




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

Record of Proceedings, 19 April 2016

NATIONAL INJURY INSURANCE SCHEME (QUEENSLAND) BILL

Introduction

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Sport) (2.43 pm): I present a bill for an act to provide for a scheme for the treatment, care and support of persons seriously injured in motor accidents, and to amend this act, the Civil Liability Act 2003 and the Motor Accident Insurance Act 1994 for particular purposes. I table the bill and explanatory notes. I nominate the Finance and Administration Committee to consider the bill.

Tabled paper: National Injury Insurance Scheme (Queensland) Bill 2016 [\[526\]](#).

Tabled paper: National Injury Insurance Scheme (Queensland) Bill 2016, explanatory notes [\[527\]](#).

I present a bill for an act to provide a scheme for the lifetime treatment, care and support of persons catastrophically injured in motor vehicle accidents. The introduction of the National Injury Insurance Scheme (Queensland) Bill 2016 is a significant social reform. The National Injury Insurance Scheme is a companion scheme to the National Disability Insurance Scheme and is just as significant in the impact it will have on the lives of Queenslanders who sustain life-changing injuries. Right now, around half of the 140 people in Queensland who are catastrophically injured in motor vehicle accidents every year are not guaranteed the lifetime care that they require. Often, those Queenslanders have to rely on the support of family, friends and carers, not-for-profit groups, public health and welfare systems. That can lead to compromised care and support, poor recovery and a limited ability to re-engage with their community. Today's bill changes that.

The introduction of a National Injury Insurance Scheme is one of the largest reforms in this space since the introduction of CTP insurance in Queensland in 1936. In 2013, the former government signed a national heads of agreement with the Commonwealth, which committed Queensland to either implement a lifetime care and support scheme for motor vehicle accidents that met the agreed minimum benchmarks or be 100 per cent responsible for the costs of people who sustain catastrophic injuries from 1 July 2016. The former government did little to prepare for the scheme's introduction in the two years after Campbell Newman signed the heads of agreement and it has been left to the Palaszczuk government to act. Queensland is the last state to introduce a National Injury Insurance Scheme. This bill demonstrates the government's commitment to building safe, caring and connected communities.

I note the inquiry by the Communities, Disability Services and Domestic and Family Violence Prevention Committee and, following its transfer in February 2016, the Education, Tourism, Innovation and Small Business Committee has informed the development of this bill. Under this inquiry, the no-fault model and a hybrid model were considered by the parliamentary committee, pursuant to its terms of reference.

Queensland's CTP insurance scheme has served the community well and it is currently considered one of the most stable, affordable and efficient schemes in Australia. However, Queensland's CTP insurance scheme is a common law fault based scheme. An injured person can only claim against it where fault can be established against an owner or driver of an insured vehicle. Around half of all people seriously injured in motor vehicle accidents are not eligible to claim against CTP insurance. This may be because there was nobody at fault, such as where an animal caused the accident or the injured person is deemed to have caused the accident. For people deemed to be at fault in a motor vehicle accident or in a situation where there is no negligent party involved, there is a gap in coverage.

Since February this year, we have been undertaking community awareness to let Queenslanders know 'you're not half as protected as you think'. A catastrophic injury could happen to any one of us. It could happen to a loved one or a friend. The cost of their care over their lifetime can be millions of dollars. This can be devastating, not only for the injured person but also for their family and friends. In Queensland, the National Injury Insurance Scheme, the NIISQ, incorporates a no-fault model and retains common law rights to recover the costs of treatment, care and support for those who are not at fault for their injuries. Under the NIISQ, all people catastrophically injured in a Queensland motor vehicle accident would immediately become participants in a no-fault scheme, irrespective of fault, with care and support services managed by the National Injury Insurance Agency, instead of through the CTP insurer. Persons who have a claim against a CTP insurer—that is, where they can assert fault—may also pursue a claim for non-economic loss and economic loss.

