



Speech by

Mrs J. SHELDON

MEMBER FOR CALOUNDRA

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WORKCOVER QUEENSLAND AMENDMENT BILL

Mrs SHELDON (Caloundra—LP) (8.50 p.m.): Upon becoming Treasurer, I well remember the shock of discovering what a disastrous state the Goss Labor Government had left the Workers Compensation Fund in. It was \$400m in the red. Ordinary, hardworking and honest Queenslanders who suffered an accident were at risk of not being covered properly. As a responsible, caring Government, that was a situation we had to remedy immediately. We did that by injecting \$35m from consolidated revenue into that fund. We could have built seven schools with that money, but the workers of Queensland had to be protected. We did not inject \$35m in only one year, we injected it in each of three years. That money could have gone into schools, hospitals, roads and into other very important infrastructure services for people, but we had to put that money into the black hole that the previous Labor Government had left.

We not only injected taxpayers' money; we also injected professional management— good old coalition management skill, something Labor has never had and never will have. In this State we were able to turn a dead duck workers compensation system into a properly performing entity. That took a lot of hard work and dedication, but now Labor wants to undo all of the good work that the coalition did. I pay tribute to the Minister at that time, Santo Santoro, who worked very hard. I recognise also the people put in place by the Minister, in particular Jim Kennedy and his board, who advised us so well on what to do, and the subsequent board of WorkCover, and its then chairman, Frank Haly, a noted and very able businessman whom I notice this Government unfortunately got rid of.

For the benefit of the Government, let me simplify the reason we are opposed to these amendments. There will always be people in society who want to take the easy option, who want to take the easy way out and who want to earn an easy dollar. In the past, one way of doing that has been to make an illegitimate compo claim. The coalition has no problem with legitimate compo claims; that is a worker's right, and that safeguard must exist. Employers and Governments must see to that. Workers, employees and contractors should have a fair system which affords them the proper protection and compensation. We certainly have no problem with that. It is the illegitimate or fraudulent compo claims that we have a big problem with. That is why we have a big problem with this amendment Bill. Once again, it opens the door to fraudulent compo claims. This is a back-to-the-future Bill. It does not offer a vision for the future. These amendments, with their poorly worded definitions, make it easier to rot the system. I cannot understand why any Government Minister would want to put in place a system under which people can rot taxpayer funds.

In his second-reading speech, the Minister foreshadowed changes to the common law which presumably would relax access to common law remedies if the Labor Government were to be re-elected. By relaxing the definition of "injury" and "worker", the whole common law area for workers compensation is opened right up. When the common law area is opened up, it is heaven for the compo cheats. That happened under the flawed Goss legislation and it will certainly happen again under the flawed Beattie/Braddy legislation.

Under the previous Labor Government, common law workers compensation claims were allowed to run rampant. Honourable members need not take my word for it, they can take the word of the Kennedy inquiry, which consisted of an independent body of respected people who looked into the inadequacies of the system and the black hole that had been left in it and determined how best to get out of this and, at the same time, provide justice for the workers involved. The figures I am about to quote are all from the official Kennedy inquiry report. The Kennedy inquiry into workers compensation

found that there was an explosion of common law claims under the previous Labor Government. Why was that so? That was because it was a rorter's heaven under the flawed Goss Government legislation. Mr Deputy Speaker, I do not know about you, but I do not remember anything happening in Queensland that could have made the first half of this decade a more hostile, dangerous or stressful place for workers—that is, apart from the fact that we had a Labor Government mismanaging the economy.

If honourable members just look at how common law workers compo claims in the non-Government area shot up under the flawed Labor Government workers compensation legislation, they will see what was happening. I will go through a few of the figures. Between 1990-91 and 1995-96, there was a 279% increase in claims for strains and sprains. There was a 113% increase in claims for laceration, an 86% increase in claims for fractures, a 94% increase in claims for burns, and a 197% increase in claims for cuts. The question has to be asked: did Queensland workers suddenly become less safety conscious, sloppier or sillier? Of course, they did not do any of those things. What became sloppier and sillier was the workers compensation scheme under Labor. It was open slather for the rorters and, before we knew it, it was \$400m in the red.

Mr Deputy Speaker, unfortunately, whichever way you want to look at it, it gets either better or worse. Those amazing percentage increases in common law workers compensation claims in the non-Government sector under Labor for strains, fractures, burns, lacerations and cuts are absolutely nothing compared with the increase in claims for stress and tendonitis. Between 1990-91 and 1995-96, common law claims for tendonitis increased by 1,350%. All of a sudden people's tendons were behaving in a very different manner. As anyone with any medical training would tell us, that is an absolute nonsense. That is a 1,350% increase. Stress claims increased by 1,233%. Mr Deputy Speaker, I am sure you would agree with me that no-one would believe those figures, but they are completely accurate. It certainly was more stressful living under a Labor Government, but those increases are beyond the pale. They are clear evidence that the system was too lax. In that same time period when non-Government common law workers compo claims were going through the roof, statutory claims were keeping an even pace with population growth.

Mr Deputy Speaker, you have just heard about the amazing increases in workers compensation claims in the non-Government area, but how does the Government area under the former Labor Government compare? Working for the Government between 1990-91 and 1995-96 obviously became a lot more dangerous. Common law claims for strains and sprains shot up 386%. Claims for bruising shot up 300% and lacerations, 100%. But the biggie—the real biggie—was of course stress. Between 1990-91 and 1995-96, common law claims for workers compensation in the Government sector for stress rose by 7,600%. Yes, honourable members did hear it right—7,600%. The question has to be asked: did workers compensation claims for stress go up 7,600% under the previous Labor Government because it was too awful to work for, or did the stress claims go up 7,600% under Labor because the legislation was a compo cheats heaven? People can take their pick, and I guess commonsense people will. I should add, just to be fair, that there was one category of Government sector common law claims under the previous Labor Government which showed no percentage growth, and that was burns. Whether that had any connection with Tom Burns or not, I cannot say.

Not only was there an explosion in the rate of common law claims under the former Labor Government, but there was also a big increase in the average cost of each claim finalised. In 1990-91 the average cost of a common law finalised claim for workers compensation was \$71,813. By 1995-96, the average cost of a finalised claim had shot up to \$83,569. If there are ill-defined definitions, the common law door is opened to the compo cheats and the rorters. The fund ends up \$400m in the red and the situation arises in which very genuine workers and their claims are put at risk.. That is what we faced when we came to Government.

By literally putting money into that black hole, by changing the parameters, by changing the definitions, and by cracking down on the rorters, we were pulling that fund right back into the black, which in a period of two and a half years was an absolutely amazing feat. I am sure that no Queenslander wants to repeat the disaster of the previous Labor Government. I certainly urge all members to leave the workers compensation legislation as it was brought in under the coalition Government. It is not broken, it does not need fixing. There needs to be commonsense, honesty, and a safety net for our good workers to make sure that they are not at risk. However, it should not be protecting Labor mates, union members and other people who are prepared to rort the system.
