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Welcome

Welcome to the March 2005 edition of the Tasmanian Risk Management Fund (TRMF) newsletter, *riskmatters*, published by the Department of Treasury and Finance.

Effective management of workplace health and safety requires that both employers and employees work together to achieve positive OH&S outcomes. Employers have a legal obligation to provide a safe and healthy workplace; equally, employees have a responsibility to follow safety procedures.

Reminders of employer requirements under sections 47 and 48 of the *Workplace Health and Safety Act 1995* have been included at page 4 and a report on the information sharing session provided by the Department of Tourism, Parks, Heritage and the Arts on its successful collaborative OH&S journey is on page 6.

Amendments to the Workers’ Compensation Legislation have been summarised on page 3. One key change eliminates the need for employers to obtain workers’ compensation cover in more than one jurisdiction for workers temporarily employed interstate.

Tony Ferrall
Chairman
Tasmanian Risk Management Fund
Steering Committee

Contributions to *riskmatters* on any subject relating to insurance or risk management can be forwarded via email to trmf@treasury.tas.gov.au.

Fund Contributions 2005-06

Change in time frame for the setting of contributions.

For the first time since the commencement of the Fund, the Actuary has set contributions as at 31 December rather than 30 June.

Under the new process, agencies were notified of their TRMF contributions in mid March 2005 for the 2005-06 financial year. This allows agencies to select excess levels on final contributions rather than estimated contributions for most risk categories.

The change in timing also means that the contribution cycle aligns more closely with the budget cycle. As agencies enter into their internal budget process, they now have certainty of the amount to allocate for TRMF contributions.

Contributions decrease over three year period to 30 June 2006.

In general, contributions to the TRMF have decreased in real terms for most risk areas over the three-year period to 30 June 2006.

Following a detailed actuarial assessment, contribution pools for personal injury and motor vehicles for 2005-06 have stayed virtually the same as for 2004-05, and general property and general liability contribution pools have been reduced by 10 per cent for the same period.

The stability in the personal injury contribution pool, which incorporates workers' compensation and personal accident, is due to the expected number of claims remaining constant and the decreasing average claim size over the past two years.

The reduction in the contribution pools for general property and general liability rewards agencies for low claims experience but still builds the financial strength of the pool in the event of a large claim.



PLEASE NOTE

Use of Private Motor Vehicles for Official Purposes

The TRMF does not provide cover for loss or damage to private motor vehicles or vessels.

Employees or volunteers who use their motor vehicle or vessel for official purposes are personally responsible for ensuring that these are comprehensively insured.

The TRMF's position follows the principles stipulated in Ministerial Direction No. 1.1 2002 – Administration which can be accessed at www.ossctas.gov.au/md/1-1-2002.pdf

Extract from Ministerial Direction No.1.1 2002 – Administration

Note on use of private motor vehicles

Employees are advised to have their private motor vehicle, used for official purposes, comprehensively insured and are advised that appropriate information should be conveyed to their insurance company to ensure that any claims are not affected as a result of non-disclosure of the use of the vehicle for official purposes.

Whereas it is each employee's personal responsibility to ensure that they have their own vehicle comprehensively insured, the Agency should regularly inform employees of their liability in the use of private vehicles for official purposes.

More than just coffee and cold air beat fatigue

It is a myth to believe that coffee will keep you awake or that winding down the window will reinvigorate you when driving for long periods. The best option is to take a regular break where you get out of the car, and walk around a little.

According to Mr Greg Goodman, Group Chief Executive of RACT, drivers should take a break at least every two hours - preferably every hour.

Drivers should monitor themselves during the journey and passengers should also keep an eye on the driver.

Danger signs include:

- ✓ yawning
- ✓ growing impatience
- ✓ bad temper
- ✓ inconstant speed keeping
- ✓ wandering over the centre line or onto the road edge
- ✓ apparent stiffness or cramping in the driver
- ✓ eyes that feel sore or slightly blurred
- ✓ a tendency to day dream rather than concentrate on the road

Source: *motornews*, the magazine of the Royal Automobile Club of Tasmania Limited. February/March 2005.

Amendments to workers' compensation legislation

The *Workers Rehabilitation and Compensation Act 1988* was amended in December 2004 to implement further reforms recommended in the Rutherford Report.

