



Speech by

**Pat Purcell**

**MEMBER FOR BULIMBA**

Hansard Tuesday, 9 November 2004

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## **WORKERS' COMPENSATION AND REHABILITATION AND OTHER ACTS AMENDMENT BILL**

**Mr PURCELL** (Bulimba—ALP) (9.06 p.m.): I rise to speak in the debate on the Workers' Compensation and Rehabilitation and Other Acts Amendment Bill 2004. Before I commence, I would like to make a comment on the point made by the previous speaker, the member for Currumbin, about workers getting two days off at Christmas to be with their families. This is a party that proposes to represent families. To get two days off at Christmas time to spend with one's family, what a crime! I hope they put it on the front page of the *Courier-Mail* that it is Labor that is supporting families by giving them two days together.

**Mr Terry Sullivan** interjected.

**Mr PURCELL:** Especially on a Sunday.

**Mr Springborg:** Except families on the Gold Coast and Sunshine Coast.

**Mr PURCELL:** No, not at all. They only work if they volunteer. If they want to volunteer they can work. They have a choice. They do not have to work if they do not want to.

**Mr Springborg** interjected.

**Mr DEPUTY SPEAKER** (Mr Wallace): Order! If the Leader of the Opposition wants to interject, I suggest he should return to his seat.

**Mr PURCELL:** I think I have made the point. The Beattie Labor government has advocated a full commitment to achieving a balance between benefits for workers and low premiums for employers. There is no doubt that effective claim management is the core of this balance. I would like to back up my colleague for Toowoomba North who said that the management of common law claims via the board has been very effective.

As such, we remain vigilant about ensuring injured workers return to work both quickly and safely. Injured workers in this state have a right to the expertise of an experienced case manager who will work together with their employer and medical provider to ensure the most effective transition for their return to work. Injured workers have the right to workers compensation. That has been a right in this state since the Labor Party brought it in in the early 1930s. This was brought in by a Labor government. These rights continue to be looked after by a Labor government.

Some employers have in the past tried to avoid their workers compensation obligations through paying their own claims. The experience based rating system used to calculate premium rates provides an incentive for employers to provide safe work practices. Importantly, the premium setting method aims to provide a level playing field for employers and enable access to workers compensation for all Queensland workers.

Ironically, employers who pay their own claims actually incur more expense through an increase in claim duration due to poor rehabilitation practices, and I must say that that is on short-term injuries. The lack of an offence or penalty provision on employers for paying their own claims provides no incentive for

employers to refer all claims to WorkCover for management. I am pleased to note that this bill provides that a premium penalty can be imposed on those employers who engage in this practice. Specifically, this bill provides that a penalty of up to 50 per cent of an employer's premium can be applied in circumstances where deemed appropriate under the act. In deciding whether to impose a penalty, consideration will be given to the severity of the injury, the magnitude of the contravention and the employer's compliance history, and I will come back to that in a minute. The bill does not prevent the employer from paying compensation during the excess period and allows employers choosing to pay compensation to their workers while they wait for WorkCover to approve a claim to continue this practice.

There are large employers that insure themselves. Some of them are mining companies, as the member for Fitzroy would know, and some of them are refining companies where the practice is that they do not put their workers on compo ever. They put their workers off, continue to pay them and ask them to come into work to work. Even if they are home for a week crook, they never go on compo. Therefore, they never have an injury under the act because they never pay workers compensation. Like those who worked on the F111s, those who worked in refineries and vessels were exposed to fumes and petroleum additives that were carcinogenic. That has now been proven and the federal government is now up for compensation for its workers for putting them at risk while cleaning out those tanks. There are companies here that have done that, but those people have never gone on workers compensation, they never lost a day and they never had a WorkCover injury under the act. They were made redundant and then some years after they left they contracted cancer and other sicknesses from their workplace. Therefore, common law has been denied to them. I thank the minister and his staff for bringing this part of the bill forward so that workers are covered and have a right to common law when they incur injuries at work, and employers who try to get around it will hopefully be severely penalised.

The only scheme in Australia that is in the black is the Queensland scheme. That says a lot for self-insuring and looking after one's own insurance scheme. Other states that let their insurance schemes be competitive with companies such as HIH and other insurance schemes have gone down the gurgler and now owe hundreds of millions of dollars—in some cases, thousands of millions of dollars—and employers will be paying that for many years to catch up. I congratulate the chair, Ian Brusasco, for his hard work and the hard work of his board in their investment regime. It is a brilliant regime of investment that has kept this scheme in the black and will continue to do so. So congratulations to Ian and his board.

Queensland has the lowest premiums of any state. In some cases they are up to half what they are in other states. This gives an advantage not in this legislation but previous legislation—that is, if employers are based in Queensland and work over the border, they can continue to pay the premiums here in Queensland because their head office is in Queensland. It is an attraction for businesses to come to Queensland and set up their offices here because they will have lower premiums and lower costs. It is a big advantage, particularly in the building industry and those sorts of areas. Companies here used to work over the border as far as Ballina and other places, and it got very costly for them with the premiums that had to be paid in New South Wales. That has all been changed. It is better for a business to have their office here and work here. Improving the conditions of workers has been the board's aim, and it will continue to do that through this minister with this bill. Those with long-term injuries are better looked after, premiums are not rising and lump sum payouts are going up. All in all, workers in this state are getting better looked after than anywhere else. I support the bill.