

MOTOR TRADERS'  
ASSOCIATION OF NSW



# Under the Hood

Workers' Compensation  
Performance

## 2024 Automotive Industry Report



Published by MTA NSW,  
supported by MTC.





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# Introduction

**The automotive industry plays a crucial role in the New South Wales economy, employing over 100,000 workers and supporting thousands of businesses.**

With that level of economic and social impact, ensuring the safety of our workforce has never been more important. Like many industries, we face challenges in reducing injury claims, managing workers' compensation costs, and ensuring timely and successful Return to Work outcomes.

This benchmarking report is the product of a long-standing collaboration between the Motor Traders' Association of NSW (MTA NSW) and Motor Trades Care (MTC)—our work health and safety arm. Over the years, we have worked with MTC in our efforts to improve safety outcomes across the automotive sector. Together, we have worked to provide the data, insights, and tools needed to help businesses make informed decisions that prioritise safety and the wellbeing of their employees.

Between FY 2018 and FY 2022, the NSW automotive industry lodged over **13,500 claims**, with a total gross incurred cost of **\$69 million** in the 2022 / 2023 financial year. While the data reflects the positive steps we've made, it also highlights that we have a long way to go.

This report underscores the value of data-driven decision-making and provides a path for businesses to take proactive measures to improve safety outcomes. With MTC's continued support, we will be able to support businesses as they adopt new safety practices and strengthen injury management, helping to ensure the long-term health of both their employees and their business.

I'd like to extend my sincere thanks to the MTC team for their commitment to improving safety outcomes within the automotive industry. The investment in an industry-led approach to safety improvement is an essential step. I look forward to continuing our collaboration for many years as we make our workplaces safer.



**Stavros Yallouridis**

Group Chief Executive

Motor Traders' Association of  
NSW & Motor Trades Care



**As we continue to advance our understanding of workplace safety, we encourage all businesses, regardless of size, to leverage this data to assess their own safety practices.**

*Data sourced from icare (Insurance and Care NSW) and is from FY18-22 as at December 2023.*

# Executive Summary

This report provides a detailed analysis of workers' compensation performance in the automotive sector, focusing on injury prevention, claims management, and Return to Work strategies. By benchmarking industry trends over five financial years (2018–2022), it highlights key insights into cost drivers, risk factors, and opportunities for businesses to improve workplace safety and insurance outcomes.

The report is structured into key sections, starting with an overview of industry-specific challenges, followed by an in-depth analysis

of workers' compensation claims, premium trends, and the impact of workplace injuries. Special attention is given to the financial and operational burden of psychological claims, the role of WHS investment in reducing costs, and the unique challenges faced by small businesses compared to larger, experience-rated employers.

By presenting data-driven insights and actionable recommendations, the report serves as a valuable resource for industry stakeholders seeking to enhance workplace safety, streamline claims processes, and improve return to work outcomes.

## Key Takeaways

This report uncovers significant trends and challenges in the automotive industry regarding workplace safety and workers' compensation. The findings offer valuable insights that can help businesses implement proactive measures to reduce risks, manage claims more effectively, and support injured workers in returning to work.

### Key takeaways include

- Disparities in Workers Insurance costs with small employers experiencing higher loss ratios due to limited WHS resources, leading to increased claims costs and longer recovery times.
- Injury prevention and Return to Work (RTW) deficiencies as many businesses lack a structured WHS budget, formal WHS management systems, and effective RTW programs, resulting in prolonged injury claims.
- Rising number and cost of psychological claims with an average of 190 days off work. And an average cost of claim at 2.5 times more than physical claims
- Industry specific risks such as body stressing injuries account for 31% of total gross incurred claims cost, while slips, trips, and falls contribute to 15% of injuries, emphasising the need for ergonomic improvements and hazard mitigation.
- Ageing workforce challenges, with the older worker demographic taking significantly longer to recover from injuries, impacting productivity and increasing overall claims costs.
- Opportunities for improvement include increased investment in WHS injury prevention strategies such as safe work instructions and training, structured return to work programs, and proactive injury early intervention can enhance workplace safety and financial outcomes for businesses.

*Data sourced from icare (Insurance and Care NSW) and is from FY18-22 as at December 2023.*

# How MTC Can Assist Members

**Navigating workplace health and safety (WHS) and the workers insurance eco-system can be complex, requiring a specialised approach to risk management, injury prevention, and return to work strategies.**

Businesses in the automotive sector can benefit from expert guidance to improve safety practices, manage claims effectively, and ensure compliance with legislative requirements.

