budget by \$1.46m, primarily due to delays in acquisition of new case management system to next year.
- Payables are higher than budget by \$1.91m, primarily due to the budget did not include a payable for unearned levies.
- Total current and non-current provisions are lower than budget by \$19.45m due to movements in actuarial assessment of provision for compensation: compensation payments, medical and funeral benefits, and other admin expenses.

Cash flows

- Other operating payments are lower than budget by \$12.17m due to compensation payments lower than expected.
- Other operating receipts are below budget by \$2.68m due to Section 8E recoveries lower than expected.
- Purchases of plant and equipment are below the budget by \$1.93m due to delays in acquisition of new case management system.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 15 Reconciliation of cash flows from operating activities to net result

	2012	2011
	\$'000	\$'000
Net cash used on operating activities	34,476	19,993
Assets written off		
Depreciation and amortisation	(416)	(555)
Gain/(Loss) on disposal	(2)	33
Investment income – market movements	(32,217)	25,443
Change in assets and liabilities		
Increase/(Decrease) in receivables: Current	13,914	90,064
Increase/(Decrease) in receivables: Non-current	(31,303)	(59,207)
Decrease/(Increase) in payables: Current	(842)	7,741
Decrease/(Increase) in provisions: Current	(13,369)	1,294
Decrease/(Increase) in provisions: Non-current	29,341	(78,037)
Net result	(418)	6,769

NOTE 16 Trust Fund

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

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

	Notes	2012	2011
		\$'000	\$'000
Fund balance at start of financial year		82,445	81,558
Add: Receipts			
Investment revenue and bank interest	(a)	4,144	4,581
Lump sum awards received for dependants		18,889	25,299
Total Receipts		23,033	29,880
Less: Payments			
Withdrawals by beneficiaries		27,649	28,993
Total Payments		27,649	28,993
Fund balance at end of financial year		77,829	82,445
Notes:			
Investment revenue and bank interest	(a)		
Distribution in November		1,788	1,853
Distribution in May		2,105	2,512
Undistributed investment returns		251	216
Total		4,144	4,581
The simple average return on investments for the year		5.17%	5.59%

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 17 Administered assets and liabilities

	Notes	2012 \$'000	2011 \$'000
Administered assets			
Cash at bank		1,619	1,044
Financial assets	(a)	76,210	81,401
Total administered assets		77,829	82,445
Administered liabilities			
Payable to beneficiaries		77,576	82,239
Undistributed investment revenue		253	206
Total administered liabilities		77,829	82,445
Notes:			
Financial assets	(a)		
Colonial First State - Wholesale premium cash enhanced fund		50,198	56,555
ING Investment Management - Premium treasury fund		-	9,575
TCorp Cash Portfolio		3,926	-
TCorp Hour-Glass investment - Strategic cash facility		22,086	15,271
Total financial assets		76,210	81,401

NOTE 18 Financial instruments

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

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

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

a) Financial Instrument categories

Category			Carrying amount 2012 \$'000	Carrying amount 2011 \$'000
Notes				
Financial assets				
Class:				
Cash and cash equivalents	5	N/A	68,243	60,937
Receivables ¹	6	Loans and receivables (at amortised cost)	4,911	1,768
Financial assets at fair value	7	At fair value through profit or loss – designated as such upon initial recognition	610,955	616,004
Financial liabilities				
Class:				
Payables ²	10	Financial liabilities (at amortised cost)	4,442	3,690

Notes:

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

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

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 18 Financial instruments (continued)

(b) Credit risk

Credit risk arises when there is the possibility of the Board's debtors defaulting on their contractual obligations, resulting in a financial loss to the Board. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment, if applicable).

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

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

Cash

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

Receivable - Trade debtors

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

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

Receivables - trade debtors	Total	Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
	\$'000	\$'000	\$'000
2012			
< 3 months overdue	648	648	-
3 months–6 months overdue	432	432	-
> 6 months overdue	1,557	1,557	-
2011			
< 3 months overdue	872	872	-
3 months–6 months overdue	29	29	-
> 6 months overdue	742	742	-

Notes:

¹ Each column in the table reports 'gross receivables'.

² The ageing analysis excludes statutory receivables, as these are not within scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the Statement of Financial Position.

Authority deposits

The Board has placed funds on deposit with TCorp, which has been rated ranging from 'A' to 'AAA' by Standard and Poor's. These deposits are similar to money market or bank deposits and can be placed 'at call'. The interest rate payable on at call deposits can vary. The deposits at balance date were earning an average interest rate of 5.1 per cent (2011: 4.4 per cent), while over the year, the weighted average interest rate was 4.9 per cent (2011: 5.37 per cent) on a weighted average balance during the year of \$64.32m (2011: \$19.203m). None of these assets are past due or impaired.

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

The Board also placed a minimal amount of funds with Westpac Banking Corporation to meet its daily operating expense needs. The cash at bank earns interest at floating rates based on daily bank deposit rates. The weighted average interest rate on these funds was 3.68 per cent (2011: 3.96 per cent).

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 18 Financial instruments (continued)

(c) Liquidity risk

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

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

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced.

Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW Treasury Circular NSWTC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid, automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Head of the Board (or a person appointed by the Head of the Board) may automatically pay the supplier simple interest. The rate of interest applied during the year was 12.37 per cent (2011: Not applicable).

Maturity analysis and interest rate exposure of financial liabilities

	Weighted average effective interest rate	Nominal amount	Interest rate exposure			Maturity dates		
			Fixed interest rate	Variable interest rate	Non interest bearing	< 1 year	1-5 years	> 5 years
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2012								
Payables	N/A	4,442	-	-	4,442	4,442	-	-
2011								
Payables	N/A	3,690	-	-	3,690	3,690	-	-

Notes:

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

(d) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Board's exposure to market risk is limited to market fluctuations of each managed fund unit. Whilst it is understood that market risk is made up by currency risk, interest rate risk and other price risk the Board's approach is that all investments are placed through external fund managers, and that at least five fund managers are to be retained to ensure that the investment portfolio has an appropriate spread of investments to minimise the risk. Also that a fund manager will not have more than 20 per cent of the Boards' Investments at any time and that investments will have an appropriate divestment between growth investments and interest bearing investments.

The effect on profit or loss, and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Board operates and the time frame for the assessment (ie until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of Financial Position date. The analysis is performed on the same basis for 2011. The analysis assumes that all other variables remain constant.

