Return to WorkSA

2025–26 ANNUAL REPORT

South Australia's work injury insurance scheme.



Government of South Australia



Acknowledgement of Country

We acknowledge and respect Aboriginal peoples as the State's first peoples and nations, and recognise them as traditional owners and occupants of land and waters in South Australia.

We further acknowledge that ReturnToWorkSA's office is located on the traditional lands of the Kaurna people and we pay our respects to the Kaurna people, and their Elders, past, present and emerging.

ABOUT THIS REPORT

This Annual Report presents the activities and performance of ReturnToWorkSA for the 2025–26 financial year.

References to ReturnToWorkSA throughout this report relate to the activities undertaken by the Return to Work Corporation of South Australia in administering the Return to Work scheme, which became fully operational on 1 July 2015.

This report fulfils our reporting obligations under the *Public Sector Act 2009*, the *Return to Work Corporation of South Australia Act 1994*, and the financial reporting requirements of the *Public Finance and Audit Act 1987*.

Further information

You can learn more about ReturnToWorkSA and the Return to Work scheme on our website. This Annual Report and previous Annual Reports are available to download at **www.rtwsa.com**.

Background artwork: In 2023-24, ReturnToWorkSA marked the launch of its first Reconciliation Action Plan with the unveiling of this artwork by Eastern Arrernte artist Pat Caruso.

CONTENTS

3 About this report
6 Performance highlights
8 Financial performance summary
10 Message from the Chairman and CEO
12 About us
17 Our strategic direction
21 Supporting injured workers
45 Providing a responsive and affordable scheme
56 Our people
60 Corporate governance and administration
64 Financial statements
111 Independent auditor's report
115 Actuarial certificate outstanding claim liabilities

OUR PURPOSE

To empower and support South Australians impacted by work injury.



PERFORMANCE HIGHLIGHTS

Personalised claims service

32,726
mobile claims manager engagements
(includes face-to-face and virtual)

166*
mobile staff
* Previously mobile line managers were included in this figure. These roles have now been excluded from reporting.

83%
of all physical injury claims received were determined within 10 business days of receipt

16,011
claims received in the registered Scheme

Remaining at or returning to work

Injured workers remaining at or returning to work (fully or partially) at key intervals after injury



4 weeks
13 weeks
26 weeks
52 weeks
103 weeks

729
new Return to Work Coordinators certified

99
seriously injured workers assisted to remain at or return to work in paid employment

128
seriously injured workers assisted to engage in the community via volunteering, training, study or job seeking

Premium collected

647,971
workers covered by the registered Scheme

$918.4m
in premium revenue collected from registered businesses

64,940
employers paid premiums



Regulating employer obligations

429
new reviews of suitable employment compliance

311
employers audited for premium compliance, resulting in **$4.5m** of additional premium collected

422
new employer registrations established from targeted regulatory activity

Disputes

10.4%
reduction in disputes lodged

35
premium review requests received from over 64,940 registered employers

Data as at 31 July 2026. See the Scheme Performance page on the ReturnToWorkSA website for more statistics including time series data.

Permanent impairment assessment compliance

2,179
impairment assessment reports reviewed with 92% compliant on final review

Mentally healthy workplaces

800
business representatives completed psychosocial hazards training, with 93% reporting increased confidence and 2,000 business representatives participated in 12 workshops

Employer education

1,167
business representatives participated in 20 online workshops and two employer forums to support better recovery and return to work outcomes

Self-insured employers

308,939
total workers covered by self-insured employers

Private self-insured employers: 172,258 workers
Crown self-insured employers: 136,681 workers

FINANCIAL PERFORMANCE SUMMARY

The profit from insurance operations of $96.7m was positively contributed to by continued solid return to work performance.

Strong economic factors contributed to a total comprehensive result of $210.9m.

It is important to note that external factors such as discount rates, which decreased the value of the liabilities by $228m this year, can vary and have a material effect on the Scheme.

Profit from insurance operations	**2022–23 $'m**	**2023–24 $'m**	**2024–25 $'m**	**2025–26 $'m**
Underwriting result [1]	(131.2)	3.4	(91.5)	105.7
Change in economic factors [2]	26.0	(67.0)	14.0	(228.0)
Long term investment earnings (net) [3]	205.9	252.0	294.5	309.2
Operating expenses [4]	(61.2)	(73.9)	(92.1)	(103.9)
Other income [5]	12.5	13.3	14.1	13.7
Profit from insurance operations [6]	**52.0**	**127.8**	**139.0**	**96.7**
Include change in economic factors	(26.0)	67.0	(14.0)	228.0
Investment earnings difference [7]	43.1	20.4	96.6	(23.5)
Operating profit [8]	69.1	215.2	221.6	301.2
Income tax equivalents [9]	0.0	0.0	(66.5)	(90.3)
Total comprehensive result	**69.1**	**215.2**	**155.1**	**210.9**

1. Premium less claim costs, claim agent and tribunal fees *[per Statement of Comprehensive Income]*
2. Exclude impact of change in discount rates and inflation which are beyond ReturnToWorkSA's control
3. Investment earnings (net) calculated at the expected long-term earnings rate to exclude short-term variability
4. Includes employee, depreciation, accommodation and other operating costs *[per Statement of Comprehensive Income]*
5. Self-insured employer fees and Sundry income *[refer Statement of Comprehensive Income]*
6. Operating result excluding economic factors and investment variability
7. Difference between actual total net investment profit and long-term investment earnings (net)
8. Reported operating profit before tax equivalents *[per Statement of Comprehensive Income]*
9. Income tax equivalents are payable if there is both an operating profit, a profit from insurance operations and a funding level of at least 100%.

Average premium rate

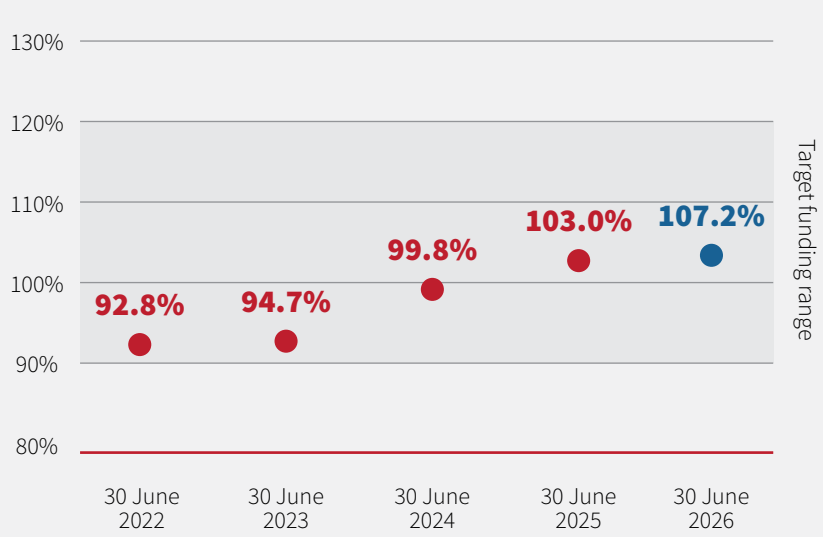
The average premium rate for South Australian employers in 2025–26 remained at 1.85%.

Scheme funding level

The Scheme funding ratio is the ratio of our assets to liabilities.

One of the core responsibilities of ReturnToWorkSA is to ensure the Scheme is fully funded on a fair basis, while also seeking to keep the premium affordable for employers at no more than 2%, as stipulated in the Act.

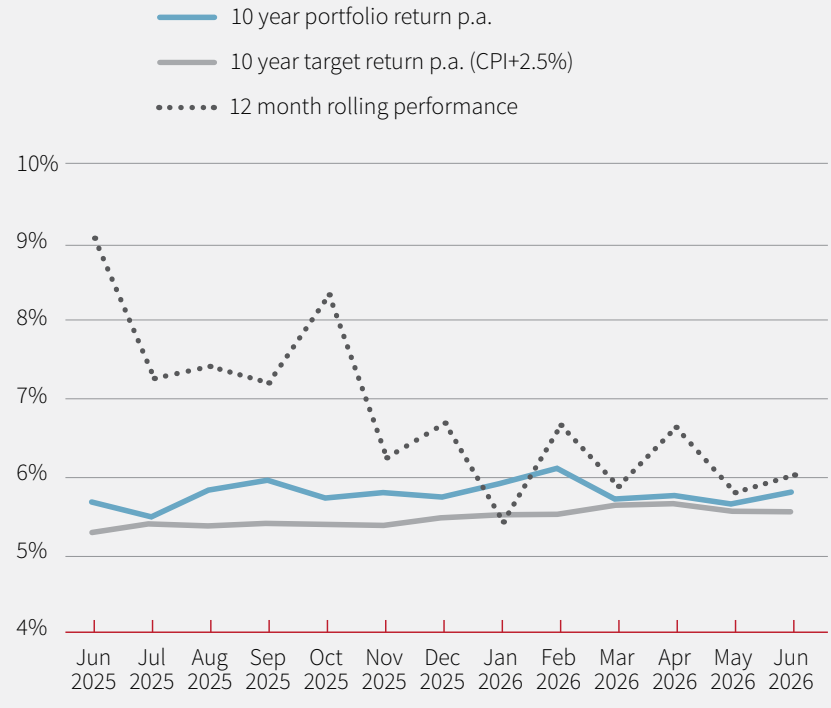
The ReturnToWorkSA Board aims to maintain a funding level within the range of 90% to 120%. As of 30 June 2026, the funding level was 107.2% with net assets of $355.5m.



Investment return

Our investment strategy is a fundamental component of ensuring the long-term viability of the Scheme.

▲ Net return on investment for 2025–26 was 6%



MESSAGE FROM THE CEO AND CHAIR



MICHAEL FRANCIS
CEO

GREG MCCARTHY
Chair

The South Australian Return to Work scheme has fulfilled its social and financial sustainability objectives remarkably well since its inception in 2015 and, in this respect, has been a beacon compared with other centrally underwritten schemes in Australia.

Our primary objective this year has been to maintain sustainable Scheme performance while positioning the organisation to deliver on several pieces of strategically significant work.

This includes our Digital Transformation Program, claims agent procurement and preparation for the forthcoming Scheme Review.

Changing environment

The profile of claims received is changing within a growing Scheme. Claim numbers have grown by 10% in the last three years, with 16,011 received in FY26, while the number of income support claims received has increased by 16%. Primary psychological injury claims received have increased by 58% in this time. Providing services to this mix of claims places different demands on claims agent resources.

All schemes require active management to ensure claims are proactively managed and responsive to ever-evolving service and regulatory expectations of stakeholders. In other words, change is normal but important context to note heading into the Review.

Industry mix, psychological injury and return to work outcomes

We pay a lot of attention to return to work results and, while these have not quite held at the historic highs achieved two years ago, they have remained consistently strong since the early part of the decade. The increased prevalence of psychological injuries and income support claims has impacted headline return to work results. The growth in social assistance services and of the construction industry - and the commensurate increases in injuries from these sectors where return to work outcomes are known to be poorer - also presents a challenge to respond to. Our Regulation and Risk Management teams continued to work with SafeWork SA, and directly with industry partners and unions on initiatives aimed at addressing the more challenging claims mix that has emerged in recent times.

Programs have included:

- Mind Your Head - an evidence-based program delivered by SA Unions where workplaces sign up to a program of training and support with implementation of initiatives engaging management and workers to reduce the incidence of mental harms and better manage responses when these occur
- Health and Safety Representatives (HSRs) training - while previously providing education and training to HSRs as part of the programs offered by SA Unions, South Australian Business Chamber, Shop, Distributive and Allied Employees and the Australian Nursing and Midwifery Federation, this year we worked on increasing the reach to support HSRs. A package was developed to ensure we could service all HSR trainers in the state by providing them with a practical resource to help upskill HSRs on mentally healthy workplaces and psychosocial hazards and risks
- Mentally Healthy Workplaces – skill building workshops and training for employers, were developed alongside industry partners. In FY26 there were 2,000 registrations at workshops, and circa 800 people who completed psychosocial hazards training.

We have implemented a broad range of regulatory and insurance initiatives to sustain and provide for implementation of the provisions of the *Return to Work Act* across all compensating authorities and the workers and employers they serve. Beyond the education and training initiatives outlined above, this has included:

- our premium compliance work that resulted in an additional $6m in base premium invoiced and registration of 422 previously unregistered employers
- continued support of Whole Person Impairment Assessors through a range of initiatives including education sessions and one-on-one engagements to support assessors through the revised Impairment Assessor Accreditation Scheme which commenced on 1 July 2025
- the employer risk team identified and continued to work with a cohort of 412 employers that account for close to a third of the claims in the registered Scheme
- self-insurance claims data was published for the first time to provide a more complete picture of the Scheme, and revised Work Health and Safety Standards for self-insurers took effect from August 2025.

Scheme sustainability and affordability

ReturnToWorkSA has achieved another strong year of financial results which continue to underline our ability to provide a sustainable Scheme that is able to deliver on its social objectives. The operating result before tax equivalents of $301m builds on excellent results over the preceding two years (FY24 $215m/FY25 $220m), and has contributed to further improving the funding level to 107%. To be fully funded on a fair basis is a legislated objective ReturnToWorkSA is required to achieve. The average premium rate (APR) remains sustainable at 1.85%, being above the breakeven premium (BEP) of 1.78%.

Summary

While facing a number of challenges - including a growing Scheme with a higher proportion of psychological injury claims and a number of strategically significant non-business as usual challenges such as the Digital Transformation Program, claims agent procurement and a pending Scheme Review - the Scheme has continued to fulfil its functions where the objects of the Act are being sustainably met while making good progress in terms of addressing the additional challenges referred to.

We are well positioned with a stable Scheme as we head toward the Review, with that stability allowing for a measured approach to reviewing how and where the Scheme can be refined and improved.

This will ensure it is able to continue to fulfil the objects of the Act in a balanced and sustainable way that preserves access to the benefits and supports the Scheme to provide for those who rely on it most in their time of need.

ABOUT US

The Return to Work scheme plays a vital role in supporting the South Australian community by providing financial protection and support for workers and employers in the event of a work injury.

The objective of the Scheme is to support workers injured at work, and provide early intervention to ensure action is taken to help them:

- recover from injury
- remain at, or return to work following injury
- realise the health benefits of work
- live independently and be restored to the community when return to work is not possible.

In delivering this objective, we seek to reduce disputation and adversarial contests wherever possible whilst balancing the interests of workers and employers to ensure that costs are contained within reasonable limits.

We are passionate about delivering a work injury insurance scheme that provides the right services at the right time. We work with people with work injuries and their employers to provide the best possible chance of recovery and remaining at or returning to work.

Our insurance role

We provide work injury insurance that protects 64,940 South Australian businesses and approximately 647, 900 workers in the event of a work injury.

As an insurer, we are funded by the premiums paid by employers and the investment returns achieved on invested funds.

ReturnToWorkSA oversees all insurance functions, including setting and collecting premiums.

Most claims are managed by Employers Mutual SA Pty Ltd and Gallagher Bassett Services Pty Ltd in line with our business model. ReturnToWorkSA directly manages claims for workers with catastrophic injuries. While the number of people who suffer such injuries is low, the complexity and intensity of these workers' needs are often high. Our EnABLE team specialises in offering personalised and intensive support services for these workers, their families, and employers.

ReturnToWorkSA and our claims agents provide essential services to people injured at work, which include:

- claims management services for injured workers and employers to achieve the best possible recovery and return to work outcome, including face-to-face support where appropriate
- income support to cover lost wages
- the cost of reasonable medical expenses
- financial support in the form of lump sums
- financial support for access to a range of return to work services where required.





Regulation

The regulatory function supports the stability, fairness and sustainability of South Australia's Return to Work scheme by promoting good practice, supporting continuous improvement and strengthening confidence in Scheme administration. Regulation helps the Scheme manage risk and maintain confidence by supporting recovery and return to work, encouraging responsible Scheme participation and identifying opportunities to improve outcomes for workers, employers and providers.

Approach

Our approach is risk-based and evidence-informed. We use education, engagement, monitoring and early support to help employers and providers understand their obligations and build capability. Where stronger intervention is required, we take proportionate action to support compliance, reinforce expectations and protect the integrity of the Scheme.

During the year, regulatory effort focused on improving practice in areas that influence prevention, recovery, return to work, service quality and Scheme sustainability. This included strengthening prevention, supporting earlier intervention, and reinforcing the behaviours and standards expected across the Scheme.

Focus areas

A central focus was supporting better employer practice. Employer education, Return to Work Coordinator compliance monitoring, high-risk industry support and targeted outreach helped employers better understand their obligations and build capability to support timely, safe and sustainable return to work. Suitable employment investigations and related compliance activity also reinforced expectations and supported practical action where additional regulatory attention was required.



Premium compliance

Regulation helped protect the integrity of the Scheme through premium compliance activities, claims investigations and targeted audits. These activities improved decision-making, supported accurate participation in the Scheme, reduced the risk of incorrect payments and premium underpayments, and helped safeguard Scheme funds for injured workers and employers.

Provider regulation

Provider regulation and permanent impairment governance supported affordability, access and quality across Scheme-funded services. Through fee setting, provider education, compliance monitoring, performance oversight and administration of the Minister's Impairment Assessor Accreditation Scheme, Regulation supported clear expectations for service quality, pricing and evidence-informed practice. This helped manage risks associated with treatment costs, assessment consistency, entitlement integrity and access to suitably qualified providers.

Self-insurance

Oversight of Crown and private self-insured employers remained an important stewardship function, supporting consistent expectations and equivalent outcomes across the Scheme. Evaluation findings and renewal governance helped identify opportunities to strengthen claims timeliness, income support administration, average weekly earnings accuracy, return to work planning, worker communication, standardisation and data capture.

ReCONNECT

ReCONNECT and related worker support services assisted injured workers and families where broader personal, social or practical barriers affected recovery, participation or transition from the Scheme. Complaints handling, stakeholder engagement and coordinated governance strengthened early insight, accountability and organisational capability, supporting timely and considered responses to emerging issues.

Collectively, these activities demonstrate Regulation's impact-focused stewardship which helps preserve confidence in the Scheme. By using evidence, engagement and proportionate action to support good practice, identify risks early and maintain Scheme integrity, Regulation supports a fair, sustainable and trusted Return to Work scheme for South Australians.



OUR STRATEGIC DIRECTION

Our purpose: To empower and support South Australians impacted by work injury.

Our strategic objectives are:

1. Support injured workers:
   - to realise the health and social benefits of work, or
   - to be restored to the community where return to work is not possible.
2. To provide a responsive and affordable work injury insurance scheme for South Australia that balances the interests of employers and injured workers.

Return to Work Corporation of South Australia Charter and Performance Statement

The Return to Work Corporation of South Australia Charter and Performance Statement set out the government's key priorities, requirements and expectations for ReturnToWorkSA's performance.

In accordance with the Charter, ReturnToWorkSA reports quarterly to the Minister against the objectives set out in the Performance Statement.

ReturntoWorkSA is committed to the following focus areas, to deliver a Return to Work scheme that works for people, both now and in the future:



Improved experiences and meaningful outcomes for injured workers and employers



A capable and empowered workforce within a service orientated and collaborative organisational culture



Enhanced technology, systems and data to optimise ReturnToWorkSA service delivery and performance.



In 2025–26, ReturnToWorkSA completed the third year of its Strategic Plan 2023–28, delivering key achievements across service delivery, stakeholder engagement, and policy reform.

Supporting return to work outcomes

We maintained the focus on early and sustainable return to work outcomes and increased support for injured workers and employers, through continued investment in treatment and recovery services, enabled by more than 32,700 mobile claims manager engagements in a challenging environment of continued workforce growth and claims complexity in South Australia and nationally.

Regulatory activity supported return to work outcomes by strengthening employer understanding of suitable employment obligations, monitoring Return to Work Coordinator appointment and training compliance, and taking targeted action where additional regulatory attention was required. This helps injured workers by promoting earlier intervention, clearer employer accountability and more consistent support throughout recovery and return to work.

Strengthening worker protections and impairment assessment standards

Implementation of significant reforms to permanent impairment assessments, including the Third Edition of the Impairment (IAG3) and a revised Impairment Assessor Accreditation Scheme, strengthening fairness, clinical rigour and consistency in outcomes for injured workers.

Modernising service delivery with technology

Progress on our multi-year Digital Transformation Program through further introduction of cloud-based technology, delivering enhanced digital claims capabilities for workers and employers, while maintaining a focus on person-centred, face-to-face service delivery.

Improvements in noise-induced hearing loss management

Continued improving the management of noise-induced hearing loss through collaboration, evidence-based reviews, regulation, and improvements to prevention, education and claims processes.



Ensuring employer compliance

We continued to promote premium compliance and equity through a data-led, risk-based audit program, resulting in $4.5 million in additional base premium being billed and the registration of 422 previously unregistered employers.

Through the review, assessment and investigation of referrals from claims agents, injured workers and their representatives, ReturnToWorkSA supported employer compliance with suitable employment obligations.

By the end of 2025–26, more than 93% of appointed Return to Work Coordinators had completed the required training, representing the strongest end-of-year compliance result achieved by the team to date. This outcome reflects the ongoing commitment of employers and Return to Work Coordinators to build the capability needed to support workers throughout their recovery and return to work.

