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Most injuries happen at home, not work

The latest injury statistics are a stark reminder that accidents can happen anywhere, but are less likely to happen at work, making it critically important to hold comprehensive life insurance including income protection.

Income protection insurance provides invaluable financial protection against disability as a result of sickness or injury by paying a regular benefit to replace lost income if a person is unable to work.

It can offer superior coverage to Workers' Compensation because it is designed to pay a benefit even if the sickness or injury happens at work, the home or elsewhere (subject to product details and cover type).

Workers Compensation is governed by individual states and territories. In NSW, for Workers' Compensation to be payable, there must be a real and substantial connection between employment and the accident or incident which resulted in the injury.¹

This means that in NSW, if an employee is injured travelling to and from work, they will need to prove a real and substantial connection between the employment and the accident or incident out of which the personal injury arose, to be entitled to claim compensation. For exempt workers (e.g. police officer's, paramedic's and fire fighters) there is no requirement to establish a real and substantial connection².

Under those narrow terms, many Australians may face financial disaster if they rely on Workers' Compensation alone for protection, given the majority of major accidents and injuries occur in a person's home or during their leisure time.

In 2021/2022, 3.5% of Australia's working population (approximately 497,300 people) suffered a work-related injury or illness and only 31% of those (approximately 150,000 people) received workers' compensation,

according to the Australian Bureau of Statistics' (**ABS**) Work-related Injuries Report.³

By contrast, of the 8.8 million Australians presented to emergency departments in 2022-23, more than half related to injuries that occurred in the home, based on data from the Australian Institute of Health and Welfare (**AIHW**).³

The most common injuries involved DIY home renovations such as falling from ladders and mishaps using tools and machinery.

Around nine Australians are admitted to hospital for DIY injuries per day. Patients are predominately men between the ages of 55 and 74.³

Other major causes of hospitalisation included motor vehicle accidents, and sports and recreation injuries.

While a record low number of sports and recreational injuries were reported in 2020, coinciding with COVID-19, sports-related injuries are on the rise again, with outdoor team sports recording the highest rate of injury and cycling reporting the highest number of hospitalisations.⁴

This is not surprising given 89% of Australians over age 15 (approximately 18.8 million people) play sport, according to the 2020-21 AIHW AusPlay Survey.⁴

The statistics are a stark reminder that accidents and injuries can happen anywhere, at any time, making it critically important to hold comprehensive life insurance including income protection.

In 2022, Australian life insurers paid \$3.7 billion in income protection insurance entitlements, representing a third of total claims paid of \$11.2 billion.⁵

More than a third of Australians hold some income protection insurance and, every year, thousands of Australians receive income protection benefits.

Sources

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