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STATE DEVELOPMENT, INFRASTRUCTURE AND WORKS COMMITTEE

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PUBLIC BRIEFING—INQUIRY INTO THE INDUSTRIAL RELATIONS AND OTHER LEGISLATION AMENDMENT BILL 2026

TRANSCRIPT OF PROCEEDINGS

Monday, 26 October 2026

Brisbane

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MONDAY, 26 OCTOBER 2026

The committee met at 8.40 am.

CHAIR: Good morning. I declare open this public briefing for the committee's inquiry into the Industrial Relations and Other Legislation Amendment Bill 2026. My name is Jim McDonald. I am the member for Lockyer and chair of the committee. With me here today are: the Hon. Grace Grace, the member for McConnel, who is substituting for Ms Jonty Bush, the member for Cooper; Ms Wendy Bourne, the member for Ipswich West; Mr Terry James, the member for Mulgrave; Mr David Kempton, the member for Cook, and Mr Shane King, the member for Kurwongbah and deputy chair for today's proceedings.

The purpose of today's briefing is to assist the committee with its examination of its inquiry into the Industrial Relations and Other Legislation Amendment Bill. The bill was introduced into the parliament on 14 October 2026 by the Hon. Jarrod Bleijie, Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations. The bill was referred to this committee for detailed consideration and report.

This briefing is a proceeding of the Queensland parliament and is subject to the parliament's standing rules and orders. Only the committee and invited witnesses may participate in the proceedings. Witnesses are not required to give evidence under oath or affirmation, but I remind witnesses that intentionally misleading the committee is a serious offence. I also remind members of the public that they may be excluded from the briefing at the discretion of the committee. I remind committee members that officers are here to provide factual or technical information. Any questions seeking an opinion about policy should be directed to the minister or left to debate on the floor of the House.

These proceedings are being recorded and broadcast live on the parliament's website. Media may be present and are subject to the committee's media rules and the chair's direction at all times. You may be filmed or photographed during the proceedings and images may also appear on the parliament's website or social media pages. Please turn your mobile phones off or put them on silent mode. I remind everyone that pushing the button on the microphone turns it red and then it is active. There can only be three microphones on at any time, so please turn them off when you are finished.

BARRY, Ms Megan, Deputy Director-General, Office of Industrial Relations, Department of State Development, Infrastructure and Planning

BROWN, Ms Alice, Executive Director, Planning Policy, Planning Group, Department of State Development, Infrastructure and Planning

DONOVAN, Mr Shane, Executive Director, Industrial Relations, Office of Industrial Relations, Department of State Development, Infrastructure and Planning

HILLHOUSE, Ms Janene, Executive Director, Workers' Compensation Regulatory Services, Office of Industrial Relations, Department of State Development, Infrastructure and Planning

NOTTINGHAM, Ms Anna, Director, Games Infrastructure Policy, Infrastructure Group, Department of State Development, Infrastructure and Planning

CHAIR: I now welcome representatives from the Department of State Development, Infrastructure and Planning.

Ms Barry: Good morning, committee members, and thank you for the opportunity to make an opening statement and brief you on the Industrial Relations and Other Legislation Amendment Bill. Here with me today are colleagues from the department, including: Ms Janene Hillhouse, Executive Director, Workers' Compensation Regulatory Services, Office of Industrial Relations; Mr Shane Donovan, Executive Director, Industrial Relations, Office of Industrial Relations; Ms Anna

Nottingham, Director, Games Infrastructure Policy, Infrastructure Group, Department of State Development, Infrastructure and Planning; and Ms Alice Brown, Executive Director, Planning Policy, Department of State Development, Infrastructure and Planning.

As the chair stated, the bill was introduced into the Legislative Assembly on 14 October by the Hon. Jarrod Bleijie, Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations, and subsequently referred to this committee for detailed consideration. At its core, the bill is designed to support workplace productivity and maintain a fair, balanced and sustainable workers compensation scheme for our state. The bill proposes to implement certain legislative recommendations arising from the 2026 *Industrial relations and workers' compensation scheme review*.

In summary, the review found issues with the existing system, including: dual wage-setting mechanisms, differences between the federal and state systems, and a lack of consideration for government being the primary employer in the jurisdiction. For the workers compensation scheme, the review found that emerging trends such as the growing psychological injury claim trend will have long-term financial impacts on the sustainability of the scheme if not managed carefully. This review was completed in September 2026. It made 104 recommendations, including 62 industrial relations recommendations and 42 workers compensation recommendations. The government released its response to the review on 14 October, accepting 75 recommendations, accepting 14 in principle, noting six and not accepting nine.

The bill contains reforms across two of Queensland's most significant workplace statutes: the Industrial Relations Act 2016 and the Workers' Compensation and Rehabilitation Act 2003. Together, these reforms seek to improve the operation of Queensland's IR system and ensure the long-term sustainability of the workers compensation scheme for future generations of workers and employers.

Turning first to the IR amendments, the bill includes measures intended to modernise and strengthen Queensland's framework by: restoring a worker's ability to choose their legal representatives in proceedings before the Queensland Industrial Relations Commission; introducing protections against reprisals for individuals who make protected disclosures about registered organisations; and enhancing the integrity of right-of-entry arrangements through a new fit and proper person test for authorised officers.

The bill also proposes a number of changes to collective bargaining processes and industrial relations action arrangements. These amendments are intended to: support productive bargaining; ensure more timely resolution; provide greater clarity for employees and employers; and ensure that industrial action can continue to occur within a fair and balanced regulatory framework. The bill also improves consistency between the Queensland IR framework and the Commonwealth's Fair Work Act.

For context, I can advise the committee that the review recommended removing the ability for a party to apply for an interim pay rise during arbitration proceedings. The review also recommended considering either removing collective bargaining negotiations or limiting award increases granted through the state wage case. Those recommendations were not accepted by government. The proposed legislative amendments in the bill therefore seek to improve the operation of the system while maintaining those existing wage-setting mechanisms. The bill also enhances the ability of the Queensland Industrial Relations Commission and the Industrial Court to manage matters efficiently where further proceedings are not necessary or desirable in the public interest.

I now turn to the proposed amendments in the Workers' Compensation and Rehabilitation Act. Queensland's workers compensation scheme is highly valued and has long provided important protections for injured workers. The amendments are designed to ensure those protections remain available into the future while maintaining affordability and sustainability for employers who fund the scheme. To support that objective, the bill strengthens the connection between employment and coverage of work-related psychological injuries in the scheme, closely aligning Queensland with New South Wales and Victoria. It also strengthens the scheme's ability to detect, prevent and respond to workers compensation fraud through better reporting, increased penalties to align with comparable fraud offences in other workers compensation and Commonwealth benefits schemes, and reflect the seriousness of this type of offending.

The bill also supports an efficient impairment assessment pathway for workers with psychological injuries. Importantly, the bill extends existing presumptive protections for post-traumatic stress disorder and certain cancers to Queensland Parks and Wildlife Service employees who undertake firefighting duties, recognising the unique risks faced by those workers in protecting Queensland's communities and natural environment and to ensure consistency with other firefighters in Queensland.

The bill also strengthens clinical governance, improves regulatory oversight of insurers, and increases consistency between WorkCover Queensland and licensed self-insured employers. We currently have 28 self-insurers. This will deliver better outcomes for both workers and employers. It also reduces the regulatory burden on businesses.

In addition, the bill contains several miscellaneous but important amendments, including amendments to the Brisbane Olympic and Paralympic Games Arrangements Act 2021 and the Planning and Environment Court Act 2016. Amendments to the Brisbane Olympic and Paralympic Games Arrangements Act 2021 will address unintended noise restriction issues affecting games venues and enable a minor boundary adjustment for the Gabba entertainment and housing precinct to support the timely commencement of the project. Amendments to the Planning and Environment Court 2016 will create a Planning and Environment Court judge administrator position to improve court administration, strengthen governance arrangements and increase transparency, consistent with similar arrangements in the District Court.

We look forward to assisting the committee with its examination of the bill and further understanding the views that stakeholders may provide throughout the inquiry process. Thank you, Chair.

CHAIR: The commission of inquiry into the CFMEU has shone a light into the culture of fear and intimidation that has taken hold in Queensland worksites. Can the department detail to the committee the requirements included in the proposed fit and proper person test and how it will make Queensland workers safer.

