

# CTP CHANGES

# ADDING INSULT TO INJURY



The NSW Government's proposed CTP Green Slip changes will cut payouts and prevent many injured people from getting the benefits they deserve. Don't lose out to complacency and don't wait until you are injured to find out what you will miss.

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## WHAT IS A CTP GREEN SLIP?

A Green Slip is an insurance policy which all vehicle owners must purchase at the time of registering their vehicle. Compulsory third party (CTP) personal injury insurance covers you in case you, or a person driving your vehicle cause a motor accident where someone is injured.

## THE CURRENT CTP SCHEME

With some exceptions, the payment of benefits relies on establishing a degree of fault with only limited compensation for the driver who caused the accident. Children under 16 and the catastrophically injured are covered for treatment and care on a no fault basis.

- Cases where the driver admits fault are pursued through an administrative system. Cases where fault is in dispute or involving children are run through the court system with lawyers representing the parties and the court awarding compensation.
- Compensation is also paid for full past and future loss of earnings, treatment, and paid or voluntary care, for example where an injured person is looked after by their family.
- There is no time limit on appropriate treatment.



## THE PROPOSED SCHEME

This will be a modified “no fault” scheme where all people in a vehicle claim on the CTP policy of that vehicle, irrespective of fault.

- This will add about 7,000 injured drivers who are at fault to claim on the scheme every year.
- 90% of innocent victims, those who fall below 10% whole person impairment, will have treatment expenses cut off after 5 years.
- Loss of earnings will also be restricted to 5 years and capped at 1.5 times Average Weekly Earnings per week.
- There will be NO compensation for care from family.
- Only very severely injured people – about 5-10% of victims.

**90% of innocent victims... will have treatment expenses cut off after 5 years**

There is still a wide range of serious injuries that may not reach 10% whole person impairment such as a fractured skull, knee injury or shoulder injury.



## WHY YOU SHOULD BE CONCERNED

Most benefits will be defined by a complex and rigid administrative system, not decided by a court, which is certain to lead to disputes between injured people and insurers.

Lawyers see injured people every day and know how difficult it can be to navigate the CTP claims process. Accident victims should not be left to fend for themselves against well trained insurance company representatives.

## COULD YOU AFFORD TO GET INJURED?

A tradesperson who suffers a serious orthopaedic injury to a shoulder, knee or ankle may have an 8% whole person impairment. However, the inability to squat or crawl may rule out their former job and retraining for a desk job may be very difficult. Not only will this victim receive no compensation after 5 years but compensation for lost income will be limited to 1.5 times average weekly earnings. In many cases this will be far less than their pre-injury earnings, throwing doubt on meeting mortgage and other financial commitments.

**While we need a viable CTP system in NSW, it should not be at the expense of injured motorists and their families.**