



New South Wales

Motor Accidents Compensation Bill 1999

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

The object of this Bill is to establish a new scheme of compulsory third-party insurance and payment of compensation relating to the death of or injury to persons as a consequence of motor accidents. Motor accidents occurring before the commencement of the new scheme will continue to be subject to the scheme established under the *Motor Accidents Act 1988*.

Specific objects of Bill

The specific objects of this Bill are as follows:

- (a) to encourage early and appropriate treatment and rehabilitation to achieve optimum recovery from injuries sustained in motor accidents, and to provide appropriately for the future needs of those with ongoing disabilities,
- (b) to provide compensation for compensable injuries sustained in motor accidents, and to encourage the early resolution of compensation claims,
- (c) to promote competition in the setting of premiums for third-party policies, and to provide the Motor Accidents Authority with a prudential role to ensure against market failure,

- (d) to keep premiums affordable, recognising that third-party bodily insurance is compulsory for all owners of motor vehicles registered in New South Wales,
- (e) to keep premiums affordable, in particular, by limiting the amount of compensation payable for non-economic loss in cases of relatively minor injuries, while preserving principles of full compensation for those with severe injuries involving ongoing impairment and disabilities,
- (f) to ensure that insurers charge premiums that fully fund their anticipated liability,
- (g) to deter fraud in connection with compulsory third-party insurance.

Features of previous scheme retained

The principal features of the previous scheme that have been retained are as follows:

- (a) Insurance for liability of the driver or owner of a registered motor vehicle relating to the death of or injury to other persons as a consequence of motor accidents is compulsory.
- (b) Insurance under the scheme is privately underwritten and the insurance risk remains with the private sector. Insurers providing third-party insurance are licensed and supervised by the Motor Accidents Authority.
- (c) Compensation under the scheme is payable only if the injury or death was caused by the fault of the insured driver or owner in the use or operation of the motor vehicle.
- (d) Compensation where the motor vehicle involved in the accident was not insured or cannot be identified is payable under a Nominal Defendant scheme operated by the Motor Accidents Authority (with licensed insurers acting for the Authority in connection with claims).
- (e) The courts are the final arbiters on the issues of liability to pay compensation and the assessment of the amount of damages required to be paid by way of compensation.
- (f) Specific principles apply to a court when assessing compensation payments in any award of damages in a motor accident claim (including restrictions on compensation for pain and suffering and other categories of damages).

Principal changes to previous scheme

The principal changes to the previous scheme are as follows:

- (a) Early notification of injuries and decisions on provisional liability and payment by insurers (of up to \$500) to encourage prompt appropriate medical and

related treatment of injured persons and discourage formal claims and litigation in respect of minor matters.

- (b) The issue of official guidelines with respect to appropriate treatment for injured persons for which insurers are liable.
- (c) The facility for regulations to prescribe schedules of fees for which insurers are liable for medical and related treatment, and to prescribe schedules of fees that legal practitioners may charge when dealing with motor accident claims.
- (d) The establishment of a system of independent medical assessment to resolve disputes about treatment, rehabilitation and other related medical matters.
- (e) The institution of new claims handling procedures by insurers to promote the prompt acceptance or denial of liability by insurers and the prompt making of reasonable offers of settlement for claims in which liability is accepted.
- (f) The establishment of a Motor Accidents Claims and Resolution Service within the Authority to assess disputed claims before court proceedings can be commenced to assist in the resolution of disputes about claims. The decision of the independent claims assessor on the amount of compensation to be paid will be binding on the insurer, and on the claimant if the claimant accepts the amount within 21 days. A claimant who does not accept the amount assessed will be liable for the payment of additional legal costs if the court does not award an increased amount of compensation.
- (g) The establishment of a Motor Accidents Council (with wide representation) to oversee the new medical and claims assessment procedures.
- (h) The modification of the principles applicable to the award of damages, in particular:
 - (i) changing the current threshold tests that apply before a person is entitled to damages for non-economic loss (e.g. pain and suffering) to at least 10% permanent impairment on a “whole of person” medical assessment, and
 - (ii) excluding compensation for economic loss for the first 5 days of loss of earnings and providing a cap on the weekly amount of loss of earnings similar to that applying to damages for work-related injuries.
- (i) Increased regulatory powers of the Authority with respect to licensed insurers, including the imposition of civil penalties for breaches of the Act or licence conditions.
- (j) Changes to the premium-fixing mechanisms for third-party insurance, including increased powers of the Authority to supervise those mechanisms, arrangements for pooling the risks associated with high risk groups in the community and for an initial premium of an average of approximately \$330 for passenger vehicles in a metropolitan area.

Outline of provisions

Chapter 1 Preliminary

This Chapter sets out the name of the proposed Act, provides for its commencement on a proclaimed date, defines words and expressions used in the proposed Act and sets out the objects of the proposed Act. The Chapter requires the proposed Act to be construed and discretions exercised in a way that would best promote the objects of the proposed Act.

Chapter 2 Third-party insurance

Part 2.1 Compulsory insurance

This Part makes it an offence, subject to certain exceptions, for a person to use an uninsured motor vehicle on a road. It provides for a defence in criminal proceedings where the person believed, and had reasonable grounds for believing, that the vehicle was insured.

Part 2.2 Insurance policies

This Part deals with matters relating to third-party insurance policies. The prescribed form of policy covers the use or operation of a registered vehicle on a road or elsewhere in Australia and the use or operation of a vehicle the subject of an unregistered vehicle permit only on a road in Australia. The Part prohibits the RTA from registering or renewing the registration of a motor vehicle or issuing a trader's plate unless a certificate of insurance is produced to the RTA or the RTA is otherwise satisfied that a third-party insurance policy exists.

This Part also outlines the method of effecting a third-party insurance policy. More specifically, it deals with the issuing of certificates of insurance, the commencement, duration and cancellation of policies and the rights and liabilities attaching to persons who are parties to those policies.

Part 2.3 Insurance premiums

This Part relates to third-party insurance premiums. It provides for the charging of premiums in accordance with premiums filed by insurers with, and not rejected by, the Authority. Premiums that may be filed are subject to Premiums Determination Guidelines issued by the Authority. In addition, the Part sets, at 4% of the premium collected, the maximum amount a licensed insurer may pay to an insurer's agent as a commission. The Part permits the Authority to enter into arrangements with licensed insurers to pool the risks associated with certain high risk third-party insurance policies.

Part 2.4 Uninsured or unidentified motor vehicles

This Part enables claims for damages for a motor vehicle accident to be brought against the Nominal Defendant where a vehicle is uninsured or is not identified. The Authority is designated as the Nominal Defendant, but claims are allocated to licensed insurers to be dealt with. An insurance industry deed between the Government and insurers provides for cost sharing for those claims among insurers according to their market share of third-party insurance business.

Chapter 3 Motor accident injuries

Part 3.1 Preliminary

This Part deals with certain preliminary matters for the operation of Chapter 3. These matters include the definitions of certain words for the purposes of that Chapter, the injuries to which the Chapter applies and the issuing of Medical Guidelines by the Motor Accidents Council as part of the Council's oversight of medical assessment. The Medical Guidelines may approve appropriate treatment for injuries, appropriate rehabilitation procedures and set out procedures for the assessment of permanent impairment and the assessment of medical and related disputes.

Part 3.2 Early payment for treatment of injured persons

This Part deals with the new arrangements outlined above for early notification of injuries and decisions on provisional liability and payment by insurers (of up to \$500) to encourage prompt and appropriate medical and related treatment and discourage formal claims and litigation in respect of minor matters. It sets out

procedures for the early submission of an accident notification form and makes related provision for the acceptance of provisional liability by insurers and the payment of treatment expenses. Provisional liability must be accepted for injured passengers and pedestrians.

Part 3.3 Payments to hospitals, doctors and others

This Part deals with the manner in which payments are made by licensed insurers to hospitals, doctors, dentists, ambulance services and others for the treatment expenses of injured persons. The Part formalises the current bulk billing arrangements for public hospital expenses and introduces a power to prescribe scheduled fees for medical and related treatment for which an insurer is liable.

Part 3.4 Medical assessment

This Part provides for the new arrangements outlined above for independent medical assessment in the case of disputes between a claimant and an insurer about certain matters related to medical or related treatment for a motor accident injury and the degree of permanent impairment a person has suffered from such an injury. The Part provides for the appointment of medical assessors, assessment procedures, costs of assessments and the review of such assessments by a review panel.

Chapter 4 Motor accident claims

Part 4.1 Preliminary

This Part deals with certain preliminary matters relating to Chapter 4, such as definitions and the application of the Chapter. The Part also makes it clear that the Chapter applies to all claims regardless of whether or not there is a third-party insurance policy in respect of the claim.

The Part provides for the issuing to insurers of Claims Handling Guidelines by the Authority, and for the issuing of Claims Assessment Guidelines by the Motor Accidents Council as part of the Council's oversight of claims assessment.

Part 4.2 Claims and other preliminary matters

This Part deals with matters relating to the making of claims. These matters include the requirement for claimants to comply with the law relating to the reporting of motor accidents to the police, the time for and notice of making of claims, the making of late claims and certain powers of insurers relating to claims.

Part 4.3 Duties with respect to claims

This Part deals with the duties of insurers, claimants and other parties related to a claim. These duties include the duty of insurers to try to resolve claims expeditiously and to make reasonable offers of settlement (except where liability is wholly denied), the duty of claimants to co-operate with insurers and persons against whom claims are made, and the duty of the owners or drivers of motor vehicles to which claims relate to co-operate with insurers. The Part provides for the new claims handling procedures outlined above, including a 2-months deadline for an insurer to accept or deny liability and a deadline for making a reasonable offer of settlement of 1 month after the injury has stabilised or 2 months after the claimant provides all necessary particulars (whichever is the later).

Part 4.4 Claims assessment and resolution

This Part deals with the new arrangements for the establishment of a Motor Accidents Claims and Resolution Service within the Authority to assess disputed claims before court proceedings can be commenced to assist in the resolution of disputes about claims. The decision of the independent claims assessor on the amount of compensation to be paid will be binding on the insurer, and on the claimant if the claimant accepts the amount within 21 days. Any decision of a claims assessor on liability is not binding. If a claim is not appropriate for assessment, a certificate of exemption will be granted, which will authorise the commencement of court proceedings. The Part deals with the manner of assessment by claims assessors, other disputes that may be referred for assessment (such as late claims) and proceedings before, and the powers of, claims assessors. It also provides that regulations may be made for or with respect to the procedures to be followed under the Part.

Part 4.5 Court proceedings on claims

This Part deals with certain matters relating to court proceedings in respect of claims, such as time limitations on commencement of court proceedings and the prohibitions on commencing proceedings in respect of a claim without a certificate of claims assessment or exemption from claims assessment. The Part retains the existing restriction that court proceedings cannot be commenced after the expiration of 3 years after the motor accident unless the court gives special leave.

Part 4.6 Miscellaneous provisions

This Part deals with a number of miscellaneous matters relating to claims. The Part makes it an offence to knowingly make a statement that is false or misleading in a material particular in certain specified documents, in the course of an assessment or when otherwise furnishing information concerning a motor accident or any claim relating to a motor accident. The maximum penalty for the offence is 50 penalty units (\$5,500) or 12 months' imprisonment or both. The Part also provides for a right of recovery against a person who obtains a financial benefit by means of a fraudulent claim.

The Part continues the provisions for a register of claims for motor accident claims and work-related claims and for the sharing of the information among insurers. In addition, the Part introduces a power to make regulations to regulate advertising by lawyers and agents in connection with claims in similar terms to that applying in workers compensation matters.

Chapter 5 Award of damages

Part 5.1 Application

This Part provides that Chapter 5 applies to and in respect of an award for damages which relates to the death or injury of a person caused by the fault of the owner or driver of a motor vehicle in the use or operation of the vehicle. The Part provides that a court cannot award damages relating to motor accidents contrary to that Chapter.

Part 5.2 Damages for economic loss

This Part relates to awards for damages for economic loss and the method of making such awards. It includes provisions relating to the maximum loss of earnings, the discount rate for lump sum awards and the maximum amount for certain attendant care services.

Part 5.3 Damages for non-economic loss

This Part relates to awards for damages for non-economic loss and the making of such awards. It includes provisions relating to the new threshold test of at least 10% permanent impairment of an injured person and the maximum amount that a court may award for non-economic loss.

Part 5.4 Other matters

This Part deals with other matters that relate to awards for damages including, amongst other things, the duty of an injured person to mitigate his or her damages, interest payments on damages awards, contributory negligence, voluntary assumption of risk, psychological or psychiatric injury, the prohibition on exemplary or punitive damages and indexation of maximum award amounts provided for in the Chapter.

Chapter 6 Costs

This Chapter deals with a number of matters relating to and in respect of legal and associated costs in connection with a motor accident. It includes provisions that allow for regulations to be made fixing maximum costs recoverable by legal practitioners for legal services, and other non-legal services (such as expenses for investigations, witnesses or medical reports) and for maximum fees recoverable by medical practitioners for the provision of medical reports or witness appearances in connection with a claim. The Chapter also provides for a cost recovery limitation for claimants who do not accept the amount of damages assessed by a claims assessor and do not obtain any significant increase in the amount assessed through court proceedings. The Chapter authorises the regulations to prescribe court fees and claims assessment fees in respect of motor accident claims.

Chapter 7 Insurers

Part 7.1 Licensing of insurers

This Part deals with the licensing of insurers authorised to issue third-party policies for the purposes of the proposed Act. It includes provisions relating to applications for licences and the duration, conditions, suspension and cancellation of licences. The Part includes a new procedure for the imposition of a civil penalty of up to \$50,000 for a contravention by a licensed insurer.

Part 7.2 Supervision of insurers

This Part deals with the supervision of licensed insurers by the Authority. It includes provisions relating to accounts, returns and other documents that must be kept by licensed insurers or lodged with the Authority and provisions relating to the powers of entry and inspection of authorised officers of the Authority.

Part 7.3 Insolvent insurers

This Part deals with matters relating to insolvent insurers. It includes provisions relating to the tasks of liquidators of insolvent insurers and the role of the Nominal Defendant as agent and attorney of persons insured under a third-party insurance policy issued by an insolvent insurer.