Ms Barry: In terms of the fit and proper person test, I can certainly respond to that. The review found that there were discrepancies between the IR Act and the Fair Work Act in relation to the fit and proper person test applied in the jurisdictions in relation to authorised right-of-entry permit holders. Recommendation 16 of the review recommended alignment with the Fair Work provisions. This was accepted by government. Clause 65 of the bill makes those amendments and inserts a new chapter 9, part 1, division 2 of the act. The bill requires the Industrial Registrar to be satisfied that an officer or employer of a registered organisation is a fit and proper person before granting or renewing an authorised officer authority.

The registrar must consider matters, including: relevant training completed within the previous three years; past permits or authorities; any suspension, revocation or conditions, disqualification, conviction for industrial law offences, unlawful entry, fraud, dishonesty, violence, civil penalties for industrial law contraventions and relevant action under the CFMEU administration scheme; and whether the applicant is controlled or substantially influenced by a person who would not be fit and proper. The registrar may make inquiries, including requesting criminal history information, with the applicant's written consent. Decisions may be appealed to the QIRC. The practical effect is to apply additional screening before statutory workplace entry powers are granted and to allow an authority to be reviewed, suspended or revoked when concerns arise.

Ms GRACE: I want to go to the power to terminate bargaining and stop industrial action. Sections 241B to 241E say that they align with the Fair Work Act, which is a pretty high bar. Can the department clarify that this is not exactly correct and that there are additional sections in 241B around four areas which have quite different meanings to the Fair Work Act. Can you clarify how that is different to the Fair Work Act and what additional powers are given to the minister?

Ms Barry: As you have said, the review found that, unlike the Fair Work Act, the IR Act does not contain any current provisions for the minister to terminate industrial action in certain circumstances.

Ms GRACE: Can you say that again, please? I did not hear you.

Ms Barry: Certainly. Just to confirm, our current IR Act does not contain a provision for the minister to terminate industrial action in certain circumstances. Recommendation 27 of the review called for similar arrangements such as those that exist in the Fair Work Act. Government accepted that recommendation to ensure the continuity of critical service delivery. If we are talking about specific clauses, clause 54 of the bill provides a power that is comparable to section 431 of the Commonwealth Fair Work Act. Section 431 provides—

Ministerial declaration terminating industrial action

(1) The Minister may make a declaration, in writing, terminating protected industrial action for a proposed enterprise agreement if the Minister is satisfied that:

(a) the industrial action is being engaged in, or is threatened, impending or probable; and

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(b) the industrial action is threatening, or would threaten:

(i) to endanger the life, the personal safety or health, or the welfare, of the population or a part of it; or—

Ms GRACE: I am sorry, I hope you do not mind me interrupting. We know—

CHAIR: Member for McConnel, the DDG is being completely relevant to the question and is providing a response.

Ms GRACE: My question was pointed towards the difference between what is federal and what is in the state legislation.

CHAIR: The way I heard it, the DDG is being completely responsive to that and answering it. Please continue, DDG.

Ms Barry: I was just taking you through the Commonwealth legislation and then making the comparison back to what is proposed in the bill. It continues—

(ii) to cause significant damage to the Australian economy or an important part of it.

(2) The declaration comes into operation on the day that it is made.

(3) A declaration under subsection (1) is not a legislative instrument.

The bill proposes the same terms subject to drafting differences and provides that the minister may terminate protected industrial action by a written declaration. As drafted, 241B states—

Power of Minister to terminate protected industrial action

(1) This section applies if the Minister is satisfied that—

(a) protected industrial action for a proposed bargaining instrument is being engaged in, or is threatened, impending or probable; and

(b) the industrial action has threatened, is threatening or would threaten—

(i) to endanger the life, personal safety or health, or welfare of the State's population or part of it; or.

(ii) to cause significant damage to the State's economy or an important part of it; or

(iii) to significantly disrupt the delivery of a public service and the disruption is contrary to the public interest; or.

(iv) to otherwise have a significant effect that is contrary to the public interest.

Mr KEMPTON: Industrial disputes between multiple unions often lead to lower productivity and the disruption of workplaces and services. Can you explain how clarifying that industrial organisations may only represent the interests of individuals who are members can prevent these disruptions from happening?

Ms Barry: I might ask Mr Donovan to address this question.

Mr Donovan: The review noted stakeholders' concerns about the appropriate representation of members and the use of statutory provisions in the act about that representation resulting in confusion and adding to the risk of demarcation disputes. Recommendation 14 of the review was accepted by government. It called for amendments to the IR Act to clarify representation right provisions. Recommendation 15 also called for the government to consider making changes to union rules being published on the QIRC website.

Those changes you will see in clause 62 of the bill around misrepresenting rights, clause 65 of the bill ensures those rights are exercised by fit-and-proper persons and clause 69 of the bill clarifies right-of-entry powers to be used in relation to only members who are eligible to join the union in accordance with their rules. Those changes require the registrar to maintain a public register of union rules and publish it on their website. That is similar to the requirements in the Fair Work Act. The bill also creates a civil penalty for knowingly making a false or misleading representation that an organisation is entitled to represent a person who is not eligible for membership. The amendments are intended to clarify which organisation may exercise representation rights and statutory functions, including right of entry, access to time and wages records, bargaining representation and by linking representation to eligibility rules it provides a clearer basis for resolving overlapping claims of representation and reduces demarcation disputes.

Ms GRACE: In relation to where we were before, Ms Barry, there are additional areas that are not in the Fair Work Act; would you agree with that?

Ms Barry: There are a number of additions that represent the distinct difference between jurisdictions.

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Ms GRACE: In relation to 'otherwise have a significant effect that is contrary to the public interest', which is in section 241B—I will not go through all the numbers behind it; it is pretty extensive—is there any advice about what that includes that is not included in the previous three grounds? Do you have any advice from the department? I want to clarify what is in that that is not in the previous three grounds?

Ms Barry: My apologies: in the previous three?

Ms GRACE: There are four grounds.

CHAIR: Member for McConnel, turn your microphone on.

Ms GRACE: It says, 'This section applies if the Minister is satisfied that' and there is a number of attributes or grounds upon which that can happen. We now have this additional otherwise significant effect contrary to the public interest. Is there any clarification about how that differs from any of the other attributes or grounds that are in the proposed bill?

Ms Barry: Unlike the Fair Work jurisdiction, which obviously comprises the majority of the private sector employers, the IR Act applies predominantly only to state and local government, whose roles really centre around the delivery of public services to the community. All bargaining agencies in the Queensland IR jurisdiction are involved in the delivery of services to the public, in contrast to those that are covered by the fair work jurisdiction. Accordingly, when protected industrial action is taken by the Queensland public sector workforce, there is a greater potential for such action to result in significant adverse impacts to the communities that rely on those services.

Mr JAMES: There have been numerous reports in the CFMEU commission of inquiry that union officials used tactics such as exploiting right-of-entry powers to pursue their campaign of fear and intimidation. Can the department advise the committee how this bill changes the requirements that union officials must meet before they are allowed to exercise right-of-entry powers?

Mr Donovan: In relation to a right of entry, the review found stakeholders identifying differences between the federal jurisdiction and the state IR Act jurisdiction and that the exercising of right-of-entry powers were different in both jurisdictions. Recommendation 17 of the review suggested aligning those provisions and the government accepted that recommendation.

Clause 68 of the bill amends the act to provide for a new notice power and to ensure powers are used for an appropriate purpose. The result of those changes is that the bill aligns notice requirements more closely with the fair work jurisdiction by requiring an authorised officer to give notice during working hours of at least 24 hours for right of entry, but not more than 14 days. The notice must identify the premises, the proposed day of entry, the officer and the employing organisation and the statutory provision relied upon for entry. The bill also clarifies that access to time and wages records must be connected to the statutory purpose in the act and must not be used vexatiously or to bypass privacy, the right to information or legal discovery processes. These requirements will operate in addition to the fit-and-proper person test we discussed earlier. Those provisions will now be the same as in the federal jurisdiction, imported into the state jurisdiction.

Ms GRACE: There are only a few agreements that the CFMEU Queensland is actually in, in the state system. Those provisions apply to them in all of their undertakings in the private area; is that correct?

Mr Donovan: Can I check the honourable member's question: you are asking if the CFMEU agreements in the state sector currently have a 24-hour notice period for right of entry?

Ms GRACE: No. I am saying most of those actions have been in the federal area, under which they already have to apply if you are making it consistent within the federal act because they are in the private sector. Can you confirm that there are not many agreements that the CFMEU is in under the state government agreements and that they have already been abiding by that in the federal jurisdiction?

