




Speech By  
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**MEMBER FOR ALBERT**

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### **NATIONAL INJURY INSURANCE SCHEME (QUEENSLAND) BILL**

 **Mr BOOTHMAN** (Albert—LNP) (4.49 pm): I rise to make a contribution to the debate of the National Injury Insurance Scheme (Queensland) Bill 2016. At the outset I thank my fellow committee members and the committee staff. I thank the previous committee members who participated in the initial inquiry and the review of the bill: the member for Gaven and the member for Cleveland, who was the deputy chair. I welcome the member for Broadwater, our new deputy chair, and the member for Buderim. They certainly hit the ground running on a very complex bill.

The National Injury Insurance Scheme has been the source of much passion and views by all those involved. As an opposition member on the Education, Tourism, Innovation and Small Business Committee who served on both the initial inquiry and the review of the bill, I have gained a lot of insight. As a result, I question how the costings actually eventuated.

The NIIS stems from the findings of the Productivity Commission's disability care and support review. The purpose of this Productivity Commission report was to find a system that was cost effective and delivered essential care and support for Australians with significant and ongoing disabilities. On 8 May 2013 the Australian government and the previous Newman government signed a heads of agreement for a full transition to the NDIS in Queensland by 1 July 2016.

The Productivity Commission recommended the rollout of two separate schemes. The first was the National Disability Insurance Scheme, similar to Medicare, which would allow all Australians with significant disabilities to obtain long-term care and support. The Productivity Commission also recommended the setting up of a National Injury Insurance Scheme to cover lifetime care for those involved in motor vehicle accidents that resulted in catastrophic injuries.

Under the compulsory third-party insurance, funds are only awarded when fault can be determined. This left individuals who were involved in no-fault accidents with no financial safety net, unless they had their own private TPD or income protection insurance.

As I have previously stated, the opposition's main concerns about this bill stem from the potential significant increases in motor vehicle registration costs and how the department came to these costing figures. I refer to *Inquiry into a suitable model for the implementation of the National Injury Insurance Scheme*, report No. 11. On page 30, at section 6.1, 'Estimated scheme costings', the report states—

The following estimated annual net increases in costs were calculated for the options under consideration, in 2016 values and based on long-term economic assumptions:

- **Option A—Full Lifetime Care and Support System:** a total annual net increase of **\$253.8 million**, or approximately **\$60 per vehicle ...**
- **Option B—Hybrid Model:** a total annual net increase of **\$319.5 million**, or approximately **\$76 per vehicle ...**

We can certainly break that down further—

- \$151.4 million or \$36 per vehicle for the cost of the LCSS—

lifetime care and support scheme—

for people who are not entitled claim ... CTP ...

- an increase of \$6.2 million or \$2 per vehicle to the cost of CTP premium ... and
- an additional \$161.8 million or \$38 per vehicle for lifetime care and support payable by the NDIS and recoverable from the Queensland Government, in relation to people who have exhausted their CTP lump sum for care and support.

Ms Williams from Headway ABI Australia informed the committee on Monday, 9 May about the potential ways funds can be exhausted. She stated—

He was injured, received a lump sum payment and bought a property. That is usual. The marriage broke down, he was ejected from the house and he was homeless. We ended up taking him on in Queensland—he was in New South Wales—and he has lived in our transitional accommodation for a number of years. The family have the assets. He lives in one of our houses. He is essentially homeless.

On the same day, the member for Maryborough asked—

In the cases I have read the lump sums have been quarantined.

Ms Williams replied—

That should be the case across-the-board, but I know from experience that is not always the case.

These comments further back up the original costings by Treasury, originally published in report No. 11. I refer to the introductory speech of the Treasurer, in which he referred to \$44 in savings. Forgive me for being sceptical, but why were these so-called savings found by the Motor Accident Insurance Commission not implemented earlier, thereby reducing the cost of living for families? Cost-of-living pressures are certainly evident around the kitchen table at night, when families discuss how they can afford to pay the day-to-day bills. These are emotional circumstances, causing family stress whereby families have to simply do without. The government's duty is to ensure that any scheme is implemented using the most cost-effective approach to limit the impact on families.

I highlight comments made at the public briefing on 26 April. The department informed the committee that the savings are the same—there is just a different starting point—for option A and option B. If we apply the savings of \$44 to option B, as highlighted, it reduces to \$32. Option A's starting point is \$60. Applying the savings of \$44 takes it down to \$16. This is a far more affordable approach to be taken. I wholeheartedly support the comments made by the shadow Treasurer, seeking to do the responsible thing: lessen the impact on families. Option A is by far a cheaper option, but this government has decided to take the most expensive option—a further kick in the guts for families doing it tough.

This government is frozen at the wheel—a government paralysed by reviews, a government seeking a plan for a plan to work out a plan but a government hell-bent on pushing the cost of living through the roof to hurt those who can least afford it.