INQUIRY INTO 2022 REVIEW OF THE WORKERS COMPENSATION SCHEME

Organisation: Insurance & Care NSW (icare)

Date Received: 26 July 2022

Submission to the NSW Legislative Council Standing Committee on Law and Justice's *2022 Review of the Workers Compensation Scheme*

Insurance and Care NSW (icare)

July 2022

EXECUTIVE SUMMARY

icare welcomes the opportunity to provide a submission to the NSW Legislative Council Standing Committee on Law and Justice's *2022 Review of the Workers Compensation Scheme*.

Our submission seeks to share our insights as the provider of insurance and care for over 3.7 million workers, 330,000 private employers and 205 NSW Government agencies covered under our Nominal Insurer (NI) and Treasury Managed Fund (TMF) workers compensation schemes.

The nature of work is changing. There has been a substantial shift away from manufacturing and into the services sector. Health and community services, and professional and financial services, now dominate Australia's employment growth, followed closely by the education sector. Additionally, our workforce is ageing, the use of technology has created an 'always on' 24/7 culture, and the workforce is becoming increasingly casualised.

Concurrently, mental ill-health is now the most diagnosed long-term condition in Australia, with 2.2 million people identifying as having a mental health condition[1]. The COVID-19 pandemic has accelerated a trend that started in the early part of this century and access to timely mental health treatment services is not always available.

It's not just NSW or Australia - this is a global issue, with a complex range of factors impacting workplaces, individuals and their recovery.

Employers are now needing to care for workers whose mental health is not at optimal levels. That care can take many forms to create a psychologically safe workplace. It requires a change in how we think about people with mental health issues, and an understanding of the important role leaders play in setting a positive workplace culture. To put it simply, we all need to listen and care more.

icare is seeing the impact of these changes in the claims we manage with increasing rates of psychological injury claims - particularly in the health and community services sector and service delivery parts of the public sector. Our emergency services workers are particularly impacted due to the challenging nature of the work that they do. The increasing incidences of mental health issues means that access to effective services can be delayed or compromised.

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[1] Australian Bureau of Statistics (ABS), <u>2021 Census data: over 8 million Australians have a long-term health condition</u>, 28 June 2022.

This is the single greatest challenge to the sustainability of our workers compensation schemes. For the Nominal Insurer, 85% of employers we support have fewer than 10 employees where there is little infrastructure to support businesses and workers in managing mental ill-health. This is a key driver of scheme costs and is having a tangible impact on return to work (RTW). According to preliminary research by Professor John Buchanan from the University of Sydney Business School, RTW has seen a long decline across all Australian jurisdictions since 2006 and, where employers have weak contact with workers, the RTW rates are around 20-25% lower.

icare takes our role in responding to this challenging environment very seriously. Our program of improvements and targeted initiatives is directed at supporting employers, Government agencies and workers to recover, thus improving RTW rates. icare is developing a specialist claims model for psychological injury claims, introduced a professional standards framework for claims professionals and established a new partnership with the Personal Injury Education Foundation (PIEF) to enhance training opportunities and improve outcomes for those we serve.

We are also working on injury prevention and early intervention initiatives, investing in areas that can help employers and workers prevent injury, or better recover.

icare hopes to be part of a holistic response working with a range of stakeholders across Government and the private sector including insurers, regulators and policy makers, employers, and treating professionals.

Recognising the Committee's interest in icare's progress in response to the McDougall Review and the Committee's own recommendations, we have also included a brief update of our progress in improving other aspects of our operations at Appendix A.

We look forward to discussing this matter in further detail at the Committee's upcoming public hearing.

THE CHANGING WORLD OF WORK

Long-term trends

Long-term trends are changing the nature of the workforce and the type of work that is done

1. Preliminary research undertaken on behalf of icare by Professor Buchanan at the University of Sydney Business School has shown employment in Australia has changed, with a shift away from manufacturing into the services sector over many decades. Health and community services, and professional and financial services, now dominate Australia's employment growth, followed closely by the education sector.

2. This means that work is no longer defined by physical effort, but the knowledge, care and interpersonal skills that an individual brings, i.e., the mental effort.

3. Workplaces have evolved with new technology, which accelerated during the COVID-19 pandemic. The changing needs of the workplace are adding to the physical and mental demands experienced by many and working digitally has increased the number of people working outside standard hours.

4. While employment has shifted, there has also been an ageing in the workforce population. ABS data confirms that Australians are increasingly working to older ages[2].

5. Long-term analysis by Professor Buchanan and team[3] (**Figure 2**) suggests the RTW decline currently experienced across NSW and Australia more broadly is driven by a number of external elements shaping both the labour market and industry structures, and that these are impacting far beyond any of the shorter-term administrative changes to the NI's claims model.

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[2] Labour Force Australia, ABS cat. no. 6291.0.55.001. Canberra: ABS.
[3] Buchanan, J., Cingillioglu, I. and Tran, K. (2022). *Understanding changing return to work trends in NSW – First report on progress from the University of Sydney Research team.* Prepared for icare.
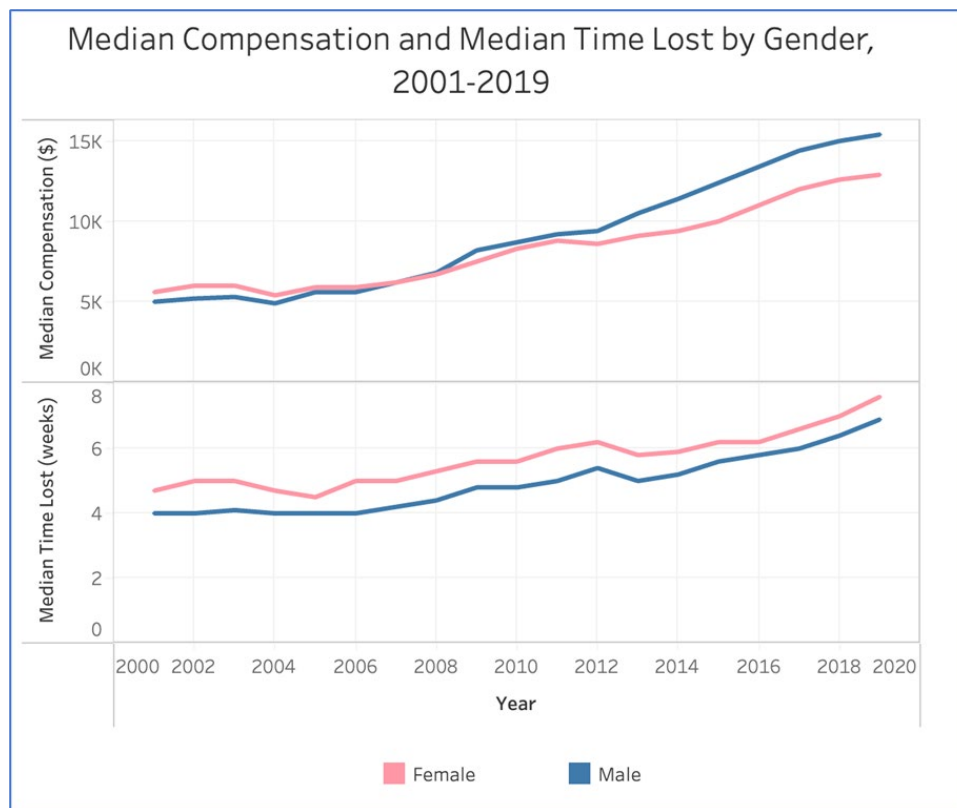
Figure 2: SafeWork Australia Median Time lost and Compensation in Australia[4]

6. This preliminary research from University of Sydney suggests that changes in both the supply (worker) and demand (job/employer) sides of the labour market are contributing to this change, and that there is declining levels of employer support for workers with compensable injuries, impacting RTW rates by up to 25%. We have commissioned further analysis of icare's data by the University to understand the extent to which these pressures are linked directly to our schemes.

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[4] Median Time Lost (working weeks) and Median Compensation (AUD) by Male and Female workers between 2000-2001 and 2018-2019 in Australia. Data Source: Safe Work Australia (2021), cited in Buchanan, J., Cingillioglu, I. and Tran, K. (2022). *Understanding changing return to work trends in NSW – First report on progress from the University of Sydney Research team.* Prepared for icare.

COVID-19 pandemic

The COVID-19 pandemic has accelerated workplace changes

7. Compounding the longer-term trend has been the more recent impact of the COVID-19 pandemic. The medical, economic, and social impacts of the COVID-19 pandemic have created new complexities across industries that icare provides insurance to, and for our claims providers and the almost 13,000 workers who have lodged COVID-19 related claims.

8. Early signs from World Health Organisation (WHO) research are that the COVID-19 pandemic has triggered an increase in anxiety[5].