In 1999 investment powers for the Board were gazetted under an amendment to the Part 4 of the Public Authorities (Financial Arrangements) (PAFA) Regulation 1999. Under specific conditions that all investments are to be with fund managers, and that all investments are to be of a long term nature with the objective that all investments on average be over a 12 month period. An allocation of the assets is to be split between growth assets and interest bearing investments, with the split ratio not to exceed the current approved asset allocation of 65:35.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 18 Financial instruments (continued)

The following fund managers that the Board has used throughout the year and have been approved by NSW Treasury under the Part 4 of the Public Authorities (Financial Arrangements) (PAFA) Act 1987 are as follows:

Institution	Product class
AMP Capital	Property
BT Financial Group	International bonds
Capital National Alliance	International equities (hedged and unhedged)
Colonial First State	Cash
IOOF/Perennial	Australian bonds
Legg Mason	Australian bonds
Macquarie Investment Management	Property
NSW Treasury Corporation (TCorp)	Cash, Australian and international equities (including emerging markets)

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

Interest rate risk

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

		-1%		-1%	
	Carrying amount	Profit or loss	Equity	Profit or loss	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
2012					
Financial assets					
Cash and cash equivalents	68,243	(682)	-	682	-
Receivables	2,763	(49)	-	49	-
Financial assets at fair value	611,048	(6,110)	-	6,110	-
Financial liabilities					
Payables	4,442	(44)	-	44	-
2011					
Cash and cash equivalents	60,937	(609)	-	609	-
Receivables	1,768	(18)	-	18	-
Financial assets at fair value	616,004	(6,160)	-	6,160	-
Financial liabilities					
Payables	3,690	(37)	-	37	-

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 18 Financial instruments (continued)

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

Exposure to 'other pricing risk' primarily arises through the Investment portfolio which includes investments through TCorp. The Board holds no direct equity investments. All investments held are in unit trusts held by Treasury approved Fund Managers. All investments are held for strategic rather than trading purposes. The Board invests financial assets to offset claims liability short fall currently \$965 million (2011: \$1,011 million) refer to note 7.

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

Facility	Investment sectors	Investment horizon	2012 \$'000	2011 \$'000
TCorp				
Cash facility	Cash, money market instruments	Up to 1.5 years	64,320	19,203
Strategic cash facility	Cash, money market and other interest rate instruments	1.5 years to 3 years	41,004	19,216
Long-term growth facility	Cash, money market instruments, Australian and international bonds, listed property, Australian shares	7 years and over	149,129	141,704
Other private funds			-	-
Cash facility	Cash, money market instruments	Up to 1.5 years	-	41,780
Medium-term growth facility	Cash, money market instruments, Australian and international bonds, listed property, Australian shares	3 years to 7 years	168,231	151,409
Long-term growth facility	Cash, money market instruments, Australian and international bonds, listed property, Australian shares	7 years and over	252,591	303,675

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

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

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

			Change in unit price		Impact on profit or loss	
			2012	2011	2012	2011
			%	%	\$'000	\$'000
TCorp Hour-Glass investment - Cash facility	+/-	1	1		643	192
TCorp Hour-Glass investment - Strategic cash facility	+/-	1	1		410	192
TCorp Hour-Glass investment - Long-term growth facility	+/-	16	15		23,861	21,256

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

(e) Fair value compared to carrying amount

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

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Workers' Compensation Dust Diseases Board

Notes to and forming part of the financial statements for the year ended 30 June 2012

NOTE 18 Financial instruments (continued)

(f) Fair value estimation

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

(g) Fair value measurements recognised in the Statement of Financial Position

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

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

	Level 1	Level 2	Level 3	2012 total
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value				
AMP Capital - Property	20,748	-	-	20,748
Ausbil Dexia Limited - Australian Equities	88,953	-	-	88,953
BT Financial Group - International Fixed Interest	-	-	-	-
Colonial First State Investments - Enhanced Cash	-	-	-	-
Legg Mason - Australian Fixed Interest	-	76,867	-	76,867
Macquarie Investment Management Limited - Property	-	18,053	-	18,053
National Corporate Investment Trust - Global Equity Trust	124,837	-	-	124,837
Perennial Investment Partners Limited - Australian Fixed Interest	-	91,364	-	91,364
TCorp Hour-Glass investment - Strategic cash facility	41,004	-	-	41,004
TCorp Hour-Glass investment - Long-term growth facility	149,129	-	-	149,129
	424,671	186,284	-	610,955

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

NOTE 19 Events after the reporting period

The Safety, Return to Work and Support Board Act 2012 (the Act) was assented on 27 June 2012. Under the Act, the Safety, Return to Work and Support Division Board was established and has responsibility for determining the investment policies of Workers' Compensation Dust Diseases Board. A separate Board for Workers' Compensation Dust Diseases Board remains after commencement of the Act. The name of the Compensation Authorities Staff Division has since changed to the Safety, Return to Work and Support Division. The renamed Government Service Division will have responsibility for providing personnel services to the Workers' Compensation Dust Diseases Board.

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► Appendix 1: Legislation and services provided

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

Services provided by the Dust Diseases Board include:

- occupational screening services for employers including our mobile screening vehicle the "Lung Bus"
- payment of compensation benefits
- payment of medical and related treatment expenses for beneficiaries
- information and education
- free pre-employment hearing tests at our Bureau of Medical Inspection, Broken Hill
- provision of grants for research into the diagnosis, treatment and prevention of dust diseases
- grants for organisations providing assistance to victims of dust disease or their families.

The Dust Diseases Board provides screening services to all persons whose employment as a worker exposed them to the inhalation of a dust, which may cause a dust disease, with the exception of the following persons:

- Workers in or about a mine to which the *Coal Mines Regulation Act 1912*, applies (these workers are covered by other State legislation).
- Employees of the Commonwealth Government.
- Persons whose exposure to the inhalation of dust occurred in the course of their employment outside of NSW.
- Persons whose exposure to the inhalation of dust occurred whilst self-employed.

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

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

- Aluminosis
- Asbestosis
- Asbestos induced carcinoma of the lung
- Asbestos related pleural disease (ARPD)
- Bagassosis
- Berylliosis
- Byssinosis
- Coal dust pneumoconiosis
- Farmer's lung
- Hard Metal Pneumoconiosis
- Mesothelioma
- Silicosis
- Silico-tuberculosis
- Talcosis

To be eligible for compensation a worker has to demonstrate two things:

Firstly, that he/she has a dust disease and suffers impairment for work as a result and;

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

The certification of a dust disease depends on three elements:

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

An award for compensation is granted in a two part inter-dependant process:

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

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

Legal Change

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

► Appendix 2: Chief and senior executive officers

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

► Appendix 3: Significant inter-departmental committees

Our General Manager is a member of:

- Asbestos Co-Regulators Working Group
- Australian Mesothelioma Register Steering Committee
- Compensating Authorities Staffing Division (CASD) Joint Consultative Committee
- CASD Executive Team Group
- CASD IT Steering Committee
- CASD Budget Committee
- CASD Shared Services Customer Committee
- Safework Australia – Technical Advisory Group
- Heads of Asbestos Co-ordination Authorities (HACA)

► Appendix 4: Right to information

On 1 July 2010, the *Government Information (Public Access) Act 2009* (GIPA Act) replaced the *Freedom of Information Act 1989*. The new system is focussed on making government information more readily available.