Key changes

- employers have 84 days to lodge a dispute regarding liability (previously 28 days);
- the concept of 'genuine dispute' has been replaced with the more stringent 'reasonably arguable case';
- all supporting evidence is to accompany referrals to the Tribunal;
- any leave taken by the employee is to be restored where the employer is found liable to pay workers' compensation;
- employers wishing to dispute the provision of medical services must notify the employee and the service provider within 28 days of receiving a claim for payment but the onus is now on the worker to take the dispute to the Tribunal; and
- weekly benefit payments to dependents of deceased workers will commence immediately on receipt of a claim.

In addition, nationally agreed reforms that eliminate the need for employers to obtain workers' compensation cover in more than one jurisdiction for workers temporarily employed interstate have also been included.



The TRMF workers' compensation guidelines have been updated to reflect the revised legislation and can be accessed at www.treasury.tas.gov.au/trmf

Workplace Health and Safety Act 1995

Section 47

Do you have control of or manage a workplace?

Are you aware that if a person is seriously injured or becomes seriously ill, you must notify an inspector from Workplace Standards as soon as possible?

Section 47 of the *Workplace Health & Safety Act 1995* relates to the provisions for the reporting of serious accidents and dangerous incidents.

Section 47

If at a workplace a person is killed or suffers serious bodily injury or illness, or a dangerous incident occurs as a result of which a person could have been killed or could have suffered **serious bodily injury or illness**, a person having control or management of the workplace must as soon as possible notify an inspector of particulars of the death, injury, illness or incident.

Written notification of the particulars must be provided to an inspector within 48 hours after the death, injury, illness or incident.

Definition – Serious Bodily Injury or Illness

An injury or illness that disables a person to the extent that as a consequence of that injury or illness the person is subject to a period of admission to hospital as an in-patient.

Failure to comply with the requirements of section 47 will result in a fine of up to \$5 000 for a body corporate or up to \$2 000 for an individual.

(Article provided by Martin Broad of Marsh Pty Ltd)

Section 48

Did you know that you need permission from an inspector from Workplace Standards before you move equipment following a reportable incident?

Section 48 of the *Workplace Health and Safety Act 1995* requires that if an accident or incident has occurred of the type that must be notified to Workplace Standards, then you must not move or interfere with anything involved in the incident unless you have the prior permission of an inspector.

However, there are times when you may need to move equipment or interfere in some way with an accident or incident site, without informing or consulting an inspector in advance. The *Workplace Health and Safety Act 1995* recognises this – for example, if doing so would:

- save someone's life;
- relieve someone's suffering; or
- prevent damage to property or injury to people.

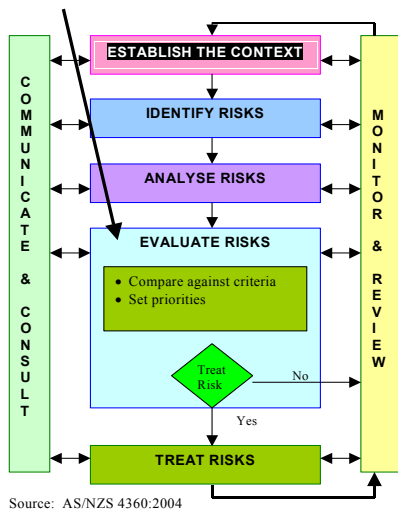
In such circumstances you must immediately inform the inspector of your actions when they inspect the site.

(Reprinted from *Workplace Issues* January 2005, a publication of Workplace Standards Tasmania)



For further information on how to contact a Workplace Standards Inspector either call the Workplace Standards Helpline on 1300 366 322 or go to www.wst.tas.gov.au.

Risk Management



The decision as to whether a risk is acceptable or unacceptable will depend on the aims and activities of your business unit.

If the resulting risks fall into the low or acceptable risk categories they may be accepted with minimal further treatment.

An acceptable risk is not necessarily one which is insignificant.

You may decide that a risk is acceptable because:

- the risk level is so low that it does not warrant spending time and money to treat it;
- the risk level is low and the benefits presented by the risk outweigh the cost of treating it; or
- the opportunities presented by the risk are much greater than the threats

Low and accepted risks should be monitored and periodically reviewed to ensure they remain acceptable. Therefore, it is important to document the criteria used to determine whether a risk is acceptable or unacceptable.

Risks that are unacceptable should be listed in priority order for treatment.

Risk Management Process

In this edition of *riskmatters*, the focus on the risk management process is on:

Evaluating Risks

Evaluate risks and opportunities.

Rank risks and opportunities.

Screen out minor issues.

