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WorkCover WA is the government agency responsible for overseeing the WA workers compensation and injury management scheme. WorkCover WA undertakes a range of educational, advisory, enforcement and performance monitoring activities to ensure the WA workers compensation scheme is fair, accessible and cost-effective for all participants.

Long Duration Claims - 2022/23

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# **ABOUT THIS REPORT**

### LONG DURATION CLAIMS



## What are 'long duration claims'?

Long duration claims are commonly defined as workers compensation claims which involve 60 days/shifts or more off work due to work-related injury or disease.

Due to the evolving nature of claims, estimates of days lost for unfinalised claims are revised as claims progress. That is, as claims mature, the data is more reflective of the final outcome.



# Purpose of report

#### What is presented in this report?

WorkCover WA's long duration claims report is designed to provide stakeholders with an understanding of the overall activity and key trends of long duration claims within the workers compensation scheme of WA.

This report provides insight into long duration claims within the WA workers compensation scheme at three levels:

- ▲ key indicators claim numbers, costs, payments
- claimant characteristics
- ✓ injury/disease attributes.

For the purposes of this report, journey claims between home and work, asbestos-related diseases and fatalities are excluded.

#### Changes to the report

WorkCover WA is committed to providing relevant and timely information to stakeholders. In doing so, the 2022/23 report has been changed to include data up to the most recently completed financial year (i.e. 2022/23p, where the 'p' signifies 'provisional data' - data that is subject to change over time as further information about the claims are received).

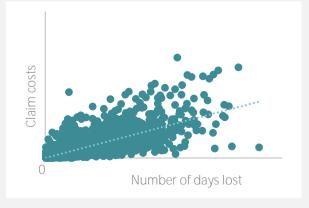
#### Why focus on long duration claims?

The focus on long duration claims is attributed to three key factors - the relationship between days lost and claim costs, the significance of long duration claim costs, and the likelihood of injured workers returning to work.

#### Relationship between days lost and claim costs

Figure 1 details all claims lodged in 2022/23p, with days lost on the X-axis and associated claim costs on the Y-axis. The scatter graph illustrates a strong direct relation between the number of days a worker was off work and the total claim costs, with a correlation coefficient of 0.8. In other words, the longer an injured worker is off work, the higher the claim costs.

Figure 1 - Days lost and claim costs for claims lodged in 2022/23p



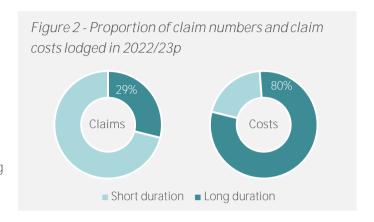
# **ABOUT THIS REPORT**

## LONG DURATION CLAIMS

#### The significance of long duration claim numbers and claim costs

The 80/20 rule (the Pareto principle) states for many events, roughly 80% of effects result from 20% of causes. This principle also applies to WA's workers compensation claim statistics.

Figure 2 illustrates long duration claims lodged in 2022/23p represented 29% of workers compensation claims however accounted for 80% of the total claim costs, which follows the 80/20 rule. As a result, by focusing on long duration claims, overall claim costs can be effectively managed.



#### Long duration claims and likelihood of returning to work

Workers compensation literature indicates the longer injured workers are absent from work, the less likely they are to return to work. WA claim statistics show the proportion of workers returning to work decreases as the number of days away from work increases (Figure 3).

Figure 3 shows claimants having up to 59 days off work had a similar return to work rate (around 93%). However, the return to work rate dropped significantly after 59 days off. In particular, after more than 180 days absent from work, only 2 in 3 claimants returned to work.





## Where does the data come from?

WorkCover WA collects data on all workers compensation claims lodged in the WA scheme from approved insurers and self-insurers. This includes data from all current and former approved insurers, self-insurers and the Insurance Commission of Western Australia.



### Classifications and standards

WorkCover WA applies national classification standards to claims data supplied by insurers to obtain information on injury and disease attributes, industries where injuries and diseases occurred, and occupations of claimants. For more information, please refer to the Glossary.

# KEY INDICATORS | 2022/23p

LONG DURATION CLAIMS

## ALL LOST-TIME CLAIMS

## LONG DURATION CLAIMS

#### **CLAIMS LODGED**

16,427





7,516 long duration claims

+45% over four years

In 2022/23p, over 16,000 lost-time claims were lodged, of which 46% were long duration claims. Total lost-time claims increased (+16%), however long duration claims increased significantly (+45%).

#### **FREQUENCY RATES**

6.9 lost-time claims per million hours

worked

no change over four years



2.9
long duration claims
per million hours
worked



In 2021/22, the frequency rate for lost-time claims was 6.9, compared to long duration claims at 2.9.

#### **TOTAL CLAIM COSTS**

\$1,019 million





\$875 million long duration claims



+8% over four years

In 2021/22, the total claim costs of long duration claims accounted for 86% of total lost-time claims costs.

#### **TOP INDUSTRIES**

Agriculture, forestry & fishing

11.8

lost-time claims per million hours worked





Transport, postal & warehousing

4.1

long duration claims per million hours worked

'Agriculture, forestry & fishing' had the highest frequency rate for all lost-time claims, compared to 'Transport, postal & warehousing' for long duration claims.

#### **TOP OCCUPATIONS**

Technicians & trades workers

24% lost-time claims





Technicians & trades workers

21.6%

long duration claims

'Technicians & trades workers' lodged the most long duration claims and overall lost-time claims.

