



Speech by

**Mr L. SPRINGBORG**

**MEMBER FOR WARWICK**

---

Hansard 15 April 1999

**WORKCOVER QUEENSLAND AMENDMENT BILL**

**Mr SPRINGBORG** (Warwick—NPA) (Deputy Leader of the Opposition) (2.55 p.m.): The Government's plans for significant changes to the State's workers compensation scheme—changes that are designed to make the system match the invasive preferences of the Labor Party where public administration is concerned—represent a major danger, a major danger to public administration and a major danger to the financial integrity of the compensation fund. It is no comfort—nor is it any surprise given the riding instructions that this can't do Government has received from its union masters—that these dangers are completely unacknowledged by those opposite, especially by the Minister directly responsible for the travesty that is about to be visited on Queensland.

This Labor Government is determined to rush back to the past. It wants to do this with industrial relations law generally. It particularly wants to do this with the State's workers compensation system. This is wrong, wrong, wrong, and the can't do Beattie Labor Government knows that it is wrong, wrong, wrong. We are on the very threshold of the 21st century and the Government wants to retreat to the 1950s.

WorkCover is not part of the welfare system; it is an insurance scheme paid for by employers. That does not mean that it should abuse the system itself or break the law. The bottom line is that there must be no abuses at all on either side of the ledger. The WorkCover system set up by the coalition in 1996 set the scheme back on the road to fiscal responsibility and balance in its budget. That is responsible governance, not worker bashing.

All legislation requires review over time to ensure that it is working as intended and to make changes that become necessary because of the passage of time or changes in circumstances. But this House cannot be persuaded by anything other than naked politics—and the whip imposed opposite—that, after so short a time of operating, the existing WorkCover arrangements required radical surgery. The Government is a union Government. It is a partisan for Trades Hall. It is ready and willing to do its bidding. That is the reality of the situation. It wants to return workers compensation to the position from which we had to rescue it when we were in Government, from where it was financially unsound and from which those who will always try to gain an unfair advantage from the public purse were doing very nicely, thank you.

No-one in this House would want to see any Queenslanders unfairly disadvantaged over compensation legitimately sought for work related injury, but the Government, by proposing to broaden the definition of "work related injury" and by seeking to remove the option of self-insurance from all enterprises with fewer than 2,000 workers on the payroll, lays bare its real motivation. This Government wants to return Queensland to the one-size-fits-all conformity of the past. It does not care—or perhaps does not know—that the 21st century is upon us, it is less than a year away. It looks to history—to its preferred version of history—for its inspiration in the industrial and State compensation areas. It is not interested in personal freedom; it is interested in providing a security blanket for everyone whether or not in these days of individual enterprise such a covering is actually desired. It seeks to return Government to the very heart of everyone's everyday lives. It is prepared to do so in the WorkCover area by risking the financial future and budgetary soundness of the scheme and, ultimately, I believe, the Budget. It asserts that workers compensation is not normal insurance—the Minister himself has told us that—and that the State's true job is to nanny people.

We on this side of the House want a workable and working State compensation system, and we have it. We put it in place when we were in Government between 1996 and 1998. The coalition's policy position on matters affecting business and the economy generally is very clear. It is that private sector business is what drives Queensland forward. In this debate yesterday the honourable member for Cairns said of this legislation—

"It is not about business and premiums and numbers and dollars."

This legislation is about business and premiums and numbers and dollars. It is an insurance scheme, not a welfare measure. It is paid for by employers, as it should be since it is a commercial insurance arrangement. But I will tell something to the member for Cairns and the other members who sit in Government, who, for the most part for reasons, have decided to portray this debate and this issue as something that demonstrates the presence of a great divide in the Queensland community. Labor wants people to believe that there are bosses and workers in Queensland on some sort of 19th century class division. Well, there are not, and it is something that I must say I fortunately have not witnessed. Those opposite know that the bosses in Queensland are ordinary men and women, just like their workers. It is probably fair to say that some people might not necessarily do the right thing, but that situation is not confined to employers; it happens with employees as well.

As I said, employers in Queensland are ordinary men and women, as are their employees. That is the way it should be. Unless those opposite are reading their Australian history from some curious exile perspective—or, as I suspect, the Labor Party prefers reading the history of someone else's class struggle—they will know that that is the way it has always been.

Australian society is egalitarian. It always has been and I certainly hope and believe, as do all members of this Parliament, that it always will be. We on this side want it to remain so. It is those opposite who are forever going on about the great class divide in this country. As I said, I do not believe that there is a class divide. Nor should we be continually harping about one.

