



Safety, Rehabilitation and Compensation (97E(1) – Premium Determination) Guidelines 2022

The Safety, Rehabilitation and Compensation Commission makes the following legislative instrument.

Dated 24 August 2022

Peter Richards
Chairperson – Safety, Rehabilitation and Compensation Commission

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1 Name

This instrument is the *Safety, Rehabilitation and Compensation (97E(1) – Premium Determination) Guidelines 2022*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under section 97E(1) of the *Safety, Rehabilitation and Compensation Act 1988*

4 Definitions

Act means the *Safety, Rehabilitation and Compensation Act 1988*

fully-funded position means that Comcare has sufficient assets to meet its liabilities of the premium-funded scheme, as calculated by an actuary.

Note: A number of expressions used in this instrument are defined in section 4 of the Act, including the following:

- (a) Entity
- (b) Commonwealth authority
- (c) Comcare
- (d) Commission

5 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

6 Determining Premiums

In determining the amount of premiums to be paid by each Entity and by each Commonwealth authority under the Act in respect of a financial year, the following guidelines apply to Comcare:

- (1) Comcare should maintain the scheme in a fully-funded position;
- (2) The amount of premiums determined should balance responsiveness to changes in claims experience with the need for stable and predictable premiums;
- (3) Significant long-term cross-subsidisation between Entities and Commonwealth authorities should be avoided;
- (4) The methodology for calculation of premiums in one financial year should be used to calculate penalty and bonus amounts in the following year (regardless of whether the methodology has been varied in the interim);
- (5) The impact of claim performance and other variable costs on premiums must be transparent and explained to Entities and Commonwealth authorities;
- (6) Indicative premiums should be advised to each Entity and Commonwealth authority in time for consideration in the context of that Entity or Commonwealth authority's budgets for the following financial year;
- (7) Adjustments due to correction of data should only be made if identified before finalisation of the charge to which they relate, except for errors made by Comcare;
- (8) Significant changes to the methodology for calculation of premiums must be explained to Entities and Commonwealth authorities;
- (9) A minimum premium must be determined to apply in relation to each Entity and Commonwealth authority, to ensure the recovery of administrative costs incurred by Comcare; and
- (10) Comcare must advise the Commission annually on its compliance with these guidelines.

Note:

- (1) Section 97J of the Act provides for the review by Comcare, at the request of an Entity or Commonwealth authority, of a premium determination under section 97 of the Act;
- (2) Section 97K of the Act provides for the further review by the Commission, at the request of an Entity or Commonwealth authority, of a premium determination under section 97 of the Act that has been reviewed by Comcare under section 97J of the Act;
- (3) Section 97M of the Act provides for the variation by Comcare, in certain specified circumstances, of a premium determination.

Schedule 1—Repeals

Premium Determination Guidelines 2016 (FL2016L01264)

1 The whole of the instrument

Repeal the instrument.