Stakeholder Engagement Framework

During the year, ReturnToWorkSA revised its Stakeholder Engagement Framework to provide a clearer and more consistent approach to planning, delivering and evaluating engagement across the Scheme. The refreshed framework supports purposeful engagement, strong collaboration and improved use of stakeholder insights to inform regulatory priorities, service improvements and Scheme development.

Supporting quality impairment assessments

Implementation of the Third Edition of the Impairment Assessment Guidelines (IAG3) and the revised Impairment Assessor Accreditation Scheme supported greater consistency, quality and transparency in permanent impairment assessments. These changes help injured workers by promoting fair, objective assessments, clear reporting expectations and timely access to appropriately accredited assessors.



Sustainability

At ReturnToWorkSA, sustainability is integral to achieving our strategic objectives and ensuring that we remain adaptable, equitable and accountable in delivering meaningful outcomes for all stakeholders.

We are committed to embedding sustainability into our business strategy—guiding decisions that balance operational efficiency with positive social and environmental impact, while strengthening our long-term resilience.

Our Sustainability Policy is guided by four key sustainability principles:

1. **Scheme sustainability** - ensuring the long-term financial and operational sustainability of the Return to Work scheme.
2. **Environmental impact** - reducing our carbon footprint and managing resources responsibly.
3. **Sustainable workforce** - fostering a healthy, engaged and resilient workforce.
4. **Ethical sourcing** - strengthening procurement practices to align with sustainability principles.

Aligned with the SA Government's Climate Ready Government initiative (as a statutory authority), ReturnToWorkSA supports state-wide targets to:

- reduce net emissions by 60% (from 2005 level) by 2030
- achieve 100% net renewable energy generation by 2027
- achieve net zero emissions by 2050.

SUPPORTING INJURED WORKERS

Support injured workers to realise the health and social benefits of work or achieve the best possible outcome where return to work is not possible.

Our service model is designed to encourage early injury reporting and, where appropriate, prompt and face-to-face engagement in claims management to support workers and employers who require assistance with recovery, staying at work or returning to work.

Injured workers remaining at or fully returning to work (actual)

	4 weeks	13 weeks	26 weeks	52 weeks	103 weeks
2025–26	69%	84%	89%	93%	95%
2024–25	71%	86%	90%	94%	95%
2023–24	71%	86%	91%	94%	95%
2022–23	72%	86%	91%	93%	95%
2021–22	72%	83%	89%	93%	94%
2020–21	71%	83%	87%	91%	94%

Injured workers whose income support ceased after 104 weeks and who have not returned to work

		% of claims received
2025–26	473	3%
2024–25	406	2.6%
2023–24	399	2.5%
2022–23	460	3.2%
2021–22	530	3.7%
2020–21	600	4%

Injured workers remaining at or returning to work (fully or partially) at key intervals after injury

	4 weeks	13 weeks	26 weeks	52 weeks	103 weeks
2025–26	80%	91%	93%	95%	96%
2024–25	82%	92%	94%	95%	97%
2023–24	83%	92%	94%	96%	97%
2022–23	83%	92%	95%	95%	96%
2021–22	83%	90%	93%	95%	96%
2020–21	82%	90%	93%	94%	95%

Rates may differ slightly from those reported before 2022–23 because claims can remain active across multiple reporting periods. The four-week milestone is measured from the claim received date, while all other milestones are measured from the first date of incapacity. Data is current as at 31 July 2026.

The South Australian labour market has grown significantly during this time with insured wages being $33b in 2020–21 and growing by over 50% to $50.4b in 2025–26.

Improving the experience and outcomes for injured workers

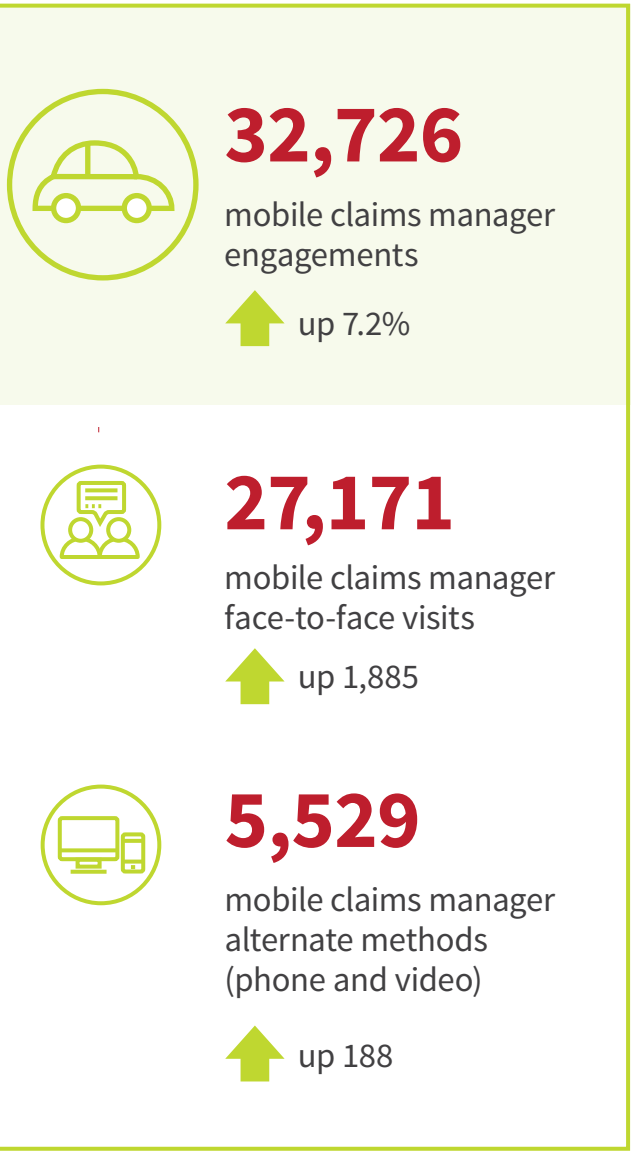
ReturnToWorkSA remained focused on delivering personalised, worker-centred support to injured workers and employers throughout 2025–26. Working in partnership with our claims agents, mobile claims managers provided on-the-ground support across metropolitan Adelaide and regional South Australia, helping workers, employers and providers navigate the recovery and return to work journey.

During the year, our mobile claims management service continued to play an important role in facilitating early conversations, identifying and addressing barriers to recovery, and supporting workers to remain connected to, or safely return to work. This personalised approach enables support to be tailored to the individual needs and circumstances of each worker and employer.

We continued to strengthen the support available to workers and employers by:

- maintaining a statewide mobile claims management service
- focusing on early intervention and timely engagement following injury
- providing flexible service delivery options, including virtual engagement where appropriate
- supporting workers and employers to access services that promote recovery, wellbeing and participation in work.

Throughout the year, we remained committed to delivering a responsive and personalised claims experience. By working collaboratively with injured workers, employers, claims agents and service providers, we continue to support safer recovery pathways and sustainable return to work outcomes for South Australians impacted by work injury.



NB: Claims received increased by 1.4% in FY26 to 16,011.





Measuring the quality of service

As part of our ongoing commitment to improving customer experience, ReturnToWorkSA successfully transitioned the Voice of Customer (VoC) surveys into an ongoing operational process.

This work has enabled us to track overall customer satisfaction for both employers and workers and respond more effectively to their needs.

In the first full year of the VoC program following its trial phase, 3,502 workers and employers completed surveys, with 72% satisfied with their interactions with ReturnToWorkSA. The strong response rate provides confidence in the findings and supports ongoing improvements to customer experience.

Continuing to deliver timely decisions and payments

In 2025–26, we maintained our strong focus on providing prompt decisions and payments to support workers in their recovery and return to work. By maintaining a focus on timely, evidence-based decision-making and transparent communication, we contributed to a claims process that is clear, more consistent and easier for participants to navigate.

83% of claims submitted for physical injuries were assessed within 10 business days. This excludes claims for hearing loss, psychological injuries, working director claims and death claims which require more detailed eligibility assessments. Claims for psychological injuries and injuries related to complex circumstances take longer to establish eligibility for compensation.

For more complex injuries, like psychological injuries, while information is gathered about the claim workers have access to interim income support, treatment and support services to facilitate their recovery and return to work.

Additionally, 93% of workers had their expenses reimbursed within 14 days of receipt and 99% of employers received wage reimbursements within 30 business days. Medical and allied health providers received payment of their invoices within 30 business days 99% of the time, facilitated through our online services to enable secure and prompt payment.



claims submitted for physical injuries are determined within 10 days



claims submitted for physical injuries are determined within 20 days



workers reimbursed within 14 days of us receiving their receipts



employer wage expenses reimbursed within 30 days



medical and allied health services for injured workers billed directly to our claims agents paid within 30 day trading terms

Simplifying claim lodgement

Since online claim lodgement was introduced in April 2024, employer adoption has increased significantly, with a 166% rise in claims lodged online in 2025–26. The service continues to be well received, with 87% of employers reporting the process was easy or very easy to use.

In July 2025, enhancements enabled workers to interact with us online from the point an injury was reported by their employer, bringing flexibility to injured workers initial lodgement activities.

4,432 injured workers chose to initially engage online in 2025–26. This functionality was well received, with 84% of injured workers reporting the process was easy or very easy to use.

These developments form part of ReturnToWorkSA's ongoing Digital Transformation Program, informed by research and stakeholder feedback.

We remain committed to refining our systems and processes to meet the evolving needs of both injured workers and employers, ensuring a high quality experience for all those we support.

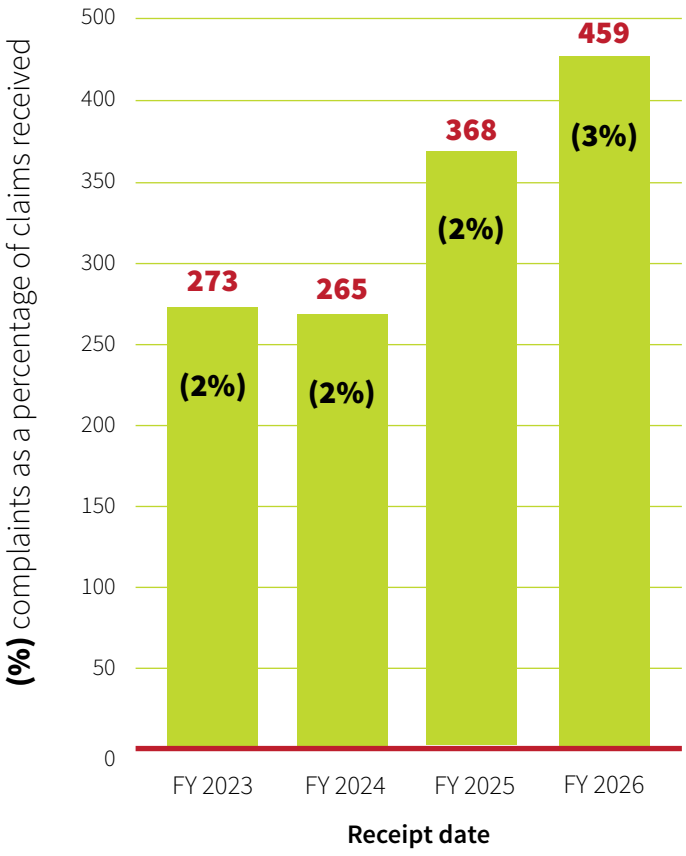
Complaints

Complaint numbers increased to 459 in 2025–26, up from 370 in the previous year. While complaints increased, the complaint rate and overall number remain low for a Scheme with over 16,000 accepted claims each year.

Complaints received by ReturnToWorkSA are referred to the relevant claims agent, business unit or self-insured employer to investigate and respond in the first instance. If the complainant is not satisfied with the resolution, they can escalate the matter to ReturnToWorkSA for further investigation. 24 matters were investigated after attempts at initial direct resolution with complainants were unsuccessful.

Complaints are monitored for themes to inform our understanding of people's service experience. Outcomes are reported through quarterly Charter and Performance Reports provided to the ReturnToWorkSA Board and the Minister.

> In 2025–26, ReturnToWorkSA received 459 complaints, with the overall complaint rate remaining very low for a Scheme with more than 16,000 accepted claims each year.





Disputes

Workers or employers who are unhappy with a decision on a claim may lodge an application for review in the South Australian Employment Tribunal (SAET).

The highest number of disputes are related to compensability, Whole Person Impairment (WPI) assessments, and subsequent review of lump sum decisions linked to WPI assessment outcomes.

Claim disputes received in the Return to Work scheme decreased 10.4% in 2025–26, from 2,486 to 2,228.

Unlike other jurisdictions, the South Australian Return to Work scheme provides accessibility to have decisions reviewed by the SAET. It does this by covering the reasonable costs incurred by injured workers and employers for legal representation, or representation by an officer of an industrial association, in any proceedings before the SAET.

The early resolution of disputes continued to be a key focus in 2025–26. As such, the duration of dispute resolution remains stable at an average of eight months.

ReturnToWorkSA understands its role in working with claims agents to reduce the number of disputes through better resourcing, building capability and improving the communication of decisions to employers and injured workers. If a dispute is lodged, ReturnToWorkSA also understands the need to work with our legal providers to reduce the duration of disputes and ensure that injured workers receive entitlements promptly. Collaborative engagement between ReturnToWorkSA, injured workers, employers, and their representatives remains essential to achieving early dispute resolution.

Notably, 67.7% of disputes were successfully resolved at the Conciliation Conference stage.

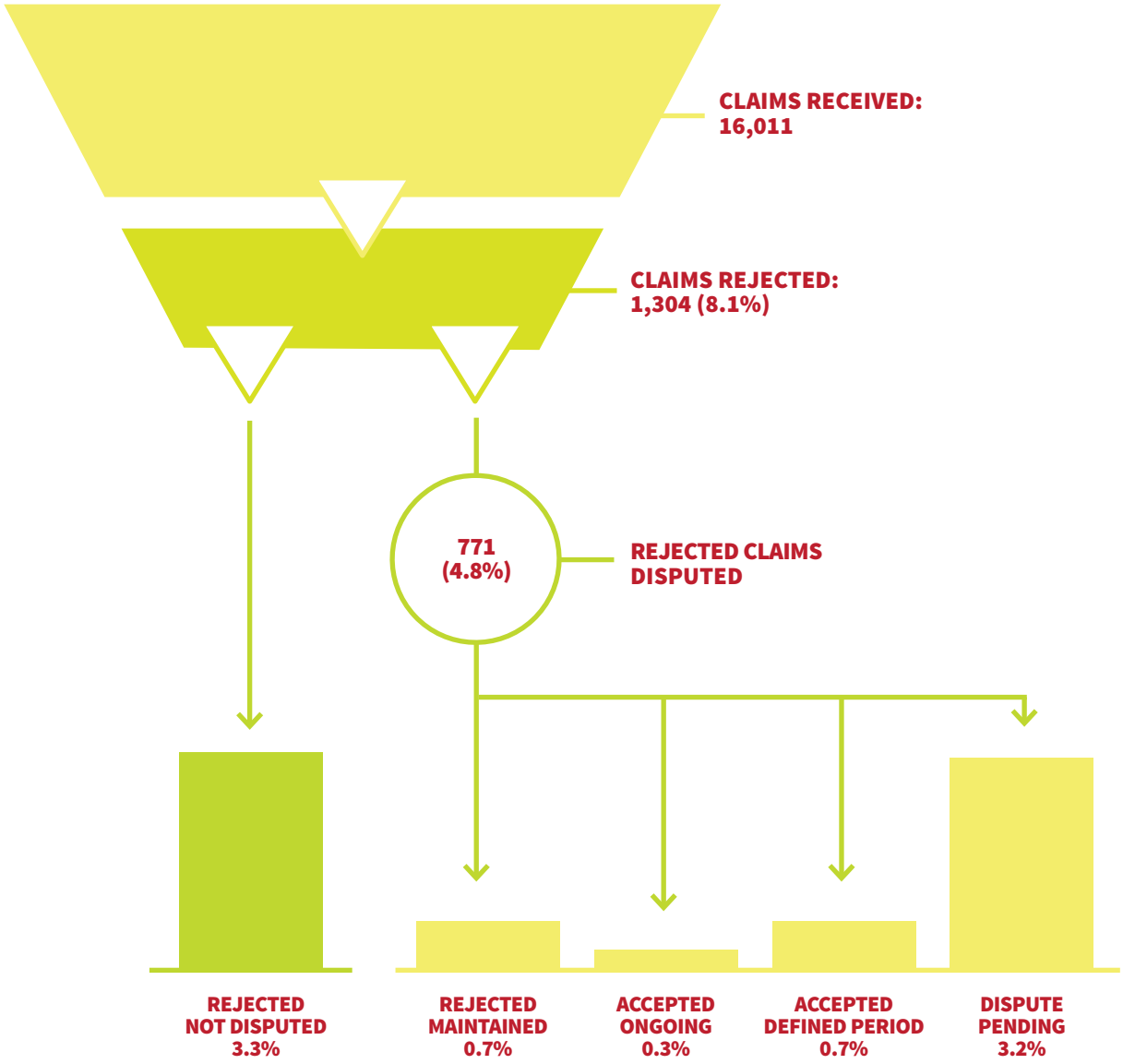
This early resolution approach has resulted in a 6.7% reduction in open disputes and 13.9% reduction in duration of open disputes.

6.7%
reduction in the number of open disputes

13.9%
reduction in duration of open disputes

Representation of the journey from claim determination through to dispute outcome

The data used in this diagram is for the financial year. Due to disputes resolving differently and dynamically over time, this is the most mature data available.



We understand the importance of resolving compensability disputes.

The diagram demonstrates the journey of claims from determination to compensability dispute through to outcome.

It is a representation of the number of claims determined each year (excluding noise-induced hearing loss (NIHL) and withdrawn claims), and the ultimate eligibility/ compensability dispute outcome.

Decisions that change during the dispute process are a sign of the dispute resolution process working as it should in a Scheme designed to encourage timely dispute resolution.

The dispute process often provides a means for producing further evidence in support of a claim.

Resolutions, including a defined period of income support or medical expenses only, are often the result of a negotiation or compromise where there may be contradictory evidence, including medical or factual information.





EnABLE Program

In 2025–26, the EnABLE Program continued to deliver vital, personalised support to workers who experience severe traumatic workplace injuries. Building on the strong foundations established in previous years, our specialised unit of Support Coordinators and Claims Officers remained focused on helping workers and their families achieve sustainable quality-of-life outcomes aligned with their individual abilities.

A Support Coordinator contacts the worker and/or their family and employer as soon as the claim is transferred to the EnABLE team, to provide immediate assistance. Leveraging extensive and trusted networks across the disability sector, our Support Coordinators ensure that quality care and specialist health services are in place from the outset.

Working in partnership with Claims Officers, our Support Coordinators design and deliver tailored care and support services that empower participants to pursue their personal goals, take greater control of their lives, build positive aspirations, increase independence, and engage more fully in the community.

Each year, usually fewer than six workers sustain a severe and traumatic injury. For these individuals, the focus on recovery and supporting a positive quality of life remains central to providing lifetime care.



Supporting Scheme service providers to deliver better health outcomes

ReturnToWorkSA continued to deliver a wide range of education and support initiatives for medical and allied health providers, helping them achieve better health outcomes for patients with a work injury.

In 2025–26, we:

- enabled over 590 health providers to complete our online courses
- delivered 10 face-to-face education sessions across the state, reaching more than 205 health providers and practice managers.

Education was delivered face-to-face, online and via digital platforms, with many sessions offering Continuing Professional Development (CPD) accreditation.

We also strengthened our partnerships with the sector by:

- building employer capability to support recovery and return to work. ReturnToWorkSA boosted employer capability in 2025–26, engaging 1,167 participants, delivering 580 tailored advisory interventions, and achieving more than 93% Return to Work Coordinator appointment and training compliance
- ReturnToWorkSA strengthened mentally healthy workplace capability in 2025–26, with more than 800 participants completing psychosocial hazards training, 93% reporting increased confidence, and 12 workshops attracting more than 2,000 registrations
- in 2025–26, the Low Intensity Mental Health Service supported injured workers and their recovery networks through 760 referrals, a 12% increase on the previous year.

This engagement helps us respond effectively to the needs of health professionals and the injured workers they support. Our team comprising Physiotherapy Advisors, Exercise Physiology Advisors, and Medical Advisors in General Practice and Sports and Exercise continued to provide expert guidance throughout the year.

In partnership with The University of Adelaide, The University of South Australia (prior to merger) and Flinders University, we also delivered education to undergraduate and postgraduate medical and allied health students. This included presentations to 180 medical students at The University of Adelaide, and engagement with 30 newly graduated doctors from Flinders University during their professional development day.

Supporting people with a serious injury

ReturnToWorkSA received over 16,000 new claims in the 2025–26 financial year. Most of these people will remain at work or return to work. However, a small number will experience a long-term serious disability as a result of their injury. For these individuals, the Act provides a lifetime care and support package. As at 30 June 2026, there were 906 active serious injury claims where workers were receiving support through the Scheme.

ReturnToWorkSA recognises that the health benefits of work are equally important for seriously injured workers. Over the past 12 months, we assisted 99 seriously injured workers to remain in, or return to, paid employment.

