




Speech By
Jarrold Bleijie

MEMBER FOR KAWANA

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**WORKERS' COMPENSATION AND REHABILITATION AND OTHER
LEGISLATION AMENDMENT BILL**

 **Mr BLEIJIE** (Kawana—LNP) (12.33 pm): The best way that government can have a good workers compensation scheme is to have a strong economy because, ultimately, small business owners pay for the workers compensation scheme. It is concerning that this state, as the ABS statistics show today, has the worst unemployment rate in Australia because that impacts on workers compensation schemes because it means that people do not have jobs and that means that small businesses are struggling, and when small businesses struggle they do not employ people. The only way we can have a scheme where the ratio is at the moment is to keep the economy strong and growth in the sector strong because, without small businesses, there is no workers compensation scheme and we would not be having this debate today.

The minister looks perplexed. Does the minister not know that the people who pay for the workers compensation scheme are the business owners? They pay their \$1.20 per hundred dollars of wages. I am not sure why the minister is so perplexed at the comment that I made—that is, that having a strong economy leads to strong businesses leads to a better workers compensation scheme. We all want a better workers compensation scheme because no worker should go to work with the fear or threat of having an injury or the worse case of a death on a worksite. On all sides of politics we want to do everything we can to prevent that.

I want to congratulate businesses around Queensland. Even when I was the minister for industrial relations—and I know that the current minister and I have had this discussion before—many businesses in Queensland were really doing good things in workplace health and safety because they wanted to prevent injuries to their workers. When the awards come up for the best workplace health and safety programs that people have, a lot of the successes are because of the money from the workers compensation scheme being reinvested into businesses and assisting businesses with innovation and technology to ensure that they have world-leading safe practices for their worksites. It does take time for many businesses to adjust because it costs money and some of them do not have the money. That is why it is important to have a strong workers compensation scheme to help those businesses that cannot afford it because, at the end of the day, we want to prevent injuries.

As the minister said, the workers compensation regime and the legislation are not necessarily about a compensation scheme; they are actually about rehabilitation and getting people back to work, not just making sure people are compensated for the rest of their lives. If people who are injured enjoy their job, we want them to be able to get back to work and do what they were doing. The only way we can do that is to ensure businesses and practices are safe on our worksites right around Queensland, so I thank the businesses across Queensland that do invest in making their businesses safer for their workers.

As has been discussed today, the bill was introduced by the minister in August following the five-year statutory review undertaken by Professor David Peetz from Griffith University, who reported to the minister in May 2018. The review considered the performance of the scheme in meeting all of its

objectives under the act, including maintaining the balance between providing fair and appropriate compensation for injured workers while having a reasonable cost for employers and the effectiveness of return-to-work programs. From the outset, I want to make it clear that the LNP will not be opposing this bill. We will, however, monitor the impact of these changes on the viability of the scheme in the short and long term. As the review points out—

The key characteristics of the workers compensation scheme in Queensland are that it is a centrally funded, 'short-tailed', no-fault scheme, with access to common law damages. The principal administrative parties in the scheme are the Office of Industrial Relations (OIR), which devises policy and acts as Regulator, and the insurers, WorkCover Queensland and 28 self-insurers.

He goes on to say that the system has undergone several review and reform changes since the early 1990s, including major rewrites of the legislation in 1996, 2003 and amendments by governments in recent years. The LNP strongly believes that we need a strong and sustainable workers compensation scheme that provides medical assistance and support to rehabilitate injured workers to help them to return to work as quickly as possible while ensuring the lowest of the low premiums for businesses. On that note I am very pleased to say that when the Liberal National Party was in government between 2012 and 2015 the changes that we introduced led to the lowest premium rate in the country.

Ms Grace: At the cost of workers' entitlements.

Mr BLEIJIE: The lowest premium rate in the country.

Ms Grace: At the cost of workers' entitlements.

Mr DEPUTY SPEAKER (Dr Robinson): Order! Those on my right.

Ms Grace: At the cost of workers. Injured workers bore the cost.

Mr DEPUTY SPEAKER: Order! Those on my right.

Mr Nicholls interjected.

Ms Grace: Injured workers bore the cost.

Mr DEPUTY SPEAKER: Order! Members will cease interjecting.

Mr Nicholls interjected.

Ms Grace: At the cost of injured workers and their families.

Mr DEPUTY SPEAKER: Members will cease interjecting.

Mr Nicholls: \$300 million in the red.

Ms Grace: Disgraceful!