I know of no-one in Queensland—or in Australia for that matter—who seriously suggests that society in the broad, and industry and business in terms of their own employees, should not bear the burden in looking after life's casualties. That is a society which, fortunately, we have developed in this country over a great many decades. Workers compensation is a vital element of that structure.

That is why when we were in Government, after the Goss Government years, we acted immediately to repair the damage Labor had done to the workers compensation scheme. I think it is apt that we turn our minds to that. When we started to get a sniff that something was going wrong, we asked the then Minister about it at that time and we were told that there was not a problem. Surprise, surprise! Just after the 1995 election, there it was: a black hole of almost \$200m.

We set out to repair the damage Labor had done by allowing a compo culture to grow and not necessarily addressing the underlying fundamental structural problems; damage it had done by running up an unfunded liability that made the scheme technically insolvent to the tune of \$300m and, if left alone, would have made it functionally insolvent in very short order; damage it had done by allowing itself to indulge in the political fiction that employer-funded compo is part of the welfare system.

I reinforce another point that others on this side have made during this debate. There is always room for review and reform. That is why we have Parliament, that is why we have Government, that is why we have policy committees and that is why we listen to the community and to interest groups. None of us on this side of the House is so arrogant as to believe, as those opposite apparently do, that our systems are so perfect as to never deserve questioning. The Kennedy inquiry report, which set WorkCover on the road to recovery, provided for such a review.

But this Bill is not the offspring of review; it is a political document and a financial disaster in waiting. I cannot believe that the more level heads in the Government—those on the other side who actually have had to deal with real dollars and commonsense—fail to understand that this legislation parks a Trojan Horse right in the middle of the Budget. The Budget is the bottom line. It is the budgetary bottom line that will be threatened, as it was previously, under the cavalier approach to compo adopted as a cop-out by the Goss Labor Government, by widening the definitions of "worker" and "injury".

The report—if the sketchy document that purports to redirect Queensland's workers compensation system qualifies in that category—should perhaps be entitled Restoring the Imbalance. Certainly that will be its chief effect. That is Labor's record on State-run workers compensation.

The coalition legislation "work related injury" definition is regarded by those opposite as the most restrictive in Australia, but Queensland is the best run State in Australia—or it was until the honourable member for Brisbane Central came to office in June 1998. "Restrictive" need not mean unfair, and we on this side of the House do not consider that it does. We want the rules to restrict compo claims to clearly defined circumstances related to employment. I think that is not unreasonable and I think a majority of people in the community generally would agree with that. That is what workers compensation is all about. That is why the scheme is there.

It is precisely at this point that Labor's argument hits the rocks. It is not unreasonable to protect employers, not to mention the public purse. The public purse—as we have already seen with the \$35m a year over three years that we had to inject into the system to keep it afloat after Labor's titanic efforts to sink it over the Goss years—must be protected from the risk attached to employing people who have some level of incapacity in relation to the job they are being paid to do. That is not social injustice; it is commonsense. It is not devaluing anyone to rule that their particular circumstances make them unsuitable for a particular work regime.

Let us get sensible here. If someone has a bad back, they should not try to earn a living lifting heavy objects. That is commonsense. That is where the welfare system steps in, as an operation separate from the focused intent of workers compensation. Let us not fool ourselves into thinking that making that prudential decision implies some judgment about the value of a particular person.

What we have heard from those on the Government side in this debate has been a mishmash of fuzzy thinking and something that resembles funk. They know that their plans for workers compensation do not measure up prudentially, so they have adopted the sad old political trick of calling the other side a pack of unmentionables. If you do not have a genuine argument, make a lot of noise!

The fact is that Labor's proposals will fundamentally undermine the recovery of the workers compensation system in this State—that recovery was well under way when we left office on the nod of the Independent member for Nicklin—from the desperate plight it was in when we went took office in 1996. The fact is that these proposals represent the skewed motivations which underpin the Labor Party's symbiotic relationship with the union movement and its hubris in arrogating the role of conscience of the nation.

The fact is that this Bill represents reckless abandonment of the sound financial administration of the coalition's WorkCover operation. It represents the unravelling of the coalition's business friendly achievements and lays bare Labor's contempt for the business community, particularly the small business community. As my colleague the honourable member for Clayfield said in this place yesterday, it represents the unrelenting Labor instinct to exact revenge on those it believes are not politically onside.

Let me remind the House that Jim Kennedy, when he conducted the far-reaching and searching inquiry into workers compensation for the coalition Government in 1996, found that all the players within the system then in place—the Goss Labor Government's system, the open-the-stopcock system—were responsible for the creation and proliferation of the compo culture. We put a stop to that—to the abuses by employees, by employers, by the compo lawyers and by the compo doctors. We believed that Queensland workers—the best workers in the world—deserved something better than a system that favoured the rorters. Our aim was to make WorkCover a system that would check very carefully the background and justification of every claim.

**Mr Lucas:** The best workers deserve fair compensation.

**Mr SPRINGBORG:** I wish I had time to take some of these objections. I ask the honourable member for Lytton, who talks so proudly about what the Labor Party did with workers compensation: why does he not stand up and tell us why he covered up the \$200m black hole when the Labor Party was last in Government? We asked about that issue at the Estimates committee, but nobody told us about that. But lo and behold, that information came out after the 1995 State election. That is the record of members opposite on managing the workers compensation system or the WorkCover system in Queensland.

Our aim was to have a system that would have the administrative and regulatory teeth it needed to combat the inventiveness of the minority of rorters and the money power of ambulance-chasing lawyers. And we make absolutely no apology for that. It was the right thing to do, and we are proud of it. And we will be ready to make the necessary repairs—to find a way to fill in the new black hole in compensation funding that we know we shall find ultimately when the electors tire of this Government. We do not look forward to that. We are convinced that Queenslanders would really rather the Labor Party did not play silly beggars with their money. But we will be ready with the repair kit and ready to entrench workers compensation in a system that is both genuinely fair to everyone—including the taxpayers—and actuarially and prudentially sound.

I would like also to address for a moment the issue of WorkCover client contact policy, since this seems to have upset some members opposite. Let me make it clear that the coalition views WorkCover as no different from any other Government office or statutory body. Queenslanders are its customers, and one of the axioms of good business is that the customer is always right—always right, that is, in terms of being entitled to courtesy and expeditious attention. I believe that all members would be aware of cases individually in their electorates in which that has not necessarily happened.

But there is an important point of principle here which I think—from some of the remarks that Hansard records from members opposite—is perhaps rather less than fully grasped by Labor members flourishing their consciences. That point of principle is this: if someone believes that they have a

legitimate claim for workers compensation, then they have to be prepared to justify it. WorkCover is not just a milch-cow, and anyone who believes it is or behaves as if it is should legitimately be told to go away and have a good, hard think. I believe—and the statistics back me up on this—that the overwhelming majority of WorkCover claimants are justified in seeking compensation. They should get their assessed compensation, subject to test, with all possible speed. And they should get it from a commercially sound, commercially oriented operation that works in the interests of the people, not just of some of the people.

One of the most worrying aspects of this Labor Government opposite is that it seems to want to slide back into old-style public sector ways. Today's Queensland has gone beyond that. This is a vibrant, exciting community that is outward looking in every way, that understands the world and how it works, has broken free of the past and is not in the least bit interested in having its pocket picked by interventionist social meddlers. Queenslanders want the best. They deserve the best. It is the primary task of Government to ensure that they get the best. And the way to get the best is to give the job to the best. This is perhaps a lesson that the Government itself might take from its woeful handling of this issue.

The honourable member for Nudgee said in this place yesterday that one of the reasons this Government will be successful in restoring balance to the Queensland workers compensation system is—and I quote for the benefit of the record and also because of the delicious irony—"the consultation that we have undertaken". I say to the member: tell that to the marines! Or better still, try selling that line—it must be straight out of Orwell—to the employers, the people who actually have to pay WorkCover premiums. The member for Nudgee must have been on another tram, I think—and I have a lot of time for the member for Nudgee, because I believe that he makes some very good contributions in this Parliament—to a very strange destination by the sound of it if he thinks that the howls of protest that everyone else heard from the employers were actually bouts of rapturous applause. The honourable member should probably pick up some of the media clippings that I have had a chance to look at from those in industry—whether it be rural industry or other industries—with regard to their concerns about this Government's amendments.

This Bill meddles with a sensible element of sound prudential management of Queensland employment and does so in a partisan and sectional way. It is bad legislation—and the Government recognises that in part, having flagged some amendments to its plan to gut self-insurance—and should be resisted. On that point, it is interesting to note that, according to this morning's Courier-Mail, the Government is already starting to go back on some of its stated principles with regard to the self-insurance scheme. I note that local government benefited from that this morning. It is also fair to say that other sections of industry will come forward—

Time expired.

---