




Speech By
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MEMBER FOR LOGAN

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MOTOR ACCIDENT INSURANCE AND OTHER LEGISLATION AMENDMENT BILL

 **Mr POWER** (Logan—ALP) (4.57 pm): The regulation of insurance, both for the containment of costs and for the fair payment of claims, is an essential part of Queensland society. Yesterday, we heard the transport minister speak so movingly of the toll on Queensland of motor accidents on our roads. We know that one death or any injury is one too many. However, at the same time, we must look at those who are injured, and that is why the robust regulation of motor accident insurance is so vital.

The process of claim farming—the unsolicited calling of members of the public seeking to induce them into making a claim and then selling on that claim to a legal firm—would undermine that system. That is why the Deputy Premier and Treasurer consulted widely with the legal profession and insurers—something members opposite do not know about—and introduced the Motor Accident Insurance and Other Legislation Amendment Bill to ensure that the practice of claim farming is clearly and unambiguously made illegal and to put in place mechanisms to ensure compliance.

After holding hearings, the Economics and Governance Committee, of which I am chair, tabled a report. We recommended—and I note the enthusiastic support of this bill from the deputy chair, the member for Mermaid Beach—that the bill be passed. From 17 June, the committee invited stakeholders and subscribers to make submissions, of which 11 were received. The Queensland Treasury provided a public briefing about the bill. A public hearing was held on 22 July 2019. The Treasury also submitted in response to submitters, and that was useful for the committee in considering all the details of the public submissions.

The Treasury provided a number of examples of practices—they are growing—that make up claim farming. I note the gratuitous attacks on the Queensland government by the Deputy Leader of the Opposition, but we are the first to introduce this type of legislation, even though we heard from Treasury and others that the problem is worse in other states. I commend the Deputy Premier for acting early on this issue.

The Treasury told us that a number of people were impacted and gave us examples. One was of a Queensland woman who lived alone—I think the Treasurer spoke of this case—who was stunned to find a lawyer at her door who advised that they had purchased her name. I am sure we would all be shocked if someone came to our door and told us they had purchased our name. That action breaks a number of laws, and this woman rightfully pushed back.

In another example given by Treasury, a policyholder complained that, after a comprehensive motor vehicle insurer submitted a property damage claim for his vehicle, a claim farmer contacted him on his private mobile phone number, known only to his wife and their insurer. Again, it is deeply concerning that there is a possibility that other information is being leaked and being used improperly. Treasury told us that, despite there being fewer road accidents, there was a 20 per cent increase in claims. We need laws for when someone is genuinely hurt and has a case but not a system that allows a claim that would not be brought if the claimant did not generate the claim themselves.

We heard that there is widespread support for the goals of this bill to prevent claim farming. We also heard some suggestions and concerns about the detail of the bill and the elements and mechanisms of support. Some respondents thought that other activities of law firms sponsoring or supporting organisations that would not normally be considered claim farming might be inadvertently captured. That seems to be an intention of the amendment proposed by the member for Everton. Other respondents wanted stronger penalties and to reduce the amounts that could be given in hospitality. The department responded to these concerns, saying that it felt the bill would not affect a law practice's benevolent endeavours in relation to charities and community organisations, but others such as Triathlon Australia said that they were concerned about the relationship they have with a law firm.

That brings me to the statement of reservation, which is a very disappointing document. The only quote the LNP obtained is from Mr Tom O'Donnell. The member for Everton also mentioned Mr Tom O'Donnell.

Mr Stevens: A good guy.

Mr POWER: I have no doubt he is a good guy. They failed to quote this good guy when he went on to say that it was industrial and sporting organisations that were the problem. In fact, he went on to illustrate the one organisation that he felt was the best example of the major problem. He said—

... I am aware that one of the larger firms has a relationship with Bicycle Queensland.

The member for Everton did not choose in his amendment to attack Bicycle Queensland or other sporting organisations. It is disappointing for all, but especially for Mr O'Donnell, that the statement of reservation did not address the principal concerns raised in Mr O'Donnell's submission. They were reasonably technical and were covered mostly by the Personal Injuries Proceeds Act.

In relying on Mr O'Donnell and attacking an industrial organisation, those opposite reveal an obsession. I had to do some research to find out what would be the effect of the member for Everton's amendment. A Queensland government website lists employer organisations that are considered industrial organisations. They are such radical organisations as the Australian Dental Association, the Local Government Association of Queensland and the Master Plumbers' Association.

One that struck me as interesting was AgForce. I know that the deputy chair is a passionate supporter of AgForce, as are all of us on this side of the House. What impact would the amendment have if AgForce is considered an industrial organisation? The amendment would make it clear that 'any advertisement or promotion by a registered organisation of a service or person that results in a claimant using the service or person' would be made illegal and subject to a \$40,000 fine. Let us turn to the AgForce website. It proudly lists 'Our partners', the organisations they seek partnership with through a sponsorship arrangement—a payment from them to AgForce. I think there are some fine organisations on this website, but one of them is a very fine law firm, Robertson McCullough.

Mr Stevens: McCullough Robertson.

Mr POWER: McCullough Robertson. You are right; I stand corrected. The fine law firm, the deputy chair says, is McCullough Robertson. If this amendment were to pass, that firm and AgForce would be subject to a \$40,000 fine. I urge all members of the House to utterly reject the member for Everton's proposed amendments, because we need to get out there and defend organisations such as AgForce instead of fine them. We need less red tape such as this specific provision banning advertisement by law firms with AgForce, the licensed clubs association, the Baking Industry Association and the Queensland Hotels Association. There are many others listed. These are contributors to our society that do not need the red tape of specific advertising bans by the ill thought out proposed amendment. I had to go into a lot of detail on that because our report did not cover it. I commend the report to the House and acknowledge the good work of committee members.

I point out to the member for Everton the unparliamentary language that he seemed uncertain of. We can say, 'That is the weakest amendment.' There is nothing wrong with saying that. What we cannot say is, 'The weakest amendment was moved by the weakest deputy leader in this parliament's history.'

Mr DEPUTY SPEAKER (Mr Kelly): Order! Pause the clock. Relevance, member. I bring you back to the long title of the bill.

Mr POWER: As I said, it is the weakest amendment we have seen in this parliament. I also withdraw my last statement if it could be seen as unparliamentary.