



Hon Mike Nahan MLA
Treasurer



Hon Helen Morton MLC
Minister for Disability
Services

15/10/14

JOINT MEDIA STATEMENT

Comment sought on suggested changes to third party insurance

- **Opportunity for public comment on no-fault catastrophic CTP injury insurance**
- **About 92 people suffer catastrophic injuries every year in car accidents in WA**
- **Costs about \$4 million to care for an injured person during their lifetime**

The State Government has released a Green Paper to invite community comment on options to add no-fault catastrophic injury cover to Western Australia's Compulsory Third Party (CTP) insurance scheme.

"The release of the Green Paper will inform the community about options for potential changes to CTP motor vehicle personal injury insurance cover," Treasurer Mike Nahan said.

"We are inviting feedback from the community before the State Government makes any decisions about the possible introduction of a lifetime care and support scheme for people catastrophically injured in motor vehicle accidents."

About 92 West Australians suffer a catastrophic injury every year as a result of a car accident.

Under the existing scheme, 48 people are able to claim lump sum compensation. However, the other 44 would receive no compensation because negligence against another driver was unable to be determined. Instead, these people now rely on support from government-funded health and disability services, personal insurance, families and friends.

Dr Nahan said the State's CTP motor vehicle personal injury insurance scheme, in place since 1947, had served WA's community well and the current annual CTP premium of \$291 for a family car was much lower than anywhere else in Australia.

It is a fault-based scheme, which requires negligence to be asserted against the driver or owner of a WA-registered motor vehicle for a CTP insurance claim to be successful.

There has been significant debate in recent years about whether insurance schemes should be expanded to provide lifetime care and support for anyone who suffers a catastrophic injury as a result of a motor vehicle accident, whether or not fault can be asserted against another driver.

To fund the care and support needs of all people who are catastrophically injured each year under a proposed no-fault catastrophic CTP insurance scheme, the CTP premium would need to increase each year by about \$109 (including GST and insurance duty). This would bring the annual CTP insurance premium for a family car to about \$400.

Disability Services Minister Helen Morton said the cost of caring for a person with catastrophic injuries was, on average, about \$4 million per person over the course of their life.

"I expect this Green Paper will raise a range of issues and there will be good community debate. It is an important conversation and I encourage everyone to have their say on these proposed changes," Mrs Morton said.

Fact File

- For more information, visit <http://www.icwa.wa.gov.au>
- The consultation period closes on December 24, 2014

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