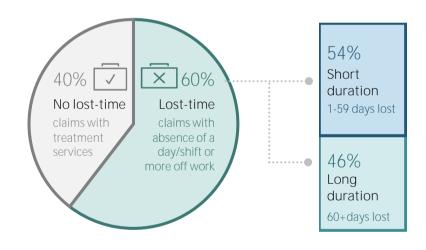
## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS CLAIM NUMBERS

	2019/20	2020/21	2021/22	2022/23p
1-59 days	8,952	9,263	8,769	8,911
60+ days	5,191	6,068	6,287	7,516
Lost-time claims	14,143	15,331	15,056	16,427

## LONG DURATION CLAIMS PROPORTION OF CLAIMS

2019/20 to 2022/23p





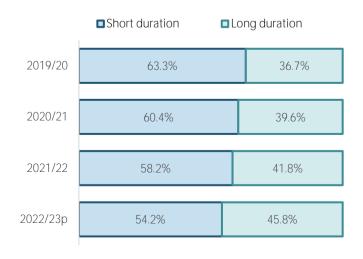
Lost-time claims are those which a worker was absent of a day/shift or more off work due to a work-related injury or illness.

Over the previous four years, lost-time claims increased (+16.1%), from 14,143 in 2019/20 to 16,427 in 2022/23p.

This was driven by a significant increase in claims with 60+ days lost, from 5,191 in 2019/20 to 7,516 in 2022/23p. These claims are referred to as long duration claims.

No lost-time claims are claims with treatment services only, accounting for 40% of claims over the last four years.

#### LONG DURATION CLAIMS COMPARISON TO SHORT DURATION CLAIMS





Although short duration claims accounted for the majority of lost-time claim numbers, the proportion of long duration claims increased from 36.7% to 45.8% over four years.

### LONG DURATION CLAIMS

#### LONG DURATION CLAIMS FREQUENCY RATES\*





Frequency rate\* indicates the prevalence of workers' compensation claims by measuring the number of lost-time claims per million hours worked.

The overall frequency rates for all lost-time claims remained stable over four years, where 6.9 claims were lodged per million hours worked.

Frequence rates for long duration claims, increased from 2.3 to 2.9 claims over four years.

#### LONG DURATION CLAIMS INCIDENCE RATES\*





*Incidence rate\** is the number of lost-time claims per thousand employees.

The incidence rate for long duration claims increased from 4.0 to 4.7 claims thousand employees.



One in every 213 WA employees had a long duration claim in 2021/22.

<sup>\*</sup> Frequency and incidence rates are only available for the previous financial year, in line with Australian Bureau of Statistics' data releases.

## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS AVERAGE CLAIM COSTS\*

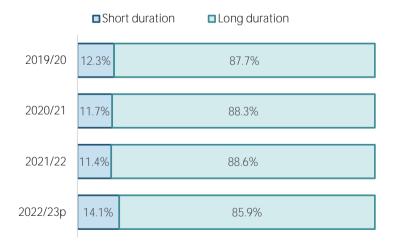




On average, long duration claims cost almost twice as much as overall lost-time claims.

Over the last four years, the claim cost for long duration claims averaged around \$143,000 per year.

#### LONG DURATION CLAIMS PROPORTION OF CLAIM COSTS\*



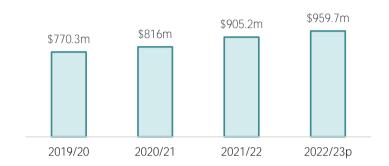


Although accounting for less than half of lost-time caims, long duration claim costs accounted for the majority of total lost-time claim costs.

<sup>\*</sup> Claim costs are expected to increase as claims develop over time due to a higher proportion of estimated costs from unfinalised claims (particularly for more recent years) being revised to reflect the actual claim costs.

### LONG DURATION CLAIMS

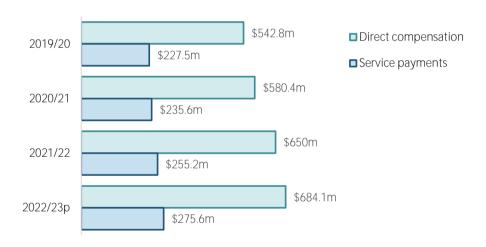
#### LONG DURATION CLAIMS ADJUSTED PAYMENTS (\$MILLION)





After adjusting for inflation, \$959.7 million was paid for long duration claims in 2022/23p, showing an increasing trend over the last four years.

#### LONG DURATION CLAIMS PAYMENT TYPES (\$MILLION)

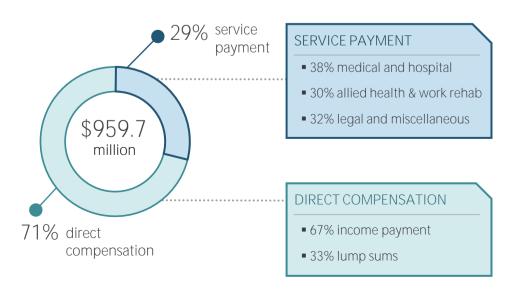




Direct compensation consists of income replacement payments and lump sums.

These payments consistently make up the majority of claim payments for long duration claims.

#### LONG DURATION CLAIM PAYMENTS 2022/23p



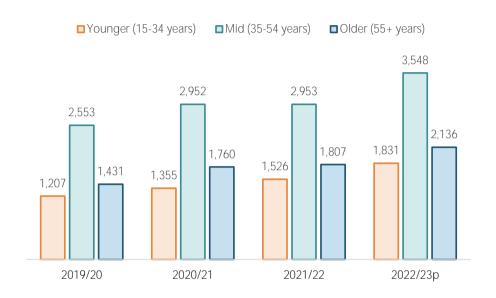


Direct compensation accounted for 71% of long duration claim payments in 2022/23p.