9. The stress and mental health pressure on Australians over the last two years has created an unprecedented level of demand on existing mental health services.

10. Around 400,000 Australians are reported to be suffering the early effects of 'long-COVID' and anecdotal evidence is that many are also seeking increased employer support as they shift back to work[6].

11. The challenge of lockdowns and social distancing has also prompted great social shifts towards online learning and shopping and increased the shift to working and collaborating online from home. For many workers this has also meant increased isolation, which has created or heightened vulnerabilities around mental health. For others - such as frontline workers – it has increased the pressures of the work that they are doing.

12. Research into this issue from North America suggests increasing work-related stress levels are a leading factor sparking workers to make career changes[7], as workers seek employment in different industries[8] and recruitment is not able to fill demand[9].

13. COVID impacts are acute in the small business sector, where busy owner-operators are already stretched to cover many managerial functions. A need for in-depth local research in this area has been identified, prompting a study by the State Insurance Regulatory Authority (SIRA) and University of Newcastle into the mental health experiences of small and micro business owners. These are often run by families or single owners and have been heavily impacted by staff shortages and lockdowns. Preliminary findings from interviews by researchers indicate that small and micro business owners rarely seek direct support for

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[5] COVID-19 pandemic triggers 25% increase in prevalence of anxiety and depression worldwide (who.int)
[6] https://www.sydney.edu.au/news-opinion/news/2022/06/30/long-covid-presents-a-major-health-challenge-how-can-australia-b.html
[7] Nearly 20 per cent of Canadians who resigned amid pandemic cited work stress: survey | CTV News
[8] ANMF National Aged Care COVID-19 Survey 2022,
[9] 'Fixing the aged care crisis' won't be easy, with just 5% of nursing homes above next year's mandatory staffing targets (theconversation.com)

mental health issues, and that a range of dynamic interventions are required to improve their responses to psychological pressures and claims[10].

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[10] SIRA/ University of Newcastle: COVID-19 and Small Business Owners – Report on Stage One Findings

CHANGING COMMUNITY MENTAL HEALTH

Increasing prevalence of poor mental health

There is an increasing prevalence of poor mental health in our community

14. Over 2 in every 5 Australians experience a mental disorder in their lifetime and for 1 in 5 of these people it lasts more than 12 months. Anxiety was experienced by 3.3 million people in Australia[11].

15. Assuming the NSW workforce has the same incidence of mental health conditions as reported in the 2021 ABS census[12], it is possible that more than 280,000 workers in NSW are coming to work with a mental health condition and will need support. This will grow as younger people, who were experiencing high levels of distress in greater proportions, join the workforce.

16. The increasing prevalence of mental health issues in our society is a complex matter, particularly in relation to workers compensation claims. Poor mental health is driven by a range of interrelated social and economic factors, including social isolation and loneliness, financial hardship due to insecure employment and decreasing housing affordability, and workplace pressures[OBJ][13][14].

17. People impacted by mental health issues can be vulnerable and have a lower resilience to pressures in the workplace, which can be a trigger for psychological injuries and claims.

18. There is also stigma attached to mental illness that creates barriers to the identification of issues and provision of support for those affected.

19. It is well established that good work practices have a positive impact on mental health. Early intervention is key, and a cultural shift is needed to address the stigma attached to mental illness and create work environments that support individuals to remain at work.

20. Assuming the NSW workforce has the same incidence of mental health conditions as reported in the 2021 ABS census[15], it is possible that more than 280,000 workers in NSW are coming to work with a mental health condition and will need support. This will grow as younger people, who were experiencing high levels of distress in greater proportions, join the workforce.

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[11] National Study of Mental Health and Wellbeing, 2020-21 | Australian Bureau of Statistics (abs.gov.au)

[12] Mental health | Australian Bureau of Statistics (abs.gov.au), ABS 2022

[13] Social isolation and loneliness - Australian Institute of Health and Welfare, 16 Sep 2021

[14] Productivity Commission 2018, Rising inequality? A stocktake of the evidence, Commission Research Paper, Canberra.

[15] Mental health | Australian Bureau of Statistics (abs.gov.au), ABS 2022

Psychological injury claims

21. There are increasing numbers of workers compensation claims involving psychological injuries icare is seeing higher numbers of psychological injury claims, which can be complicated and difficult to manage, and are often influenced by non-work factors and RTW challenges. This results in people needing longer periods off work and higher costs per claim.

22. The impact of mental health issues in the broader community is being felt on claims outcomes for injured workers and employers and has led to declining RTW rates and increasing claims costs across the workers compensation system.

23. Within the NI, Australia's biggest workers compensation scheme, the frequency of psychological injury claims of more than one weeks' duration has increased 2.4 times since 2015. This equates to a 19% annual increase and roughly a doubling every 4 years.

24. Analysis from icare's valuing actuaries Finity Consulting Pty Ltd (Finity) confirms that primary psychological claims in the NI have increased by over 70% (across all categories of employer), from 3.5% of claims reported during 2016, to 6% from late 2019 to 2021 (as shown in **Figure 3**)[16].
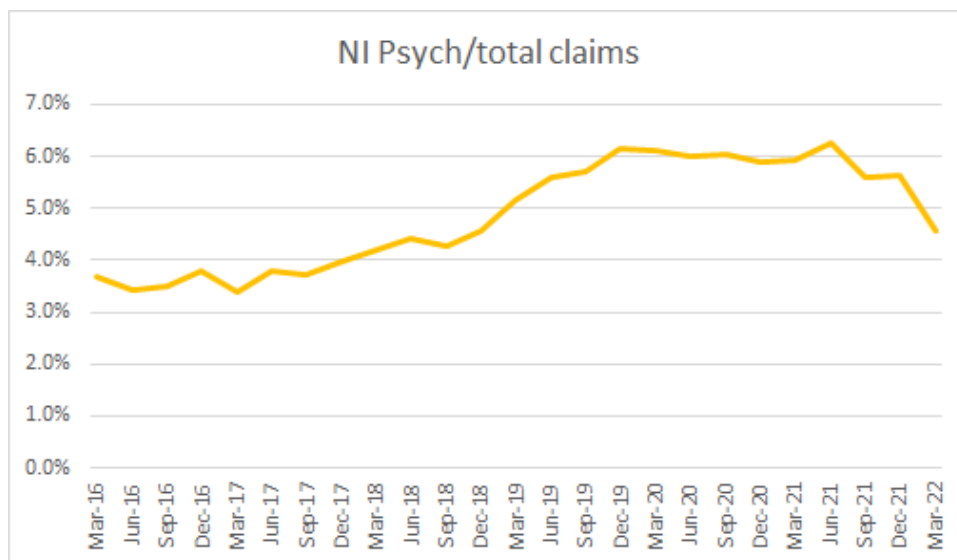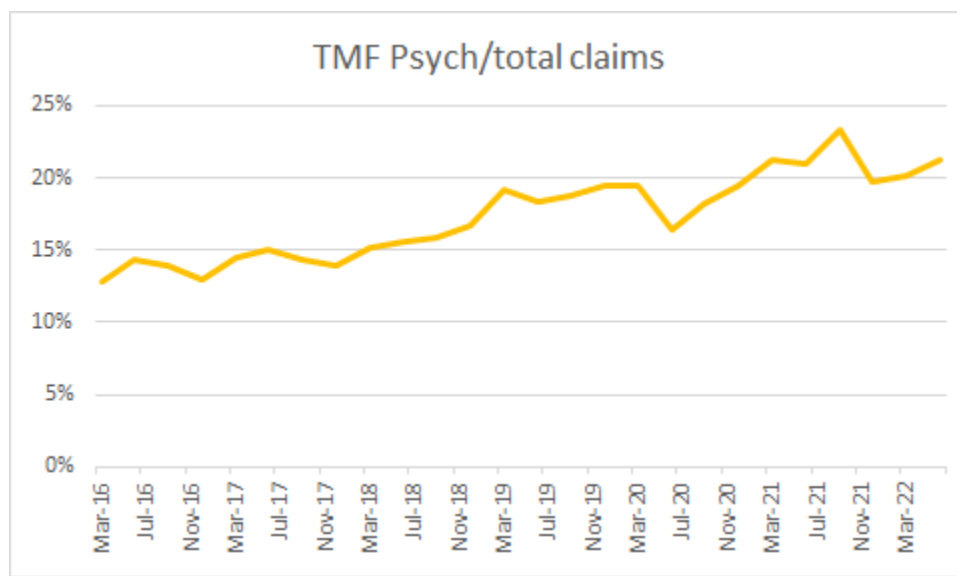

Figure 3: Based on Finity analysis of icare RTW (NI) - May 2022

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[16] icare – RTW research study initial findings, Finity Consulting Pty Ltd, 27 May 2022 (not published)

25. The TMF reflects a similar pattern of increases, with primary psychological claims reported having increased by over 40% from approximately 14% of all lost-time claims during 2016, to just above 20% in 2021 (as shown in **Figure 3**)[17].