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

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

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

As of 1 June 2012, the DDB commenced charging a \$30 application fee and, where applicable, a processing fee of \$30 per hour. The fees payable may be reduced in certain circumstances, such as when an applicant is suffering financial hardship or where there is demonstrated public interest in releasing the information. Should it be determined that your application will attract a processing fee, you will be contacted by the Right to Information Officer to arrange for payment via cheque or money order.

Information which is released informally under section 8 of the GIPA Act is not subject to the fees policy.

In the financial year ended 30 June 2012 the DDB received 41 requests for information under the *Government Information (Public Access) Act 2009*, an 22 per cent increase from the previous year.

Table A: Number of applications by type of application and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	3	0	0	2	0	0	0	0
Not for profit organisation or community groups	1	0	0	0	0	0	0	0
Members of the public (application by legal representative)	7	0	1	4	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

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

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

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal Information applications*	0	0	1	0	0	0	0	0
Access applications (other than personal information applications)	11	0	0	6	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

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

Table C: Invalid applications

Reason for invalidity	No. of applications
Application does not comply with formal requirements (section 41 of the Act)	9
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	9
Invalid applications that subsequently became valid applications	3

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

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

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

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	1
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information	0

Table F: Timeliness

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

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

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

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

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

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access applications relates (see section 54 of the Act)	0

Privacy Act Compliance

The Privacy Management Plan sets out the Dust Diseases Board's commitment to adhere to the Information Privacy Principals governing the collection, retention, accuracy, use and disclosure of access to personal information and corrections. The Privacy Management Plan has been submitted to the NSW Privacy Commissioner and has been circulated amongst staff, the Board and Medical Authority. The Privacy Policy and Procedures was developed to provide staff with guidance on incorporating the information and health privacy principals into their everyday work practices.

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

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

In the financial year ending 30 June 2012 the Dust Diseases Board had not received any complaints concerning alleged breaches of the *Privacy and Personal Protection Act 1998*.

Requests for Information made in accordance with the *Dust Diseases Tribunal Act 1989* and *Dust Diseases Tribunal Regulation 2007*.

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

A total of 609 requests for production of files were received in the financial year ending 30 June 2012, an increase of 9.2 per cent from the previous year.

Requests for files are subject to a \$55 production fee and radiology results provided on CD incur a fee of \$16.50. The total value of production fees received in the 2011/12 financial year represented \$29,191.00

► Appendix 5: Staff code of conduct

The Dust Diseases Board Code of Conduct and Ethics sets out ethical principals and professional standards of conduct that all staff are expected to adopt in the course of their employment and in the performance of their duties.

The Code is not intended to be a comprehensive set of rules, but rather a set of principles that forms an ethical framework for staff conduct and behaviour in the workplace. It provides guidance for staff on how to carry out their duties in a lawful and ethical way, and on how to interact with other staff and the people they do business with including customers, members of the public, service providers and stakeholders.

The Staff Code of Conduct and Ethics policy was reviewed and updated within the 2009/2010 financial year.

► Appendix 6: Land disposal

The Board did not dispose of any properties in the 2011/2012 financial year.

► Appendix 7: Legal costs

The total legal costs incurred for appeal matters and legal advice on a range of matters pertaining to the operation of the Dust Diseases Board totalled \$42,000. This is a significant decrease on last year's expenditure of \$370,946.

The Board received a total of three appeals in the 2011/12 financial year; one was withdrawn and two matters are pending.

► Appendix 8: Consulting costs

During the year the Board expended \$58,303.95 on consultants, down from \$390,999.00 expended in the previous financial year. The decrease in expenditure is the result of the Board no longer being required to report on actuarial consultant costs (as per CASD Convention) and one off costs for a capability review undertaken by KPMG in the previous financial year.

The Dust Diseases Board has entered into shared corporate service arrangements with the WorkCover Authority of NSW for the provision of IT, HR and payroll services allowing the Dust Diseases Board to reduce its reliance on external consultants.

Vendor	Description	\$
Mercer Australia	Investment retainer services for period April to June 2012	26,250.00
The Thoracic Society of Australia and New Zealand	Scientific evaluation of DDB research applicants: July 2011 to June 2012	16,000.00
Total greater than \$10, 000		42,250.00
Plus four Consultants \$10, 000 and under		16,053.95
	Total	58,303.95

► Appendix 9: Overseas travel

The DDB did not incur any costs for overseas travel in the 2011/2012 financial year.

► Appendix 10: Publications

The DDB produces a number of brochures and factsheets for our customers to inform them of their rights, responsibilities and workers' compensation entitlements.

Publications are distributed free of charge and most are available for downloading from our website at www.ddb.nsw.gov.au/publications

A list of our publications is as follows:

- Customer Service Charter
- Guide to compensation brochure
- Alternative therapies factsheet
- Domestic assistance factsheet
- Equipment (therapeutic aids) factsheet
- Health care services factsheet
- Nursing care factsheet
- Compensation payments factsheet
- Funeral benefits factsheet
- Compensation benefits for Dependant Spouse/Partner
- Respiratory medical examination factsheet
- Proof of identity factsheet
- Right to information factsheet
- Lung Bus brochure
- Information sheet for lawyers dealing with the Dust Diseases Board
- Annual Reports

The DDB Staff Code of Conduct and Ethics is also available on our website for members of the public to download.

► Appendix 11: Funds granted to non-government community organisations

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

- \$12,700 was granted to fund activities for National Asbestos Awareness Day
- \$60,000 per annum was granted to fund a position of a help desk officer.

The Board also granted \$27,500 to the Australian and New Zealand Society of Occupational Medicine to fund its Occupational Physician Awareness Campaign.

► Appendix 12: Credit card usage

The General Manager certifies that all credit card usage in the DDB has been conducted in accordance with relevant Department of Premier and Cabinet Memorandums and Treasury Directions.

► Appendix 13: Fraud control policy

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

► Appendix 14: Production notes

The Dust Diseases Board Annual Report is a publicly available document and can be accessed on our website www.ddb.nsw.gov.au or by phoning (02) 8223 6600.

The total external production cost for the 2011/12 Annual Report was \$6,985.00.