MTC provides tailored support to help businesses develop safer work environments, strengthen WHS systems, and enhance workers' compensation management. Through industry-specific expertise and practical advice, businesses can reduce risks, lower costs, and create a culture of safety that benefits both employers and employees.

Reach out to us for help at [motortradescare.com.au/contact-us](https://motortradescare.com.au/contact-us)







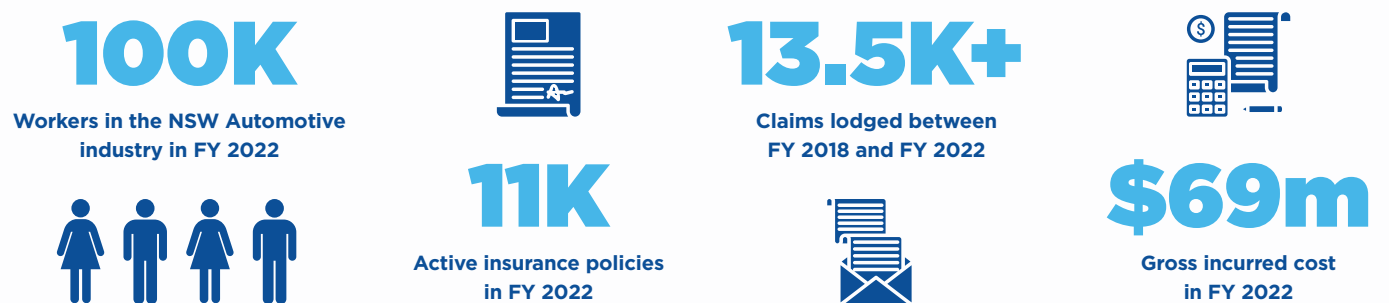


# Key Metrics

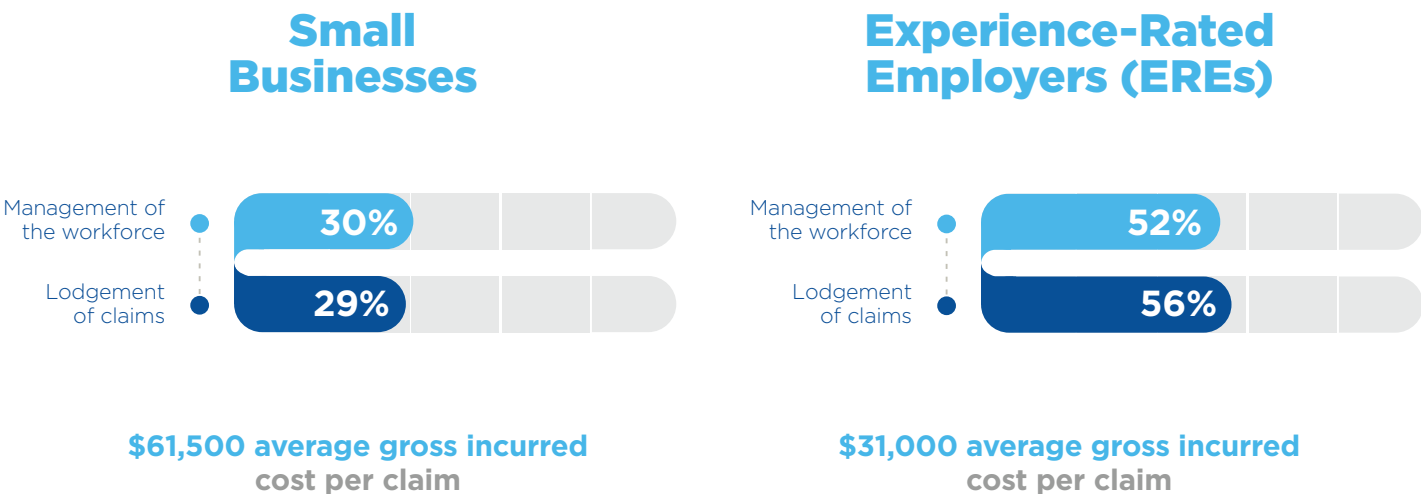
This section delivers a concise snapshot of the NSW automotive industry’s workers insurance performance over the last five years, highlighting injury types, claims costs, and Return to Work

outcomes. The visuals and data below will tell the story of how businesses can focus their safety efforts to reduce risks and costs.