Chapter 8 Administration

Part 8.1 Motor Accidents Authority

This Part provides for the continuation of the Motor Accidents Authority of New South Wales as a statutory corporation representing the Crown. It contains provisions dealing with the Authority's Board of Directors, its General Manager and other staff. It also provides for the management and general functions of the Authority.

Part 8.2 Motor Accidents Council

This Part provides for the constitution of the new Motor Accidents Council of New South Wales. It contains provisions relating to the membership, procedure and functions of the Council.

Part 8.3 Financial provisions

This Part deals with the establishment of the Motor Accidents Authority Fund, which funds the operations of the Authority. Licensed insurers are required to contribute to the Fund in accordance with the relative amounts of premium income received during the year concerned.

Chapter 9 Miscellaneous

This Part contains miscellaneous provisions, including provisions relating to secrecy of information, the service of documents, proceedings for offences against the proposed Act and the making of regulations in aid of the proposed Act.

Schedule 1 contains provisions relating to the members and procedure of the Board of Directors of the Authority.

Schedule 2 contains provisions relating to the members and procedure of the Motor Accidents Council.

Schedule 3 contains amendments to the *Motor Accidents Act 1988* as a consequence of the enactment of the proposed Act. The amendments limit the operation of that Act to accidents occurring before the commencement of the proposed Act.

Schedule 4 contains amendments to other Acts as a consequence of the enactment of the proposed Act.

Schedule 5 enacts certain savings, transitional and other provisions consequent on the enactment of the proposed Act, and enables further provisions of a similar kind to be made by regulation. The Schedule includes provision for an initial premium of an average of approximately \$330 for passenger vehicles in a metropolitan area.



New South Wales

Motor Accidents Compensation Bill 1999

Contents

	Page
Chapter 1 Preliminary	
1 Name of Act	2
2 Commencement	2
3 Definitions	2
4 Meaning of "owner" of motor vehicle	6
5 Objects of Act	7
6 Interpretation and application of Act by reference to objects	9
7 Notes	9
Chapter 2 Third-party insurance	
Part 2.1 Compulsory insurance	
8 Offence of using uninsured motor vehicle on road	10
9 Exception from compulsory insurance	10

	Page
Part 2.2 Insurance policies	
10 Third-party policies	11
11 Issue of certificate of insurance	11
12 Evidence of insurance in respect of motor vehicle	12
13 Commencement and duration of third-party policy	12
14 Cancellation of third-party policies	13
15 Risks not insured under third-party policies	15
16 Indemnification of insured persons	15
17 Liability of licensed insurers and insured persons where correct insurance premiums not paid	15
18 Effect of change of ownership of motor vehicle or trader's business	15
19 Notice of change of registered particulars and other information relating to motor vehicles	16
20 Right of insurer against unauthorised driver of motor vehicle	16
21 Recovery of an excess in certain cases	16
22 Extension of indemnity to insured person's estate	17
23 Entry of judgment against licensed insurer	18
Part 2.3 Insurance premiums	
24 Authority guidelines for the determination of premiums	18
25 Third-party premiums	19
26 Filing of full sets of premiums	19
27 Rejection of premiums by Authority	20
28 Premium risk adjustment	21
29 Maximum commission payable to insurers' agents	22
Part 2.4 Uninsured or unidentified motor vehicles	
30 Application of Part	23
31 Nominal Defendant	23
32 Claim against Nominal Defendant where vehicle not insured	23
33 Claim against Nominal Defendant where vehicle not identified	24
34 Claim against Nominal Defendant where a NSW registered trailer is attached to a motor vehicle not registered in NSW	24
35 Nominal Defendant as tortfeasor	26
36 Payment of claims against Nominal Defendant	27
37 Licensed insurers to act for Nominal Defendant	27
38 Recovery from owner or driver	27

	Page
39 Establishment of Nominal Defendant's Fund	28
40 Collections for Nominal Defendant's Fund	29
Chapter 3 Motor accident injuries	
Part 3.1 Preliminary	
41 Definitions	30
42 Application of Chapter	30
43 Medical Guidelines of Motor Accidents Council	30
44 Special requirements relating to MAC Medical Guidelines relating to impairment	31
Part 3.2 Early payment for treatment of injured persons	
45 Definitions	32
46 Payment for treatment of injured persons	32
47 Notification of motor accident to police and submission of accident notification form to insurer	32
48 Accident notification forms	33
49 Acceptance of provisional liability by insurer	33
50 Limit on payment of treatment expenses	34
51 Treatment expenses where treatment contrary to guidelines or exceeds limit	34
52 Treatment expenses not payable	35
Part 3.3 Payments to hospitals, doctors and others	
53 Bulk billing arrangements for hospital, ambulance and other expenses	35
54 Payment of hospital, ambulance, medical and other expenses not covered by bulk billing arrangement	36
55 Maximum fees payable by insurers for medical treatment and other treatment or services not provided at hospitals or for treatment at private hospitals	37
Part 3.4 Medical assessment	
56 Definitions	38
57 Application	38
58 Appointment of medical assessors	38
59 Medical assessment procedures	39
60 Status of medical assessments	39
61 Referral of matter for further medical assessment	39

Contents

	Page
62 Review of medical assessment by review panel	40
63 Costs of medical assessment	40
64 MAC monitoring and oversight	41
Chapter 4 Motor accident claims	
Part 4.1 Preliminary	
65 Definitions	42
66 Application of Chapter	42
67 Claims Handling Guidelines of Authority	42
68 Claims Assessment Guidelines of Motor Accidents Council	43
Part 4.2 Claims and other preliminary matters	
69 Reporting of motor accident to police	43
70 Authority's access to police information	44
71 Time for and notice of making of claims	44
72 Late making of claims	45
73 Form of notice of claim	46
74 Other approved forms	47
75 Challenging claims for failure to comply with section 73	47
76 Insured not to admit liability or act in respect of claim	47
77 Power of insurer to act for insured	48
78 Power of insurer to intervene in legal proceedings	48
Part 4.3 Duties with respect to claims	
79 General duty of insurer to try to resolve claim expeditiously	49
80 Duty of insurer with respect to admission or denial of liability	49
81 Duty of insurer to make offer of settlement	49
82 Duty of insurer to make hospital, medical and other payments	50
83 Duty of insurer with respect to rehabilitation of injured person	51
84 Duty of claimant to co-operate with other party	52
85 Medical and other examination of claimant	53
86 Duty of owner and driver to co-operate with insurer	54

	Page
Part 4.4 Claims assessment and resolution	
Division 1 Preliminary	
87 Definitions	55
88 Application	55
Division 2 Assessment of claims	
89 Reference of claim	55
90 Time limits for referring claims	56
91 Claims exempt from assessment	56
92 Arrangements for assessment	56
93 Assessment of claims	56
94 Status of assessments	57
95 Special assessments of certain disputes in connection with claims	58
96 Regulations	58
Division 3 Provisions relating to claims assessors	
97 Motor Accidents Claims Assessment and Resolution Service	59
98 Claims assessors	59
99 Power of claims assessor to require information	59
100 Power of claims assessor to provide documents and information to a party	60
101 Summons to appear at assessment conference	60
102 Protection of claims assessors	61
103 Proceedings before claims assessors	61
104 Control and direction of claims assessors	62
105 MAC monitoring and oversight	62
Part 4.5 Court proceedings on claims	
106 Forum for court proceedings	63
107 Claims assessment or exemption pre-condition for commencement of court proceedings	63
108 Time limitations on commencement of court proceedings	63
109 Presumption of agency	64
110 Proceedings against insurer if insured dead or unable to be served	65
111 Proof of inability to serve process and give notice	65
112 Disclosure of offers or assessment by claims assessor	65

	Page
Part 4.6 Miscellaneous provisions	
113 Licensed insurers to deter fraudulent claims	66
114 False claims	66
115 Remedy available where claim fraudulent	66
116 Joinder of insurer where false claim alleged	67
117 Claims register	68
118 Regulation of advertising and other marketing of services	69
Chapter 5 Award of damages	
Part 5.1 Application	
119 Damages in respect of motor accidents	70
120 General regulation of court awards	70
Part 5.2 Damages for economic loss	
121 Damages for past economic loss—no compensation for first 5 days of loss of earnings	70
122 Damages for past or future economic loss—maximum for loss of earnings etc	70
123 Future economic loss—claimant’s prospects and adjustments	71
124 Damages for future economic loss—discount rate	71
125 Damages for economic loss—maximum amount for provision of certain attendant care services	72
126 Respite care	73
127 Damages for economic loss—reduction because of other amounts paid or payable	73
Part 5.3 Damages for non-economic loss	
128 Impairment thresholds for award of damages for non-economic loss	74
129 Assessment of impairment required before award of damages for non-economic loss if dispute over impairment threshold	74
130 Method of assessing degree of impairment	74
131 Maximum of amount of damages for non-economic loss	75
132 Publication of information to assist determination of non-economic loss	75

	Page
Part 5.4 Other matters	
133 Mitigation of damages	75
134 Payment of interest	76
135 Contributory negligence—generally	78
136 Contributory negligence—claims under the Compensation to Relatives Act 1897	79
137 Defence of voluntary assumption of risk	79
138 Damages for psychological or psychiatric injury	80
139 Damages for the loss of services	80
140 Structured settlements	81
141 Exemplary or punitive damages	82
142 Court to apportion damages	82
143 Indexation of amounts relating to award of damages	83
Chapter 6 Costs	
144 Definitions	84
145 Application of this Chapter	84
146 Regulations fixing maximum costs recoverable by legal practitioners	84
147 Maximum fees recoverable by medical practitioners for medico-legal services	85
148 Costs where claims assessment made	85
149 Costs where court proceedings and no claims assessment	86
150 Other matters relating to costs	87
151 Court fees	87
152 Claims assessment fees	88
153 Exclusion of matters from this Chapter	88
Chapter 7 Insurers	
Part 7.1 Licensing of insurers	
154 Offence—unlicensed insurers	89
155 Applications for licences	89
156 Determination of application for licence	90
157 Duration of licences	91
158 Conditions of licences	91
159 Matters that may be regulated by conditions of licences	91
160 Matters not subject to conditions of licences	92
161 Assignment of licences	92
162 Suspension of licences	93

Contents

	Page
163 Imposition of civil penalty on or censure of licensed insurer	95
164 Cancellation of licences	95
165 Assignment of policies following cancellation of licence and in other cases	96
166 Records and evidence relating to licences	97
167 Reviews of licensing decisions by Administrative Decisions Tribunal	98
Part 7.2 Supervision of licensed insurers	
168 Authority guidelines for market practice	98
169 Determination of market share of each insurer	99
170 Business plans of licensed insurers	99
171 Re-insurance arrangements of licensed insurers	100
172 Investment of funds of licensed insurer	100
173 Accounts, returns and other records of licensed insurer	101
174 Audit of accounting records and of compliance with guidelines	102
175 Information and documents as to business and finances to be supplied to Authority by insurers and former insurers	102
176 Reports about insurers	104
177 Power of Supreme Court to deal with insurers unable to meet liabilities	104
178 Notification to Authority of certain defaults in relation to insurers	106
179 Powers of entry and inspection by authorised officers of Authority	106
180 Proceedings for failure to comply with licence	108
Part 7.3 Insolvent insurers	
181 Interpretation	108
182 Insolvent insurers	108
183 Liquidator to notify Nominal Defendant of claims	109
184 Delivery of documents to Nominal Defendant	109
185 Appointment of Nominal Defendant as agent and attorney of insured	109
186 Payments to insured or liquidator	111
187 Application of Nominal Defendant's Fund	112
188 Recovery of amounts under contracts or arrangements for re-insurance	112
189 Payments of compensation when insolvent insurer dissolved	112
190 Borrowings for the purposes of the Nominal Defendant's Fund	113

	Page
191 Inspection of documents by person authorised by Minister	113
192 Nominal Defendant may take certain legal proceedings	113
193 Insurers or other persons may act for Nominal Defendant	114
194 Regulations	114
Chapter 8 Administration	
Part 8.1 Motor Accidents Authority	
Division 1 Constitution of Authority	
195 Constitution of Authority	115
196 Board of Directors	115
197 General Manager	115
198 Staff of Authority	116
Division 2 Management of Authority	
199 The Minister	116
200 Board of Directors	117
201 General Manager	117
202 Delegation of functions	117
Division 3 Functions of Authority	
203 Functions of Authority	117
Part 8.2 Motor Accidents Council	
204 Constitution of Council	119
205 Membership and procedure of Council	119
206 Functions of Council	120
Part 8.3 Financial provisions	
207 Definitions	120
208 Motor Accidents Authority Fund	121
209 Assessment by Authority of amount to be contributed to Fund	122
210 Contributions to Fund by licensed insurers	123
211 Financial year	123

	Page
Chapter 9 Miscellaneous	
212 No contracting out of Act	124
213 Secrecy of information obtained from or relating to insurers or proposed insurers	124
214 Act to bind Crown	126
215 Recovery of money by Authority	126
216 Seal of Authority	126
217 Certificate evidence	126
218 Service of documents generally	127
219 Service of documents on Authority or Motor Accidents Council	127
220 Service of documents on Nominal Defendant	128
221 Personal liability	128
222 Offences by corporations	128
223 Proceedings for offences	129
224 Regulations	129
225 Amendment of Motor Accidents Act 1988 No 102	129
226 Consequential amendment of other Acts	129
227 Repeals	129
228 Savings, transitional and other provisions	129
229 Review of Act	129
Schedules	
1 Provisions relating to Board of Directors of Authority	131
2 Provisions relating to Motor Accidents Council	136
3 Amendment of Motor Accidents Act 1988	142
4 Consequential amendment of other Acts	146
5 Savings, transitional and other provisions	154



New South Wales

Motor Accidents Compensation Bill 1999

No. , 1999

A Bill for

An Act to establish a new scheme of compulsory third-party insurance and payment of compensation relating to the death of or injury to persons as a consequence of motor accidents; to amend the *Motor Accidents Act 1988* and other Acts; and for other purposes.

