



Hon Mike Nahan MLA
Treasurer



Hon Helen Morton MLC
Minister for Disability
Services

24/2/16

JOINT MEDIA STATEMENT

Western Australian motorists covered in new Bill

- **New legislation will broaden insurance cover for 1.8 million WA motorists**

The State Government has today introduced legislation to ensure all motorists will have insurance cover for catastrophic injuries caused by motor vehicle crashes.

Treasurer Mike Nahan said the Motor Vehicle (Catastrophic Injuries) Bill 2016 had been introduced into State Parliament following overwhelming community support to expand motor vehicle injury insurance.

The Motor Vehicle (Catastrophic Injuries) Bill 2016 will broaden the existing motor vehicle injury insurance scheme to provide lifetime care and support for people catastrophically injured in a motor vehicle accident who are unable to successfully claim under the existing Compulsory Third Party insurance scheme.

Catastrophic injuries include spinal cord injuries, traumatic brain injuries, multiple amputations, severe burns and permanent traumatic blindness.

Dr Nahan said expanded motor vehicle injury insurance cover would be available to Western Australian motorists from July 1, 2016.

“The State Government has broadened the benefits of the insurance cover so 1.8 million Western Australian motorists are provided assurance that if they are catastrophically injured, they will receive care and support,” he said. “We estimate about 44 people each year are catastrophically injured in crashes in which they were either at fault or unable to identify another driver at fault.”

The Bill also amends the Insurance Commission of Western Australia Act 1986 and the Motor Vehicle (Third Party Insurance) Act 1943. These amendments will entitle all people catastrophically injured in motor vehicle crashes in WA to access care and support. They will also provide for the Insurance Commission of Western Australia to manage those extra insurance claims and set up a new investment fund called the Motor Vehicle (Catastrophic Injuries) Fund to fully fund the claims expected to be incurred.

Drivers, passengers, motorcyclists, pillion passengers, cyclists and pedestrians will be able to claim if they are catastrophically injured in a crash from July 1, 2016.

Disability Services Minister Helen Morton said sustaining a catastrophic injury from a motor vehicle crash could happen to anyone.

“This initiative will provide security to people catastrophically injured in crashes and their families, and the comfort of knowing that necessary and reasonable treatment, rehabilitation and care will be provided. This will significantly improve the quality of life for individuals and families in these situations,” Mrs Morton said.

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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. Smaller increases will be applied to tractors, mopeds, vintage cars and farm fire-fighting vehicles. There will be no increases for trailers and caravans.

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

The Treasurer said the price of motor vehicle injury insurance in WA, including expanded catastrophic insurance cover, would continue to be substantially 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).

Fact File

- **About 1.8 million WA motorists will be covered if they are catastrophically injured in a motor vehicle accident from July 1, 2016**
- **For more information, visit <http://www.icwa.wa.gov.au>**

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