



Speech by

Michael Crandon

MEMBER FOR COOMERA

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VICTIMS OF CRIME ASSISTANCE BILL

Mr CRANDON (Coomera—LNP) (2.53 pm): I rise to contribute to the debate on the Victims of Crime Assistance Bill 2009. One of the objectives of the bill, among other things, is to provide a scheme to give financial assistance to certain victims of acts of violence. One aspect of the purpose of the bill, as mentioned in the explanatory notes, is to make the scheme simpler and easier to access. I applaud the Attorney-General and the government for endeavouring to make this so.

I do have some questions regarding the payment of amounts intended as non-expense assistance of up to \$20,000 that are offset by any amount received under the Workers Compensation Act. It appears that currently amounts received under any victims of crime scheme, including criminal injury compensation and death benefits, are exempt for the purpose of offset under the Social Security Act 1991.

This infers that victims that receive an amount currently would not lose Centrelink benefits. These benefits may, for example, be received as a result of injuries incurred during the crime against them. They may legitimately be on Centrelink benefits because they are unable to work. Currently they do not appear to lose any benefit as a result of receiving compensation.

My question is: under the new bill, given that an offset is imposed against workers compensation, if workers compensation were not involved would a payment being received from Centrelink be reduced or lost on receiving this non-expense assistance? This bill suggests that an amount received under workers compensation is income.

Another question I have relates to the taxation implications. Once again I refer to the offset against workers compensation. It again implies that the amount is income. What is the effect of receiving this amount with regard to income tax? Workers compensation is income tax assessable. Would this amount also be income tax assessable?

Coming back to my original question, is there an unintended consequence in drafting this bill? If the amount is offset for Centrelink purposes, it seems to be unfair that this is not. These amounts are meant to be payments to victims of crime to give them a hand up, not a hand out. They have sustained a terrible crime against them or against a family member. Surely this could not be regarded as double dipping. They should be entitled to their Centrelink entitlements or other benefits as well as this amount from the victims of crime legislation. It is assistance as a result of the crime suffered. To my mind and to any fair minded person, these victims should not lose other benefits and entitlements.

I come back to my question once again: is there an unintended consequence? Is this non-expense assistance going to be affected under federal taxation legislation? Once again, any fair minded person would surely agree that this should not be the case. Could the Attorney-General clarify these matters for the House?

My final point is: when it comes to making payments to victims of crime that can be linked back to income rather than simply a lump sum, if they have income protection insurance it is quite likely that, under the insurance laws, any income protection benefit being derived from an insurer will be clawed back. In other words, if we have a part of the benefit being paid to a victim of crime focused on an income

component then there is an offset clause in most insurance policies that would in fact claw back benefits. Once again, it simply unfair. I am just wondering whether that is an unintended result of the legislation as it is drafted. Could the Attorney-General confirm that there is no flaw in the legislation that will cause victims of crime to not receive the additional financial support due to this clawback potential right across-the-board—the clawback through taxation, the clawback through Centrelink and the clawback from insurance—as I have outlined above?