



Speech by

## Hon. Cameron Dick

MEMBER FOR GREENSLOPES

Hansard Thursday, 26 November 2009

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### MINISTERIAL STATEMENT

#### WorkCover Queensland

**Hon. CR DICK** (Greenslopes—ALP) (Attorney-General and Minister for Industrial Relations) (10.11 am): During the last sitting week of parliament I tabled the WorkCover Queensland annual report for 2008-09. In tabling the report, I pointed out to the House that WorkCover Queensland, like virtually all organisations throughout the world, had been adversely affected by the global financial crisis last financial year. Negative investment returns were the main reason that WorkCover recorded an operating deficit of \$567 million for 2008-09. Despite this result, WorkCover Queensland has maintained its position as the most stable workers compensation scheme in the nation. It is fully funded with a positive funding ratio of 127 per cent. Fortunately, the turnaround in financial markets in recent months has meant that WorkCover has posted a positive return—

**Opposition members** interjected.

**Mr SPEAKER:** Order! There are far too many interjections. I tolerate it if I feel that the minister's ministerial statement is an attack on the opposition. That is not the case in this instance. I ask, therefore, that courtesies be extended to the honourable Attorney-General.

**Mr DICK:** Fortunately, the turnaround in financial markets in recent months has meant that WorkCover has posted a positive return of more than \$41 million in the September quarter this year. Despite that, the operating result for 2008-09 has posed challenges for the WorkCover board. To determine a path forward and ensure the viability of the scheme, the WorkCover board has met to consider options to ensure the ongoing viability of the scheme.

The board has now made a number of recommendations to the government to keep the WorkCover scheme strong and viable. Among the recommendations are progressive increases over time in the average premium rate of \$1.15, the establishment of either a 10 per cent or 15 per cent whole person impairment threshold to be eligible for common law claims, and modification of the statutory claims benefits in response to any common law threshold that might be introduced.

Each of the recommendations, if accepted, would have ramifications for the scheme. There would also be ramifications for employers and employees, but all recommendations will be carefully and thoroughly considered by government before any decisions are made. It should be noted that Queensland employers currently have the lowest average premium rate in Australia of \$1.15 per \$100 of wages. This compares very favourably with other states, such as Victoria, which has a rate of \$1.39; New South Wales, which is at \$1.69; and South Australia, which is \$3.

My department will liaise with other relevant government departments on the recommendations. Once the advice of government agencies has been considered, it is my intention to consult extensively with all stakeholders and the Queensland community before any decisions are made. The government will embark on a deliberate and careful process of consultation and analysis in relation to these recommendations to determine the best way forward for Queensland's workers compensation scheme. This is a matter that the government does not intend to rush because we need to get it right. I can, however, assure the House that the government is determined to maintain the viability of the scheme and ensure that it continues to provide support for injured Queensland workers.