We also recognise that for some seriously injured workers, returning to paid employment may not be a viable option. In these cases, we provided support to help 128 seriously injured workers re-engage with their community through volunteering, training, study or job seeking.

Whole person impairment assessments

Whole person impairment (WPI) assessments determine lump sum entitlements for economic and non-economic loss and remain a critical component of the Return to Work scheme, including identifying eligibility for lifetime care and support.

ReturnToWorkSA reviews permanent impairment assessment reports to ensure compliance with the Act, the Impairment Assessment Guidelines (IAG) and AMA5. We also support accredited impairment assessors through training, forums, newsletters and targeted one-on-one engagement.

The Third Edition of the Impairment Assessment Guidelines (IAG3) commenced on 1 October 2025, following a comprehensive implementation training program delivered by ReturnToWorkSA. IAG3 is designed to support fair, objective and consistent WPI assessments, and early implementation has contributed to a modest improvement in compliance ratings compared with the previous financial year.

ReturnToWorkSA continued to support the embedding of IAG3 and promote medicolegal work among medical specialists through a range of initiatives, including a session at the South Australian Employment Tribunal delivered by the Honourable President Justice Stephen Dolphin, review of the noise-induced hearing loss template, an online webinar for practice managers, and increased face-to-face engagement with assessors.



In 2025–26, ReturnToWorkSA received 2,179 impairment assessment reports.

Of these, 75% were compliant on first review and 92% were compliant on final review.

Impairment Assessor Accreditation Scheme Review

The Impairment Assessor Accreditation Scheme (IAAS) sets out the entry criteria, application process, terms and conditions, and performance management requirements for accredited impairment assessors. A revised IAAS commenced on 1 July 2025, with ReturnToWorkSA focused on effective implementation and embedding of the new requirements.

Key activities included supporting assessors to use the correct reporting templates and online services, improving report compliance, meeting communication requirements, and completing annual declarations. The Peer Support Program was also implemented and continues to provide assessors with valuable support on medical and assessment-related matters, contributing to the ongoing quality and consistency of impairment assessments.



Greg's story

A whole-person approach to recovery

For former cabinet maker and shop fitter Greg, a traumatic brain injury changed his life in an instant. His recovery involved relearning how to walk and talk, but the greatest challenge was adapting to a different future.

"Trying to be the person I was before was probably the hardest part," Greg said.

Throughout his recovery, Greg drew strength from the support of his family and rehabilitation team. He credits that support with helping him stay positive and focus on what mattered most.

According to Andy, a Support Coordinator at ReturnToWorkSA, supporting recovery means looking beyond medical treatment alone and understanding the individual's goals, circumstances and wellbeing.

"We look at the whole person. We're not just talking about therapy services or medical services," Andy said. "Someone's injury shouldn't define who they are."

Building strong relationships is a key part of that approach.

"Building that trust relationship is so important," Andy said. "We need a good connection with the individuals we're working with, and trust goes a long way."

Today, Greg is grateful for the support he has received and encourages others facing a similar experience to embrace the help available.

"Stay positive and trust in those that are helping you," he said. "If you're getting help, you have to put your whole heart into it."



Scan to watch more of Greg's story



Our personalised assistance and case management support is focused on helping people to recover from a work injury and get them back to work and life as soon as it is safe to do so.





Support services for employers and injured workers

Employer education services

Building employer capability to support recovery and return to work

ReturnToWorkSA supported employer and Return to Work Coordinator capability across the Scheme through practical learning opportunities, tailored guidance and targeted education to promote positive recovery and return to work outcomes.

In 2025–26, 20 online workshops and two employer forums were delivered, engaging 1,167 participants. The program focused on leadership capability in recovery and return to work, psychological injury management, navigating suitable employment, and helping employers understand and implement the 2024 legislative reforms, including new host employer obligations.

The service also provided 580 direct interventions through its free telephone advisory service, offering tailored guidance to employers on recovery and return to work matters. In addition, the Work Injury Toolkit was launched for leaders and Return to Work Coordinators, providing practical guidance, templates and resources to support early and effective injury management, worker engagement, communication and coordinated recovery and return to work planning.

By the end of 2025–26, more than 93% of appointed Return to Work Coordinators had completed the required training, the strongest end-of-year compliance result achieved to date.

The year also marked the first full year of delivery of the redesigned Return to Work Coordinator certification program, launched in July 2025. Developed through extensive stakeholder consultation, the program broadens the focus beyond legislative requirements to strengthen capability in communication, early intervention and worker-centred practices. During the year, 729 newly appointed Return to Work Coordinators completed the certification program.

To further enhance accessibility and learner experience, a new hybrid training model for the Return to Work Coordinator certification program is being finalised. The model will allow participants to complete self-paced online learning before attending a one-day classroom component, creating a more flexible and engaging training experience.

> ReturnToWorkSA boosted employer capability in 2025–26, engaging 1,167 participants, delivering 580 tailored advisory interventions, and achieving more than 93% Return to Work Coordinator appointment and training compliance.



The ReCONNECT service

The ReCONNECT service provides free navigation support for injured workers and their families, helping them address non-claim related barriers that may affect wellbeing, recovery, return to work or participation in the community. The service supports people to identify their needs and connect with appropriate free community-based programs and services.

In 2025–26, the ReCONNECT service received 542 referrals, including 27% self-referrals and 10.5% from self-insurers. Of clients referred to the service, 95% achieved their ReCONNECT goal, including connecting with free or low-cost community supports to address identified needs and barriers. The five most common areas of support were:

- financial counselling
- mental health services
- family, legal and community services
- community health services
- Centrelink.

ReCONNECT also coordinates the Financial Preparation Service, which gives injured workers access to financial coaching and support to plan for future financial changes during the claim period. The Financial Wellbeing Check-In Tool was also developed to help workers understand their financial wellbeing and connect with appropriate resources.

In 2025–26, the ReCONNECT service received 542 referrals, with 27% being self-referrals and 10.5% from self-insurers.

95% of clients achieved their ReCONNECT goal.

Re-employment Incentive Scheme for Employers (RISE) program

The Re-employment Incentive Scheme for Employers (RISE) program provides incentives for employers to help people who have been injured at work to return to meaningful and ongoing employment when they are unable to return to their pre-injury employer.

In 2025–26, there were 28 new RISE referrals across EML, Gallagher Bassett and EnABLE. Businesses that employ a person with a work injury through the RISE program receive a range of benefits and supports, including subsidised wages.

Supporting and protecting South Australia's mine and quarry workers

In 2025–26, the Minister's Mining and Quarrying Occupational Health and Safety Committee (MAQOHSC), administered by ReturnToWorkSA, continued to support the prevention and management of silicosis and other dust-related diseases across South Australia. Key milestones included:

- delivery of a new statewide lung screening program, providing comprehensive respiratory health assessments for 107 workers in high-risk dust exposure industries, with a focus on improving access for regional and remote workers
- delivery of 46 approved Crystalline Silica Substances (CSS) training courses to 471 workers across mining, quarrying, construction and other at-risk industries, supporting compliance with new silica safety regulations
- continued support for leading occupational health research and implementation of the National Silica Strategic Plan, including sponsorship of the Adelaide University Work Health and Safety Research Futures Symposium and investment in innovative silicosis screening and dust disease research.

Further detail on activities and outcomes is available in the MAQOHSC Annual Report.

> In 2025–26, MAQOHSC supported safer work in high-risk dust industries through lung screening for 107 workers and 46 approved silica safety training courses delivered to 471 workers.

Providing free information and advisory services

ReturnToWorkSA funds the Legal Services Commission (LSC) to provide a free, independent information and advisory service to workers about work injury insurance matters and processes.

The service commenced in August 2013, and during 2025–26 the LSC answered 288 phone enquiries and conducted 32 advice appointments.

ReturnToWorkSA has a funding agreement with SA Unions' Advocacy Unit to provide workers with compensation advice and representation, including representation at the South Australian Employment Tribunal on applications for review.

In 2025–26, SA Unions' Advocacy Unit accepted 119 requests for services, conducted 119 advice conferences and resolved 73 matters at conciliation in the South Australian Employment Tribunal.

Supporting workplaces to be mentally healthy

In 2025–26, ReturnToWorkSA's Mentally Healthy Workplaces Service continued to support South Australian employers to build capability, including managing psychosocial hazards and risks.

Following the introduction of new Codes of Practice, demand for workplace education on psychosocial hazards increased significantly. In partnership with SafeWork SA, the Service delivered online psychosocial workshops covering harmful behaviours, exposure to traumatic events, and the requirements of the psychosocial Codes of Practice. More than 800 participants completed the online learning module, *Managing Psychosocial Hazards and Risks in the Workplace for Leaders*, with 93% reporting increased confidence in managing psychosocial hazards and risks.

The Service delivered 12 workshops, attracting more than 2,000 registrations, and participated in two employer forums. This included developing a Master Class on Mentally Healthy Workplaces to help participants prepare tailored workplace action plans. Evaluation results showed that all participants found the workshop very useful and intended to implement actions within their organisations.

The Service also provided education for Health and Safety Representatives on mentally healthy workplaces and psychosocial hazards and risks. To support broader implementation, a training package comprising a video, facilitator guide and participant guide was developed for rollout to all approved HSR training providers in South Australia next financial year.

The Service continued to raise awareness of workplace mental health through sponsorship of major events, including SA Business Chamber's Mental Health Month, the Australian Institute of Health & Safety State Conference, the Australian HR Institute Conference and the Australian Council for Trade Unions Healthy Work Conference.

Targeted support continued for high-risk industries, including regional aged care events delivered in partnership with Ageing Australia and 12 tailored small business workshops delivered with Be Well Co.

> ReturnToWorkSA strengthened mentally healthy workplace capability in 2025–26, with more than 800 participants completing psychosocial hazards training, 93% reporting increased confidence, and 12 workshops attracting more than 2,000 registrations.

Low Intensity Mental Health Support Service

The Low Intensity Mental Health (LIMH) Support Service provides mental health coaching to injured workers experiencing stress or mild to moderate anxiety and depression, supporting recovery and return to work. The service is also available to an identified support person, such as a family member, who is actively supporting the worker's recovery.

In 2025–26, the LIMH Service received 760 referrals, a 12% increase from the previous year.

The service is available face-to-face, by telephone, or through combined phone and online delivery, providing timely access to qualified cognitive behavioural therapy coaches for regional and metropolitan workers. It also offers a specialised coaching program for Aboriginal and Torres Strait Islander people, delivered by Indigenous Australian coaches.

In addition to the LIMH Service, injured workers can access other Scheme-funded supports, including counsellors, mental health social workers, occupational therapists and psychologists.

> In 2025–26, the Low Intensity Mental Health Service supported injured workers and their recovery networks through 760 referrals, a 12% increase on the previous year.



Managing employer risks

Our Employer Risk team delivers bespoke safety and injury management support to employers with complex injury profiles, helping them strengthen workplace safety outcomes, improve return to work performance and reduce the impact of workplace injuries.

The businesses supported by our Employer Risk team are typically characterised by high claim volumes and significant claims costs relative to premium contribution, often operating in industries with complex safety and injury management challenges, including labour hire. Alongside this targeted support, the team works with industry sectors to promote healthier work environments through the Healthy Workplaces Service.

During 2025–26, the Employer Risk team worked with 462 employers who accounted for almost one-third of all claims, active claims and claim payments in the Scheme. This concentration enabled specialised support and intervention strategies to be directed towards employers with the greatest opportunity to improve safety and return-to-work outcomes.

Size of the targeted employer cohort

Measure	Whole scheme	Employer risk	Share
Employers	65,335	462	0.71%
Remuneration	$51.79B	$7.44B	14.4%
Premium	$935.23M	$187.96M	20.1%
Claims	15,121	4,914	32.5%
Active Claims	4,654	1,373	29.5%
Claim Payments	$181.03M	$53.62M	29.6%

Of the 462 employers, this included:

- 17.3% of all large employers
- 53.5% of claims generated by all large employers
- 52.2% of active claims generated by all large employers
- 53.4% of claim payments generated by all large employers.

Practical support provided by Employer Risk consultants included workplace and task assessments, safety and injury management reviews, claim performance discussions, leadership education, and guidance on emerging and persistent workplace risks such as psychosocial hazards, occupational noise exposure, and hazardous manual tasks. These areas will remain a focus in the coming year and will build on work completed to date.

The effectiveness of these interventions continued to be reflected in improved claim and return to work outcomes. The average claims cost for this cohort was 8.8% lower than the Scheme average. The 13-week return to work rate was 86.9% outperforming the Scheme average. These outcomes demonstrate the value of integrating prevention, early intervention and effective injury management practices validating the benefit of a targeted employer risk model.

Collaboration with stakeholders remained a key focus throughout the year. Employer Risk team further strengthened partnerships across government, industry and the broader safety ecosystem, including SafeWork SA, Preventive Health SA, universities, industry bodies and worker representatives. These relationships supported a coordinated approach to workplace risk reduction and worker wellbeing.

Our partnership with SafeWork SA continued to mature through intelligence-led activities designed to identify emerging risks and target compliance and prevention efforts more effectively. Joint employer visits, shared insights and data-informed planning helped direct resources towards industries and workplaces where interventions could have the greatest impact.

The Healthy Workplaces Service continued to work collaboratively with priority sectors to build workplace cultures that support health, safety and wellbeing, recognising that sustainable improvements are achieved

through partnership, workforce engagement and industry-specific approaches. To further strengthen employer capability, the Healthy Workplaces Service continued to enhance its suite of practical resources and tools. This included the digital transformation of the Healthy Workplaces Self-Audit Tool designed to help employers review their approach to health, safety and wellbeing, identify opportunities for improvement, and benchmark their practices against their peers. The Self-Audit is supported by a range of guides and templates to help turn insights into action.

Transport sector

Work progressed with several large transport employers to establish healthy workplace champions and embed wellbeing initiatives within their organisations. During the year these champions gathered worker insights to better understand workplace experiences, perceptions and priorities. These findings will help shape future health, safety and wellbeing initiatives and provide valuable intelligence to support broader sector improvement efforts. In FY27 we plan to share these learnings through a series of industry forums.

Young workers and apprentices

Supporting the health, safety and wellbeing of young workers remained a priority. Through our ongoing partnership with the Apprentice Employment Network SA, we continued to contribute to industry discussions, sector events and collaborative initiatives focused on improving apprentice outcomes. As Chair of the Healthy Apprenticeships Working Group, Employer Risk brought together stakeholders from across industry, government and education to explore opportunities for strengthening supervisor capability and supporting apprentice wellbeing, safety and completion rates.

Social assistance sector

The Healthy Workplace Advisor worked closely with employers in the child protection sector and disability support sector to develop tailored initiatives.

Child protection

A Community of Practice was established with membership from private sector and public sector organisations to help remedy the high rates of psychological injury in the industry. This created a forum where employers can share insights, collaborate on key issues and learn about best-practice initiatives. Sessions to date have covered work injury data insights, the impact of contracts and concurrent duties, and therapeutic crisis intervention. Future sessions will look to cover the importance of training, supervision, and feedback for the development of a highly skilled, supported and safe workforce.

Disability support

The year was spent building a strong foundation from which to launch an industry project in FY27. This included strengthening relationships with the industry association (NDS), better understanding employer experiences, and scoping out workplace interventions that will meet the needs of workplaces, workers, and NDIS participants. We are excited to undertake a unique project in FY27 in partnership with the NDS, La Trobe University, and a small cohort of employers. The project will look at the interplay between quality support and safe working practices.

Aboriginal Community Controlled Organisations

Recognising the importance of culturally informed approaches to workplace health and wellbeing, Employer Risk partnered with Aboriginal consultants to support the co-design of initiatives tailored to the needs of Aboriginal Community Controlled Organisations (ACCOs). This collaborative approach aims to ensure that future resources and support mechanisms are responsive, culturally appropriate and aligned with the priorities of these organisations and the communities they serve. This work will be built on next year with the launch of culturally responsive support services for First Nations injured workers and workers at ACCOs.

Through these initiatives, Employer Risk continues to support employers in creating safer, healthier and more resilient workplaces. By building organisational capability, fostering collaboration and promoting evidence-informed approaches to workplace wellbeing, the service aims to support improved worker outcomes, stronger return-to-work performance and the long-term sustainability of the Scheme.



PROVIDING A RESPONSIVE AND AFFORDABLE SCHEME

To provide a responsive and affordable work injury insurance scheme for South Australia that balances the interests of employers and injured workers.

Premium management

In 2025–26:

- $918.4 million in insurance premium revenue was collected from circa 64,940 employers
- A net growth of 3,395 businesses was noted with 4,708 businesses having ceased registration during the year, whilst 8,103 new business registrations were received.

The Return to Work insurance scheme is paid for by South Australian employers. ReturnToWorkSA collects a premium from more than 64,940 South Australian businesses to cover their work injury insurance needs. Employers' premiums are a percentage of the remuneration paid to their workforce.

The objects and provisions of the Act and the *Return to Work Corporation Act 1994* are clear about ReturnToWorkSA's role as the administrator of the Scheme:

- "ensure that employers costs are contained within reasonable limits so that the impact of work injury on South Australian businesses is minimised"
- "...seek to achieve an average premium rate that does not exceed 2%"
- "...take all reasonable steps to ensure the Return to Work scheme is fully funded on a fair basis."

The average premium rate for South Australian employers in 2025–26 remained at 1.85%.



A discount for 'no claims' and good return to work rates is applied upfront to the base premium of all employers.

About the insurance premium system

The insurance premium system is designed to be simple, easy to understand and promote a strong injury prevention and return to work focus.

The key features of the premium system are:

- a simple premium calculation formula that is easy to explain and understand
- a discount for ‘no claims’ and good return to work rates applied upfront to the base premium of all employers
- the cost of income support claims is the only variable component of the premium calculation—employers can influence the amount of premium they pay by focusing on return to work and reducing the occurrence of injuries.



Our investment program

Net investment return at 30 June 2026

Past year	Past 3 years	Past 5 years	Past 10 years
6%	7.3%	4.6%	5.8%

Our investment strategy is a fundamental component of ensuring the long-term viability of the Scheme. The mission of the investment program is to contribute to improved funding and pricing. The long-term return objective is CPI +2.5%.

To enhance and protect the value of our investments over the long term, we intend to partner with fund managers who integrate Environmental, Social and Governance (ESG) factors into their investment process. We annually review incumbent fund managers' ESG capabilities and engage with them on a range of matters, including climate change risk and modern slavery.

A summary of ESG findings is provided annually to the Board Investment and Finance Committee.

Climate-conscious investing

ReturnToWorkSA's Board endorses the South Australian Government's goal of achieving net zero emissions by 2050, reflecting a commitment to climate science. To support this target, ReturnToWorkSA allocates capital to investments that prioritise environmental sustainability and address climate change. We report on key measures recommended by the Task Force on Climate-Related Financial Disclosures (TCFD) to track progress and guide our efforts.

While there are various limitations in the data used (limited actual data, estimations and subjectivity), ReturnToWorkSA believes the benefits gained from attempting to quantify the investment program's carbon exposure far outweighs the data limitations.

2026 estimated Scope 1 & 2 GHG emissions for ReturnToWorkSA's investment program

	2026		2025	
Metric	Excl. sovereigns	Incl. sovereigns	Excl. sovereigns	Incl. sovereigns
Carbon intensity	51	91	51	92
Absolute emissions	143,419	272,756	144,730	260,037

Sovereign refers to government owned investments such as bonds.

Engaging stakeholders

In 2025–26, ReturnToWorkSA continued to engage with stakeholders to strengthen collaboration, gather insights and support the ongoing development of the Scheme. Key activities included:

- **Stakeholder forums**: Two forums were held with 95 participants, including employee and employer representatives, medical and allied health providers, legal practitioners and industry bodies
- **Self-insured employer engagement:** ReturnToWorkSA continued to foster a strong and constructive partnership with Self-Insurers of South Australia (SISA). Regular partnership meetings supported collaboration, transparency and strategic alignment, while participation in SISA-led professional development forums and stakeholder engagements strengthened relationships, shared insights and contributed to sector-wide discussions on emerging issues, better practice and service outcomes.

  Regular Injury Management Unit meetings held in partnership with the Office of the Commissioner for Public Sector Employment (OCPSE), supported Crown self-insured agencies to share knowledge and discuss audit findings, claims performance, emerging issues and regulatory changes. These discussions helped improve injury management practices and outcomes across the Crown sector.

Investigations and enforcement

ReturnToWorkSA uses proactive and reactive strategies, drawing on information from a range of sources, to detect, deter and, where appropriate, investigate and prosecute criminal offending by Scheme participants.

Referrals, investigations & prosecutions

	2023–24	2024–25	2025–26
Referrals*	138	148	140
Investigations	112	71	43
Prosecutions	2	0	3
New employer registrations	24	5	7
Billed premium	$182,000	$808,000	$611,000

**Referrals related to potential criminal offences*

43 investigations commenced, including 20 criminal investigations relating to dishonesty offences, 13 premium investigations and seven unregistered employer investigations.

Premium investigation activity resulted in $611,000 additional premium billed and seven new employer registrations.



