



Speech by

Michael Choi

MEMBER FOR CAPALABA

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PROFESSIONAL STANDARDS BILL

Mr CHOI (Capalaba—ALP) (11.57 a.m.): I rise to speak in support of the Professional Standards Bill 2004. In a sense it is unfortunate that this bill has to be introduced. Over the past several years major problems have emerged regarding the availability and affordability of professional indemnity insurance. That is the situation not only in the state of Queensland but also generally in Australia. The reasons for the steep increase in professional indemnity insurance, if available, are numerous. Some increases are justified, but in relation to others the insurance industry has a lot to answer for. However, it is not my intention to discuss them today.

Having said that, and notwithstanding the factors causing the upward trend in professional indemnity insurance premiums, one thing is for sure, and that is that it has caused severe problems in the professional community. As a consequence of rising insurance costs, some professions are opting not to insure, exposing consumers to no recourse in the situation where the professional may be found irresponsible. At the very least, some if not most of such increases in professional indemnity insurance have been passed on to the consumer.

The Queensland government proudly introduced the first stage of tort reform in the year 2002 through the Personal Injuries Proceedings Act. In March 2003 the Queensland government introduced the Civil Liability Act to put further downward pressure on professional indemnity insurance. As history shows, it has achieved significant results in that regard.

There are two key features of this bill that I will speak about today. This bill proposes that persons engaging in substantially similar occupations will be encouraged to improve the standards of their work through an ability to limit their exposure to liability for their work as a group represented by an association. This is certainly a huge improvement. It will enable a professional body to group together and purchase insurance and to act as a group.

The second key feature of this bill is the ability to proportion liability in Queensland. This is the first time we have been able to do this in this state. This bill has been subject to consultation with a lot of community groups and associations. I spoke to the Institute of Engineers, which I used to be member of, and it fully recommended this bill. With those few words, I commend the bill to the House.