*Figure 4: Based on Finity analysis of icare RTW (TMF) - May 2022*

26. The rate of psychological injury claims in the NI for the health and community sector has moved exponentially during this timeframe. It is now double the claims frequency of the next most frequent sector - transport and storage - and four times that of the construction industry

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[17] Finity: icare –RTW research study initial findings

(as shown in **Figure 5**).
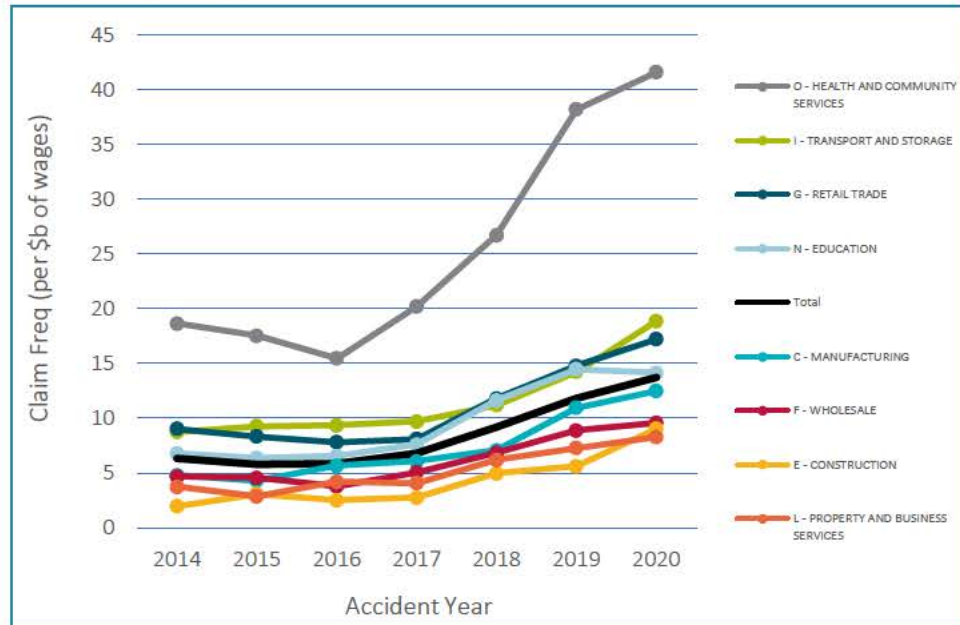
Figure 5: NI claims frequency by industry (per $b in wages, > 1 week time lost claims)

27. In the TMF, the frequency of workers experiencing a psychological injury varies between those in Emergency services and Non-Emergency Services (in **Figure 6**). The trends for Non-Emergency Service agencies follow the private sector, with greater psychological claims in heath, communities and the education. There is a marked increase for Emergency Service agencies.
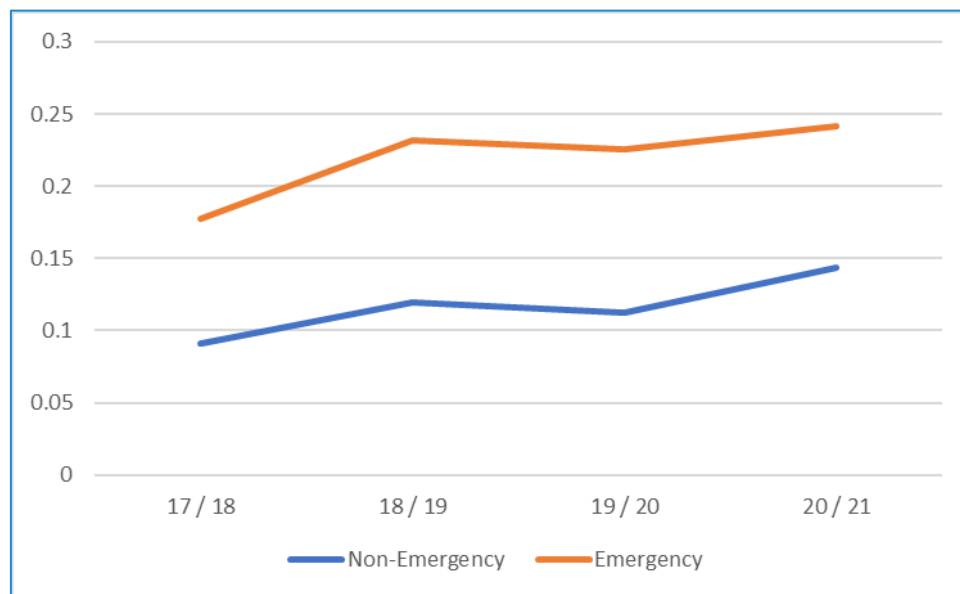
Figure 6: TMF claims frequency (per $b in wages)

Need for psychologically safe workplaces

Employers need to provide psychologically safe workplaces to support the type of work that is now being done

28. With the growing rates of poor mental health, there is a need to ensure employers adjust to the fact that increasingly their employees are joining them with mental health conditions, and they can no longer assume a baseline of a mentally healthy workforce.

29. Strong leadership and workplace culture are central to the prevention of work-related psychological injuries and ensuring those experiencing mental health issues (whether work related or not) feel safe in raising issues and are appropriately supported at work. We need to work together to make the cultural, technological and philosophical shifts needed to drive administrative and therapeutic practices more effectively.

30. Stigma and discrimination create significant challenges for people with mental health issues and are a focus of the Australian Government's National Mental Health Commission, under its *National Stigma and Discrimination Reduction Strategy*[18].

31. Workers need support from employers to bring their whole self to work, including their mental health issues, helping to reduce the stigma associated with these issues.

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[18] Stigma and Discrimination Reduction Strategy - National Mental Health Commission

32. Employer support is not yet consistently available.

33. Professor Buchanan highlighted research from Safe Work Australia shows that where employers have weak contact with workers, the RTW rates are around 20-25% lower[19].

34. National measures of the perception of worker support from their employer all record persistent declines over the last decade (**figure 7**), which is consistent with survey research[2021].

	2013	2014	2016	2018	2021
Your employer did what they could to support you	75.6	73.8	75.4	74.4	67.2*
Your employer provided enough information on your rights and responsibilities	67.3	69.1	67.2	68.4	61.0*
Your employer made an effort to find suitable employment for you	75.1	71.2	72.2	71.3	63.9*
Your employer helped you with your recovery	68.4	67.5	65.2	65.2	58.4*
Your employer treated you fairly during the claims process	81.4	78.2	79.3	79.1	73.0*
Your employer treated you fairly after the claims process	82.6	78.5	79.6	79.5	74.4*

Figure 7: Employer support attributes - time series (% 'Strongly Agree'/ 'Agree')[22]

In the context of these changes, workers' experience is one of increased pressure in challenging environments

35. icare's data suggests that work pressure, and harassment and bullying, are a key causal mechanism in more than half of the psychological injury claims we receive (**figure 8 and 9**).

36. Exposure to a traumatic event is less prevalent as the initial cause of a psychological injury, linked to one in five cases in the TMF (21%), and less than one in 10 cases in the NI (7%).

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[19] Wyatt, M. & Lane, T. (2017). Return to work: A comparison of psychological and physical injury claims. Safe Work Australia.

[20] Mental health: why doctors don't seek help | InSight+ (mja.com.au), Insight+ 2022

[21] National Mental Health Survey of Doctors and Medical Students, Beyond Blue 2019

[22] 2021 National Return to Work Survey Report., cited in Buchanan, J., Cingillioglu, I. and Tran, K. (2022). *Understanding the changing return to work trends in NSW – First report on progress from the University of Sydney Research team.* Prepared for icare.

