



# **SEACARE AUTHORITY QUARTERLY REPORT**

## **Report 02/2001**

### **Outcomes of Seacare Authority Meeting 35 of 28 May 2001**

#### **Seacare Authority annual work plan endorsed**

The Authority endorsed a detailed annual work plan for 2001-02. The workplan, which derives directly from the Authority's 3 year strategic plan approved at meeting 34 in March 2001, establishes a strong focus on occupational health and safety initiatives to complement the continuation of work on rehabilitation/return to work and on compensation aspects of the scheme. The work plan will be shortly available on the Seacare Authority website at [www.seacare.gov.au](http://www.seacare.gov.au).

#### **Seacare Authority Annual Report**

The Authority approved the broad contents and structure of the Authority's 2000-01 Annual Report to the Minister and to Parliament. A draft of the report will be considered by the Authority at its next meeting in August for finalisation and presentation to the Minister in October 2001. Once tabled in the Parliament it will be sent to all Seacare Authority stakeholders.

#### **A rehabilitation and return to work publication to be produced**

A draft guidance note on best practice rehabilitation and return to work for the shipping industry was given in-principle endorsement. The guidance note will be published in booklet form after receiving final clearance from the Authority at its August meeting. It will be distributed free of charge to the industry. The Authority is considering port level briefings on the guidance material aimed at raising awareness of leading edge practices in addressing rehabilitation and return to work for injured seafarers. If the briefings proceed they will be designed specifically for employer representatives and employees.

#### **Australasian Return to Work Monitor – Seacare Authority participation for another year**

The Authority agreed to participate in the Australasian Return to Work Monitor for another year, which will result in a two-year data set on seafarer return to work experience – *see special report below*.

#### **Seacare scheme insurance premiums under the spotlight**

As reported in the last Quarterly Report, the Authority has commenced a detailed analysis of Seacare Scheme insurance premiums. The meeting was briefed by Mr Martin Fry of Taylor Fry Pty Ltd, an actuarial firm which has undertaken research on scheme premiums for the Authority. Taylor Fry has reported that the average Seacare scheme premium for 1999-2000 is 3.48%. A detailed report of Seacare scheme premiums is available on the Seacare Authority website at [www.seacare.gov.au](http://www.seacare.gov.au) through the Publications link.

### **Implications of the HIH collapse on the Seacare scheme considered**

The Authority considered the implications of the HIH collapse on the Seacare scheme. The Authority concluded that while there were no immediate implications it would be prudent to seek further advice on the implications of an HIH type event if it involved one of the existing Seacare scheme insurers. Further advice is being sought, including from the Australian Maritime Compensation Agency Ltd which administers the Fund (or nominal insurer) under the Seafarers Act.

### **Occupational health and safety – positive performance indicators for the shipping industry**

A Safety Performance Indicators (Shipping Industry) Committee was reconstituted early this year with the task of developing a package of positive safety performance indicators for use by Seacare scheme shipping companies. The Committee is convened by David Parmeter, Director Industrial Relations, Australian Shipowners Association. Other members represent offshore sector employers, the MUA and AMSA, with advisory support from the National Occupational Health and Safety Commission and Seacare Authority Secretariat.

The *positive performance indicators* are being developed for application at the enterprise level. They complement Seacare scheme *outcome indicators* reported in this Quarterly report, and in the Authority's Annual Report as well as in the national Comparative Performance Monitoring report (the 3<sup>rd</sup> report to be released by Workplace Relations Ministers Council in July 2001).

A number of companies have now indicated willingness to trial positive performance indicators and will be guided in the trial implementation by staff from the Seacare Authority Secretariat. Documentation to assist trial companies is currently being finalised. The Authority noted developments in implementation of the project.

### **Seacare Authority website**

The Authority noted that further improvements to the website [www.seacare.gov.au](http://www.seacare.gov.au), included an enhanced design and new data gathering capabilities are currently underway.

### **Maritime Legislation Amendment Bill 2000 (the 500 GT Bill)**

The Authority was informed that the Bill has been referred to the Senate Regional and Rural Affairs and Transport Legislation Committee for inquiry. The Department of Employment Workplace Relations and Small Business (DEWRSB), the Department of Transport and Regional Services and a number of industry organisations have lodged submissions. Public hearings will take place on 10 August 2001 with a report due by 28 August 2001. The submissions are accessible on the Parliament House website at [http://www.aph.gov.au/senate/committee/rrat\\_ctte/index.htm](http://www.aph.gov.au/senate/committee/rrat_ctte/index.htm).