The Legislature of New South Wales enacts: 1

Chapter 1 Preliminary 2

1 Name of Act 3

This Act is the *Motor Accidents Compensation Act 1999*. 4

2 Commencement 5

This Act commences on a day or days to be appointed by proclamation. 6
7

3 Definitions (cf ss 3, 3B, 3C, 68 MAA) 8

In this Act: 9

attendant care services means services that aim to provide assistance to people with everyday tasks, and includes (for example) personal assistance, nursing, home maintenance and domestic services. 10
11
12

Authority means the Motor Accidents Authority of New South Wales constituted under Part 8.1. 13
14

claim means a claim for damages in respect of the death of or injury to a person caused by the fault of the owner or driver of a motor vehicle in the use or operation of the vehicle. 15
16
17

claimant means a person who makes or is entitled to make a claim. 18

claims assessor—see Part 4.4. 19

credit card includes a debit card. 20

death means death caused by the fault of the owner or driver of a motor vehicle in the use or operation of the vehicle if, and only if, the death is a result of and is caused during: 21
22
23

(a) the driving of the vehicle, or 24

(b) a collision, or action taken to avoid a collision, with the vehicle, or 25
26

(c) the vehicle's running out of control, or 27

(d) such use or operation by a defect in the vehicle, 28

and ***deceased person*** means a person whose death is so caused. 29

<i>driver</i> means a person driving a motor vehicle, and includes:	1
(a) a person riding and operating a motor cycle, and	2
(b) a person for the time being in charge of a motor vehicle.	3
<i>exercise</i> a function includes perform a duty.	4
<i>fault</i> means negligence or any other tort.	5
<i>function</i> includes a power, authority or duty.	6
<i>hospital</i> means a public hospital (within the meaning of the <i>Health Services Act 1997</i>), or a private hospital licensed under the <i>Private Hospitals and Day Procedure Centres Act 1988</i> .	7 8 9
<i>injury</i> :	10
(a) means personal or bodily injury caused by the fault of the owner or driver of a motor vehicle in the use or operation of the vehicle if, and only if, the injury is a result of and is caused during:	11 12 13 14
(i) the driving of the vehicle, or	15
(ii) a collision, or action taken to avoid a collision, with the vehicle, or	16 17
(iii) the vehicle's running out of control, or	18
(iv) such use or operation by a defect in the vehicle, and	19
(b) includes:	20
(i) pre-natal injury, and	21
(ii) psychological or psychiatric injury, and	22
(iii) damage to artificial members, eyes or teeth, crutches or other aids or spectacle glasses,	23 24
and <i>injured person</i> means a person who suffers such an injury.	25
<i>Insurance Industry Deed</i> means an agreement, as in force for the time being, between the Minister on behalf of the State, the Authority, licensed insurers and other persons (if any) with respect to the third-party insurance scheme and the Nominal Defendant scheme under this Act that is designated by the agreement as the Insurance Industry Deed for the purposes of this Act.	26 27 28 29 30 31
<i>insured motor vehicle</i> means a motor vehicle in relation to which a third-party policy is in force.	32 33
<i>insured person</i> means a person insured under a third-party policy.	34
<i>licensed insurer</i> means an insurer that is the holder of a licence granted under Part 7.1 and in force.	35 36

<i>MAC Claims Assessment Guidelines</i> means guidelines issued by the Motor Accidents Council under Part 4.1 and in force.	1 2
<i>MAC Medical Guidelines</i> means guidelines issued by the Motor Accidents Council under Part 3.1 and in force.	3 4
<i>market share</i> , in relation to an insurer, means, at any particular time, the proportion determined under section 169 by the Authority in relation to the insurer and applicable at that time.	5 6 7
<i>medical assessor</i> —see Part 3.4.	8
<i>motor accident</i> means an accident or incident caused by the fault of the owner or driver of a motor vehicle in the use or operation of the vehicle which causes the death of or injury to a person.	9 10 11
<i>Motor Accidents Authority Fund</i> means the fund by that name established under Part 8.3.	12 13
<i>Motor Accidents Council</i> means the Motor Accidents Council of New South Wales constituted under Part 8.2.	14 15
<i>motor vehicle</i> means a motor vehicle or trailer within the meaning of the <i>Traffic Act 1909</i> .	16 17
Note. The <i>Traffic Act 1909</i> defines a motor vehicle to mean a vehicle (within the meaning of that Act) that is built to be propelled by a motor that forms part of the vehicle. That Act defines vehicle to mean any description of vehicle on wheels (including a light rail vehicle) but not including other vehicles used on railways or tramways.	18 19 20 21 22
<i>Nominal Defendant</i> means the Nominal Defendant referred to in section 31.	23 24
Note. Section 31 appoints the Authority as the Nominal Defendant for the purposes of this Act.	25 26
<i>Nominal Defendant's Fund</i> means the fund by that name established under Part 2.4.	27 28
<i>non-economic loss</i> means:	29
(a) pain and suffering, and	30
(b) loss of amenities of life, and	31
(c) loss of expectation of life, and	32
(d) disfigurement.	33
<i>owner</i> of a motor vehicle—see section 4.	34

registration means:	1
(a) registration of a motor vehicle under the <i>Road Transport (Vehicle Registration) Act 1997</i> or the <i>Recreation Vehicles Act 1983</i> , or	2 3 4
(b) the issue of an unregistered vehicle permit under the <i>Road Transport (Vehicle Registration) Act 1997</i> for an unregistered motor vehicle, or	5 6 7
(c) registration in New South Wales of a motor vehicle under the <i>Interstate Road Transport Act 1985</i> of the Commonwealth.	8 9
rehabilitation of an injured person, means the process of restoring or attempting to restore the person, through the combined and co-ordinated use of medical, social, educational and vocational measures, to the maximum level of function of which the person is capable or which the person wishes to achieve and includes placement in employment and all forms of social rehabilitation such as family counselling, leisure counselling and training for independent living.	10 11 12 13 14 15 16
road means a road, or road related area, within the meaning of the <i>Road Transport (Vehicle Registration) Act 1997</i> , but does not include an area to which the whole of that Act does not apply because of an instrument under that Act.	17 18 19 20
RTA means the Roads and Traffic Authority.	21
spouse means:	22
(a) a husband or wife, or	23
(b) the other party to a de facto relationship within the meaning of the <i>De Facto Relationships Act 1984</i> ,	24 25
but where more than one person would so qualify as a spouse, means only the last person so to qualify.	26 27
third-party insurer means an insurer under a third-party policy.	28
third-party policy means a policy of insurance under this Act.	29
trader's plate means a trader's plate within the meaning of the <i>Road Transport (Vehicle Registration) Act 1997</i> .	30 31
trailer means a trailer within the meaning of the <i>Traffic Act 1909</i> .	32
Note. The <i>Traffic Act 1909</i> defines trailer to mean a vehicle that is built to be towed, or is towed, by a motor vehicle, but does not include a motor vehicle that is being towed.	33 34 35

<i>use</i> or <i>operation</i> of a motor vehicle includes:	1
(a) the maintenance or parking of the vehicle, or	2
(b) in the case of a motor vehicle that is not a trailer—the use or operation of a trailer attached to the motor vehicle and a trailer running out of control having become detached from the motor vehicle towing it, or	3 4 5 6
(c) in the case of a motor vehicle that is a tow truck—the use or operation of an uninsured motor vehicle that is being towed or carried by the tow truck.	7 8 9
Note. As a result of the above definition, a third-party policy for a motor vehicle extends to cover the matters mentioned in the definition.	10 11
Workers Compensation Acts means the <i>Workers Compensation Act 1987</i> and the <i>Workplace Injury Management and Workers Compensation Act 1998</i> .	12 13 14

4 Meaning of “owner” of motor vehicle (cf s 3 (3)–(5) MAA)	15
(1) For the purposes of this Act:	16
(a) in the case of a motor vehicle that is registered, the owner is:	17
(i) each registered operator of the vehicle within the meaning of the <i>Road Transport (Vehicle Registration) Act 1997</i> , unless the operator has sold or ceased to have possession of the vehicle, and	18 19 20 21
(ii) each person who, although not a registered operator of the vehicle, is a sole or joint owner of the vehicle, unless that person has sold or ceased to have possession of the vehicle, and	22 23 24 25
(iii) if any such registered operator or owner has sold or ceased to have possession of the vehicle—any person who solely or jointly or in common with any other person is entitled to the immediate possession of the vehicle, or	26 27 28 29 30
(b) in the case of a motor vehicle that is unregistered, the owner is any person who solely or jointly or in common with any other person is entitled to the immediate possession of the vehicle, or	31 32 33
(c) in the case of a motor vehicle to which a trader’s plate is fixed, the owner is the trader to whom the trader’s plate is issued.	34 35

-
- (2) For the purposes of this section, a person is taken not to have ceased to have possession or, as the case may be, not to have acquired possession of a motor vehicle where a change of possession occurs by way of:
- (a) any hiring (not being a hiring under a hire-purchase agreement) or lending of the vehicle for a period not exceeding 3 months, or
 - (b) the passing of the possession of the vehicle to a bailee for the purpose of sale or disposal or for the purpose of alteration, repair, renovation, garaging, storing or other like purpose not involving the use or operation of the motor vehicle for the benefit of the bailee.
- (3) In the application of any provision of this Act to and in respect of a motor vehicle to which a trader's plate is fixed (whether or not with the authority of the trader), a reference in any such provision to the owner is to be read as a reference to the trader, and a reference to the third-party policy in relation to that motor vehicle is to be read as a reference to the third-party policy in relation to motor vehicles to which the trader's plate is fixed (whether or not with the authority of the trader).
- 5 Objects of Act** (cf s 2A MAA; Sch 1 [1] of Act No 132 of 1998)
- (1) The objects of this Act are as follows:
- (a) to encourage early and appropriate treatment and rehabilitation to achieve optimum recovery from injuries sustained in motor accidents, and to provide appropriately for the future needs of those with ongoing disabilities,
 - (b) to provide compensation for compensable injuries sustained in motor accidents, and to encourage the early resolution of compensation claims,
 - (c) to promote competition in the setting of premiums for third-party policies, and to provide the Authority with a prudential role to ensure against market failure,
 - (d) to keep premiums affordable, recognising that third-party bodily insurance is compulsory for all owners of motor vehicles registered in New South Wales,

- (e) to keep premiums affordable, in particular, by limiting the amount of compensation payable for non-economic loss in cases of relatively minor injuries, while preserving principles of full compensation for those with severe injuries involving ongoing impairment and disabilities, 1
2
3
4
5
 - (f) to ensure that insurers charge premiums that fully fund their anticipated liability, 6
7
 - (g) to deter fraud in connection with compulsory third-party insurance. 8
9
- (2) It must be acknowledged in the application and administration of this Act: 10
11
- (a) that participants in the scheme under this Act have shared and integrated roles with the overall aim of benefiting all members of the motoring public by keeping the overall costs of the scheme within reasonable bounds so as to keep premiums affordable, and 12
13
14
15
16
 - (b) that the law (both the enacted law and the common law) relating to the assessment of damages in claims made under this Act should be interpreted and applied in a way that acknowledges the clear legislative intention to restrict the level of non-economic loss compensation in cases of minor injuries, and 17
18
19
20
21
22
 - (c) that: 23
 - (i) the premium pool from which each insurer pays claims consists at any given time of a finite amount of money, and 24
25
26
 - (ii) insurers are obliged under this Act to charge premiums that will fully fund their anticipated liability, and 27
28
 - (iii) the preparation of fully funded premiums requires a large measure of stability and predictability regarding the likely future number and cost of claims arising under policies sold once the premium is in place, and 29
30
31
32
 - (iv) the stability and predictability referred to in subparagraph (iii) require consistent and stable application of the law. 33
34
35

6 Interpretation and application of Act by reference to objects (cf s 2B MAA)	1 2
(1) In the interpretation of a provision of this Act or the regulations, a construction that would promote the objects of this Act or the provision is to be preferred to a construction that would not promote those objects.	3 4 5 6
(2) In the exercise of a discretion conferred by a provision of this Act or the regulations, the person exercising the discretion must do so in the way that would best promote the objects of this Act or of the provision concerned.	7 8 9 10
7 Notes (cf s 3 (7) MAA)	11
Notes in the text of this Act do not form part of this Act.	12

Chapter 2	Third-party insurance	1
		2
Part 2.1	Compulsory insurance	3
		4
8	Offence of using uninsured motor vehicle on road (cf s 8 (1) and (2) MAA)	5
(1)	A person who:	6
(a)	uses a motor vehicle that is not an insured motor vehicle on a road, or	7
		8
(b)	causes or permits another person to use such a motor vehicle on a road,	9
		10
	is guilty of an offence.	11
	Maximum penalty: 50 penalty units.	12
(2)	It is a defence to proceedings for an offence against this section if the defendant establishes that at the time the motor vehicle was used on the road the defendant had reasonable grounds for believing and did in fact believe that the motor vehicle was an insured motor vehicle.	13
		14
		15
		16
9	Exception from compulsory insurance (cf s 8 (3) MAA)	17
	This Part does not apply to a motor vehicle that is used on a road if:	18
(a)	the motor vehicle may lawfully be used on the road although not registered, or	19
		20
(b)	the motor vehicle is a trailer, or	21
(c)	the motor vehicle is a vehicle of a kind, and is used in the circumstances (if any), prescribed by the regulations.	22
		23

Part 2.2 Insurance policies

10 Third-party policies (cf s 9 and Sch 1 MAA)

A third-party policy under this Act is a policy that is in the following terms:

Third-party Policy

The insurer insures the owner of the motor vehicle and any other person who at any time drives the vehicle (whether or not with the consent of the owner) against liability in respect of the death of or injury to a person caused by the fault of the owner or driver of the vehicle:

- (a) if the motor vehicle is not one to which paragraph (b) applies—in the use or operation of the vehicle in any part of the Commonwealth (whether or not on a road), or
- (b) if the motor vehicle is subject to an unregistered vehicle permit under the *Road Transport (Vehicle Registration) Act 1997*—in the use or operation of the vehicle on any road in any part of the Commonwealth.

In this policy, words and expressions have the same meanings as in the *Motor Accidents Compensation Act 1999*.

11 Issue of certificate of insurance (cf s 10 MAA)

- (1) If a licensed insurer accepts a premium for the insurance under a third-party policy of a motor vehicle, the licensed insurer must immediately issue a certificate of insurance to the owner of the vehicle.
- (2) If a licensed insurer accepts a premium for the insurance under a third-party policy of motor vehicles to which a trader's plate is or is to be fixed, the licensed insurer must immediately issue a certificate of insurance to the trader.
- (3) A licensed insurer who issues such a certificate is taken to have issued a third-party policy for the motor vehicle or motor vehicles to which the certificate relates.