However, we know that proactive and supportive responses to these events can help to reduce the long-term impact on the individual.
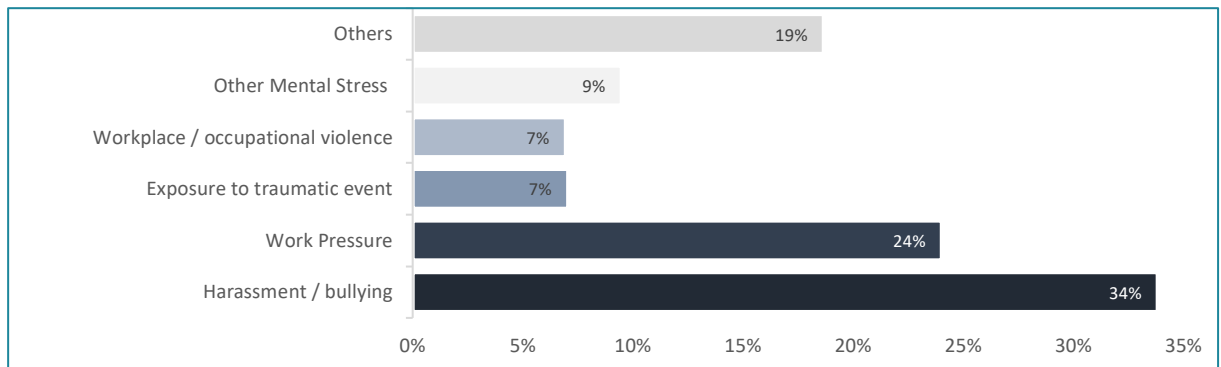
Figure 8: NI, Policy Renewal Year 2020, Causes of mental health claims
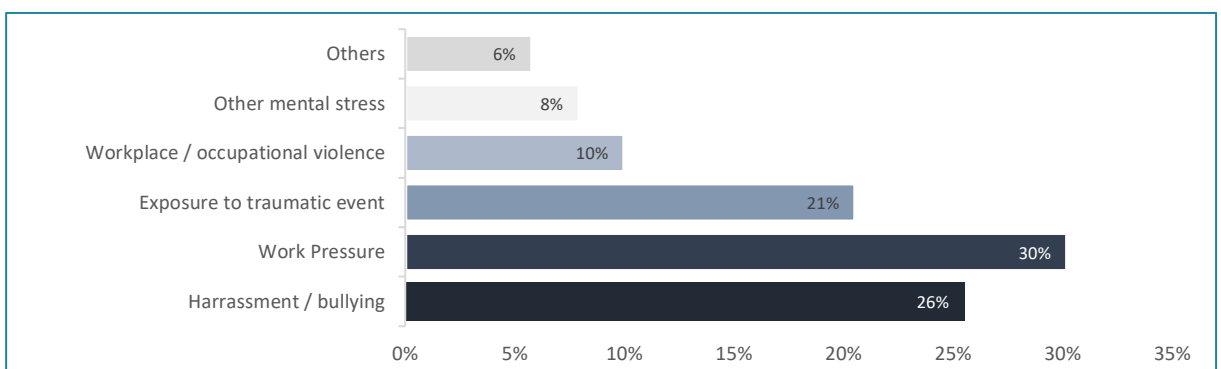
Figure 9: TMF FY2021, Causes of Mental Health Claims

There can be severe impacts of poor mental health for individuals and risk of self-harm

37. Each person's situation is unique. While some sustain a primary psychological injury at work, others develop a psychological condition following a physical injury. There are also people with pre-existing conditions experiencing a recurrence or exacerbation at work.

38. It is not surprising that a small number of people need psychological treatment to support them during their period of recovery from physical injury, which is sometimes referred to as a secondary psychological injury.

39. We know that the number of people where payments are made for psychological treatment relating to a physical claim is growing at similar rates to psychological injury claims, with a greater proportion of claims with injuries that are two to three years old. What we do not know is whether the treatment relates to conditions that were pre-existing, originated soon after a person's physical injury, or arose over time. Irrespective of the original reason for needing psychological support, we know that providing this support is important for recovery.

40. In order to make sure proper care is in place, icare has protocols in place to ensure support for people whose case manager is concerned about declining mental health. Since we commenced recording in 2019, this additional support has been provided on more than 5,000 occasions (2019: 1274, 2020: 1711, 2021: 1741, 2022 to May: 546). This total includes any circumstances where the same individual needs support on more than one occasion.

41. There are around 65,000 claims reported to the NI each year, and of these around 9% will be off work for more than 12 months. Recovery from injury can be a difficult time for people with significant injuries, and we understand that many of them will require additional psychological support.

42. icare has a substantial report and referral support system to respond quickly to threats and incidences of self-harm for at-risk injured workers. Records from the Nominal Insurer scheme show that tragically, over the last six years, there have been 45 deaths caused by suicide among a population of approximately 380,000 NSW workers with compensation claims. This represents an average of 7.5 deaths a year, or around 11.8 in every 100,000 claimants. This correlates closely to the Australian Institute of Health and Welfare's national rate of death by suicide of 12.1 per 100,000 population[23].

43. Claims managers who receive a threat of self-harm - whether covert or overt - provide immediate support to the affected worker. They co-ordinate with NSW Police and NSW Ambulance to provide emergency services and conduct welfare checks and ensure notification to icare as well as the relevant treatment providers to facilitate ongoing support.

44. icare has a dedicated Mental Health Team comprising clinical and technical claims specialists, who work with Claims Service Providers (CSPs) in responding to and managing the complexities involved with at risk workers. Any necessary treatment is immediately approved and implemented.

45. Planning is undertaken to provide protection against future risks to the person's safety, This will often involve their immediate family or partner, who may be the first line of support for them in their home environment. Where the risk remains and/or the worker remains highly symptomatic, icare will also recommend that CSPs make referrals to 24-hour psychological support through specialised rehabilitation providers.

46. Workers thought to be at risk of self-harm are supported regardless of the liability status of their claim. Claim management decisions that could adversely impact people at risk are made and communicated with caution and sensitivity.

47. To assist people transferring off workers compensation benefits when they reach the statutory caps introduced through legislative reforms, icare established the Community

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[23] https://www.aihw.gov.au/suicide-self-harm-monitoring/data/deaths-by-suicide-in-australia/suicide-deaths-over-time

Support Services (CSS), which helps people with identifying local counselling services and finding alternative treatment methods. CSS assists people with accessing systems, being more connected with supports to maximise wellness and changing mindsets, primarily around participating in the workforce.

48. From 1 November 2018 up to 30 June 2022, 518 workers have been referred to the CSS and of these, 423 have accessed the service. Many of these people may have complex health or personal circumstances that need support.

IMPACT ON CLAIM OUTCOMES AND COSTS

RTW rates

The changing nature of work and increasing prevalence of poor mental health is having an impact on RTW rates

49. The impact of the changing world of work and declining mental health on RTW rates is not a problem unique to NSW (refer to **Appendix B** for comparative data).

50. The research[24] being undertaken by Professor John Buchanan and team from the University of Sydney Business School found that return to work rates began a long decline across all Australian jurisdictions in 2006, briefly stabilised in 2012 before further declining from 2013.

51. icare's frontline staff and CSPs are seeing first-hand that more injured workers are taking longer to complete treatment and get back to work; and analysis of publicly available data by the University of Sydney[25] shows that the RTW journey is far more prolonged for injured workers when mental stress is the cause of injury.

52. People with psychological injury claims have a far higher average time off work, with 42% in the NI reaching 12 months' duration, compared to 17% of physical injury claims. In the TMF, 40% reach 12 months' duration, compared to 15% of physical injury claims. This is reflected in average claims costs, which are eight times higher for psychological injury claims, exceeding $137,000 per claim in the NI and over $200,000 per claim in the TMF.

53. The analysis of icare's schemes by Finity confirmed that a third of the deterioration in RTW rates in the NI can be attributed to the increasing volume of psychological injury claims received between 2017 and 2020, and around two-thirds in the TMF[26].

54. This mirrors trends from Victoria and Queensland where similar sets of data consistently reveal declining RTW rates since 2018 (with a common causal factor of increasing psychological injury claims). Further information is provided at **Appendix B**.

55. In addition to lost wages, resolving these claims are often complex, can involve other factors inside and outside the workplace and may incur greater medical costs.

56. The increasing volume of psychological injury claims will continue to impact RTW rates across the board, given their much poorer outcomes compared to claims for other injury types (as shown in **Figure 9**).