Mr Donovan: I will take this on notice if I get it incorrect, but I can tell you that the CFMEU claim to be a party in the core agreements: the Queensland Health Building, Engineering & Maintenance Services Certified Agreement, the QBuild HPW Field Staff Certified Agreement, the Transport and Main Roads Operational Employees' Certified Agreement, the Queensland Police Service Staff Members' Certified Agreement and a couple of others as well. Those right-of-entry provisions do not apply to exercising functions in relation to those agreements.

Ms GRACE: Have there been any issues?

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Mr Donovan: I think stakeholders have suggested to the reviewers that there were issues. In the review report they were identified. You are right: the 24-hours notice applies federally so for a private sector worker in Queensland the 24 hours applies. In the state sector, it does not apply. The changes in this bill will make those changes the same.

Ms Barry: To add to that, the review received stakeholder feedback about the right of entry as it applies to all unions and not just the CFMEU.

Ms GRACE: Yes, that is what I thought. Could you clarify that, please—

CHAIR: Member for McConnel, we will come back to you in a second. That was quite a detailed question and answer. The CFMEU commission of inquiry has exposed several examples of union officials exhibiting alleged violent behaviour and offering threats of reprisal against individuals, including public servants and workers. Can the department advise the committee about the details of the whistleblower protections that are included in this bill and also what the proposed consequences are for breaching those provisions?

Ms Barry: The review found that, unlike the federal jurisdiction, the current IR Act does not provide express whistleblower protection for members of organisations seeking to report misconduct or wrongdoing. Recommendation 11 of the review calls for that alignment and this was accepted by government. Clause 63 of the bill inserts these protections into the IR Act. This establishes a protected disclosure framework for people connected with registered organisations, including officers, employees and members and lawyers acting for a disclosure. A disclosure about conduct that contravenes a relevant industrial law or constitutes a state or Commonwealth offence may be made to the registrar or an inspector. The framework provides protection from civil and criminal liability for making a disclosure, prevents contractual or other remedies being exercised because of the disclosure, creates a right to damages for reprisals and allows the commission to make orders to prevent, stop or remedy a reprisal. Taking a reprisal is an offence under the act and the bill carries a maximum civil penalty of 200 penalty units. The bill also provides that a reprisal is a tort and a person taking a reprisal is liable to damages.

Ms GRACE: In relation to the section about ceasing protected industrial action, is there any information or clarity about whether or not the recent teachers' dispute would meet any of the attributes that are in that section? The government is generally the major employer or the only employer in that area so affected workers could be ceased by the minister, such as in the teachers' dispute. If they were fined because they may not have abided by the ministerial direction, what appeal rights do public sector hardworking teachers have?

Mr Donovan: More broadly, the government is not the only employer of teachers in the state. There are teachers in private schools—

Ms GRACE: I am talking about the teachers' dispute. Mr Donovan, I know that.

Mr Donovan: In relation to the teachers' dispute—

CHAIR: I am sorry, Mr Donovan. Member for McConnel, you asked the question. Mr Donovan can answer it as he sees fit.

Ms GRACE: I am clarifying my question, Chair.

CHAIR: As Mr Donovan said, there are many teachers employed in other areas. That is not irrelevant.

Ms GRACE: And I asked about the teachers' dispute.

Mr KING: Point of order, Chair. The member is asking a question and she seeks to get an answer. It is only fair that she gets that answer. Please, you are disrupting the member. We only have a limited amount of time.

CHAIR: We have an hour and 20 minutes to go. Deputy Chair, the member for McConnel interrupted Mr Donovan and I do not want to see that happen. Let us have respect for the witnesses.

Ms GRACE: Point of order, Chair. I was respecting the witness in that I was clarifying that my question related to the teachers' dispute, which is the state government.

CHAIR: Member for McConnel, you interrupted the witness. Let him finish. If you have a clarification after that, I will respect that.

Ms GRACE: I think the timing is (inaudible).

CHAIR: Mr Donovan, the floor is yours.

Mr Donovan: Firstly, I do not know whether that section would be applied to the teachers' dispute. That is unknowable for me. In relation to the provision, it is set up as a last-resort provision.

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Ms GRACE: Where does it say that?

Mr Donovan: It says that in the explanatory notes and it is in the review report as well, in terms of a last resort, so it would not be something that was used lightly. The other thing that I would note is that the appeal provisions—let me rephrase that to make sure that I get this correct. A ministerial declaration, once it is published, is a statutory instrument and there is an appeal on judicial review to the Supreme Court on that matter. In relation to workers being fined, a breach of that provision is a penalty provision under the act. If it helps the member and if you give me a minute, I can find out what that will be.

Clause 113 provides that the maximum penalty units for a contravention of the section is 27 penalty units. That has a current value in the act in relation to penalty units. That compares with the federal regime where the penalty units for breaching a ministerial direction of a federal minister are 60 penalty units. The difference would be: in Queensland, $4,662 for a breach; in the federal jurisdiction, $21,840 would be applied to a worker federally. Does that assist?

Ms GRACE (Inaudible).

Mr KEMPTON: There have been several instances of prolonged industrial action that has caused major disruptions in services. Can the department outline how the bill is proposing to deliver fair outcomes in wage negotiations whilst providing a pathway for resolving industrial disputes faster, meaning pay rises to public servants are delivered sooner?

Ms Barry: As you noted, the review certainly includes a number of recommendations so that is 23 to 28, 30, 32, 33, 34 and clauses 27 to 47 of the bill that address those recommendations. In summary, in terms of the wage outcomes, the primary concern heard by the review in relation to wage setting and collective bargaining related to dual wage setting mechanisms, protracted negotiations stemming from difficulty reaching agreement with all parties and the impact of protected industrial action, the utility of scope orders and the behaviour and conduct of bargaining representatives.

It was considered that the existing statutory timeframes for conciliation and arbitration processes did not support timely outcomes. The review identified various areas where the efficiency of Queensland's collective bargaining framework could be improved. A number of these improvements flow from aligning some of the IR Act's provisions with those of the Fair Work Act, and the bill retains collective bargaining, conciliation and arbitration. However, it contains several process points designed to streamline and reduce the delays. It permits direct balloting in defined circumstances. It clarifies when conciliation begins. It prevents protected industrial action during conciliation and arbitration, while importantly preserving a 28-day period before conciliation can commence. It allows a conciliating member to refer a matter to arbitration where further negotiation is unlikely to produce agreement within a reasonable period. It streamlines certification where evidentiary requirements are not disputed.

These changes provide additional pathways for a matter to progress to employee decision, conciliation, arbitration and certification, rather than remaining unresolved and, put simply, under the current act, a matter can remain unresolved for many months—six months or longer—after the nominal expiry date before it is even referred to arbitration for determination by the QIRC. During this period, industrial action can be ongoing, even whilst the QIRC is helping the parties to reach agreement, and no employee ballots can be undertaken to see whether there would be support for an agreement.

The bill streamlines these processes and timeframes and allows the commission to refer the matter to arbitration, as soon as parties consent or the commission determines that there is no reasonable prospect of agreement.

The timing of any wage increases will still depend on the circumstances and decision of the parties or the commission. An additional measure is recommendation 38 of the review, which called for the automatic adoption of the annual wage review for the purposes of the State Wage Case. The government's response accepted this recommendation as a way of streamlining processes and reducing red tape, ensuring a more efficient outcome of the proceeding. Clause 82 of the bill allows for that to occur without the QIRC requiring further evidence, submissions or a hearing, in the absence of any objection by a party. Of course, protections remain for parties, and if a party does object, the QIRC will hear the matter de novo.

Ms GRACE: Could the panel please confirm that, during conciliation, all protected industrial action ceases and that what happens then is that an employer can run a ballot during conciliation, while the union cannot take any action whatsoever? How is that in line with bargaining in good faith?

Ms Barry: Mr Donovan will address that.

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Mr Donovan: I can confirm that there will be no protected industrial action during conciliation; that is correct. The bill makes those changes. In relation to the question about a direct employee ballot, the employer can undertake a ballot to see if there is support for an agreement whilst in conciliation or at other times. The employer cannot do that unless at least one union party agrees to that process. In a sense, that would be a joint decision on an agreed path forward between the employer and at least one union. That was designed to overcome this scenario that we have had where sometimes the majority union have supported the agreement and we believe that if it went to an employee ballot it would be successful. The direct balloting processes are an opportunity to be undertaken during conciliation. Protections remain for organisations in that if they do not agree to that, they can withdraw from the agreement or be a non-approving party of the agreement, and the bill creates a new concept around the unions who might not agree with the ballot process.

