

LEADERSHIP

Chair and CEO Report

We are pleased to present the WorkCover Queensland annual report for 2017–2018.

This year has seen us continue our drive to become a customer centric organisation, putting our customers at the heart of everything we do. To ensure we achieve this, we established formal organisational structures and processes during the year to better align our operations with customer needs.

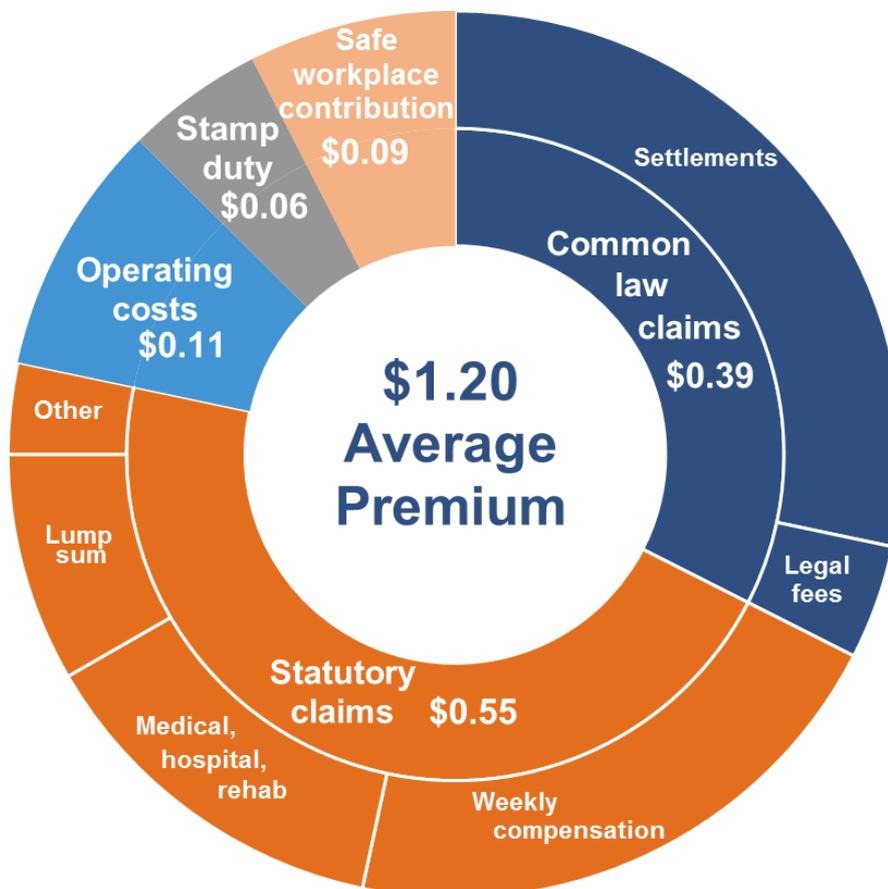
Working together with customers and stakeholders to provide a customer experience that delivers excellent return to work outcomes for workers at the lowest cost for Queensland businesses is a vision our organisation and people are committed to.

Maintained Australia's lowest average premium rate

For the fourth consecutive year, WorkCover offered Australia's lowest average premium rate at \$1.20 per \$100 of wages for the 2017–2018 year. This was achieved through continued prudent investment and cost control measures together with continued employer education on the benefits of maintaining a safe and healthy workplace.

Queensland employers will continue to enjoy the financial benefits of one of our lowest average premium rates for the 2018–2019 financial year. This is in addition to our ongoing apprentice discount and increased early premium payment discount of 5%.

The following diagram illustrates the breakdown of our \$1.20 average premium rate.



*Other, under statutory claims includes asbestos and firefighters allowance.

Delivering experiences our customers value

Our goal and driving force is to be an innovative insurer that puts the customer at the heart of everything we do. During the year, we continued to gather feedback and insights from our customers through a quarterly performance survey.

The survey asks our customers about their experience with us and measures our performance against five customer strategy principles – easy, fair and transparent, empowered, consistent and valued - which our customers have indicated are important to them.

The 2017-2018 financial year saw an overall improvement in the customer experience metric, highlighted by ratings of 7.3 out of 10 for employers and 7.2 out of 10 for workers during the quarter ending June 2018. We conducted four surveys throughout the year, reaching almost 80,000 employers and 40,000 injured workers.

We will continue to use these ratings and insights to design and implement tailored online and advisory services which will improve the experience for our customers and help us achieve our corporate goals and vision.

Enhancing our service delivery

We continued to deliver secure, intuitive, and reliable digital services that truly meet the needs of our customers and our people.

Protecting the security and privacy of our customer data is a high priority for WorkCover. During the year, we completed comprehensive risk and threat assessments of our critical information technology systems and services and delivered user education and awareness training to mitigate the potential for a security breach.

Our strong focus on user experience continued, with user research and feedback informing every customer facing digital service enhancement we deliver. Initiatives delivered this year included:

- an online lung disease examination application that allows workers to track their application, submit expense claims and other documents through our Worker Assist app and browser services
- enhanced visibility and accessibility of our Worker Assist app
- direct, online submission of expenses meaning faster payment for workers
- new automation technology to help public hospitals streamline the submission of injured worker claims through accident and emergency departments.