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[24] Buchanan, J., Cingillioglu, I. and Tran, K. (2022). *Understanding the changing return to work trends in NSW – First report on progress from the University of Sydney Research team.* Prepared for icare.
[25] Buchanan, J., Cingillioglu, I. and Tran, K. (2022). *Understanding the changing return to work trends in NSW – First report on progress from the University of Sydney Research team.* Prepared for icare.
[26] icare – RTW research study initial findings, Finity Consulting Pty Ltd, 27 May 2022 (not published)
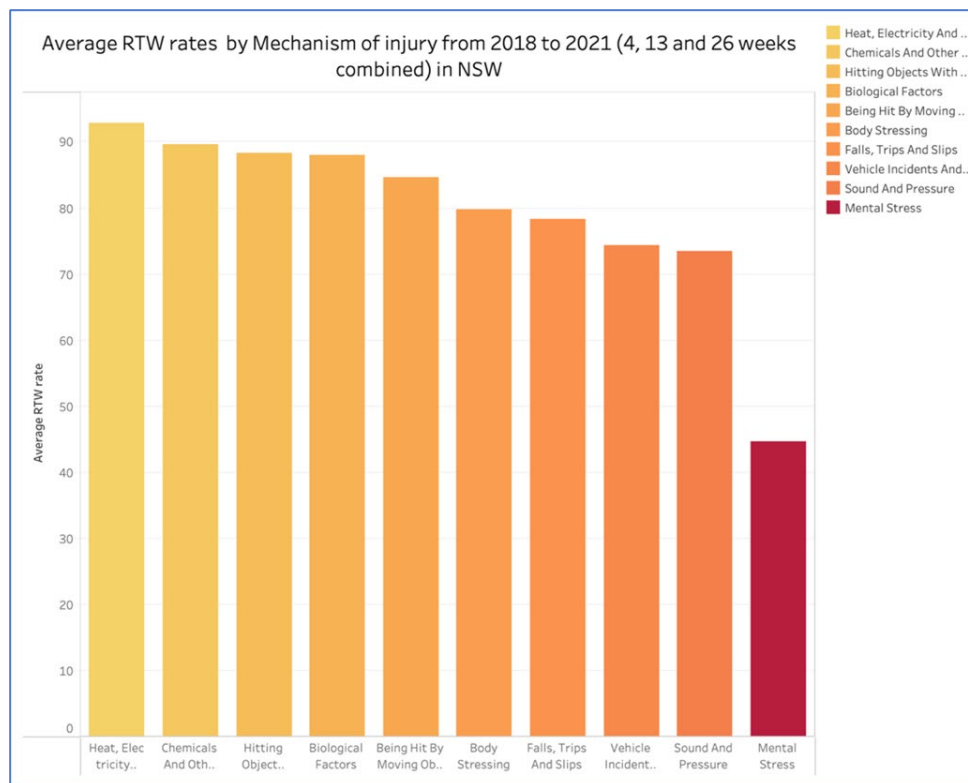
Figure 9: Average RTW rates by Mechanism of injury[27].

57. icare's data confirms a strong trend in more recent years of a higher number of small business workers are making complex claims that take longer to resolve and RTW. The number of time lost claims from small employers within the NI scheme rose by 20% in the past two years, among a cohort which typically has experienced poorer RTW rates[28].

58. The Finity analysis shows the deterioration in RTW from very small employers (i.e. those with less than five employees) is around three times the deterioration from very large employers[29].

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[27] *Average RTW rates by Mechanism of injury from 2018 to 2021 (4, 13 and 26 weeks combined) in NSW. Data from SIRA (2022), cited in* Buchanan, J., Cingillioglu, I. and Tran, K. (2022). *Understanding the changing return to work trends in NSW – First report on progress from the University of Sydney Research team.* Prepared for icare.

[28] Finity: icare –RTW research study initial findings

[29] icare – RTW research study initial findings, Finity Consulting Pty Ltd, 27 May 2022 (not published)

Financial cost

As well the impact on people, poor mental health is the single greatest challenge to the sustainability of our workers compensation schemes if international and Australian trends continue

59. From a national perspective, The Australia Institute noted the Productivity Commission's finding that mental health absenteeism costs Australian employers around $9.6 billion per year, and estimated that employers lose another $7 billion due to presenteeism (that is, when people attend work but have reduced productivity)[30].

60. The cost of psychological injuries among the State's 3.7 million workers is an important indicator of the rapidly growing human and social costs of declining community mental health.

61. In FY2021, mental health claims in the NI made up 6% of claims volume but accounted for 20% of claims costs; and in the TMF, made up 22% of claims volume but accounted for 54% of claims costs.

62. This means that in 2021, an additional $513 million in costs were incurred in relation to mental health related claims (NI: $153 million, TMF: $360 million).

63. Between 2014-5 and 2021-22 annual agency contributions to the TMF have increased by more than $500 million due to psychological claims and related payments.

64. Recent data from the United Kingdom shows that stress, depression or anxiety has accounted for 50% of all work-related ill-health cases, with higher-than-average rates in public administration, human health and social work, and education industries[31].

65. There will be significant impact on the NSW schemes if this trend in the UK is seen here, particularly for the private sector and Non-Emergency public sector agencies.

Increased impact on particular sectors

The risk of psychological injury is increased in our emergency responders and frontline workers who are covered by the TMF.

66. Historically, the NSW public sector has had a higher proportion of psychological workers compensation claims (around 20% of all claims) than the private sector (historically closer to 4% of claims)[32].

67. 43% of the claims in the TMF scheme are from emergency workers who are required to work in high-risk situations on a daily basis where they are often subject to complex workplace trauma.

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[30] https://apo.org.au/sites/default/files/resource-files/2021-05/apo-nid313144.pdf], Australia Institute 2021

[31] Health and Safety Executive UK (December 2021). *Work-related stress, anxiety or depression statistics in Great Britain, 2021. https://www.hse.gov.uk/statistics/causdis/stress.pdf*

[32] icare – RTW research study initial findings, Finity Consulting Pty Ltd, 27 May 2022 (not published)

68. Non-Emergency service agencies (57% of the claims in TMF) are seeing rises on par with the private sector.

69. Since 2014, the TMF workers compensation portfolio has experienced a significant increase in the number of psychological claims across both emergency and non-emergency service agencies. The distribution of active psychological injury claims is significantly worse in regional and rural areas across NSW than metropolitan areas. The issue is particularly acute for psychological injury claims where there is a greater scarcity of alternative work locations or suitable duties, and/or it is more likely that illness triggers will continue to be encountered in smaller communities.

70. In the TMF portfolio, the decline in the 26-week RTW rate from May 2021 can be attributed to the outbreak and subsequent lockdown due to the COVID-19 Delta variant, and then to the outbreak of the COVID-19 Omicron variant. There has been a significant increase in COVID-19 related claims, in addition to physical and psychological injury claims.

71. COVID-19 has also contributed to increased pressure on the public sector and increased strain on government services. Such impacts are most evident across portfolios with frontline staff serving both in emergency and non-emergency roles.

72. The relationship between work and mental health can be complex, and the work environment can increase the risk of mental health problems or create barriers to remaining at or returning to work. Managers are in a key position to support modifying risk factors, provided they have the confidence to do so[33].

73. Organisations are finding solutions to these problems. Fire and Rescue NSW (supported by NSW Health and EML) developed RESPECT manager training, a 4-hour face-to-face educational program designed to upskill managers' mental health literacy and improve communication with staff about mental health issues. As a result of this training there was an 18% reduction in work-related sickness absence amongst workers whose manager was in the control group[34].

74. Similarly, **HeadCoach**[35] is an online training program to build managers confidence and behaviour in creating mentally healthy workers that has had a positive impact on for

[33] Aimée Gayed, Leona Tan, Anthony D. LaMontagne, Allison Milner, Mark Deady, Josie S. Milligan-Saville, Ira Madan, Rafael A. Calvo, Helen Christensen, Arnstein Mykletun, Nicholas Glozier, Samuel B. Harvey (2019). *A comparison of face-to-face and online training in improving managers' confidence to support the mental health of workers.* Internet Interventions, 18 (2019) 100258.

[34] Josie S Milligan-Saville, Leona Tan, Aimée Gayed, Caryl Barnes, Mark Dobson, Richard A Bryant, Helen Christensen, Arnstein Mykletun, Samuel B Harvey (2017). *Workplace mental health training for managers and its effect on sick leave in employees: a cluster randomised control trial.* The Lancet Psychiatry. https://www.thelancet.com/journals/lanpsy/article/PIIS2215-0366(17)30372-3/fulltext

[35] Aimée Gayed, Briget T. Bryan, Anthony D. LaMontagne, Allison Milner, Mark Deady, Rafael A. Calvo, Andrew McKinnon, Helen Christensen, Arnstein Mykletun, Nicholas Glozier, Samuel B. Harvey (2019). *A cluster randomised control trial to evaluation HeadCoach AN online mental health training program for workplace managers.* Journal of Occupational and Environmental Medicine, 19-7464.

ambulance workers and workers in the construction industry. icare understands that this training is being used to inform planned training in NSW Police in the near future.

75. icare has seen the benefit of manager training with lower injury frequency and better RTW rates in organisations that have undertaken the training. The positive impact on recovery for all public sector workers is real and personal. Caring responses from their leaders creates an environment where they are able to stay working.

THE WAY FORWARD

Working together

Responding to this challenge is not a 'quick fix' and will require stakeholders to work together

76. icare welcomes the work being undertaken by the Committee, and the opportunity to work together to improve prevention and early intervention in relation to mental health issues in the NSW community and in turn, reduce the need for support under the workers compensation system.

