



# The impact of claim farming on the CTP Scheme in Queensland

Neil Singleton – Insurance Commissioner

QLS Personal Injuries Conference

Brisbane

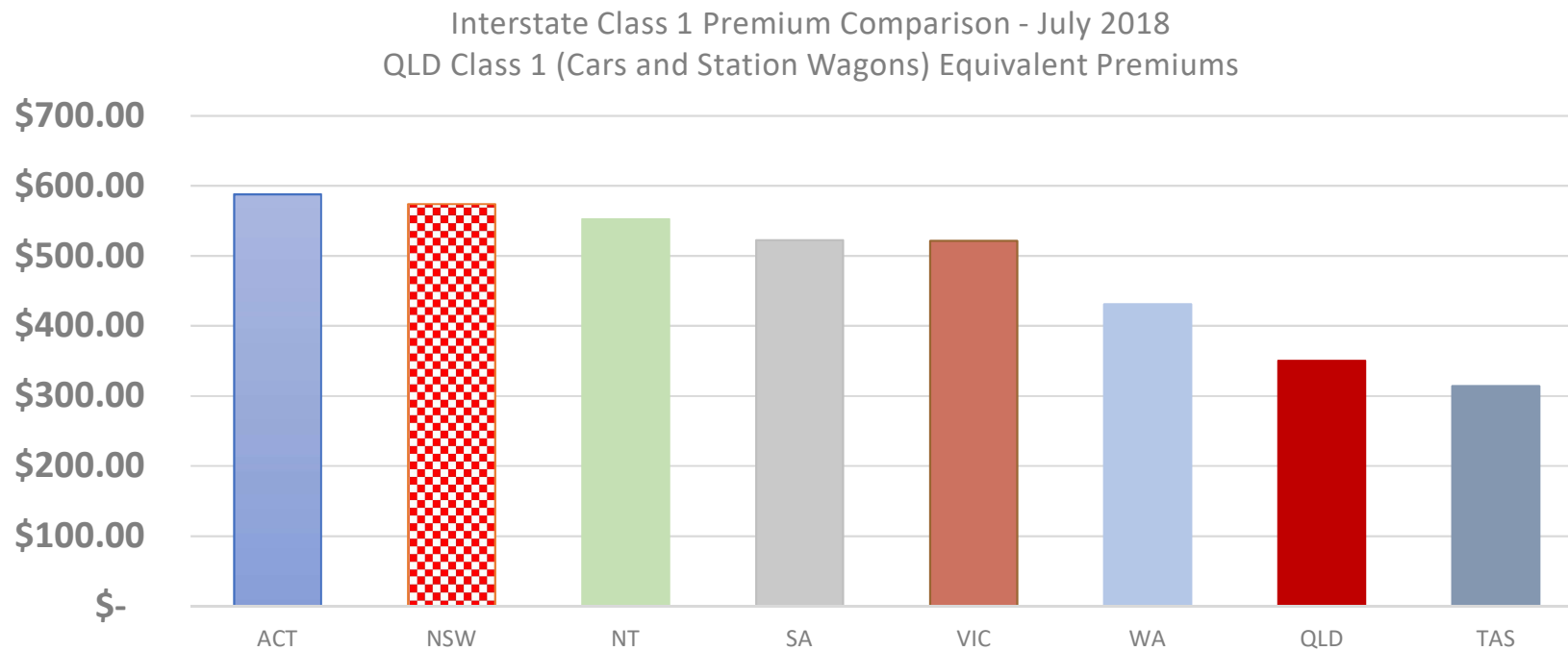
12 October 2018



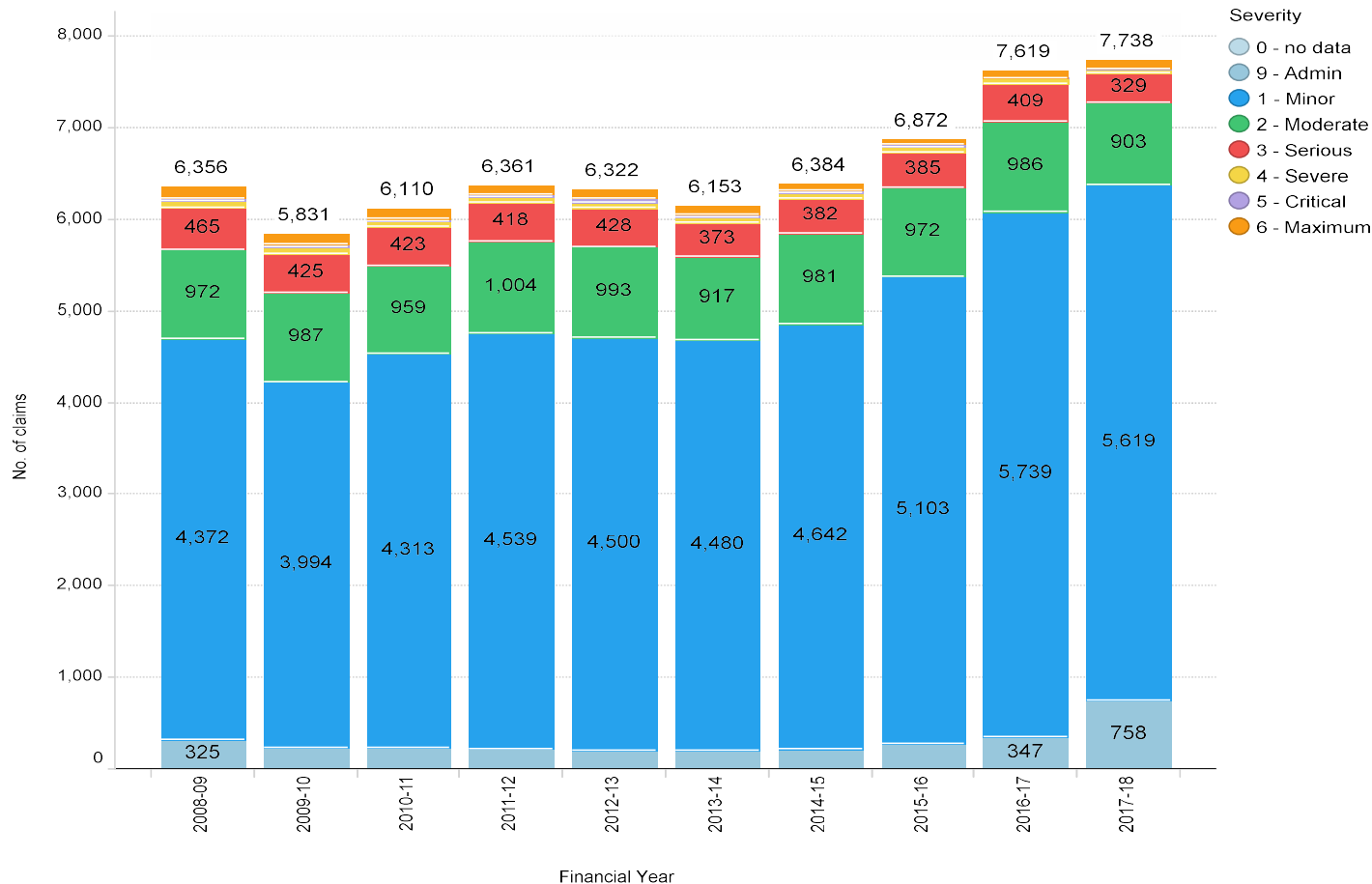
# Addressing claim farming

- **Deputy Premier announces proposed reforms July 2018**
- **MAIC is progressing reforms and a range of initiatives to combat claim farming**
- **Aim to have draft legislation for consultation late 2018 and reforms implemented by mid-2019**
- **Proposed reforms will not impact claimants rights or benefits**
- **Richard Douglas QC advice (Jan 2017) provides guidance on a way forward**
- **Our message to the public: *'Just Hang Up on Claim Farmers'***