Production team:

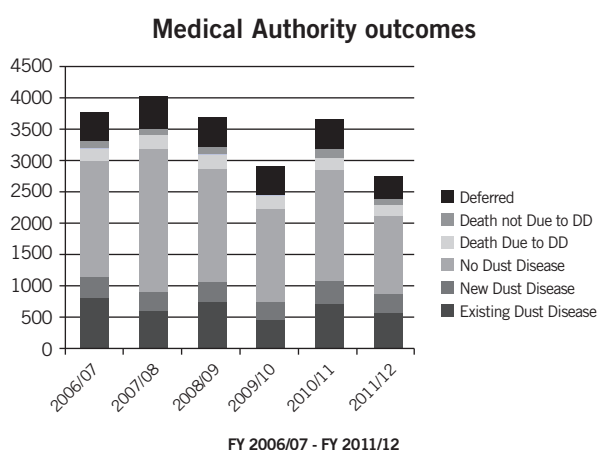
Project Management by Executive Division, Dust Diseases Board in collaboration with the WorkCover Authority Communication Group

Design by Proactive Graphics

► Appendix 15: Awards made since the inception of the original scheme of 1927

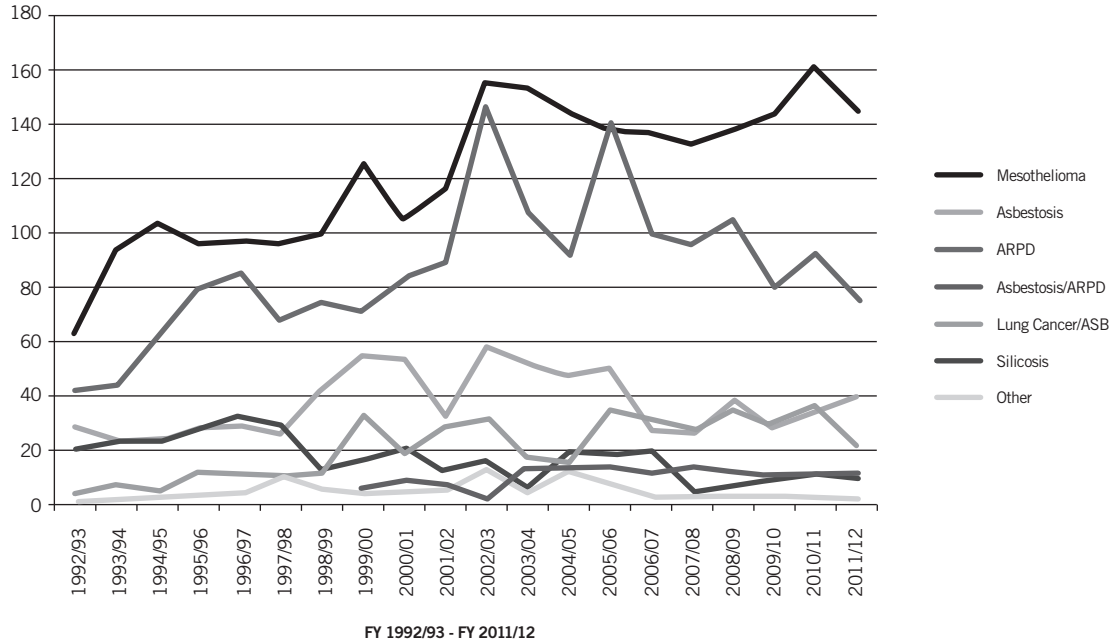
Name	Awards to Disabled Workers	Awards to Dependents of deceased workers	Total
No. 1 Scheme – September 1927 to 30 June 1942 (approx. 15 years)	245	64	309
No. 2 Scheme – March 1938 to June 1942 (approx. 4 years)	7	3	10
Silicosis Act – 1 July 1942 to 28 February 1968 (approx. 26 years)	1,761	841	2,602
Dust Diseases Act – 29 February 1968 to 30 June 2012	6,064	4,777	10,841
Total	8,077	5,685	13,762

► Appendix 16: Cases certified by the Medical Authority



► Appendix 17: Medical Authority certificates: new dust diseases Certified

New dust diseases certified by the Medical Authority



► Appendix 18: Workers' Compensation (Dust Diseases) Act 1942

Contributions under section 6 for 2012/2013 financial year

NOTICE is given that the WorkCover Authority, in pursuance of section 6 of the *Workers' Compensation (Dust Diseases) Act 1942* (the Act), has

- in respect of policies issued or renewed to take effect in the year commencing 30 June 2012, determined the contribution to be paid under section 6 of the Act by an insurer insuring or indemnifying an employer in respect of a class of employment specified in Column 1 of Table 1 to be an amount equal to the percentage of wages (being the total wages payable by the employer to workers in respect of the period of the policy) specified in Column 2 of the Table opposite that class; and
- determined that the 2012/2013 financial year interim contribution to be paid by an insurer to the Workers' Compensation (Dust Diseases) Fund in 12 equal instalments by the 15th day of each month commencing 15 July 2012 will be as follows:

Insurer	Contribution Amount
Workers Compensation Nominal Insurer	\$76,000,000
Catholic Church Insurances Limited	\$708,000
StateCover Mutual Limited	\$606,000
Guild Insurance Limited	\$150,000
Hotel Employers Mutual Limited	\$114,000
Racing NSW	\$16,224
and	

- determined that upon notification of an employers actual wages paid for the financial year an insurer's

2012/2013 financial year contribution is to be calculated in accordance with clause (a) and paid to the Workers' Compensation (Dust Diseases) Fund less previous contributions for the financial year 2012/2013 by 31 October each year; and

- in respect of the year commencing 1 July 2012, determined the contribution to be paid under section 6 of the Act by each self-insurer is to be an amount equal to the percentage of wages (being the total wages payable by the self-insurer to workers in respect of that year) specified in Column 2 of Table 1 below opposite –
 - the class of employment specified in item 1 of Column 1 of Table 1 if, and to the extent that, wages are payable by the self-insurer to workers in respect of employment during that year and of that class; or
 - the class of employment specified in Column 1 of Table 1 which corresponds to the business activity classification (or classifications) adopted by the WorkCover Authority for the purpose of determining the contribution payable by the self-insurer to the WorkCover Authority Fund for the financial year commencing 1 July 2012; and
- determined that the 2012/2013 interim contribution to be paid by each self-insurer to the Workers' Compensation (Dust Diseases) Fund is to be based on a reasonable estimate by the self-insurer of the wages to be paid during the financial year and calculated in accordance with clause (d) and paid in two equal instalments on 31 October 2012 and 31 March 2013; and

(f) determined that the 2012/2013 final contribution to be paid by each self-insurer to the Workers' Compensation (Dust Diseases) Fund is to be based on the actual wages paid by the self-insurer during

the 2012/2013 financial year and calculated in accordance with clause (d) and is to be paid by 31 October 2013 less the interim contribution paid under clause (e), as the case may require (see note 1 below).