77. Given RTW rates have been declining across Australia since 2006, icare is seeking to better understand the external factors impacting RTW: from the pressure of family duties, to rising cost-of-living, and the changed labour market and industry structures that have brought about the fast-paced nature of servicing more digitally connected, 24/7 workplaces and the rising prevalence of mental health issues and psychological claims.

78. The long-term analysis from Professor Buchanan also suggests the decline from external factors is impacting far beyond any of the changes to the NI claims model.

79. Professor Buchanan's team is further analysing icare's data in the context of these longer-term accelerating trends and to understand the extent to which these pressures are linked to our schemes. This understanding will better inform the actions that icare, employers and the wider community need to take to promote recovery.

80. The changing work environment, increasingly demanding work and declining community mental health is going to require employers to make similar mindset shifts to what occurred in the 1970s and 80s in relation to reducing physical injuries in the workplace.

81. icare is dedicated to working with the NSW Government and other partners to develop sustainable and innovative approaches to support injured people get back to work in this evolving RTW landscape.

Policy interventions

Policy interventions need to support workers and employers to reduce psychological risk factors and build resilience

82. Research from the Productivity Commission[36] argues that positive reforms can lead to a transformation in the way Australians discuss, identify and support mental health while they are at work and school, and in the wider community, and drive positive outcomes in people's lives. Priority reforms could deliver substantial benefits to people's quality of life worth an

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[36] Mental Health, Australian Government Productivity Commission Inquiry Report, No. 95, June 2020

estimated $18 billion annually, and additional annual benefit of up to $1.3 billion due to increased economic participation.

83. As Australians physically return to their places of work, we are entering a 'new normal' of heightened mental health pressure and workplace demands and need to continue to develop and support healthcare and workplace interventions.

84. Implementation of a legislative and regulatory framework that helps reduce psychosocial risk factors, promotes innovation, and allows for the adaptability needed to meet the varied needs of workers would assist in the prevention and management of psychological injuries.

85. In 2021, SafeWork NSW released the *Code of Practice: Managing psychological hazards at work*[37], which provides guidance to employers on preventing psychological injury; and SIRA released Standard of Practice 33 for the Management of Psychological Injury Claims[38]. This is a welcome first step towards enabling different management of psychological injury claims. Beyond these minimum requirements, employers and insurers need to put in place practices that are adaptable to the unique needs of each psychological injury claimant.

86. icare is committed to working with SIRA and SafeWork NSW to expand employer uptake of programs to introduce mentally safe workplaces and adopt best practice approaches to managing claims.

87. A range of Federal and State Government initiatives are also underway to boost training and recruitment across Australia's mental health workforce and improve access to treatment services for people experiencing mental health challenges[39] [40].

88. Further initiatives that encourage workers to 'put their hand up' early and raise any mental health issues they may be having with their employer assist with early intervention, by allowing the timely provision of assistance and treatment, and ideally, begin managing issues when they are in a minor phase.

89. Health and wellbeing programs that encourage workers to make lifestyle changes and utilise support services also yield positive mental health outcomes by increasing their resilience and adaptability to both personal and work challenges.

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[37] Code of Practice: Managing psychosocial hazards at work | SafeWork NSW
[38] Standard of Practice 33: Managing psychological injury claims - SIRA (nsw.gov.au)
[39] https://napp.org.au/2021/04/the-australian-mental-health-crisis-a-system-failure-in-need-of-treatment/
[40] https://www.health.gov.au/committees-and-groups/national-mental-health-workforce-strategy-taskforce

ICARE'S MENTAL HEALTH INITIATIVES

90. Addressing the frequency and recovery rates of psychological injury claims is critical in improving overall RTW rates for the NI and TMF schemes.

91. icare's response is multifaceted and informed by data and best-practice evidence.

92. We are partnering with employers, CSPs and Government agencies to significantly improve our RTW rates over the next five years.

Claims initiatives

icare has redesigned its claims model to enable tailored approaches to managing psychological injury claims

93. One of icare's core objectives is to ensure all claims are managed in accordance with SIRA's Workers Compensation Guidelines and to provide simpler, better care for injured workers and engaged support for employers.

94. To improve our support for injured workers with psychological injuries, we have redesigned our claims model. This is intended to improve claims performance and deliver services with a more specialised approach to psychological claims. Following the redesign, icare released a Request for Proposal (RFP) for CSPs to provide relevant services for the NI from January 2023.

95. The RFP was released followed extensive consultation on a new claims model, which included a market study on potential service providers, a survey on the NSW Government Have Your Say website, and interviews and focus groups with injured workers, businesses, unions, industry groups, service providers and the community.

96. The new model will create more roles for service providers by encouraging different providers and specialised skills. Over time, innovation and competition generated in this model this will boost the performance of providers and provide greater choice for employers. This will drive improved outcomes for injured workers and businesses through competition.

We have enhanced our oversight of RTW performance to ensure the people we serve are supported by good practices

97. Proposed new contracts with CSPs will incorporate new approaches that have been piloted in 2022 through the NI Improvement Program (NIIP).

98. These measures are designed to improve the experiences of customers with psychological injuries, improving their treatments and boosting recovery. It includes the introduction of

measures to improve claims performance by establishing good practices and targeting the largest levers of improved outcomes.

99. We have identified priority areas as key practices to manage mental health claims, and are working with CSPs to improve capability in:

- Improved injury management planning, to align case practices to the degree of impairment and help case managers to develop and apply aligned plans focussed on capacity;

- liability decision making, to improve the decision-making processes and practices specific to the needs of those with mental health claims;

- at-risk cohort management to target support to ensure injured workers are able to proactively manage their recovery and entitlements and build capacity for employment; and

- providing workers and employers relevant content and multiple information delivery formats for their specific needs.

100. The success of these initiatives is measured through improvements in RTW and reduction in claims severity, as indicated by duration and WPI levels.

101. The initial work is focused on training case managers on new methods that will improve customer experiences and outcomes and is supported by regular training and file reviews. icare is leading work to develop new training materials that will provide detailed case studies of workers with psychological injuries.

102. Later in 2022, icare will launch a Mental Health Hub that will provide a public facing set of new online tools and training resources for employers, injured workers, treatment providers and case managers, to build understanding of a specialised approach to psychological injuries.

icare has developed a Professional Standards Framework that sets minimum expectations of the Case Management workforce who are managing claims

103. Case managers are the foundation of the support system for injured workers and play a crucial role in the delivery of treatment and RTW support.

104. icare is collaborating with CSPs and other stakeholders to improve training and career pathways for case managers.

105. A priority for icare is in introducing industry-wide reforms to help attract and retain highly experienced case managers who can improve experiences for workers with psychological injures. Work is underway to develop and deliver new benchmarks and resources to claims managers across the sector.

106. In 2022, icare launched the Professional Standards Framework – a set of benchmarks that will help create an industry of claims professionals and raise capabilities in the management of claims that will make a difference and achieve better outcomes for our workers and employers of NSW.

107. The Framework was co-designed by icare in partnership with EML, Allianz, GIO and QBE, the four workers compensation CSPs currently contracted to icare. Also consulted was the NI Advisory Council (**NIAC**), made up of employer and union groups, as well as liaison with the other workers compensation jurisdictions across Australia.

108. The Framework contains key competencies for staff who manage workers compensation claims and will support their professional development and growth, allowing individuals to acquire new skills and knowledge and accelerate existing ones.

109. To deliver training and education that supports the Framework, icare has entered a partnership with PIEF who are working to develop an enhanced learning suite for case managers across Australia. In 2023, the partnership will deliver an improved accreditation pathway for claims management professionals that recognises experience and streamlines access to certificate-level learning. A shared focus on high quality vocational qualifications will also reinforce the practices, skills, and knowledge embedded in the Framework, and in turn lift workforce capabilities and the experience for customers.

110. This partnership with PIEF will forge new career paths across the insurance sector and improve outcomes for workers, and employers, which is an important investment in the long-term support needed for all workers compensation claims.

111. Psychological injury claims are particularly challenging for case managers, as they require a good understanding of mental health, and involve additional technical complexities that workers and employers need help to navigate.

We are investing in innovation to identify practices that will improve experience and outcomes for the people we serve

112. icare is establishing a 'test and learn' team to identify and implement better claims practice, informed by Safe Work Australia's *Taking Action: A best practice framework for the management of psychological claims in the Australian workers' compensation sector*[41]. The purpose of this team is to pilot particular initiatives that are scalable, prior to roll-out across the scheme and will:

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[41] https://www.safeworkaustralia.gov.au/system/files/documents/1902/taking-action-framework-2018.pdf

- consider the set-up of the team, ways of working, and claims practices specific to psychological injury claims including approaches to decision making and emphasis on recovery and RTW;

- manage primary psychological injury claims for employers who have not had a claim previously;

- undertake activities that are evidence informed, and will include input from experts in medical treatment, workers compensation schemes and RTW practices;

- include a formal evaluation of the effectiveness of the practices and share the results in the future; and

- operate in parallel with any appointed Specialist CSPs and seek to learn from each other.

