

3.0 SIGNIFICANT ISSUES AND TRENDS

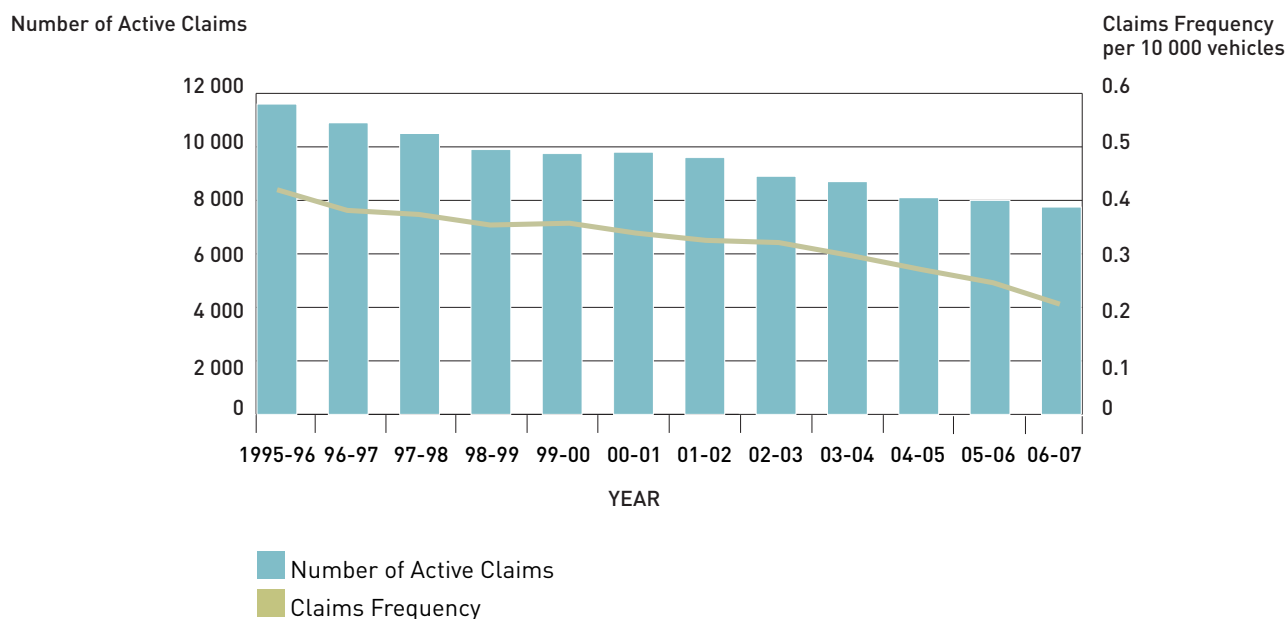
3.1 CHANGES IN WRITTEN LAW

The *Financial Administration and Audit Act 1985* was replaced by the *Financial Management Act 2006* and a separate *Auditor General Act 2006*. The principal objective of this was to enhance accountability for financial and management practices and outcomes by agencies and to make the new legislation more reflective of the current environment.

3.2 MOTOR VEHICLE PERSONAL INJURY CLAIMS TRENDS

Over the last 13 years, there has been a continuing decreasing claim frequency trend experienced in the Motor Vehicle Personal Injury claims received, notwithstanding an increase in vehicle registrations of approximately 5.3% for 2006–2007. The stronger focus on road safety and crash-prevention initiatives, safer cars and better roads, are some of the recognised factors influencing this pleasing, long-running, downward trend.

CLAIMS FREQUENCY AND NUMBER OF ACTIVE CLAIMS



3.3 RISKCOVER CLAIMS TRENDS

Workers' Compensation claims costs have increased over the past 12 months, consistent with the increase in costs for the Western Australian workers' compensation scheme, which are largely attributable to the amendments to the *Workers' Compensation and Injury Management Act 1981* in November 2004.

The Medical Indemnity class appears to have reached maturity in the growth of outstanding active claims after ten years of claims experience. The Property class was impacted upon significantly by a number of claims received in respect of the natural events: Cyclone George and the storm in the Esperance area; and one large fire claim estimated at \$5 million.