Strategy development focus

As part of fine-tuning our organisational structure, we established a Strategic Development Group in July 2017 that comprises five core functions: strategy development, portfolio management office, customer experience design, stakeholder relations and communications.

This group collaborates across the organisation to coordinate the planning and delivery of corporate-wide projects, strengthen our experience design and customer insights capability and expand our stakeholder engagement and customer education activities.

Partnering with research institutes

During the year, we partnered with Monash University to design and test an evidence-based approach to identifying and supporting injured workers who are at risk of poor return to work outcomes and/or pursuing common law against their employer.

This research project will investigate the barriers and enablers of return to work, the factors influencing an injured worker's reasons for suing their employer and innovative claim management strategies to mitigate these risks.

We also partnered with the University of Queensland and a select group of customers on a project to better understand people's experience of the common law process. Findings from this research will inform enhancements to the common law claim process and provide more clarity for injured workers and employers.

5-year scheme review

An independent review of Queensland's workers' compensation scheme, conducted by Professor David Peetz, was undertaken during the year and tabled in Parliament on 29 June 2018. Pleasingly, the review found the scheme is performing well and no major reforms were recommended.

The report recommended improvement opportunities including better support for workers suffering psychological injury and enhanced return to work programs. The need for clarification of coverage for 'gig' economy workers was also recommended.

Encouragingly, we have already commenced projects addressing some of these opportunities and we will continue to work with the Office of Industrial Relations and all stakeholders to investigate and implement reforms and appropriate recommendations to ensure the long term viability of the scheme.

Financial and investment performance

WorkCover's operating profit for 2017–2018 was \$324 million after tax.

The net return on investments for the year was 7.56% (2016–2017: 9.96%). Another strong result for the ninth consecutive year. We will continue to work with QIC, our fund manager, on sound investment strategies for the future.

WorkCover continues to be fully funded and will maintain a strong financial position as a direct result of our disciplined financial management, prudent investment approach and cost control focus.

Outlook

We will continue to build on the strategies and programs implemented in 2017–2018 to improve our service delivery, ensuring our customers and our people are supported by advanced technology and data analytics services which can support sustainable return to work outcomes.

While we are committed to being the best workers' compensation insurer, we also want to make a positive difference to people's lives. Keeping the customer at the heart of everything we do and continuing to use feedback and insights to deeply understand their needs, we will deliver the experiences that matter.

Building on our trusted partnerships with our medical, allied health and industry associations, unions and the legal industry, will continue to underpin our focus on sustainable return to work outcomes, ensuring we help keep Queenslanders working.

We are also keen to keep Queenslanders safe and together with the help of the Office of Industrial Relations, we will pursue safer workplaces through education and promotion of injury prevention best practices.

Key to our success is our people. Listening and supporting them will help us create an organisation of remarkable people who are inspired to make a difference.

Our financial security is paramount to achieving our goals and through continued prudent financial management, we remain committed to ensuring the financial stability of our workers' compensation scheme. Maintaining adequate reserves ensures premium stability for our employers and provides them with a competitive advantage. At the same time, it is important we keep a constant focus on facilitating the best possible rehabilitation outcomes for injured workers ensuring their sustainable return to work.

Thank you

We would like to thank and acknowledge the hard work of our Board members, executive management team and all our people. Because of their commitment and dedication, WorkCover can look positively to the future.

We would also like to thank the Honourable Grace Grace MP, Minister for Education and Minister for Industrial Relations and the Queensland Government for their ongoing support.



Flavia Gobbo
Chair



Bruce Watson
CEO

Board of Directors



Flavia Gobbo BALLB, GAICD
Chair

Flavia is a Solicitor of the High Court of Australia and the Supreme Court of Queensland and has extensive experience as a senior corporate lawyer with one of Australia's top publicly listed companies. She is Chair of the Emergency Services Telecommunication Authority, a Director of Employers Mutual Limited, Deputy Chair of Rowing Australia and Deputy Chair of SecondBite, a not for profit national food rescue organisation. Flavia was Chairperson of the former Queensland workers' compensation regulatory authority.



Roslyn McLennan BEcon
Deputy Chair

Roslyn is General Secretary of the Queensland Council of Unions. She is a Director of Safe Work (Queensland), a Trustee of Sunsuper and is a Member of the ACTU Executive. Roslyn was formerly Assistant General Secretary of the Queensland Independent Education Union.



John Crittall BEcon (Hons), MAdmin (IR)
Director

John has extensive experience providing strategic guidance in the key areas of industrial relations, workplace health and safety and legislative compliance. He is currently the Chair of the Building Employees Redundancy Trust, Director of Mates in Construction, Chair of Construction Income Protection Limited and Chair of Electro Group. John was formerly a Director at Master Builders, a role he held for over 10 years.