(4)	If 2 or more licensed insurers issue certificates of insurance which (but for this subsection) would be capable of having effect at the same time in respect of the same motor vehicle, a third-party policy is taken to have been issued only by the licensed insurer recorded by the RTA in connection with the registration or renewal of registration of the motor vehicle or issue of a trader's plate as being the insurer.	1 2 3 4 5 6
12	Evidence of insurance in respect of motor vehicle (cf s 11 MAA)	7
(1)	The RTA must not register or renew the registration of a motor vehicle or issue a trader's plate unless:	8 9
(a)	the applicant produces a certificate of insurance issued by a licensed insurer in relation to the motor vehicle or trader's plate, or	10 11 12
(b)	the RTA is satisfied that there is evidence, of a type approved by the Motor Accidents Authority, of the existence of a third-party policy in relation to the motor vehicle or trader's plate.	13 14 15 16
(2)	This section does not apply to a trailer.	17
13	Commencement and duration of third-party policy (cf s 12 MAA)	18
(1)	A third-party policy taken to have been issued for a motor vehicle has effect for the period for which the licensed insurer who is taken to have issued the policy is on risk in accordance with this section.	19 20 21
(2)	In this section:	22
	<i>new insurer</i> means the licensed insurer whose insurance is later in time.	23 24
	<i>old insurer</i> means the licensed insurer whose insurance is earlier in time.	25 26
	<i>period of grace</i> means the period of 14 days after the registration, or renewal of registration, of a motor vehicle expires.	27 28
	<i>period of registration</i> means the period, not exceeding one year, for which the registration or renewal of registration of a motor vehicle is effected, but if, within that period, the registration or renewal of registration is cancelled or surrendered, it means the period for which the registration or renewal of registration is actually in force.	29 30 31 32 33
(3)	The old insurer and the new insurer may be the same licensed insurer or different licensed insurers.	34 35

-
- | | | |
|-----------|---|----------------------------|
| (4) | In the case of the registration (but not the renewal of registration) of a motor vehicle, the licensed insurer is on risk for the period of registration of the motor vehicle. | 1
2
3 |
| (5) | If registration is renewed before the previous period of registration expires, the old insurer is on risk until the previous period of registration expires and the new insurer comes on risk immediately after the previous period of registration expires. | 4
5
6
7 |
| (6) | If registration is renewed during the period of grace, the old insurer is on risk until 12 midnight on the day registration is renewed and the new insurer comes on risk immediately after 12 midnight and is on risk for the balance of the period of registration of the motor vehicle effected by the renewal of registration. | 8
9
10
11
12 |
| (7) | If registration is renewed after the period of grace expires, the new insurer comes on risk at the time the renewal of registration is effected. The motor vehicle is not an insured motor vehicle from the expiry of the previous period of registration until the time the renewal of registration is effected. | 13
14
15
16
17 |
| (8) | There is no period of grace following the cancellation or surrender of the registration (whether registration or a renewal of registration) of a motor vehicle. | 18
19
20 |
| (9) | A licensed insurer ceases to be on risk on the cancellation of a third-party policy under section 14, subject to section 14 (7). | 21
22 |
| (10) | A licensed insurer is on risk in respect of a motor vehicle under a third-party policy relating to a motor vehicle to which a trader's plate is fixed: | 23
24
25 |
| | (a) only during the period for which the policy is issued, and | 26 |
| | (b) only during the period for which the trader's plate is issued, and | 27 |
| | (c) only while a trader's plate is fixed to the vehicle. | 28 |
| (11) | A licensed insurer is on risk in respect of a light rail vehicle under a third-party policy relating to the vehicle only during the period for which the policy is issued. | 29
30
31 |
| 14 | Cancellation of third-party policies (cf s 13 MAA) | 32 |
| (1) | A licensed insurer has no power to cancel a third-party policy. | 33 |
| (2) | A third-party policy may only be cancelled in accordance with this section. | 34
35 |
-

- (3) A third-party policy is cancelled on the cancellation of the registration of the motor vehicle to which it relates, except where the registration is cancelled under Division 3 of Part 4 of the *Fines Act 1996*. 1
2
3
- (4) If the whole or any part of the premium payable in respect of a third-party policy is paid by cheque or credit card, and the cheque is not met on due presentation or the credit card transaction is not duly honoured, the licensed insurer may request the RTA to suspend the registration of the motor vehicle to which the policy relates in such manner and for such period (the *suspension period*) as may be provided by or under the *Road Transport (Vehicle Registration) Act 1997*. 4
5
6
7
8
9
10
11
- (5) Before requesting the RTA to suspend the registration of a motor vehicle, the licensed insurer must notify the owner of the motor vehicle that the insurer intends to request the RTA to suspend the registration and that the registration and third-party policy will be cancelled at the expiration of the suspension period if the amount outstanding has not been paid before the expiration of the period. 12
13
14
15
16
17
- (6) Unless the licensed insurer notifies the RTA that the relevant premium has been paid before the expiration of the suspension period, the RTA must cancel the registration of the motor vehicle at the expiration of the suspension period, and on such cancellation the third-party policy taken to have been issued for the motor vehicle is also cancelled. 18
19
20
21
22
- (7) If the registration of a motor vehicle is cancelled, otherwise than under Division 3 of Part 4 of the *Fines Act 1996* or subsection (6), but restored before the date for renewal of the registration, the third-party policy cancelled is taken to have remained in force during the period of cancellation. 23
24
25
26
27
- (8) Despite anything in the *Fines Act 1996*, the regulations may make provision for or with respect to: 28
29
- (a) the cancellation of a third-party policy in respect of a motor vehicle whose registration is cancelled under Division 3 of Part 4 of that Act, where: 30
31
32
- (i) the whole or any part of the premium payable in respect of the third-party policy is paid by cheque or credit card, 33
34
and 35
- (ii) the cheque is not met on due presentation or the credit card transaction is not duly honoured, and 36
37
- (b) the restoration (whether prospectively or during any past period of cancellation) of any third-party policy so cancelled. 38
39

15	Risks not insured under third-party policies (cf s 16 MAA)	1
	A third-party policy does not extend to insure the owner or driver of a motor vehicle against:	2
	(a) a liability to pay compensation under the Workers Compensation Acts (or any corresponding law of another State or a Territory of the Commonwealth) to a worker employed by the owner or driver, or	3
	(b) a liability which may be incurred by the owner or driver under an agreement unless the liability is one which would have arisen in the absence of the agreement.	4
		5
		6
		7
		8
		9
		10
16	Indemnification of insured persons (cf s 17 MAA)	11
	A licensed insurer is, despite any other law, liable to indemnify the insured persons under a third-party policy of the insurer in respect of any liability which the policy purports to cover.	12
		13
		14
17	Liability of licensed insurers and insured persons where correct insurance premiums not paid (cf s 18 MAA)	15
	(1) The fact that the correct insurance premium has not been paid in respect of a third-party policy does not affect the validity or operation of the policy.	16
	(2) A licensed insurer to whom an incorrect insurance premium has been paid may recover any balance outstanding of the premium from the person liable to pay it as a debt in a court of competent jurisdiction.	17
	(3) An insured person under a third-party policy who deliberately avoided paying the correct premium for the policy by making a statement in connection with the issue of the policy that the person knew was false is guilty of an offence.	18
		19
		20
		21
		22
		23
		24
		25
		26
	Maximum penalty (subsection (3)): 20 penalty units.	27
18	Effect of change of ownership of motor vehicle or trader's business (cf s 19 MAA)	28
	(1) While a third-party policy is in force in relation to a motor vehicle, the third-party policy enures in favour of the owner for the time being of the vehicle (and any driver of the vehicle) despite any change in the ownership of the vehicle.	29
		30
		31
		32
		33

(2)	While a third-party policy is in force in relation to a motor vehicle to which a trader's plate issued in respect of any business is fixed, the third-party policy enures in favour of the person who for the time being is carrying on the business (and any driver of any such vehicle) despite any change in the ownership of the business.	1 2 3 4 5
19	Notice of change of registered particulars and other information relating to motor vehicles (cf s 19A MAA)	6 7
(1)	The RTA is required to notify the licensed insurer under a third-party policy in force in relation to a motor vehicle and, if requested to do so by the Authority, the Authority, of any change in any registered particulars relating to the motor vehicle which is notified to the RTA.	8 9 10 11
(2)	If, as a consequence of the change in ownership of a motor vehicle, a change in the place at which the motor vehicle is usually garaged or any other change, a higher premium would be payable in relation to the vehicle than the premium paid or payable under the third-party policy in force in relation to the vehicle before the change occurred, the licensed insurer may recover the appropriate difference from the owner as a debt in a court of competent jurisdiction.	12 13 14 15 16 17 18
20	Right of insurer against unauthorised driver of motor vehicle (cf s 22 MAA)	19 20
	If:	21
(a)	a person uses or operates a motor vehicle without the authority of the owner or without reasonable grounds for believing that he or she had the authority of the owner, and	22 23 24
(b)	a licensed insurer pays any money or incurs any costs (under a third-party policy) in respect of a motor accident arising from that use or operation,	25 26 27
	the insurer may recover the money so paid and the costs so incurred from the person as a debt in a court of competent jurisdiction.	28 29
21	Recovery of an excess in certain cases (cf s 23 MAA)	30
(1)	If an insured person incurs a liability against which he or she is insured under a third-party policy and the liability arises out of a motor accident which was to the extent of more than 25% the fault of the insured person, the licensed insurer may recover from the insured person as a debt in a court of competent jurisdiction:	31 32 33 34 35

-
- (a) where the money paid and costs incurred by the licensed insurer in respect of the liability do not exceed \$500—the amount of the money paid and costs incurred, or 1
2
3
- (b) where the money paid and costs incurred by the licensed insurer exceed \$500—\$500. 4
5
- (2) The licensed insurer is not entitled to recover an amount under this section if the licensed insurer exercises any other right of recovery against the insured person under section 20. 6
7
8
- 22 Extension of indemnity to insured person's estate** (cf s 24 MAA) 9
- (1) A third-party policy, to the extent of the insurance effected by that policy: 10
11
- (a) extends, if the insured person is dead, to indemnify the insured person's estate against: 12
13
- (i) liability arising under any cause of action which, by virtue of section 2 of the *Law Reform (Miscellaneous Provisions) Act 1944*, survives against the insured person's estate, and 14
15
16
17
- (ii) liability arising by operation of section 2 (4) of that Act, and 18
19
- (b) extends to indemnify the insured person or, if the insured person is dead, to indemnify the insured person's estate against: 20
21
- (i) liability arising where the insured person or, as the case may be, the insured person's estate has in any proceedings been joined as an alternative defendant, and 22
23
24
25
- (ii) liability arising where the insured person or, as the case may be, the insured person's estate has served or has been served with a notice in writing under section 3 (1) of the *Law Reform (Miscellaneous Provisions) Act 1946*, and 26
27
28
29
30
- (iii) liability arising where the insured person or, as the case may be, the insured person's estate claims contribution from some other person as a joint tortfeasor or has a claim made against the insured person or the insured person's estate, as the case may be, as a joint tortfeasor. 31
32
33
34
35
- (2) In subsection (1), ***insured person*** means a person who is insured or indemnified against liability in respect of the death of or injury to a 36
37

person caused by the fault of the owner or driver of a motor vehicle in the use or operation of the vehicle under: 1
2
(a) a third-party policy, or 3
(b) a policy of insurance complying with the provisions of any law in force in any part of the Commonwealth (other than this State) which requires the owner or driver of a motor vehicle to be insured against any such liability, or 4
5
6
7
(c) the provisions of any other law in force in any part of the Commonwealth (other than this State) which indemnify the owner or driver of a motor vehicle against any such liability. 8
9
10

23 Entry of judgment against licensed insurer (cf s 25 MAA) 11

- (1) If a judgment obtained in any court relating to liability in respect of the death of or injury to a person caused by the fault of the owner or driver of an insured motor vehicle in the use or operation of the vehicle is not satisfied in full within 30 days after the judgment is entered, the court must, on the application of the judgment creditor, direct that the judgment be entered against the licensed insurer of the vehicle. 12
13
14
15
16
17
- (2) If execution on the judgment is stayed pending appeal, the time during which execution is stayed is to be excluded in calculating the 30-day period. 18
19
20
- (3) Notice of intention to make the application is to be served on the licensed insurer at least 7 days before the hearing of the application. 21
22
- (4) If the court directs that the judgment be entered against the licensed insurer, the judgment may be enforced as a judgment against the licensed insurer to the extent to which it was not satisfied at the time it was so entered. 23
24
25
26

Part 2.3 Insurance premiums 27
28

24 Authority guidelines for the determination of premiums (cf s 14A MAA) 29

- (1) The Authority may issue to licensed insurers guidelines for the determination of insurance premiums for third-party policies (*MAA Premiums Determination Guidelines*). 30
31
32
- (2) MAA Premiums Determination Guidelines may (without limiting the generality of subsection (1)): 33
34