Mr JAMES: Following on from the previous member's question about direct balloting of employees, can you advise if there are any other jurisdictions where these types of provisions exist?

Mr Donovan: The review reported on that and found that, unlike the federal jurisdiction, which allows a direct balloting of employees, the Queensland jurisdiction did not. There was no express pathway. Recommendation 23 of the review recommended alignment with the Fair Work jurisdiction which has that ability. Government accepted this recommendation, but it accepted it with a caveat, and our drafting instructions were to ensure that direct balloting only occur where at least one union agrees. In summary, the bill, as I mentioned before, introduces a direct ballot pathway to address circumstances where the employer and one or more employee groups—the unions—agree to ask employees about whether they will support the agreement or not. This is modelled on the direct ballot provisions of the Fair Work jurisdiction, and under the Fair Work Act, an employer can directly ballot its employees without any union agreement at all.

As I said to the member in the previous question, we have had examples in the public sector where we believe that that scenario may have resulted in an early agreement, rather than proceeding to arbitration on matters, and those matters are ongoing some 18 months after negotiations are allowed to commence.

Ms GRACE: Under the current PTSD presumptions, frontline worker who protect Queenslanders may suffer cumulative psychological injury over time, and usually with this there are other stressors that come in due to that over-time period. Our frontline workers now will possibly have their entire lives scrutinised in order to prove that work was the major significant contributing factor. Is that correct under this proposed bill?

Ms Barry: There were a couple of elements to that question, member. Can you clarify your question for us? Are you specifically seeking it in relation to PTSD, or are you seeking it in relation to the causation?

Ms GRACE: In relation to the PTSD presumptions, it is now going from a significant contributing factor to the major significant contributing factor. Clause 124, I think, alters that operation to the detriment of our frontline workers. It was not recommended by the review. I am clarifying that these PTSD sufferers will now be subject to this.

Ms Barry: I will get Ms Hillhouse to speak to this in a little bit more detail but, to clarify, the bill does not remove the presumption to PTSD coverage.

Ms GRACE: I am not suggesting that it is. It is the 'major significant contributing factor' definition.

CHAIR: The Deputy Director-General has answered it and will pass to Ms Hillhouse.

Ms Hillhouse: The bill, as you stated, does not remove presumptive PTSD coverage for first responders and eligible employees. What it means is that workers will continue to be presumed to have compensable PTSD unless the contrary is established. Reasonable management action continues not to be able to displace that presumption. Currently, the presumption may be displaced if employment was not a significant contributing factor to the disorder. Under the bill, the presumption may be displaced if it is proved that employment was not the major significant contributing factor to the disorder, and this ensures consistency with the definition of 'injury' under the act.

In 2018, when the definition last applied to first responders, that being the definition of 'not the major significant contributing factor', the acceptance rate for PTSD for first responders was around 90 per cent, which is comparable to acceptance rates for PTSD within first responders at the moment.

Mr KEMPTON: There have been reports that the bill intends to remove a worker's right for temporary worker conversion. Could the department outline how the bill addresses uncertainty about the interaction of the public sector conversion appeals framework and simplifies the current dispute process, protecting this important option for temporary workers?

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Ms Barry: Yes, indeed, the review found there was a lack of clarity about the appeal pathways under the Public Service Act 2022 and industrial disputes under the IR Act. Recommendation 56 of the review was that the government consider amending the IR Act to clarify that matters that are expressly non-appealable under the Public Service Act cannot be subject to an industrial dispute under the IR Act. The government accepted this recommendation in principle, limiting consideration to conversion appeals only. Clause 20 of the bill amends the meaning of an 'industrial matter' at section 9 of the IR Act to exclude a matter affecting or relating to a conversion decision. This clarifies that conversion decisions are dealt with under the Public Service Act and not the IR Act. This response is about addressing the uncertainty about the interaction of the public sector conversion appeals framework and the industrial dispute jurisdiction of the IR Act.

Public sector conversions are those decisions within the meaning of a conversion decision, provided at section 129 of the Public Sector Act. The bill does not remove the public sector temporary employment conversion framework. The amendment addresses uncertainty about whether a conversion decision that is intentionally non-appealable under the Public Sector Act can nevertheless be challenged as an industrial dispute under the IR Act.

The proposed approach is targeted to conversion decisions, with the objective of avoiding parallel review pathways while preserving the conversion process that the appeal rights that the Public Sector Act expressly provides. A temporary employee can continue to apply for conversion and permanent status and continue to be protected by the appeals scheme under the Public Sector Act.

Ms GRACE: The review did not recommend changing section 36ED. Why does clause 124 alter its operation to the detriment of our frontline workers? Could you clarify how this would be utilised in the future?

Ms Barry: Member, you have seen the size of the bill. Are you able to—

Ms GRACE: I have seen the size of the bill, yes.

Ms Barry: Are you able to clarify the clause for us?

Ms GRACE: I did say 36ED and it is clause 124.

Ms Hillhouse: This was the clause that we were referring to earlier in relation to the presumption of injury for first responders. The amendment was made to ensure there is alignment with the definition of 'injury' for all psychological injuries under the act.

Mr JAMES: The recommendation in the review suggested putting in an income threshold for a worker's ability to make an unfair dismissal claim. How did rejecting this recommendation protect a worker's entitlement in relation to unfair dismissal appeal?

Ms Barry: The review found that, unlike the federal jurisdiction, the current IR Act does not exclude employees on an industrial instrument above a high-income threshold from unfair dismissal protections. Recommendation 7 of the review suggested importing this restriction into the IR Act. I note the government did not accept this recommendation, so the bill does not introduce an income-based exclusion for employees covered by an industrial instrument. Those workers will continue, therefore, to have access to unfair dismissal protections, regardless of income, subject to the existing legislative requirements. By way of practical example, this would have removed protections for some of our most senior nurses, police and firefighters, for example.

Ms GRACE: Proposed section 168A allows an insurer to revisit an accepted claim at any point during the payment premium and terminate compensation where there has been new material information. An injured worker obviously deserves certainty with their claim—their family as well. Once their claim has been accepted, rather than having the fear of having additional information raised during the payment period, could you clarify how this may work and how it differs currently?

Ms Barry: Just before I go to Ms Hillhouse, section 168 provides a limited power to the insurer to review an ongoing entitlement where material information becomes available that was not known by and was not reasonably available to the insurer when the original claims decision was made. The provision includes a number of safeguards, including that the power can only be exercised once, and there are review rights as well.

Ms Hillhouse: The review identified that the existing framework for reviewing workers compensation claims and ongoing entitlements provided limited options to review a worker's ongoing entitlement when significant new information emerged after claim acceptance that shows that a worker should not actually be receiving compensation. To give you an example, one type of matter this is designed to cover is journey claims where the insurer's reasonable inquiries—because under this provision an insurer cannot use this section unless they have made reasonable inquiries—when

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determining the claim did not identify that the worker would be charged with a relevant traffic offence. If a worker is charged with a relevant traffic offence in relation to a journey claim, they are not entitled to compensation.

Ms GRACE: That is current?

Ms Hillhouse: Yes, that is correct. If the worker subsequently was convicted of a traffic offence, the insurer can rely on this fact to review the worker's entitlement, as material information was not known by or reasonably available to the insurer when the claim was allowed. As noted by Ms Barry, there are a number of safeguards in relation to the operation of this provision. The purpose of this provision is to encourage insurers to make the right decision at the start of a claim. The scope of the provision is limited to where material information was not known or reasonably available at the time and the information that must come up must be relevant to determine if compensation is actually payable under the act. This does not give an insurer the right or the ability to review at any time whether a person should be entitled to ongoing compensation more broadly.

CHAIR: There have been media reports that the bill interferes with and lessens workers' rights to collective bargaining. Can the department advise the committee how the bill maintains workers' rights to collective bargaining?

Ms Barry: What I can do is talk a little more holistically about how the bill works. The bill seeks to maintain and improve the statutory framework for collective bargaining, including employee representation, good-faith bargaining, the right to strike and to take protected industrial action, employee voting, certification, conciliation and arbitration. It introduces additional procedural requirements and alternative pathways, including direct balloting where at least one employee organisation agrees and a majority of relevant employees support the agreement. Mr Donovan talked us through that earlier. Employees continue to decide through a ballot whether to approve a proposed agreement, and employee organisations retain the right to represent eligible members and to be heard in certification proceedings. The impact of these changes means that parties are encouraged to reach agreement sooner or, if they cannot, for the QIRC to be able to determine matters sooner.