In 2025–26, ReturnToWorkSA received 133 referrals relating to suspected dishonesty offences by injured workers and providers, with 20 progressing to formal investigation.

More than half of these referrals were made by members of the public through ReturnToWorkSA's online fraud and non-compliance reporting tool. Claims agents and employers were also common sources of dishonesty referrals.

While no criminal prosecutions were finalised in 2025–26, three criminal dishonesty matters recently initiated by ReturnToWorkSA remain active before the South Australian Employment Court. Information gathered through investigations continues to be shared with claims agents to support claim management activities, including cost recovery.

In addition to audit activities undertaken to ensure employers meet their premium obligations, 20 premium-related investigations commenced in 2025–26, comprising 13 premium investigations and seven unregistered employer investigations.

Premium investigations focused on employers across a broad range of industries and premium risk areas, including high-risk labour hire providers and labour supply chains suspected of systemic non-compliance. Unregistered employer investigations were initiated through internal referrals and other compliance intelligence sources.



In 2025–26, ReturnToWorkSA commenced 43 investigations, including 20 criminal investigations and 20 premium-related investigations, resulting in $611,000 additional premium billed.



Regulating suitable employment obligations

Providing suitable employment after a work injury benefits both injured workers and employers. It is therefore important that employers understand and comply with their legislative obligations to provide suitable employment.

Early identification through claim management is critical to achieving timely and effective return to work outcomes. Where an employer is not providing work that an injured worker is medically fit to perform, regulatory intervention can provide additional support.

Employer Education and Enforcement teams work closely to support employer compliance with obligations to provide suitable employment under section 18 and give at least 28 days' notice of proposed termination of employment under section 20.

Recognising the important role Return to Work Coordinators play in achieving positive return to work outcomes, including the provision of suitable employment, ReturnToWorkSA has renewed its focus on investigating employers suspected of remaining non-compliant after education and engagement about their obligation to appoint and train a Return to Work Coordinator where required under section 26. These efforts have resulted in several Return to Work Coordinator appointments, strengthening employer accountability and improving compliance outcomes.

Ongoing employer engagement during investigations supports compliance by improving awareness, delivering targeted education and deterring future non-compliance.

429

reviews of suitable employment compliance commenced in 2025–26

212

related to instances where ReturnToWorkSA was advised that a worker's employment has been terminated

112

related to instances where a worker's employment was proposed to be terminated

36

related to other employer compliance matters

Employer premium compliance

Ensuring employer registration and premium compliance

Premium compliance activities support employers to understand and meet their obligations to register with ReturnToWorkSA where required and to accurately report remuneration, ensuring that premiums are correctly calculated and paid.

Applying a risk-based approach that draws on both internal and external data sources, we identify employers that may not be complying with their registration and premium obligations.

In 2025–26, we completed 311 premium audits, resulting in $4.5 million in additional base premium being billed.

During the year, we also issued targeted communications to approximately 1,600 employers within the social assistance services industry, highlighting common errors identified in annual employer remuneration returns.

These included the incorrect calculation of remuneration components, failure to identify contractors as deemed workers, the exclusion of superannuation payments and working director remuneration, and the non-submission of annual employer remuneration returns by the required due date.

Guidance material accompanied these communications to assist employers in meeting their reporting obligations, ensuring remuneration is accurately declared and premiums are correctly calculated.

Campaigns confirming employer registration requirements continued throughout 2025–26, resulting in 422 new employer registrations and an additional $1.5 million in billed premium.

> Premium compliance activities resulted in a total of $6 million billed premium and 422 new employer registrations.



Regulating private and Crown self-insured employers

Scheme overview

As at 30 June 2026, the Scheme had 70 private and 54 Crown self-insured employers registered. In 2026, self-insured employers accounted for 35% ($26.83 billion) of the State's total remuneration, comprising 17.4% for private self-insured employers and 17.6% for Crown self-insured employers. Most private self-insured employers are performing well, with 64% receiving the maximum five-year registration period and 19% receiving a four-year term. The remaining 17% have registration terms of three years or less and are more closely regulated to monitor progress against non-conformance with the Act and self-insured employer standards.

Private self-insured regulation activities during 2025–26 included:

- 14 private self-insured renewals approved
- two new self-insured employers commenced
- no employers ceased self-insurance, noting that two existing employers merged, with the University of Adelaide and the University of South Australia becoming Adelaide University
- no employers ceased the run-off phase.

Crown injury management regulation program

Audit outcomes varied across the five Crown self-insured employer audits completed in 2025–26. Four Crown agencies received a recommended three-year audit term, while one agency received a four-year term.

Action plans are required to address all unsatisfactory findings and are approved and monitored by ReturnToWorkSA until all issues are effectively remediated.



Self-insured program review

In 2025–26, ReturnToWorkSA continued to progress its extensive review and update of the self-insured program.

With the Injury Management Standards commencing in early 2025, and the Work Health and Safety Standards taking effect in August 2025, the program now provides greater clarity over compliance requirements.

Self-insurance claims performance data was published for the first time. Sharing this data improves transparency, supports monitoring and analysis of trends, and provides a more complete picture to guide performance improvements.

Financial and Schedule 3 requirements

Schedule 3 of the *Return to Work Regulations 2015* sets out requirements for self-insured employers, including providing ReturnToWorkSA with audited financial statements, an actuarial report on outstanding claim liabilities (OCL), a financial institution guarantee for 1.5 times the OCL, and evidence of an excess of loss reinsurance policy.

ReturnToWorkSA requires this information to ensure self-insured employers are financially able to meet their liabilities and to protect ReturnToWorkSA, as the insurer ultimately at risk, if a self-insured employer becomes insolvent.

A package of changes to self-insurer financial requirements commenced on 1 January 2026. This included updates to the Guideline for Self-insured Employer Actuary Reports and Financial Guarantees, and the Code of Conduct for Self-Insured Employers.

The following private employers were self-insured at 30 June 2026

Adelaide Brighton Cement Ltd	Flinders University	Samuel Smith & Son Pty Ltd
Adelaide Community Healthcare Alliance Inc	Healthscope Operations Pty Ltd	Santos Ltd
Adelaide University (formerly The University of Adelaide and the University of South Australia)	Helping Hand Aged Care Inc	Schneider Electric (Australia) Pty Ltd
Aged Care & Housing Group Inc	Holcim (Australia) Holdings Pty Ltd	Silver Chain Group Ltd
Ahrens Group Pty Ltd	Hungry Jacks Pty Ltd	SkyCity Adelaide Pty Ltd
Anglicare SA Ltd	Inghams Enterprises Pty Ltd	SMR Automotive Australia Pty Ltd
Arnott's Biscuits Pty Ltd	Intercast & Forge Pty Ltd	Southern Cross Care Inc
ASC Pty Ltd	ISS Facility Services Australia Ltd	St Andrews Hospital Inc
BAE Systems Australia Ltd	James Brown Memorial Trust Inc	Tasmea Ltd
BHP Group Ltd	Kimberly Clark IFP ANZ Pty Ltd	Teys Australia Naracoorte Pty Ltd
Bluescope Steel Ltd	Kmart Australia Ltd	The Smith's Snackfood Company Pty Ltd
Boral Ltd	Little Company of Mary Health Care Ltd	Thomas Foods International
Bridgestone Australia Ltd	Local Government Association of South Australia	Toll Holdings Ltd
Bunge Operations Pty Ltd (formerly Viterra Operations Pty Ltd)	Lutheran Homes Group Inc	Treasury Wine Estates Vintners Ltd
Catholic Church Endowment Society Inc	McMahon Services Australia Pty Ltd	Uniting Communities Inc
Coca-Cola Europacific Partners Australia Pty Ltd	Minda Incorporated*	Uniting SA Ltd
Coles Group Ltd	Nationwide News Pty Ltd	Utilities Management Pty Ltd
Detmold Packaging Pty Ltd	Nyrstar Port Pirie Pty Ltd	Ventia Australia Pty Ltd
Drake Supermarkets Pty Ltd	OneSteel Manufacturing Pty Ltd	Veolia Environmental Services (Australia) Pty Ltd
ECH Inc	Philmac Pty Ltd	Vinarchy Australia Ltd
Eldercare Australia Ltd	Programmed Maintenance Services Ltd	Westpac Banking Corporation
ElectraNet Pty Ltd	Randstad Pty Ltd	Woolworths Group Ltd
Electrolux Home Products Pty Ltd	Resthaven Inc	
Endeavour Group Ltd	Royal Automobile Association of South Australia Inc	
Estia Investments Pty Ltd	Royal Society for the Blind*	

* *ReturnToWorkSA acknowledges these as private organisations classified as self-insured but fall under the Crown Self-Insurance Registration.*



OUR PEOPLE

Guided by its values and purpose to empower and support South Australians impacted by work injury, ReturnToWorkSA continued to strengthen the capability, culture and systems that support organisational performance.

During 2025–26, a range of workforce and organisational initiatives were progressed to build leadership capability, strengthen people practices and position the organisation for future success.

Through the implementation of the People Strategy 2025–26, an operating model review identified the structure, resources and investment required within the People, Capability and Culture function to meet the organisation's evolving needs. This informed improvements to HR systems, workforce reporting and insights, and core people processes and experiences.

Together, these initiatives strengthened organisational capability, supported a more mature performance culture and enhanced the organisation's ability to deliver its strategic objectives.

Our aspiration remains to deliver a compelling employee experience that reflects our value proposition.



We care about people and sustainability



We are inclusive and innovative



We listen to understand



We own our actions

Health, safety and wellbeing

The health, safety and wellbeing of employees remained a key priority in 2025–26. A comprehensive review of the organisation's Health, Safety and Wellbeing (HSW) Management System identified opportunities to strengthen governance, risk management, consultation, leadership accountability and performance monitoring.

The review informed the development of the Health, Safety and Wellbeing Strategy 2027–2029, providing a framework for embedding health, safety and wellbeing into organisational decision-making and culture. During the year, HSW policies, procedures and resources were also streamlined to improve accessibility, clarify accountabilities and maintain alignment with legislative requirements and contemporary practice.

The MyWellbeing program was reviewed and enhanced to ensure it remained evidence-based and responsive to employee needs. The program continued to support physical, psychological, social and financial wellbeing, with a focus on mental fitness, psychosocial risk management and workforce wellbeing.

First Aid Officers, Mental Health First Aid Officers, Work Health and Safety Representatives and employee-led committees continued to play an important role in fostering a safe, healthy and inclusive workplace culture.

Leadership capability

Building leadership capability remained a key focus in 2025–26. ReturnToWorkSA invested in initiatives to strengthen Executive Leadership Team alignment, collaboration and strategic decision-making through executive coaching, facilitated workshops and the introduction of an Executive Team Charter. These initiatives support a cohesive leadership team with a shared focus on organisational priorities and the capability to lead through change.

Across the organisation, management capability was strengthened through a combination of external and internally developed learning opportunities. Managers participated in the South Australian Leadership Academy's Manager Essentials program to build contemporary leadership and people management skills. Tailored internal learning programs were also delivered in areas such as Scheme knowledge, procurement and leading change to support digital transformation. Together, these initiatives support consistent leadership practices and help develop future leaders.

Succession planning, talent and critical capability

ReturnToWorkSA continues to invest in talent, succession planning and critical capability management to ensure it has the leadership, specialist expertise and organisational capability required to deliver its strategic objectives.

During 2025–26, the organisation strengthened its approach to identifying, developing and retaining leadership talent while proactively managing succession and capability risks across specialist roles that are critical to operations and difficult to recruit for in the external market.

This included enterprise-wide talent reviews, succession planning activities, the identification of critical functions and improved oversight of key person dependencies where specialist knowledge, expertise or relationships are difficult to replace. These initiatives strengthen organisational resilience and support business continuity through periods of change.

Attracting and retaining talent

As ReturnToWorkSA progressed a range of strategic initiatives, attracting and retaining the right talent remained a priority.

During the year, recruitment and onboarding practices were enhanced to improve both candidate and employee experiences. This included more structured recruitment processes and strengthened onboarding and probation arrangements to support employees in their transition into the organisation.

These improvements helped attract and retain the skills and expertise needed to deliver our strategic objectives and position the organisation to meet future workforce needs.



Workplace injury claims	Current year 2025–26	Past year 2024–25
Total new workplace injury claims	1	3
Fatalities	Nil	Nil
Seriously injured workers*	Nil	Nil
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1,000 FTE)	3	3

**number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Act (Part 2 Division 5).*

Work health and safety regulations	Current year 2025–26	Past year 2024–25
Number of notifiable incidents (*Work Health and Safety Act 2012 Part 3*)	Nil	Nil
Number of provisional improvement and prohibition notices (*Work Health and Safety Act 2012* sections 90, 191 and 195)	Nil	Nil

Return to work costs**	Current year 2025–26	Past year 2024–25
Total gross workers compensation expenditure ($)	$203,558	$149,138
Income support payments – gross ($)	$39,756	$48,249

***before third party recovery. Return to work costs are a result of prior year claims.*

Data for previous years is available at
www.rtwsa.com/about-us/returntoworksa

Executive employment in the agency

Executive classification	Number of executives
CEO	1
Executives*	6

**The Office of the Commissioner for Public Sector Employment has a workforce information page that provides further information on the breakdown of executive gender, salary and tenure by agency.*

ReturnToWorkSA performance management and development systems

86% of employees have had a performance review in the last 12 months.

Ensuring an inclusive workplace

Reconciliation Action Plan

During 2025–26, ReturnToWorkSA continued its commitment to reconciliation through planning and preparation for its next Reconciliation Action Plan (RAP). The RAP was identified as a strategic priority, reinforcing accountability for advancing reconciliation across the organisation.

Governance arrangements were strengthened through the Chief Executive Officer's role as RAP Sponsor and the appointment of the Executive Leader Regulation as RAP Champion. Aboriginal consultancy Ochre Dawn was engaged to support the development and implementation of the next RAP.

Key activities included mapping reconciliation initiatives across the organisation, progressing the meeting room renaming project to incorporate Kaurna language and culture, recognising National Reconciliation Week, National Sorry Day and NAIDOC Week, and providing opportunities for employee learning and reflection.

Diversity and inclusion

During 2025–26, ReturnToWorkSA continued to align its diversity, equity and inclusion (DEI) initiatives with the priorities of the Office of the Commissioner for Public Sector Employment, supporting a diverse workforce and inclusive workplace culture.

Mandatory inclusion learning was delivered to all employees, covering First Nations Peoples, disability inclusion, cultural diversity, gender equity, LGBTIQ+ inclusion, generational diversity and respectful workplace behaviours.

Employees were also supported through a range of programs, policies and initiatives designed to promote flexibility, wellbeing, accessibility and equal opportunity. These initiatives contribute to a workplace where employees feel valued, respected and are able to perform at their best.

CORPORATE GOVERNANCE AND ADMINISTRATION

Corporate governance

ReturnToWorkSA Board

ReturnToWorkSA has a Board of seven members who are appointed by the Governor of South Australia on the recommendation of the Minister for Industrial Relations and Public Sector.

The Board's role is to set and approve our overall direction and strategy for the achievement of Scheme and organisational objectives.

Board sub-committees also meet on a regular basis to fulfil their obligations in specialist areas.

As at 30 June 2026, the ReturnToWorkSA Board comprised:

- Greg McCarthy, Chairman
- Elizabeth Perry
- Karen Atherton
- Kim Cheater
- Lisa Simpson
- Tom Kenyon
- Emeritus Professor Dr William Griggs.

Executive Leadership Team

Our Chief Executive Officer is appointed by the Board to oversee the day-to-day operations of ReturnToWorkSA, together with the Executive Leadership Team.

As at June 30 2026, the Executive Leadership Team comprised:

- Michael Francis – Chief Executive Officer
- Declan Collins – Chief Digital and Information Officer (acting)
- Paul Caskey – Executive Leader, Finance and Investments
- Shaun Meehan – Chief Operating Officer, Insurance (acting)
- Amanda Trudgian – Leader, Legal Services
- Peter Milton – Executive Leader, People, Capability, and Culture (interim)
- Samantha Jones – Executive Leader, Regulation.

Internal audit

Our three-year internal audit plan is reviewed annually to ensure it continues to reflect current issues impacting ReturnToWorkSA, and to prioritise areas of higher risk.

Internal auditing services are provided by KPMG who report to the ReturnToWorkSA Board Audit and Risk Committee. The ReturnToWorkSA Board received assurance that the issues impacting KPMG interstate were in no way connected to the South Australian arm of the business and its internal audit team specifically.

Internal fraud

ReturnToWorkSA has adopted the Fraud and Corruption Control Policy: South Australian Public Sector as its policy on internal fraud and corruption control.

In 2025–2026, no instances of internal fraud were detected, or reported for investigation.


WorkSA

Cyber security

ReturnToWorkSA is classified as a Tier 3 Agency under the South Australian Cyber Security Framework for 2025–26, reflecting the sensitive nature of our services and the large volumes of private information we manage.

Over the past year, we strengthened protections across our cloud-first systems, adding extra security layers for managing multiple cloud services, tightening controls on high-level account access, and restricting systems to approved applications only.

All staff complete regular mandatory cyber security training to reduce risk and build resilience. Cyber security remains critical to our operations, and we continue to lift our defences to meet rising security standards and counter evolving threats.

No cyber security breaches were detected during the year. Our Digital and Information team actively managed business email compromises, critical vulnerabilities and attempted breaches, maintaining the confidentiality and integrity of sensitive information.



3.76m

emails were sent to our people.



683,000

emails were rejected including viruses and spam.

Administrative matters

Access to information

Under section 180 of the Act, a person with a workers compensation claim in South Australia (and/or their representative) has a right to access information relevant to their claim.

Under the *Freedom of Information Act 1991* (FOI Act), a person has the right to access documents held by state government agencies, including ReturnToWorkSA.

In 2025–26, 2,207 applications were received for access to information. If an applicant is dissatisfied with a determination under section 180 of the Act or the FOI Act, they can apply for a review of that determination.

In 2025–26, ReturnToWorkSA received four internal reviews under section 180 of the Act and two internal reviews under the FOI Act. Three external reviews were lodged.

Further information about access to information can be found at **www.rtwsa.com**.

Consultants engaged 2025–26

Consultancy	Purpose of consultancy
1. Deloitte	Procurement advice
2. Finity	Actuarial consulting
3. Frontier Advisors	Investment consulting
4. Harrison McMillan	Employment market analysis
5. KPMG	Sustainability and general consulting
6. Scyne Advisory	Technology consulting
7. Towers Watson Australia	Investment consulting
Total value of contracts	**$3,528,388**

Individual values are not shown as they are commercial in confidence.

Public Interest Disclosure Act

The *Public Interest Disclosure Act 2018* (PID Act) ensures that proper procedures are in place for making and dealing with disclosures of certain information in the public interest.

The PID Act requires that public agencies, including ReturnToWorkSA, have one 'responsible person' under the PID Act to receive and manage disclosures.

No disclosures were received in 2025–26.

Contractual arrangements

The following table reflects contracts entered into during the financial year as reported to the Department of Treasury and Finance pursuant to Treasurer's Instructions 18 – Procurement. The information is unaudited.

Contracts entered into with SA businesses and non-SA businesses

Contracts entered into	Number of contracts	Contract value $
With SA businesses	11	24,445,093
With non-SA businesses	8	3,208,710
Totals	**19**	**27,653,803**

Contractors with a contract value below $10,000

Contractors	Purpose	
All contractors below $10,000 - combined	Various	
Total		**$41,041**

Individual values are not shown as they are commercial in confidence.

Contractors with a contract value above $10,000

Contractors	Purpose
ACT-XM	Customer and employee experience
Atech Services	IT services
Atturra	IT implementation services
Cloudwerx	IT services
Data#3	IT services
David Maiolo	Transformation programs
DFP Recruitment Services	Temporary staff
DXC Technology	IT services
Employers Mutual	IT implementation services
Fragile to Agile	IT services
Fusion5	IT services
Gallagher Bassett	IT implementation services
HA Occupational Medicine	Occupational medicine
Hannan & Partners	IT services
Hastwell	IT services
HCL Australia Services	IT services
Insync Solutions	IT services
InterWorks	Data and analytics
John O'Loughlin	Policy and program support
Karthik Badrinath	Medical advisory services
Kate Nicholls	Occupational therapist
KG and Co Consulting	Team support services
Kindling Solutions	Policy and program support
Lawson Risk Management Services	Temporary staff
Leedall Presentation Systems	Audio visual solutions
Milton HR	Human resource services
Nexon Asia Pacific	IT services
OccmedSolutions	Medical advisory services
Paxus	IT services
Peoplebank	IT services
Randstad	Temporary staff
Robinson Ryan	Data governance
Salesforce	IT implementation services
Scyne Advisory	IT implementation services
SmartComms	IT services
Spice Risk and Insurance	Temporary staff
Squiz	Website assistance
Talent International	IT services
The Missing Link Automation	AI strategy
Tulpen Consulting	Document review services
Wellness Hub SA	Staff wellbeing
Total value of contracts	**$19,934,277**

FINANCIAL STATEMENTS

ReturnToWorkSA

ABN 83 687 563 395

Annual financial report
for the year ended 30 June 2026

ReturnToWorkSA

Annual financial report – 30 June 2026

Financial Statements

Statement of Comprehensive Income	**2**
Statement of Financial Position	**3**
Statement of Changes in Equity	**4**
Statement of Cash Flows	**5**
Notes to and forming part of the financial statements	**7**
Certificate under section 23(2) of the Public Finance and Audit Act 1987	**45**

ReturnToWorkSA
Statement of Comprehensive Income
For the year ended 30 June 2026

	Notes	**2026 $'000**	2025 $'000
Income			
Premium revenue	8a	**923 096**	868 635
Cost of claims	9	**(706 427)**	(854 425)
Claims management fees		**(100 681)**	(96 293)
Tribunal and ombudsman fees	12	**(10 269)**	(9 463)
Underwriting result		**105 719**	(91 546)
Net investment profit/(loss)	8b	**285 692**	391 101
Self-insured employer fee	8c	**13 345**	13 839
Other income		**369**	320
Net investment profit/(loss) and other income		**299 406**	405 260
General operating expenses	13	**(103 793)**	(91 983)
Finance costs	14	**(85)**	(140)
Total operating expenses		**(103 878)**	(92 123)
Operating profit before income tax equivalents		**301 247**	221 591
Income tax equivalents	15	**(90 374)**	(66 477)
Total comprehensive result		**210 873**	**155 114**

The accompanying notes form part of these financial statements. The total comprehensive result is attributable to the SA Government as owner.