Specific interventions and research

113. Improving the operational approach to handling claims and delivering training and early interventions is only the first step in solving the puzzle. Post-injury support and treatments can never address the triggers that ignite mental illness in the community, schools and workplaces.

114. For this reason, icare is investing in identifying prevention and early intervention approaches that can either eliminate or reduce the workplace impacts of psychological injuries.

Early intervention and prevention is a critical part of supporting employers to build their capacity to support their workforce

115. icare has a range of specific interventions, and in recent years has developed a suite of initiatives and support for both private sector and Government employers.

Training for managers

116. Our **Connect and Care** program recognises that, after a psychological injury in the workplace, appropriate leadership is fundamental to supportive recovery and RTW, and to maintain people's connection with their workplace. The program was implemented in 2021 to assist Department of Communities and Justice workers who suffered complex psychological injuries due to a riot at a youth justice centre. It has achieved significant improvements in recovery and RTW outcomes and was recognised with the 2021 Australian Business Award for Product Innovation. The program was recently adopted by the Ministry of Health and is being made available to other NSW Government agencies. icare is currently piloting a

version for private sector employers, working with four large employers. We anticipate the pilot to complete in the first half of 2023.

Education and awareness raising

117. icare is supporting small businesses with initiatives like our Mobile Engagement Team, which offers both online and face-to-face information forums providing advice and practical support that businesses can sign up for.

118. In May 2020 we launched a Small Business Hub on our website to provide small employers with tailored advice, including on the benefits of and ways to promote a mentally healthy workplace. It provides a range of information and resources on injury prevention, as well as evidence-based strategies to increase the likelihood for a successful recovery and return-to-work when an injury occurs.

Peer support

119. **Mental health peer support** style training programs on early intervention are offered by our Injury Prevention team. Our specialist trainers offer programs such as Mental Health First Aid Training, and other forms of peer-to-peer support that develop workers' mental health skills, and give them the tools to look out for each other and identify when a colleague might be struggling. During 2021/22 Mental Health First Aid training was provided to 529 participants across employers and government agencies by accredited internal and external trainers.

120. **Respect and Resilience** is another training program that icare has developed aimed at customer facing workers. The program gives staff tools to de-escalate situations where customers are aggressive or abusive – a common cause of incidents that cause pressure and can lead to time-off work or psychological claims. Organisations as diverse as KFC, Ikea, Nandos, The Reject Shop, Great Southern Bank, University of Newcastle, Service NSW and Taronga Zoo and Central Coast Local Health District are examples of participants of this program. More than 100 managers in Service NSW have completed the program in 2022, with further training planned across this and other government agencies in 2022/23. In the 12 months to 30 June the program was delivered to 428 participants across 30 in-person and virtual training sessions, including train-the trainer sessions for the program to be rolled out internally by employers themselves. This program will continue to be scaled in 2022/23.

Research with partner organisations

121. icare first partnered with the Black Dog Institute in 2017 on the Workplace Mental Health Research program, which comprised 12 projects over three years. This early work confirmed that societal changes were driving mental illness among workers, and that the impact of beneficial interventions to date has been inadequate. The early findings reflect the reality that our current workplace health and workers compensation systems were designed for physical health problems.

122. This research is focussed on gathering evidence for real-world impacts. While in early days, projects partnering with the Black Dog Institute have led to innovative research into specialist programs that identify more ways to reduce stress and pressure on frontline workers in high-demand areas like emergency services and aged care.

123. **Front of Mind** is a $9.5 million research program that commenced in 2020. Five years of workplace-focused studies have been fully funded by icare and supported by frontline agencies such as NSW Police, with independent research being led by organisations like the Black Dog Institute and University of NSW. Details on the initiatives funded under the program are provided at **Appendix 3**.

124. A series of pilot programs are underway, all with an aim of helping build the resilience of workers. This includes work with the Black Dog Institute and NSW Police to introduce a new Manager Training program, that will help frontline leaders discuss and develop responses to PTSD and trauma incidents experienced by team members.

125. Another screening program is underway with the Black Dog Institute and Fire and Rescue NSW. Researchers are evaluating a trial of a smart phone-based application for first responders who are experiencing mild mental health issues. Screening via the 'SIFT' application will offer online mental health assessment followed by feedback tailored to level of psychological distress reported. Early results are currently being evaluated with findings expected in 2024.

126. Other work includes refreshing the Work Injury Screening and Early intervention (otherwise known as the WISE Program), for TMF Agencies and providing extensive training and learning to support NSW Public Sector employees to maintain their own mental health and support mental well-being in others (including through Mental Health First Aid, Leading with Psychological Safety and Mental Health Peer Connect programs); frontline staff and improve injury recovery.

127. icare's support of research is leading to ongoing initiatives to examine the links between fitness, wellbeing and resilience. Our Tactical Athlete Resilience Program (TARP) research pilot was initially conducted with UTS, the South Sydney NRL club and Fire and Rescue NSW, and measured the impact of providing professional training to frontline firefighters.

128. This has led to an expansion of the program in 2022, and a launch of a wider TARP program involving more sporting clubs working with firefighters is expected to be announced by Fire and Rescue NSW later this year.

129. The legislation, Australian Standards and SafeWork Code of Practice all point to prevention of psychological injury at work through job design. The Healthcare and Social Assistance sector is considered a high-risk industry due to increasing rates, severity and duration of psychological injury claims.

130. **Design for Care** is a research and service innovation program we initiated in 2021. The Centre for Transformative Work Design (CTWD) were engaged in consortia with Monash University and University of Sydney to investigate drivers for psychological injury in the Healthcare and Social Assistance sector and co-develop and establish an evidence base for bespoke work design interventions with a pilot group of eight employers over a three-year period, with a view to scale and operationalise interventions with proven efficacy across the industry in the future.

131. Industry funding is federally regulated and has a casualised workforce with high turnover – recruitment into the pilot by CTWD and University of Sydney has been well subscribed as employers seek support in identifying work design factors that are within their control and improving support available to the workforce.

Social and demographic research

132. Isolation experienced during COVID-19 is linked to extra mental health pressures for many in the NSW workforce. Academic research funded by icare is examining this issue in disadvantaged communities, such as South-West Sydney and regional NSW. icare has targeted resources and support at employers in these communities. More research into industries and sectors under pressure is expected to emerge in late 2022.

Mental health workforce

133. icare and its CSPs experience firsthand the pressure of a mental health system with fragmented and limited services, particularly in regional and rural areas[42]. For this reason, icare is supporting a number of initiatives, including:

   - icare is joining other workers compensation organisations and researchers to provide in-kind support implementing work-related Mental health guidelines in general

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[42] https://www.aihw.gov.au/reports/mental-health-services/mental-health-services-in-australia/report-contents/mental-health-workforce

practice, which has the primary aim of implementing evidence-based guidelines for the diagnosis and management of work-related mental health conditions in general practice

- icare has offered in kind support to the University of Sydney for a program of work entitled: *Reconstructing Australia's Mental Health System: A multi-level, Transitional Approach*. This program offers the prospect of building new capability to expand the capacity of the mental health system and finding better ways to connect different elements of the system

Stakeholder collaborations

134. icare works with a range of stakeholders across Government and the community to better coordinate our approach in relation to mental health.

135. As we know there is a need to support small business, icare has recently commenced work with the NSW Department of Premier and Cabinet's Behavioural Insights Unit, to test and build ways that we can better help these customers with digital solutions that help prevent psychological injury.

136. We have recently engaged with the NSW Public Service Commission and Safework NSW on the psychological trends across participants in the TMF, to support opportunities for an increased focus and accountability in management and minimise psychosocial risk in the workplace.

137. icare is supportive of any proposals that could help to harmonise and coordinate of the investment activity in psychosocial risk management across government agencies. An important objective will be undertaking work with other stakeholders to ensure all government initiatives address the causes of adverse psychological injury performance in order to reduce current and future liabilities.

Our actions include making sure we are supporting our own workforce to experience a psychologically safe workplace

138. As a care-focused organisation, icare also has growing experience managing the mental health and wellbeing of our own workforce and has developed a **mentally healthy workplace framework** for managers and staff that promotes training in early prevention skills such as mental health first aid and peer-to-peer support. This provides an avenue for staff to seek help when pressures emerge inside, or outside the workplace.

139. In our Lifetime Schemes, this framework supports people who have experienced a traumatic event or a life altering diagnosis. Our teams deal with the impacts of these events first-hand, helping people navigate their new circumstances, supporting them through grief and loss and, in some cases, dealing with challenging behaviours.

