



Speech by

**Hon. D. HAMILL**

**MEMBER FOR IPSWICH**

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Hansard 25 March 1999

**MOTOR ACCIDENT INSURANCE AMENDMENT BILL**

**Hon. D. J. HAMILL** (Ipswich—ALP) (Treasurer) (4.35 p.m.), in reply: I thank members for participating in this debate, although it is not much of a debate as they all seem to be agreeing, patting each other on the back and saying what a good measure has been put forward in the Bill. As I indicated in my second-reading speech, the Bill provides greater flexibility for the motoring public. It enables them to pay their motor vehicle registration and compulsory third-party insurance premium by instalment. That is good. Importantly, it overcomes the sort of issue that we grappled with last year when the Insurance Commissioner's recommendations were not acted upon by the outgoing coalition Government prior to 1 July.

**Dr Watson:** Or the previous Government before that.

**Mr HAMILL:** I make a correction for the record: I can only assume that the member for Moggill is referring to 1996 when the Insurance Commissioner's report was received by the then Treasurer, the Honourable Keith De Lacy. Minister De Lacy actually sent some further inquiries to the Insurance Commissioner in relation to the recommendations, as he was entitled to do. The matter could have been properly addressed by the end of April to have effect from 1 July. That is very different from the situation where a Government deliberately and irresponsibly sat on a report, because that allowed the funds to be left in something of a parlous position, not being actuarially sound. That is not a responsible thing to do. This legislation will safeguard against that sort of a political tactic in the future. However, I do not want to dwell on that any more. I am prepared to let bygones be bygones. I simply tell the member for Moggill: I do not forget.

At the Committee stage I will move an amendment to address a point that was raised by the member for Moggill. As the member knows, I am always very consultative on these matters and I thank him for his suggestion. That amendment should have been circulated by now, and I am sure it will find favour.

There has been a bit of comment in the media about the current round of assessment on the appropriate premium. As is often the case at this time of year, parties are very keen to pursue their particular interests. The interests that are being pursued are those of the insurers who underwrite the scheme. Many people would be surprised to know that some of the bids or what I can only describe as ambit claims are suggesting premium increases of up to \$80. Most motorists in the State would blanch at the thought of having to pay an additional \$80 on top of their existing compulsory third-party premium. I am presently discussing that with the Insurance Commissioner. I assure the House that I will abide by the very legislative amendments that I am putting in place, which will circumscribe my freedom of action in relation to progressing the compulsory third-party premium adjustment for this year.

The fund is under considerable pressure, with record levels of claims being made against it. There are some in the community who do very well out of trying to drum up claims against the insurers. I am referring to a freewheeling band of legal eagles who are swooping on the Motor Accident Insurance Commission. They would say that they are acting in the interests of their clients, that is, enabling people who have sustained injury to gain fair compensation. What they are not saying is that they are swooping on the Motor Accident Insurance Commission and are also doing very nicely out of it for themselves. The current practice of some legal practitioners of touting for business is not helping either the scheme or the motorist, who at the end of the day is having to pay the premium, which goes

not only towards compensating people for injuries but also towards paying the legal fees that are being generated by those who are trying to expand their practice at the expense of the Motor Accident Insurance Commission.

I wish to express my concern at the development within the legal profession of the principle of charging clients only if they win. At the end of the day, we know who is paying, and that is the motoring public as a whole. That is something that we need to take a very close look at in the future. On that none too happy note, I thank all members for their support of this measure. I trust that it will bring substantial benefits to the motoring public of Queensland.

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