Mr DEPUTY SPEAKER: Minister, you have had your say.

Mr BLEIJIE: I take the interjection from the member for Clayfield—\$300 million in debt. Our changes ensured small businesses were paying the lowest premiums in the country.

Ms Grace: Rubbish!

Mr BLEIJIE: At the time people said it could never be achieved.

Ms Grace: At the cost of injured workers and their families.

Mr BLEIJIE: The minister interjected before saying, 'At the cost of workers.'

Ms Grace: And their families.

Mr BLEIJIE: No. Does the minister know what the cost was—

Ms Grace: Injured workers and their families.

Mr DEPUTY SPEAKER: The minister will cease interjecting.

Mr BLEIJIE: Injury rates decreased under our government between 2012 and 2015, so how can we—

Ms Grace interjected.

Mr DEPUTY SPEAKER: I warn the minister under the standing orders.

Mr BLEIJIE: We achieved the lowest premiums in the country and a decline in injuries and workplace fatalities because of the changes the Liberal National Party government made to not only the workers compensation scheme but also the Workplace Health and Safety Act. Do members know why? We worked with businesses. We did not attack businesses. We worked with businesses. If businesses were going to invest and make their workplaces safer, they were going to get the support of the government, and they did. That is why we had a decline in workplace injuries.

At the time people said that we would not achieve the \$1.20 premium rate, but we did. I congratulate the former board. I might add that the board that achieved that lowest premium rate in the country whilst sustaining the ratio viability of the scheme where it sits at 171 per cent now—the target is 121 per cent and it sits at 171 per cent—this minister got rid of. There was a new chair. The minister claims all the credit for the \$1.20 per \$100 in wages premium, but then gets rid of most of the board members who achieved that lowest rate in the country. How bizarre is that?

When we conducted the statutory review in 2013 of the workers compensation scheme, we conducted a parliamentary inquiry. We said, 'We are not going to do it behind closed doors. We want a full parliamentary inquiry,' which was ably led at the time by the member for Coomera. That parliamentary committee looked at the scheme. Queenslanders had a say. There was a full parliamentary debate on it. There were hearings across Queensland, including in regional Queensland. It is worth contrasting that process with the closed shop review that was undertaken by the Palaszczuk Labor government.

When the Palaszczuk Labor government conducted its statutory review, it contracted Professor Peetz to do the review. No-one knew what would happen. No-one knew if they could make submissions to the review. No-one knew who to contact. Despite the fact that we have a parliamentary committee that is responsible for these sorts of matters, it was a behind closed doors review that people had no access to and there was no parliamentary oversight. When the LNP was in government, it let that parliamentary committee do its job. It did not hide behind the issues. It did not hide behind the reforms. The LNP made it clear that it wanted the best workers compensation scheme in the country for employees and employers. Guess what? The LNP achieved that in spades. I will never accept this government and this Labor minister claiming credit for the lowest workers compensation premiums in the country. It was the Liberal National Party government that achieved that, not the Labor Party.

The LNP conducted that parliamentary review in 2013. Who could forget that, since 2009, under consecutive Labor governments the average premium rate increased by 20 per cent? That was a 20 per cent increase for small businesses in Queensland under a Labor government. When the LNP came to government, it reduced that premium to the lowest in the country. Labor luminaries knew how difficult this issue was going to be. In 2010, the board of WorkCover Queensland, under former chairman Ian Brusasco, recommended that the previous government introduce a 10 per cent to 15 per cent threshold on common law claims. I do not know what other members think, but I can assure them that Ian Brusasco is more a friend of the Labor Party than he is of the Liberal National Party.

Mr Nicholls: Pretty close to royalty in the old Labor Party.

Mr BLEIJIE: Indeed. Ian Brusasco recommended a 10 per cent to 15 per cent common law damages threshold claim, which the LNP did not do. The LNP introduced a five per cent threshold. Guess what? That was the lowest in the country. All of those reforms led to a sustainable scheme, which this minister now cries from the roof was through all her hard effort and work. It is ridiculous. I will never let the Labor Party get away with that, because every time it has touched the workers compensation scheme it has trashed it, the scheme has gone backwards, businesses have suffered and employees have suffered and the fund has not been in as good a state of affairs as it is now.

