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page 1 of 1

No-fault crash cover aids 28

JOHN FLINT

SOME 28 West Australians catastrophically injured in vehicle crashes in 2016-17 were financially rescued by the introduction of no-fault insurance cover last July.

The figure for the first year of the scheme, which provides lifetime care and support for people who end up disabled, might go up because of another 13 cases being assessed by Insurance Commission of WA.

From last July, WA motorists paid extra premiums to pay for the Catastrophic Injuries Support scheme. Previously, catastrophically injured motorists were left high and dry

when no driver fault could be established. This was often the case in single vehicle accidents, for example, when cars struck trees.

Another 30 people catastrophically injured our roads last year were eligible for the Compulsory Third Party scheme because their injuries were caused by the fault of another driver.

The premium increase, which was an extra \$99 for cars, was calculated on an estimated 44 new CIS claimants each year.

"The actual number of people catastrophically injured was less than the estimated number but within the range of

variation expected by the Insurance Commission and the actuary," ICWA chief executive Rod Whithear reported.

"While the numbers of people catastrophically injured were lower, the estimated cost of lifetime treatment, care and support was higher by \$900,000 on average per person (\$4.9 million each) compared to forecasts of \$4 million. . . . The costs are expected to be higher as peoples' injuries were worse than the average forecast and the age of the injured people was lower than forecast, involving high-cost care funding over a longer period of time."

WA Treasurer Ben Wyatt

yesterday welcomed the figures.

"While it is tremendous that we had less catastrophic injuries on our roads than expected, the 44 estimated was an average," he said. "Therefore we will keep the numbers under close review and if over the next few years it is something that we can reduce (premiums) because the average is far lower then we will certainly look to do so."

ICWA incurred an underwriting loss of \$98.1 million in the first year because cover ran from July 1 despite licence renewals being spread over 12 months. The shortfall was covered by the sale of an asset.