(a)	specify the manner in which premiums are to be determined and the factors to be taken into account in determining premiums, and	1 2 3
(b)	require licensed insurers to specify how they have determined premiums, and	4 5
(c)	specify the nature of the additional information and reports that the Authority may require licensed insurers to furnish with the premiums they file or to justify premiums they have filed (including with respect to estimated investment earnings, the verification of assumptions, estimated profit, capital allocation to third-party insurance business and other relevant matters).	6 7 8 9 10 11
(3)	The Authority may amend, revoke or replace MAA Premiums Determination Guidelines.	12 13
(4)	MAA Premiums Determination Guidelines may only be issued, amended, revoked or replaced with the approval of the Board of Directors of the Authority.	14 15 16
(5)	MAA Premiums Determination Guidelines may adopt the provisions of other publications, whether with or without modification or addition and whether in force at a particular time or from time to time.	17 18 19
(6)	It is a condition of a licence granted under Part 7.1 that the licensed insurer must comply with MAA Premiums Determination Guidelines.	20 21
25	Third-party premiums (cf s 15 MAA)	22
(1)	A licensed insurer must not charge an insurance premium for a third-party policy, except in accordance with this Part.	23 24
(2)	The licensed insurer must file with the Authority a premium or set of premiums it proposes to charge.	25 26
(3)	The licensed insurer may charge a premium which has not, within 6 weeks after it is filed, been rejected by the Authority and, except as provided by section 27, must not charge any other premium.	27 28 29
26	Filing of full sets of premiums (cf s 15A MAA)	30
(1)	A licensed insurer must, at least once each year or such longer period as the Authority may allow, file with the Authority a full set of the insurance premiums it proposes to charge for third-party policies which are taken to have been issued by it together with such additional	31 32 33 34

information, including actuarial reports, as the Authority may reasonably require.	1 2
(2) The Authority may, by notice in writing, require a licensed insurer to file a full set of premiums with it on or before such date as is specified in the notice, being a date which is not earlier than 4 weeks after the date of the notice together with such additional information, including actuarial reports, as the Authority may reasonably require.	3 4 5 6 7
(3) It is a condition of a licence granted under Part 7.1 that the licensed insurer must comply with this section and any notice given to it under this section.	8 9 10
27 Rejection of premiums by Authority (cf s 15B MAA)	11
(1) The Authority may only reject an insurance premium filed with it under this Part if it is of the opinion that:	12 13
(a) the premium will not fully fund the present and likely future liability under this Act of the licensed insurer concerned, or	14 15
(b) the premium is, having regard to actuarial advice and to other relevant financial information available to the Authority, excessive, or	16 17 18
(c) the premium does not conform to MAA Premiums Determination Guidelines in force under this Part.	19 20
(2) Written notice of the Authority's rejection of a premium, and the reasons for the rejection, must be given to the licensed insurer.	21 22
(3) If the Authority rejects a premium of a licensed insurer, the licensed insurer may request the Authority to reconsider the rejection.	23 24
(4) Pending its reconsideration, the Authority may request an actuary to determine a provisional premium.	25 26
(5) A provisional premium so determined has effect, pending the Authority's reconsideration, as if it were an insurance premium which may lawfully be charged by the licensed insurer concerned.	27 28 29
(6) If the Authority has not withdrawn its rejection of a premium within 4 weeks after a request to reconsider the rejection, the matter is to be arbitrated under this section. The following provisions have effect:	30 31 32
(a) The <i>Commercial Arbitration Act 1984</i> applies to an arbitration under this section, subject to this Act and the regulations. The Authority and the licensed insurer concerned may by agreement appoint a person to act as arbitrator in connection with the	33 34 35 36

matter. Failing agreement within 7 days, paragraphs (b) and (c) apply.	1 2
(b) The Independent Pricing and Regulatory Tribunal (established by the <i>Independent Pricing and Regulatory Tribunal Act 1992</i>) may act as arbitrator to hear and determine such a matter.	3 4 5
(c) Alternatively, that Tribunal may appoint a person to act as arbitrator in connection with the matter. The person is to be appointed from a panel constituted by the Minister and consisting of persons who have appropriate knowledge and understanding of economics, general insurance and the interests of consumers.	6 7 8 9 10 11
(d) The regulations may make provision for or with respect to the arbitration of matters under this section.	12 13
(7) The arbitrator may determine the premium that may be charged by the licensed insurer, being a premium that in the arbitrator's opinion is sufficient to fully fund the present and likely future liability of the licensed insurer under this Act.	14 15 16 17
(8) For the purposes of this section, a premium will fully fund a liability referred to in this section if the premium is sufficient:	18 19
(a) to pay all acquisition and policy administration expenses of the licensed insurer concerned, and	20 21
(b) to provide a sum of money that together with anticipated investment income is equal to the best estimate of the cost of claims plus claim settlement expenses (in inflated dollars) at the assumed date of settlement, and	22 23 24 25
(c) to provide a profit margin in excess of all claims, costs and expenses that represents an adequate return on capital invested and compensation for the risk taken, and	26 27 28
(d) to provide for such other matters as a prudent insurer should, in all the circumstances, make provision for.	29 30
28 Premium risk adjustment	31
(1) The Authority may enter into any one or more of the following arrangements with licensed insurers (whether by means of the Insurance Industry Deed or otherwise):	32 33 34
(a) an arrangement for allocating high risk third-party policies among insurers,	35 36

(b)	an arrangement for the pooling of premiums collected from the issue of high risk third-party policies and for the allocation of the premiums among insurers,	1 2 3
(c)	an arrangement for the pooling of the costs of claims for motor accidents covered by high risk third-party policies and for the allocation of those costs among insurers.	4 5 6
	Any such allocation may be made among insurers generally in accordance with the market share of each insurer or in any other appropriate manner.	7 8 9
(2)	The regulations may make provision for giving effect to any such arrangement.	10 11
(3)	High risk third-party policies are policies of a kind that the Authority determines incur a disproportionate share of liability for the total cost of claims for motor accidents.	12 13 14
(4)	The Authority may, with the approval of the Minister, make such an arrangement a condition of the licence of each insurer if the Minister is satisfied that licensed insurers, or any of them, have refused to enter into the arrangement with the Authority and the arrangement is appropriate having regard to the objects of this Act.	15 16 17 18 19
29	Maximum commission payable to insurers' agents	20
(1)	The maximum amount that a licensed insurer may pay to the insurer's agent as commission or other remuneration for the issue of a third-party policy is 4% of the amount of the premium payable for the policy.	21 22 23 24
(2)	If more than one insurer's agent acts in respect of a third-party policy, the maximum amount of commission or other remuneration under this section is the total amount payable to all those agents.	25 26 27
(3)	It is a condition of a licence under Part 7.1 that the licensed insurer must comply with this section.	28 29
(4)	In this section:	30
	<i>insurer's agent</i> means any insurance broker or commission agent acting for or on behalf of a licensed insurer in connection with the issue of third-party policies by the insurer.	31 32 33

Part 2.4 Uninsured or unidentified motor vehicles	1
	2
30 Application of Part	3
This Part applies to and in respect of a motor accident occurring before or after the commencement of this Act.	4 5
31 Nominal Defendant (cf s 26 MAA)	6
(1) The Authority is, for the purposes of this Act, the Nominal Defendant.	7
(2) Any action or proceeding by or against the Nominal Defendant is to be taken in the name of the “Nominal Defendant”.	8 9
32 Claim against Nominal Defendant where vehicle not insured (cf s 27 MAA)	10 11
(1) An action for the recovery of damages in respect of the death of or injury to a person caused by the fault of the owner or driver of a motor vehicle that is not an insured motor vehicle in the use or operation of the vehicle on a road in New South Wales may be brought against the Nominal Defendant.	12 13 14 15 16
(2) Any such action may be brought despite the fact that the owner or driver of the motor vehicle is dead or cannot be found or is the spouse of the person whose death or to whom injury has been caused.	17 18 19
(3) In respect of any such action, the Nominal Defendant is liable as if it were the owner or driver of the motor vehicle.	20 21
(4) There is no right of action against the Nominal Defendant under this section:	22 23
(a) if the motor vehicle is owned by the Commonwealth or by any person or body of persons representing the Commonwealth, or	24 25
(b) if there is a right of action under section 34 in respect of the death or injury, or	26 27
(c) if, at the time the motor accident resulting in the death or injury occurred, the motor vehicle was registered under the law of a place other than New South Wales or under a law of the Commonwealth and the motor vehicle was covered under a policy of compulsory third-party personal injury insurance or was subject to coverage under a compulsory motor vehicle accident compensation scheme of that place or of the Commonwealth, or	28 29 30 31 32 33 34 35

(d)	if the regulations provide that in the circumstances specified in the regulations there is no right of action against the Nominal Defendant.	1 2 3
(5)	For the purposes of this section, and any regulations made for the purposes of this section:	4 5
	<i>motor vehicle</i> means a motor vehicle:	6
(a)	that is exempt from registration, or	7
(b)	that is not exempt from registration and that:	8
(i)	is required to be registered to enable its lawful use or operation on a road in New South Wales, and	9 10
(ii)	immediately before the motor accident occurred, was capable, or would, following the repair of minor defects, have been capable, of being so registered.	11 12 13
33	Claim against Nominal Defendant where vehicle not identified (cf s 28 MAA)	14 15
(1)	An action for the recovery of damages in respect of the death of or injury to a person caused by the fault of the owner or driver of a motor vehicle in the use or operation of the vehicle on a road in New South Wales may, if the identity of the vehicle cannot after due inquiry and search be established, be brought against the Nominal Defendant.	16 17 18 19 20
(2)	The inquiry or search may be proved orally or by affidavit of the person who made the inquiry or search.	21 22
(3)	In respect of any such action, the Nominal Defendant is liable as if it were the owner or driver of the motor vehicle.	23 24
34	Claim against Nominal Defendant where a NSW registered trailer is attached to a motor vehicle not registered in NSW (cf s 28A MAA)	25 26
(1)	The Nominal Defendant is taken to have issued a policy of insurance under this Act which insures:	27 28
(a)	the owner of a registered trailer:	29
(i)	which is attached to a motor vehicle which is not registered, or	30 31
(ii)	which runs out of control having become detached from the towing motor vehicle which is not registered, and	32 33

-
- (b) the owner of a motor vehicle which is not registered: 1
(i) to which a registered trailer is attached, or 2
(ii) from which a registered trailer becomes detached and 3
runs out of control, and 4
- (c) any other person who at any time drives such a vehicle 5
(whether or not with the consent of the owner), 6
- against liability in respect of the death of or injury to a person caused 7
by the fault of the owner of the trailer or the owner or driver of the 8
vehicle in the use or operation of the vehicle in any part of the 9
Commonwealth (whether or not on a road). 10
- (2) An action for the recovery of damages in respect of the death of or 11
injury to a person as referred to in subsection (1) may be brought 12
against the Nominal Defendant. 13
- (3) Any such action may be brought despite the fact that the owner of the 14
trailer or the owner or driver of the towing vehicle is dead or cannot be 15
found or is the spouse of the person whose death or to whom injury 16
has been caused. 17
- (4) In respect of any such action, the Nominal Defendant is liable as if it 18
were the owner of the trailer or the owner or driver of the towing 19
vehicle. 20
- (5) There is no right of action against the Nominal Defendant under this 21
section: 22
- (a) if the trailer or the towing vehicle is owned by the 23
Commonwealth or by any person or body of persons 24
representing the Commonwealth, or 25
- (b) if, at the time the motor accident resulting in the death or injury 26
occurred, the motor vehicle was registered under the law of a 27
place other than New South Wales or under a law of the 28
Commonwealth and the motor vehicle was covered under a 29
policy of compulsory third party personal injury insurance or 30
was subject to coverage under a compulsory motor vehicle 31
accident compensation scheme of that place or of the 32
Commonwealth, or 33
- (c) if the regulations provide that in the circumstances specified in 34
the regulations there is no right of action against the Nominal 35
Defendant. 36

35 Nominal Defendant as tortfeasor (cf s 28B MAA)	1
(1) The Nominal Defendant may join another person, or may be joined, for contribution or indemnity in respect of a claim or proceedings under this Act as if the Nominal Defendant were a tortfeasor.	2 3 4
(2) Joinder of the Nominal Defendant is required to be effected in accordance with this section.	5 6
(3) A person seeking to join the Nominal Defendant in respect of a claim or proceedings must give the Nominal Defendant notice of the person's intention to do so. The notice must include a copy of the notice of claim under section 71 given to the person.	7 8 9 10
(4) The notice must be given within 3 months after the claim is made against the person under section 71, or within 3 months after the person becomes a party to proceedings in respect of the claim, whichever occurs first.	11 12 13 14
(5) The court may extend the period for giving notice to the Nominal Defendant if the person seeking to join the Nominal Defendant gives a full and satisfactory explanation for not having given notice within the 3-month period.	15 16 17 18
(6) Within 2 months after notice is given, the person giving notice must provide the Nominal Defendant with full details of the allegations made against the Nominal Defendant (or against the person to whom the Nominal Defendant is taken to have issued a third-party policy).	19 20 21 22
(7) An application may not be made to join the Nominal Defendant as a party to proceedings before the court after 3 years from the date on which the claim under section 71 in respect of which contribution or indemnity is sought must be made, except with the leave of the court.	23 24 25 26
(8) If the Nominal Defendant is sought to be joined because the identity of another motor vehicle is not known, joinder may not be effected unless due inquiry or search to identify the vehicle has been made. The inquiry or search may be proved orally or by affidavit of the person who made the inquiry or search.	27 28 29 30 31
(9) Except as provided by this section, nothing in this section affects any rules of court relating to the joinder of parties.	32 33

36	Payment of claims against Nominal Defendant (cf s 29 MAA)	1
	The Nominal Defendant is not personally liable to pay any amount payable in satisfaction of any claim made or judgment obtained under section 32, 33 or 34 or the amount of any costs or expenses incurred by it in relation to any such claim or judgment, but every such amount is to be paid by the Nominal Defendant out of the Nominal Defendant's Fund established under this Part.	2 3 4 5 6 7
37	Licensed insurers to act for Nominal Defendant (cf s 30 MAA)	8
(1)	The Nominal Defendant is to allocate claims made against it to licensed insurers in accordance with the arrangements contained in the Insurance Industry Deed or as determined by the Authority.	9 10 11
(2)	The Nominal Defendant is not required to allocate claims that are unlikely to involve a liability of the Nominal Defendant.	12 13
(3)	A licensed insurer to whom a claim is allocated is authorised, on behalf of and in the name of the Nominal Defendant, to deal with the claim (and any proceedings relating to the claim) in such manner as it thinks fit.	14 15 16 17
(4)	A licensed insurer may settle or compromise any such claim.	18
(5)	A licensed insurer is authorised, on behalf of and in the name of the Nominal Defendant, to bring and prosecute proceedings under section 38 relating to any such claim and to settle or compromise those proceedings as it thinks fit.	19 20 21 22
(6)	A licensed insurer is required to provide to the Authority such reports as the Authority may reasonably require in relation to any thing done by the licensed insurer under the authority of this section.	23 24 25
38	Recovery from owner or driver (cf s 31 MAA)	26
(1)	Any amount properly paid by the Nominal Defendant in satisfaction of a claim made or judgment obtained under section 32, 33 or 34 and the amount of any costs and expenses properly incurred by it in relation to any such claim or judgment may be recovered by the Nominal Defendant as a debt:	27 28 29 30 31
(a)	from the person who, at the time of the occurrence out of which the claim arose or in respect of which the judgment was obtained, was the owner of the motor vehicle, or	32 33 34