The remaining 29% was attributed to service payments, which includes medical & hospital, allied health, workplace rehabilitation, legal & other services.

### LONG DURATION CLAIMS

#### LONG DURATION CLAIMS BY AGE GROUP





The mid age group (35-54 years) lodged the most long duration claims across four years.

The older age group (55+ years) had the largest increase in the number of long duration claims, from 1,431 to 2,136 claims over four years.

#### LONG DURATION CLAIMS PROPORTION BY AGE GROUP



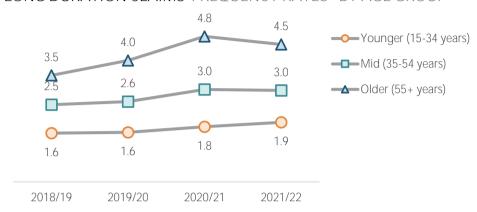


Over four years, around a quarter of long duration claims were lodged by the younger age group (15-34 years).

However, the majority of long duration claims were lodged by workers in the mid age, reflecting the majority of workers in this age group.

### LONG DURATION CLAIMS

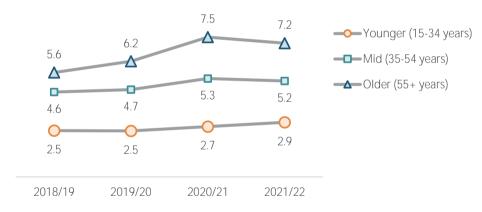
#### LONG DURATION CLAIMS FREQUENCY RATES\* BY AGE GROUP



In 2022/23p, the older age group had the highest frequency rate, with 4.5 long duration claims lodged per million hours worked.

The younger age group consistently had the lowest frequency rate. In 2022/23p, the younger age group lodged 1.9 long duration claims per million hours worked.

#### LONG DURATION CLAIMS INCIDENCE RATES\* BY AGE GROUP



The older age group continues to have the highest incidence rate across all age groups, with 7.2 long duration claims lodged per thousand employees in the latest year.

#### LONG DURATION CLAIMS AVERAGE COSTS ABY AGE GROUP

	2019/20	2020/21	2021/22	2022/23p
Younger (15-34 years)	\$132,564	\$124,246	\$122,536	\$97,273
Mid (35-54 years)	\$165,285	\$159,601	\$150,910	\$122,370
Older (55+ years)	\$160,679	\$161,244	\$157,970	\$123,029
All long duration claims	\$156,407	\$152,178	\$146,029	\$116,430

The younger age group generally had lower average long duration claim costs across all age groups.

<sup>\*</sup> Frequency and incidence rates are only available for the previous financial year, in line with Australian Bureau of Statistics' data releases.

<sup>^</sup> Claim costs are expected to increase as claims develop over time due to a higher proportion of estimated costs from unfinalised claims (particularly for more recent years) being revised to reflect the actual claim costs.

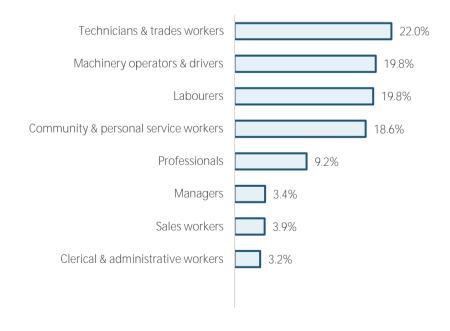
## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS BY OCCUPATION

	2019/20	2020/21	2021/22	2022/23p
Technicians & trades workers	1,166	1,292	1,437	1,624
Machinery operators & drivers	1,017	1,228	1,267	1,461
Labourers	1,051	1,210	1,264	1,435
Community & personal service workers	989	1,184	1,140	1,358
Professionals	458	555	551	746
Managers	151	192	204	316
Sales workers	201	229	230	311
Clerical & administrative workers	158	178	194	265
All long duration claims	5,191	6,068	6,287	7,516

#### LONG DURATION PROPORTION OF CLAIMS BY OCCUPATION

From 2019/20 to 2022/23p



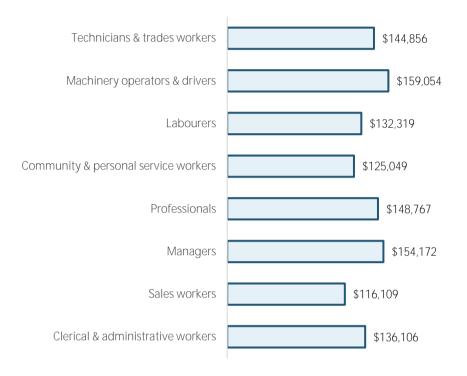
Over the four years, 'Technicians & trades workers' and 'Machinery operators & drivers' represented occupations with the highest number of long duration claims.

These occupations accounted for around 41.8% of all long duration claims lodged over the last four years.

### LONG DURATION CLAIMS

#### LONG DURATION CLAIMS AVERAGE COSTS\* BY OCCUPATION

From 2019/20 to 2022/23p



Across four years, 'Machinery operators & drivers' had the highest average long duration claim cost at \$159.054.

Over the same period, 'Sales workers' had the lowest average long duration claim cost at \$116,109.



'Machinery operators & drivers' includes workers in machine and stationary plant operators, mobile plant operators, road and rail drivers.