Table 1

	Column 1	Column 2
Item	Class of Employment	Contribution (percentage of wages)
1.	The class of employment in paragraph D(12) of the determination made by the Workers' Compensation (Dust Diseases) Board under section 6(3) of the Dust Diseases Act and published in Gazette No. 64 of 11 May 1979.	4 per cent
2.	Any other class of employment determined by the Workers' Compensation (Dust Diseases) Board under section 6(3) of the Dust Diseases Act.	The percentage specified in this Column opposite the class of employment in Column 1 corresponding to the business classification that applies to the employer concerned in calculating the relevant premium under the Insurance Premiums Order (2012/2013).
3.	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2012/2013), a business classification listed in Schedule 1 applies to the employer concerned.	1.25 per cent
4.	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2012/2013), a business classification listed in Schedule 2 applies to the employer concerned.	0.50 per cent
5.	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2012/2013), a business classification listed in Schedule 3 applies to the employer concerned.	0.28 per cent
6.	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2012/2013), a business classification listed in Schedule 4 applies to the employer concerned.	0.165 per cent
7.	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2012/2013), a business classification listed in Schedule 5 applies to the employer concerned.	0.11 per cent
8.	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2012/2013), a business classification listed in Schedule 6 applies to the employer concerned.	0.075 per cent
9.	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2012/2013), a business classification listed in Schedule 7 applies to the employer concerned.	0.05 per cent
10.	Employment in respect of which, for the purpose of calculating the relevant premium under the Insurance Premiums Order (2012/2013), a business classification listed in Schedule 8 applies to the employer concerned.	0.025 per cent

NOTE:

If wages are payable by an employer (including a self-insurer) to workers in respect of employment during the relevant period, being employment of the class specified in item 1 of Column 1 of the above Table, the percentage of wages specified in Column 2 for that item applies to such part of the total wages payable to the employer's workers as relates to employment of that class, and items 2-10 of the Table (as the case may require) apply to the remainder of the wages.

If, in the calculation of an employer's premium under the Insurance Premiums Order (2012/2013), business classifications mentioned in two or more of Schedules 1-8 below properly apply to the employer, the dust diseases contribution rates in Column 2 of the Table are to apply to such part of the total wages payable by the employer as relates to the relevant classification. The same applies to calculation of a self-insurer's dust diseases contribution by reference to its WorkCover Authority Fund contribution.

If the Insurance Premiums Order (2012/2013) does not apply to an employer's policy, the contribution to be paid by the insurer concerned under section 6 of the Dust Diseases Act is to be calculated as if that Order did apply to the policy.

See Table A to the Insurance Premiums Order (2012/2013) for full descriptions of relevant business classifications below.

The expressions "policy", and "workers" used above have the same meanings as in the *Workers Compensation Act 1987* and the *Workplace Injury Management and Workers Compensation Act 1998* and references to wages "payable" include references to wages paid.

The expression "wages" used above has the same meaning as in the Insurance Premiums Order 2012/2013.

Dated this 6 day of June 2012

Julie Newman
A/Chief Executive Officer
WorkCover Authority

	Schedule 1
Class No. (in Premiums Order)	Business Classification Title
263210	Fibro-Cement Sheeting Manufacturing
282100	Shipbuilding
	Schedule 2
Class No. (in Premiums Order)	Business Classification Title
255100	Rubber Tyre Manufacturing
424200	Carpentry Services
425940	Construction Services nec
	Schedule 3
Class No. (in Premiums Order)	Business Classification Title
041100	Rock Lobster Fishing
041200	Prawn Fishing
041300	Finfish Trawling
041400	Squid Jigging
041500	Line Fishing
041900	Marine Fishing nec
142010	Other Mining nec - Underground
142020	Other Mining nec - Surface
221200	Synthetic Fibre Textile Manufacturing
221300	Cotton Textile Manufacturing
221400	Wool Textile Manufacturing
221500	Textile Finishing
251000	Petroleum Refining
255900	Other Rubber Product Manufacturing nec
261000	Glass and Glass Product Manufacturing
262100	Clay Brick Manufacturing
262300	Ceramic Tile and Pipe Manufacturing
262900	Other Ceramic Product Manufacturing nec
263100	Cement and Lime Manufacturing
263400	Concrete Pipe and Box Culvert Manufacturing
263510	Terrazzo Manufacturing
263520	Concrete Product Manufacturing nec
271100	Basic Iron and Steel Manufacturing

271200	Iron and Steel Casting and Forging
272300	Copper, Silver, Lead and Zinc Smelting, Refining
281100	Motor Vehicle Manufacturing
282220	Boat repairing
282900	Transport Equipment Manufacturing nec
294900	Manufacturing nec
411100	House Construction
421010	Demolition
422200	Bricklaying Services
422300	Roofing Services
423100	Plumbing Services
424110	Cement Rendering and Plastering
424400	Painting and Decorating Services
425930	Building Exterior Cleaning and Maintenance Services
650100	Pipeline Transport
650900	Transport nec
662100	Stevedoring
	Schedule 4
Class No. (in Premiums Order)	Business Classification Title
131100	Iron Ore Mining
131200	Copper Ore Mining - Underground
131910	Other Metal Ore Mining nec - Underground
131920	Other Metal Ore Mining nec - Surface
141100	Gravel and Sand Quarrying
211110	Abattoirs
211130	Meat Processing
216100	Bread Manufacturing
217100	Sugar Manufacturing
217200	Confectionery Manufacturing
217300	Seafood Processing
217900	Food Manufacturing nec
218200	Beer and Malt Manufacturing
221100	Wool Scouring
222110	Made-up Textile Product Manufacturing
222200	Textile Floor Covering Manufacturing

222300	Rope, Cordage and Twine Manufacturing
222900	Other Textile Product Manufacturing nec
224100	Men's and Women's Clothing Manufacturing
224200	Tailoring and Dress-making
224300	Sleepwear, Underwear and Baby Clothing Mfg
224900	Other Clothing Manufacturing nec
233100	Pulp, Paper and Paperboard Manufacturing
254200	Paint Manufacturing
254500	Soap and Other Detergent Manufacturing
254900	Other Chemical Product Manufacturing nec
262200	Ceramic Product Manufacturing
263220	Plaster Product Manufacturing
263300	Concrete Slurry Manufacturing
264010	Fibreglass Insulation Products Manufacturing
264020	Non-Metallic Mineral Product Manufacturing nec
271300	Steel Pipe and Tube Manufacturing
272100	Alumina Production
272200	Aluminium Smelting
272900	Basic Non-Ferrous Metal Manufacturing nec
273100	Aluminium Rolling, Drawing, Extruding
273200	Non-Ferrous Metal Rolling, Drawing, Extruding nec
273300	Non-Ferrous Metal Casting
274100	Structural Steel Fabricating
274900	Structural Metal Product Manufacturing nec
275900	Sheet Metal Product Manufacturing nec
276100	Hand Tool and General Hardware Manufacturing
276300	Nut, Bolt, Screw and Rivet Manufacturing
276400	Metal Coating and Finishing
276900	Fabricated Metal Product Manufacturing nec
282210	Boatbuilding
282300	Railway Equipment Manufacturing