## Industry Overview



## Small Businesses vs. Experience-Rated Employers (EREs) for FY 2018 to FY 2022



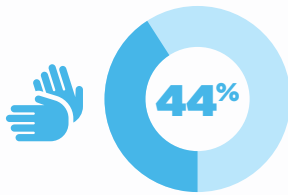
Data does not include the Loss Prevention and Recovery (LPR) customers who are 18% of the workforce and 15% of claims, with an average gross incurred cost of \$21k per claim.

Data sourced from icare (Insurance and Care NSW) and is from FY18-22 as at December 2023.



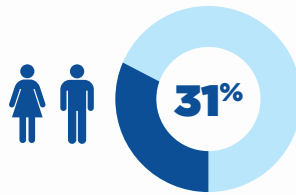
## Injury Types and Trends

### Upper Limb



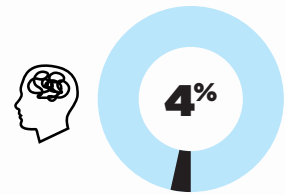
**Of all claims**  
Caused by repetitive motion, manual handling, and tool use

### Body Stressing



**Contribute to total Gross Incurred Claims costs**  
Caused by overexertion and improper lifting techniques

### Psychological



**Of claims\***  
\*But average gross incurred cost is **\$100,000 per claim**  
Average recovery time: **190 days**  
(compared to **28 days** for physical injuries)

## Return to Work and Injury Reporting

### Early Reporting Path

is within 5 calendar days

Avg. Gross Incurred Cost	<b>\$26K</b>	✓
Avg. Days Off Work	<b>46</b>	✓



### Late Reporting Path

is over 5 calendar days

Avg. Gross Incurred Cost	<b>\$56K</b>	⬆
Avg. Days Off Work	<b>117</b>	⬆

**Shorter recover times**  
Average gross incurred cost is **\$26K**  
Average days off work is 46 days

**Consequences of late reporting**  
Average gross incurred cost is **\$56K**  
Average days off work is 117 days

## Injury Costs and Time Off

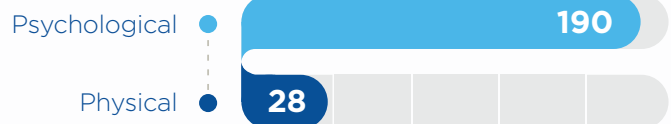
**\$100K**

**Psychological injuries**  
Average cost per claim



**\$36K**

**Physical injuries**  
Average cost per claim



**Average Recovery Time (days)**

Data sourced from icare (Insurance and Care NSW) and is from FY18-22 as at December 2023.

# Why This Matters

Maintaining a safe work environment in this fast-paced, manual labour-intensive sector remains a significant challenge. This report is not just a collection of statistics—it's a powerful tool to help industry leaders, businesses, insurers,

and governments make informed decisions that will drive better safety outcomes, reduce workers' compensation costs, and ultimately support the long-term viability of the industry.

## 1. Data-Driven Decision Making

Workplace safety in the automotive sector has a direct impact on profitability, productivity, and employee wellbeing. The data contained in this report serves as an industry benchmark, providing valuable insights into where injuries are happening, how much they cost, and which types of businesses are most affected. By using this data, businesses can:

- **Identify trends:** Spot patterns in injury types and claims data to target areas that need improvement.
- **Benchmark performance:** Compare their own safety outcomes against industry-wide metrics to see how they measure up.
- **Make informed decisions:** Understand where to allocate resources to prevent injuries and reduce workers' compensation costs.

## 2. Improving Workplace Safety

For small and medium-sized businesses, in particular, injury management and prevention can feel overwhelming. Limited resources make it difficult to implement comprehensive safety programs. This report outlines clear steps that businesses of all sizes can take to improve workplace safety, from ergonomic adjustments to mental health support. Through the data, businesses can:

- **Pinpoint high-risk areas:** Upper limb and body stressing injuries are the most common and costly in the sector. By focusing on these areas, businesses can target their prevention efforts effectively.
- **Leverage Return to Work strategies:** Delayed reporting and lack of Return to Work programs are leading to longer recovery times and higher costs. Early intervention and clear communication with injured workers can reduce time off work and help control claim costs.

- **Undertake the MTC self-assessment:** Take advantage of a complimentary safety assessment and report based on individual business circumstances to develop a custom course of action.