<sup>\*</sup> Claim costs are expected to increase as claims develop over time due to a higher proportion of estimated costs from unfinalised claims (particularly for more recent years) being revised to reflect the actual claim costs.

## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS BY INDUSTRY

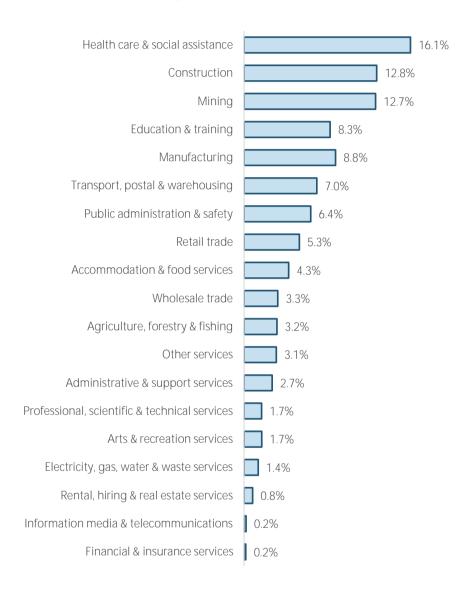
	2019/20	2020/21	2021/22	2022/23p
Health care & social assistance	879	1,040	997	1,113
Construction	693	698	831	988
Mining	599	757	867	961
Education & training	375	523	476	708
Manufacturing	437	557	568	651
Transport, postal & warehousing	347	404	456	552
Public administration & safety	373	370	391	478
Retail trade	266	323	337	411
Accommodation & food services	222	279	267	310
Wholesale trade	174	207	186	249
Agriculture, forestry & fishing	181	203	183	227
Other services	173	186	208	214
Administrative & support services	132	162	174	213
Professional, scientific & technical services	90	113	103	119
Arts & recreation services	125	99	93	110
Electricity, gas, water & waste services	65	85	84	108
Rental, hiring & real estate services	42	41	42	80
Information media & telecommunications	10	9	13	15
Financial & insurance services	8	12	11	9
All long duration claims	5,191	6,068	6,287	7,516

The 'Health care & social assistance' and 'Construction' industries consistently had the highest number of long duration claims across four years.

### LONG DURATION CLAIMS

#### LONG DURATION CLAIMS PROPORTIONS BY INDUSTRY

From 2019/20 to 2022/23p

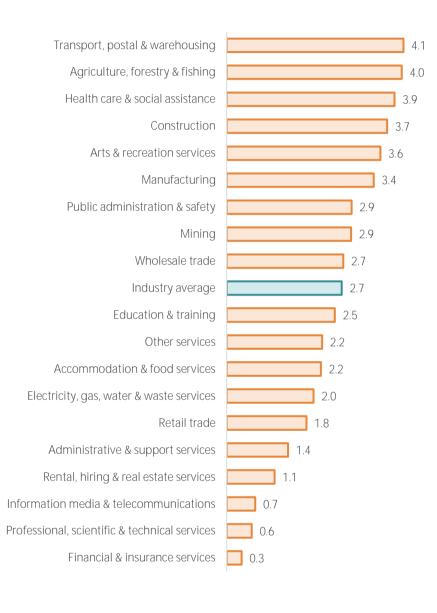


Over the four-year period, 'Health care & social assistance' had the highest proportion of long duration claims (16.1%), followed by 'Construction' (12.8%), and 'Mining' (12.7%)

### LONG DURATION CLAIMS

#### LONG DURATION CLAIMS FREQUENCY RATES\* BY INDUSTRY

From 2018/19 to 2021/22



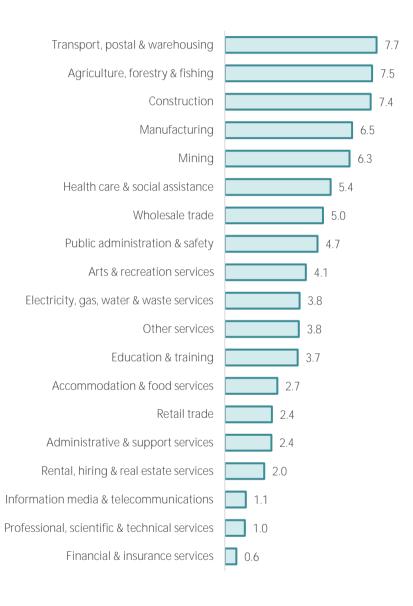
Over four years, the industries with the highest frequency rates were 'Transport, postal & warehousing' (4.1 long duration claims per million hours worked), followed by 'Agriculture, forestry & fishing' (4.0 long duration claims per million hours worked).

<sup>\*</sup> Frequency rates are only available for the previous financial year, in line with Australian Bureau of Statistics' data releases.

### LONG DURATION CLAIMS

#### LONG DURATION CLAIMS INCIDENCE RATES\* BY INDUSTRY

From 2018/19 to 2021/22



Over the previous four years, 'Transport, postal & warehousing' had the highest incidence rate for long duration claims (7.7 claims per thousand employees), followed closely by 'Agriculture, forestry & fishing' (7.5 claims per thousand employees).

<sup>\*</sup> Incidence rates are only available for the previous financial year, in line with Australian Bureau of Statistics' data releases.

## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS AVERAGE COSTS\* BY INDUSTRY

	2019/20	2020/21	2021/22	2022/23p
Health care & social assistance	\$136,445	\$142,539	\$135,126	\$101,017
Construction	\$168,647	\$168,819	\$154,889	\$138,405
Mining	\$181,681	\$188,440	\$178,670	\$131,421
Education & training	\$129,881	\$122,428	\$135,843	\$104,189
Manufacturing	\$149,791	\$142,793	\$150,079	\$106,819
Transport, postal & warehousing	\$172,464	\$168,291	\$159,781	\$129,866
Public administration & safety	\$164,273	\$160,183	\$160,926	\$129,931
Retail trade	\$159,003	\$130,596	\$121,754	\$84,592
Accommodation & food services	\$132,896	\$127,162	\$110,064	\$78,476
Wholesale trade	\$170,945	\$156,432	\$136,166	\$99,273
Agriculture, forestry & fishing	\$168,651	\$149,159	\$143,608	\$152,154
Other services	\$142,300	\$151,644	\$132,934	\$105,266
Administrative & support services	\$156,196	\$131,700	\$117,474	\$144,422
Professional, scientific & technical services	\$172,675	\$153,641	\$128,067	\$132,509
Arts & recreation services	\$125,788	\$124,975	\$101,376	\$88,319
Electricity, gas, water & waste services	\$194,974	\$164,813	\$145,298	\$111,566
Rental, hiring & real estate services	\$155,727	\$189,649	\$151,757	\$127,690
Information media & telecommunications	\$182,249	\$156,803	\$72,644	\$124,494
Financial & insurance services	\$173,317	\$89,377	\$163,347	\$140,135
All long duration claims	\$156,407	\$152,178	\$146,029	\$116,430

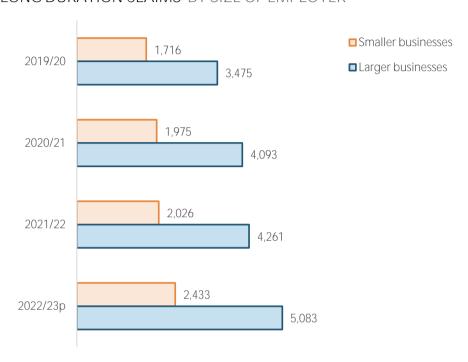


'Agriculture, forestry and fishing' had the highest average claim cost in 2022/23p, however, accounted for 3.0% of total workers in the WA scheme.

<sup>\*</sup> Claim costs are expected to increase as claims develop over time due to a higher proportion of estimated costs from unfinalised claims (particularly for more recent years) being revised to reflect the actual claim costs.

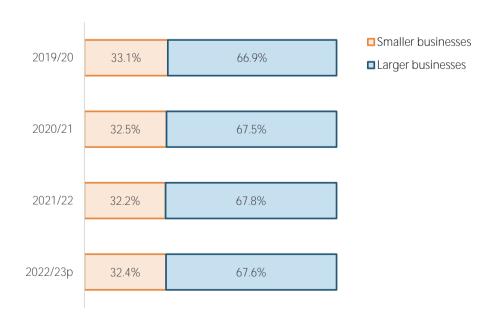
## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS BY SIZE OF EMPLOYER



Larger businesses (50+ employees) consistently had around twice as many long duration claims lodged than smaller businesses over the last four years.

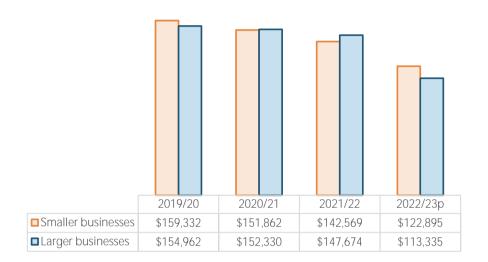
#### LONG DURATION CLAIMS PROPORTION OF CLAIMS BY SIZE OF EMPLOYER



The proportion of long duration claims for larger businesses shows a steady to increasing trend over four years.

## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS AVERAGE COST\* BY SIZE OF EMPLOYER



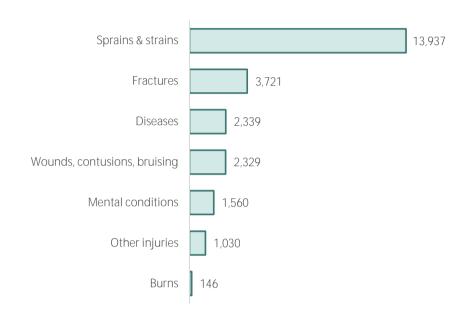
The average long duration claim cost for both smaller and larger businesses shows a decreasing trend since 2019/20.

<sup>\*</sup> Claim costs are expected to increase as claims develop over time due to a higher proportion of estimated costs from unfinalised claims (particularly for more recent years) being revised to reflect the actual claim costs.

## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS BY NATURE OF INJURY/DISEASE

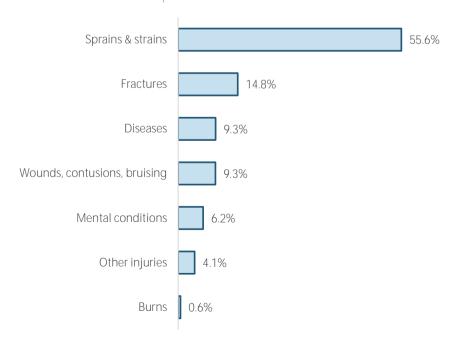
From 2019/20 to 2022/23p



Over the last four years, the most common injury for long duration claims was sprains and strains (55.6%), followed by fractures (14.8%).

