

### **Australian Government**

Seafarers Safety, Rehabilitation and Compensation Authority

# CORPORATE PLAN 2022–23

## SEACARE

### Contents

Introduction	3
Purposes	3
Key Activities	4
Operating Context	5
Environment	5
Capability	6
Risk	6
Cooperation	8
Subsidiaries	8
Performance	9
Purpose 1: Perform its statutory functions to promote healthy and safe workplaces and appropriate and timely compensation for, and rehabilitation of, injured workers covered by the Seacare scheme.	9
Purpose 2: Maintain a scheme safety net that is able to meet its liabilities.	11
Appendix	12

The Seacare Authority acknowledges the traditional owners and custodians of country throughout Australia and acknowledges their continuing connection to land, sea and community. We pay our respects to the people, the cultures and the Elders past, present and emerging.

2

### Introduction

I, as the Accountable Authority of the Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority), am pleased to present the Seacare Authority's 2022–23 Corporate Plan, which covers the period 2022–2026 as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

I look forward to working with my fellow Seacare Authority Members, the Australian Maritime Safety Authority, Comcare and industry stakeholders to achieve the objectives of this plan.

Barry Sherriff Chairperson

### Purposes

The Seacare Authority is established under the *Seafarers Rehabilitation and Compensation Act 1992* (Seafarers Act) with its functions and responsibilities set out under the Seafarers Act and the *Occupational Health and Safety (Maritime Industry) Act 1993* (OHS(MI) Act).

We oversee the operation of the Seacare scheme – a national scheme of occupational health and safety (OHS), rehabilitation and workers' compensation arrangements which applies to defined seafaring employees and – in relation to OHS – defined third parties.

The Seacare Authority administers both the Seafarers and OHS(MI) Acts and works collaboratively with the Australian Maritime Safety Authority (AMSA) through its delivery of the scheme inspectorate function under the OHS(MI) Act.

The Seacare Authority also manages the Seafarers Safety Net Fund (Fund). The Fund is a safety net "employer" to stand in the place of an extant employer if a default event occurs, enabling injured seafarers to make a claim against the Fund when there is no employer against whom a claim can be made.

Our purposes as derived from our functions and powers under the Seafarers Act and OHS(MI) Act are:



### Key Activities

In delivering our program of work against the key activities outlined in table 1 below, the Seacare Authority will be focussing on the following during 2022–23:

- Ensuring that the relevant Minister is sufficiently informed of the current and anticipated challenges facing the scheme.
- Reviewing, with assistance from Comcare, the Seacare Guide to the Assessment of the Degree of Permanent Impairment, due to sunset on 1 April 2023.
- Providing support, as required, to the Attorney-General's Department's review of the Seacare scheme.
- Working with employers in the Seacare scheme to ensure that they are complying with their legislative obligations and undertaking better practice injury management and return to work practices.
- Engaging with relevant governments and other bodies to optimally manage physical and psychological risks to seafarers from pandemic or other risks.

#### Table 1: Seacare Authority's key activities aligned with its strategic purposes

Purpose 1	Purpose 2		
<ul> <li>Monitor the operation of the OHS(MI) Act and promote compliance.</li> </ul>	<ul> <li>Undertake a biennial (or more frequent if required) actuarial review of the Fund to determine an</li> </ul>		
Proactively engage with the jurisdiction on safety	appropriate reserve target and levy rate.		
issues, including activities undertaken against the	• Ensure full and proper payment of levies and reporting		

- Ensure full and proper payment of levies and reporting of berths by employers as required by the Seafarers' Act and Levy Collection Act.
- Monitor potential liabilities or other factors that may reduce the Fund and ensure appropriate actions are taken in a timely manner.
- safety through information and guidance and other agreed cost neutral initiatives.Drive improvement in return-to-work outcomes in the

• Promote better practice occupational health and

Occupational Health and Safety Plan.

Seacare Authority/Australian Maritime Safety Authority

- Drive improvement in relativo work outcomes in the scheme through collaboration with health experts, providers and scheme stakeholders.
- Promote better practice claims management through provision of relevant information for employees and employers to improve decision making and dispute resolution.
- Educate scheme stakeholders to facilitate compliance with legislated reporting and payment obligations.