The Authority, DEWRSB and the Department of Transport and Regional Services have now agreed on guidelines that AMSA will use in assessing applications for a declaration under the proposed new opt-out provisions (proposed new Section 8AC of the *Navigation Act 1912*). The guidelines establish a role for the Authority in advising AMSA on an application for a declaration to opt-out of coverage from Commonwealth legislation. The Bill clarifies that the Seafarers and OHS(MI) Acts will no longer apply to Australian fishing vessels and fishing fleet support vessels (unless proceeding on an overseas voyage).

## **Special report – Australasian Return To Work Monitor**

The Australasian Return to Work Monitor (ARTW Monitor) is an Australian and NZ survey of the return to work experience of injured workers. All workers' compensation schemes in Australia, with the exception of WA, and now including NZ, participate in the survey. The ARTW Monitor is managed by a private consultancy firm, Stephen Campbell Research and Consulting. The Seacare Authority commenced participation in 1999-2000. The ARTW Monitor surveys all seafarers who lodged a compensation claim in the 7-9 months prior to the survey date – for the Seacare scheme there are four surveys each year in August, November, February and May. Each survey involves approximately 15 seafarers.

The latest survey results, at June 2001, from data collected from interviews **after May 2000 and up to February 2001** (ie from 3 surveys of approximately 45 seafarers in total) have highlighted some interesting characteristics of the Seacare scheme (note that as yet a full year of data is not available and the findings are of a preliminary nature):

- 94% of seafarers returned to their pre-injury working hours, compared to the national average of 56%;
- 75% of seafarers perceived that they did not have a written plan of action or rehabilitation program to help them return to work, compared to the national average of 57%;
- 45% of seafarers indicated they did not find a rehabilitation program helpful, compared to the national average of 20%;
- 55% of seafarers indicated they were not given suitable duties when they first returned to work, compared to the national average of 23%, while 44% indicated they were given suitable duties; and
- 73% of seafarers (who had not returned to work) indicated they had contact with their employer in the last 3 months compared to the national average of 39%.

In addition to interviewing injured seafarers, the ARTW Monitor analysed compensation payments data provided by the Australian Maritime Industry Compensation Agency (AMICA) relating to the interviewed seafarers, to ascertain compensation costs per claim. This data revealed that:

- a Seacare scheme claim is costing on average \$14,234 per 3 months compared to the national average of \$9,239 per three months (one explanation could be the longer duration of claims under the Seacare scheme) [claims costs include weekly compensation payments, medical and rehabilitation costs and employer legal costs].

A full report and analysis of the ARTW Monitor results will be published on the Seacare Authority website in August 2001.

### **Next Seacare Authority meeting**

The next meeting of the Authority will take place in Sydney on Tuesday 14 August 2001. If you wish that a matter be placed on the agenda for discussion, please forward your item to the Seacare Authority Secretariat by e-mail at [seacare@dewrsb.gov.au](mailto:seacare@dewrsb.gov.au) or telephone on (02) 6121 7120 by 29 July 2001.

### **Seacare Authority statistics and performance reports**

In 2000 the Authority adopted a new set of standing reports for consideration at each meeting, aimed at keeping a closer watch on scheme performance, and to help identify policy directions. The following charts and tables have been reproduced from those presented to meeting 35 of 28 May 2001.

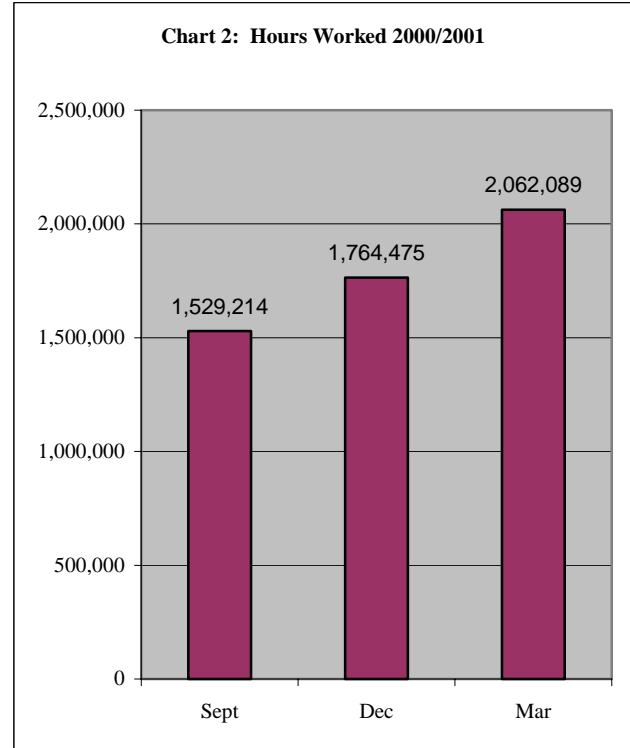
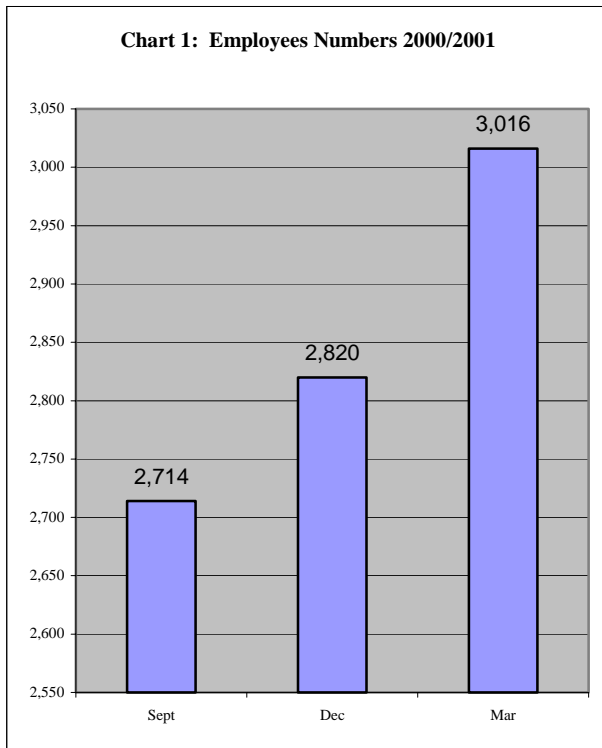


