




Speech By
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MEMBER FOR SOUTHPORT

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WORKERS' COMPENSATION AND REHABILITATION AND OTHER LEGISLATION AMENDMENT BILL

 **Mr MOLHOEK** (Southport—LNP) (9.20 pm): I rise tonight to speak in support of the Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill. I am disappointed that the member for Gaven has decided to leave us after delivering what I thought was a fairly interesting perspective on this bill. I felt it was absolutely inappropriate for him to try to draw an analogy between our government and the Nationalist Socialist Party of Germany back in the times of the Second World War. These sorts of comments from the member for Gaven should not surprise us. Just yesterday we heard him rise in the House and make all sorts of accusations about the effectiveness of the Gold Coast University Hospital. He attacked the Minister for Health, Minister Springborg, about the performance of that hospital. We have increased spending on the Gold Coast by some \$178 million this year. We have built a brand new hospital. Today I received a phone call from the local media suggesting that the member for Gaven, who leads the Palmer party here in Queensland, has come up with another great plan and that is they are going to buy the old Gold Coast Hospital. Apparently Mr Palmer is going to make an offer on the basis that he just pays the land value and we give them everything else on the site and then he is going to refurbish it and run a whole new hospital at his expense because the new Gold Coast University Hospital is apparently inadequate. The Gold Coast University Hospital was built at a cost to taxpayers of some \$1.8 billion. It has capacity for the next 10 years. We have six brand new services available on the Gold Coast that we have never had before. The member for Gaven continues to attack and make all sorts of unfounded claims and when the Minister for Health sends someone out from the appropriate body within government to investigate these accusations he comes up dry without any evidence.

Here he is again tonight coming up dry with hollow argument and debate about this legislation. He makes all sorts of comments and accusations about the changes we are wanting to make. He casts aspersions on the members of this government and suggests that Campbell Newman and the bureaucracy are out of control, that there is no discipline, there is no function, but he completely overlooks the fact that his leader has demonstrated nothing but an unbridled passion, through his public statements, to control the balance of power in Canberra. The last time I checked our government was elected with a strong majority. The people of Queensland supported the LNP in Queensland. They gave us many, many seats to act responsibly and make good decisions in the best interests of Queensland. Yet we hear accusations from the leader of the Palmer party in the House tonight suggesting that the appropriate way to run a government is from a minority position and to somehow try to use some sort of leverage or coercion to take control of the government and to run your own agenda.

I do not believe we need any further evaluation. As the member for Broadwater quite rightly pointed out earlier, it has been some 14 months in the coming. Queenslanders, business and lobby groups have had plenty of time to provide evaluation. I have done a little evaluation of my own that I think is highly relevant in this discussion. The fact is that when we came into government business in

Queensland was bleeding, more and more jobs were moving offshore and many businesses were becoming uncompetitive and struggling to stay afloat let alone create opportunity and employment for people. We are in the midst of seeing some of the highest youth unemployment in recorded history within our state and youth jobs are at unacceptable levels. Another bit of evaluation that is relevant here is the fact that we were elected to try to fix this mess. There has been 20 years of Labor mismanagement, 20 years of 'Labornomics' here in Queensland, and what do we have to show for it? Under Labor the harder businesses worked the unluckier they got. You work hard to grow your business, to make a profit, create opportunity and to give someone a job, which is a tremendous privilege, and then what do we do? We charge them more. We put up their premiums. We make it more expensive for them to operate. We make it difficult for them to stay afloat. Then we wonder why businesses are shutting their doors.

In my corporate business days I saw year after year the workers compensation costs and other costs go up and up and up. Then just a few years ago as a small business person, things went pretty well for a year or two and I thought, 'Wouldn't it be great to put on a full-time administration staff member? Wouldn't it be great to bring a full-time salesperson into the business?' As I started to look at the costs involved—the work health and safety regulations and the workers compensation premiums and all the other red tape—I came to the conclusion pretty quickly that it was easier to stay as a solo operator for a little longer. Eventually I had the need to put someone on. I created a part-time job for someone. I rang up and paid my first WorkCover premium. In the space of just three years that premium went up 400 per cent. There were no claims through my business. There were no issues in my small business. But the premiums under WorkCover continued to go up to unsustainable levels to the point where it was all too hard.

I stand here tonight to commend the Attorney-General and the Finance and Administration Committee for their efforts in the face of considerable pressure and unwarranted scare campaigns from the labour unions. Since the review was announced I have spoken to many constituents and business owners in my electorate who have voiced their opinion about our workers compensation scheme—what should be changed, what should remain the same—but all of them agreed on one thing: the Queensland workers compensation scheme is the best scheme for workers and employers in Australia. However, there is room for improvement. This bill addresses those areas of concern while maintaining the high standard and employment protection Queenslanders have come to expect from our workers compensation scheme.

When speaking with business owners in my electorate the issue of fraudulent claims has been raised with me on more than one occasion. Many in the business community are suffering at the hands of irresponsible and dishonest employees who see the workers compensation scheme as their ticket to early retirement. One small business owner spoke to me about multiple employees who had teamed up and provided false statutory declarations for each other so each of them could claim a payout. Every time this happened the business's premium skyrocketed to the point where the business had become unsustainable. This was a business in my electorate on the coast that was providing full-time employment for some 60 people. They came to see me at Australia Fair about six months ago and said it was at the point now where the premium and the conditions and everything else that had been placed on them were unreasonable. They had people coming to them with work histories who were not declaring them and then putting in claims for old injuries that had occurred in a different work life in a different setting.

