



**Victor Dominello**  
Minister for Innovation and Better Regulation

## **MEDIA RELEASE**

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### **NSW MOTORISTS TO BENEFIT FROM CTP REFORMS**

The NSW Government today released a plan to overhaul the state's Compulsory Third Party Motor Accident Insurance Scheme aimed at making it fairer and more affordable for road users.

Minister for Innovation and Better Regulation Victor Dominello said that under the Government's proposal, defined benefits would be introduced for low severity injuries, with lump sum compensation retained for the most seriously injured.

"We have the least affordable motor accident insurance scheme in the country, with Sydney passenger vehicle owners currently paying between \$537 and \$886 for their Green Slip," Mr Dominello said.

"A surge in low severity claims, for injuries such as whiplash and soft tissue damage, is putting significant pressure on Green Slip premiums. Without reform, premiums are expected to rise a further 10 to 20 per cent in coming years.

"The current scheme returns just 45 cents in every Green Slip dollar to injured road users, with the rest going to pay for scheme costs, including insurer profits, legal fees and medical fees. This is simply not sustainable."

The Government's proposal introduces 'no-fault' compensation, extending protection to an extra 7,000 road users per year not covered under the current 'at-fault' scheme.

"The no-fault scheme we are proposing has rehabilitation at its heart. Rather than waiting years for a lump sum settlement, the majority of injured road users will have access to benefits much faster.

"As a result of reduced scheme costs, we will see a much higher proportion of the premium dollar going to injured road users. The majority of NSW motorists can also expect to see a substantial reduction in their Green Slip premiums."

An expert reference panel, chaired by former NSW Government Minister John Della Bosca and Deputy Chair of the State Insurance Regulatory Authority Board Nancy Milne, will make recommendations on the detail of the enabling legislation, to be introduced into Parliament later this year.

Subject to Parliament's approval, the new scheme could come into effect from July 2017. Further information is available at [www.greenslipreforms.nsw.gov.au](http://www.greenslipreforms.nsw.gov.au)

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