ReturnToWorkSA
Statement of Financial Position
As at 30 June 2026

	Notes	**2026** **$'000**	2025 $'000
Assets			
Cash and cash equivalents	17	**310 014**	58 336
Receivables	18	**110 139**	110 762
Investments	19	**4 866 005**	4 794 963
Property, plant and equipment	20	**545**	267
Right-of-use assets	21	**1 394**	2 788
Total assets		**5 288 097**	4 967 116
Liabilities			
Payables	23	**50 968**	52 670
Income tax equivalents	15	**90 374**	66 477
Outstanding claims	10, 11	**4 779 799**	4 691 076
Lease liabilities	24	**1 595**	3 084
Employee related liabilities	25	**10 068**	9 389
Total liabilities		**4 932 804**	4 822 696
Net assets/(liabilities)		**355 293**	144 420
Equity			
Retained earnings		**355 293**	144 420
Total equity		**355 293**	144 420

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

ReturnToWorkSA
Statement of Changes in Equity
For the year ended 30 June 2026

	Retained earnings $'000
Total equity at 1 July 2024	(10 694)
Total comprehensive result	155 114
Total equity at 30 June 2025	144 420
Total equity at 1 July 2025	**144 420**
Total comprehensive result	**210 873**
Total equity at 30 June 2026	**355 293**

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

ReturnToWorkSA
Statement of Cash Flows
For the year ended 30 June 2026

	Notes	**2026 Inflows (Outflows) $'000**	2025 Inflows (Outflows) $'000
Cash flows from operating activities			
Premium and self-insured fee receipts		**1 021 765**	977 128
Claim recoveries		**24 175**	21 715
Other receipts		**388**	369
Claim and other related payments		**(669 063)**	(617 793)
Interest received		**36 131**	37 227
Dividends received		**145 561**	120 331
Other payments to suppliers and employees		**(204 083)**	(189 774)
GST		**(67 948)**	(65 635)
Income tax equivalents		**(66 477)**	-
Interest paid		**(85)**	(140)
Investment expenses		**(8 722)**	(6 662)
Net cash flows from operating activities	26	**211 642**	276 766
Cash flows from investing activities			
Proceeds from the sale of investments		**1 378 354**	945 794
Acquisition of property, plant and equipment		**(439)**	-
Acquisition of investments		**(1 336 390)**	(1 199 382)
Net cash flows (used in) investing activities		**41 525**	(253 588)
Cash flows from financing activities			
Repayment of principal portion of lease liabilities		**(1 489)**	(1 417)
Net cash flows (used in) financing activities		**(1 489)**	(1 417)
Net increase/(decrease) in cash and cash equivalents		**251 678**	21 761
Cash and cash equivalents at the beginning of the period		**58 336**	36 575
Cash and cash equivalents at the end of the reporting period	17	**310 014**	58 336

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Statement of Comprehensive Income 2
Statement of Financial Position 3
Statement of Changes in Equity 4
Statement of Cash Flows 5
Note 1 Reporting entity and objectives 7
Note 2 Statement of compliance 7
Note 3 Basis of preparation 8
Note 4 Use of judgements and estimates 8
Note 5 Reporting by fund 9
Note 6 Funding level 10
Note 7 Remuneration of board and committee members 11
Note 8 Income 12
Note 9 Cost of claims 13
Note 10 Outstanding claims liability - Compensation Fund 14
Note 11 Outstanding claims liability - Other Funds 20
Note 12 Tribunal and ombudsman fees 22
Note 13 General operating expenses 22
Note 14 Finance Costs 23
Note 15 Taxation 23
Note 16 Employee related expenses 23
Note 17 Cash and cash equivalents 25
Note 18 Receivables 26
Note 19 Investments 27
Note 20 Property, plant and equipment 28
Note 21 Right-of-use assets 29
Note 22 Fair value measurement (non-financial assets) 30
Note 23 Payables 31
Note 24 Lease liabilities 31
Note 25 Employee related liabilities 32
Note 26 Reconciliation of comprehensive result to net cash flows from operating activities 33
Note 27 Risk management 34
Note 28 Unrecognised contractual commitments 43
Note 29 Employer financial guarantees 43
Note 30 Self-insured Insolvency Contribution Aggregate 43
Note 31 Impact of standards and statements not yet implemented 43
Note 32 Events after the reporting period 44
Certificate under section 23(2) of the Public Finance and Audit Act 1987 45

Note 1 Reporting entity and objectives

ReturnToWorkSA (RTWSA), the principal trading name of the Return to Work Corporation of South Australia, is a not-for-profit statutory authority set up under the Return to Work Corporation of South Australia Act 1994. Domiciled in Australia, RTWSA provides insurance protection for South Australian employers and their workers in the event of work-related injury. RTWSA administers the Return to Work Act 2014 (the Act).
For financial reporting purposes four separate funds are recognised as comprising RTWSA:

- Compensation Fund
- Statutory Reserve Fund
- Insurance Assistance Fund
- Mining and Quarrying Industries Fund

Compensation Fund
The Compensation Fund was established on 30 September 1987 under section 64 of the repealed Workers Rehabilitation and Compensation Act 1986 and continues under the Return to Work Act 2014. Workers injured at work are supported and assisted in returning to work through the payment of income support, medical and other treatment costs.

Statutory Reserve Fund (SRF)
The Statutory Reserve Fund was established under the repealed Workers Compensation Act 1971, and it came into operation in 1980 against which claims relating to workers compensation could be made in the event of the insolvency of an insurance company or the insolvency of an uninsured employer.

Insurance Assistance Fund (IAF)
The Insurance Assistance Fund exists to support policies issued under section 118(g) of the repealed Workers Compensation Act 1971. These policies provided assistance to employers who were unable to obtain satisfactory workers compensation insurance under the repealed Act at a determined premium. The Statutory Reserve Fund is required to meet any liability arising from a shortfall of the Insurance Assistance Fund.

Mining and Quarrying Industries Fund
Amendments to the repealed Workers Rehabilitation and Compensation Act 1986 provided for the establishment of the Mining and Quarrying Industries Fund to replace the Silicosis Fund. Funds standing to the credit of the Silicosis Fund were transferred to RTWSA and credited to a special account entitled ‘Mining and Quarrying Industries Fund’ which is divided into two parts:

Part A - to satisfy liabilities under the Silicosis Scheme established under the repealed Act; and,

Part B - to be available to the Mining and Quarrying Occupational Health and Safety Committee for the purposes referred to in schedule 2 of the Work Health and Safety Act 2012.

Note 2 Statement of compliance

These financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the Public Finance and Audit Act 1987;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the Public Finance and Audit Act 1987; and
- relevant Australian Accounting Standards.

Note 3 Basis of preparation

The financial statements have been prepared based on a twelve month reporting period and are presented in Australian currency.

RTWSA operates within the insurance industry predominantly providing for the recovery, return to work and compensation of workers with respect to injuries and diseases arising from their employment. The coverage provided is similar in nature to general insurance and accordingly the accounting standard AASB 1023 General Insurance Contracts is applied. RTWSA operates solely in the State of South Australia.

The assets backing insurance liabilities (outstanding claims) are those assets required to cover the insurance liabilities. Insurance liabilities are defined as outstanding claims and the liability for unearned premiums, included within payables, included in the Statement of Financial Position. As RTWSA operates solely in one industry and substantially all of its liabilities are insurance liabilities, RTWSA considers that substantially all its assets, excluding property, plant and equipment, exist to back these insurance liabilities. As part of its investment strategy RTWSA seeks to manage its assets allocated to insurance activities having regard to the characteristics of the insurance liabilities.

The Statement of Financial Position is prepared using the liquidity format in which the assets and liabilities are presented broadly in order of liquidity. The assets and liabilities comprise both current amounts and non-current amounts. Information regarding the amount of an item that is expected to be outstanding longer than 12 months is included within the relevant note to the financial statements.

Note 4 Use of judgements and estimates

RTWSA makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on RTWSA and that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are those related to the valuation of the outstanding claims liability.

Outstanding claims liability
RTWSA takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. Given the uncertainty in establishing claims provisions, it is likely that the outcome will prove to be different from the original liability established. The details of the valuation of the outstanding claims liability are set out in Notes 10 and 11.

The outstanding claims liability has been established based on actuarial assessments of the estimated costs of settlement of claims, inflated for the anticipated effects of inflation and other factors and discounted to a present value at the reporting period. Risk-free rates are used when discounting liabilities to current values. The risk margins were determined based on advice from Finity Consulting Pty Limited to produce a provision with a 75% probability of sufficiency.

	2026	2025
Compensation Fund		
Risk margin	**14.0%**	14.0%
Statutory Reserve Fund and Insurance Assistance Fund		
Risk margin - reported claims	**10.5%**	10.5%
Risk margin - asbestos-related diseases IBNR	**45.0%**	45.0%

The outstanding claims liability includes a liability in respect of the estimated cost of claims incurred but not settled at the reporting period, including the cost of claims incurred but not yet reported (IBNR) to RTWSA. The outstanding liability for the Mining and Quarrying Industries Fund, which had its triennial valuation at 30 June 2025, is $100,000.

Note 4 Use of judgements and estimates (continued)

The estimated cost of claims includes estimates of the direct expenses to be incurred in settling claims net of the expected recoveries.

Premiums receivable
The premiums receivable balance is the estimate of premiums due up to 30 June to be received after allowing for impairment and refunds.

Note 5 Reporting by fund

Statement of Comprehensive Income for the year ended 30 June 2026

	Compensation Fund	Statutory Reserve Fund	Insurance Assistance Fund	Mining & Quarrying Industries Fund Part A	Mining & Quarrying Industries Fund Part B	**2026 Total Funds**	2025 Total Funds
	$'000	$'000	$'000	$'000	$'000	**$'000**	$'000
Premium revenue	923 096	-	-	-	-	**923 096**	868 635
Cost of claims	(707 695)	1 255	13	-	-	**(706 427)**	(854 425)
Claims management fees	(100 681)	-	-	-	-	**(100 681)**	(96 293)
Tribunal and ombudsman fees	(10 269)	-	-	-	-	**(10 269)**	(9 463)
Underwriting Result	104 451	1 255	13	-	-	**105 719**	(91 546)
Net investment profit/(loss)	268 317	14 143	2 325	27	880	**285 692**	391 101
Self-insured employer fee	13 345	-	-	-	-	**13 345**	13 839
Other income	369	-	-	-	-	**369**	320
Net investment profit/(loss) and other income	282 031	14 143	2 325	27	880	**299 406**	405 260
General operating expenses	(103 005)	-	-	-	(788)	**(103 793)**	(91 983)
Finance costs	(85)	-	-	-	-	**(85)**	(140)
Total operating expenses	(103 090)	-	-	-	(788)	**(103 878)**	(92 123)
Operating profit before income tax equivalents	283 392	15 398	2 338	27	92	**301 247**	221 591
Income Tax Equivalents	(85 018)	(4 619)	(701)	(8)	(28)	**(90 374)**	(66 477)
Total comprehensive result	198 374	10 779	1 637	19	64	**210 873**	155 114

Note 5 Reporting by fund (continued)

Statement of Financial Position as at 30 June 2026

	Compensation Fund	Statutory Reserve Fund	Insurance Assistance Fund	Mining & Quarrying Industries Fund		**2026 Total Funds**	2025 Total Funds
				Part A	Part B		
	$'000	$'000	$'000	$'000	$'000	**$'000**	$'000
Assets							
Cash and cash equivalents	310 014	-	-	-	-	**310 014**	58 336
Receivables	110 139	-	-	-	-	**110 139**	110 762
Investments	4 559 657	249 638	41 158	478	15 074	**4 866 005**	4 794 963
Property, plant and equipment	545	-	-	-	-	**545**	267
Right-of-use assets	1 394	-	-	-	-	**1 394**	2 788
Total assets	4 981 749	249 638	41 158	478	15 074	**5 288 097**	4 967 116
Liabilities							
Payables	50 968	-	-	-	-	**50 968**	52 670
Income tax equivalents	85 018	4 619	701	8	28	**90 374**	66 477
Outstanding claims	4 744 899	34 700	100	100	-	**4 779 799**	4 691 076
Lease liabilities	1 595	-	-	-	-	**1 595**	3 084
Employee related liabilities	10 068	-	-	-	-	**10 068**	9 389
Total liabilities	4 892 548	39 319	801	108	28	**4 932 804**	4 822 696
Net assets/(liabilities)	89 201	210 319	40 357	370	15 046	**355 293**	144 420
Equity							
Retained earnings	89 201	210 319	40 357	370	15 046	**355 293**	144 420
Total equity	89 201	210 319	40 357	370	15 046	**355 293**	144 420

Note 6 Funding level

The funding level is a measure of financial sustainability showing the availability of assets to fund the Scheme's liabilities.

The Board approved policy sets a funding range of 90% to 120%. The percentage is calculated from dividing total assets by total liabilities.

	2026	2025
	$'000	$'000
Funded position	**355 293**	144 420
Funding percentage	**107.2%**	103.0%

Note 7 Remuneration of board and committee members

Board members during the financial year ended 30 June 2026 were:

Member	Board	Appointed / Resigned	Investment & Finance Committee	Audit & Risk Committee	Human Resources Committee	Technology Committee
Ms. K Atherton	Member		-	Member	Member	-
Mr. K Cheater	Member		-	Chair	-	Chair
Dr. W Griggs	Member		Member	-	-	Member
Mr. G McCarthy	Chair		Member	-	Member	Member
Ms. E Perry	Member		-	Member	Chair	-
Ms. L Simpson	Member		Chair	-	-	-
Mr. T Kenyon	Member		-	Member	-	Member

Committee membership is at 30 June 2026.

The Minister's Advisory Committee is established under section 171 of the Return to Work Act 2014 (the Act). Its role includes advising the Minister for Industrial Relations on the operation of the Act.

Members of the Minister's Advisory Committee during the financial year ended 30 June 2026 were Prof.T Mah, Mr.D Blairs, Ms. K Crowe, Ms G Hannon, Dr. R Paterson, Ms. C Schumacher, Ms. N Sykes, Mr. A Tulic, and Ms. R Webber.

The number of Board and Committee members whose remuneration received and receivable falls within the following bands:

	2026	2025
$1 to $19,999	**9**	9
$20,000 to $39,999	**-**	4
$40,000 to $59,999	**-**	1
$60,000 to $79,999	**6**	3
$100,000 to $119,999	**1**	1
	16	18

The total remuneration received and receivable by board and committee members for the year was $545,000 (2025: $540,000) and includes superannuation contributions.

Note 8 Income

(a) Premium revenue

	2026	2025
	$'000	$'000
Registered employer premium	**923 096**	868 635
Premium revenue	**923 096**	868 635

Premium revenue

Premiums are payable by all registered South Australian employers under the Act. Premiums are calculated on the total remuneration paid by employers for a financial year, including consideration for industry risk, claims experience, and applicable discounts. Premiums attributable to future years and received in the current financial year have been classified as unearned premiums (refer Note 23).

(b) Net investment profit/(loss)

	2026	2025
	$'000	$'000
Dividends	**145 561**	120 331
Interest received	**36 131**	37 227
Change in the net market values:		
Investments held at the end of financial year - unrealised	**(218 326)**	199 754
Investments sold during the financial year - realised	**331 332**	40 967
Investment profit/(loss)	**294 698**	398 279
Investment expenses	**(9 006)**	(7 178)
Net investment profit/(loss)	**285 692**	391 101

Investment income

Interest income is recognised in the Statement of Comprehensive Income as it accrues, using the effective interest method. Dividend income is recognised in the Statement of Comprehensive Income on the date RTWSA's right to receive payments is established, which in the case of quoted securities is the ex-dividend date.

(c) Self-insured employer fee

	2026	2025
	$'000	$'000
Self-insured employer fee - SA Government	**6 901**	6 552
Self-insured employer fee - non-SA Government	**6 444**	7 287
Self-insured employer fee	**13 345**	13 839

Note 9 Cost of claims

	2026	2025
	$'000	$'000
Income support	**218 821**	198 922
Redemptions	**4 288**	8 351
Lump sum payments	**127 908**	136 432
Hospital treatment	**25 358**	22 958
Medical treatment	**130 933**	110 370
Vocational rehabilitation	**21 783**	18 005
Physiotherapy	**17 230**	15 054
Home care costs	**19 319**	17 222
Legal costs	**40 586**	39 663
Other	**18 190**	18 580
Claims paid	**624 416**	585 557
Less recoveries from other parties	**(21 977)**	(19 741)
Net claims paid	**602 439**	565 816
Increase in net outstanding claims liability based on actuarial valuation	**318 972**	271 033
Adjustment relating to the (increase)/decrease in the discount rate	**(228 000)**	14 000
Increase/(decrease) in net outstanding claims liability	**90 972**	285 033
Net self-insurer settlements	**13 016**	3 576
Cost of claims	**706 427**	854 425

Claim recoveries
Claim recoveries are made from a range of parties in accordance with the Act. Recoveries received are offset against the cost of claims. Recoveries receivable are assessed in a manner like the assessment of outstanding claims in that they are measured as the present value of the expected future receipts, calculated on the same basis as the liability for outstanding claims. Movements in recoveries receivable are shown as a cost of claims.

Impact of Changes in Discount Rates
The outstanding claims liability is measured as the present value of the expected future claims payments, discounted using risk-free discount rates that reflect the timing of the expected cash flows.

An increase in discount rates reduces the present value of future claims payments and therefore decreases the outstanding claims liability recognised in the Statement of Financial Position. Conversely, a decrease in discount rates increases the present value of future claims payments and results in a higher outstanding claims liability.

During the reporting period, movements in discount rates contributed to changes in the valuation of the outstanding claims liability. All other assumptions remaining unchanged, a increase in discount rates results in a reduction in the net central estimate of outstanding claims and a corresponding increase in profit before tax for the period. The adjustments relating to the changes in discount rates for the Compensation Fund are shown above. The discount rate for the Compensation Fund rose from 4.56% to 5.03%.

Note 10 Outstanding claims liability - Compensation Fund

(a) Outstanding claims

	Notes	2026 $'000	2025 $'000
Expected future gross claims payments (undiscounted)		**8 386 089**	8 110 411
Discount to present value		**(4 223 897)**	(4 028 163)
Central estimate		**4 162 192**	4 082 248
Risk margin		**582 707**	571 514
Liability for outstanding claims		**4 744 899**	4 653 762
Recoveries	18	**(91 064)**	(93 313)
Net liability for outstanding claims		**4 653 835**	4 560 449
Current liability for outstanding claims		**756 985**	697 920
Non-current liability for outstanding claims		**3 987 914**	3 955 842
Total liability for outstanding claims		**4 744 899**	4 653 762
Change in liability for outstanding claims		**91 137**	303 729
Change in claim recoveries receivable		**2 249**	(14 940)
Movement in net outstanding claims liability		**93 386**	288 789
Discounted mean term of the liabilities		**10.2 years**	**10.9 years**

The liability for outstanding claims is measured as the central estimate of the present value of expected future payments against claims incurred at the reporting date by RTWSA, with an additional risk margin to allow for the inherent uncertainty in the central estimate. Under Actuarial Professional Standard 302, Valuations of General Insurance Claims, the central estimate is the best estimate of the expected liabilities for outstanding claims based on information currently available and exhibits no bias either towards a pessimistic or an optimistic outcome.

The expected future payments include those in relation to claims reported but not yet paid, claims incurred but not yet reported, claims incurred but under reported and anticipated claims handling expenses. The expected future payments are discounted to present value using an appropriate risk-free rate.

Cost of claims in the Statement of Comprehensive Income includes claims paid less recoveries plus the change in the liability for outstanding claims both reported and unreported, including the risk margin and claims handling expenses.

The value of the claims liability is determined by RTWSA following an actuarial valuation by Finity Consulting Pty Limited. The value of the outstanding claims liability is based on a central estimate and includes a risk margin of 14.0% (2025: 14.0%) to bring the estimated net liability to a 75% (2025: 75%) probability of sufficiency.