Although this bill may have gone to a committee after the secret review, the original review certainly did not give every Queenslanders an opportunity to have their say, like the 2013 review undertaken by the Liberal National Party did. Having said that, in looking at the submissions to the committee, I see that my good old friends in the Australian Lawyers Alliance did not get everything that they demanded of this minister. I see that the Australian Lawyers Alliance, Shine Lawyers and the Queensland Nurses and Midwives' Union put in some ambit claims in this review and I am pleased to say that they did not get everything that they wanted, because that would have put an unusual stress on the scheme. When stress is placed on the scheme, employees suffer, because there is not the money there for the return-to-work programs so that the scheme can invest in businesses to achieve safer workplace health and safety practices. If the money is not there and the scheme is in debt, the ability to help those businesses is not there.

The explanatory notes outline the objectives of the bill. It states that it covers numerous pieces of legislation and implements the 12 recommendations that were made by Professor David Peetz in his report titled *The operation of the Queensland workers' compensation scheme: report of the second five-yearly review of the scheme*, which was completed in May 2018. As I said, it was a statutory review. The bill clarifies WorkCover Queensland's ability to fund and provide programs and incentives that support employers improving health and safety performance—as I said, the Liberal National Party supports that—after consulting with the regulator or any other relevant health and safety regulators. The bill also exempts expressions of regret and apologies provided by employers following a workplace

injury from being considered in any assessment of liability for damages brought under the Workers' Compensation and Rehabilitation Act 2003, to align with the approach taken in the Civil Liability Act 2003.

I take some issue with this objective of the bill and ask the minister in her response, if she could be so kind, to alleviate the concerns raised by the Queensland Law Society that it raised in its submission to the committee with respect to expressions of regret and ensure that employers who have those expressions of regret and apologies have legal protection. I would appreciate it if the minister could address that matter in line with the Law Society's concerns.

The bill also provides an additional way that employers can ensure that rehabilitation and return-to-work coordinators are appropriately qualified and requires employers to provide details of their rehabilitation and return-to-work coordinators to insurers to support compliance and the provision of advisory services to coordinators. I am fine with that.

The bill requires insurers to provide ongoing rehabilitation and return-to-work services if the injured worker has been unable to return to work after their entitlement to weekly benefits and medical expenses ceases. The employer's obligations for rehabilitation and return to work are also aligned with their insurer's obligations.

The bill requires self-insured employers to report injuries and any payments made to injured workers to their insurer. It clarifies that insurers have a discretion to accept claims submitted more than six months after the injury is diagnosed if the injured worker has lodged a claim within 20 days of developing an incapacity for work from their injury.

The bill also extends workers compensation coverage to unpaid interns and amends the meaning of injury for a psychiatric or psychological disorder to remove 'the major' as a qualifier for employment's 'significant contribution' to the injury. I want to address this issue. This issue has gone back and forth from parliament to parliament—whether a psychiatric or psychological disorder is a major or a significant contributing factor to the injury. The reason the LNP changed that definition is that there are many mental health issues affecting Queenslanders and Australians. When we are dealing with a workers compensation scheme, the employer should have to pay out of their insurance fund only for psychological or psychiatric injuries that are caused at the workplace. There are other issues in people's lives that may contribute to their mental health. We have to give all those people all the help and support we can, but not to the detriment of the employer. The employer, their business, or the practices of that business may not have contributed to that psychiatric or psychological disorder.

In fact, when the LNP was in government it changed that definition, the rejection rate went from just over 62 per cent up to 68 per cent for a few years but then went down to just about 63 per cent. I question the need for this change considering that, as at today's date, percentage wise, the definition is not having a greater impact on rejection of people who are claiming psychological or psychiatric compensation. The bill also requires insurers to take all reasonable steps to provide claimants with psychiatric or psychological injuries access to reasonable support services relating to their injury during their claim determination.

The explanatory notes also describe the objectives of the amendments to the Further Training and Education Act 2014, one of which is to protect the positions of apprentices and trainees who are vulnerable workers and do not have the same bargaining powers as employers. Originally I was concerned when I read that in the bill. When we talk about bargaining powers I thought it was an open-door policy to unions to come in and get their hands on these sorts of things. I am questioning the minister. As I understand it, that is not the case. It simply allows the department and the regulator more administrative powers to intervene on those matters. I see the minister nodding and that is acceptable. I would be keen for the minister's department, during the debate, to do some research in terms of how many interns and apprentices we are talking about here. I cannot see in the explanatory notes of the costings associated with this and the impact it will have on the scheme and the financial viability of the scheme exactly how many we are talking about.

