



Speech by

**Mr N. ROBERTS**

**MEMBER FOR NUDGE**

---

Hansard 4 August 1998

### **WORKERS COMPENSATION**

**Mr ROBERTS** (Nudgee—ALP) (6.24 p.m.): In his first speech, the new member for Ferny Grove raised a legitimate question about the rights and levels of protection that should be provided to workers. In other words, the question he raised was: in a world of economic rationalism, who is going to represent the interests of workers? That is a very fair and reasonable question for workers to ask in relation to workers compensation. On the experience of the past two years, workers certainly will not be thanking the coalition for what it did to the system.

In its motion, the Opposition lays claim to recent improvements in the financial circumstances of WorkCover. The financial difficulties experienced by the Workers Compensation Fund have been well canvassed in this place. This matter was recognised by the Labor Government in 1995 and, accordingly, early in 1996 appropriate amendments were put through this House to address the matter. At the change of Government later that year the coalition introduced more changes, making access by workers to compensation payments much more restrictive.

On the advice given to the previous Labor Government, the changes made in 1995 would have addressed the financial difficulties of the fund. There was no need to tighten the screws further and reduce workers' entitlements and access to fair compensation. Given time, the changes made by Labor would have led to the fund correcting itself without further imposition on workers.

It is important that commercial considerations are not the only driving factor which underpins the financial aspects of the workers compensation scheme. The scheme needs to be appropriately funded and this can be achieved by maintaining premiums at an affordable rate and also by ensuring full compliance with the payment of premiums and levies. This is something that the coalition, when in office, avoided like the plague despite it being a major recommendation of the Kennedy report.

Information provided to me suggests that non-compliance in the building and construction industry at the time of the Kennedy report, of which the coalition Government was aware, was in the order of \$50m to \$100m. Surely something should have been put in place by the coalition Government to capture that \$50m to \$100m instead of further restricting the rights of workers to fair and reasonable compensation.

It is important to provide a system which achieves fairness and accessibility for workers without placing increased cost pressures on the scheme. Much of the fairness of the scheme was removed by the coalition's amendments in 1996. For example, the new definition of "injury" has cut many workers out of an entitlement to claim compensation. Changing the requirement from a situation where employment was to be a significant factor to the coalition's definition where it has to be the major significant factor has removed many workers' entitlements to claim for many genuine injuries. I recall raising this matter in the debate on the Bill and I said that that would be the case. Anecdotal evidence and information provided to me by some of my constituents who have been caught by this definition support that view.

The coalition also introduced further restrictions to cover access to claims during journeys to and from work and during recess breaks. Additionally, the new definition of "worker" removed many workers working under PPS arrangements from coverage and required them to take out their own cover. Significantly for employers—and this has been canvassed by the member for Bulimba—the coalition's

changes expose employers to common law damages claims for negligence. Under Labor's legislation, employers were insured against common law claims for all workers.

To illustrate the scope of the difficulties arising out of the exclusion of PPS workers, it is necessary to note that the biggest percentage of those workers are in the building and construction industry. Building sites are one of the more dangerous locations for workers, and to implement a policy which effectively removes so many people from coverage—some estimates are as high as 45,000—and also to potentially expose a large number of employers to common law claims without protection is unsound policy.

The Labor Government will be reviewing the changes made by the previous Government. The approach will be to make changes which take account of the impact of change on all key stakeholders, including the issue of maintaining affordable premiums for employers. It is important to note that the average premiums paid in Queensland are the third lowest in Australia. We must also ensure that as many workers as possible are covered under the scheme. I look forward to Labor bringing these changes into the House.

Time expired.

---