### **Operating Context**

### Environment

The Seacare Authority continues to support injured workers in the shipping and offshore industry, a hazardous industry involving complex operational and safety challenges, including the ongoing impacts of COVID-19.

The actual and impending withdrawal of most insurers from the Seafarers Act, and the very limited involvement of remaining insurers, is a critical issue for the scheme. The Seafarers Safety Net Fund (Fund) and employers under the scheme are required to be covered by compliant insurance policies – the absence of an available market, however, will leave employers with no option but to seek an exemption from the Seafarers Act and shift to state and territory arrangements where appropriate.

Structural changes in the shipping industry in Australia may continue to involve a decline in the number of scheme participants. These changes, combined with the collapse of the insurance market, has an ongoing impact on the Fund, particularly:

- increasing risk of a default event occurring; and
- significantly decreasing the pool of employers from which to collect a levy to maintain the reserves of the Fund.

The Attorney-General's Department commenced a <u>review of the Seacare scheme</u> in April 2022 in response to issues facing the scheme more broadly, including the worsening insurance position, with the final report due by 31 October 2022. The Seacare Authority will continue to collaborate with the review team, the relevant policy Department and the Government on this important undertaking and any changes made as a result of the review

The Seacare Authority publishes the annual <u>Seacare Scheme Data Report</u>, providing an overview of the Seacare scheme and its performance. We continuously monitor other data sources, such as those published by Safe Work Australia, and the operating environment to identify trends within the industry. This assists us in tailoring our activities to ensure we adapt to the changing environment and fulfil our purposes.

Our programs and activities are used by and affect:

- employers and operators covered by the Seacare scheme and their employees;
- individuals making claims for workers' compensation against the Fund; and
- Australian Government agencies, such as the Australian Maritime Safety Authority (AMSA) and Comcare.

5

### Capability

The Seacare Authority is not a body corporate and does not employ its own staff. To enable it to perform its functions and exercise its powers, Comcare provides the Seacare Authority with secretariat support and other assistance and makes available the services of such members of its staff as the Seacare Authority reasonably requires.

Comcare, under the Seacare Authority's direction, is responsible for:

- providing secretariat support to the Seacare Authority;
- managing the scheme's claims database;
- monitoring and reporting on Seacare scheme performance;
- preparing the annual report;
- reporting to the Minister;
- liaising and communicating with scheme stakeholders and other regulators;
- managing the annual appropriation for supporting the Seacare function;
- managing the Fund and levy collection; and
- administering any claims made on the Fund.

The capability of the Seacare Authority is provided by the appointment of Members and Deputy Members with relevant experience and knowledge to contribute to its effective operation and fulfilment of its legislative functions. A tripartite body, the Seacare Authority comprises representatives of employees, industry bodies and government.

### Risk

The Seacare Authority applies principles and a risk management framework which align with the *Commonwealth Risk Management Policy* and complies with international risk management standard ISO 31000:2018 and section 16 of the *Public Governance, Performance and Accountability Act 2013*.

We utilise a Strategic Risk Register to identify, monitor and mitigate risks to both the Authority and the scheme more generally, and to recognise and respond to environmental factors. The Strategic Risk Register is reviewed at each of the regular quarterly meetings of the Seacare Authority. The Comcare and Seacare Authority Audit and Risk Committee provides independent oversight and guidance, ensuring compliance with the processes applicable to the risk management framework.

We recognise some risk is inevitable, however the Seacare Authority actively works to minimise risks which may cause harm to our financial position, regulatory authority, reputation, stakeholder relationships, legislative obligations and the health and safety of employees covered by the scheme. We regularly monitor the success of risk controls implemented, and revise or supplement controls as required.

The Seacare Authority's strategic risks are summarised in Table 2 below.