Chart 1 shows that on current trends, the number of seafarers covered by the Seafarers Act over 2000-01 will on average be slightly over 2,850, up marginally from the 2,800 seafarers covered in 1999-00. One explanation is that the Authority continues to identify ships that are covered by the Act.

Chart 2 shows that on current trends, hours worked by seafarers will total approximately 7.1m for the year, compared to 5.9 m in 1999-00. The Authority is conferring with the industry to ascertain the reason for this increase.

**Table 1: Seafarers Act - Compensation claims data - 2000-2001**

Claims data at end of each quarter	Sep	Dec	Mar	Jun	YTD	Annual estimate*	Previous year*
Total claims reported to AMICA	56	51	31		138	184	177
Claims accepted	48	34	20		102	136	151
Claims rejected	4	3	0		7	9	18
Claims pending	4	14	11		29	39	8
Claims accepted - on duty	43	32	20		95	127	134
Claims accepted - off duty	4	1	0		5	7	7
Claims accepted - other (travel, study)	1	1	0		2	3	10
Active or continuing claims	81	47			47	63	53
Claims of 5 or more days duration		64			64	128	131

Source: AMICA, \*Seacare Authority

Table 1 indicates that if the annual estimate of claims reported eventuates, the downward trend in the number of claims will reverse for the first time in over 5 years. While the increased number of seafarers may explain some of the increase, the upward trend indicates that the injury rate among seafarers could be on the increase, after a long period of decline.

**Table 2: OH&S incident report**

	Sep	Dec	Mar	Jun	YTD	Annual estimate*	Previous year*
Incidents reported to AMSA	15	22	14		51	68	80
Dangerous occurrences notified	1	0	5		6	8	8
Investigations of incidents	4	1	5		10	13	23
Prohibition notices issued	NA	1	NA		1	2	3
Improvement notices issued	NA	0	NA		0	0	7
Prosecutions commenced	NA	0	NA		0	0	0
Prosecutions concluded	NA	0	NA		0	0	1

Source: AMSA, \*Seacare Authority

Table 2 indicates that despite an apparent increase in the number of injuries occurring, this is not reflected in the number of incidents being reported. The Authority is discussing with AMSA ways to improve monitoring of incident reporting to ensure there is a proper match between incident reporting and claims lodgement.