Risk evaluation involves comparing the level of risk found during the analysis process against established criteria and parameters. The output of the risk evaluation is a list of risks which can be placed in one of three categories – low, medium or high.

The evaluation should take into account the following:

- the importance of the activity you are risk managing and its outcomes;
- the degree of control you have over the risk;
- the potential and actual losses which may arise from the risk; and
- the benefits and opportunities presented by the risk.

Risk Management Implementation Tips and Traps

Implementation Tips

Get a risk management policy approved up front.

Consider ways to integrate risk management into your culture ... that includes senior management.

Consider a pilot implementation to highlight potential problem issues and gain experience.

Implementation Traps

Risk management can be implemented in the same way in every organisation.

Information Sharing Sessions and Seminars

DTPHA's Successful OH&S Journey

Agency representatives keen to learn more about the Department of Tourism, Parks, Heritage and the Arts' award-winning approach to health and safety attended an information sharing session on 24 February 2005.

The Department of Tourism, Parks, Heritage and the Arts was a successful entrant in the 2004 Workplace Safe Awards winning gold for its Occupational Health and Safety (OH&S) Training Program and silver for its OH&S Management Program.

Katrina Sage and Tess Harvey-Mount presented DTPHA's journey from a relatively new agency with no consistent approach to health and safety to award winner.

Katrina emphasised that to make a difference to safety on the ground, it is important to work with staff. "Developing policies and procedures that collect dust will not improve health and safety within the workplace," she said.

According to Katrina, improving the Department's culture with respect to safety by providing effective training relevant to the Department's OH&S management system, is a contributing factor to the success of the system.

DTPHA's OH&S initiatives included:

- the implementation of the award winning three-tiered training model for employees;
- the development of an OHS Management System which adopts a consistent, practical and integrated approach relevant to the Department's operations;
- a risk control and job safety analysis (JSA) process including an intranet based JSA resource library;

- safety audits; and
- a simple but effective database for incident/accident recording.

Achievements include:

- a 21.5% reduction in accepted workers' compensation claims for 2003-04; and
- a 34% reduction to date in workers' compensation costs for 2003-04.



Staff from the Parks & Wildlife Fire Management Branch discussing the Job Safety Analysis on Helicopter Operations.



Katrina and Tess' PowerPoint presentation is available under Training on the TRMF Web site. For further information, please contact Katrina on 6233 5912

OH&S Implementation Tips

- ⇒ Listen to your employees
- ⇒ Ascertain what is working & what is not
- ⇒ Learn from others
- ⇒ Making a difference on the ground is what is important
- ⇒ Assessing and managing the risk should be a natural part of all activities
- ⇒ Everyone in an organisation has responsibility for health and safety – train them to do it effectively
- ⇒ An OH&S management system should be relevant to your business operations
- ⇒ Developing policy and procedures that collect dust will not improve health & safety
- ⇒ Policies and procedures are living documents – don't carve them in stone

Source: Department of Tourism, Parks, Heritage and the Arts.

Contract Law Information Seminars repeated due to large demand

Around 400 government employees attended Contract Law Information Seminars recently.

The free sessions were presented by the Solicitor-General, the Crown Solicitor and senior legal practitioners from the Office of the Crown Solicitor and covered basic **contractual issues** and **issues of special relevance in connection with major tendering**.

This topic was one in a series developed and presented by Crown Law for State officers over the last three years on a wide range of legal topics. The total number of presentations now exceeds 70. The next one – 'statutory processes' will be held on 7 April 2005.

Does your agency have a risk management story to tell?

Are there other risk management issues you would like discussed? Contact the TRMF Unit on telephone 6233 6597 or e-mail trmf@treasury.tas.gov.au



Remember

The training section on the TRMF Web site (www.treasury.tas.gov.au/trmf) is updated regularly and includes information about upcoming training, information sessions, seminars and STARSWeb User Group meetings. It also has a previous training section which provides copies of notes or presentations from past sessions.

Upcoming TRMF Meetings

Committee Meetings

TRMF Steering Committee
24 May 2005, Hobart

TRMF Workers' Compensation
Sub-Committee
26 April 2005, Hobart

TRMF Property/Liability Sub-Committee
28 April 2005, Hobart

Contact: trmf@treasury.tas.gov.au

riskmatters

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To register, contact the newsletter editor, Di Hope, at the Department of Treasury and Finance on (03) 6233 6597 or e-mail trmf@treasury.tas.gov.au.

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