For context about what the bill does, it is also important to consider what is not in the bill. The review observed that the current dual wage-setting mechanisms in the Queensland jurisdiction create unnecessary complexity, undermine the primacy given to collective bargaining under the IR Act and result in inefficiencies during the collective bargaining process.

In noting that employees may get wage increases through collective bargaining and the state wage case, the review recommended that government consider the future of the wage-setting model. Recommendations 39 and 40 of the review essentially recommend that government turn off the dual wage-setting mechanism by not passing on the state wage increase and removing the government directive which allows for award rates to be paid. Instead, the review advised government to consider arrangements such as an independent wage-setting panel or tribunal to replace these mechanisms. I note that the government did not accept these recommendations.

Ms GRACE: In the 2025-26 annual report of WorkCover Queensland, only two per cent of workers compensation reviews were completed within the statutory timeframe of 25 business days, with an average review taking approximately 66 business days. The bill now reduces to 20 business days a worker's ability to seek a review of an insurer's decision, when the regulator itself is routinely unable to meet its statutory timeframe. Could you clarify this and what impact this may have?

Ms Barry: Before we go to Ms Hillhouse, I will confirm that the amendment is intended to support the earlier resolution of disputes while retaining some safeguards. The bill maintains existing extension-of-time provisions and increases the appeal period from 20 to 30 business days. I do note that the review unit has struggled for many years to keep pace with the volume of reviews coming through, and the increase in psychological injuries has substantially contributed to that. Ms Hillhouse will be able to speak to that in more detail.

Ms Hillhouse: I can confirm that in the last five years there has been an 86.8 per cent increase in the number of reviews coming in to the review unit. That is continuing. The biggest increase by far is psychological injury claims. They have increased by almost 116 per cent in terms of review applications and now make up 46.1 per cent of all review applications.

I note that the average days to decision is 65.6 days. Year on year, through using a number of different strategies, we have seen increases in the number of reviews that have been finalised. Last year we saw 14.2 per cent more reviews being finalised, and a number of strategies are continuing to be put in place to manage that, which I believe the review report acknowledges and has an administrative recommendation for us to continue to look at how we can better improve performance in review application decision-making times.

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The period of 20 business days was a recommendation of the review because it identified opportunities to improve the timeliness and effectiveness of dispute resolution processes. The period of 20 business days aligns with the amount of time an insurer has to make a decision on a claim. It is also consistent with the free, non-adversarial, independent nature of the review process. It is an on-the-paper review of the insurer's decision, and an applicant need only provide a reason for the review and is not required to make extensive submissions. The regulator is required to consider all of the matters on the insurer's file to make a decision. That period of 20 days aligns with the requirements of the review and what is needed to commence one.

As Ms Barry said, it also maintains the ability for extensions to be provided. This will encourage earlier engagement with the review process and more timely resolution of disputes by up to two months and may improve the quality of decision-making by ensuring medical and factual information remains current. For workers with an accepted claim, it may support more timely access to treatment, rehabilitation and return-to-work outcomes.

Mr KEMPTON: The review recommended removing interim pay rises for workers during arbitration, which was not accepted. What was the Queensland government's response to this, and how does this benefit Queensland workers? Are there any recent examples of this issue in practice?

Mr Donovan: The review found that the federal provisions relating to bargaining determinations do not allow for an application for an interim wage increase while the Fair Work Commission makes a determination. Recommendation 31 of the review was to remove the ability for a party to seek an interim wage increase during arbitration proceedings. The government did not accept that recommendation. The bill does not disturb the existing ability for a party to apply for an interim increase.

In relation to the examples, the commission must consider any application against the statutory criteria in the act in the circumstances of each particular arbitration. This allows the commission to consider that temporary wage relief before the substantive matter is heard. We have had examples in the recent round. There was an application for an interim wage increase during arbitration in the Department of Education's teachers agreement, Queensland Health's practitioners and dental officers agreement, Queensland Health's building and engineering maintenance services agreement and QBuild's operations agreement. Of those, one matter has been determined by the commission, which is in the teachers' agreement, which ordered a three per cent interim wage increase in August this year. The others are still live matters before the commission, so I will not comment on those.

Ms BOURNE: Why is a worker's full workers compensation claims history summary, including details of what body part was injured and whether a common law claim was brought, going to be available to prospective employers? Why is it not limited to, for example, only accepted claims, and why is there no defined look-back period? For example, what prevents workers from ensuring prospective employers are not discriminating against them for lodging a claim, and how is the worker able to prove this?

Ms Barry: Importantly, the bill does include several safeguards designed to protect workers. A claims history summary can only be released if the worker provides written consent, and the information provided will be limited and not include access to injury information such as, as I think was mentioned there, claims files or any detailed information. I will ask Ms Hillhouse to speak.

Ms Hillhouse: The protections also include the use and disclosure of the information. The protections are intended to ensure information is only used for lawful, employment related purposes and workplace risk management discussions. Importantly, the bill does not alter existing privacy, anti-discrimination or work health and safety obligations as employment decisions continue to be subject to those elective frameworks.

Mr JAMES: Media reports have speculated about the powers that are provided for with respect to ministerial intervention in protected industrial action to break up strikes. Is the department aware of any other jurisdictions where these powers exist? If so, can you detail what those powers are and if they resemble those outlined in the bill?

Mr Donovan: I think most of that question was answered in relation to the provisions. I can confirm that the Fair Work jurisdiction contains a similar power where the federal minister can terminate protected industrial action. Ms Barry took you through the drafting of the federal clause earlier, so I will not repeat that.

I can say that the drafting in the state system is based on the federal drafting. As Ms Barry pointed out, we have an additional public interest test. That is in there because the jurisdiction for wage setting, bargaining and industrial action in Queensland in the QIRC is essentially for the

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Queensland public sector agencies and local government Queensland employees. They essentially provide the public interest. With the government being the largest employer in the sector, it is appropriate for the commission and the minister to have due regard to public services in the public interest. These provisions define 'public interest' by providing those examples.

In Queensland, there are essentially three million workers—2.6 million of those are probably in the private sector and 380,000 are across local government and the Queensland public sector. For those 2.6 million Queenslanders in the private sector, the federal minister has the power to terminate industrial action. For those 380,000 people in the public sector and local government, the Queensland IR minister will have that power. Both of those powers are powers of last resort and should not be used lightly. Both of those powers are subject to review as well.

Ms GRACE: Just following up in relation to the workers compensation claims history, what regulatory modelling or systems are in place in WorkCover to regulate this new provision to ensure that it is being done in the proper way? What recourse does a prospective employee have if they believe that they have been discriminated against because a potential employer obtained this workers comp history?

Ms Barry: Before I go to Ms Hillhouse, the application is actually made to the regulator, not to WorkCover.

CHAIR: Thanks. Ms Hillhouse, did you have anything further to add?

Ms Hillhouse: I can confirm that the application will be made to the regulator and we are able to access that information from a scheme database in relation to the claims that are made. This is subject to an approved form and that approved form will make sure that it has reminders in relation to obligations and also that it confirms that consent has been received prior to that. Where a worker is concerned in relation to whether or not the other employment laws have been met or not met, there is a maximum penalty that can be applied to a prospective employer if they use that information for another purpose, and that is something that the regulator could choose to prosecute against underneath our legislation. They would also have recourse obviously through those other areas in relation to anti-discrimination or work health and safety.

CHAIR: My question is also a bit of a follow-up on psychological injury claims that protect the integrity of the workers compensation system. Can the department advise the committee how the bill continues to recognise the complexity of psychological injury claims while also ensuring the long-term sustainability of the workers compensation scheme?

Ms Barry: The review found that worker outcomes and scheme sustainability are really very much interconnected, so a sustainable scheme supports timely access to fair compensation, rehabilitation and return-to-work services for future workers. The review found that there has been a sustained and increasing growth in physiological injury claims, and accepted primary psychological injury claims have increased by 268 per cent over the last decade. While they represent 5.3 per cent of scheme costs, they account for 15.7 per cent of statutory payments, so these trends are placing pressure on the long-term sustainability of the scheme. As you mentioned, the review also found that psychological conditions are really complex. They often arise from multiple contributing factors and may arise from a complex interaction between workplace stresses, non-work related events and other psychosocial contributions, so the review recommended a stronger and clearer, more consistent test of work related causation. The bill changes the causation test for a psychiatric or psychological injury so that employment must be the major significant contributing factor rather than the significant contributing factor. Under the bill, a worker whose employment is the major significant contributing factor to their psychological injury will absolutely be entitled to compensation, and existing review and appeal mechanisms continue to apply. The review report stated that this maintains the coverage for work related injuries while also ensuring sustainability of the workers compensation scheme.

