



# We need to fight to protect our state's CTP scheme

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**L**AST weekend two of the state's largest CTP insurers, RACQ and Suncorp, once again teamed up to call for major changes to Queensland's CTP scheme.

The facts are that Queenslanders have a CTP scheme of which we can be justly proud. It is inexpensive, well-run, stable, financially sustainable and has among the lowest premiums in Australia.

The scheme also has a low disputation rate and, most importantly, on any fairness measure it provides access to justice not seen in many other parts of Australia. There is no-fault safety net coverage for the most seriously injured participants.

It's against all of the evidence that RACQ and Suncorp laud the NSW scheme. In stark contrast to Queensland, the NSW scheme, which commenced in December 2017, has been exposed for delivering miserly benefits, including reducing the scope of payouts to the most seriously injured, cutting claimants off from

benefits before they are fully recovered, and allowing insurers to adjudicate their own disputes. The NSW Government has continued to rely on insurers to treat claimants fairly. And of course, they don't.

Under the NSW scheme, CTP insurers have continued to use predatory tactics to deny, delay or minimise payouts to accident victims. The insurer foxes run the CTP henhouse south of the Tweed.

In many cases, injured motorists in

NSW are also unable to access legal support and have to negotiate on their own against insurers in charge of resolving disputes. This is despite insurers themselves regularly using lawyers to deny or delay claims.

The insurers' calls, however, are all the more ludicrous when compared to the facts on Queensland's CTP scheme.

The latest annual report of the scheme's regulator again confirms the scheme is stable and sustainable.

The potshots at lawyers who work within the scheme also need to be called out. Far from encouraging people to exploit the system, legal groups have always found claims farming repugnant, and have worked with the Queensland Government on the legislation to address the issue.

Lawyers also have a key role in the scheme to hold insurers to account by ensuring that injured victims get reasonable compensation.

CTP scheme data shows that a person helped by a lawyer is likely to get about 15 times more compensation than someone dealing directly with an insurance company. Little wonder insurance companies don't like lawyers who fight for just outcomes for their clients.

Any refinement of the scheme has an obvious starting point in addressing insurers' gouging of the arrangement. They are making super profits, yet seek

to strip motorists' rights in their pursuit of even more profit.

The comprehensive review of Queensland's CTP scheme in late 2016 found the fundamentals to be sound, but identified persistent excess profits by insurers of about 25 to 31 per cent, with the Motor Accident Insurance Commission estimating that this

equates to \$65-\$81 per car, per policy, per year. In fact *The Courier-Mail* only recently reported that Queensland's CTP scheme accounted for \$435 million of Suncorp's \$8 billion in insurance premiums in 2018.

All this is particularly concerning coming from RACQ, which has clearly decided to park its motorists' rights advocacy vehicle at the back of the grid in favour of super profits.

Queensland's CTP scheme is a shining example to the rest of Australia and Queenslanders should jealously guard the integrity of it.

Rod Hodgson from Maurice Blackburn Lawyers is also a director of the Australian Lawyers Alliance