The split of the outstanding claims liability between current and non-current liabilities is based on the actuary's estimate. If the timing of claim payment cash flows varies from the actuary's projection, then the proportions of the overall claims liability that are shown as current and non-current will vary.

Note 10 Outstanding claims liability - Compensation Fund (continued)

(a) Outstanding claims (continued)

The Scheme is designed to provide services, up to two years of income support and up to three years of medical support for workers injured at work, together with long-term financial support for those seriously injured at work. Assumptions adopted in relation to the projected future payments made to claims are detailed below in Note 10(e).

The estimate of the value of the claims liability is based on the Act including the transitional provisions. Any divergence of the experience from the current valuation assumptions, whether favourable or adverse, will be reflected over time in relation to valuation assumptions.

Developments which potentially affect the Scheme's operating environment, and the uncertainty of the liability estimate include:

- Reform impacts – legislative reforms introduced in 2022 provided for combining of injuries and introduced other changes that attempt to manage the financial consequences of claimants getting higher Whole Person Impairment (WPI) scores. Given many serious injury claims are not recognised as such until 5 to 10 years post injury, it will be several years until the longer-term consequences of these changes are clear.
- New regulations – the Third Edition Impairment Assessment Guidelines (IAG) commenced in October 2025 and changed the rules under which WPIs are assessed, which means future outcomes could be different. Small changes in the WPI scores can equate to significant dollars in some cases.
- Legal precedent risk – risks relate to the possibility of decisions which are unfavourable to the scheme or the culture and behaviour of its participants.
- Serious injury claims costs – these claimants are entitled to benefits for life, and the risks for this group relate to factors that are common across most claims, meaning deviations from the actuarial assumptions could therefore compound across multiple years.
- Digital Transformation Program – the implementation of the new technology platform could be disruptive to the claims management process, impacting costs and future return to work rates.
- Economic environment and inflation risk – there is considerable uncertainty in financial markets and inflation risks; if material changes occur the scheme's liabilities will be impacted.

The increase in the outstanding claims liability includes the net impact of the increase in the average discount rate from 4.56% at 30 June 2025 to 5.03% at 30 June 2026.

Note 10(f) sets out the impact of changes in the key assumptions on which the valuation of the outstanding claims liability is based.

Note 10 Outstanding claims liability - Compensation Fund (continued)

(b) Net claims incurred

	Current year $'000	Prior years $'000	**2026 Total $'000**	Current year $'000	Prior years $'000	2025 Total $'000
Undiscounted						
Gross incurred	1 772 546	(735 823)	**1 036 723**	1 576 088	(577 998)	998 090
Recoveries	(26 386)	1 431	**(24 955)**	(23 189)	(14 464)	(37 653)
Net incurred	1 746 160	(734 392)	**1 011 768**	1 552 899	(592 462)	960 437
Discounted						
Gross incurred	1 065 381	(251 794)	**813 587**	980 234	(3 049)	977 185
Recoveries	(21 676)	(295)	**(21 971)**	(19 718)	(17 106)	(36 824)
Net incurred	1 043 705	(252 089)	**791 616**	960 516	(20 155)	940 361
Discount and discount movement						
Gross incurred	(707 165)	484 029	**(223 136)**	(595 854)	574 949	(20 905)
Recoveries	4 710	(1 726)	**2 984**	3 471	(2 642)	829
Net discount movement	(702 455)	482 303	**(220 152)**	(592 383)	572 307	(20 076)

Current year amounts show the projected ultimate costs for injuries that occurred in the latest financial year. Prior years amounts show the combined value of any reassessment of the costs related to injuries that occurred in all periods prior to the current financial year. Payments within the above table include claims handling expenses.

Note 10 Outstanding claims liability – Compensation Fund (continued)

(c) Claims development

The table below shows the development of incurred cost on net outstanding claims relative to the ultimate expected estimate over the past eleven financial years.

	Prior years*	Year ended 30 June 2016	Year ended 30 June 2017	Year ended 30 June 2018	Year ended 30 June 2019	Year ended 30 June 2020	Year ended 30 June 2021	Year ended 30 June 2022	Year ended 30 June 2023	Year ended 30 June 2024	Year ended 30 June 2025	Year ended 30 June 2026
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Estimate of ultimate claims cost**												
At the end of the year	8 889 260	406 719	411 384	421 395	534 781	563 788	637 576	596 452	608 670	678 848	722 754	779 332
One year later	8 953 450	407 683	407 585	466 182	578 043	622 625	588 872	570 045	611 341	649 271	687 764	-
Two years later	8 792 609	409 268	436 585	473 493	644 584	579 956	577 368	536 244	582 563	622 382	-	-
Three years later	8 925 092	422 385	462 185	582 935	629 443	600 875	543 705	514 444	564 450	-	-	-
Four years later	8 999 481	422 591	521 700	558 439	650 461	593 407	561 443	490 306	-	-	-	-
Five years later	8 991 991	468 244	497 636	583 068	664 179	588 907	542 964	-	-	-	-	-
Six years later	9 032 106	449 187	484 903	585 979	644 953	569 837	-	-	-	-	-	-
Seven years later	8 866 714	436 531	481 920	580 048	624 383	-	-	-	-	-	-	-
Eight years later	8 900 475	434 974	488 365	556 409	-	-	-	-	-	-	-	-
Nine years later	8 886 302	440 306	474 854	-	-	-	-	-	-	-	-	-
Ten years later	8 880 196	436 369	-	-	-	-	-	-	-	-	-	-
Eleven years later	8 860 755	-	-	-	-	-	-	-	-	-	-	-
Current estimate of cumulative claims costs**	8 860 755	436 369	474 854	556 409	624 383	569 837	542 964	490 306	564 450	622 382	687 764	779 332
Cumulative payments**	8 420 061	357 864	362 375	404 558	456 629	420 147	388 462	330 032	321 318	313 528	261 617	114 488
Outstanding payments**	440 694	78 505	112 479	151 851	167 754	149 690	154 502	160 274	243 132	308 854	426 147	664 844
Discount adjustment***	289 425	18 556	23 913	29 523	29 654	23 888	23 523	24 278	36 506	36 374	36 777	28 056
Net outstanding claims	**730 119**	**97 061**	**136 392**	**181 374**	**197 408**	**173 578**	**178 025**	**184 552**	**279 638**	**345 228**	**462 924**	**692 900**

* Development of incurred cost estimate for accidents prior to 30 June 2015 since 30 June 2015.

** Discounted to the beginning of the accident year using actual historical discount rates and the discount rates applied in the estimation.

*** Discount adjustment from beginning of accident year to current valuation date.

Note 10 Outstanding claims liability – Compensation Fund (continued)

(c) Claims development (continued)

	2026	2025
	$'000	$'000
Prior years	**730 119**	777 657
Year ended 30 June 2016	**97 061**	105 804
Year ended 30 June 2017	**136 392**	156 442
Year ended 30 June 2018	**181 374**	214 187
Year ended 30 June 2019	**197 408**	234 209
Year ended 30 June 2020	**173 578**	211 398
Year ended 30 June 2021	**178 025**	225 779
Year ended 30 June 2022	**184 552**	243 284
Year ended 30 June 2023	**279 638**	343 062
Year ended 30 June 2024	**345 228**	452 138
Year ended 30 June 2025	**462 924**	644 952
Year ended 30 June 2026	**692 900**	-
Net outstanding claims	**3 659 199**	3 608 912
Claims handling expenses	**423 112**	391 482
Risk margin	**571 524**	560 055
Net liability for outstanding claims	**4 653 835**	4 560 449

(d) Maturity profile

	Up to 1 yr	1 to 3 yrs	3 to 5 yrs	5 to 10 yrs	10 to 20 yrs	Over 20 yrs	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2026	**739 994**	**889 777**	**577 464**	**825 267**	**865 849**	**755 484**	**4 653 835**
2025	678 399	856 803	537 795	792 784	862 609	832 059	4 560 449

(e) Key assumptions

The key assumptions used by Finity Consulting Pty Limited in developing the valuation of the claims liability are the economic assumptions relating to inflation and discount rates and the assumptions relating to the duration and severity of claims. The key assumptions have been developed through the actuarial analysis of historic trends in conjunction with analysis of current and likely future economic factors. The following key assumptions were used in the measurement of the outstanding claims liability:

	2026	2025
Economic assumptions		
Inflation rate - income support	**0.00% or 3.25%**	0.00% or 3.40%
Inflation rate - medical, legal and other costs	**2.50% to 4.25%**	2.50% to 3.70%
Superimposed inflation rate - medical payments	**0.00% to 2.00%**	0.00% to 2.00%
Superimposed inflation rate - other	**0.00% to 2.80%**	0.00% to 1.80%
Superimposed inflation rate - lump sums	**0%**	0%
Discount rate	**5.03%**	4.56%
Duration and severity of claims	**Refer below**	Refer below
Claims handling expenses	**11.30%**	10.60%
Risk margin	**14.00%**	14.00%

Note 10 Outstanding claims liability - Compensation Fund (continued)

(e) Key assumptions (continued)

Finity Consulting Pty Limited has made a range of assumptions, accepted by RTWSA, relating to the projected durations that claimants will remain in receipt of payments and the quantum of those payments having had regard to the particular characteristics of groups of claims including:

- the distribution of claims between injured and seriously injured workers
- the analysis of past claims experience including the cost of claims.

The valuation of the outstanding claims liability is strongly dependent on the assumptions adopted in relation to the duration of the long-term claims for seriously injured workers.

On 28 July 2022 the Return to Work (Scheme Sustainability) Amendment Act 2022 was proclaimed. The Amendment Act:

- codified the approach to combining injuries
- increased the threshold for accessing serious injury benefits from 30% to 35% WPI for physical injury claims
- allows serious injury claimants to elect to receive a section 56 economic loss lump sum payment instead of ongoing income support
- allows for a redemption of medical expenses on serious injury claims.

The outstanding claims liability valuation reflects changes arising from the Amendment Act.

While the Amendment Act has been implemented there is still significant uncertainty on how the reforms will ultimately operate in practice. As a consequence the risk margin to bring the estimated claims liability to a 75% probability of sufficiency as at 30 June 2026 is still high at 14%.

(f) Sensitivity to changes in key assumptions

The sensitivity of the discounted net outstanding claims estimate and profit/(loss) impact at the 75th percentile (i.e. after allowing for the risk margin) to changes in key assumptions is shown in the following table:

	Increase/ (decrease) in net liability $'million	Percentage of net liability
Economic and modelling assumptions		
Strong economic scenario (2% gap between inflation and discount rate)	(186)	(4%)
Weak economic conditions (0% gap)	698	15%
Duration and severity of claims		
Superimposed inflation is 1% higher than assumed for medical and care costs for serious injury claims	310	7%
Impact of catastrophic claims having mortality in line with standard population life expectancy	290	6%

In conducting its valuation Finity Consulting Pty Limited modelled several other scenarios under which the assumptions for future claims experience differed from those used in the valuation. Under those scenarios the total value of the liability differed from the central estimate by plus or minus amounts which were within the variation range of values shown above.

The selection of the probability of sufficiency has a material impact on the valuation of outstanding claims.

Note 11 Outstanding claims liability - Other Funds

(a) Outstanding claims – SRF and IAF

	SRF	IAF	**2026 Combined**	2025 Combined
	$'000	$'000	**$'000**	$'000
Open claims	2 170	-	**2 170**	1 902
Total incurred but not yet reported (IBNR)	20 430	64	**20 494**	22 205
Claims handling expenses	1 900	4	**1 904**	2 049
Central estimate	24 500	68	**24 568**	26 156
Risk margin	10 200	32	**10 232**	11 058
Net liability for outstanding claims	34 700	100	**34 800**	37 214

The value of the claims liability is determined by RTWSA following an actuarial valuation by Finity Consulting Pty Limited. The claims liability estimate is based on a central estimate and includes a risk margin to bring the estimate of claims to a 75% (2025: 75%) probability of sufficiency.

The IBNR component is primarily made up of the estimated liability of the funds for asbestos-related disease claims that will be made after 30 June 2026 due to exposure prior to 30 June 2026. Due to the latent nature of the disease, there is a significant delay between the time of injury and reporting of the claim. Relatively few claims have been notified at the date of adopting these financial statements.

The asbestos-related disease IBNR component was estimated by Finity Consulting Pty Limited based on:

- forecast total future claim numbers derived by fitting projection models to the SRF/IAF claims data by disease, recognising the varying nature of the exposure for different claims
- forecasts of average claim costs derived from analysis of SRF/IAF claims data, external data and information obtained from discussion with key parties. This analysis was based on disease type, size of claim and legal costs, adjusted to allow for the timing of claim payments and for future claims inflation, discounted to their present value.

(b) Maturity profile – SRF and IAF

	Up to 1 yr	1 to 3 yrs	3 to 5 yrs	5 to 10 yrs	10 to 20 yrs	Over 20 yrs	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2026	**3 000**	**4 850**	**4 669**	**9 584**	**10 546**	**2 151**	**34 800**
2025	2 748	4 814	4 725	10 074	11 456	3 397	37 214

Note 11 Outstanding claims liability – Other Funds (continued)

(c) Movement in liability – SRF and IAF

	SRF			IAF		
	2026	2025	Change	**2026**	2025	Change
	$'000	$'000	$'000	**$'000**	$'000	$'000
Asbestos-related						
Reported	**1 602**	1 441	161	**-**	-	-
IBNR / re-opened claims	**20 413**	22 109	(1 696)	**64**	72	(8)
	22 015	23 550	(1 535)	**64**	72	(8)
Non-asbestos-related						
Reported	**568**	460	108	**-**	-	-
IBNR / re-opened claims	**17**	25	(8)	**-**	-	-
	585	485	100	**-**	-	-
Central estimate	**22 600**	24 035	(1 435)	**64**	72	(8)
Claims handling expenses	**1 900**	2 043	(143)	**4**	6	(2)
Risk margin	**10 200**	11 023	(823)	**32**	35	(3)
Total outstanding claims liability	**34 700**	37 101	(2 401)	**100**	113	(13)

(d) Key assumptions

The key assumptions used in developing the estimate of the outstanding claims liability include economic assumptions relating to inflation and discount rates, the assumptions relating to severity of claims and the assumptions used to estimate the level of claims incurred but not reported. The key assumptions have been developed through the actuarial analysis of historic trends in conjunction with analysis of current and likely future economic factors.

	2026	2025
Inflation rate		
asbestos claims	**5.40%**	5.40%
non-asbestos claims	**3.40%**	3.40%
Discount rate	**5.02%**	4.49%
Claim handling expenses	**8.50%**	8.50%
Risk margin		
reported claims	**10.50%**	10.50%
IBNR claims	**45.00%**	45.00%

The significant assumptions underpinning the asbestos-related disease IBNR are that the propensity to claim and the basis for compensating claims remain like the current situation, specifically:

- the number of diagnosed incidents of asbestos-related disease continues to develop in line with past trends
- the proportion of incidents compensated by the funds remains like current levels but with an allowance for an increase in the proportion of claims which revert to the SRF from uninsured and insolvent employers
- there are no additional failures of insurance companies.

(e) Sensitivity to changes in key assumptions

The key sensitivity for the SRF and the IAF is in relation to the ultimate value of the IBNR for asbestos-related claims.

(f) Mining and Quarrying Industries Fund – silicosis liability

The 30 June 2025 triennial valuation undertaken by Finity Consulting Pty Limited estimated the extent of the existing and prospective liabilities for the Silicosis Scheme under the repealed Act as being $100,000.

Note 11 Outstanding claims liability – Other Funds (continued)

(g) Summary of Other Funds

	2026	2025
	$'000	$'000
Statutory Reserve Fund	**34 700**	37 101
Insurance Assistance Fund	**100**	113
Mining and Quarrying Industries Fund	**100**	100
Net liability for outstanding claims	**34 900**	37 314
Current liability for outstanding claims	**3 000**	2 748
Non-current liability for outstanding claims	**31 900**	34 566
Total liability for outstanding claims	**34 900**	37 314
Change in liability for outstanding claims	**(2 414)**	(3 756)

Note 12 Tribunal and ombudsman fees

	2026	2025
	$'000	$'000
South Australian Employment Tribunal	**9 869**	9 078
Ombudsman funding	**400**	385
Total tribunal and ombudsman fees	**10 269**	9 463

Note 13 General operating expenses

	Notes	**2026** **$'000**	2025 $'000
Employee related expenses	16	**50 466**	46 273
Depreciation and amortisation		**1 555**	1 851
Consultants		**3 681**	3 528
Other operating costs		**48 091**	40 331
Total general operating expenses		**103 793**	91 983

Audit fees payable to the Audit Office of South Australia relating to work performed under the Public Finance and Audit Act 1987 were $452,000 (2025: $439,300) and are included within Other operating costs. No other services were provided by the Audit Office of South Australia.

Note 14 Finance Costs

	2026 $'000	2025 $'000
Interest and finance charges paid/payable for lease liabilities	**85**	140
Total finance costs	**85**	140

RTWSA does not capitalise finance costs.

Note 15 Taxation

	2026 $'000	2025 $'000
Income tax equivalent expense/liability	**90 374**	66 477
Total income tax equivalents	**90 374**	**66 477**

The Return to Work Corporation of South Australia Act 1994 limits the application of income tax equivalents to financial years in which RTWSA has achieved a funding level of at least 100% (with its outstanding claims liabilities at a 75% probability of sufficiency) and it has achieved a profit from insurance operations. In accordance with Treasurer's Instruction 22 Tax Equivalent Payments, RTWSA is required to pay to the SA Government an income tax equivalent. The income tax liability is based on the State Taxation Equivalent Regime, which applies the accounting profit method. This requires the corporate income tax rate (30%) to be applied to the operating profit.

RTWSA is liable for payroll tax, fringe benefits tax, goods and services tax (GST), emergency services levy, land tax equivalents and local government rate equivalents.

Income, expenses and assets are recognised net of GST except:

- when the amount of GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

Note 16 Employee related expenses

	Notes	2026 $'000	2025 $'000
Salaries and wages		**40 511**	37 052
Long service leave		**869**	1 027
Annual leave		**978**	849
Skills and experience retention leave		**90**	80
Superannuation		**4 934**	4 451
Other employee related expenses		**2 336**	2 131
Workers' compensation		**204**	149
Board and committee fees		**544**	534
Total employee related expenses	13	**50 466**	46 273

The superannuation on-cost charge represents RTWSA's contributions to superannuation plans in respect of current services of current employees.

Note 16 Employee related expenses (continued)

(a) Key management personnel

RTWSA key management personnel include the Minister, Board members, the Chief Executive Officer and members of the Executive Team. The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the Parliamentary Remuneration Act 1990 and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account under section 6 the Parliamentary Remuneration Act 1990.

	2026	2025
	$'000	$'000
Compensation		
Salaries and other short-term employee benefits	**3 056**	2 907
Post-employment benefits	**338**	324
Other long-term employment benefits	**102**	-
Termination benefits	**219**	213
Total	**3 715**	3 444

(b) Employee Remuneration

	2026	2025
	No.	No.
The number of employees whose remuneration received or receivable falls within the following bands		
$171,001 to $177,000[1]	**N/A**	4
$177,001 to $197,000	**18**	14
$197,001 to $217,000	**12**	14
$217,001 to $237,000	**9**	5
$237,001 to $257,000	**4**	4
$257,001 to $277,000	**1**	-
$277,001 to $297,000	**2**	-
$297,001 to $317,000	**-**	1
$317,001 to $337,000	**1**	-
$337,001 to $357,000	**-**	1
$357,001 to $377,000	**1**	-
$377,001 to $397,000	**-**	1
$417,001 to $437,000	**-**	2
$437,001 to $457,000	**1**	-
$557,001 to $577,000[2]	**1**	-
$657,001 to $677,000	**-**	1
$717,001 to $737,000	**1**	-
Total	**51**	47

[1]This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2024-25.
[2] inclusive of a one-off separation payment and significant leave entitlements.

The total remuneration received by those employees for the year was $12.2 million (2025: $10.8 million).

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits, any fringe benefits tax paid, or payable in respect of those benefits, as well as any termination benefits for employees who have left RTWSA.

Note 16 Employee related expenses (continued)

(c) Related party transactions

RTWSA is a statutory authority and is wholly owned and controlled by the South Australian Government. Related parties of RTWSA include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Apart from the remuneration for key management personnel and RTWSA premiums in the normal course of business RTWSA did not have any material transactions with key management personnel, their close family members and/or their controlled or jointly controlled entities in the current and comparative financial years.

Note 17 Cash and cash equivalents

	2026	2025
	$'000	$'000
Cash equivalents	**310 014**	58 336

Cash and cash equivalents comprises cash on hand and at bank.