- (b) where at the time of such occurrence some other person was driving the motor vehicle, from the owner and the driver jointly or from either of them severally. 1
2
3
- (2) However: 4
- (a) it is a sufficient defence in any proceedings under this section against the owner (whether severally or jointly with the driver) if the owner establishes to the satisfaction of the court that, at the time of the occurrence, some other person was driving the motor vehicle without the owner's authority, and 5
6
7
8
9
- (b) it is a sufficient defence in any proceedings under this section against the driver of an uninsured motor vehicle (whether severally or jointly with the owner) if the driver establishes to the satisfaction of the court that, at the time of the occurrence, the driver was driving the motor vehicle with the authority of the owner or had reasonable grounds for believing and did in fact believe that the driver had such authority, and that the driver had reasonable grounds for believing and did in fact believe that the motor vehicle was an insured motor vehicle. 10
11
12
13
14
15
16
17
18
- (3) The Nominal Defendant is not entitled to recover any amount under this section from the owner or driver of a motor vehicle which, at the relevant time, was not required to be registered or was exempt from registration or, if required to be registered, was not required to be insured under this Act. 19
20
21
22
23
- 39 Establishment of Nominal Defendant's Fund** (cf s 32 MAA) 24
- (1) There is established a fund, to be known as the Nominal Defendant's Fund, belonging to and vested in the Authority. 25
26
- (2) The following is to be paid into the Fund: 27
- (a) money collected under section 40, 28
- (b) the interest from time to time accruing from the investment of the Fund, 29
30
- (c) money recovered by the Nominal Defendant under this Part, 31
- (d) money required to be paid into the Fund by or under this or any other Act. 32
33

-
- (3) The following is to be paid from the Fund: 1
- (a) money required to be paid from the Fund under section 36, 2
 - (b) all other money required to be paid from the Fund by or under 3
this or any other Act. 4
- (4) The Authority may invest money in the Fund which is not 5
immediately required for the purposes of the Fund: 6
- (a) in such manner as may be authorised by the *Public Authorities 7
(Financial Arrangements) Act 1987*, or 8
 - (b) if that Act does not confer power on the Authority to invest 9
money in the Fund—in any other manner approved by the 10
Minister with the concurrence of the Treasurer. 11
- 40 Collections for Nominal Defendant’s Fund** (cf s 33 MAA) 12
- (1) In this section: 13
- financial year* means a year commencing on 1 July. 14
- (2) The Authority may determine the amount to be collected for the 15
purposes of the Nominal Defendant’s Fund in respect of each financial 16
year. 17
- (3) An amount to be collected for the purposes of the Nominal 18
Defendant’s Fund is to be collected from such persons or fund, and in 19
accordance with such arrangements, as may be prescribed by the 20
regulations. 21
- (4) The Authority is not to determine an amount under subsection (2) in 22
respect of a financial year if it is of the opinion that satisfactory 23
arrangements have been made in respect of that year (pursuant to the 24
Insurance Industry Deed or otherwise) by licensed insurers to meet 25
claims made against the Nominal Defendant. 26

Clause 41	Motor Accidents Compensation Bill 1999
Chapter 3	Motor accident injuries
Part 3.1	Preliminary

Chapter 3	Motor accident injuries	1
		2
Part 3.1	Preliminary	3
		4
41	Definitions	5
	In this Chapter:	6
	<i>insurer</i> , in relation to a person, means the insurer who insures the person against the person's liability for damages in respect of a claim, whether or not under a third-party policy, and includes:	7
		8
		9
	(a) the Nominal Defendant, and	10
	(b) where a claim is handled on behalf of an insurer by another insurer, the other insurer.	11
		12
	<i>treatment</i> means:	13
	(a) medical treatment, or	14
	(b) dental treatment, or	15
	(c) the provision of rehabilitation services, or	16
	(d) the provision of attendant care services, or	17
	(e) the provision, replacement or repair of artificial members, eyes or teeth, crutches or other aids or spectacle glasses,	18
		19
	whether or not at a hospital.	20
42	Application of Chapter	21
	(1) This Chapter applies to and in respect of an injury caused by a motor accident occurring after the commencement of this Act.	22
		23
	(2) This Chapter applies to and in respect of an injury whether or not there is a third-party policy in respect of liability for the injury.	24
		25
43	Medical Guidelines of Motor Accidents Council	26
	(1) The Motor Accidents Council may issue guidelines (<i>MAC Medical Guidelines</i>) with respect to the following:	27
		28
	(a) the appropriate treatment of injured persons,	29
	(b) the appropriate procedures with respect to the provision of rehabilitation services for injured persons (including the	30
		31

circumstances in which rehabilitation services are required to be provided),	1
(c) the assessment of the degree of permanent impairment of an injured person as a result of an injury caused by a motor accident,	2
(d) the procedures for the referral of disputes for assessment or review of assessments, and the procedure for assessment, under Part 3.4.	3
(2) The Motor Accidents Council may amend, revoke or replace MAC Medical Guidelines.	4
(3) MAC Medical Guidelines may adopt the provisions of other publications, whether with or without modification or addition and whether in force at a particular time or from time to time.	5
(4) MAC Medical Guidelines (including any amendment, revocation or replacement) are to be published in the Gazette and take effect on the day of that publication or, if a later day is specified in the Guidelines for that purpose, on the day so specified.	6
44 Special requirements relating to MAC Medical Guidelines relating to impairment	7
(1) This section applies to MAC Medical Guidelines that relate to the assessment of the degree of permanent impairment of an injured person as a result of an injury caused by a motor accident.	8
(2) Any such MAC Medical Guidelines may not be issued unless they have been approved at a meeting of the Motor Accidents Council by at least 13 members of the Council.	9
(3) Any such MAC Medical Guidelines may only adopt the provisions of another publication as in force at a time before the issue of the guidelines.	10
(4) Section 40 (Notice of statutory rules to be tabled) and section 41 (Disallowance of statutory rules) of the <i>Interpretation Act 1987</i> apply to any such MAC Medical Guidelines.	11

Part 3.2 Early payment for treatment of injured persons	1
	2
45 Definitions	3
In this Part:	4
<i>accident notification form</i> means a form referred to in section 48.	5
<i>injured person</i> includes a person in respect of whom an accident notification form is duly completed.	6
<i>treatment expenses</i> means expenses incurred in connection with the treatment of an injured person, including hospital, medical, pharmaceutical and rehabilitation expenses, but not including attendant care expenses.	7
	8
	9
	10
	11
46 Payment for treatment of injured persons	12
(1) Insurers are required to pay the treatment expenses of injured persons in the circumstances and to the extent provided by this Part.	13
	14
(2) The payment of treatment expenses is not required under this Part if:	15
(a) the expenses are paid by the insurer under a claim made in respect of the matter, or	16
	17
(b) the expenses are paid or recovered under Part 3.3 (Payments to hospitals, doctors and others).	18
	19
47 Notification of motor accident to police and submission of accident notification form to insurer	20
	21
An injured person is not entitled to payment for treatment expenses under this Part unless:	22
	23
(a) a police officer attended the motor accident in which the injured person was injured or the motor accident has been officially reported to a police officer by or on behalf of the injured person, and	24
	25
	26
	27
(b) an accident notification form has been completed by or on behalf of the injured person and submitted to the insurer, and	28
	29
(c) the accident notification form is submitted to the insurer within 28 days after the motor accident (or within such other period as the form requires), and	30
	31
	32

(d)	the accident notification form contains a declaration by or on behalf of the injured person that the motor accident was not caused wholly or mainly by the fault of the injured person.	1 2 3
48	Accident notification forms	4
(1)	An accident notification form is to be in the form approved by the Authority. The Motor Accidents Council is to advise the Authority on an appropriate accident notification form.	5 6 7
(2)	The approved form may include provision for:	8
(a)	information about the injury and treatment provided to be completed by the person providing the treatment, and	9 10
(b)	information about the motor accident and the injured person to be completed by or on behalf of the injured person, and	11 12
(c)	authorisation of the insurer to obtain information and documents relevant to any such matter from specified persons.	13 14
(3)	The Authority is to make arrangements for the supply of copies of the approved form for use by injured persons and for an information service to assist injured persons to complete and submit accident notification forms. Those arrangements may require action by insurers and may be made a condition of the licence of an insurer under Part 7.1.	15 16 17 18 19 20
49	Acceptance of provisional liability by insurer	21
(1)	It is the duty of the insurer to give written notice to an injured person who has duly submitted a completed accident notification form to the insurer stating whether or not the insurer accepts provisional liability in respect of the treatment expenses concerned.	22 23 24 25
(2)	The notice is required to be given within 10 days after the insurer receives the accident notification form. The regulations may abridge or extend that period.	26 27 28
(3)	If the injured person was injured in the motor accident as a passenger of a motor vehicle or as a pedestrian, the insurer is taken to have accepted provisional liability in respect of the treatment expenses concerned and is to notify the injured person accordingly.	29 30 31 32
(4)	If the insurer fails to notify the injured person in accordance with this section, the insurer is taken to have accepted provisional liability.	33 34

(5)	Despite anything to the contrary in this section, an insurer who is or is acting for the Nominal Defendant is not taken to have accepted provisional liability unless the insurer has given written notice accepting provisional liability.	1 2 3 4
(6)	Nothing in this section prevents the insurer from accepting provisional liability after having denied that liability.	5 6
(7)	An insurer is required to pay for the treatment expenses of an injured person in accordance with this Part only if the insurer has accepted or is taken to have accepted provisional liability in respect of those expenses.	7 8 9 10
(8)	The acceptance of provisional liability and the payment of treatment expenses under this Part by an insurer is not taken to be an admission of liability by the insurer in connection with a claim in respect of the motor accident.	11 12 13 14
(9)	A payment made under this Part before the injured person obtains judgment for damages against the defendant is, to the extent of its amount, a defence to proceedings by the injured person against the defendant for damages.	15 16 17 18
(10)	It is a condition of an insurer's licence that the insurer must comply with this section.	19 20
50	Limit on payment of treatment expenses	21
(1)	The maximum amount of treatment expenses of an injured person that an insurer is required to pay under this Part is \$500.	22 23
(2)	If 2 or more injured persons were injured in the same motor accident, the maximum amount of treatment expenses under this section applies to each such person and is not reduced by the payment of the treatment expenses of any other such injured person.	24 25 26 27
51	Treatment expenses where treatment contrary to guidelines or exceeds limit	28 29
(1)	If the MAC Medical Guidelines approve particular treatment as appropriate treatment in respect of any matter and the treatment provided to an injured person in respect of the matter does not accord with that approved treatment, the insurer is not required to pay treatment expenses under this Part in respect of the treatment.	30 31 32 33 34

(2) Nothing in this Part prevents an insurer from:	1
(a) paying treatment expenses for treatment that did not accord with relevant treatment approved by MAC Medical Guidelines, or	2 3 4
(b) paying an amount of treatment expenses that exceeds the maximum amount payable by the insurer under this Part, or	5 6
(c) approving further treatment for the purposes of any claim.	7
(3) If the insurer makes a payment of treatment expenses under this Part but the injured person has incurred or is likely to incur additional treatment expenses, the insurer is required to inform the injured person of the right to make a claim in respect of those additional expenses. The insurer is required to do so in writing at the time or as soon as possible after making that payment.	8 9 10 11 12 13
52 Treatment expenses not payable	14
Treatment expenses are not required to be paid under this Part to the extent that the treatment concerned was not reasonable and necessary in the circumstances.	15 16 17
Part 3.3 Payments to hospitals, doctors and others	18 19
53 Bulk billing arrangements for hospital, ambulance and other expenses (cf s 39B (4) MAA)	20 21
(1) Bulk billing arrangements may be entered into by licensed insurers and the Authority with respect to:	22 23
(a) the payment of expenses incurred in connection with the treatment of injured persons at hospitals, or	24 25
(b) the payment of expenses incurred in conveying injured persons by ambulance, or	26 27
(c) the payment of other treatment expenses incurred by injured persons.	28 29
(2) A bulk billing arrangement is an arrangement made with the Minister for Health, service providers or others acting on their behalf for the payment by licensed insurers of any such expenses of injured persons at the rate provided by the arrangement. Any such arrangement may include provision for the sharing of costs by licensed insurers and for	30 31 32 33 34

payments according to their market share or in such other manner as is provided in the arrangement.	1 2
(3) For the purposes of this section:	3
(a) the payment of expenses by licensed insurers includes the payment of expenses by or on behalf of the Nominal Defendant, and	4 5 6
(b) the treatment or conveyance of injured persons includes the treatment or conveyance of persons classified as injured persons in accordance with a bulk billing arrangement.	7 8 9
54 Payment of hospital, ambulance, medical and other expenses not covered by bulk billing arrangement (cf s 39B MAA)	10 11
(1) This section applies to:	12
(a) payment for the treatment of injured persons at hospitals, and	13
(b) payment for conveying injured persons by ambulance, and	14
(c) payment for any medical or dental treatment of, or rehabilitation services provided to, injured persons,	15 16
in any case where payment for the expenses concerned has not been made, and is not required to be made in accordance with a bulk billing arrangement under section 53.	17 18 19
(2) If an insurer is required to make that payment in accordance with the duty imposed on the insurer under section 82, the rate at which the payment is to be made is as follows:	20 21 22
(a) in the case of treatment at public hospitals—at the rate determined by the Minister for Health by order published in the Gazette,	23 24 25
(b) in any case in which a maximum rate is fixed under section 55—at the maximum rate so fixed,	26 27
(c) in a case to which a rate referred to in paragraph (a) or (b) does not apply—at the rate reasonably appropriate to the treatment or service having regard to the customary charge made in the community for the treatment or service.	28 29 30 31
(3) If the insurer does not make that payment, the body or person who provided the treatment or service to which the payment relates may recover the payment from the insurer as a debt in a court of competent jurisdiction.	32 33 34 35