#### LONG DURATION CLAIMS PROPORTIONS BY NATURE OF INJURY/DISEASE

From 2019/20 to 2022/23p



## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS AVERAGE COSTS\* BY NATURE OF INJURY/DISEASE

	2019/20	2020/21	2021/22	2022/23p
Sprains & strains	\$155,907	\$148,231	\$142,783	\$109,715
Fractures	\$148,658	\$157,707	\$144,595	\$124,979
Diseases	\$150,045	\$152,374	\$146,456	\$111,062
Wounds, contusions, bruising	\$146,394	\$145,340	\$139,845	\$116,052
Mental conditions	\$186,530	\$186,264	\$170,757	\$138,036
Other injuries	\$172,209	\$155,583	\$163,387	\$136,655
Burns	\$256,691	\$191,954	\$246,069	\$126,525
All long duration claims	\$156,407	\$152,178	\$146,029	\$116,430

Over four years, the average long duration claim cost for burns was the highest amongst all injury types, followed by mental conditions.



Although representing the most common injury, 'sprains and strains' had the lowest claim cost in 2022/23p.

<sup>\*</sup> Claim costs is expected to increase as claims develop over time due to a higher proportion of days lost and costs from unfinalised claims (particularly for more recent years) being revised to reflect the actual days lost and costs.

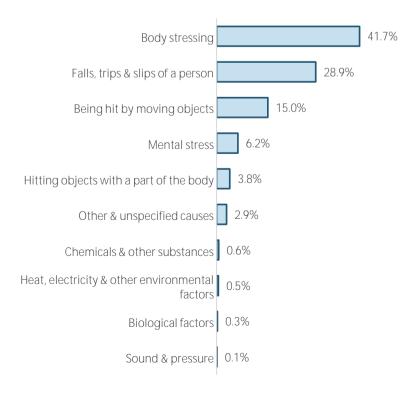
## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS BY MECHANISM OF INCIDENT

	2019/20	2020/21	2021/22	2022/23p
Body stressing	2,232	2,712	2,517	2,990
Falls, trips & slips of a person	1,483	1,741	1,937	2,090
Being hit by moving objects	787	851	928	1,184
Mental stress	298	324	352	584
Hitting objects with a part of the body	195	203	256	306
Other & unspecified causes	125	160	204	235
Chemicals & other substances	24	31	48	49
Heat, electricity & other environmental factors	23	29	29	47
Biological factors	20	8	13	22
Sound & pressure	4	9	3	9
All long duration claims	5,191	6,068	6,287	7,516

#### LONG DURATION CLAIMS PROPORTIONS BY MECHANISM OF INCIDENT

From 2019/20 to 2022/23p



Body stressing is the leading cause of injury, accounting for almost half of long duration claims over the last four years.

## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS AVERAGE COSTS\* BY MECHANISM OF INCIDENT

	2019/20	2020/21	2021/22	2022/23pp
Body stressing	\$151,211	\$147,252	\$140,803	\$107,448
Falls, trips & slips of a person	\$154,794	\$152,462	\$136,934	\$118,810
Being hit by moving objects	\$159,386	\$153,677	\$158,059	\$128,616
Mental stress	\$186,935	\$186,289	\$170,757	\$138,166
Hitting objects with a part of the body	\$128,903	\$132,381	\$141,454	\$85,021
Other & unspecified causes	\$181,269	\$162,310	\$187,133	\$137,817
Chemicals & other substances	\$210,253	\$173,420	\$154,538	\$122,456
Heat, electricity & other environmental factors	\$238,852	\$161,133	\$262,877	\$107,048
Biological factors	\$180,816	\$154,389	\$154,284	\$107,774
Sound & pressure	\$438,037	\$374,041	\$74,391	\$81,190
All long duration claims	\$156,407	\$152,178	\$146,029	\$116,430

For the most common cause of injury, the claim cost for body stressing injuries averaged around \$135,000 per year.



'Body stressing' are injuries resulting from straining muscles, tendons, ligaments and bones.

<sup>\*</sup> Claim costs are expected to increase as claims develop over time due to a higher proportion of estimated costs from unfinalised claims (particularly for more recent years) being revised to reflect the actual claim costs.

## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS BY BODILY LOCATION OF INJURY/DISEASE

	2019/20	2020/21	2021/22	2022/23p
Upper limbs	2,101	2,387	2,402	2,816
Lower limbs	1,260	1,519	1,687	1,889
Trunk	798	955	964	1,162
Multiple & unspecified locations	534	666	599	698
Non-physical locations	299	326	352	583
Head	118	132	169	247
Neck	64	75	93	97
Systemic locations	17	8	21	24
All long duration claims	5,191	6,068	6,287	7,516

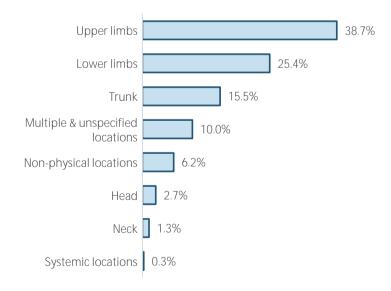
Over the last four years, injuries most commonly involved upper and lower limbs, and show an increasing trend.

Non-physical locations includes the psychological system and accounted for 6.2% of long duration claims over the last four years.

Systemic locations includes the circulatory, respiratory, digestive, genitourinary, nervous, other and unspecified systemic conditions. These accounted for only 0.3% of long duration claims between 2019/20 and 2022/23p.