Note 18 Receivables

	Notes	2026 $'000	2025 $'000
Current receivables			
Contractual receivables		**33 585**	30 298
Less allowance for doubtful debts		**(14 600)**	(12 900)
		18 985	17 398
Recoverable claim payments	10	**16 990**	19 521
Sundry receivables and prepayments		**90**	51
Total current receivables		**36 065**	36 970
Non-current receivables			
Recoverable claim payments	10	**74 074**	73 792
Total non-current receivables		**74 074**	73 792
Total trade and other receivables		**110 139**	110 762
Impairment of receivables			
Carrying amount at the beginning of the period		**(12 900)**	(7 400)
Amounts written off		**5 501**	2 800
(Increase)/Decrease in allowance recognised in profit or loss		**(7 201)**	(8 300)
Carrying amount at the end of the period		**(14 600)**	(12 900)

Contractual receivables arise in the normal course of providing insurance protection for employers. Employers who pay less than $1,000 in premium each year are required to pay the premium in one annual payment, in advance. Employers who pay more than $1,000 in premium each year, are eligible to pay in nine equal instalments, by the 7th of each month from October to June, or one annual payment to suit the business needs of the employers.

The carrying amounts of receivables approximates net fair value due to being receivable on demand. Claim recoveries receivable are stated at the amounts estimated in the actuarial valuation.

Collectability of receivables is reviewed on an ongoing basis. Allowances for doubtful debts are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9 Financial Instruments. Bad debts are written off when identified.

Information about the exposure to credit risk and expected credit losses is disclosed in Note 27(d).

Note 19 Investments

	Notes	2026 $'000	2025 $'000
Deposits with financial institutions		**261 048**	263 676
Debt securities		**2 106 229**	2 005 607
Australian equities		**251 020**	276 005
Overseas equities		**1 453 383**	1 449 731
Real assets (property and infrastructure)		**807 863**	783 204
Derivatives		**(13 538)**	16 740
Total investments	27d	**4 866 005**	4 794 963
Current		**252 950**	409 887
Non-current		**4 613 055**	4 385 076
Total investments	27d	**4 866 005**	4 794 963

Investments are measured at fair value. Changes in the fair values of investments at the reporting period from the end of the previous reporting period, or from cost of acquisition if acquired during the financial year, are recognised as gains or losses in the Statement of Comprehensive Income.

The fair value of investments represents their net fair value and is determined as follows:

- cash assets are carried at the face value of the amounts deposited or drawn which approximates their fair value
- listed securities and Government securities are valued by reference to market quotations
- underlying property assets and investments in unlisted unit trusts are valued by reference to independent third parties.

All investments are classified as backing insurance liabilities (outstanding claims liabilities).

Note 20 Property, plant and equipment

	Leasehold improvements including office furniture and fittings $'000	Computer, communications and general office equipment $'000	Total $'000
Cost			
Balance at 1 July 2024	6 775	2 135	8 910
Additions	-	-	-
Disposals	-	(1 621)	(1 621)
Balance at 30 June 2025	6 775	514	7 289
Balance at 1 July 2025	6 775	514	7 289
Additions	-	439	439
Disposals	-	(76)	(76)
Balance at 30 June 2026	**6 775**	**877**	**7 652**
Accumulated Depreciation			
Balance at 1 July 2024	(6 775)	(1 440)	(8 215)
Depreciation charge	-	(428)	(428)
Disposals	-	1 621	1 621
Balance at 30 June 2025	(6 775)	(247)	(7 022)
Balance at 1 July 2025	(6 775)	(247)	(7 022)
Depreciation charge	-	(161)	(161)
Disposals		76	76
Balance at 30 June 2026	**(6 775)**	**(332)**	**(7 107)**
Carrying Amounts			
At 30 June 2025	-	267	267
At 30 June 2026	**-**	**545**	**545**

Property, plant and equipment with a value equal to or in excess of $15,000 is capitalised, otherwise it is expensed. All assets acquired, including leasehold improvements, computer and communications and general office equipment are stated at cost less accumulated depreciation and accumulated impairment losses, deemed to be fair value. All assets are owned by RTWSA.

Refer to Note 22 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements.

Depreciation is calculated on a straight line basis to write off the cost of each item over its expected useful life. The estimated useful life in years used for each class of asset is as follows:

	2026	2025
Leasehold improvements including office furniture and fittings	5-10	5-10
Computer, communications and general office equipment	3-5	3-5

The cost of improvements to leasehold properties is amortised over the shorter of the unexpired period of the lease and the estimated useful lives of the improvements.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Note 21 Right-of-use assets

	Land and buildings $'000	Motor vehicles $'000	Total $'000
Cost			
Balance at 1 July 2024	13 351	176	13 527
Additions	-	-	-
Derecognised	-	(176)	(176)
Balance at 30 June 2025	13 351	-	13 351
Balance at 1 July 2025	13 351	-	13 351
Additions	-	-	-
Disposals	-	-	-
Balance at 30 June 2026	**13 351**	**-**	**13 351**
Accumulated Depreciation			
Balance at 1 July 2024	(9 168)	(110)	(9 278)
Depreciation charge	(1 395)	(28)	(1 423)
Derecognised	-	138	138
Balance at 30 June 2025	(10 563)	-	(10 563)
Balance at 1 July 2025	(10 563)	-	(10 563)
Depreciation charge	(1 394)	-	(1 394)
Derecognised	-	-	-
Balance at 30 June 2026	**(11 957)**	**-**	**(11 957)**
Carrying Amounts			
At 30 June 2025	2 788	-	2 788
At 30 June 2026	**1 394**	**-**	**1 394**

Right-of-use assets for land and buildings are measured at cost.

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than $15,000 are not recognised as right-of-use assets. If applicable, the associated lease payments are recognised as an expense.

Depreciation is calculated on a straight line basis to write off the cost of each item over its expected useful life. The estimated useful life in years used for each class of asset is as follows:

	2026	2025
Right-of-use land and buildings	**Lease term**	Lease term
Right-of-use motor vehicles	**N/A**	Lease term

RTWSA leases land and buildings for its offices, under agreements of five years with a right of renewal for a further five years. As at 30 June 2026 it is not reasonably certain that RTWSA will take up the option to extend.

Motor vehicle lease arrangements with Fleet SA were updated on 1 April 2025 and are no longer accounted for under AASB16. Under the updated contracts Fleet SA has a substantive right to substitute the asset throughout the period of use and so the contract does not contain a lease.

The lease liabilities related to the right-of-use assets are disclosed in Note 24. The maturity analysis of lease liabilities is disclosed in Note 27(d). Expenses related to leases include depreciation, as disclosed in Note 13, and interest expense, as disclosed in Note 14.

Note 21 Right-of-use assets (continued)

Impairment
Property, plant and equipment leased by RTWSA has been assessed for impairment. There was no indication of impairment as at June 2026. No impairment loss or reversal of impairment loss was recognised in 2025-26.

Note 22 Fair value measurement (non-financial assets)

AASB 13 Fair Value Measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Fair value of non-financial assets, which must be estimated for recognition or for disclosure purposes, is measured using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.

Level 3: not traded in an active market and are derived from unobservable inputs. RTWSA had no valuations categorised into levels 1 or 2.

In determining fair value, the characteristic of the asset (e.g. condition and location of the asset and any restrictions on the sale or use of the asset) and the asset's highest and best use (that is physically possible, legally permissible and financially feasible) have been taken into account.

Current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As no factors were identified to suggest an alternative use, fair value measurement was based on current use.

	Leasehold improvements including office furniture and fittings $'000	Computer, communications and general office equipment $'000	Total $'000
Balance at 1 July 2024	-	695	695
Additions	-	-	-
Depreciation	-	(428)	(428)
Balance at 30 June 2025	-	267	267
Balance at 1 July 2025	-	267	267
Additions	-	439	439
Depreciation	-	(161)	(161)
Balance at 30 June 2026	**-**	**545**	**545**

Total losses for level 3 non-financial assets in the period included in general operating expenses:

	$'000
2025	(428)
2026	**(161)**

Note 23 Payables

	2026	2025
	$'000	$'000
Current		
Contractual payables	**27 599**	24 772
Statutory payables	**7 279**	6 410
Premium refunds	**13 775**	15 215
Unearned premiums	**2 315**	6 273
Total payables	**50 968**	52 670

Payables and accrued expenses are recognised for all amounts owing but unpaid. All payables are non-interest bearing.

Contractual payables are liabilities that arise from contracts. They include trade payables and accrued expenses. Accrued expenses are expenses incurred but not yet invoiced or paid. The balances are transferred to trade payables when invoices are received.
Contractual payables are normally settled within 15 days from the date the invoice is first received.

Statutory payables do not arise from contracts. Statutory payables include government taxes and equivalents, statutory fees and charges and Audit Office of South Australia audit fees.

Note 24 Lease liabilities

(a) Lease liabilities

	2026	2025
	$'000	$'000
Current		
Lease liabilities	**1 595**	1 489
Non-current		
Lease liabilities	**-**	1 595
Total lease liabilities	**1 595**	3 084

All material cash outflows are reflected in the lease liabilities disclosed above.

(b) Cash outflow for leases

	2026	2025
	$'000	$'000
Land and buildings	**1 574**	1 528
Motor vehicles	**-**	29
Total cash outflow for leases	**1 574**	1 557

(c) Extension options
The lease for office space is for a five year term to 30 June 2027 with a right of renewal for a further five years. As at 30 June 2026 it is not reasonably certain that RTWSA will take up the option to extend the lease beyond 30 June 2027.

Note 25 Employee related liabilities

	2026	2025
	$'000	$'000
Current		
Accrued salaries and wages	**290**	112
Annual leave	**3 393**	3 010
Skills and experience retention leave	**109**	100
Long service leave	**775**	637
Employment on-costs	**918**	892
	5 485	4 751
Non-current		
Long service leave	**4 112**	4 162
Employment on-costs	**471**	476
	4 583	4 638
Total employee related liabilities	**10 068**	9 389

Employee related liabilities are accrued as a result of services provided up to the reporting date that remain unpaid. Apart from long service liability, employee related liabilities are measured at nominal amounts.

The liability of salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the skills and experience retention leave liability are expected to be payable in full within 12 months and are measured at the undiscounted amount expected to be paid.

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds is 4.75% (2025: 4.25%).

The salary inflation rate used in the actuarial assessment performed by the Department of Treasury and Finance is 3.50% (2025: 3.50%) for long service leave liability.

The net financial impact of the changes to actuarial assumptions in the current financial year is a decrease in the long service liability of $0.2 million and employee related expense of $0.2 million. The impact of future periods is impracticable to estimate as the long service leave is calculated using a number of demographical and financial assumptions, including the long-term discount rate.

Current long service leave reflects the portion of leave expected to be settled with in the next 12 months, based on previous experience and expected amount of leave to be approved and taken by eligible employees and expected amount of leave to be paid on termination to eligible employees within 12 months.

Note 25 Employee related liabilities (continued)

Employment on-costs include payroll tax, ReturnToWorkSA premium and superannuation contributions and are settled when the respective employee benefits that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised because of long service leave liabilities.

RTWSA contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave is 44% (2025: 44%) and the average factor for the calculation of employer superannuation cost on-costs is 12% (2025: 12%). These rates are used in the employment on-cost calculation. The impact on future periods is impracticable to estimate.

Note 26 Reconciliation of comprehensive result to net cash flows from operating activities

	2026	2025
	$'000	$'000
Total comprehensive result	**210 873**	155 114
Add / (less) non-cash or unpaid items		
Depreciation	**1 555**	1 851
Change in net market values of investments	**(113 006)**	(240 721)
Movement in assets and liabilities		
Increase/(decrease) in payables	**(1 702)**	5 412
Increase/(decrease) in income tax equivalents	**23 897**	66 477
(Increase)/decrease in receivables	**623**	(12 189)
Increase/(decrease) in outstanding claims liability	**88 723**	299 973
Increase/(decrease) in employee benefits	**679**	849
Net cash flows from operating activities	**211 642**	276 766

Note 27 Risk management

(a) Overview

RTWSA's risk management framework is the principal means by which identified risks are managed. RTWSA has developed a corporate governance framework that supports risk management. Each identified risk is analysed according to an established risk management process and appropriate treatment strategies are adopted to manage RTWSA's exposure to risk. The key aspects of the process established in the risk management framework to mitigate risk include:

- the establishment of a Board Audit and Risk Committee, which is responsible for developing and monitoring risk management policies
- the establishment of the Risk Appetite Statement, which is reviewed annually
- the establishment and regular review by the Board and management of an enterprise risk register
- the establishment of a system of internal controls to manage risk
- the maintenance and use of management information systems, which provide up to date, and reliable data relevant to the risks to which the business is exposed
- the identification of operational risks and the establishment and implementation of processes to address and mitigate those risks.

The Board Audit and Risk Committee reports regularly to the Board on its activities. The Committee oversees how management monitors compliance with RTWSA's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by RTWSA. A risk management policy is in place to ensure risks are identified, analysed and managed appropriately by RTWSA. RTWSA's risk management framework is part of its governance risk and compliance system which is reviewed regularly to reflect changes in market conditions and in RTWSA's activities. RTWSA, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Committee is assisted in its oversight by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board Audit and Risk Committee.

The broad categories of risk faced by RTWSA are:

- insurance risk
- operational risk
- financial risk.

(b) Insurance risk

As set out in Note 1, RTWSA provides insurance protection in the event of work-related injury, in accordance with the Act, to workers employed in South Australia through the following funds:

- Compensation Fund
- Statutory Reserve Fund
- Insurance Assistance Fund
- Mining and Quarrying Industries Fund.

In accordance with the Act the Compensation Fund is funded by charging premiums to all employers covered by the Act which are calculated as a percentage of the remuneration paid or expected to be paid by each employer. The percentage or premium rate applicable to each employer is determined annually based on the industry in which the employer operates and the Average Premium Rate. Small employers, with annual remuneration less than $16,806 (subject to indexation), are not required to register or pay a premium.

The Average Premium Rate is set annually by the Board in accordance with its funding and premium setting policy based on an actuarial assessment of the expected claims and expenses of the Compensation Fund and an estimate of the likely overall remuneration for all the employers that are required to pay premiums under the Act. The Average Premium Rate is then used as a basis for determining an individual premium rate for individual industry groups.

Note 27 Risk management (continued)

(b) Insurance risk (continued)

The risk associated with premium rate pricing is controlled by obtaining external actuarial advice concerning the funding requirements of the Scheme and using robust and historical models. The number of registered (non self-insured) employers insured under the Act for the financial year was approximately 65,000. The entitlements payable to injured workers are determined by the Act.

RTWSA's approach to determining the outstanding claims provisions and related sensitivities is set out in Notes 10 and 11. A key control utilised by RTWSA in seeking to ensure the adequacy of the claims provision is the regular completion of actuarial valuations:

- Compensation Fund - every six months
- Statutory Reserve Fund - every twelve months
- Insurance Assistance Fund - every twelve months
- Mining and Quarrying Industries Fund - every three years.

(c) Operational risk

Operational risk relates to the risk of loss arising from system failure, human error or from other circumstances not related to insurance or financial risks. These risks are managed through the risk framework outlined above, which includes a system of delegated authorities, effective segregation of duties, access controls and review processes.

(d) Financial risk

RTWSA has exposure to the following financial risks:

- credit risk
- liquidity risk
- market risk.

RTWSA's exposure to these risks arises primarily in relation to its investment portfolio, and in relation to its other financial assets. This note presents information about RTWSA's exposure to each of the above risks, objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Investments – risk management framework
RTWSA's Investment Policy and Strategy document describes the framework within which the RTWSA investment program functions, including the Board's governance arrangements for the investment program.

The mission of the investment program is to contribute to an improved funding position for the Scheme. The investment program will achieve this by delivering, over the long term, a rate of return that exceeds the average actuarial discount rate.

The current long term return objective for the investment program is a return of CPI + 2.5%. This will be achieved through adopting a moderate risk, balanced investment portfolio. Investment market risk is managed to a risk tolerance of a maximum 10% loss over a one-year period, measured using 95% Conditional Value at Risk (CVaR), representing the average return in the worst 5% of market outcomes.

The formal Investment Policy is reviewed annually by the Board to ensure it remains appropriate to the organisation's current circumstances.

Note 27 Risk management (continued)

(d) Financial risk (continued)

The investment portfolio is managed internally by experienced professionals supported by an internationally recognised investment consultancy firm that provides advice on asset allocation, selection of external fund managers, and undertakes specialised investment research and performance measurement.

The Board Investment and Finance Committee monitors the investment program on a regular basis.

RTWSA has a master custody arrangement with Northern Trust (NT). All discretely held portfolios are held under safe custody with NT, and all assets are independently valued by NT. All investment related cashflows (except for the internally managed cash portfolio and an external global equity indexed fund) are conducted through NT.

At any particular time the composition of the portfolio will vary from the Board approved Investment Strategy targets depending on the decisions of individual fund managers and market movements. However, any variance to the target is required to be within Board approved limits.

The composition of the portfolio is as follows:

As at 30 June 2026

	Level 1 $'000	Level 2 $'000	Level 3 $'000	**Total $'000**
Deposits with Financial Institutions	261 048	-	-	**261 048**
Debt securities	1 810 172	-	296 057	**2 106 229**
Australian equities	250 997	-	23	**251 020**
Overseas equities	1 453 349	-	34	**1 453 383**
Unlisted real assets (property and infrastructure)	-	-	807 863	**807 863**
Derivatives	-	(13 538)	-	**(13 538)**
Total investments at fair value through profit and loss	3 775 566	(13 538)	1 103 977	**4 866 005**

As at 30 June 2025

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Deposits with Financial Institutions	263 676	-	-	263 676
Debt securities	1 724 519	-	281 088	2 005 607
Australian equities	275 872	-	133	276 005
Overseas equities	1 449 730	-	1	1 449 731
Unlisted real assets (property and infrastructure)	-	-	783 204	783 204
Derivatives	-	16 740	-	16 740
Total investments at fair value through profit and loss	3 713 797	16 740	1 064 426	4 794 963

The hierarchy for the fair value measurement of investments is:

- Level 1: quoted prices (unadjusted) in active markets for identical assets
- Level 2: inputs, other than quoted prices included within level 1, that are observable for the asset either directly (as prices) or indirectly (derived from prices)
- Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

Note 27 Risk management (continued)

(d) Financial risk (continued)

Use of derivatives
In the normal course of its investment activities RTWSA is party to arrangements involving derivatives.
Derivatives held within portfolios through RTWSA's custodian have three main objectives:

- risk management - minimisation or reduction of specific risks within a given portfolio. For example, forward exchange contracts are used to hedge currency movements to remove their impact on international investment portfolio returns
- transactional efficiency - derivatives provide effective exposure to markets or individual securities while incurring transaction costs lower than the cost of purchasing the underlying security or basket of securities. In many instances the derivative markets provide much more liquidity than the underlying physical market
- value added strategies - given their low cost and high liquidity, derivatives can be an efficient way to support portfolio positions. As there can also be pricing anomalies between derivatives and underlying physical securities there can be opportunities to take advantage of different pricing.

Derivative exposures are subject to the same restrictions as physical assets within each portfolio's investment guidelines. Derivatives also need to comply with the fund managers' risk management policies and RTWSA's Derivatives Policy and Fund Manager Guidelines. Where there is inconsistency, RTWSA's Fund Manager Guidelines will take precedence. Additionally, no gearing or leverage is allowed from derivative positions, with all net long derivative exposures covered by cash or cash equivalent securities.

The use of derivatives is restricted to appropriately credentialed counterparties. Unit Trusts in which RTWSA invests may use derivative instruments appropriate to the investment markets in which they invest. The use of derivatives within the Unit Trusts in which RTWSA invests is approved and monitored by the responsible entity or trustee for the respective Unit Trust.

No single instrument is individually material to the future cash flows of RTWSA. RTWSA does not consider that the nature and extent of the use of derivatives warrants separate disclosure of individual contracts. RTWSA, through its separate account investment portfolios, uses derivative instruments as follows:

Forward exchange contracts

- RTWSA invests in global markets to access the risk reduction benefits of diversification. To protect against exchange rate movements for a portion of overseas exposures, RTWSA has entered into forward exchange contracts, which require settlement of the net gain or loss at maturity. For diversification purposes RTWSA intentionally maintains some un-hedged currency exposures
- the gain or loss on open contracts as at the reporting period has been taken up in the financial statements as an unrealised gain or loss based on the exchange rate current as at the end of the reporting period
- the use of forward exchange contracts for speculative purposes is prohibited.

Futures contracts

- RTWSA invests across a range of markets. Futures contracts give investors the ability to increase or decrease exposure to these markets with very low transaction costs
- the gain or loss on outstanding futures contracts as at the reporting period are taken up in the financial statements as an unrealised gain or loss based on the fair value as at the end of the reporting period
- futures contracts are predominantly used for transactional efficiency and value added strategies.

Credit risk
Credit risk is the risk of financial loss to RTWSA if a premium payer, other debtor or counterparty to a financial instrument fails to meet their contractual obligations.

Note 27 Risk management (continued)

(d) Financial risk (continued)

Credit risk - investments
RTWSA manages its exposure to credit risk related to debt securities, cash investments and non-centrally cleared financial instruments through its Investment Strategy and Investment Guidelines, which sets credit limits. Credit exposures are monitored against approved limits with breaches corrected and notified to the Board Investment and Finance Committee.

The following tables outline RTWSA's credit risk exposure within debt securities investments, deposits with financial institutions and derivatives.