55	Maximum fees payable by insurers for medical treatment and other treatment or services not provided at hospitals or for treatment at private hospitals (cf s 39B MAA)	1
		2
		3
(1)	This section applies to:	4
(a)	the fee payable for any medical treatment of an injured person, and	5 6
(b)	the fee payable for any dental treatment of an injured person, and	7 8
(c)	the fee payable for any rehabilitation service provided to an injured person, and	9 10
(d)	the fees payable for any attendant care services provided to an injured person,	11 12
	but does not apply to any such treatment or service that is provided at a hospital (whether to an in-patient or out-patient) and for which any payment is required to be made to the hospital and not to the treatment or service provider.	13 14 15 16
(2)	This section also applies to the fee payable to a private hospital for any treatment at the hospital.	17 18
(3)	The regulations may make provision for or with respect to fixing the maximum amount for which an insurer is liable in respect of any claim for fees to which this section applies.	19 20 21
(4)	Any such fees may (but need not) be fixed by reference to fees recommended by the Australian Medical Association or other professional association or by reference to any schedule of fees.	22 23 24
(5)	Each of the following is to be made consistently with any regulations under this section:	25 26
(a)	a payment of treatment expenses by an insurer under Part 3.2,	27
(b)	a payment by an insurer in accordance with the duty imposed under section 82,	28 29
(c)	an assessment of a claim by a claims assessor under Part 4.4,	30
(d)	an award of damages to which Chapter 5 applies.	31
(6)	This section does not prevent the inclusion in MAC Claims Assessment Guidelines of provision as to the appropriate allowance for fees to which this section applies and which are not fixed by regulations under this section.	32 33 34 35

Part 3.4 Medical assessment	1
	2
56 Definitions	3
In this Part:	4
<i>medical assessor</i> means a person appointed under this Part to make an assessment under this Part.	5
<i>medical assessors review panel</i> means a panel of medical assessors convened under this Part to review an assessment under this Part.	6
<i>medical dispute</i> means a disagreement or issue to which this Part applies.	7
	8
	9
	10
57 Application	11
(1) This Part applies to a disagreement between a claimant and an insurer about any of the following matters:	12
	13
(a) whether the treatment provided or to be provided to the injured person was or is reasonable and necessary in the circumstances,	14
	15
	16
(b) whether any such treatment relates to the injury caused by the motor accident,	17
	18
(c) whether an injury has stabilised,	19
(d) the degree of permanent impairment of the injured person as a result of the injury caused by the motor accident.	20
	21
(2) This Part also applies to any issue arising about such a matter in proceedings before a court or in connection with the assessment of a claim by a claims assessor.	22
	23
	24
58 Appointment of medical assessors	25
(1) The Authority is required to appoint medical practitioners and other suitably qualified persons to be medical assessors for the purposes of this Part.	26
	27
	28
(2) The terms of any such appointment may restrict a medical assessor to disputes of a specified kind.	29
	30
(3) The Authority is to ensure that, as far as reasonably practicable, there are medical assessors appointed in the regional areas of the State.	31
	32

(4) The Authority is to make appointments of medical assessors in accordance with the advice of the Motor Accidents Council.	1 2
59 Medical assessment procedures	3
(1) A medical dispute may be referred for assessment under this Part by either party to the dispute or by a court or claims assessor.	4 5
(2) If the insurer disputes all liability under a claim the dispute cannot be referred for assessment under this Part by the claimant alone.	6 7
(3) The request for a referral is to be made to the officer of the Authority designated by the Authority for the purpose (in this Part referred to as <i>the proper officer of the Authority</i>).	8 9 10
(4) The proper officer of the Authority is to arrange for any such request that is duly made to be referred to one or more medical assessors.	11 12
60 Status of medical assessments	13
(1) The medical assessor or assessors to whom a medical dispute is referred is or are to give a certificate as to the matters referred for assessment.	14 15 16
(2) Any such certificate as to:	17
(a) whether the degree of permanent impairment of the injured person is greater than 10%, or	18 19
(b) whether any treatment already provided to the injured person was reasonable and necessary in the circumstances, or	20 21
(c) whether an injury has stabilised,	22
is conclusive evidence as to the matters certified in any court proceedings or in any assessment by a claims assessor in respect of the claim concerned.	23 24 25
(3) Any such certificate as to any other matter is evidence (but not conclusive evidence) as to the matters certified in any court proceedings or in any assessment by a claims assessor in respect of the claim concerned.	26 27 28 29
61 Referral of matter for further medical assessment	30
(1) A matter referred for assessment under this Part may be referred again on one or more further occasions in accordance with this Part:	31 32

(a)	by any party to the medical dispute, but only on the grounds of the deterioration of the injury or additional relevant information about the injury, or	1 2 3
(b)	by a court or claims assessor.	4
(2)	A certificate as to a matter referred again for assessment prevails over any previous certificate as to the matter to the extent of any inconsistency.	5 6 7
62	Review of medical assessment by review panel	8
(1)	A party to a medical dispute may apply to the proper officer of the Authority to refer a medical assessment under this Part by a single medical assessor to a review panel of medical assessors for review.	9 10 11
(2)	An application for the referral of a medical assessment to a review panel may only be made on the grounds that the assessment was incorrect in a material respect.	12 13 14
(3)	The proper officer of the Authority is to arrange for any such application to be referred to a panel of at least 3 medical assessors, but only if the proper officer is satisfied that there is reasonable cause to suspect that the medical assessment was incorrect in a material respect having regard to the particulars set out in the application.	15 16 17 18 19
(4)	The review panel may confirm the certificate of assessment of the single medical assessor, or revoke that certificate and issue a new certificate as to the matters concerned.	20 21 22
(5)	Section 60 applies to any such new certificate.	23
63	Costs of medical assessment	24
(1)	The costs of medical assessments under this Part are payable by the insurer, except as otherwise provided by the regulations.	25 26
(2)	The Authority may, for the purposes of meeting those costs, impose fees for the carrying out of medical assessments or make other arrangements for meeting those costs.	27 28 29
(3)	The costs of medical assessments under this Part include the remuneration of medical assessors and the necessary costs of travel of the injured person to attend the medical assessor or assessors for the purposes of the assessment.	30 31 32 33
(4)	A reference in this section to medical assessment includes a reference to the review of medical assessments.	34 35

64	MAC monitoring and oversight	1
(1)	Medical assessments under this Part are subject to relevant provisions of MAC Medical Guidelines relating to the procedures for the referral of disputes for assessment or review of assessments and the procedure for assessment.	2 3 4 5
(2)	The Motor Accidents Council may make arrangements with the Authority for the provision of training and information to be provided to medical assessors to promote accurate and consistent medical assessments under this Part.	6 7 8 9

Chapter 4	Motor accident claims	1
		2
Part 4.1	Preliminary	3
		4
65	Definitions (cf s 40 MAA)	5
	(1) In this Chapter:	6
	<i>insurer</i> , in relation to a person, means the insurer who insures the person against the person's liability for damages in respect of a claim, whether or not under a third-party policy, and includes:	7
		8
		9
	(a) the Nominal Defendant, and	10
	(b) where a claim is handled on behalf of an insurer by another insurer, the other insurer.	11
		12
	(2) In this Chapter, a reference to a full and satisfactory explanation by a claimant for non-compliance with a duty or for delay is a reference to a full account of the conduct, including the actions, knowledge and belief of the claimant, from the date of the accident until the date of providing the explanation. The explanation is not a satisfactory explanation unless a reasonable person in the position of the claimant would have failed to have complied with the duty or would have been justified in experiencing the same delay.	13
		14
		15
		16
		17
		18
		19
		20
66	Application of Chapter (cf s 41 MAA)	21
	(1) This Chapter applies to and in respect of a claim relating to a motor accident occurring after the commencement of this Act.	22
		23
	(2) This Chapter applies to and in respect of such a claim whether or not there is a third-party policy in respect of the claim.	24
		25
67	Claims Handling Guidelines of Authority (cf s 40B MAA)	26
	(1) The Authority may issue to licensed insurers guidelines with respect to the manner in which insurers and those acting on their behalf are to deal with claims (<i>MAA Claims Handling Guidelines</i>).	27
		28
		29
	(2) The Authority may amend, revoke or replace MAA Claims Handling Guidelines.	30
		31

(3) The Authority is not to issue, amend, revoke or replace any MAA Claims Handling Guidelines unless it has consulted the Motor Accidents Council.	1 2 3
(4) MAA Claims Handling Guidelines may adopt the provisions of other publications, whether with or without modification or addition and whether in force at a particular time or from time to time.	4 5 6
(5) It is a condition of an insurer's licence under Part 7.1 that the insurer comply with MAA Claims Handling Guidelines.	7 8
68 Claims Assessment Guidelines of Motor Accidents Council	9
(1) The Motor Accidents Council may issue guidelines with respect to the procedures to be followed by claims assessors in the assessment of claims under Part 4.4 and associated matters (<i>MAC Claims Assessment Guidelines</i>).	10 11 12 13
(2) The Motor Accidents Council may amend, revoke or replace MAC Claims Assessment Guidelines.	14 15
(3) MAC Claims Assessment Guidelines may adopt the provisions of other publications, whether with or without modification or addition and whether in force at a particular time or from time to time.	16 17 18
(4) MAC Claims Assessment Guidelines are to be published in the Gazette and take effect on the day of that publication or, if a later day is specified in the Guidelines for that purpose, on the day so specified.	19 20 21
Part 4.2 Claims and other preliminary matters	22 23
69 Reporting of motor accident to police (cf s 42 MAA)	24
(1) A claimant is required to ensure that the requirements of the law with respect to the reporting of the motor accident to a police officer have been complied with.	25 26 27
(2) If a person commences proceedings in respect of a claim without such compliance, the person must provide a full and satisfactory explanation to the court for the non-compliance.	28 29 30
(3) If the court is satisfied that sufficient cause existed to justify the delay in reporting the motor accident to a police officer and that a report of the motor accident was made within a reasonable period having regard	31 32 33

to the requirements of the law, the court may allow the proceedings to continue.	1 2
70 Authority’s access to police information (cf s 42A MAA)	3
(1) At the written request of the Authority with respect to a motor accident specified by it, the Commissioner of Police must provide a statement to the Authority in relation to the following matters if information as to those matters is held by a member of the Police Service:	4 5 6 7 8
(a) the registration numbers of all motor vehicles involved in the accident,	9 10
(b) the names of all persons killed or injured in the accident,	11
(c) the names of the hospitals to which the injured persons were taken,	12 13
(d) the motor vehicle or vehicles most likely to have been at fault in the accident.	14 15
(2) The Authority is authorised to give a copy of a statement provided to it under this section to the next of kin of a person killed in the accident or to a person injured in the accident (or to an appropriate representative of either such person), or to an insurer.	16 17 18 19
(3) A statement or copy of a statement provided to or by the Authority under this section is not admissible in legal proceedings concerning a claim made under this Act.	20 21 22
71 Time for and notice of making of claims (cf s 43 MAA)	23
(1) A claim must be made within 6 months after the relevant date for the claim. The relevant date is the date of the motor accident to which the claim relates unless the claim is made in respect of the death of a person, in which case the relevant date is the date of the person’s death.	24 25 26 27 28
(2) A claim is made by giving notice of the claim to the person against whom the claim is made and, if that person’s insurer is a third-party insurer, to the insurer.	29 30 31

(3) The requirement under subsection (2) (only in so far as it is a requirement to give notice of a claim to the person against whom the claim is made and without affecting the requirement to give notice to the insurer) does not apply if:	1
(a) that person is dead, or	2
(b) that person cannot be given notice.	3
	4
	5
	6
72 Late making of claims (cf s 43A MAA)	7
(1) A claim may be made more than 6 months after the relevant date for the claim under section 71 (in this section called a <i>late claim</i>) if the claimant provides a full and satisfactory explanation for the delay in making the claim. The explanation is to be provided in the first instance to the insurer.	8
	9
	10
	11
	12
(2) Evidence as to any delay in the onset of symptoms relating to the injury suffered by the injured person as a result of the motor accident may be given in any such explanation.	13
	14
	15
(3) A late claim may not be made more than 12 months after the relevant date for the claim under section 71 unless, in addition to the provision of a full and satisfactory explanation, the total damages of all kinds likely to be awarded to the claimant if the claim succeeds are not less than 10% of the maximum amount that may be awarded for non-economic loss under section 131 as at the date of the relevant motor accident.	16
	17
	18
	19
	20
	21
	22
(4) Subsection (3) does not apply to a claimant who is legally incapacitated because of the claimant's age or mental capacity.	23
	24
(5) This subsection applies if the late claim is made.	25
(a) If, within 2 months after receiving a late claim for which no explanation for delay is provided, the insurer does not reject the claim or ask the claimant to provide a full and satisfactory explanation for the delay in making the claim, the insurer (and the person against whom the claim is made) lose the right to challenge the claim on the ground of delay.	26
	27
	28
	29
	30
	31
(b) If, within 2 months after receiving an explanation for delay in the making of a late claim, the insurer does not reject the explanation, the insurer (and the person against whom the claim is made) lose the right to challenge the claim on the ground of delay.	32
	33
	34
	35
	36

(c)	If court proceedings are commenced in respect of a late claim, an insurer (or the person against whom the claim is made) may apply to have the proceedings dismissed on:	1
	(i) the ground of delay, or	2
	(ii) in the case of a late claim that is made more than 12 months after the relevant date for the claim under section 71, the ground of the amount of damages,	3
	or both, only within 2 months after the statement of claim is served on the defendant and received by the insurer. The insurer (or the person against whom the claim is made) may apply to have the proceedings dismissed on the ground of delay only if the insurer (or the person) has not lost the right to challenge the claim on the ground of delay.	4
(6)	A court must dismiss proceedings commenced in respect of a late claim if the court is satisfied that the claimant does not have a full and satisfactory explanation for the delay in making the claim and, alternatively or in addition in the case of a late claim that is made more than 12 months after the relevant date for the claim under section 71, that the total damages of all kinds likely to be awarded to the claimant if the claim succeeds are less than 10% of the maximum amount that may be awarded for non-economic loss under section 131 as at the date of the relevant motor accident.	5
	Note. The combined effect of sections 71 and 72 is as follows:	6
	A claim generally must be made within 6 months after the date of the accident or the date of death.	7
	If, however, a claim is made between 6 months and 12 months after the date of the accident or death, a full and satisfactory explanation for the delay in making the claim must be provided.	8
	A claim cannot be made after 12 months unless a full and satisfactory explanation for the delay is provided AND the damages of all kinds that would be awarded were the claim to succeed are at least 10% of the maximum damages that could be awarded for non-economic loss (see section 131) as at the date of the accident.	9
	Section 95 provides that a dispute about whether a late claim can be made may be referred to a claims assessor.	10
73	Form of notice of claim (cf s 44 MAA)	11
(1)	A notice of a claim under this Part must:	12
	(a) be in the form approved by the Authority, and	13
	(b) set out or be accompanied by such particulars and information as may be required by that form.	14