In terms of the Further Education and Training Act, the bill aims to minimise continuing adverse impacts on apprentices' and trainees' training arrangements to improve quality training outcomes and to give apprentices and trainees the best chance to complete their apprenticeship or traineeship, and the best chance for the employer to emerge with a skilled worker, hence realising the economic benefits for all parties and the community generally. It addresses the existing legislative gap that exists in the Further Education and Training Act to enable an employer or an apprentice or trainee to seek permission from the chief executive to cancel the training contract. It provides greater clarity to enable the chief executive to resolve any issues related to issuing an apprenticeship or traineeship completion certificate.

Finally, it clarifies the obligations of the supervising registered training organisation to complete an employer resource assessment and resolve practical implementation issues with certain provisions of the Further Education and Training Act 2014. I will defer to the member for Maroochydore for more comments on those changes as the shadow minister for skills and training. There are also amendments to the TAFE Queensland Act and the bill also repeals the Commonwealth Games Arrangements Act 2011.

The Peetz review made 57 recommendations, 15 of which are for legislative change, of which 12 are being implemented in this bill. The review found there is a major gap in the scheme regarding unpaid commercial interns as a relatively recent change in labour markets. The bill provides workers compensation coverage to unpaid commercial interns. Volunteers at non-government organisations and charities are specifically exempted from these changes, as is a person providing unpaid assistance as a favour. While we will monitor the impact of these changes, which on the face of it seem fair, we hope this will not become a barrier to businesses engaging interns as a valuable tool for gaining experience and future employment opportunities.

I recall when I first started looking for employment opportunities. It was not about money for me. I just wanted to get my foot in the door and volunteer as an intern or anything for an employer to get skills and training. That skills and training led me to work in a chicken abattoir for 12 months, for which I was paid because you had to pay me to keep me there, I can tell you that. I fundamentally believe that those sorts of skills and training are invaluable to people in terms of hands-on work and learning at a young age.

The scheme will also see additional costs because of changes in the legislation that will lower the threshold of accepting psychological claims that are lodged. These are often some of the most difficult claims to determine, given what needs to be considered as part of what some may call 'reasonable management action'. In saying that, the department told the committee—

In terms of the change of the definition from 'major' to 'significant', prior to 2013 the term 'significant' was used in relation to a psychological injury. At that time about 61.5 per cent of psychological injuries were being disallowed. When the change to 'major' came about, there was very little difference in the rejection of offers; it went to 62.1 per cent. We do not really think there will be a significant change in the number. There may be a spike at the beginning, but over time it seems to balance out.

We will continue to monitor the impact of the changes proposed to this definition. In relation to the changes being made to the workers compensation scheme in this legislation, the explanatory notes indicate the cost to implement the amendments will be \$18.6 million per annum. That equates to approximately 1.5 cent to the average premium rate, \$1.20 per \$100 wages. However, that does not take into account some of the benefits that may be achieved through these amendments as a result of behavioural change. WorkCover's current funding ratio is 171 per cent thanks to the Liberal National government of 2012 to 2015. That is well above the target of at least 120 per cent.

The profit for 2018-19 was \$77 million after tax, substantially lower than the \$324 million recorded in 2017-18. I always say when we talk about the ratio and WorkCover that it is good but when a Labor government is in charge there is always a danger to the ratio of the scheme because it only goes down. It only goes down when Labor gets its hands on the scheme. The minister has been very careful to change the scheme little by little, but I fear that little by little changes will lead to the detriment of the scheme, to not having a financially viable scheme, as it was when the LNP left office in 2015.

We also support the changes in relation to latent onset claims, issues like silicosis and coal workers' black lung disease, by giving greater flexibility and removing the two-year arbitrary timeframe. I want to comment on the negative impact that silicosis has. Recently in my office I met with two constituents who are stonemasons who have been diagnosed with silicosis. The prognosis is not good for people diagnosed with silicosis. They came to see me and they brought their boss who owns the stonemasonry business. They all recognised the issues. The business owner has now implemented all the recommendations that the new regulations put in in terms of no dry cutting on site, no dry cutting in the factory—they can only use wet cutting—the new masks they have to wear and the sealing of the premises.

It is really scary for this industry. We have seen over the years the dust that it generates and every time these people were breathing in they were slowly killing themselves and they did not know it at the time. It is good to see that there is now, in the last two years in particular, a real focus nationally on this issue of silicosis and stonemasons. The stonemasons who have been diagnosed with silicosis love their industry. They want to keep doing it because it is what they do, it is what they have always done and will continue to do, but they will do it under safe practices despite the adverse consequences of being diagnosed. They want to do it safely. We will continue to monitor the impact of all these changes.