**Collaboration and data sharing are not just tools — they're the foundation for shaping a resilient, safe automotive industry. By uniting our insights and resources, we can drive injury prevention, enhance Return to Work outcomes, and build workplaces where safety and productivity thrive together.**

### 3. The Role of Industry Collaboration

This report also highlights the strong collaboration between MTA NSW, Motor Trades Care (MTC), and industry specialists such as Sentis, a workplace safety psychology specialist. The Leading Safely program, a collaborative project between MTC and Sentis, focuses on developing capabilities within a leadership team that will support an organisation to improve their safety culture. The ongoing work in the industry, combined with tailored tools and educational programs, helps to build safer workplaces and reduce injury-related costs.

Through collaboration with industry specialists, businesses can access:

- **Data insights** to drive safety initiatives.
- **Resources and tools** for injury prevention and Return to Work management.
- **Support for small businesses**, who often face the greatest challenges in implementing safety strategies.



This collaboration is crucial for ensuring that safety improvements are industry-wide, allowing businesses of all sizes to benefit from shared knowledge and best practices.

### 4. Why It Matters for the Future

The automotive industry is evolving rapidly, with new technologies, increased automation, and changing safety regulations. This report lays the groundwork for businesses to adapt and thrive in this changing landscape by showing where to focus their safety efforts today, ensuring they are well-positioned to handle the challenges of tomorrow.

By using the insights in this report, businesses can:

- **Reduce costs** associated with injuries, lost time, and workers' compensation claims.

- **Create safer workplaces** that retain employees and boost productivity.
- **Prepare for future changes**, including evolving safety regulations and new industry standards.

In an industry that continues to grow and adapt, having access to clear, actionable data is essential for staying competitive and protecting your workforce. This report provides that data, empowering businesses to take proactive steps toward a safer, more sustainable future.



1. **Data-driven insights**
2. **Improving workplace safety**
3. **Collaboration with icare**



# Claims Insights

## Injury and Claims Insights

As we delve further into the safety data, several key findings highlight the factors driving injury claims and costs. This section provides a deeper analysis

of injury types, how different types of employers are affected, and what can be done to mitigate the financial and operational impact of these claims.

### Upper Limb and Body Stressing Injuries

The majority of claims in the NSW automotive industry arise from physical injuries, particularly those affecting the upper limbs and resulting from body stressing. These injuries are common in environments where manual handling, repetitive movements, and ergonomics play significant roles.

- **Upper limb injuries** (hands, wrists, shoulders) account for **44% of all claims** and are often linked to manual tasks such as lifting, tool use, and repetitive assembly work. The prevalence of these injuries points to the importance of proper safety training and ergonomics in reducing strain and preventing injury.

- **Body stressing injuries**, which make up **31% of the industry's total claims costs**, often result from physical strain during tasks like lifting, pushing, or pulling heavy objects. These injuries lead to extended time away from work and contribute heavily to the financial burden on employers.

The concentration of these two injury types suggests that targeted interventions, including improved training on manual handling techniques, can substantially reduce the frequency and cost of these claims.

*Data sourced from icare (Insurance and Care NSW) and is from FY18-22 as at December 2023.*



# The Rising Cost of Psychological Injuries

Although they account for only **4% of total claims, psychological injuries** are the most financially burdensome for employers in the automotive sector. These injuries, often related to stress, anxiety, or trauma, lead to an average gross incurred cost of **\$100,000 per claim**—three times the average cost of physical injuries.



- The average recovery time for a psychological injury is **190 days**, compared to just **28 days** for most physical injuries. This extended recovery period leads to significant operational disruptions and prolonged workers' compensation payments.
- Small businesses, in particular, struggle with the significant impacts of psychological injuries. Many lack the resources to implement mental health support programs, resulting in longer recovery times and higher overall costs.

The rising number of psychological claims signals an urgent need for industry investment in **mental health programs**, providing support for employees and reducing the long-term impacts of these injuries.

## Disproportionate Costs for Small Businesses

While small businesses make up **90% of the industry**, they manage only **30% of the workforce**. However, the data shows that smaller employers face disproportionately higher costs per claim. The average gross incurred cost for a small business\* is **\$61,500** per claim, compared to **\$31,000** for experience-rated employers\*\* (EREs).

This difference is largely due to the lack of resources and structured safety programs that larger businesses can afford. Small businesses often lack dedicated safety officers or Return to Work coordinators, making it harder to manage claims effectively and reduce the financial impact of injuries.