We need to attack and address this issue because we need to get Queensland going. We need to create jobs. We need to continue to build that reputation that we are so committed to building, which is one of being the best place in Australia to come and set up a business, to build a home and to create a future. However, the particular businessman I mentioned before wanted to know what recourse he had and what penalties were applicable to those fraudulent workers. He wanted to know why no-one was taking his concerns of fraudulent claims seriously. Our government has listened to those concerns. The Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill will increase the penalties for fraudulent claims to 500 penalty points or five years imprisonment. We are also changing the law so that WorkCover is legally required to refer all allegations of fraud related offences to the scheme regulator for investigation. This is an effective and responsible approach to a widespread problem and I will be pleased to return to my electorate tomorrow and speak with business owners about these changes. It is an important win for Queensland businesses that have long been fighting this battle with little ammunition.

The scaremongering that has gone on as a result of the review into workers compensation has been outrageous. Last week I received an email from a school principal in my electorate. It states—

Hi Rob,

I just thought I'd let you know that the Teachers' Union is asking its members to take action against the LNP Government, alleging that your LNP Government is preparing legislation to:

- take away journey cover for travel to and from work; injuries that occur on journeys between worksites; injuries that occur on any recess break.
- limit payouts in (civil legal action for employer negligence) common law claims if injured at work.

Rob, I am unsure as to whether this is in fact true (and obviously I would be opposed and most concerned if it was), however, I thought I would:

- a) give you a heads up,
- b) get a confirm from you that this is or is not in fact the case,

and

- c) seek your personal views on such a proposal

I wish you well.

We wrote back to this particular school principal and he was more than happy with the response, because we were able to give some undertakings about the policy direction of this new legislation. The action referred to in this email which was being encouraged by the Teachers Union was sending postcards to the offices of members of parliament protesting the removal of journey claims from the workers compensation scheme. My office has received at least 70 of those. The thing that annoys me about this is the fraudulent behaviour of the opposition in creating unnecessary alarm with no regard for the concerns, feelings and worries of ordinary working families, whipping up a frenzy about issues that are simply not true or factual.

I am reminded of the way that Labor does business every time I go past the lift to level 9 and see those placards behind their desks stating, 'Queensland is not for sale' and 'Queensland hospitals are not for sale'. It is another great example—

A government member: Queensland Rail is not for sale.

Mr MOLHOEK: Yes, apparently Queensland Rail is not for sale either. The hypocrisy of the opposition is breathtaking. All of this is just a tremendous waste of time and union members' fees, particularly after the Attorney-General again confirmed his commitment and announced in this House that there would be absolutely no change to journey claims. The Attorney-General referenced the transient nature and size of our fly-in fly-out workforce as important reasons to retain journey claims. We are the only state to maintain journey claims for every worker.

This bill also maintains access to common law claims except for those with a medically assessed impairment of less than five per cent. As part of the review process, the evidence provided for common law claims indicated 56 per cent of claims were for those with a work related impairment of zero per cent to five per cent. Incredibly, those represented 52 per cent of all costs in 2011-12. It should also be noted that all injured workers are entitled to compensation under the statutory payment scheme, which is a no-fault scheme. Claims are more appropriately dealt with through the statutory scheme, instead of the courts.

Earlier I mentioned some of the challenges that I have experienced in this space as a former employer. From the opposition's point of view, the economics of this are quite interesting. I am not sure that they really understand basic economic principles. The principle seems to be that you keep pushing up the wages and the conditions of people so they can earn more and then when people do start to earn more you tax them and business more, because you need more and more money to cover fraudulent claims and to support people on welfare and people who cannot get jobs because the jobs start to diminish because business cannot keep employing people. You end up handing out more and more money to people, many of whom should be supported. Those people who are disadvantaged in our community should be supported. However, it is ridiculous for us to be supporting people who want to rot the system. Speaking of people who rot the system, some lawyers skim off extortionate amounts of money from compensation claims under a no-win, no-fee system. They will provide their services for some ridiculous amount of money, but they get to keep half of the payout. They value themselves at \$400 or \$500 an hour and are out there, hand on heart, like our good friends in the Labor opposition, saying, 'We're here to help, but we're happy to help because we are getting 400 bucks an hour and we will make sure you get your \$25 an hour'. The hypocrisy of this organisation and the opposition in this space is just incredible.

The only way that business can thrive in Queensland is to have great work conditions. The only way that business can thrive is if they have some certainty around their premiums and their costs. They need to know what their overheads are. It is simply not sustainable for a business to be paying \$10,000 in WorkCover premiums one year and then the next year they find they have to pay \$25,000 and then two years later it has gone up to \$89,000. In the case of the Gold Coast business that I

mentioned earlier, which has 60 employees, the premium had gone up to something like \$178,000. You do not have to be a rocket scientist to work out how many jobs that would have created.

As a parent, my hope is that we can provide a great future for our kids. My passion is to see everybody with a job. My passion is to see everyone who does not have a job but could be doing a job have a job. While we keep jacking up the costs and handing out more money to people who really do not need it and are already getting far more than they should, and while lawyers are gouging the system, we simply rob our kids of a great future. That is why I am here. That is why I ran for the election last year. That is why I decided to hopefully spend the second part of my working life in politics, serving the Gold Coast and Southport community, which I love. Frankly, I am sick of hearing the stories of people who come to my office to tell me that they are struggling to get a job and are struggling to get by. I listen to businesspeople who are tearing their hair out trying to meet the overheads that are imposed by the sort of policies we have seen from the opposition, the 'Labornomics' of business management in Queensland.

It is important to point out that a job is actually a privilege, it is not a right. It is a privilege. We have to stop penalising our entrepreneurs and risk takers for giving people a go. Workers compensation was never supposed to be an alternate form of welfare. It was supposed to be a fair and reasonable recognition and compensation for real harm and to cover and support those people who had a genuine injury at work. I am happy to add my support to the Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill.