

CFMEU

CONSTRUCTION

Question on Notice

The Hon. LYNDIA VOLTZ: Perhaps you could take this question on notice. I am interested in the impact of journey claims. The Committee has recently reviewed the compulsory third-party scheme. People would previously have been entitled to make a journey claim. Nurses in particular raised this issue at the time of the changes. Have there been any subsequent cases where what would previously have been a journey claim now no longer provides any benefit? As we know, it is an at-fault benefit arrangement under the compulsory third-party scheme. Mr Holmes, would you have any examples of that?

Mr HOLMES: Not in front of me, we obviously provide insurance for our members around that, but it does not match the workers' comp or third party insurance, and, of course, we have to make sure that when we are providing assistance to our members that all of the other opportunities are used first before the insurance scheme that we have for journey claim. There are significant numbers of our members who would have been ruined financially, losing their house whilst they have been injured, and some of them have had a claim that has been extended for up to two years. So significant injuries have occurred and the minimal amount of insurance that is able to be provided to them does not replicate the workers' compensation, so medical cover and so forth is not there, but we do have a long list of our members who suffer injury.

The Hon. LYNDIA VOLTZ: If you can take that on notice and give us some cases that have previously been covered.

Ms MALLIA: We also do the same.

Response

The CFMEU is able to provide the Committee with an example of a person who would have traditionally been covered by the workers compensation system but since the changes in 2012 has had their claim denied.

Mr K a labourer was working on a building site located in Columbia Lane, Homebush. He drove to work and parked his car on Parramatta Road and walked to the site. After finishing at 3pm he left the site and walked down Columbia Lane to Parramatta Road. He walked half way across Parramatta Road to median strip. When he thought the traffic was clear he continued crossing Parramatta Road when he was struck by a car. He injured his left shoulder, right hip and had bruising and contusions. He lodged a workers compensation claim but was told by the insurer it would be declined on the basis he was on a journey. Mr K was advised that he would not be successful in challenging the insurer's denial.

The CFMEU provides its financial members with access to specific Journey Claim Insurance. The insurance pays 85% of the workers average weekly earnings up to a maximum of \$2,000 for a maximum of two years.

The Committee will note that this is less than the maximum under the workers compensation

system which currently stands at \$2,058.10. The percentage is also less than that offered in first 13 weeks of a workers compensation claim. The insurance provided by the union also has a 30 day deferral period and does not pay medical expenses.

Figures provided by the insurer indicate that 6 claims have been lodged for journey claim insurance. Of those 3 have been accepted and paid under the policy. Two claims were rejected on the basis that the applicant was not a financial member and another applicant was able to access benefits under another income protection policy. There is currently one active claim.