

LOCAL GOVERNMENT AND OTHER LEGISLATION AMENDMENT BILL 2003

EXPLANATORY NOTES

FOR

AMENDMENTS TO BE MOVED IN COMMITTEE BY THE HONOURABLE NITA CUNNINGHAM MP

Title of the Bill

Local Government and Other Legislation Amendment Bill 2003

Objectives of the amendments

The *Local Government and Other Legislation Amendment Bill 2003* (the Bill) proposes amendments to the *Workers' Compensation and Rehabilitation Act 2003* (the Act) which will allow local government self-insurers to elect to provide councillors with compensation benefits equivalent to those available to 'workers' as defined under the Act.

Application

The proposed amendments to the *Workers' Compensation and Rehabilitation Bill 2003* provide for a council that is a licensed self-insurer or that forms part of a group self-insurance licence to choose to provide workers' compensation coverage for elected local government councillors.

These amendments clarify that if a council that is a member of the local government group self-insurance licence elects to provide coverage to its councillors, councillors of other local governments that are members of the group licence are not automatically provided with coverage. It is for each council to make this choice for its councillors.

Estimated costs of government implementation

Given that self-insurers are responsible for their own insurance costs and reinsurance protection, there are no costs associated with implementation of these amendments for Government.

Consistency with fundamental legislative principles

The amendments are consistent with fundamental legislative principles.

Consultation

Consultation on the proposed amendments has occurred with Q-COMP, the Local Government Association of Queensland and the Department of Premier and Cabinet. The amendments have received support from all stakeholders.

NOTES ON THE PROVISIONS

PART 5—AMENDMENT OF WORKERS’ COMPENSATION AND REHABILITATION ACT 2003

Amendment 1 amends clause 24 of the Bill, which provides for the amendment of the *Workers’ Compensation and Rehabilitation Act 2003* as tabled in the *Local Government and Other Legislation Amendment Bill 2003*.

Clause 24 inserts an amended 68A (Self-insurance for local governments), which allows a local government self-insurer to choose to cover elected local government councillors under its licence (1).

The proposed subsection (2) provides that if this election is made, all councillors of the particular council electing to offer this coverage under the licence are entitled to compensation in the event of an injury.

Where a single council is a licensed self-insurer, all elected councillors have an entitlement to coverage if the council elects to provide such cover.

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Where a council is a member of the local government group self-insurance licence, only those councillors of the council that elects to offer this coverage have an entitlement to compensation in the event of an injury.

Proposed subsection (3) provides that the self-insurer must advise both councillors and the Workers' Compensation Regulatory Authority of its decision to provide coverage to councillors.

Proposed section 68B (Entitlements of local government councillors) provides that, if a self-insurer elects to provide coverage to councillors under its licence, a councillor is entitled to compensation from the local government to which the councillor was elected or appointed. Compensation is only to be paid in the event of an injury sustained by a councillor while attending meetings or performing other council duties (1). The clause provides that councillors are entitled to weekly payments under the Part mentioned and all other compensation entitlements are the same as workers under the *Workers' Compensation and Rehabilitation Act 2003* (2).

The clause further provides that councillors are excluded from claiming common law damages under the self-insurer's licence (3); and provides definitions for both employment and employer in the application of the definition of injury to the councillor (4).

Amendment 2 amends clause 26 of the Bill, which inserts proposed section 92A(2) to include subsection (6) of the existing section 92, which negates subsection (4) and allows a local government classification group employer to engage a third party to carry out the functions and powers under section 92A.