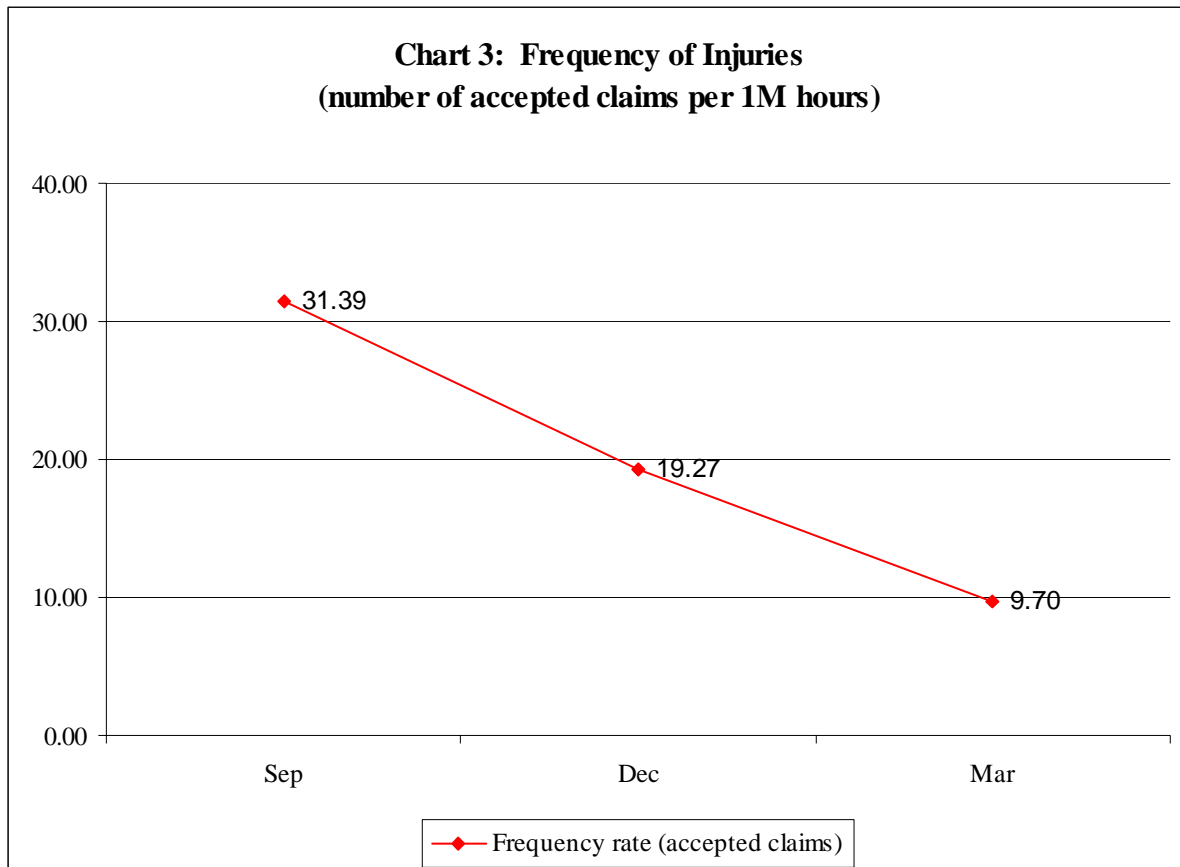
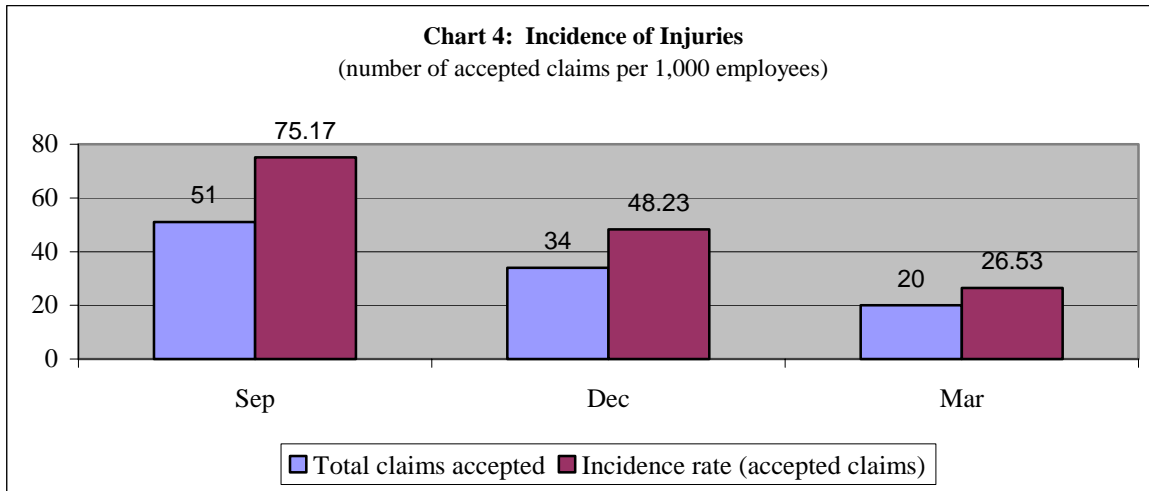


Chart 3 shows a strong downward trend in the injury frequency rate. Care should be taken in interpreting this chart because accepted claims at the last day of the quarter are subject to significant adjustment with the passage of time. In addition, the larger number of hours worked for a relatively stable seafarer population will also result in a positive trend.



The same qualifications provided in relation to Chart 3 apply to Chart 4.

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#### HOW TO CONTACT THE SEACARE AUTHORITY

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**Geoff Gronow**  
Chairperson

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