## Late Reporting and Return to Work Delays

One of the most critical factors affecting injury claim costs is the timeliness of injury reporting. The data shows that **late reporting** (defined as claims lodged more than five days after the injury) leads to significantly longer recovery periods and higher costs.

- Claims reported more than **5 days after** injury result in an average of **117 days off work**.

- The average cost of a late-reported claim is **\$56,000**, compared to **\$26,000** if reported within the first five days after injury.

Early reporting and intervention are essential in reducing both the duration of time off work and the financial burden of claims. Businesses that prioritise early reporting and provide suitable Return to Work duties see better overall outcomes, reducing both costs and operational downtime.

\* Small Employer - business with Workers Insurance average performance premium of less than \$30k.

\*\* Experience-Rated Employers - business with Workers Insurance average performance premium of greater than \$30k.

Data sourced from icare (Insurance and Care NSW) and is from FY18-22 as at December 2023.



# Practical Tips

## Practical Tips for Safer Workplaces

Improving workplace safety doesn't always require a large investment, especially for smaller automotive businesses. By focusing on the areas that most commonly lead to injury, and adopting practical, low-cost solutions, businesses can significantly reduce their risk of workplace injuries, lower claims costs, and improve Return to Work outcomes.

To help businesses implement these strategies effectively, here are the most critical tips for improving workplace safety. Each tip includes clear actions that can be taken immediately, no matter the size of the business.

### Prioritise Manual Handling Training

Upper limb and body stressing injuries account for the majority of claims in the automotive industry. Most of these injuries can be prevented with proper manual handling techniques and equipment.

Include a manual handling safety checklist that employees can use before starting a task.



**Are you using the correct lifting technique?**



**Do you need assistance or equipment for heavier loads?**



**Are you using ergonomic tools for repetitive tasks?**



**Tip:** Schedule regular manual handling training for all employees involved in physical tasks. Refresh this training annually or when new tools or equipment are introduced.

### Make Early Injury Reporting a Priority

Delays in reporting injuries lead to longer recovery times and higher claims costs. Businesses that report injuries within five days see better outcomes, with shorter time away from work.



**Tip:** Simplify the reporting process by making it accessible, such as a dedicated phone number, a physical report box in the workshop, or a mobile app. Ensure all employees know how and when to report injuries.

#### Make sure your staff know how to:

- Get first aid help
- Report an injury
- Contact the person responsible for Return to Work Coordination (on the **If you get injured at work poster** that should be displayed in the workplace, search for it at <https://www.sira.nsw.gov.au/>)



## Implement Effective Return to Work (RTW) Programs

Effective Return to Work programs reduce the time employees spend away from work and lower overall workers' compensation costs. Providing suitable duties can help injured workers stay engaged while they recover.

### Return to Work Journey

- \* **Initial injury assessment**
- \* **Starting suitable duties**
- \* **Full return to work**

\* **Tip:** Contact MTC for support as an initial first step as soon as you become aware of an injury for expert guidance.

## Support Mental Health in the Workplace

Psychological injuries have the highest costs and longest recovery times. Proactively supporting mental health can prevent these issues from escalating into serious claims.

\* **Tip:** Train managers and supervisors to recognise signs of stress or mental health issues early. Incorporate regular wellbeing check-ins and ensure that employees know where to turn if they need mental health support.



**Mood Tracker** or **Employee Wellbeing Survey** embedded into daily or weekly work routines. Employees can anonymously check in about their mental wellbeing, allowing management to identify stress points early.



Access to **Employee Assistance Programs (EAPs)** or counseling services. A visually striking, easy-to-access element that employees can scan discreetly whenever they need help.

# Tailored Safety Solutions for Small Businesses

Small businesses often face higher costs per claim due to a lack of dedicated resources for safety management. However, simple strategies can make a big difference.

- **Safety Posters:** Create **safety posters** that are simple, visual, and easy to understand, covering common risks in automotive workshops (e.g., slips, trips, and falls, proper tool use).

## Before Rising Costs and Operational Strain

Smith's Auto Repairs, a small family-run workshop with eight employees, was struggling with the impact of frequent work placed injuries. Over the past two years, multiple employees had sustained minor to moderate injuries, including sprains and strains from lifting heavy parts and slips in the workshop. Without a dedicated Return to Work (RTW) Coordinator, claims were lodged late and little was done to facilitate early intervention injury treatment and gradual Return to Work.

