



Speech by

**Hon. P. BRADDY**

**MEMBER FOR KEDRON**

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Hansard 14 November 2000

**WORKCOVER QUEENSLAND AND OTHER ACTS AMENDMENT BILL**

**Hon. P. J. BRADDY** (Kedron—ALP) (Minister for Employment, Training and Industrial Relations) (5.22 p.m.), in reply: This legislation contains amendments that will improve the operation of workers compensation and building and construction industry schemes. Under this Beattie Labor Government, workers compensation premiums in this State are the lowest of any State in the country. In addition, service levels have been substantially improved and claims costs reduced and employer satisfaction improved.

The amendments to the Building and Construction Industry (Portable Long Service) Act improve benefits to workers consistent with decisions of the Queensland Industrial Relations Commission. At the same time the levy for the scheme can remain at the current low level of 0.075% for 13 years.

The member for Caloundra stated that if the coalition should be returned to Government it will not seek to have any of Queensland's industrial relations powers given to the Commonwealth. There is debate going on at the present time. I will have more to say about that in this place on another occasion. It is certainly a very important topic, and I agree with the member for Caloundra in relation to that.

The member for Caloundra also raised issues to do with the experience-based rating scheme, which was introduced by the previous coalition Government. The volatility of the scheme, as introduced, has been addressed through a number of modifications considered by the WorkCover board. The member for Clayfield also failed to explain that many of the problems in premium levels for 1998-99 were the direct result of his personal failure to accept the advice of the WorkCover board to smooth the transition to the experience-based rating scheme. He rejected the advice of the WorkCover board when he was the Minister. It was his rejection of that advice that brought about many of the problems in premium levels that we had to fix.

The member for Clayfield has also raised issues to do with job security within WorkCover. Through the loss of business through self-insurance—again introduced by the coalition Government—it has been necessary to look at the business operations of WorkCover. In this process, no employee of WorkCover has been made redundant compulsorily. There is now substantially improved performance in terms of claims management.

The member for Clayfield raised issues in relation to the management of fraud. This function has been reviewed by KPMG, which found that the previous procedures—the ones that we inherited—were grossly inefficient with the cost of fraud management greater than the recoveries. A new focused strategy, which assesses the risk of particular fraud cases, has now been implemented and WorkCover expects a substantial increase in the efficiency of its fraud operations.

The member for Toowoomba North raised a particular concern relating to a company in his electorate, Chassis Line. The increase in Chassis Line's premiums is the result of substantial common law claims settled in 1998-99. Under the experience-based rating system introduced by the coalition Government where the premiums reflect the actual claims experience of employers, the premium for Chassis Line has understandably increased. The particular design of the experience-based rating system means that, for small employers, the increase in the premium will be reflected in a number of years in the future. After discussions between myself, officers of my office and WorkCover, a review is

currently being undertaken that will consider issues similar to those raised by Chassis Line, that is, the length of time that it takes to reduce premium rates to their former levels for small employers.

It is obvious that our Government is prepared to react to problems as they arise, whether those problems are inherent in the system or ones that were created by the system that we inherited. We always react and we react quickly. We are also innovative. That is why for two years in a row the average premium rates have fallen and why we have the most efficient and cost-effective scheme in the country.

I thank all other speakers, particularly those Government members who have spoken and who have supported the increasing fairness of the system as it is operated by the Beattie Labor Government. It is important. This scheme is primarily to look after workers. It must be cost effective—and it is the most cost-effective scheme in the country—but it must be fair. When we did make changes that brought about greater payments, it was done in such a way that premiums were also reduced. We will continue to do that along those lines.

Among the material before the House is an amendment that enables a company to continue to act as a self-insurer. So we are not anti-business at all; we are fair to both sides and we will continue to monitor it carefully.

It is not so that the Labor Government has had no impact on the current efficiency of the scheme. I am told frequently by those in senior positions at WorkCover and on the board of WorkCover that the two major components for the current efficiency of the scheme are, firstly, the strength of the investment income. Of course, that has nothing to do with whether it is a coalition Government or a Labor Government in power. Basically, provided both parties pick good people to do the investing—and I think that we have—that money comes in. The other major reforms have been brought about by what are known as the Goss amendments which, in fact, restricted common law access, particularly in relation to smaller claims, when the lawyers were eating up far too much money.

