

18 February 2020

Mr Paul Turner  
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RACQ  
PO Box 4  
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*Copy to Emma Fletcher, Democracy Co.*

By email: [rethinkctp@racq.com.au](mailto:rethinkctp@racq.com.au)

Dear Mr Turner,

**RE: Comments regarding the legal profession and RACQ's CTP Citizens' Jury**

The Australian Lawyers Alliance (ALA) notes recent comments from you in Insurance Business Australia (RACQ starts conversation on Queensland's CTP scheme, 18 Feb 2020) that RACQ are still looking for plaintiff lawyers to provide jury members with insights for and against the need to reform the CTP scheme.

Respectfully however, the ALA and others within the legal profession have already offered an extensive perspective on the citizens' jury some months ago, including outlining why the profession will not be playing any role in giving the RACQ citizens' jury process legitimacy.

Those concerns, as you know well, were as follows:

- RACQ have not been transparent with Queenslanders about their real role in the CTP scheme as a major insurer or their motivation for initiating the citizens' jury process
- The profession has no confidence in the independence or integrity of a citizens' jury process being run by RACQ – RACQ is an insurance company who profits from the CTP scheme and is irrevocably conflicted
- The citizens' jury process is being run without the support or endorsement of the CTP scheme regulator, MAIC
- RACQ have already made clear their preference is a no-fault scheme in Queensland, so it is evident that any citizens' jury run by RACQ has a pre-ordained outcome and the profession cannot give any legitimacy to such a process
- To our knowledge it is only Suncorp and RACQ who have opted to participate in the citizens' jury process and are seeking changes to the CTP scheme, which suggests that the other two major insurers (Allianz and QBE) are generally satisfied with the scheme and are also not giving the process any legitimacy

- RACQ have made clear that they have initiated their citizens' jury on the basis that the current scheme is fundamentally flawed when this is patently untrue – every scheme review conducted by the regulator MAIC confirms the scheme is in good financial health, runs well and is fair, a fact further reinforced by Queensland having the lowest CTP premiums on the Australian mainland

Lawyers groups are always very happy to engage in legitimate processes and reviews into the CTP scheme that are conducted through the appropriate channels, including most importantly those run by the independent scheme regulator MAIC.

Indeed both the ALA and the QLS have participated in numerous such inquiries facilitated by MAIC and continue to do so, including the current statutory review of the scheme being run by the regulator. We will continue to engage in such legitimate processes, and encourage and support beneficial changes to the scheme. For example, both ALA and QLS are on record as being supporters of the recent legislative measures to address the practices known as claims farming.

It is evident however that the citizens' jury process being run by RACQ has no such impartiality, legitimacy or independence.

In light of those obvious concerns, in our view it is instructive that not a single lawyer, law firm or representative body has chosen to appear before the RACQ citizens' jury.

Given our concerns have been made clear to you for some months now, the ALA would also like clarification as to whether our earlier response, as well as the responses provided by other legal professional bodies' to your invitation, has been made available to the citizens' jury?

If not we would ask for this to be provided as soon as possible, as well as ensuring that this additional correspondence today is also shared with the citizens' jury.

We would also like RACQ to confirm if it has provided the following to the citizens' jury as part of its considerations:

- Were the jury members told that the scheme is the subject of formal review processes overseen by the regulator MAIC, as well as informed about the results of those reviews?
- Were jury members informed that the regulator conducts reviews of claimant satisfaction within the scheme?
- And if so, were jury members given the results of those surveys, which report high levels of satisfaction with claimants' lawyers?
- Were, or will, the jury be informed of the data collected by MAIC which shows that for comparable injuries, a claimant unrepresented by a lawyer receives on average at least 10 times less compensation than a claimant dealing directly with insurers who is not represented by a lawyer?

- Will RACQ inform jury members of its own statistics on comparable injuries and the difference between outcomes for claimants who deal direct with RACQ in contrast to those who have an independent lawyer?

Kind regards,



Greg Spinda  
Queensland President  
Australian Lawyers Alliance



Rod Hodgson  
Queensland Director  
Australian Lawyers Alliance