286900	Industrial Machinery and Equipment Manufacturing nec
291900	Prefabricated Building Manufacturing nec
294200	Toy and Sporting Good Manufacturing
361000	Electricity Supply
362000	Gas Supply
370100	Water Supply
411200	Residential Building Construction nec
423200	Electrical Services
423300	Air Conditioning and Heating Services
424120	Plasterboard and Decorative Plaster Fixing
424300	Tiling and Carpeting Services
424510	Aluminium Door and Window Installation
424520	Glazing Services
425910	Scaffolding Services
425920	Exterior/Interior Blind and Awning Installation Services
453900	Building Supplies Wholesaling nec
462400	Motor Vehicle Dismantling
532900	Automotive Repair and Services nec
620000	Rail Transport
630100	International Sea Transport
630200	Coastal Water Transport
662200	Water Transport Terminals
662300	Port Operators
662910	Water Transport Agency Services
662920	Services to Water Transport nec
663000	Services to Air Transport
952110	Laundry and Dry Cleaning Operations
963300	Fire Brigade and Civil Emergency Services

	Schedule 5
Class No. (in Premiums Order)	Business Classification Title
131300	Copper Ore Mining - Surface
131410	Gold Ore Mining - Underground
131420	Gold Ore Mining - Surface
131500	Mineral Sand Mining

131610	Nickel Ore Mining - Underground
131620	Nickel Ore Mining - Surface
131710	Silver-Lead-Zinc Ore Mining - Underground
131720	Silver-Lead-Zinc Ore Mining - Surface
211140	Animal By-product Processing nec
216200	Cake and Pastry Manufacturing
216300	Biscuit Manufacturing
217400	Prepared Animal and Bird Feed Manufacturing
218100	Soft Drink, Cordial and Syrup Manufacturing
218400	Spirit Manufacturing
219000	Tobacco Product Manufacturing
222120	Furniture Upholstery and Covers Mfg
232100	Plywood and Veneer Manufacturing
233400	Paper Bag and Sack Manufacturing
241220	Newspaper Printing
253500	Inorganic Industrial Chemical Manufacturing nec
254100	Explosive Manufacturing
254400	Pesticide Manufacturing
254700	Ink Manufacturing
275100	Metal Container Manufacturing
276500	Non-Ferrous Pipe Fitting Manufacturing
281300	Automotive Electrical and Instrument Manufacturing
282400	Aircraft Manufacturing
285200	Electrical Cable and Wire Manufacturing
286100	Agricultural Machinery Manufacturing
286410	Machine Tool and Part Manufacturing
286420	Metal Dies, Cutting, Sinking, Manufacturing and Repairing
286700	Commercial Space Heating and Cooling Equipment Manufacturing
291100	Prefabricated Metal Building Manufacturing
292200	Sheet Metal Furniture Manufacturing
294100	Jewellery and Silverware Manufacturing
370200	Sewerage and Drainage Services
421020	Site Preparation Services
422110	Concrete Construction Services

422400	Structural Steel Erection Services
452300	Chemical Wholesaling
472200	Clothing Wholesaling
523300	Domestic Hardware and Houseware Retailing
525900	Retailing nec
952120	Self-service Laundries & Dry Cleaning Agencies

	Schedule 6
Class No. (in Premiums Order)	Business Classification Title
030100	Forestry
030210	Softwood Timber Plantation Logging
030220	Hardwood and Other Timber Logging
030300	Services to Forestry
110100	Coal Mining - Underground
110200	Coal Mining - Surface
152000	Other Mining Services
211120	Meat Packing and Freezing
212900	Dairy Product Manufacturing nec
222130	Non-canvas Textile Blind and Awning Manufacturing
226100	Leather Tanning and Fur Dressing
226200	Leather and Leather Substitute Product Mfg
231200	Wood Chipping
231300	Timber Resawing and Dressing
232200	Fabricated Wood Manufacturing
232910	Wooden Blind Manufacturing
233200	Solid Paperboard Container Manufacturing
233300	Corrugated Paperboard Container Manufacturing
233900	Other Paper Product Manufacturing nec
241210	Printing
252000	Petroleum and Coal Product Manufacturing nec
253400	Organic Industrial Chemical Manufacturing nec
254300	Medicinal and Pharmaceutical Product Manufacturing

254600	Cosmetic and Toiletry Preparation Manufacturing
281900	Automotive Component Manufacturing nec
285100	Household Appliance Manufacturing
286200	Mining and Construction Machinery Manufacturing
286300	Food Processing Machinery Manufacturing
411300	Non-Residential Building Construction
425100	Landscaping Services
451900	Farm Produce and Supplies Wholesaling nec
453100	Timber Wholesaling
473100	Household Appliance Wholesaling
532200	Automotive Electrical Services
611010	Road Freight Transport - Bulk Freight
630300	Inland Water Transport
782920	Technical Services nec
786610	Cleaning Services : Non Government Contractors
786620	Cleaning Services: Government Contractors
861200	Psychiatric Hospitals
923900	Recreational Parks and Gardens
Schedule 7	
Class No. (in Premiums Order)	Business Classification Title
013000	Dairy Cattle Farming
120000	Oil and Gas Extraction
141900	Construction Material Mining nec
211210	Poultry Abattoirs
211300	Bacon, Ham and Smallgood Manufacturing
212100	Milk and Cream Processing
212200	Ice Cream Manufacturing
218300	Wine Manufacturing
231100	Log Sawmilling
232300	Wooden Structural Component Manufacturing
241100	Paper Stationery Manufacturing
241310	Printing Trade Services

241320	Services to Printing and Publishing nec
253100	Fertiliser Manufacturing
253200	Industrial Gas Manufacturing
253300	Synthetic Resin Manufacturing
256200	Plastic Extruded Product Manufacturing
256400	Plastic Product, Rigid Fibre Reinforced, Mfg
276200	Spring and Wire Product Manufacturing
285300	Battery Manufacturing
285400	Electric Light and Sign Manufacturing
286500	Lifting and Material Handling Equipment Manufacturing
286600	Pump and Compressor Manufacturing
292300	Mattress Manufacturing (Except Rubber)
292900	Furniture Manufacturing nec
412100	Road and Bridge Construction
422120	Concrete Paving Services
451100	Wool Wholesaling
451200	Cereal Grain Wholesaling
461500	Electrical and Electronic Equipment Wholesaling nec
462100	Car Wholesaling
462200	Commercial Vehicle Wholesaling
462300	Motor Vehicle New or Used Part Dealing
472300	Footwear Wholesaling
523500	Recorded Music Retailing
525200	Antique and Used Good Retailing
525300	Garden Equipment Retailing
525400	Flower Retailing
532400	Tyre Retailing
611020	Road Freight Transport - Short Distance
611040	Furniture Delivery and Removal Service
664900	Services to Transport nec
712000	Telecommunication Services
820000	Defence
843200	Technical and Further Education
844010	Driving Schools
844020	Other Education and Training nec
912200	Television Services
923100	Zoological and Botanic Gardens

963400	Waste Disposal Services
970000	Private Households Employing Staff
013000	Dairy Cattle Farming
120000	Oil and Gas Extraction
141900	Construction Material Mining nec
211210	Poultry Abattoirs
211300	Bacon, Ham and Smallgood Manufacturing
212100	Milk and Cream Processing
212200	Ice Cream Manufacturing
218300	Wine Manufacturing
231100	Log Sawmilling
232300	Wooden Structural Component Manufacturing