In relation to the changes being made to the workers compensation scheme in the legislation, the explanatory notes indicate the cost to implement the amendments will be \$18.6 million. As I reminded honourable members, most of these beneficial aspects of the workers compensation scheme are from Liberal National Party changes.

Ms Grace: Oh rubbish!

Mr BLEIJIE: I will take that interjection. It is not rubbish, it is absolutely true. It is true because the stats reveal it. In 2016 the Labor government, in the first year after they won the election, were claiming credit for all the work they did in opposition to have the best workers compensation scheme in Australia. As I said, they were the most effective opposition, apparently, for getting that workers compensation scheme down to \$1.20. I do not recall the Labor minister sitting around the cabinet table when we looked at these changes, were briefed by WorkCover and actually implemented the changes. In fact, I remember them opposing the changes we introduced and now they claim credit for the benefits of the scheme, despite the fact they opposed the changes which led to the scheme being in the great shape it is in today. What hypocrisy! As Jack Dempsey used to say in this place, how do you spell hypocrisy?

Opposition members: A-L-P!

Mr BLEIJIE: Sometimes he did not say that. He said L-A-B-O-R A-L-P. Anyway, we knew what he meant to say. There are two types of claims that can be made under the Queensland scheme, statutory claims and common law claims. Compared with last year, the number of accepted claims decreased by over 1,000, which hopefully means less Queenslanders are getting injured at work and need to lodge a WorkCover claim. However, in saying that, the amount of compensation paid increased to \$1.3 billion from an increase in statutory claims, while common law payments decreased by \$12 million. The annual report also noted that WorkCover's 2018-19 average premium rate remained at \$1.20 per \$100 of wages for the fifth consecutive year. That is since the LNP made changes to the scheme after massive premium increases under the Bligh Labor government.

In the last few minutes let us look at the record. As I said at the outset, the LNP supports a strong and sustainable workers compensation scheme that ensures injured workers are rehabilitated and can return to work as quickly as possible while maintaining low premiums for businesses. Whilst in government the LNP reduced the workers compensation average premium rate to be the cheapest in Australia whilst ensuring injured workers were assisted and could promptly return to work.

I am reminded that we were one of the only jurisdictions to keep journey-to-work claims. We were one of the only jurisdictions to make the changes, not only to the common law and the statutory claims but also we kept journey-to-work claims because we believed it was important. The LNP ensured the scheme was viable over the long term while reducing the average premium rate for Queensland businesses by 17 per cent. Compare and contrast that to the Labor Party which has introduced or increased 10 new taxes in Queensland. The Liberal National Party government in three years reduced taxation.

Ms Grace: Relevance.

Mr BLEIJIE: The minister cries 'relevance'. A 17 per cent reduction in the workers compensation scheme is pretty relevant, I would say. The Liberal National Party reduced tax for Queensland businesses. The achievement of the Liberal National Party government was a 17 per cent reduction.



Mr BLEIJIE (Kawana—LNP) (4.02 pm), continuing: Just prior to the lunch break the honourable minister—

Mr Krause interjected.

Mr BLEIJIE: I will take that interjection. The honourable Minister for Industrial Relations was going to move that I be further heard because she loved what I was saying about the Liberal National Party's strong record when it comes to industrial relations and our reforms to the workers compensation laws.

Mr Krause interjected.

Mr BLEIJIE: One would not want to filibuster, member for Scenic Rim. The Liberal National Party's industrial relations and workers compensation reforms led to, as I said before the lunch break, the lowest rate of premium for business owners for workers compensation. In fact, it was \$1.20 out of \$100 of wages. Under Labor it used to be \$1.47. The LNP reduced it to \$1.20. We ensured the scheme was the most viable over the long term. We reduced the average premium rate for a Queensland

business by 17 per cent. The Liberal National Party reduce taxes and Labor increase taxes. Labor add more taxes and the LNP reduce taxes. We will do it again. We will reduce taxes and introduce no new taxes from November 2020.

We also maintained high return-to-work outcomes for injured workers to ensure a well-balanced scheme. In 2014-15 it was 93 per cent. We lifted the target from 90 to 95 per cent to continue to raise the bar on safety standards and help injured workers get back on their feet. As I mentioned earlier, we will monitor the impact of the changes put forward under this legislation and look forward to the next statutory review which will be due by 30 June 2023. We look forward to a Liberal National Party dominated parliamentary committee conducting that statutory review in 2023.