One particular case involved a mechanic, Tom, who strained his back while lifting a gearbox. With no structured injury management process, Tom remained unfit for any type of work for eight weeks. His absence disrupted workflow, increased overtime costs for other staff, and resulted in a \$15,000 claim.

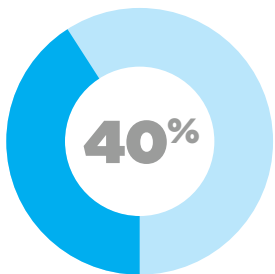
## After Proactive Early Intervention Reduces Costs and Improves Recovery

Determined to reduce these impacts, Smith's Auto Repairs implemented a set of simple but effective early intervention strategies:

- **Manual Handling Training:** All staff received training on lifting techniques and the use of lifting aids.
- **RTW Coordinator:** One team member was nominated as the businesses RTW Coordinator, they completed a freely available training course on the duties and role of a coordinator including developing suitable Return to Work plans.
- **Triage & Injury Management:** A Return to Work Program was developed and processes were implemented for immediate injury notification to icare that activated immediate assessment and treatment of injuries.

- **Recover at Work Approach:** Instead of prolonged leave, injured workers were offered suitable duties to keep them engaged while recovering.

When another mechanic, Jake, experienced a similar back strain, the difference was clear. Thanks to the new system, Jake was assessed by a physiotherapist within 48 hours, received a tailored recovery plan, and was provided suitable duties, such as light servicing tasks. He returned to full capacity within three weeks, avoiding a lengthy claim and keeping business operations stable. The total cost of his injury management was \$3,500—a **77% reduction** compared to Tom's case.



Reduction in claims

## A Safer, More Cost-Effective Business

Within 12 months, Smith's Auto Repairs saw a **40% reduction in injuries and associated workers' compensation claims** costs and improved workplace productivity. Employees felt more supported, and the business avoided costly disruptions. By implementing simple proactive strategies, this small workshop transformed its approach to injury management, proving that early intervention can significantly reduce costs and improve recovery outcomes.



**Tip:** Take advantage of free or low-cost external safety resources, such as government-funded training or online modules, to improve workplace safety without overstressing your budget.



# Industry Roadmap

## What's Next for Automotive Safety in NSW

**As the NSW automotive industry continues to evolve, new trends, technologies, and regulatory changes are reshaping the way businesses approach workplace safety.**

In this section, we look ahead to what the future holds for the industry and explore how businesses can stay ahead of the curve when it comes to protecting their workers and reducing injury-related costs.





## Practical Technology Solutions for Safety

For smaller automotive businesses with limited resources, high-end technological solutions and systems may seem out of reach. However, there are affordable, accessible technologies that can improve workplace safety without requiring significant investments in complex systems. Simple tools and low-cost innovations are becoming available to even the smallest workshops.

- **Digital Checklists and Safety Apps:** One of the simplest ways to implement technology is through mobile apps and digital checklists that ensure workers follow proper safety protocols. These apps can remind workers of critical steps, track daily safety checks, and document any hazards identified during the workday. Digital systems reduce paperwork and streamline safety management.
- **Affordable Safety Wearables:** While expensive smartwatches and high-end sensors may be beyond the budget of small businesses, more affordable **wearable devices** are available to monitor basic worker activity and fatigue. For example, some wearable wristbands can track physical strain and notify workers when they are pushing their limits, helping to prevent overexertion and body stressing injuries.
- **Tool and Equipment Safety Sensors:** Many small businesses are starting to install basic sensors on their most frequently used equipment, such as vehicle lifts or pneumatic tools. These sensors can monitor equipment usage, notify staff when equipment needs maintenance, and ensure safe operating conditions. This kind of technology reduces the risk of mechanical failures and accidents in the workshop.

**Recommendation:** Small businesses should start with **low-cost digital tools** to integrate safety technology into their daily operations. These tools are accessible and provide immediate benefits without requiring significant capital investment.

## Regulatory Changes: Keeping Up with Compliance

As workplace safety continues to evolve, so too does the regulatory environment. The **Work Health and Safety Act 2011** provides the framework for safety regulations in NSW, but recent changes and updates mean businesses must stay informed to remain compliant. This includes stricter requirements around mental health in the workplace and higher penalties for non-compliance with safety standards.