Schedule 8

Class No. (in Premiums Order)	Business Classification Title
011100	Plant Nurseries
011200	Cut Flower and Flower Seed Growing
011300	Vegetable Growing
011400	Grape Growing
011500	Apple and Pear Growing
011600	Stone Fruit Growing
011700	Kiwi Fruit Growing
011900	Fruit Growing nec
012100	Grain Growing
012200	Combined Grain Growing, Sheep Farming and Beef Cattle Farming
012300	Sheep-Beef Cattle Farming
012400	Sheep Farming
012510	Beef Cattle Farming
012520	Beef Cattle Feedlots
014100	Poultry Farming (Meat)
014200	Poultry Farming (Eggs)
015100	Pig Farming
015200	Horse Farming
015300	Deer Farming
015900	Other Livestock Farming nec
016100	Sugar Cane Growing

016200	Cotton Growing
016900	Other Crop and Plant Growing nec
021100	Cotton Ginning
021200	Shearing Services
021300	Aerial Agricultural Services
021910	Services to Livestock Farming nec
021920	Services to Crop Farming nec
021930	Services to Fruit and Vegetable Growing nec
021940	Agricultural Land Clearing and Fencing
021950	Other Services to Agriculture nec
021960	Pet Boarding and Kennels nec
022000	Hunting and Trapping
042000	Aquaculture
151100	Petroleum Exploration (Own Account)
151200	Petroleum Exploration
151300	Mineral Exploration (Own Account)
151400	Mineral Exploration Services
211220	Poultry Meat Processing
213000	Fruit and Vegetable Processing
214000	Oil and Fat Manufacturing
215100	Flour Mill Product Manufacturing
215200	Cereal Food and Baking Mix Manufacturing
223100	Hosiery Manufacturing
223200	Cardigan and Pullover Manufacturing
223900	Knitting Mill Product Manufacturing nec
225000	Footwear Manufacturing
232920	Other Wood Product Manufacturing nec
242100	Newspaper Publishing
242200	Other Periodical Publishing
242300	Book and Other Publishing
243000	Recorded Media Manufacturing and Publishing
256100	Plastic Blow Moulded Product Manufacturing
256300	Plastic Bag and Film Manufacturing
256500	Plastic Foam Product Manufacturing
256600	Plastic Injection Moulded Product Manufacturing

274200	Architectural Aluminium Product Manufacturing
281200	Motor Vehicle Body Manufacturing
283100	Photographic and Optical Good Manufacturing
283200	Medical and Surgical Equipment Manufacturing
283900	Professional and Scientific Equipment Manufacturing nec
284100	Computer and Business Machine Manufacturing
284200	Telecommunication, Broadcasting and Transceiving Equipment Manufacturing
284900	Other Electronic Equipment Manufacturing nec
285900	Other Electrical Equipment Manufacturing nec
292100	Wooden Furniture and Upholstered Seat Manufacturing
412200	Non-Building Construction nec
423400	Telecommunication, Alarm and Security System Installation Services
452100	Petroleum Product Wholesaling
452200	Metal and Mineral Wholesaling
461100	Farm and Construction Machinery Wholesaling
461200	Professional Equipment Wholesaling
461300	Computer Wholesaling
461400	Business Machine Wholesaling nec
461900	Machinery and Equipment Wholesaling nec
471100	Meat Wholesaling
471200	Poultry and Smallgood Wholesaling
471300	Dairy Produce Wholesaling
471400	Fish Wholesaling
471500	Fruit and Vegetable Wholesaling
471600	Confectionery and Soft Drink Wholesaling
471700	Liquor Wholesaling
471800	Tobacco Product Wholesaling
471900	Grocery Wholesaling nec
472100	Textile Product Wholesaling
473200	Furniture Wholesaling
473300	Floor Covering Wholesaling
473900	Household Good Wholesaling nec

479100	Photographic Equipment Wholesaling
479200	Jewellery and Watch Wholesaling
479300	Toy and Sporting Good Wholesaling
479400	Book and Magazine Wholesaling
479500	Paper Product Wholesaling
479600	Pharmaceutical and Toiletry Wholesaling
479910	Wholesaling nec
479920	Wholesaling Trade Agent - No Goods Handling
511000	Supermarket and Grocery Stores
512100	Fresh Meat, Fish and Poultry Retailing
512200	Fruit and Vegetable Retailing
512300	Liquor Retailing
512400	Bread and Cake Retailing
512500	Takeaway Food Retailing
512600	Milk Vending
512900	Specialised Food Retailing nec
521000	Department Stores
522100	Clothing Retailing
522200	Footwear Retailing
522300	Fabric and Other Soft Good Retailing
523100	Furniture Retailing
523200	Floor Covering Retailing
523400	Domestic Appliance Retailing
524100	Sport and Camping Equipment Retailing
524200	Toy and Game Retailing
524300	Newspaper, Book and Stationery Retailing
524400	Photographic Equipment Retailing
524500	Marine Equipment Retailing
525100	Pharmaceutical, Cosmetic and Toiletry Retailing
525500	Watch, Spectacles and Jewellery Retailing
526110	Household Equipment Repair Services (Electrical)
526120	Household Equipment Repair Services (Electronics)
526900	Household Equipment Repair Services nec
531100	Car Retailing
531200	Motor Cycle Dealing

531300	Trailer and Caravan Dealing
532100	Automotive Fuel Retailing
532300	Smash Repairing
571000	Accommodation
572000	Pubs, Taverns and Bars
573000	Cafes and Restaurants
574000	Clubs (Hospitality)
611030	Road Freight Transport - Long Distance
612100	Long Distance Bus Transport
612200	Short Distance Bus Transport (Including Tramway)
612340	Other Road Passenger Transport nec
640100	Scheduled International Air Transport
640200	Scheduled Domestic Air Transport
640300	Non-Scheduled Air and Space Transport
661100	Parking Services
661900	Services to Road Transport nec
664100	Travel Agency Services
664210	Freight Forwarding (Road) - Goods Handling
664220	Freight Forwarding (Road) - No Goods Handling
664310	Freight Forwarding (Other Than Road) - Goods Handling
664320	Freight Forwarding (Other than Road) - No Goods Handling
664410	Customs Agencies - Goods Handling
664420	Customs Agencies - No Goods Handling
670100	Grain Storage
670900	Storage nec
711110	Postal Delivery Services
711120	Postal Agency Services
711200	Courier Services
731000	Central Bank
732100	Banks
732200	Building Societies
732300	Credit Unions
732400	Money Market Dealers
732900	Deposit Taking Financiers nec
733000	Other Financiers
734000	Financial Asset Investors