As at 30 June 2026

	Short-term issue ratings*			Long-term issue ratings**					Not Rated***	
	A1+	A1	A2	AAA	AA	A	BBB	BB or below		**Total**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	**$'000**
Government	-	-	-	916 993	231 279	1 588	-	-	-	**1 149 860**
Corporate	-	-	-	113 559	86 062	185 001	173 371	99 037	302 461	**959 491**
Cash	174 071	59 698	-	-	-	-	-	-	(1 735)	**232 034**
	174 071	59 698	-	1 030 552	317 341	186 589	173 371	99 037	300 726	**2 341 385**

As at 30 June 2025

	Short-term issue ratings*			Long-term issue ratings**					Not Rated***	
	A1+	A1	A2	AAA	AA	A	BBB	BB or below		Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Government	-	-	-	943 411	201 017	831	-	-	-	1 145 259
Corporate	-	-	-	80 343	65 590	199 412	214 480	48 034	247 906	855 765
Cash	247 393	24 097	3 002	-	-	-	-	-	8 112	282 604
	247 393	24 097	3 002	1 023 754	266 607	200 243	214 480	48 034	256 018	2 283 628

* Standard & Poor's short-term financial strength ratings apply for cash portfolio and short-term investments. A1+ is the highest short-term strength rating.
** Standard & Poor's long-term credit ratings. AAA is the highest possible long-term credit rating.
*** Not rated assets for this table are non-defensive assets and consist predominately of private debt investments in pooled funds and derivatives held at fair value.

Credit risk - other financial assets
The only significant exposure to credit risk in relation to assets, other than investments, relates to contractual receivables, which include premiums due and payable from registered and self-insured employers and overpayment recoveries from employers, workers and providers. RTWSA can enforce the collection of debts due under the Act or via restitution principles through a court of competent jurisdiction. RTWSA has processes in place to monitor all material credit exposures and has an established policy to manage debt recovery.

Note 27 Risk management (continued)

(d) Financial risk (continued)
28.7% of RTWSA's contractual receivables and sundry receivables were past due greater than 30 days (2025: 23.7%). The ageing of RTWSA's contractual receivables and sundry receivables at the reporting date was:

	Gross carrying amount $'000	**Loss %** $'000	**Lifetime expected losses** $'000	**Net carrying amount**
Not past due	11 505	3%	307	**11 198**
Past due 1-30 days	3 296	27%	897	**2 399**
Past due 31-60 days	7 956	43%	3 403	**4 553**
Past due 61 days or more	10 918	92%	9 993	**925**
	33 675		14 600	**19 075**

There were no significant concentrations of credit risk.

Liquidity risk
Liquidity risk arises from the possibility that RTWSA will not be able to meet its financial obligations as they fall due. RTWSA's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to RTWSA's reputation. RTWSA requires that at least 15% of investments can be liquidated within 30 days. As at 30 June 2026 approximately 77% of RTWSA's investments could be liquidated within 30 days.

Both the asset and liability liquidity risks are managed through management risk strategies. 81.6% (2025: 83.1%) of RTWSA's liabilities are non-current and consist predominately of estimates of payments of entitlements to workers compensation made over the long-term to individual claimants.

The table below outlines the maturity profile of certain financial liabilities, excluding outstanding claims, based on the remaining undiscounted obligations. The maturity profiles of outstanding claims are outlined in notes 10 & 11.

As at 30 June 2026	1 year or less $'000	1 to 3 years $'000	3 to 5 years $'000	Over 5 years $'000	No Term $'000	**Total $'000**
Lease liabilities	1 595	-	-	-	-	**1 595**
Contractual and other payables	50 968	-	-	-	-	**50 968**

As at 30 June 2025	1 year or less $'000	1 to 3 years $'000	3 to 5 years $'000	Over 5 years $'000	No Term $'000	Total $'000
Lease liabilities	1 489	1 595	-	-	-	3 084
Contractual and other payables	52 670	-	-	-	-	52 670

Note 27 Risk management (continued)

(d) Financial risk (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect RTWSA's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

RTWSA is exposed to market risk primarily through:

- currency risk
- interest rate risk
- market price risk.

Currency risk

RTWSA is directly exposed to currency risk on purchases and financial instruments that are denominated in a currency other than Australian dollars. RTWSA uses forward exchange contracts for a portion of its international investments to hedge its exposure to foreign currency fluctuations. RTWSA targets a strategic foreign currency exposure of 15.0%, as at 30 June 2026 it was 14.9%. The majority of international investments are covered by forward exchange contracts. The changes in the valuations of these open contracts are disclosed in the financial statements as unrealised gains or losses as at the reporting period.

The analysis below demonstrates the impact of a strengthening or weakening Australian dollar on assets held in foreign currencies. This analysis is based on foreign currency exchange rate variances that RTWSA considered to be reasonably possible at the reporting date and assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening
	$'000	$'000	$'000	$'000
30 June 2026				
US Dollar (10% movement)	(40 171)	40 171	(40 171)	40 171
Chinese Yuan (10% movement)	-	-	-	-
Euro (10% movement)	(13 341)	13 341	(13 341)	13 341
Japanese Yen (10% movement)	(1 770)	1 770	(1 770)	1 770
Sterling (10% movement)	(9 952)	9 952	(9 952)	9 952
Other (10% movement)	(7 050)	7 050	(7 050)	7 050
30 June 2025				
US Dollar (10% movement)	(36 482)	36 482	(36 482)	36 482
Chinese Yuan (10% movement)	-	-	-	-
Euro (10% movement)	(12 362)	12 362	(12 362)	12 362
Japanese Yen (10% movement)	(2 240)	2 240	(2 240)	2 240
Sterling (10% movement)	(11 253)	11 253	(11 253)	11 253
Other (10% movement)	(5 029)	5 029	(5 029)	5 029

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fixed interest securities are exposed to changes in fair value due to fluctuating interest rates whilst floating rate securities are exposed to future cash flow variations because of changes to interest rates. The risk management approach adopted by RTWSA to manage such risks is through its asset allocation whereby a mixture of high credit rated and readily liquidated fixed interest securities, private debt as well as short-term deposits and cash to achieve the desired level of interest rate risk exposure.

Note 27 Risk management (continued)

(d) Financial risk (continued)

RTWSA's debt securities are held predominately in domestic markets. RTWSA's investments in interest bearing securities consist largely of marketable securities.

RTWSA's sensitivity to movements in interest rates in relation to the value of interest bearing investments is shown in the table below. This analysis is based on interest rate variances that RTWSA considered to be reasonably possible at the reporting date. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening
	$'000	$'000	$'000	$'000
1% interest rate movement - interest bearing investments				
2026	**(102 969)**	**102 969**	**(102 969)**	**102 969**
2025	(102 452)	102 452	(102 452)	102 452

Market price risk
Market price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market pricing (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual instrument or its issuer (idiosyncratic risk), or factors affecting all similar financial instruments traded in the market (systematic risk).

RTWSA is exposed to market price risk in all asset groups with the highest systematic risk in listed securities. These investments consist of investments listed on the Australian Stock Exchange and other major international exchanges (excluding listed debt). The market price risk in all other asset groups is considered less significant.

RTWSA manages its exposure to market price risk through the adoption of a long-term investment strategy based on extensive modelling of the expected return, volatility and correlation of each asset category included in the investment program to maximise returns for a given level of risk. By diversifying investments across a number of lowly correlated markets the volatility of the aggregate investment return is moderated over time.

The potential impact of movements in the market value of Australian and overseas listed equities on RTWSA's Statement of Comprehensive Income and Statement of Financial Position is shown in the sensitivity analysis below. The calculation excludes the impact from currency risk. Industry standard categorisations have been adopted for RTWSA's equity exposures.

	Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening
	$'000	$'000	$'000	$'000
Listed Securities				
30 June 2026				
Australian equities - (20% movement)	50 204	(50 204)	50 204	(50 204)
Overseas equities - (20% movement)	290 676	(290 676)	290 676	(290 676)
30 June 2025				
Australian equities - (20% movement)	55 201	(55 201)	55 201	(55 201)
Overseas equities - (20% movement)	289 946	(289 946)	289 946	(289 946)

Note 27 Risk management (continued)

(d) Financial risk (continued)

Fair value measurements
The fair value of financial assets must be estimated for recognition and measurement or for disclosure purposes. AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets
- Level 2: inputs, other than quoted prices included within level 1, that are observable for the asset either directly (as prices) or indirectly (derived from prices)
- Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date with the resulting value discounted back to present value
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The majority of fair value estimates are included in level 1, except for derivatives (level 2) and unlisted infrastructure, unlisted property and private debt assets (level 3).
The following table presents the changes in level 3 instruments for the years ended 30 June 2026 and 2025:

	2026	2025
	$'000	$'000
Opening balance	**1 064 426**	941 570
Re-classifications	**(77)**	103
Contributions	**26 071**	81 113
Withdrawals	**(44 300)**	(27 991)
Gains recognised in investment profit	**57 857**	69 631
Closing balance	**1 103 977**	1 064 426

Re-classifications reflect current market conditions.

Note 28 Unrecognised contractual commitments

	2026	2025
Commitments contracted for but not recognised as liabilities are payable as follows:	$'000	$'000
Within one year	9 876	8 491
Total expenditure commitments	**9 876**	**8 491**

Most of the commitments relate to the Digital Transformation Project, a project that will enable our new operating model.

Note 29 Employer financial guarantees

Under section 129 of the Act and schedule 3 of the Regulations, RTWSA administers financial guarantees lodged by non-SA Government self-insured employers. As at 30 June 2026, RTWSA held security to the value of $368.3 million (2025: $329.9 million) in financial guarantees or other approved substituted financial securities for self-insured employers. Guarantees are held in the event of a self-insured employer no longer being able to meet its claim liabilities.

Note 30 Self-insured Insolvency Contribution Aggregate

The Act requires fees paid by self-insured employers to include a fair contribution towards the actual and prospective liabilities of RTWSA arising from the insolvency of self-insured employers and other liabilities of RTWSA as an insurer of last resort. The Self-Insured Insolvency Contribution Aggregate (“SIICA”) is a pooled fund representing contribution fees received over time less any amounts paid by RTWSA because of the insolvency of a self-insured employer more than a financial guarantee held by RTWSA plus notional investment income based upon the net investment return achieved by RTWSA. The scheme actuary reviews the SIICA annually to determine the adequacy of the SIICA to meet the actual and prospective liabilities arising from the insolvency of self-insured employers. The fees may be varied dependent upon the results of the review. The fees have been set at 0% of base premium from 1 July 2024 onwards. The SIICA balance as at 30 June 2026 is $67.6 million (2025: $63.7 million).

Note 31 Impact of standards and statements not yet implemented

RTWSA has assessed the impact of new and changed Australian Accounting Standards Board Standards and Interpretations not yet effective. The material impacts on RTWSA are outlined below:

AASB 17 Insurance Contracts

Australian Accounting Standards Board 17 (AASB 17) - Insurance Contracts is replacing the current standard AASB 1023 – General Insurance Contracts, for the first time in the 2026-2027 Financial Statements, the material impacts are listed below.

Measurement model
RTWSA expects to use the Premium Allocation Approach (PAA) as it is a public sector insurer. The PAA is similar to the current measurement model used for general insurance under the current standard.

Risk adjustment
AASB 17 requires a risk adjustment which is the compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfils insurance contracts. The risk adjustment replaces the concept of a risk margin under AASB 1023, which reflects the inherent uncertainty in the net discounted central estimate. Like AASB 1023, the confidence level that corresponds to the risk adjustment will be disclosed. RTWSA intends to adopt a risk adjustment with a 75% probability of sufficiency as determined by a cost of capital model. The replacement of the risk margin with the risk adjustment is not expected to have a material impact on the claims liability.

Note 31 Impact of standards and statements not yet implemented (continued)

Discount rate
AASB 17 requires the estimates of expected cash flows that are used to measure the liability for incurred claims are discounted to reflect the time value of money and the financial risks related to those cash flows. AASB 17 also requires the discount rate to reflect the liquidity characteristics of the underlying insurance contracts.

RTWSA will adopt the bottom-up approach which calculates the discount rate by adding an illiquidity premium to the risk-free yield. The illiquidity premium is calculated by considering the difference in yield between a portfolio of market traded corporate bonds that are investment grade, and a portfolio of Australian Government bonds and then removing the difference in yield that relates to credit risk. The difference in yield for credit risk is estimated based on the price of credit default swaps.

Presentation and disclosure

AASB 17 introduces a range of presentation and disclosure changes which include:

- In the Statement of Comprehensive Income insurance related elements will be shown together with the Insurance Revenue and Insurance Service Expenses. The financial impact of changes to discount rates and the discount unwind, will be recognised separately as insurance finance income or expense.
- In the Statement of Financial Position insurance asset and liabilities, including Outstanding Claims and Recoverable Claim Payments are consolidated into a single entry, Insurance Contract Liabilities
- Additional disclosures are required to provide information about amounts recognised from insurance contracts and the nature and extent of risks arising from insurance contracts.

Transitional Impact
RTWSA expects to apply the full retrospective approach to all insurance contracts at 1 July 2025. The impact of adopting AASB 17 is expected to decrease RTWSA's Liability for outstanding claims by approximately $200m, mainly driven by higher discount rates reflecting the inclusion of the illiquidity premium.

The requirements of AASB 17, including the actual transitional impact at 1 July 2025 are subject to change following the finalisation of key assumptions and future interpretation clarifications.

Note 32 Events after the reporting period

There have been no events after the reporting period which would have a material effect on RTWSA’s financial statements at 30 June 2026.

ReturnToWorkSA
Certificate under section 23(2) of the Public Finance and Audit Act 1987
30 June 2026

In our opinion the financial statements for the Return to Work Corporation of South Australia:

- are in accordance with the accounts and records of the Return to Work Corporation of South Australia;
- comply with relevant Treasurer's Instructions;
- comply with relevant accounting standards; and
- present a true and fair view of the financial position of the Return to Work Corporation of South Australia at the end of the financial year and the result of its operation and cash flows for the financial year.

In our opinion the internal controls employed by the Return to Work Corporation of South Australia for the financial year over its financial reporting and its preparation of financial statements have been sufficiently effective to enable the presentation of financial statements that are free from material misstatement.

G. McCarthy

Chair

M. Francis

Chief Executive Officer

P. Caskey

Executive Leader Finance and Investments

10 September 2026

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

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To the Chair
Return to Work Corporation of South Australia

Opinion

I have audited the financial report of the Return to Work Corporation of South Australia for the financial year ended 30 June 2026.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Return to Work Corporation of South Australia as at 30 June 2026, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2026
- a Statement of Financial Position as at 30 June 2026
- a Statement of Changes in Equity for the year ended 30 June 2026
- a Statement of Cash Flows for the year ended 30 June 2026
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Chair, Chief Executive Officer and the Executive Leader Finance and Investments.

Emphasis of matter

I draw attention to notes 4 and 10 of the financial report. There is significant uncertainty surrounding the financial impact of legislative reforms which will only become clearer as outstanding claims experience emerges in future financial periods. If in future years the actual costs of claims described in note 10 are greater than balances recorded in the financial statements, this will adversely impact the funding level described in note 6. My opinion is not modified in respect of this matter.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Return to Work Corporation of South Australia. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Chief Executive Officer and members of the Board for the financial report

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

The members of the Board are responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 19 of the *Return to Work Corporation of South Australia Act 1994*, I have audited the financial report of the Return to Work Corporation of South Australia for the financial year ended 30 June 2026.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Return to Work Corporation of South Australia's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive Officer and members of the Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Blaskett
Auditor-General

18 September 2026

ACTUARIAL CERTIFICATE OUTSTANDING CLAIM LIABILITIES

RETURN TO WORK CORPORATION OF SOUTH AUSTRALIA
Actuarial Certificate
Outstanding Claim Liabilities at 30 June 2026

Finity Consulting has been requested by the Return To Work Corporation (ReturnToWorkSA) to estimate the outstanding claim liabilities of the Return To Work Scheme under the Return To Work Act 2014, as well as the outstanding claim liabilities of the Statutory Reserve Fund (SRF) and Insurance Assistance Fund (IAF).

Basis of Our Estimates

Our estimates and reports have been prepared in accordance with the Actuaries Institute's Professional Standard 302 and with our understanding of the relevant Australian Accounting Standard AASB 1023.

To do this we have calculated a central estimate of the outstanding claim liabilities, which means our assumptions have been selected such that our estimates contain no deliberate bias towards either overstatement or understatement. Our estimates are discounted, i.e. they allow for the time value of money using risk free discount rates, they include allowance for future expenses incurred in the management of the outstanding claims and they are net of expected recoveries.

We have also provided a recommended provision for outstanding claims which increases the central estimate to a level intended to achieve 75% probability of sufficiency, in accordance with ReturnToWorkSA policy.

Our work considered the Third Edition Impairment Assessment Guidelines ("IAG3") which commenced 1 October 2025 and apply to all WPI assessments that commence after this date (i.e. assessments that had already commenced prior to 1 October 2025 will be completed under the previous IAGs). Given it generally takes more than six months, and often closer to 12 months, for assessments to be completed there are currently only small numbers of claims who have been assessed under the IAG3 rules. Our allowances assume the IAG changes will be cost neutral in aggregate, consistent with the Minister's direction to the drafting Group, so if information emerges that suggests WPI scores change as a result of the new IAGs then this will need to be incorporated into future valuation work.

Return To Work Scheme

The Scheme's outstanding claim liabilities are the value of payments to be made after 30 June 2026 in respect of claims which arose on or before that date. Our central estimate of the outstanding claims liability is $4,082 million. ReturnToWorkSA has provided $4,654 million in its financial statements as at 30 June 2026 for the net outstanding claim liabilities, having added to our net central estimate a risk margin of 14.0% which is intended to increase the probability of adequacy of the provision to 75%. These amounts are made up as follows:

Table 1 – Outstanding Claim Liabilities at 30 June 2026 – Return To Work Scheme

	Central Estimate	Recommended Provision
	$m	$m
Gross Claims Cost - Serious Injuries	2,202	
Gross Claims Cost - General Short Term Claims	1,233	
Gross Claims Cost - Hearing Loss Claims	304	
Claims Handling Expenses	423	
Gross Outstanding Claims Liability	4,162	4,745
Recoveries	-80	-91
Net Outstanding Claims Liability	4,082	4,654

Other Funds

The SRF and IAF liabilities relate to workers compensation claims arising from uninsured and insolvent employers, insolvent insurance companies and employers unable to obtain insurance under the 1971 Act.

ReturnToWorkSA has provided $35 million in its financial statements as at 30 June 2026 for the net outstanding claim liabilities, having added to our net central estimate risk margins (45% for IBNR claims, 10.5% for known claims) which are intended to increase the probability of adequacy of the provision to 75%, as shown below.

Table 2 – Outstanding Claim Liabilities at 30 June 2026 – SRF and IAF

	Central Estimate	Recommended Provision
	$m	$m
Statutory Reserve Fund	23	
Insurance Assistance Fund	0.1	
Claims Handling Expenses	2	
Gross Outstanding Claims Liability	25	35
Recoveries	-	-
Net Outstanding Claims Liability	25	35

Uncertainty

It is not possible to put a value on outstanding claim liabilities with certainty. We have prepared our estimates on the basis that they represent our current assessment of the likely future experience of the Scheme and other Funds. However, deviations of the actual experience from our estimates are normal and to be expected.

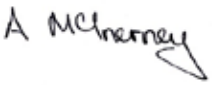
Sources of uncertainty include difficulties caused by limitations of historical information, as well as the fact that outcomes remain dependent on future events, including legislative, social and economic forces, and behaviour by stakeholders such as ReturnToWorkSA management, claimants and claims agents. We have relied on the accuracy and completeness of the data and other information (qualitative, quantitative, written and verbal) provided to us by ReturnToWorkSA for the purpose of making our estimates.

A key uncertainty in determining the financial costs of the scheme will be extent to which behavioural changes emerge over time in relation to WPI assessments, after 'combining injuries' was codified as a feature in 2022. South Australia's workers compensation system is regarded as being relatively litigious, and we have seen multiple past examples of claimants changing behaviour in response to a change.

As shown in Table 1 the largest component of ReturnToWorkSA's liabilities relate to Serious Injuries (as defined in the Act). These claims are entitled to benefits for life, and so deviations from our assumptions have the potential to compound over many years.

It is quite possible that one or more changes could produce a financial outcome materially different from our estimates. We have considered the range of uncertainties regarding the central estimates in deriving our recommended risk margins, which ReturnToWorkSA has adopted in its provisions. Full details of our valuations are set out in our reports to ReturnToWorkSA dated 24 August 2026 (Scheme) and 28 July 2026 (SRF and IAF).

Yours Sincerely,



Andrew McInerney (Scheme)
Fellow of the Institute of Actuaries of Australia



David McNab (SRF and IAF)
Fellow of the Institute of Actuaries of Australia

Notes

Return to WorkSA

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If you are deaf or have a hearing or speech impairment, you can call ReturnToWorkSA on **13 18 55** through the National Relay Service (NRS) **www.relayservice.gov.au**.

For languages other than English, call the Interpreting and Translating Centre on **1800 280 203** and ask for an interpreter to call ReturnToWorkSA on **13 18 55**.

For braille, audio or e-text of the information in this publication call **13 18 55**.

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