



Speech by

Hon. P. BRADDY

MEMBER FOR KEDRON

Hansard 19 October 2000

MINISTERIAL STATEMENT

WorkCover

Hon. P. J. BRADDY (Kedron—ALP) (Minister for Employment, Training and Industrial Relations) (9.51 a.m.), by leave: I lay upon the table of the House the annual report of WorkCover Queensland 1999-2000 and the Statement of Corporate Intent 1999-2000.

This year WorkCover Queensland reached a fully funded position. I remind the House of the Opposition's predictions that WorkCover Queensland would become bankrupt under Beattie Labor's legislative reforms. The Opposition engaged in constant scaremongering on the issue—

Opposition members interjected.

Mr BRADDY: And those opposite are at it again, carping and whining, envious and ignorant. The Member for Clayfield, the then shadow Minister, said in this House on 14 April 1999 that our WorkCover legislative reforms would result in—

"The reckless abandonment of prudent and financial practices in the administration of Government departments and instrumentalities such as WorkCover Queensland."

The truth is that WorkCover has achieved its greatest ever success under the Beattie Government. It is delivering better than ever before for Queensland employers and Queensland workers. WorkCover is performing for Queensland employers. Under Labor it has reduced its average net premium rate to 1.75%, the lowest of any Australian State.

This reduction is from an effective high rate of 2.15% in July 1998, when the Beattie Government came to office. We inherited, as I say, an effective rate of 2.15%—comprising the then average premium rate of 1.95% plus a 10% surcharge. WorkCover is performing for Queensland workers. Our reforms have given all Queensland workers better, fairer and quicker access to workers compensation.

This result has been achieved at the same time that WorkCover has been able to allocate specific financial resources for an investment fluctuation reserve. The reserve will help minimise the impact of volatility in WorkCover's investment returns and therefore give a more stable base from which premiums can be calculated.

WorkCover's customers-first philosophy is working. Clients are getting better service and cheaper premiums overall. The job now is to consolidate the stability of this low average premium rate. To make it easier for employers to budget for their premium, WorkCover has set rates a year in advance.

As well, WorkCover reviewed its premium system to ensure an equitable balance between premium costs and premiums. Rates that were previously capped at three times the industry-based rate were capped at twice the rate this year. WorkCover also introduced retrospective premium adjustments for employers whose common law settlement amounts were different from the estimated amounts in their premium calculations. The review of the premium system will continue, with WorkCover consulting extensively with industry and employers.

Realising that the best approach with regard to common law claims is to settle claims quickly and fairly, WorkCover implemented an early settlement strategy during the year. Next year, WorkCover

will continue to look at the common law claim process to ensure it is customer focused and being managed in the best possible way.

As the annual report shows, an open communication strategy with customers is being fostered by WorkCover. For instance, WorkCover last financial year travelled the State explaining legislative changes, such as the new definition of "worker" as well as how the GST applied to WorkCover premiums.

In the areas of GST and Y2K compliance, WorkCover made smooth transitions through these significant operational changes. There was no disruption to customers, despite the complexities thrown up by the new Federal Government tax. The annual report also highlights the support WorkCover has given in helping in the establishment of Q-COMP—the independent body monitoring the equity and impartiality of the regulation of workers compensation in Queensland.

These changes are important but the bottom line for clients is how quickly they get a decision on their claims. In this regard, statutory claims are being dealt with faster than ever before. As at 30 June 2000, 68% of claims were being decided within seven days. This is an increase of 15% since last financial year.

To help injured workers get faster access to their compensation benefits, WorkCover introduced electronic funds transfer for payments. This is one step into a two-year e-business project for WorkCover. Not content to rest on its successes, WorkCover also stepped up training for its customer service and managerial staff during the year.

WorkCover developed the first Graduate Certificate in Case Management course with Griffith University to help claims staff improve their skills. It is equipping its people with the necessary skills to provide excellent service to the employers and workers of Queensland. Last year, WorkCover successfully placed in permanent employment 22 of the 30 trainees it took on as part of the Government's Breaking the Unemployment Cycle.

I thank WorkCover's Board of Directors, chaired by Ian Brusasco AM, for its commitment and vision. The board is dedicated to creating a workers compensation scheme where the best possible benefits are paid to workers at the cheapest possible cost to employers. WorkCover has come a long way under the Beattie Labor Government and I am very proud of its achievements.
