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The Research Director
Finance & Administration Committee
Parliament House
George Street
Brisbane Qld 4000
BY EMAIL: fac@parliament.qld.gov.au

Dear Committee Members

I write in relation to your review and inquiry into the operation of the Queensland Workers' Compensation Scheme.

I regularly act for people injured in the course of their employment and assist them in obtaining compensation to allow them to get back on track after injury.

The Queensland Workers' Compensation Scheme is the most financially sound scheme in the country. Its funding ratio is the highest in the country, and over the last 15 years, the premiums in Queensland have been, on average, the lowest in the country as well.

The main reason for the Queensland scheme's financial stability is a short tail no fault statutory scheme, balanced with access to common law for meritorious claims.

In the past, there have been suggestions made that the ability of an injured person to sue their employer at common law should be restricted by an impairment threshold. Any move to an impairment threshold would put the financial health of the existing scheme at risk. It would, for the first time, make the Queensland scheme a pension based scheme. That type of scheme has demonstrably failed in other States.

The existing common law scheme in Queensland weeds out most unmeritorious claims through:-

Restrictions on damages and legal costs which mean that only financially viable claims where an injured person has suffered loss of income are likely to be pursued;

Tough liability provisions bringing a common-sense approach to assessments of liability;

Tough fraud provisions in the WorkCover legislation.

This collection of measures has delivered financial stability while ensuring that injuries which have had a significant financial impact on a person are able to be pursued and compensated. An

impairment threshold would inevitably operate unfairly. Impairment, as described under AMA Guidelines, is not a reflection of the ability of the person to work or the financial impact on that person. It is a technical medical assessment of limited scope.

Some low impairment assessments can lead to significant financial loss. Conversely, some higher impairments can lead to only minimal loss.

In relation to the other Terms of Reference being considered by the Committee, there are some specific likely regional impacts. Workers in regional areas travel significant distances to and from work. This is an essential part of working in these communities. It is therefore essential to maintain the "journey claim" provisions in the existing Queensland legislation.

I submit this for the Committee's consideration.

Yours faithfully

GREG SMITH
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