Ms GRACE: In relation to the complexity around psychological claims and now the new high bar that workers have to meet, if the average time for a review has been around 30 days, how is the shorter 20 days going to assist these workers with these complex issues against the new definition of the major contributing factor? Is there any modelling about how this may reduce reviews? We talked about the increase. Is there any impact on the reviews to 20 business days?

Ms Hillhouse: I can confirm that there has been no modelling undertaken in relation to the impact of this change to 20 business days. In terms of the change of the definition of 'injury', which is what you linked into that change, it is understood that the definition may provide greater clarity around the level of work connection that is required and that in itself may support and contribute to fewer disputes because there will be more understanding in relation to the matters being in dispute in relation to a psychological injury claim. Also, the change to the definition of 'reasonable management

action' was designed to clarify the understanding of the meaning of 'reasonable management action' in order to impact on the number of disputes that are occurring within that space. Providing clear definitions in relation to work connection and reasonable management action should support a reduction in complaints because expectations and the meaning of the definitions are understood.

Mr KEMPTON: Can the department advise how the bill amends the Workers Compensation and Rehabilitation Act 2003 with respect to lodging applications with the regulator and how it will impact the assessment of decisions by insurers?

Ms Barry: Just to clarify, are you speaking to the assessment around the degree of permanent impairment or the applications for reviews or the ability for insurers to review entitlements, or all of the above?

Mr KEMPTON: All of the above, as briefly as you can.

Ms Barry: Sure; thank you. Working through each of those, in terms of the assessment of degree of permanent impairment, the review identified an opportunity to improve the consistency and efficiency in the way a worker's psychological injury with a degree of permanent impairment, or DPI as we refer to it, is assessed. Where a worker's injury is stable and stationary, the worker or the insurer can have a worker's degree of permanent impairment assessed. This determines a worker's lump sum compensation entitlement and provides access to common law. The bill aligns the degree of permanent impairment assessment process for workers with either psychological injuries with the process that is currently in place for physical injuries.

At the moment, a psychologically injured worker has to go to the Medical Assessment Tribunal to be assessed. Under the bill, the assessment can now be undertaken by a qualified assessor and then the worker will have review rights to another qualified assessor or the Medical Assessment Tribunal. This is designed and will be able to save months off the time it takes to obtain a DPI and a worker being able to access their lump sum entitlements or common law. The reason is that the Medical Assessment Tribunal requires a recent report of a psychiatrist, which can take many months to be provided before a matter is then able to be referred to the tribunal, so the bill also ensures a worker more rights of review than they currently have, as tribunal decisions are final.

In terms of applications for reviews, the review identified opportunities to improve the timeliness and effectiveness of the dispute resolution process. The bill implements the recommendation that the application period, as we have been discussing, to make a review to the regulator be reduced from 30 days while absolutely retaining the ability to apply for an extension of time where required. I think this is important given our previous discussion, and that is really to encourage much earlier engagement with the review process, reduce periods of uncertainty for all parties and supports the earlier return to work and aligns with the non-adversarial 'on the papers' review that is undertaken by the regulator.

Finally, with the ability for insurers to review a worker's ongoing entitlements, the review identified that an insurer is unable to review a worker's entitlements to compensation where a decision was made to allow the compensation based on mistake of fact. So the bill allows an insurer to review a worker's ability to continue to receive statutory compensation where there is material information that was not known or reasonably available at the time, and we discussed that earlier in the committee hearing. Importantly, the insurer cannot use this provision to end ongoing entitlements to compensation unless they made reasonable inquiries at the time that they made the decision. They also cannot use this provision if the material information is merely different medical information. Importantly, the decision is reviewable and a worker's rights to access common law remain.

Mr KING: Proposed section 239B says no pay for any day during the period of the action. If workers take protected industrial action for one hour, do they lose one hour, one day or every day of the multiday campaign?

Ms Barry: Mr Donovan will address this one.

Mr Donovan: Proposed section 239 in the bill is based on the recommendation about industrial action and the consequences of industrial action that the review found at recommendation 25. The review found differences in the Queensland industrial relations jurisdiction and the Fair Work jurisdiction about what happens when people take protected industrial action in relation to payment and that the government consider harmonising the consequences of those arrangements. At clause 51 of the bill—which section did you mention, sorry, member?

Mr KING: Proposed section 239B. It states 'for any day during the period', so I am wondering if you take one hour's action, if it is a whole period of a week that is put in for and you take one hour, do you lose the week, do you lose the day or just that hour?

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Mr Donovan: With regard to the changes around 239B—I will have to go to the clause exactly—it is proportionate in relation to the action that you take, so the employer must make a reasonable and proportionate assessment of understanding. If you take protected industrial action for an hour and stop work, then you will not get paid for an hour. If you take industrial action that is a partial work ban in general, then the employer will need to make an assessment about what impact that has in the same way that that assessment happens in the Fair Work jurisdiction. If you withdraw your labour completely, the bill provides that there is no payment that can be compelled at all. If the employer is reducing your payment proportionally because of partial work bans, then the employer gives the employee a notice advising of their intention to do so.

Mr KING: Okay. As a quick follow-up to that—

CHAIR: Sorry, but I think the deputy director-general wanted to respond to that as well.

Ms Barry: I was just going to add that I think there has been some misinformation being discussed about this particular clause.

Ms GRACE: Who by? Who?

CHAIR: Did you have a follow-up?

Mr KING: Yes. If the employees or the representative body looking after them feel that that has been unfairly done by the employer—they have withheld wages unfairly—what right of appeal is there and how does that work?

Mr Donovan: That is probably a technical question to consider.

Ms GRACE: It is a technical bill.

Mr Donovan: Yes, it is a very large bill. In general, a union could take a dispute to the commission about a decision about non-payment. You cannot take a dispute about a decision for non-payment of strikes where you have withdrawn your labour and you—

Ms GRACE: That is what we are asking.

Mr KING: That is what we are asking.

Ms GRACE: What if it is wrong?

Mr Donovan: If it is wrong, I will have to check on that. Can I take that on notice—

Ms GRACE: Please.

Mr KING: Please.

Mr Donovan:—because I do not want to get that wrong?

Mr KING: Please do.

CHAIR: If you could get a response before the close of the meeting, that would be helpful.

Mr KING: I am happy for it to be taken on notice, so thanks.

CHAIR: Yes. The next question is one that is personal for me. During my career as a police officer I was a return-to-work coordinator and I know that independence and consistency of medical examinations sometimes provided some great challenges. Can the department outline how the bill supports greater quality, independence and consistency in medical examinations and assessments across the workers compensation scheme?

Ms Barry: Really importantly, medical providers play a very important role in the scheme. Independent medical examiners are used to obtain specialist opinions on diagnosis, causation, treatment, work capacity, rehabilitation needs, and to assess permanent impairment. The bill implements the review's recommendation to improve consistency, quality assurance and confidence in the independent medical examinations to enhance both worker and scheme outcomes.

The bill does this by establishing an authorisation framework for registered health practitioners who conduct personal examinations, psychiatric exams or permanent impairment assessments. Under this framework, practitioners undertaking these exams and assessments will need to be authorised and recorded on a register maintained by the regulator. A regulation will actually prescribe the process for the authorisation. This provides clear governance arrangements by supporting consistent requirements for experience of practitioners and the type of examinations or assessments to be undertaken and consistent service delivery standards.

Ms GRACE: I want to explore the notion of bargaining in the 28 days in relation to a campaign. Take, for example, nurses. The agreement starts with a notice of intention and then there is a 21-day peace period. When that ends the union starts rolling stoppages and 28 days later the department

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asks for conciliation and the action is immediately unprotected under section 234(1)(c). The department then runs a direct ballot during conciliation under proposed new section 176A. If the ballot fails, the matter goes to arbitration where the commission must then weigh the state's fiscal strategy. Is there any modelling about the fairness surrounding this scenario in a bargaining situation?

Ms Barry: I will seek some clarification. It is quite difficult to give an assessment of fairness. What sort of modelling are you referencing there?

