



Hon Mike Nahan MLA  
Treasurer



Hon Donna Faragher MLC  
Minister for Disability Services

6/4/16

## JOINT MEDIA STATEMENT

# Legislation expanding insurance cover passes

- **New legislation broadens insurance cover for 1.8 million WA motorists**

The State Government today welcomed the passage of legislation through State Parliament ensuring all Western Australian motorists have insurance cover for catastrophic injuries caused by motor vehicle crashes from July 1, 2016.

Treasurer Mike Nahan said the Motor Vehicle (Catastrophic Injuries) Act 2016 expanded motor vehicle injury insurance, reflecting community recognition that people catastrophically injured in car crashes should receive care and support for the rest of their lives.

Dr Nahan said the expanded insurance cover would be available to WA's 1.8 million motorists from July 1, 2016.

"I am pleased this legislation has been passed with bipartisan support. From July 1, 2016, this initiative will change the lives of everyone who is catastrophically injured in motor vehicle crashes who are unable to successfully claim under the existing Compulsory Third Party insurance scheme," he said.

The Motor Vehicle (Catastrophic Injuries) Act 2016 will broaden motor vehicle injury insurance to provide lifetime care and support for people catastrophically injured in a motor vehicle accident in which they were either at fault or unable to identify another driver at fault. Catastrophic injuries are defined as spinal cord injuries, traumatic brain injuries, multiple amputations, severe burns and permanent traumatic blindness.

Disability Services Minister Donna Faragher said the legislation would provide security to people who suffer those injuries, their families and loved ones.

"I commend the efforts of the Insurance Commission of Western Australia for the extensive consultation they have undertaken with the health and disability sector, motorists and the community in general," Mrs Faragher said. "I also commend their commitment to partnering with community organisations in the delivery of care and support services."

The cost of the expanded insurance cover will be a maximum of \$99 (including GST and insurance duty) in the first year for each vehicle and motorcycle, with smaller increases for tractors, mopeds, vintage cars and farm firefighting vehicles. There will be no increases for caravans and trailers.

The Insurance Commission of Western Australia Act 1986 and the Motor Vehicle (Third Party Insurance) Act 1943 were also amended to ensure all people catastrophically injured in motor vehicle crashes in WA have access to consistent care and support entitlements. The commission will manage those extra insurance claims and manage the Motor Vehicle (Catastrophic Injuries) Fund to fully fund the claims expected to be incurred.

From July 1, 2016, the annual motor injury insurance premium - including expanded catastrophic injury insurance cover - will be about \$409 per year for a family vehicle.

### Fact File

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- About 1.8 million WA motorists - including drivers, passengers, motorcyclists, pillion passengers, cyclists and pedestrians - will be covered if they are catastrophically injured in a motor vehicle accident in WA from July 1, 2016
- WA's motor injury insurance, which includes expanded catastrophic injury insurance cover, remains cheaper than similar insurance covers in South Australia (\$488), Victoria (\$494), the Northern Territory (\$544), the Australian Capital Territory (\$595) and New South Wales (\$614)
- The Law Council of Australia has welcomed WA's scheme as a fine example of how such a scheme should work
- For more information, visit <http://www.icwa.wa.gov.au>

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