Kerriann Dear BSc, BSocWk (Hons)
Director

Kerriann has worked in the field of industrial social work since 1999. She has overseen the development and operations at a number of industrial advisory programs for vulnerable people including Working Women Queensland, Young Workers Advisory Service and Domestic Violence Work Aware and is also on the Social and Community Services Industry Committee for the Services Union. Kerriann was formerly a Board member and CEO of the Queensland Working Women's Service Inc.



Ian Leavers
Director

Ian is General President and CEO of the Queensland Police Union, a position he has held since 2009. He has been involved with the Queensland Police Union and as a union official since 1997. Ian is also a Director of QBank.



**Sarah Morris BEcon, GDip Applied Finance and Investment, GDip Applied Corporate Governance, ACA, FGIA, GAICD
Director**

Sarah Morris is Executive Manager – Strategy and Finance at TUH Health Fund. Sarah has held senior and executive positions with several organisations across defence services, finance, insurance, resources and professional services industries. She is a former state and national councillor of the Governance Institute of Australia.



**Michael Roche BComm (Hons), MComm (Hons), GAICD
Director**

Michael has had extensive senior executive experience in the government and private sectors, including 11 years as Chief Executive of the Queensland Resources Council. He is now a Strategic Adviser to law firm McCullough Robertson and is Principal of Michael Roche Advisory. He is the Chair of disability services group Multicap Ltd. He was a Director and Investment Committee Chair of industry superannuation fund Mine Super. Michael is also the WorkCover Risk and Audit Committee Chair.



**Lyn Rowland BA, PostGradDipHR/IR
Director**

Lyn's career has spanned both public and private sectors with 35 years' experience in human resources management and industrial relations, providing strategic and transformational leadership in executive roles in Normandy Mining, Queensland Rail, MacMahon Holdings, Limitless Holdings (UAE) and Queensland Health. Lyn has held Director roles with the Queensland Museum, Southern Cross Soloists and the Normandy Mining Superannuation Fund.



**Ben Swan GradDipStrategicLeadership,
DipSuperannuation, CertChangeLeadership, GAICD
Director**

For over 20 years, Ben has represented workers in industrial tribunals, boards and committees across a diverse range of national industries, including mining, oil and gas, pastoral, aviation, retail, tourism and hospitality, manufacturing, engineering and refining and smelting. Ben is the former Secretary of The Australian Workers' Union (AWU) in Queensland, and had previously held the positions of AWU Assistant National Secretary, AWU Assistant Secretary (Qld) and AWU National Industrial Officer.

Executive Leadership Team



Bruce Watson MOL, Dip Fin Services, FAICD, FASFA
Chief Executive Officer

Bruce commenced as WorkCover Queensland CEO on 1 January 2017. He was previously CEO of Mine Wealth and Wellbeing Super Fund for 11 years and was awarded 'Executive of the Year' in 2010 by the Fund Executive Association for his contributions to business and industry. Bruce is a highly experienced and proven CEO, recognised by industry for delivering sustainable financial performance and customer service excellence in the financial services sector. Bruce is committed to achieving WorkCover's vision of being Australia's leading workers' compensation insurer by driving the delivery of technologically advanced claims management platforms and outstanding customer experience.



Trevor Barrenger BA, GAICD
Chief Information Officer

Trevor has had extensive experience in the delivery of business solutions and technology systems in a number of global consulting organisations. He has had the opportunity to work on large projects across Europe, America and Australia, and his experience supports his ability to deliver technology solutions to meet WorkCover's business needs and customer service outcomes.



Christina Carras BComm, ACA, SIA (Aff), AGIA, GAICD
Chief Customer Officer

Christina leads the Customer Group to ensure the end-to-end claims management process meets WorkCover's corporate goals and balances the interests of both Queensland employers and injured workers. She oversees the claims, premium and relationship management of our industry aligned customer service model. She plays an integral role in delivery changes that benefit both our employers and injured workers, while at the same time engaging with our people to deliver the best outcomes.



David Heley BAdmin, FCPA, DFP, AGIA, GAICD
Chief People and Finance Officer

David has more than 21 years' experience in the finance and insurance sector. As Chief People and Finance Officer, David's focus is on ensuring a strong financial position and a committed and capable workforce both now and for the future. His group provides people and financial strategies to secure WorkCover as Australia's best workers' compensation insurer. These strategies are underpinned by learning and development, IR and ER, reporting and analysis, taxation, treasury, compliance, and audit functions that support the business. David is also the Company Secretary.



**Janine Reid BLaws, MBA, GIA (Cert), GAICD
Legal Counsel**

Janine has worked in personal injuries for over 21 years. Her knowledge and experience in personal injuries support her ability to manage our common law strategy and legal panel. She is also responsible for providing legal advice to the business and the WorkCover Board and engaging with external stakeholders.



**Nick Wenck BBus and Law
Chief Strategic Development Officer**

Nick commenced at WorkCover in July 2017 and leads teams across strategy development, strategic projects and portfolio management, experience design, communications and stakeholder relations. Nick's career spans strategic leadership roles across financial services, insurance, health, government, and management consultancy. Nick is passionate about the delivery of world leading customer experiences and claims outcomes underpinned by a clear, coherent strategy and business change program, and fully engaged and talented people.