Ms GRACE: You may want to clarify that what I have said is correct. Say all of these are met and there is action taken. The employer, the government, then goes to the commission and asks for conciliation. During conciliation, they cannot take any action. The employer, the health department, then runs a direct ballot of workers. The ballot fails and the matter has to go to arbitration where the commission must weigh the state's fiscal strategy. They are setting the rules, using the rules, playing the game et cetera. Has there been any modelling on the impact of what this does for true and genuine fair bargaining outcomes?

Ms Barry: Before I go to Mr Donovan, the member will be familiar with the current arbitration process which in itself seeks evidence that is provided, so there would be evidence provided by the state about its fiscal position. That in itself is no different to the current arrangement. Mr Donovan, are you able to speak to that?

Mr Donovan: In general, if I can answer in this way, in a bargain, a party can lodge a notice of intention to bargain. That is generally six months before the nominal expiry date. Following that there is a peace obligation period. The parties will be able to continue to negotiate until they reach agreement; that is the answer to the question.

In the scenario you gave, if an employer or a union sought the assistance of the commission, they can do that 28 days following the nominal expiry date, so an employer cannot seek early access to conciliation for the purpose of stopping industrial action, for example. Once that happens, an employee ballot can occur during conciliation but that can only occur in that scenario with the agreement of the Queensland nurses union—the AWA might be a party, but there needs to be one union agreeing to a direct ballot.

Ms GRACE: Chair, can I clarify that as a follow-up?

CHAIR: In a moment you will be able to. We will ask another question. The member for Mulgrave.

Mr JAMES: Can the department detail to the committee the purpose of introducing a code of practice for claims management and can the department describe how the code will work to resolve claims sooner for Queensland workers?

Ms Barry: The review certainly found that the way a claim and in particular psychological injury claims are managed materially affects outcomes, duration, cost and a worker's prospect for returning. Psychological injury claims compared to physical only claims currently take longer to determine, have more than double the duration and cost of physical claims, lower return-to-work outcomes—so 72 per cent versus 93 per cent—and are more than seven times more likely to be disputed. The review recommended a claims management code of practice to set clearer minimum expectations for all insurers, decision-making and claims handling. The act states—

A code of practice may state action to be taken by an insurer ... in performing functions, exercising powers or complying with obligations under this Act.

It must be followed unless an insurer takes actions that are not equal to, or better than, the actions stated in the code. It is also an offence not to comply with the code. Introducing a code would support consistent, timely and transparent decision-making and quality claims management practices. It could set standards for communication, evidence gathering, early intervention, which we know is critical, rehabilitation planning and procedural fairness. Scheme-wide improvements in claims management would support workers to recover and return to work sooner with benefits to workers, employees and the scheme.

CHAIR: Member for McConnel.

Ms GRACE: Mr Donovan, I want to follow up quickly. It is not one of my main questions, but could you clarify the statements you made earlier, please?

Mr Donovan: Yes, my understanding of the bill as drafted is that the new conciliation provisions import section 171(1A) of the bill in relation to direct ballots. Subsection (b)(i) says—

(b) the employer—

(i) has reached agreement with at least 1 employee organisation but can not reach agreement with ... other ... parties—

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and they can proceed to ballot from there. My reading of the bill, if it is correct, is that in conciliation, those provisions still apply.

Ms GRACE: Section 176A says 'direct ballot may be conducted during conciliation'. Section 176A(1) relates to having to get an agreement with one employee organisation. It says it relates to an agreement between an employer and one or more employee organisations. Could you clarify how these two conflicting areas should be interpreted?

CHAIR: They may not be conflicting.

Mr Donovan: As I understand it, 176A(1) indicates that the section applies.

Ms GRACE: In conciliation?

Mr Donovan: Yes. At subsection (2) the employer may ask the relevant employees to approve the proposed agreement, but it then goes on to say in the circumstances mentioned in section 171(1A) during conciliation of the matter. If you go back to 171(1A) it talks subsections (a) and (b) about requiring agreement with one union party.

CHAIR: We will go to the member for Cook.

Mr KEMPTON: The government has zero tolerance for WorkCover fraud. How does the bill strengthen the government's crackdown on WorkCover fraud and can you detail the additional penalties?

Ms Barry: The review found that fraud offences are serious and identified an increasing fraud reporting and fraud related offending as a risk to the integrity and the sustainability of the scheme. It also found that existing penalties do not adequately reflect the seriousness of the nature of fraud offending.

The bill introduces a package of reforms that implement the review's recommendation to uplift mechanisms available to prevent, detect and respond to fraud. The bill strengthens the fraud framework by increasing the maximum penalty for the principal fraud offence from five to 10 years imprisonment and increasing the maximum penalty for false or misleading documents from one to two years. This aligns with the treatment of workers compensation fraud more closely with other fraud offences prosecuted under Queensland's Criminal Code. It also makes these indictable offences. This means that the prosecution can elect to proceed on indictment so that the court proceedings and sentencing outcomes align with the severity of offences. This aligns with the Criminal Code and comparable offences.

The bill also mitigates financial loss and the scope of offending while a matter is being investigated. Regulator appointed authorised persons, for example one of my investigators, may where there is a reasonable belief of fraud, stay pre-proceeding processes, suspend access to lump sum compensation for up to three months, or end compensation entitlement where compensation is ongoing. It also suspends lump sum entitlements and common law processes when a matter is being prosecuted.

The bill also prevents fraud and supports detection of engaging in a calling fraud, which is our predominant fraud offence, by updating requirements for workers receiving compensation to provide declarations about return to work or engagement in a calling. They must do this monthly and their compensation can be suspended if they do not. Compensation may be suspended until the declaration is provided. Decisions under the new powers are subject to review and appeal arrangements.

CHAIR: I will go to the member for Kurwongbah.

Mr KING: With reference to making scope orders, section 238 in the Fair Work Act has no test about adverse effect on the employer's business or finances. In relation to proposed new section 185(2A) what Fair Work provision does that align with?

Ms Barry: I will allow a moment for Mr Donovan to reference.

Mr Donovan: In relation to scope orders, the review has found that the federal jurisdiction has more matters to consider than the current wording of the state act and it recommended closer alignment, specifically that the commissioner should be satisfied that the order will not adversely impact the business or operational needs of the employer given the nature of work performed, any budgetary consideration and considerations of productivity. This was implemented in clause 37 of the bill, as you mentioned, which amends section 185. The sections are not exactly the same. The reason for that is that the review found, and the government accepted, that the commission should have consideration about how essential—noting my comments earlier about the jurisdiction of the act being the public sector and the local government, the commission should have regard to how the

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government wants to structure its business and its agencies in relation to machinery-of-government changes and whether or not parts of an agency should form other parts of an agency. The additional test is put in there for that regard.

Mr KING: That is my concern, that the government is the employer and so they decide whether it affects their business or not.

Mr Donovan: In that case, government has a unique situation in this jurisdiction where government is the employer and also the key provider of public services—

Mr KING:—and the one who decides whether to terminate the action for a lack of scope order.

Mr Donovan: A scope order is really a matter about whether a bargain should come out of a deal.

Mr KING:—or a scope order in this case.

Mr Donovan: I think that is appropriate given the jurisdiction. Fair Work considers the employer considerations in almost all matters as well. In this case the government is the employer.

Ms GRACE: That is right.

CHAIR: I will go to the member for Mulgrave.

Mr JAMES: The bill introduces a number of new offences for WorkCover fraud to ensure the integrity of the system is maintained. Can the department advise the committee how many prosecutions relating to the defrauding of WorkCover have occurred and how much money has been recovered since 2024?

Ms Barry: I will go back to 1 July 2024; that is the easiest for our data. Since 1 July 2024 there have been 21 successful prosecutions where the defendant has been convicted and sentenced on at least one fraud or false or misleading information charge. Of the 21 defendants, 19 were workers with four serving actual custodial time; 14 were sentenced to imprisonment, which was wholly suspended; one was fined; and one received community service in addition to their wholly suspended term of imprisonment. Two employers were also fined a total of $98,500. The total restitution ordered to be repaid to insurers has been $571,565. I also note there are currently 17 prosecutions on foot.

Mr KING: Given that the government writes the state's fiscal strategy and can terminate bargaining because it affects that strategy, how are you going to guarantee the commission is independent when one party sets the test and all the conditions?

CHAIR: Mr Donovan did outline a number of appropriate safeguards but I will let Mr Donovan answer.