741100	Life Insurance
741200	Superannuation Funds
742100	Health Insurance
742200	General Insurance
751100	Financial Asset Broking Services
751900	Services to Finance and Investment nec
752000	Services to Insurance
771110	Residential Strata Schemes
771120	Residential Property Operators
771210	Commercial Property Strata Schemes
771220	Commercial Property Operators and Developers
772000	Real Estate Agents
773000	Non-Financial Asset Investors
774100	Motor Vehicle Hiring
774210	Boat and Ferry Hiring
774220	Other Transport Equipment Leasing nec
774310	Plant and Machinery Hiring and Leasing Without Operator
774320	Plant and Machinery Hiring and Leasing With Operator
774330	Office Equipment Hiring and Leasing
781000	Scientific Research
782100	Architectural Services
782200	Surveying Services
782300	Consulting Engineering Services
782910	Laboratory Services nec
783100	Data Processing Services
783200	Information Storage and Retrieval Services
783300	Computer Maintenance Services
783400	Computer Consultancy Services
784100	Legal Services
784200	Accounting Services
785100	Advertising Services
785210	Sign Writing
785220	Commercial Art and Display Services
785300	Market Research Services
785400	Business Administrative Services
785500	Business Management Services

786100	Employment Placement Services
786300	Secretarial Services
786411	Investigative Services
786412	Security Services
786420	Building Caretaking Services
786500	Pest Control Services
786700	Contract Packing Services nec
786900	Business Services nec
811100	Central Government Administration
811200	State Government Administration
811300	Local Government Administration
812000	Justice
813000	Foreign Government Representation
841000	Preschools and Kindergartens
842100	Infants and Primary Schools
842200	Secondary Education
842300	Combined Primary and Secondary Education
842400	Special School Education
843100	Higher Education
861100	Hospitals (Except Psychiatric Hospitals)
861300	Nursing Homes
862100	General Practice Medical Services
862200	Specialist Medical Services
862300	Dental Services
863100	Pathology Services
863200	Optometry and Optical Dispensing
863300	Ambulance Services
863400	Community Health Centres
863500	Physiotherapy Services
863600	Chiropractic Services
863900	Other Health Services nec
864000	Veterinary Services
871000	Child Care Services
872100	Accommodation for the Aged
872200	Residential Care Services nec
872910	Home Care Services
872920	Non-Residential Care Services nec
911100	Film and Video Production

911200	Film and Video Distribution
911300	Motion Picture Exhibition
912100	Radio Services
921000	Libraries
922000	Museums
924110	Theatre and Orchestra Productions
924120	Other Theatre and Musical Performance
924200	Creative Arts
925100	Sound Recording Studios
925200	Performing Arts Venues
925910	Agency Services to the Arts
925920	Services to the Arts nec
931110	Horse and Dog Racing Operations
931200	Sports Grounds and Facilities nec
931911	Sports and Services to Sport nec
931912	Sports Administrators Services
932100	Lotteries
932200	Casinos
932900	Gambling Services nec
933000	Other Recreation Services
951100	Video Hire Outlets
951900	Personal and Household Goods Hiring nec
952130	Carpet Cleaners
952200	Photographic Film Processing
952300	Photographic Studios
952400	Funeral Directors, Crematoria and Cemeteries
952510	Gardening Services
952520	Amenity Tree Services
952600	Hairdressing and Beauty Salons

► Appendix 19: Compliance Index

Budget	
Detailed budget	Complies
Outline budget for next year	Complies
Material adjustments to detailed budget for the year reported on	Complies
Report on operations	
Charter	
Aim and Objectives	
Access	
Management and structure	
Summary review of operations	
Funds granted to non-government community organisations	
Legal change	
Economic/other factors affecting achievement of operational objectives	Non-applicable
Management and activities	
Research and development	
Human resources	
Consultants	
Equal employment opportunity	
Multi-cultural policy and service program	
Land disposal	
Promotion	
Consumer response	
Guarantee of service	
Payment of accounts	
Risk management and insurance activities	
Disclosure of controlled entities	Non-applicable
Investment management performance	
Liability management performance	
Chief and senior executive officers	Non-applicable
Major assets	Non-applicable
Electronic service delivery	
Waste reduction and purchasing policy	

Code of conduct	
Un-audited financial information distinguished	Non-applicable
Credit card usage	
Identification of audited financial information	Complies
Audit opinion	
Miscellaneous	
Format	Complies
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Form of annual reports – presentation to Parliament	Complies
Public availability of annual reports	Complies

Corporate plan objectives and results for 2011/12			
Key result area	Key performance indicators	Target	2011/12 results
1. Efficient compensation services	1. Medical examinations undertaken within 30 days	75% by 2013	55%
	• Quality and timely services	80% by 2015	
	• Simple application processes	70% by 2013	39%
	• Sound decision making	[85% by 2015]	
• Clear communication about our services, processes and decisions	3. Benefits and expenses paid within 14 days	80% by 2012	80%
		95% by 2013	
	4. Accurate payment of entitlements	100%	99%
2. Sound Fund Management and Scheme Viability	5. Accurate levy setting	98%	n/a*
• Effective governance, audit and risk management	6. Levies collected by due date	98% by 2012	10.3%
• Appropriate investment strategies			
• Accurate actuarial assessments	7. Average % return above like Fund	1%pa	n/a*
• Proactive assessment of key cost drivers and trends	8. Funding ratio	[90 – 110%]	100.2%
3. Exemplar Organisation	9. Staff satisfaction survey outcomes	>80% by 2013	n/a*
• Clear direction and support	10. All DDB staff engaged in workplace safety and injury management	100%	100%
• Organisational capability to deliver our services	11. All injured staff have sustainable return to work	100%	100%
• Effective performance management	12. All staff have a Development Plan	100% by 2012	100%
• A safe, supportive and productive workplace	13. Online performance management system in place	2012	n/a*
4. Cost and Efficiency	14. Actual expenditure varies less than 2% from operating budget	100% compliance by 2012	100%
• Evidence used to direct and prioritise our services	15. Actual expenditure varies less than 2% from operating forecast	100% compliance by 2012	100%
• Operate within budget			
• Benchmark the cost of service delivery	16. Cost of service delivery is less than Treasury benchmark	<Treasury benchmark	n/a*
• Measure our outcomes			
• Manage our risks	17. Close out of action items raised in audit reports by due date	>80%	90%
5. Customer Focused Approach	18. Fair and transparent decisions	<1% decisions varied by internal review or appeal	0.2%
• Customer Service Charter and service standards that are linked to our values.			
• A consistent and seamless customer experience.	19. Customer satisfaction with compensation services	>85% by 2013	>90%-2011 result
• Accessible, timely and accurate information.	20. Application enquiries answered within 48 hours	100% by 2013	100%
• Effective applicant referral pathways	21. Compliance with Service Standards	>90% by 2012	90%
	22. Complaints resolved within 28 days	100%	Nil complaints received
	23. Compensation estate payment settled within 28 days of death notification	100%	100%

*No result is required in the 2011/12 financial year

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