### Table 2: Seacare Authority Strategic Risks

Strategic risk		Mitigation strategies		
1.	Seacare Authority fails to anticipate changes in the strategic environment and is unable to adequately respond to changes	<ul> <li>The Seacare Authority monitors its operating environment and engages with scheme stakeholders to consider strategic issues and prioritise actions.</li> <li>We exercise our legislative powers to provide certainty to scheme operators and employers.</li> </ul>		
2.	Safety performance of scheme deteriorates	• The Seacare Authority has developed an OHS plan in conjunction with ASMA and undertakes activities against this plan to promote compliance with health and safety legislation and regulations as best practice.		
3.	Seacare Authority unable to execute intent of Seacare Corporate Plan	• We undertake active review and regular reporting of Corporate Plan strategies, and work with Comcare to ensure reasonable and effective resources are available to support the Seacare Authority in its program of work.		
4.	Ineffective scheme administration and service delivery	• We undertake active review and regular reporting of Corporate Plan strategies, and work with Comcare to ensure reasonable and effective resources are available to support the Seacare Authority in its program of work.		
5.	Scheme may become unviable	<ul> <li>A biennial actuarial review of the Seafarers Safety Net Fund is undertaken by the Seacare authority, with appropriate insurance in place for the Fund.</li> <li>The Seacare Authority also works with scheme employers to ensure compliance with legislative obligations and promote better practice injury prevention and return to work practices.</li> </ul>		
6.	The Seacare Authority does not undertake its legislative obligations under the Seafarers Act due to: • poor governance arrangements; or • a catastrophic event.	<ul> <li>The Seacare Authority undertakes reviews of governance and delegation arrangements with Comcare on an annual basis to ensure conformance with better practice corporate governance.</li> <li>Business continuity plans are in place to ensure that the Seacare Authority can undertake its duties should a catastrophic event occur.</li> </ul>		

### Cooperation

As a tripartite body, the Seacare Authority collaborates with government, industry and employee organisations to undertake our statutory duties.

AMSA undertakes the inspectorate function under the OHS(MI) Act and provides the Seacare Authority with regular reports in relation to its inspectorate activity. AMSA also supports the Seacare Authority through provision of information and data on issues impacting the maritime industry and collaborates with the Seacare Authority on our Occupational Health and Safety Plan.

Comcare, as already noted, provides secretariat and other such support so that the Seacare Authority can undertake its functions. Comcare also facilitates collaboration with scheme stakeholders such as Safe Work Australia, and our participation in the National Data Set and the National Return to Work Survey.

The Seacare Authority will continue to work closely with the Attorney-General's Department on its review of the Seacare scheme, and with the Department of Employment and Workplace Relations through 2022–23 on broader issues of policy and scheme management.

### **Subsidiaries**

The Seacare Authority does not have any subsidiary bodies.

### Performance

Our performance management framework is responsive to our operating environment and is reviewed on an annual basis. We have established clear linkages between our key activities and statutory purposes and set targets to demonstrate how the Seacare Authority works to achieve these. Outcomes against our performance measures are presented in the Annual Performance Statements published in our Annual Reports.

# Purpose 1: Perform its statutory functions to promote healthy and safe workplaces and appropriate and timely compensation for, and rehabilitation of, injured workers covered by the Seacare scheme.

#### Table 3: Purpose 1, Measure 1

### Measure 1: The Seacare Authority promotes healthy and safe workplaces

### Key activities

Monitor the operation of the OHS(MI) Act and promote compliance

Proactively engage with the jurisdiction on safety issues, including activities undertaken against the Seacare Authority/ Australian Maritime Safety Authority Occupational Health and Safety Plan.

Promote better practice occupational health and safety through information and guidance and other agreed cost neutral initiatives.

Performance measures			
Measure	2022–23 target	2023–24 and beyond	Method/source
Regular and consistent reporting to the Seacare Authority on OHS(MI) Act outcomes.	Seacare Members and scheme participants have reporting available on scheme OHS performance to allow for identification and review of trends and opportunities to promote health and safety.	As per 2022–23	Seacare Performance Indicators tabled and considered against reported data annually, AMSA inspectorate reports are tabled at each regular meeting (quarterly). Source: AMSA data, Seacare data prepared by Secretariat
Implementation of actions in accordance with the OHS Plan.	Action taken in accordance with the OHS plan and otherwise as required.	As per 2022–23	Annual OHS plan review, actions identified and implemented with quarterly monitoring and assessment of actions taken.
Opportunities taken by the Authority to provide information and guidance to scheme participants on actions to address identified health and safety issues and priorities.	The Seacare Authority has policies and guidance which are adapted to health and safety needs of scheme participants.	As per 2022–23	New/revised policies and guidance materials are tabled at Seacare Authority meetings for consideration.