#### LONG DURATION CLAIMS PROPORTIONS BY BODILY LOCATION

From 2019/20 to 2022/23p



## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS AVERAGE COSTS\* BY BODILY LOCATION OF INJURY/DISEASE

	2019/20	2020/21	2021/22	2022/23pp
Upper limbs	\$139,554	\$139,210	\$130,095	\$104,176
Lower limbs	\$142,482	\$137,409	\$127,664	\$111,476
Trunk	\$171,079	\$157,537	\$167,572	\$122,236
Multiple & unspecified locations	\$188,917	\$193,843	\$189,521	\$129,581
Non-physical locations	\$186,530	\$186,264	\$170,757	\$138,036
Head	\$226,981	\$195,205	\$184,381	\$133,916
Neck	\$228,330	\$201,075	\$209,948	\$233,158
Systemic locations	\$270,978	\$159,624	\$208,223	\$103,939
All long duration claims	\$156,407	\$152,178	\$146,029	\$116,430

In 2022/23p, long duration claims with injuries to the neck had the highest average claim cost of \$233,158.

However, neck injuries were one of the least common body parts (1.3%) associated with long duration claims.



Work-related injuries to the limbs accounted for two-thirds of long duration claims.

<sup>\*</sup> Claim costs is expected to increase as claims develop over time due to a higher proportion of days lost and costs from unfinalised claims (particularly for more recent years) being revised to reflect the actual days lost and costs.

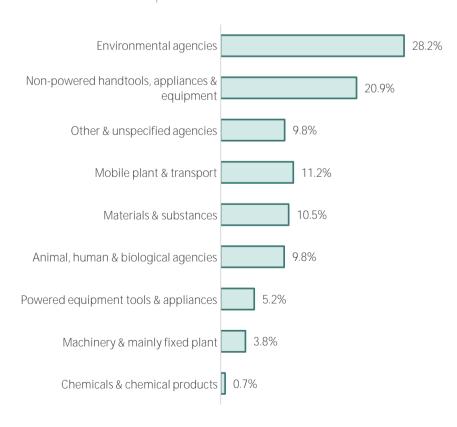
## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS BY AGENCY OF INJURY/DISEASE

	2019/20	2020/21	2021/22	2022/23p
Environmental agencies	1,463	1,678	1,867	2,060
Non-powered handtools, appliances & equipment	1,117	1,312	1,318	1,488
Other & unspecified agencies	479	543	553	892
Mobile plant & transport	565	729	724	783
Materials & substances	568	611	666	777
Animal, human & biological agencies	526	627	562	734
Powered equipment tools & appliances	245	314	303	433
Machinery & mainly fixed plant	197	216	248	292
Chemicals & chemical products	31	38	46	57
All long duration claims	5,191	6,068	6,287	7,516

#### LONG DURATION CLAIMS PROPORTIONS BY AGENCY OF INJURY/DISEASE

From 2019/20 to 2022/23p



Over the four years, the most long duration claims involved environmental agencies (28.2%), followed by non-powered handtools, appliances & equipment (20.9%).

## LONG DURATION CLAIMS

#### LONG DURATION CLAIMS AVERAGE COSTS\* BY AGENCY OF INJURY/DISEASE

	2019/20	2020/21	2021/22	2022/23p
Environmental agencies	\$151,242	\$150,519	\$136,546	\$119,192
Non-powered handtools, appliances & equipment	\$141,519	\$144,281	\$138,979	\$102,615
Other & unspecified agencies	\$169,608	\$160,844	\$156,851	\$124,871
Mobile plant & transport	\$180,199	\$176,727	\$165,066	\$139,968
Materials & substances	\$169,472	\$151,026	\$158,323	\$110,340
Animal, human & biological agencies	\$146,934	\$137,432	\$143,338	\$108,538
Powered equipment tools & appliances	\$140,577	\$135,811	\$127,320	\$105,697
Machinery & mainly fixed plant	\$182,518	\$175,453	\$168,184	\$130,272
Chemicals & chemical products	\$179,550	\$168,016	\$161,851	\$117,094
All long duration claims	\$156,407	\$152,178	\$146,029	\$116,430

Over the four-year period, the highest average long duration claim costs were associated with 'mobile plant & transport' or 'machinery and mainly fixed plant'.



Injuries involving 'mobile plant and transport' had the highest average claim costs in the latest year (\$139,968).

<sup>\*</sup> Claim costs is expected to increase as claims develop over time due to a higher proportion of days lost and costs from unfinalised claims (particularly for more recent years) being revised to reflect the actual days lost and costs.

# GLOSSARY

## LONG DURATION CLAIMS

TERM	DEFINITION / EXPLANATION OF TERM
Act	The Workers Compensation and Injury Management Act 1981.
Age	Chronological age (in years) of the worker at the date of injury or disease.
Agency of injury or disease	The object, substance or circumstance that was principally involved in or most closely associated with the point at which things started to go wrong and which ultimately led to the most serious injury or disease. A comprehensive list of this classification is available from Safe Work Australia <i>Type of Occurrence Classification System 3rd edition</i> (safeworkaustralia.gov.au).
Bodily location	The part of the body affected by the most serious injury or disease. A comprehensive list of this classification is available from Safe Work Australia <i>Type of Occurrence Classification System 3rd edition</i> (safeworkaustralia.gov.au).
Claim count	The total number of claims (disallowed claims and journey claims between home and work are excluded) notified by insurers and exempt employers.
Claimant	A person who lodges a claim in the WA workers compensation scheme.
Claim costs	An estimate of costs for unfinalised claims, and total cost of finalised claims attributed to the year in which a claim was lodged. Due to the evolving nature of claims, data is subject to change particularly the most recent year. Claim costs are not adjusted for inflation.
Claims data	Information pertaining to workers compensation claims is reported to WorkCover WA by approved insurers and self-insurers. Information is collated based on the financial year in which a claim was lodged with the insurer. For the purposes of this report, certain types of claims were excluded:
	<ul> <li>✓ lost-time journey claims between home and work</li> <li>✓ asbestos-related diseases, including mesothelioma and pneumoconiosis, caused by asbestos exposure</li> </ul>
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Due to the evolving nature of claims, data is subject to change particularly the most recent year.

