




Speech By
Michael Crandon

MEMBER FOR COOMERA

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

 **Mr CRANDON** (Coomera—LNP) (5.36 pm): It gives me great pleasure to rise in the House to make a contribution to the debate on the Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill. I note the committee recommended that the bill be passed and made no other recommendations. There was no statement of reservation from non-government members either. In contrast, the 246-page report that was put together by the Finance and Administration Committee in 2013, report No. 28 tabled in May 2013, was a comprehensive report. I will read from the foreword—

The Committee consulted extensively on the terms of reference. It received 246 submissions, held public forums in Mackay and Cairns, held 14 public hearings in Brisbane, including five in-camera hearings, and held three public departmental briefings.

Throughout the inquiry, the Committee heard allegations that 'the government was going to do this' or 'the government was going to do that' with regard to the Workers' Compensation Scheme. I can assure everyone that it was a completely open and transparent process that the Committee went through in order to come to what we consider to be the right conclusions and recommendations for the Parliament to consider.

There was no statement of reservation in that report either. The report ran to something like 246 pages. There were 32 recommendations and those opposite have just picked out one recommendation of those 32. I think we can all agree that the review in 2013 has stood the test of time. I acknowledge the member for Kawana's comments in relation to the report and the job that was done by the committee back then as being open and transparent, in contrast to today.

The objectives of the bill are to implement 12 legislative recommendations made by Professor David Peetz in *The operation of the Queensland workers' compensation scheme*, the report on the second five-yearly review of the scheme, which was completed in May 2018—that is, the statutory review. Those amendments include: clarifying WorkCover Queensland's ability to fund and provide programs and incentives that support employers improving health and safety performance, after consulting with the regulator under the Work Health and Safety Act 2011 and any other relevant health and safety regulator; exempting expressions of regret and apologies provided by employers following a workplace injury from being considered in any assessment of liability or damages brought under the Workers' Compensation and Rehabilitation Act 2003 to align with the approach taken in the Civil Liability Act 2003; providing an additional way that employers can ensure that rehabilitation and return-to-work coordinators are appropriately qualified, and requiring employers to provide details of their rehabilitation and return-to-work coordinators to insurers to support compliance and the provision of advisory service to coordinators.

The amendments also include: requiring 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 obligation for rehabilitation and return to work are also aligned with their insurer's obligations; requiring self-insured employers—and I think there are 25 in the state—to report injuries and any payments made to injured workers to their insurer, aligning their obligations with the existing obligations on employers insured with WorkCover

Queensland; clarifying 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; extending workers compensation coverage to unpaid interns; amending 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; and requiring insurers to take all reasonable steps to provide claimants with psychiatric and psychological injuries access to reasonable support services relating to their injury during claim determination.

Regarding amendments to the Further Education and Training Act 2014, the explanatory notes describe the objectives of the amendments as, among other things, to protect the positions of apprentices and trainees, who are vulnerable workers and do not have the same bargaining powers as employers.

In May 2018, Professor David Peetz reported on the operation of Queensland's workers compensation scheme. That was the second five-year statutory review of the act following the LNP review in 2013, which I referred to earlier. As I mentioned earlier, the difference between the two reviews provides a stark contrast. Labor's review was required to look at the performance of the scheme, including maintaining the balance between fair and appropriate benefits for injured workers and reasonable costs for employers; ensuring injured workers are treated fairly by insurers; protecting employers' interests in relation to damages claims; and providing effective participation and opportunity in return-to-work programs. It also looked at emerging issues facing the scheme and the effectiveness of rehabilitation and return-to-work programs.

The key characteristics of the Queensland workers compensation scheme 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 a regulator, and the insurers, WorkCover Queensland and 28 self-insurers. The system has undergone frequent review and reform since the early 1990s, including the 2013 review that I referred to.

The premium paid by an employer varies according to the size, claims experience and industry of the employer, and is calculated using the experience based rating system that is designed to reward employers with good injury prevention and management. In 2017-18, its average premium rate was \$1.20—it is thanks to the way the scheme was properly reviewed in 2013 that that has been able to be sustained up until now—with discounts averaging around \$1.17. It is anticipated that it will continue to remain either the lowest or second lowest amongst the state schemes.

The Peetz review made over 50 recommendations, 15 of which require legislative change. The bill proposes amendments to implement 12 legislative recommendations at this time. A consultation regulatory impact statement was released to seek public feedback on possible inclusions of some gig economy workers in the workers compensation scheme. Submissions on the consultation RIS closed in July 2018.

Workers with terminal conditions is an important area. Importantly, the bill amends the act to extend entitlement to the latent onset terminal entitlements—for silicosis, black lung disease et cetera—by removing the reference to two years and replacing it with an assessment that the insurer is satisfied that the worker has a latent onset condition that is terminal.

The explanatory notes indicate that the cost of implementing the amendments will be \$18.6 million per annum. That equates to approximately 1½ cents to the average premium rate. 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, which is well above the target of at least 120 per cent. The profit for 2018-19 was \$77 million after tax, which is substantially lower than the \$324 million recorded in 2017-18. That is something that really needs to be properly and carefully monitored over time.

I close by making the point that we will be monitoring the impact of the five-year statutory review to ensure that we are providing the best workers compensation scheme in Australia. Whatever this government says today, they cannot rewrite history. It was the good work of the LNP in government that makes the scheme the best in the country.