

21 May 2014

The Hon Jarrod Bleijie, MP
Attorney-General and Minister for Justice
GPO Box 149
BRISBANE QLD 4001

Dear Attorney-General

Re: WorkCover Queensland premium announcement for 2014/15

I am writing to congratulate the Government for making the necessary legislative reforms that have enabled WorkCover to provide Queensland employers with the lowest average premium rate in the nation.

I note recent media statements regarding the premium announcement. The legislative amendments in 2010 provided a period of premium stability, as evidenced by the following average premium rates (per \$100 wages):

- 2011/12 \$1.42
- 2012/13 \$1.45
- 2013/14 \$1.45

During this period, WorkCover also received very positive investment returns which added to the financial viability of the fund. This essentially corrected the negative effects caused by increasing common law claims experience and the Global Financial Crisis, in the years prior to the 2010 amendments.

However, it is important to note that without the 2013 legislative amendments, WorkCover would not have been able to reduce the average premium rate to the extent that it has for 2014/15, that is \$1.20. This rate has been determined by the WorkCover Board, following independent actuarial advice, such that the WorkCover continues to offer a stable and viable fund for Queensland employers and their workers.

Workers injured in Queensland still have access to some of the best benefits and coverage of any workers' compensation scheme. WorkCover's recovery and rehabilitation models are again some of the best, as evidenced by achieving a consistently high return to work rate, as well as high injured worker satisfaction rates according to independent national surveys.

On behalf of the WorkCover Board, I would like to thank you, the Premier and the Department for your support of the Queensland workers' compensation scheme.

Yours sincerely



Glenn Ferguson
Chair

18 February 2014

RECEIVED
18 FEB 2014

Honourable Jarrod Bleijie MP
Attorney-General and Minister for Justice
GPO BOX 149
BRISBANE QLD 4001

BY:

Dear Minister

Re: WorkCover average premium rate 2014-2015

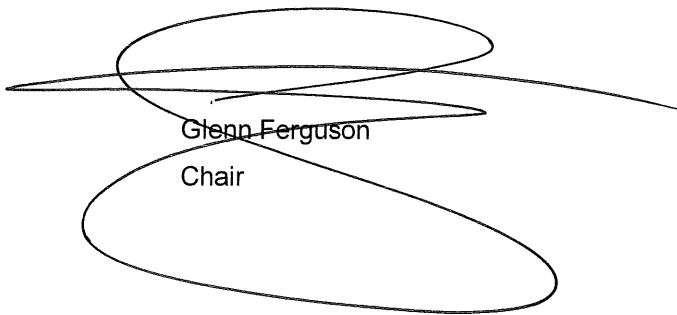
The WorkCover Queensland Board is required to provide a recommendation each year as to the average target premium rate to be charged for the subsequent insurance period commencing 1 July 2014.

At its meeting today, the Board considered the recommended rate for the 2014-2015 financial year. Based on the Actuary's costings, impact on employers and ensuring the on-going viability of the fund, it was recommended that the average targeted premium rate of \$1.20 be approved. This recommendation reduces the fund accident insurance average premium rate from \$1.45 to \$1.20 (a reduction of approximately 17%) for the 2014-2015 financial year.

Section 54(4) of the *Worker's Compensation and Rehabilitation Act 2003* (the Act) requires WorkCover to notify you prior to publication in the industrial gazette notice. The gazettal of this information is usually made in May.

It would be appreciated if we could receive a letter of response at your earliest convenience so that we can commence the communication of the 2014-2015 average premium rate to our employers.

Yours sincerely



Glenn Ferguson
Chair