Mr Donovan: I think that is a difficult question because it comes from a position of a certain presumptive outcome. My approach to these matters is informed by the review, which found a lot of problems with the collective bargaining system, including a recommendation to actually turn some wage mechanisms off. The government has not done that. What is in the bill, in my assessment, is that the government has done things to speed up the process of bargaining and to get people to a position very quickly where either you reach an agreement and get a pay rise—which is great—or, if you do not, the commission helps you reach an agreement quickly. If you cannot, the commission determines it.

In terms of the matters the commission considers in arbitration, the Fair Work Act requires a broader set of considerations than the current Queensland IR act. The review recommended additional considerations, including the fiscal position of the state and the budget position of an agency. As I mentioned earlier, I think that is a fair consideration given that the government is the employer. In the Fair Work Commission's assessment of any bargaining matter, the employer's finances will be a relevant consideration. In this case, the government's finances are essentially the fiscal position of the state and their budget. We have previously given evidence in state wage cases where about 38 per cent of the government's budget is spent on employee wages and expenses, so it is a relevant consideration. The commission remains independent. There is a specific set of circumstances and tests that the commission will consider when making a determination, and it will be up to the commission to weigh those factors up in making any determination.

CHAIR: Queensland has a great workers compensation scheme that many other jurisdictions look to for recommendations. During the introduction of the bill, the future cost to employees through WorkCover payments was referenced to the year 2035. Could you please confirm what that figure was, and what amendments in the legislation remedy this?

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Ms Barry: I believe that the figure you might be referencing was $1.46 billion over 10 years in additional employer premium costs if the identified scheme trends are not addressed and if no reforms are made. The bill responds by implementing the recommendations of the review that revise the definition of psychological injury causation threshold, align permanent impairment assessment pathways, strengthen fraud protection and response, and improve the regulatory tools for insurer performance and claims management reforms.

Ms GRACE: In relation to psychological claims, has WorkCover conducted any modelling on the number of claims lodged, accepted and rejected and how the new definition will impact what is currently occurring by now requiring that psychological claims must meet the very high bar of being the 'major significant contributing factor'? Is there any modelling about how many of these claims may be lodged, accepted and rejected?

Ms Barry: The claims that have been rejected would be difficult to get data on but I will just check with Ms Hillhouse as to what WorkCover—

Ms GRACE: If they have been lodged ones, they are either accepted or rejected?

CHAIR: But it is relevant to this bill.

Ms Barry: I thought you were asking—

Ms GRACE: The numbers.

Ms Barry:—in relation to the definition because—

Ms GRACE: Has there been any modelling about how this may impact that?

Ms Barry:—that would require an assessment of future data. We might speak to the current data we do have available to us today.

Ms Hillhouse: With respect to the current data, the review report does outline an analysis that was undertaken of the 2013 recommendation, which does give—

Ms GRACE: 2013?

Ms Hillhouse: Yes, the 2013 definition of 'psychological injury' was used to model the impact of the current data. It found a drop of around nine per cent in terms of the number of claims coming into the scheme, as well as a potential impact on the rejection rate of around three per cent.

Ms GRACE: From 2013?

CHAIR: That was the definition from 2013.

Ms Hillhouse: No, I do not have numbers in relation to—

Ms GRACE: I am trying to clarify—

Ms Hillhouse: It was a percentage step change. It said, if we look at the change that occurred with the 2013 definition and applied it to our current state, what would be the percentage change? It found it could lead to a reduction in the number of claims lodgements by around nine per cent—

Ms GRACE: That is claims lodgements?

Ms Hillhouse: Yes.

Ms GRACE: What about acceptance?

Ms Hillhouse:—which would increase the rejection rate by around three per cent. Which would reduce the acceptance rate by three per cent.

Mr KEMPTON: You touched on this in your opening statement. There is presumptive coverage of PTSD for frontline workers, and this bill extends that coverage to Queensland Parks and Wildlife Service firefighters. Could you outline what new support our forgotten firies receive from this bill?

Ms Barry: As we have discussed in the committee, the review found that our Queensland Parks and Wildlife Service firefighters perform substantially similar firefighting duties and are exposed to the comparable traumatic incidents, smoke and other occupational hazards as the firefighters already covered by the presumptive provisions. The bill seeks to extend the presumptive PTSD coverage for first responders, as well as firefighter deemed cancer and disease coverage, to eligible Queensland Parks and Wildlife Service firefighters. This means that Queensland Parks and Wildlife Service firefighters will have the benefit of the same evidentiary presumption available to other covered firefighter groups. This reduces the need for them to establish the connection between their diagnosis and a presumed injury and their employment, thereby easing the administrative and psychological burden associated with the claims process.

PROOF

Ms GRACE: In relation to PTSD sufferers, consider a paramedic with 12 years of service who attended a fatal crash involving children. Unfortunately, because of the build-up—they had been a divorce the year before—today, the presumption can only be rebutted if work was not a significant contributing factor. Under clause 124, the insurer only has to show that work was 'not the major significant contributing factor'. The review did not recommend this change. How many first responder claims does the department expect to be rebutted under this new test, and is there any modelling available?

Ms Hillhouse: There is no specific modelling. I believe I probably answered this question earlier. When we looked at the impact that the major significant contributing factor had on PTSD claims for first responders in 2018, 90 per cent of those claims were accepted without the presumption—

Ms GRACE: And what is that?

Ms Hillhouse:—which means that we would not expect a significant change to the outcomes in relation to the presumption as a result of this change.

Ms Barry: It is currently 92 per cent.

Mr JAMES: Could the department please outline for the committee how this bill intends to increase transparency across the workers' compensation scheme, incentivise jurors to maintain a high level of performance and compliance and benefit workers who have a confirmed claim?

Ms Barry: I want to go to the word 'incentivise' because so much of a worker's experience in this process relies on there being great performance of claims management by the insurer; this is why it is vitally important. The bill supports workers by supporting better recovery and return to work by strengthening the oversight of insurers through enhanced compliance, enforcement and information gathering powers for the Workers' Compensation Regulator, supporting improved insurer performance and accountability. It does this by encouraging high performance by increasing the licence duration from four to five years for very high performing self-insurers. We want to reward those insurers that are doing the right thing and that are performing well.

The bill clarifies the operation of compliance notices to ensure they can be used where an authorised officer has evidence of systemic noncompliance with an obligation under the act by insurers such as, importantly, return-to-work planning. While compliance notices allow the regulator to require corrective action where a contravention is occurring or there is evidence it is likely to continue to occur, enforceable undertakings will now provide an alternative regulatory response to prosecution. They are legally binding commitments that can provide practical initiatives, delivering benefits for workers, industry and the broader community. Similar frameworks already exist under Queensland's work health and safety and electrical safety legislation. The bill also strengthens the regulator's oversight of all insurers by extending document retention and production obligations to all insurers. This allows the regulator to require claims, medical management, rehabilitation, timeliness and financial information to monitor the operation of the scheme.

Ms GRACE: The minister hinted to a number of additional possible amendments that will be brought in during the debate of this bill. Can the department confirm whether they are working on any further amendments? It is a very technical bill. Are there any other amendments that the department is currently work on that may be of benefit for this committee to receive earlier?

Ms Barry: Our understanding is that that is part of the work of the committee. We stand available to assist the committee as they continue to move through and examine the bill.

Ms GRACE: Sorry, Chair, that was not my question. To clarify: is the department currently working on any additional amendments that this committee is not aware of?

CHAIR: The DDG did answer that and said that they are available to work with the committee on any recommendations that we may have.

Ms GRACE: Chair, with all due respect and on a point of order, my question is quite pointed. Are there any further amendments currently being worked on that could benefit the committee by being received earlier? I know you will work with us, and I thank you very much for that, Ms Barry; you have all been excellent this morning. But I am asking: are there any amendments currently being undertaken by the department specifically?

Ms Barry: The member will note that the review also turned its mind to this. There was some work prepared in supporting the reviewers. At this stage we are standing ready, waiting to be guided by the work of the committee.

PROOF

CHAIR: Thank you, DDG. There was a question that was potentially taken on notice with regard to payments for strikes. Mr Donovan, do you have that answer?

Mr Donovan: Yes, I do. I can confirm for the member for Kurwongbah that clause 60 of the bill omits section 270 of the current IR Act. Section 270 of the current act says the commission must not deal with plans for payments for strikes. That provision is being removed from the current act, which means the prohibition is now gone and a union will be able to lodge a dispute about payment or non-payment for a strike.

CHAIR: Thank you very much. The time for these proceedings has now expired. I thank you for attending today. I declare this briefing closed.

The committee adjourned at 10.30 am.

PROOF