140. In addition to this, we have a role in providing safe environments for the service providers we engage to support our customers. Supporting our service providers in managing challenging behaviours or coping with the strain of working with people at their most vulnerable is vital in ensuring the best outcomes for all involved.

141. Within our own operations. we have commenced piloting Safework NSW's newly developed psychosocial risk assessment tool that is promoted in workplaces as People at Work (PAW).

142. This, in conjunction with People Matter Employee Survey data, will help icare to better understand psychosocial risk in our own organisation. Use of PAW is expected to be prioritised to Government agencies in areas identified in the survey as being of particular concern.

APPENDIX A – ICARE'S OVERALL PERFORMANCE

- icare's overall performance is continuing to improve in the wake of a substantial, multi-year program of work to address the issues raised through recent reviews and detailed in regular updates including in a previous submission to the Law and Justice Committee.

- Substantial number of actions have progressed in the first half of 2022, and a significant volume of work is embedding changes that are building an open, accountable, and constructive culture that supports their sustainability.

- We expect to see a major improvement in the performance and sustainability of all schemes into the future.

- In response to the McDougall Review, icare has made considerable progress in this work and this was recognised by independent assurance provider Promontory Australia.

- We have accepted in full the 49 recommendations of the McDougall Review and the 149 recommendations of the many other reviews. icare's leadership has learnt from the past and made changes to help us care for the people of NSW, building confidence and trust so our communities can thrive.

- icare has been regularly sharing updates on its Nominal Insurer Improvement Program (NIIP), including reports from Promontory Australia, on our website at www.icare.nsw.gov.au/about-us/improvement-at-icare.

- The main workers compensation schemes have continued to deliver substantial progress in the last six months, and the schemes are fully funded and able to meet their long-term liabilities. As at 31 December 2021, the NI and TMF have insurance ratios of 115% and 128% respectively.

- icare has stabilised the declining RTW. Our focus is getting sick and injured workers back to work as quickly and sustainably as possible and we're working with our partners to make this happen.

- We are also taking significant steps to change the way we manage claims to drive better outcomes for participants, employers and the scheme's financial performance. An open tender (RFP) is underway, which will create more roles for service providers and engage providers with specialised skills and provide greater transparency and choice for employers. A staged transition to the new providers will begin on 1 January 2023.

APPENDIX B – OTHER JURISDICTIONS

The increase in mental health issues and workers compensation claims we are seeing in NSW reflects a trend that is occurring across Australia, and internationally.

In Australia

- According to the latest census conducted by the Australian Bureau of Statistics (ABS), mental ill-health is now the most diagnosed long-term condition in Australia, with 2.2 million people identifying as having a mental health condition[43].
- A study being conducted by the ABS[44] provides further insight into the fragile condition of the nation's mental health, and in particular that in 2020-21:
  - one in five people between the ages of 16 to 34 years reported experiencing a high or very high level of psychological distress;
  - 17% of Australians aged 16 -75 saw a health professional for their mental health;
  - 15% of Australians aged 16-85 years reported feeling lonely in the previous four weeks; and
  - 16% of households experienced at least one financial stressor, such as not being able to pay bills on time.
- In addition to the massive human impact of mental illness, there is an economic cost to our country up to $39 billion annually through lower economic participation and lost productivity[45].
- Research conducted by the Australia Institute[46] found that, nationally, mental health claims are approximately 8% of all claims, at 8,000 major claims per year; and that up to 90% of people who suffer at work never make a claim.
- The other two largest State workers compensation jurisdictions alongside NSW have also reported increasing numbers of psychological injury claims.
- In Victoria, 22% of injured workers on weekly benefits at 30 June 2021 were receiving them for mental injury claims, up from 20.8% in 2019-20; and in 2020-21, 13.1% of new claims were for mental injury[47].

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[43] 2021 Census data: over 8 million Australians have a long-term health condition | Australian Bureau of Statistics (abs.gov.au)
[44] Australian Bureau of Statistics https://www.abs.gov.au/articles/first-insights-national-study-mental-health-and-wellbeing-2020-21
g-2020-21" First insights from the National Study of Mental Health and Wellbeing, 2020-21
[45] Men
tal Health, Australian Government Productivity Commission Inquiry Report, No. 95, June 2020
[46] https://apo.org.au/sites/default/files/resource-files/2021-05/apo-nid313144.pdf, Australia Institute 2021
[47] https://content.api.worksafe.vic.gov.au/sites/default/files/2021-10/ISBN-WorkSafe-annual-report-2021-10.pdf, WorkSafe Victoria Annual Report 2021

- In Queensland, the number of accepted claims involving mental disorders in 2020-21 increased by almost 12% from the previous year[48].

Impact on RTW

- In the national Comcare workers compensation scheme, while claim incidence has reduced, for the five years from 2015-16 to 2019-20, median weeks of time off work for psychological claims has increased by 22% from 15.1 to 18.4 weeks of time off work[49].
- In 2020–21, the average duration of a psychological or psychiatric injury claim in Queensland was 168.5 days (151.3 days in 2019–20) compared with the overall scheme average of 63.5 days[50].
- In Victoria, 73% of workers who suffer a physical injury are back at work within six months. By contrast, only 45% of workers with a mental injury return to work within six months[51].

Internationally

- Research conducted by the WHO indicates that depression is the leading illness worldwide. The health impacts on individuals can also be measured in economic terms with decreased productivity caused by absenteeism and increased psychological claims in workplaces[52].
- Recent data from the United Kingdom shows that stress, depression or anxiety has accounted for 50% of all work-related ill-health cases, with higher-than-average rates in public administration, human health and social work, and education industries[53].
- Mental ill health attributable to work (through depression, anxiety and alcohol and drug use disorders) accounts for an estimated 17% of all work-related harm[54].

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[48] https://www.worksafe.qld.gov.au/__data/assets/pdf_file/0019/83224/WorkCover-Queensland-annual-report-2020-2021.pdf, WorkSafe Queensland Annual Report 2020-21
[49] Comcare (July 2020). *Comcare scheme – workers compensation statistics 2019-20.* /https://www.comcare.gov.au/about/forms-publications/documents/publications/corporate-publications/comcare-scheme-workers-compensation-statistics-19-20.pdf
[50] Queensland workers compensation claims statistics 2020/2021, Pocket Book
[51] WorkSafe Annual Report 2020-21. chrome-https://www.parliament.vic.gov.au/file_uploads/WorkSafe_Annual_Report_2020-21_bMgFchmm.pdf
[52] "Depression: let's talk" says WHO, as depression tops list of causes of ill health
[53] Health and Safety Executive UK (December 2021). *Work-related stress, anxiety or depression statistics in Great Britain, 2021. https://www.hse.gov.uk/statistics/causdis/stress.pdf*
[54] WorkSafe NZ Annual Report 2020-21. https://www.worksafe.govt.nz/about-us/corporate-publications/annual-reports/

- The Workplace Safety and Insurance Board (WSIB) in Ontario reports a tenfold increase in the proportion of mental disorders, which have increased from 0.3% of all claims in 2002 to 3% in 2020[55].

- Primary psychological injuries have increased 25% per year for the past five years in Alberta Canada[56] according to its Workers' Compensation Board and on average recovery from psychological injuries takes more than twice as long as recovery from physical injuries.

- The Workers' Compensation Board of British Columbia Canada noted that "the increasing proportion of mental disorder claims challenges the ability to meet the return to work target of 18.0 days", and that "this injury type takes longer to adjudicate because of the complexity"[57].

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[55] Workplace Safety and Insurance Board (2022). *Nature of Injury (download file).* https://www.wsib.ca/en/bythenumbers/open-data-downloads. Downloaded 20 June 2022.
[56] https://www.wcb.ab.ca/assets/pdfs/public/2019-23_Strategic_plan.pdf
2021 Annual Report and 2022–2024 Service Plan | WorkSafeBC

APPENDIX C – INITIATIVES FUNDED UNDER ICARE'S FRONT OF MIND PROGRAM

Initiative	Partners	Issue
Multimodal stepped care	NSW Ambulance University of Sydney Matilda Centre	Traumatic stress and substance abuse
Blended Care Therapy	Department of Communities and Justice UNSW Black Dog Institute	PTSD
Manager Training	NSW Police UNSW Black Dog Institute	Early identification of mental health issues, particularly PTSD
Skills for Life Adjustment and Resilience (SOLAR)	Fire and Rescue NSW Phoenix Australia	Early intervention for emerging, but not yet established, mental health issues
Screening	Fire and Rescue NSW UNSW Black Dog Institute	Early detection and intervention of mental health issues
Resilience Training	Department of Communities and Justice UNSW Black Dog Institute	Training and supplementary app to reduce anxiety and depression