## Queensland has second lowest CTP premium... and prices have been falling



## But, claim frequency has been rising...

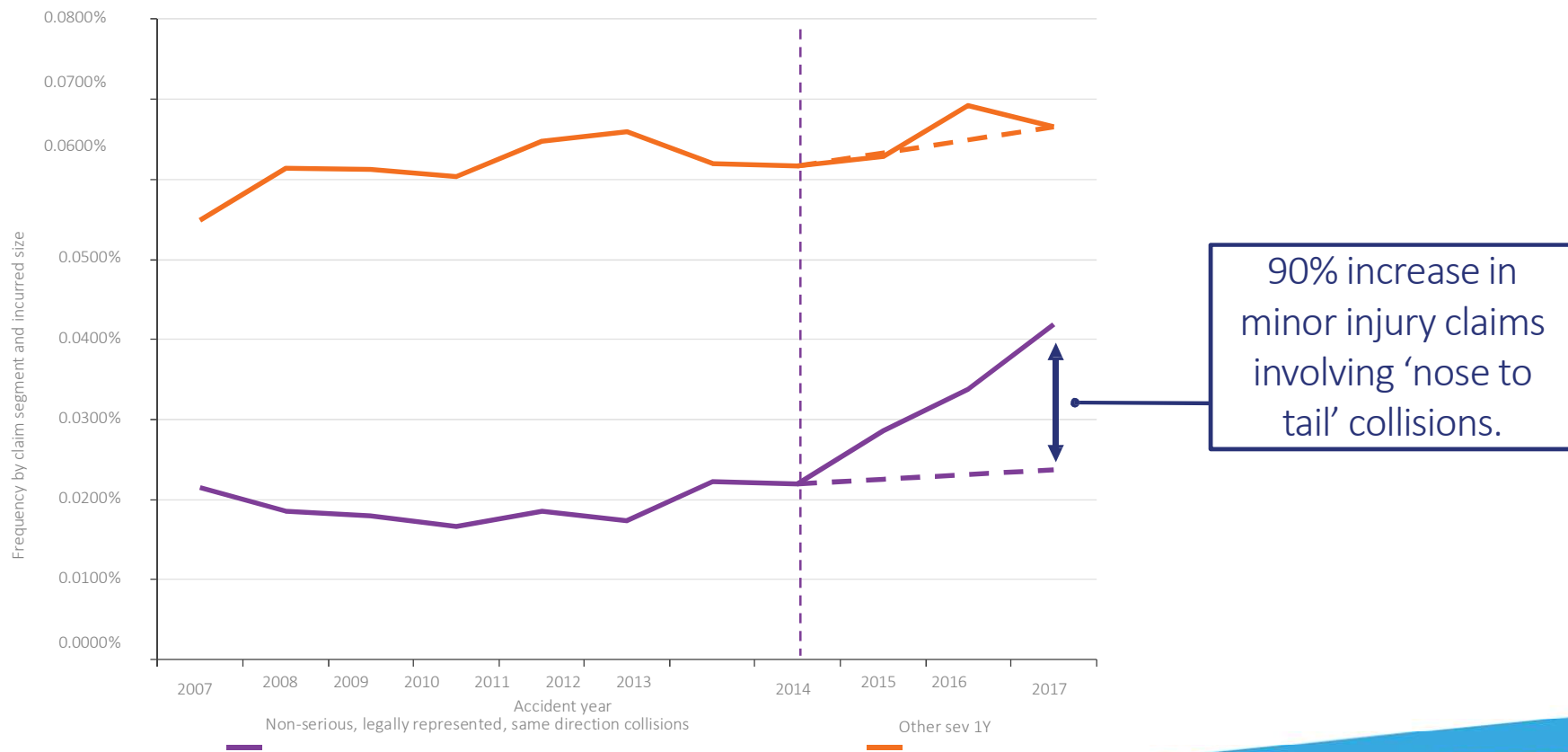


New claims up 20% over the past three years.

Predominantly in minor injury claims.

This may be due to a range of factors

...and mainly in the smaller minor claims



# Support for claim farming reforms

- Market research – 800 Queenslanders >18yo surveyed on-line
  - **93% support action being taken against claim farmers**
  - 37% had been contacted by a claim farmer in prior 12 months
- **People very concerned about how their privacy was breached**
  - Complaints made to MAIC and to ACCC
  - Concerned that claim farmers have targeted children and elderly people
  - Claim farmer techniques include impersonation and high pressure tactics
- **Lawyers have called us about clients being approached by claim farmers**
- **Action required as things can get worse...**

# UK Ministry of Justice – Claims Management Regulation



- Claim farming ‘menace’. Nuisance call ban – fines up to £500k

## Wrap Up

- **Claim farming impact on the CTP scheme warrants action...**
- **...but the bigger impacts are the breach of people's privacy and harassment!**
- **Cost pressure in the CTP scheme has so far been avoided**
- **Reform is warranted and has broad support**
- **QLS is a key stakeholder...we encourage all lawyers to work with and support QLS in combatting claim farming**