In addition, certain participants will be able to elect to opt out of the no-fault scheme and pursue a common law lump sum amount for care and support from the NIISQ. This ability to seek common law damages is a fundamental existing right of our legal system. However, lump sum compensation is not without its challenges. To minimise the risk of these lump sums exhausting, the legislation proposes that only persons who meet certain pre-conditions may opt out of the NIISQ. These pre-conditions include where the person is an agreed lifetime participant who has a valid CTP claim with contributory negligence less than 25 percent and who has not been excluded from receiving a lump sum by the court. In addition, the existing safeguards under the CTP scheme would continue, with court sanctions and trustee management where required.

The principal features of the bill are as follows. The National Injury Insurance Agency Queensland will be established and will pay the reasonable and necessary treatment, care and support expenses of participants in the scheme. This includes medical treatment; pharmaceuticals; dental treatment; rehabilitation; ambulance transportation; respite care; attendant care and support services; aids and appliances; prostheses; educational and vocational training; and home and transport modifications. The National Injury Insurance Scheme Fund will be established to be used for the purposes of the scheme, which will be solvent from day one.

A person will be eligible to participate in the scheme if they have suffered a motor accident injury that satisfies the definition in the bill, with criteria for eligibility to be detailed in the regulations. A person will be eligible if they have suffered a serious, permanent spinal injury or a traumatic brain injury, high level or multiple amputations, severe burns or permanent blindness. Participation in the scheme will be either as a lifetime participant or as an interim participant—with interim participation lasting two years or until acceptance as a lifetime participant. Once accepted as a lifetime participant, treatment, care and support will be provided for a person's lifetime unless a person opts out of the NIISQ. There is provision for individual funding agreements and for certain participants to opt out and receive a lump sum.

An application for participation in the scheme can be made by or on behalf of the injured person or by an insurer of a motor accident claim in respect of the injury. The principles in the bill aim to put the participant, so far as is possible, in the centre of the decision-making process, maximising their independence and dignity. This will include the ability to have self-directed care where appropriate.

Internal and external dispute resolution mechanisms are provided to deal with disputes as to eligibility, disputes as to whether an accident is a motor accident covered by the scheme and disputes about a participant's treatment, care and support needs. Funding for the scheme will be provided by way of a levy to be paid by motorists at the same time as CTP premium and registration costs, and will be collected by the Department of Transport and Main Roads. This is the same funding model used in every state and territory.

In terms of the costs, the parliamentary committee examining the NIIS discussed at length a modelled cost of \$76 per vehicle for the introduction of a no-fault lifetime care with common law model. The figure of \$76 per vehicle has been on the public record now for some months. Today, I can advise that, as a result of the great work of this government, the committee and the Motor Accident Insurance Commission, we propose to implement an adjusted NIISQ model at a net additional cost to CTP

insurance of \$32 per vehicle. This is a saving of \$44 for every motorist from the original estimated cost. The savings will be achieved through MAIC working with CTP insurers to improve current CTP premium affordability and returning the part-year unearned CTP premium where cover will now be provided by the NISQ.

At this cost, the NISQ will be the most affordable scheme introduced nationally. This is an affordable scheme that gets the balance right for motorists. For 60 cents per week extra on CTP insurance, Queenslanders catastrophically injured will receive lifetime care. In order to seek further savings, it is proposed that the Palaszczuk government will also undertake a CTP scheme review in time for 2017-18 premium setting.

I urge the opposition and all members of parliament to support the bill. This is a scheme that should be above politics. I thank the committee and all of those individuals and organisations who made submissions or appeared before the committee at its public hearings. I think it is telling that no submission opposed the introduction of a lifetime care and support scheme in Queensland. Such strong community support has been crucial in ensuring all Queenslanders catastrophically injured in motor vehicle accidents, regardless of fault, receive the necessary and reasonable treatment, care and support throughout their lifetime. The government looks forward to ongoing dialogue with the community about this significant social reform.

First Reading

Hon. CW PITT (Mulgrave—ALP) (Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Sport) (2.53 pm): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

Referral to the Finance and Administration Committee

Mr DEPUTY SPEAKER (Mr Elmes): Order! In accordance with standing order 131, the bill is now referred to the Finance and Administration Committee.