We have given an indication that we will review the scheme in the future. We will be reviewing all aspects of workers compensation. We will continue to review the common law, but we will do so in a way that is compatible with the scheme remaining the best scheme in the country.

It is important that some fairness be inherent in this place. That is why, in relation to another matter, I was very disappointed today with the speech in this place by the Leader of the Liberal Party, in which he attacked officers of my department in a contemptible way. In his first paragraph he suggested that this nest, as he called it, has links to Labor's electoral fraud, yet in his whole speech he produced no evidence in relation to electoral fraud being in any way connected with my department. He named some people in the Labor Party, but in spite of saying in his first paragraph that he was going to show links to electoral fraud, he totally and utterly failed to do so. He just damned people by mentioning their names. He got a lot of the facts wrong. He spoke of Madonna Jarrett as being the head of the Workers Compensation Policy Unit. She has been gone for months. She does not live in the electorate of Mount Coot-tha. She went willingly to work in New South Wales. That was her choice.

What the member did was disgraceful, yet he is the man who pretends that he has always been an opponent of any deals with One Nation. That is just not so. When Dr Watson succeeded the member for Caloundra as Leader of the Liberal Party, very shortly after the 1998 election the member for Surfers Paradise was attempting to form a Government—something he did for several weeks—which would have required the support of the National Party, the Liberal Party, One Nation and the Independents. At no stage did the new Leader of the Liberal Party come out and say that no such Government could be formed because he would not go into a Government which required a close alliance or working arrangement with One Nation members. He never once repudiated the formation of a Government which of its essence required One Nation's support.

Further to that point, I know from personal knowledge that leaders of a very important ethnic group in Queensland approached the new Leader of the Liberal Party in that period between the 13 June election and the final formation of the Labor Government on 29 June and asked him to openly repudiate any desire to go into Government, because it would of its essence require a deal with One Nation. The Leader of the Liberal Party, Dr Watson, refused and said to the ethnic leaders, "What do you want me to do? Do you want me to commit political suicide?" This man, who now wanders around pretending to be a political sophisticate, was quite prepared to go into office, and the only way he could do so was with the support of One Nation. Yet he stood up in here today and damned people merely because some of them happened to be members of the Labor Party—people who have worked for years in a Government department with great propriety and skill.

I challenge the Leader of the Liberal Party, who is not in the Chamber at the moment, to repudiate what I said. He cannot deny that he was prepared to go into office with One Nation's support in 1998, because he never denied it then, and Borbidge continued to try to form a Government which required Liberal and One Nation support. I also challenge him to deny—because he knows the truth of

it—that when he was approached to openly say he would not go into office with One Nation's support he refused.

He is condemned by his public silence in June of 1998 and it is hypocritical for him now to wander around pretending that he would never have anything to do with One Nation, that it was presumably only the previous leaders, the members for Caloundra and Clayfield, who would ever engage in such nefarious activity. He was in there with them. He would be on the Government side today in an alliance with One Nation if he had got his way and the member for Nicklin had supported such an alliance.

The man is condemned as a hypocrite and he is looking even worse for his improper and disgraceful attack on good public servants. His facts and imputations are wrong. No electoral fraud was even mentioned in his claim. This is the Opposition we have to deal with—an Opposition led by a Liberal Party Leader who has lost all propriety in the way he goes about his business. He lost it in June 1998 and he has not recovered it since.

I thank the Opposition for its support for this legislation, which has been expressed by the member for Caloundra. I believe the Opposition, when it was in Government, did some good things in relation to WorkCover, just as I believe we did in the Goss Government days when the problems arose, after they were revealed—the Goss Government amendments as they were called. Some of those amendments were moved and some procedures were adopted by the Opposition when they were in Government. I accept that the figure was \$35m a year, which we are now repaying. We have together at different times done some good things, but we do not need attacks on individual public servants on the same day as we are trying to do the right thing by the best workers compensation scheme in this country.

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