

PETER DRAPER

INDEPENDENT MEMBER FOR TAMWORTH

MEDIA RELEASE

WorkCover premiums impossible to afford in rural NSW

May 18 2004

Member for Tamworth Peter Draper has called upon the State Government to act as a matter of urgency on the issue of skyrocketing workers compensation premiums and disparities in rates between NSW and Queensland.

Mr Draper sparked a debate in Parliament after drawing the Industrial Relations Minister John Della Bosca's attention to the ways in which WorkCover was crippling small business particularly transport and building industries.

"I have received a number of representations from road transport operators who simply cannot compete with the rates offered by Queensland operators due to cheaper workers compensation premiums, fuel and on road costs," Mr Draper said.

Competition aside, Mr Draper said some businesses were finding it impossible just to pay the premiums casting doubt over their future viability.

"For one business in my electorate the rate is currently 17.93 per cent which is just outrageous," he said.

Mr Draper pointed out the premium insurance rate for road freight transport operators in Queensland stood at 3.586 per cent compared to the rates varying across three road freight categories in NSW of between 8.86 and 9.46 per cent.

He said the system WorkCover used to calculate the premiums was very harsh on employers as they paid an estimate based on experience up front and were refunded the difference at the end of the policy cycle providing they did not have any claims.

www.peterdraper.com.au

Media Contacts: Peter Draper 0417 290 376
Donna Hurley 0419 409 538

Electorate Office ph. 6766 1422
Parliament House ph. 9230 2341

PETER DRAPER

INDEPENDENT MEMBER FOR TAMWORTH

MEDIA RELEASE

The Opposition supported Mr Draper's concerns in Parliament with Liberal MP Chris Hartcher describing WorkCover, which is currently \$2.98 billion in debt, as "the great black hole of NSW".

Member for Northern Tablelands Richard Torbay said the Government had tried to reform WorkCover but there was still a need for safety measures to stop fraudulent activities.

The Nationals MP Ian Armstrong described WorkCover as "a huge detriment" to people expanding businesses with the Government failing to understand the practical difficulties involved in dealing with normal everyday industry maintenance programs.

"I was astounded by Mr Armstrong's example of the completely impractical measures WorkCover expects landholders to take when servicing a windmill including the erection of fenced work platforms and securing physical barriers to prevent objects falling.

"The Government is making a serious attempt to reform the process but at present that process cannot be seen as a success.

"The reality is that small businesses and rural-based employers are suffering because of Work Cover imposts," he said.

Attached is the Hansard record of Mr Draper's address to Parliament

End Release

www.peterdraper.com.au

Media Contacts: Peter Draper 0417 290 376
Donna Hurley 0419 409 538

Electorate Office ph. 6766 1422
Parliament House ph. 9230 2341