■ duplicated or disallowed (by an insurer).

# GLOSSARY

# LONG DURATION CLAIMS

TERM	DEFINITION / EXPLANATION OF TERM
Claim payments	Categories are based on WorkCover WA's Guidelines for Completing Form WC 101. Claim payments are in contrast with claim costs as they do not reflect liabilities incurred but not yet paid. Claim payment information is collated based on the financial year during which payment was made, regardless of when the claim was lodged with the insurer. In this report, claim payments are reported both in adjusted and unadjusted formats. In relation to the former, payments are adjusted for inflation to allow for meaningful comparisons over time.
Direct compensation	Payments made directly to the worker either by income replacement (payments made for absences from work) or lump sums such as:
	■ redemption payments made under Schedule 1
	▲ specific injury payments made under Schedule 2
	■ fatal payments including funeral expenses
	■ common law and other Acts payments.
Frequency rate	The number of lost-time claims per million hours worked and indicates the prevalence of workers' compensation claims. The number of hours worked by employed persons in Western Australia is sourced from the Australian Bureau of Statistics (abs.gov.au).
Incidence rate	The number of lost-time claims per thousand employees (part-time, full-time, casual, and seasonal) in Western Australia. Employee numbers are based on the Australian Bureau of Statistics Labour Force data (catalogue no. 6202.0).
Industry	Based on the <i>Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006</i> published by the Australian Bureau of Statistics. The ANZSIC system groups together businesses that carry out similar economic activities and structured into a hierarchy of units reflecting different levels of description (abs.gov.au).
Lodgement year	The financial year the claim was lodged with the insurer.
Long duration claims	Workers compensation claims for which the injury or disease results in an absence from work of at least 60 days or shifts.

Lost-time claims

shift.

Claims for which the injury or disease results in an absence from work of at least one day or

## **GLOSSARY**

## LONG DURATION CLAIMS

#### **TERM**

#### **DEFINITION / EXPLANATION OF TERM**

# Mechanism of incident

The action, exposure or event that best describes the circumstances that resulted in the most serious injury or disease. The full list of this classification is available from Safe Work Australia's *Type of Occurrence Classification System 3rd edition* (safeworkaustralia.gov.au).

# Nature of injury or disease

The most serious injury or disease suffered by the worker. The full list of this classification is available from Safe Work Australia's *Type of Occurrence Classification System 3rd edition* (safeworkaustralia.gov.au).

#### Occupation

Based on the *Australian and New Zealand Standard Classification of Occupations (ANZSCO)* published by the Australian Bureau of Statistics. It is a skill-based classification which encompasses all occupations in the Australian workforce (abs.gov.au).

#### Service payments

Service payments include:

- 1. medical and hospital payments:
  - medical practitioner and specialist payments (consultation and treatment expenses rendered by general practitioners and medical specialists)
  - ▲ hospital expenses (hospital accommodation and hospital treatment)
- 2. allied health payments:
  - other treatment and appliance payments (comprises payments made under clauses 17(1)(3), (4), (5) and (6) of Schedule 1 of the Act, other than medical and hospital expenses)
- 3. workplace rehabilitation payments:
  - workplace rehabilitation payments (comprises payments made under clause 17 (1a) of Schedule 1 of the Act in respect of counselling, occupational training, work assessment, aids and appliances)
- 4. legal and miscellaneous:
  - legal expenses (comprises the cost of legal advice and representation incurred by approved insurers or exempt employers, witness fees and the costs of these services incurred by the worker where the approved insurer or exempt employer is ordered to meet the costs)
  - miscellaneous (includes general items that do not fit in any other category, for example travelling, meals and lodgings, under clause 19 of Schedule 1).

## **DISCLAIMER**

## LONG DURATION CLAIMS

- Due to the dynamic nature of workers compensation claims, the interpretation of data contained within this report (the data) must be undertaken with some caution. Data users are cautioned to consider carefully the provisional nature of the data before using it for decisions that concern personal or public safety or the conduct of business that involves substantial monetary or operational consequences.
- The accuracy or reliability of the data is not guaranteed or warranted in any way. WorkCover WA has made a reasonable effort to ensure that the data is up-to-date, accurate, complete, and comprehensive at the time of disclosure. This data reflects data reported to this agency by insurers and self-insurers for the reporting periods indicated. Data users are responsible for ensuring by independent verification its accuracy, currency or completeness.
- 3 Neither WorkCover WA, or its agencies or representatives are responsible for data that is misinterpreted or altered in any way. Derived conclusions and analysis generated from this data are not to be considered attributable to WorkCover WA.
- This data is provided as is and in no event shall WorkCover WA, its agencies or representatives be liable for any damages, including, without limitation, damages resulting from lost data or lost profits or revenue, the costs of recovering such data, the costs of substitute data, claims by third parties or for other similar costs, or any special, incidental, punitive or consequential damages, arising out of the use of the data.
- Information concerning the accuracy and appropriate uses of the data or concerning other workers compensation data may be obtained by contacting WorkCover WA.