

Question on Notice
No. 1553
Asked on 30 November 2006

QUESTION:

MISS SIMPSON ASKED THE MINISTER FOR STATE DEVELOPMENT, EMPLOYMENT AND INDUSTRIAL RELATIONS (MR MICKEL)—

With reference to the Auditor General's Report No. 7 for 2006 which revealed that as a result of amendments to the *Worker's Compensation and Rehabilitation Act 2003*, the Government received a windfall with the payment of income tax equivalents to the Consolidated Fund increasing from \$25.8m in 2004-05 to a massive \$276.5m in 2005-06—

Has the Government quarantined the appropriate levels of funding to ensure that WorkCover is in the financial position to meet its liability for latent onset injury, virtually all of which is related to asbestos and pay the claims as they arise?

ANSWER:

Amendments to the *Workers' Compensation and Rehabilitation Act 2003* were passed with bipartisan support in October 2005. They provide greater certainty on the payment of workers' compensation for latent onset injuries such as asbestosis by establishing that the date of injury for latent onset injuries is the date the injury is diagnosed by a medical practitioner. The amendments also improve workers' benefits through increasing statutory lump sum payments, extending the step-down in benefits for injured workers from 39 to 52 weeks, increasing compensation payable to dependent family members on death of a worker and introducing new benefits for totally dependent spouses and non-dependent family members. The amendments deliver equity to people suffering a deadly disease.

I refer the Honourable member to the 2005-06 WorkCover Annual Report which shows the strong financial position of Workcover. I am advised by WorkCover that the overall financial position takes into account provisioning for outstanding liabilities for all injuries, including latent onset injuries.