- **Mental Health Regulations:** Psychosocial hazards are now a priority in workplace safety legislation, with businesses required to provide support for workers experiencing psychological stress and promote a mentally healthy workplace. This reflects

the increasing number of psychological injury claims and their significant costs.

- **Compliance Audits: Proactive Safety Regulator** visits across NSW industries means businesses need to stay proactive about safety training, record-keeping, and compliance. Failing to meet safety standards can lead to financial penalties and legal issues.

**Recommendation:** Businesses should stay updated on **new regulatory requirements** and regularly review their safety practices to ensure compliance with the **Work Health and Safety Act**. Maintaining a safer workplace is key to avoiding fines and improving workplace safety.

## The Shift to Electric Vehicles (EVs): New Safety Considerations

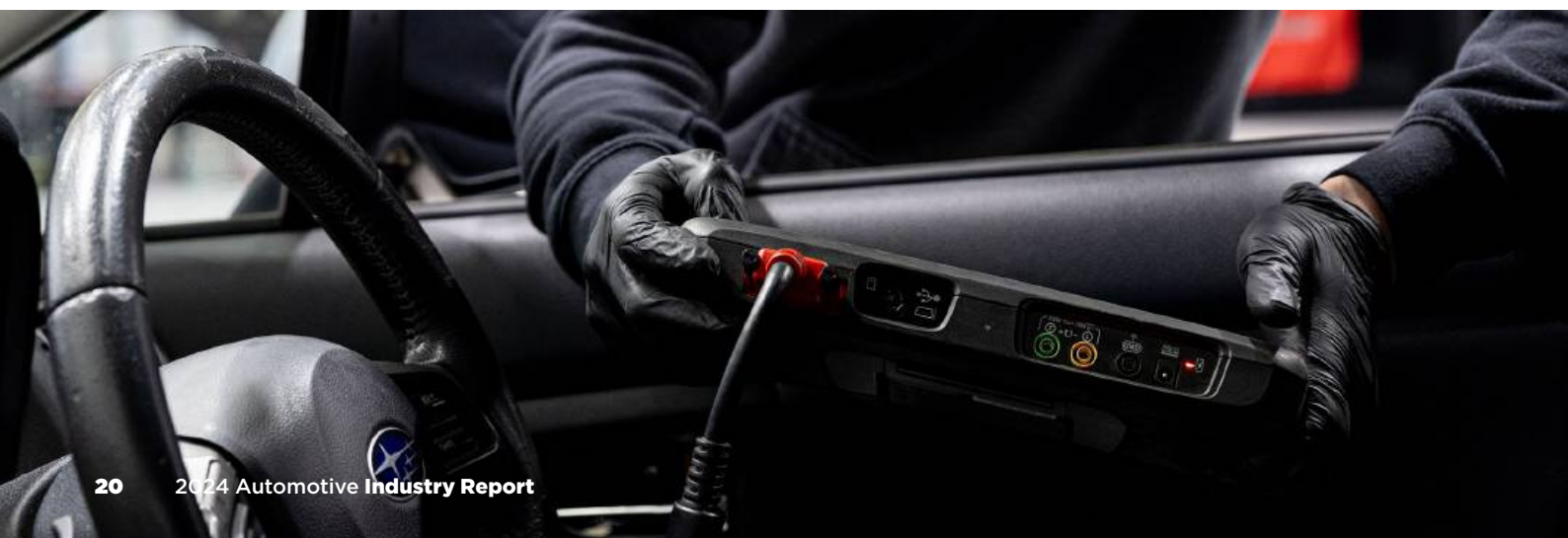
The rise of **electric vehicles (EVs)** is transforming the automotive industry, and with it comes a new set of safety challenges. Working with EVs introduces risks related to high-voltage components, chemical exposure from batteries, and new types of maintenance and repair processes that are unfamiliar to many workers.

- **Electrical Vehicle Safety:** Training on high-voltage safety is essential as EVs become more common in workshops. Workers need to be equipped with the right knowledge and protective equipment to handle EV repairs safely.

- **Battery Hazards:** EV batteries pose risks such as chemical exposure, fire hazards, and electrical shock. Businesses must invest in **specialised training** and **equipment** to safely handle and store EV batteries.



**Tip:** Workshops and repair facilities should invest in **specialised training** for EV safety and ensure workers are prepared to handle high-voltage systems. MTA NSW offers this training.







