



Speech by

**JEFF KNUTH**

**MEMBER FOR BURDEKIN**

Hansard 15 April 1999

### **WORKCOVER QUEENSLAND AMENDMENT BILL**

**Mr KNUTH** (Burdekin—IND) (2.38 p.m.): I studied the WorkCover Bill with enthusiasm, but all I can conclude is that we will end up with the same financial bungle that we have seen in previous years. I believe that for years members on both sides of the House have been tackling WorkCover in the wrong way. WorkCover is a Government nightmare that could be avoided if privatised. I am against the majority of privatisations. However, when one takes the time to talk to small business, whether it be within the retail industry, building industry or meat industry, one will find that WorkCover is crippling the small employer.

**Mr Swarten:** Take it back 100 years.

**Mr KNUTH:** The member for Rockhampton can interject, but the fact is that sooner or later it will be privatised. Whether his Government does it or the coalition Government does it, WorkCover will eventually be privatised. It is the only way to go.

**Mr Swarten:** If it's up to you, it will be. It won't happen while I'm here.

**Mr KNUTH:** It will happen. The Federal Government privatised the Commonwealth Bank and Qantas, and workers compensation will be privatised. The member's Government will do that. It will eventually happen. The honourable member can deny it now, but it will happen.

**Mr Welford:** How do you know it's going to happen?

**Mr KNUTH:** Because it's your Government's track record.

**Madam DEPUTY SPEAKER** (Ms Nelson-Carr): Order! The member for Burdekin will get on with his speech.

**Mr KNUTH:** I am against the NCP. I believe that the National Competition Policy is the most destructive, detrimental and nightmarish policy ever imposed on our nation's small business.

**Mr Lucas:** You're against everything.

**Mr KNUTH:** Against everything; I agree. I believe its toll on the National Party has been horrific, to say the least. I find it odd that the Labor Party, which has been proposing legislation such as the amendment to the Liquor Act under NCP guidelines, has not placed WorkCover under the same guidelines. If it is good enough for small business and local government to come under NCP, why is WorkCover not being placed under the NCP guidelines? Why can the NCP not work for an employer for once? Why can he not be allowed to go through a private insurance company, for a third to half of the cost of WorkCover, and legally cover his employee?

**Mr Swarten** interjected.

**Mr KNUTH:** The Labor Party is full of former schoolteachers, trade unionists and lawyers. You know all about getting money handed to you, but you do not know anything about handing out money; none of you have had that sort of experience.

**Mr SWARTEN:** I rise to a point of order. I find the comment that I do not do a hard day's work for a hard day's pay offensive.

**Madam DEPUTY SPEAKER:** Is the member asking for a withdrawal?

**Mr SCHWARTEN:** I seek a withdrawal.

**Madam DEPUTY SPEAKER:** The honourable member will withdraw those comments.

**Mr KNUTH:** Madam Deputy Speaker, I did not state that at all.

**Mr SPRINGBORG:** Madam Deputy Speaker, I rise to a point of order. As I understood it, the comments of the member did not reflect on an individual; his comments reflected on the Government. There have been a number of previous rulings——

**Madam DEPUTY SPEAKER:** That is not a point of order. Would the member care to withdraw those comments?

**Mr KNUTH:** Madam Deputy Speaker, I did not make those comments. The member has added those comments. There is no point of order.

**Madam DEPUTY SPEAKER:** I ask the member to continue his speech.

**Mr KNUTH:** Thank you, Madam Deputy Speaker.

Why is small business being discriminated against? Why can the so-called NCP not work for an employer for a change? Madam Deputy Speaker, I will give you an example of how WorkCover is crippling small business. This is a true story—and if the member for Townsville were in the Chamber, he would vouch for this also—of an employer, The Bohle abattoirs, in Townsville. The employer had 10 meatworkers working under him. He had never had a claim and he ran an efficient and safe workplace—something of which he was quite proud. However, that employer was hit with a \$60,000 WorkCover bill. Because he was new to the business, he was charged at 15.7% of the gross wage of his employees. Not believing his eyes, that employer marched down to the WorkCover office and complained to the staff about the amount of the bill. He claimed bitterly that he had never had a claim and should be eligible for a discount at least. WorkCover's reply was, "Sir, we are not a vehicle insurance company, you know." The employer was absolutely disgusted and asked WorkCover whether there was anything he could do to reduce the amount. The reply from WorkCover was, "You could try reducing your employee numbers." Can honourable members believe that? What sort of an attitude is that for a Government department? No wonder small business owners no longer want to employ people. Who can blame them? The employer who owned the abattoir sold his business and swore that he would never employ workers on wages again. Another business down the drain!

Many small businesspeople to whom I have spoken—and I can relate to this, as I also was a small business owner—believe that it is time to privatise WorkCover. This would lead to more competition between private insurance companies, further reduce premiums and, most importantly, tackle fraudulent claims. As I stated earlier——

**Mr Schwarten:** That's why car insurance is so low!

**Mr KNUTH:** The member for Rockhampton raised a good point. We all have the choice to insure our vehicles.

**Mr Lucas:** No, you haven't.

**Mr KNUTH:** Yes, we have.

**Mr Lucas:** Not with compulsory third-party insurance.

**Mr KNUTH:** No, we have the choice to go to FAI, Suncorp or wherever else. That is competition. Why does small business also not have the right to competition? Why does it have to be a slave to Government policy?

**Mr Schwarten:** I'm talking about car insurance—compulsory third party.

**Mr KNUTH:** That is compulsory; I agree with the member on that point. But I am talking about insurance for the vehicle itself.

**Mr Schwarten:** My point is that private insurance companies haven't put their premiums down simply because they're private. That just doesn't work.

**Mr KNUTH:** I beg to differ on that.

**Mr Schwarten:** That is just not true.

**Mr KNUTH:** No, I beg to differ.

**Mr Lucas:** Well, you're wrong.

**Mr KNUTH:** No. I am sorry, I beg to differ. It is competition.

**Madam DEPUTY SPEAKER:** The member for Burdekin will continue his speech.

**Mr KNUTH:** I am sorry, Madam Deputy Speaker; the honourable member was interjecting.

**Mr Schwarten:** You're telling lies.

**Mr KNUTH:** I am not telling lies.

**Mr Schwarten:** Yes, you are.

**Mr KNUTH:** As I stated earlier, honourable members should make no mistake, I am not a supporter of privatisation.

**Mr Lucas:** Oh?

**Mr KNUTH:** In relation to most things I am not a supporter of privatisation. I hold the NCP in contempt. However, WorkCover——

**Mr Lucas:** Except when it comes to a union's workers.

**Mr KNUTH:** I can tell the House who the workers are. Workers are small businesspeople who work day and night to hold down a job from which they sometimes make less than the wages of their employees. They are the true workers. I am not saying that employees are not workers. However, small businesspeople sometimes have to put in 14 to 18-hour days just to make the same wages as their employees. I know that for a fact; I have been through that. I am sticking up for workers, too. However, WorkCover is one field that I believe warrants a better, fairer and more equitable system that will benefit both employer and employee whilst still having compulsory cover for workers. What could be fairer than that?

I will not support this Bill, as I believe it will be a waste of time and will only cost taxpayers more unnecessary dollars over the next two years, when the same old argument will be raised again: "We have to review WorkCover once again, make amendments and try to replace the lost dollars." I will go on record as supporting the privatisation of WorkCover. In fewer than 10 years' time, I believe that members opposite will all be voting on it. They know that.

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