#### Table 4: Purpose 1, Measure 2

### Measure 2: The Seacare Authority promotes timely rehabilitation and compensation

#### **Key activities**

Drive improvement in return-to-work outcomes in the scheme through collaboration with health experts, providers and scheme stakeholders.

Promote better practice claims management through provision of relevant information for employees and employers to improve decision making and dispute resolution.

Educate scheme stakeholders to facilitate compliance with legislated reporting and payment obligations.

Performance measures			
Measure	2022–23 target	2023–24 and beyond	Method/source
The Seacare Authority identifies and actions opportunities to promote appropriate and timely rehabilitation and return to work.	Action is taken by the Seacare Authority to promote appropriate and timely rehabilitation and compensation activities.	As per 2022–23	Seacare Performance Indicators tabled and considered against reported data annually and action taken to promote improved performance. Source: Seacare data prepared by Secretariat.
Guidance material on claims management available to all scheme stakeholders, and scheme guidance is assessed as being easily accessible, up to date and appropriate.	Feedback indicates that scheme stakeholders are, on average, satisfied with the availability, currency and content of guidance on claims management.	As per 2022–23	Seacare Performance Indicators tabled and considered against reported data annually and action taken to promote improved performance. Source: Seacare data prepared by Secretariat.
Employer compliance is monitored, and action taken to encourage 100% compliance.	Employer reporting obligations under the Seafarers Act provided within required timeframes.	As per 2022–23	Reports of employer compliance with obligations tabled and reviewed at regular meetings and action taken as appropriate to promote compliance. Source: Seacare data prepared by Secretariat.

### Purpose 2: Maintain a scheme safety net that is able to meet its liabilities.

### Table 5: Purpose 2, Measure 3

### Measure 3: The Seacare Authority maintains a scheme safety net fund that is able to meet its liabilities

### Key activities

Undertake a biennial (or more frequent if required) actuarial review of the Fund to determine an appropriate reserve target and levy rate.

Ensure full and proper payment of levies and reporting of berths by employers as required by the Seafarers' Act and Levy Collection Act.

Monitor potential liabilities or other factors that may reduce the Fund and ensure appropriate actions are taken in a timely manner.

Performance measures			
Measure	2022–23 target	2023–24 and beyond	Method/source
The viability of the Fund is maintained in a changing industry environment.	Target cash reserve and recommended levy rate reviewed and determined (as appropriate) at a quarterly meeting of the Seacare Authority.	As per 2022–23	Determination of target cash reserve and recommended levy rate, informed by Actuarial assessment of the Fund as undertaken; Reports on the status of the fund and potential liabilities against the Fund are tabled at each regular meeting, implications considered and action taken if required. Source: Seacare data prepared by Secretariot, valuation provided by external Actuary
Employer compliance is monitored and action taken to ensure 100 per cent compliance.	Full and proper payment of levies and reporting of berths by employers as required by the Seafarers' Act and Levy Collection Act.	As per 2022–23	Reports of employer compliance with obligations tabled and reviewed at regular meetings and action taken as appropriate to promote compliance. Source: Seacare data prepared by Secretariat
Regular and consistent reporting to the Seacare Authority on potential liabilities and other factors that may impact the Fund.	Factors that may reduce the Fund are identified, monitored, and appropriate action taken.	As per 2022–23	Reports on the status of the fund and potential liabilities against the Fund are tabled at each regular meeting; implications considered and action taken if required. Source: Seacare data prepared by Secretariat

### Appendix

This corporate plan has been prepared in accordance with the requirements of:

- subsection 35(1) of the PGPA Act and;
- the PGPA rule 2014.

The following table details the requirements met by the Seacare Authority's corporate plan and the page reference(s) for each requirement.

### Table 6: Seacare Authority Compliance Table

Requirement	Page
Introduction	3
Statement of preparation	
the reporting period for which the plan is prepared	
the reporting periods covered by the plan	
Purposes	3
Key activities	4
Operating context	5
Environment	5
Capability	6
Risk oversight and management	6
Cooperation	8
Subsidiaries	8
Performance	9
Performance measures	9–11
Targets for each performance measure (where reasonably practical to set a targ	9–11