## Data-Driven Safety Programs: Using Analytics to Prevent Injuries

The ability to collect and analyse safety data has become a powerful tool for businesses to predict and prevent workplace injuries. By leveraging historical data on injuries, claims, and workplace incidents, companies can identify patterns and high-risk activities before they result in costly claims.

- **Predictive Analytics:** Data analytics software can predict when and where injuries are most likely to occur, allowing businesses to take preventative measures. For example, data might reveal that certain tasks or time periods see higher rates of injury, enabling companies to adjust schedules or implement additional safety measures.

- **Safety Dashboards:** Real-time safety dashboards provide business owners and safety managers with a clear view of safety performance, highlighting potential hazards and tracking the effectiveness of injury prevention programs.

**Recommendation:** Companies should explore **data-driven safety programs** that allow them to **track, analyse, and act** on safety metrics. Investing in software that provides real-time insights and predictive analytics can lead to significant reductions in injury rates and claims costs.

## Enhancing Mental Health Programs

The importance of mental health in the workplace cannot be overstated, especially with the rising number of psychological injury claims. As more businesses recognise the need to support their workers' mental wellbeing, implementing comprehensive mental health programs is becoming a standard practice.

- **Wellness Programs:** Encouraging physical and mental wellness through programs that promote stress management, mindfulness, and work-life balance can prevent psychological injuries from developing in the first place.

- **Early Intervention:** Proactive mental health support, such as **Employee Assistance Programs (EAPs)** and access to professional counseling, can help businesses address mental health issues before they escalate into claims.

**Recommendation:** Businesses should embed **mental health support** into their safety culture by offering training on mental wellbeing, ensuring access to professional counseling services, and promoting a work environment that encourages open communication about mental health concerns.

# Key Terms

## Glossary of Key Terms

**This glossary provides definitions for the key terms and concepts used throughout the report, ensuring readers have a full understanding of the terminology related to workplace safety and workers' compensation in the NSW automotive industry.**

### Experience-Rated Employers\*\* (EREs)

Experience-rated employers are larger businesses whose workers' compensation premiums are adjusted based on their claims history. Because of their size, these employers often have more structured safety programs and better injury management systems, resulting in lower claims costs compared to smaller businesses.

### Return to Work (RTW) Programs

Return to Work programs are designed to help injured workers reintegrate into the workforce by offering suitable duties during their recovery period. These programs aim to reduce the time employees spend away from work while lowering overall workers' compensation costs. Effective RTW programs are vital to managing workplace injuries.

### Gross Incurred Cost

The gross incurred cost refers to the total financial burden of a workers' compensation claim. This includes all related expenses such as medical bills, lost wages, rehabilitation costs, and other associated claims expenses. The gross incurred costs also includes outstanding estimates on claims, to reflect the estimated impact of an injury on the employer and insurer.

### Body Stressing Injuries

Body stressing injuries are caused by physical exertion, often linked to tasks such as lifting, pushing, or pulling heavy objects. These injuries are common in physically demanding jobs, like those in the automotive sector, and are one of the leading causes of workers' compensation claims due to their frequency and cost.

### Psychological Injuries

Psychological injuries refer to mental health conditions that arise from workplace stress or trauma, such as anxiety, depression, or post-traumatic stress disorder (PTSD). These injuries, though fewer in number, have a disproportionately high impact on claims costs and recovery times, often requiring more extensive support and longer rehabilitation periods compared to physical injuries.

### Small Businesses\*

In this report, small businesses refer to those with fewer than 20 employees, which make up the majority of businesses in the NSW automotive industry. Small businesses face unique challenges in managing workplace safety due to limited resources, which can result in higher average claims costs compared to larger, experience-rated employers.

### Upper Limb Injuries

Upper limb injuries affect areas such as the hands, wrists, shoulders, and arms, often resulting from repetitive tasks, manual handling, or tool use in the automotive industry. These injuries are particularly common and are one of the primary contributors to workers' compensation claims in the sector.

### Late Reporting

Late reporting refers to the practice of filing a workers' compensation claim more than five days after an injury occurs. Data shows that late reporting can lead to higher claims costs and longer recovery times, making timely injury reporting essential for managing workplace safety and reducing the financial impact of injuries.

\* Small Employer - business with Workers Insurance average performance premium of less than \$30k.

\*\* Experience-Rated Employers - business with Workers Insurance average performance premium of greater than \$30k.









**MOTOR TRADERS'  
ASSOCIATION OF NSW**



Published by MTA NSW,  
supported by MTC.

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