(2)	A notice of claim given to an insurer may, if approved by the Authority, require the claimant to do either or both of the following:	1
	(a) furnish a medical certificate relating to the claim signed by a medical practitioner,	2
	(b) authorise the insurer to obtain information and documents relevant to the claim from persons specified in the authorisation.	3
(3)	The Authority may approve different forms according to the persons to whom the notice is to be given.	4
(4)	A notice of a claim given to an insurer must be verified by statutory declaration.	5
		6
		7
74	Other approved forms (cf s 44A MAA)	8
(1)	The Authority may approve forms (other than the form for a notice of claim) for use by insurers for the purposes of this Chapter.	9
(2)	Approved forms may include, but are not limited to, a certificate of earnings and a rehabilitation plan.	10
		11
75	Challenging claims for failure to comply with section 73 (cf s 44B MAA)	12
(1)	If, within 2 months after receiving notice of a claim under this Part, the insurer does not reject the claim for non-compliance with section 73, the insurer loses the right to challenge the claim on the ground of non-compliance with that section.	13
		14
(2)	If court proceedings are commenced in respect of a claim, an insurer who has not lost the right to challenge for non-compliance with section 73 may apply to have the proceedings dismissed on the ground of the relevant non-compliance only within 2 months after the statement of claim is served on the defendant and received by the insurer.	15
		16
(3)	A court may not dismiss proceedings if the relevant non-compliance is technical and of no significance.	17
		18
(4)	In this section, a reference to an insurer includes a reference to the person against whom the claim is made.	19
		20
		21
		22
		23
		24
		25
		26
		27
		28
		29
		30
76	Insured not to admit liability or act in respect of claim (cf s 46 MAA)	31
(1)	A person may not, without the consent in writing of the person's insurer:	32
	(a) enter upon, or incur any expense in, any litigation, or	33
		34

(b)	make any offer or promise of payment or settlement, or	1
(c)	make any payment or settlement, or	2
(d)	make any admission of liability,	3
	in respect of a claim. However, this section does not prevent any person from truthfully answering any question reasonably asked of the person by a police officer.	4 5 6
(2)	An offer, promise or admission made in contravention of this section is of no effect.	7 8
77	Power of insurer to act for insured (cf s 47 MAA)	9
(1)	When a claim is made against a person, the person's insurer may:	10
(a)	conduct and control negotiations in respect of the claim, and	11
(b)	conduct, or take over the conduct of, any legal proceedings in respect of the claim and may conduct those proceedings in the name and on behalf of the person, and	12 13 14
(c)	at any stage of those negotiations or proceedings, compromise or settle the claim, and	15 16
(d)	exercise any function conferred by this Act on the person in respect of the claim.	17 18
(2)	The person against whom the claim is made is required to sign all such warrants, authorities and other documents as may be necessary to give effect to this section.	19 20 21
(3)	If the person fails to do so or is absent or cannot be found, the insurer may sign the warrants, authorities or other documents on behalf of the person.	22 23 24
(4)	Nothing said or done by an insurer under this section in connection with the settlement of a claim or the conduct of proceedings in respect of a claim is to be regarded as an admission of liability in respect of or in any way prejudice any other claim, action or proceeding arising out of the same occurrence.	25 26 27 28 29
78	Power of insurer to intervene in legal proceedings (cf s 47A MAA)	30
	An insurer may apply to the court to be joined as a party to legal proceedings brought against a defendant who is insured under a third-party policy with the insurer in order to argue that in the circumstances of the case it has no obligation under the policy to indemnify the defendant.	31 32 33 34 35

Part 4.3 Duties with respect to claims	1
	2
79 General duty of insurer to try to resolve claim expeditiously (cf s 45 (1) MAA)	3
	4
(1) It is the duty of an insurer to endeavour to resolve a claim, by settlement or otherwise, as expeditiously as possible.	5
	6
(2) It is a condition of an insurer's licence under Part 7.1 that the insurer must comply with this section.	7
	8
80 Duty of insurer with respect to admission or denial of liability	9
(1) It is the duty of an insurer to give written notice to the claimant as expeditiously as possible whether the insurer admits or denies liability for the claim, but in any event within 2 months after the claimant gave notice of the claim under section 71.	10
	11
	12
	13
(2) If the insurer admits liability for only part of the claim, the notice is to include details sufficient to ascertain the extent to which liability is admitted.	14
	15
	16
(3) If the insurer fails to comply with this section, the insurer is taken to have given notice to the claimant wholly denying liability for the claim.	17
	18
	19
(4) Nothing in this section prevents an insurer from admitting liability after having given notice denying liability or after having failed to comply with this section.	20
	21
	22
(5) It is a condition of an insurer's licence under Part 7.1 that the insurer must comply with this section.	23
	24
81 Duty of insurer to make offer of settlement	25
(1) It is the duty of an insurer to make a reasonable offer of settlement to the claimant (unless the insurer wholly denies liability for the claim):	26
	27
(a) within 1 month after the injury has stabilised, as agreed by the parties or as determined by a medical assessor under Part 3.4, or	28
	29
	30
(b) within 2 months after the claimant has provided to the insurer all relevant particulars about the claim,	31
	32
whichever is the later.	33

(2)	An offer of settlement is to specify an amount of damages or a manner of determining an amount of damages.	1 2
(3)	If an offer of settlement is made on the basis that the insurer admits only part of the liability for the claim, the offer is to include details sufficient to ascertain the extent to which liability is admitted.	3 4 5
(4)	This section does not apply to:	6
(a)	a claim made in respect of the death of a person, or	7
(b)	a claim in respect of which the injury has not stabilised within 3 years after the motor accident.	8 9
(5)	For the purposes of making an offer of settlement under this section, relevant particulars about a claim are full details of:	10 11
(a)	the injuries sustained by the claimant in the motor accident, and	12
(b)	all disabilities and impairments arising from those injuries, and	13
(c)	any economic losses and other losses that are being claimed as damages,	14 15
	sufficient to enable the insurer, as far as practicable, to make a proper assessment of the claimant's full entitlement to damages.	16 17
(6)	The insurer is not entitled to delay the making of an offer of settlement under this section on the ground that any particulars about the claim are insufficient unless the insurer requested further relevant particulars within 2 weeks after the claimant provided particulars.	18 19 20 21
	Note. Section 95 provides that a dispute about whether particulars about a claim are sufficient may be referred to a claims assessor.	22 23
(7)	It is a condition of an insurer's licence under Part 7.1 that the insurer must comply with this section.	24 25
	Note. Section 90 provides that 2 months after the insurer makes an offer of settlement the claim, if not resolved, may be referred for assessment. If an offer is not duly made, the claim may be referred for assessment as soon as the time for making the offer has expired.	26 27 28 29
82	Duty of insurer to make hospital, medical and other payments (cf s 45 (2)–(4) MAA)	30 31
(1)	Once liability has been admitted (wholly or in part) or determined (wholly or in part) against the person against whom the claim is made, it is the duty of an insurer to make payments to or on behalf of the claimant in respect of:	32 33 34 35
(a)	hospital, medical and pharmaceutical expenses, and	36

(b)	rehabilitation expenses, and	1
(c)	respite care expenses in respect of a claimant who is seriously injured and in need of constant care over a long term, and	2 3
(d)	attendant care services expenses in respect of a claimant who is seriously injured and in need of constant care over a long term (being services provided by a person with appropriate training to provide those services, but not including services provided by a person who is related to the claimant or any services for which the claimant has not paid and is not liable to pay),	4 5 6 7 8 9 10
	as incurred.	11
(2)	The duty of an insurer under this section to make payments applies only to the extent to which those payments:	12 13
(a)	are reasonable and necessary in the circumstances, and	14
(b)	are properly verified, and	15
(c)	relate to the injury caused by the fault of the owner or driver of the motor vehicle to which the third-party policy taken to have been issued by the insurer relates.	16 17 18
	Note. Medical disputes about payments under this section may be referred by the insurer or claimant to a medical assessor for assessment under Part 3.4. Other disputes may be referred to a claims assessor under section 95 for assessment.	19 20 21
(3)	An insurer may agree to make payments to or on behalf of the claimant in respect of attendant care services provided by a person who is related to the claimant or by a person other than a person with appropriate training to provide those services.	22 23 24 25
(4)	It is a condition of an insurer's licence under Part 7.1 that the insurer must comply with this section.	26 27
(5)	A payment made under this section to or on behalf of a claimant before the claimant obtains judgment for damages against the defendant is, to the extent of its amount, a defence to proceedings by the claimant against the defendant for damages.	28 29 30 31
83	Duty of insurer with respect to rehabilitation of injured person (cf ss 37 (2) and (5), 38 MAA)	32 33
(1)	An insurer (to the extent of the insurer's liability under a third-party policy or this Act) must do all such things as may, in accordance with MAC Medical Guidelines, be reasonable and necessary for the rehabilitation of an injured person, including meeting the reasonable	34 35 36 37

and necessary costs and expenses of travel and accommodation incurred by the person in order to obtain rehabilitation services.	1 2
(2) In the provision of rehabilitation services, an insurer must, as far as practicable, ensure that those services are provided to an injured person as soon as possible after an admission of liability is made by the insurer.	3 4 5 6
(3) If rehabilitation services are provided to an injured person before an admission of liability is made by the insurer, the provision of those services is not to be taken to be an admission of liability.	7 8 9
(4) An insurer has no responsibility for the rehabilitation of an injured person whose claim has been settled or in relation to whom a judgment has been entered except as provided by the terms of any order referred to in section 140.	10 11 12 13
(5) It is a condition of an insurer's licence under Part 7.1 that the insurer must comply with this section.	14 15
84 Duty of claimant to co-operate with other party (cf s 48 MAA)	16
(1) A claimant must co-operate fully in respect of the claim with the person against whom the claim is made and the person's insurer for the purpose of giving the person and the insurer sufficient information:	17 18 19 20
(a) to be satisfied as to the validity of the claim and, in particular, to assess whether the claim or any part of the claim may be fraudulent, and	21 22 23
(b) to be able to make an early assessment of liability, and	24
(c) to be able to make an informed offer of settlement.	25
(2) In particular, the claimant must comply with any reasonable request by the other party or the other party's insurer:	26 27
(a) to furnish specified information (in addition to the information furnished in the claim form) or to produce specified documents or records, or	28 29 30
(b) to provide a photograph of and evidence as to the identity of the claimant.	31 32
(3) The reasonableness of a request may be assessed having regard to criteria including the following:	33 34
(a) the amount of time the claimant needs to comply with the request,	35 36

(b)	whether the information sought is cogent and relevant to a determination of liability or quantum of loss, having regard to the nature of the claim,	1 2 3
(c)	the amount of information which has already been supplied to or is available to an insurer to enable liability and quantum of loss to be assessed and an offer of settlement made,	4 5 6
(d)	how onerous it will be for the claimant to comply with the request,	7 8
(e)	whether the information is privileged,	9
(f)	whether the information sought is sufficiently specified,	10
(g)	the time of the request and whether the claimant will be delayed in commencing proceedings by complying with the request.	11 12 13
(4)	The duty under this section applies only until court proceedings are commenced in respect of the claim but if the claimant fails without reasonable excuse to comply with this section, court proceedings cannot be commenced in respect of the claim while the failure continues.	14 15 16 17 18
85	Medical and other examination of claimant (cf s 49 MAA)	19
(1)	A claimant must comply with any request by the person against whom the claim is made or the person's insurer:	20 21
(a)	to undergo a medical examination by one or more medical practitioners nominated by that person or insurer, or	22 23
(b)	to undergo a rehabilitation assessment, an assessment to determine functional and vocational capacity or an assessment to determine attendant care needs, by an assessor nominated by that person or insurer, or	24 25 26 27
(c)	to undergo an assessment in accordance with MAC Medical Guidelines,	28 29
	not being, in any such case, an examination or assessment that is unreasonable, unnecessarily repetitious or dangerous.	30 31
(2)	Any such examination or assessment is at the cost of the person who requests it. The claimant may decline to undergo the examination or assessment unless that person pays the claimant a reasonable sum to meet the travelling and other expenses of the claimant of or incidental to the examination or assessment.	32 33 34 35 36

(3)	A claimant must comply with any request by a medical assessor to undergo a medical examination or an assessment by the medical assessor for the purposes of a medical assessment under Part 3.4.	1 2 3
(4)	If the claimant fails without reasonable excuse to comply with such a request:	4 5
(a)	the claim cannot be referred to a claims assessor for assessment under Part 4.4 and any such assessment cannot be continued while the failure continues, and	6 7 8
(b)	court proceedings cannot be commenced or continued in respect of the claim while the failure continues.	9 10
86	Duty of owner and driver to co-operate with insurer (cf s 50 MAA)	11
(1)	A person who at the time of the motor accident to which a claim relates was the owner or driver of the motor vehicle concerned must co-operate fully with the vehicle owner's insurer in respect of the claim.	12 13 14 15
(2)	In particular, the owner or driver of any motor vehicle involved in a motor accident must:	16 17
(a)	within 28 days after the accident, give written notice of the accident to the vehicle owner's insurer, unless the owner or driver had no reason to suspect that the accident could have given rise to a claim against the owner or driver, and	18 19 20 21
(b)	within 28 days after the receipt of:	22
(i)	any claim made against the owner or driver, or	23
(ii)	any written notice received from any claimant that the claimant intends to make a claim against the owner or driver,	24 25 26
	give notice of the claim or intention to make the claim to the vehicle owner's insurer.	27 28
(3)	The owner or driver of a motor vehicle at the time of the motor accident to which a claim relates must furnish to the insurer such information as the insurer may reasonably request in connection with the claim.	29 30 31 32
	Maximum penalty (subsection (3)): 20 penalty units.	33

Part 4.4 Claims assessment and resolution

1
2

Division 1 Preliminary

3
4

87 Definitions

5

(1) In this Part:

6

claims assessor means an officer of the Authority in the Motor Accidents Claims Assessment and Resolution Service who is designated as a claims assessor pursuant to section 98.

7
8
9

party to an assessment under this Part means the claimant or the insurer in respect of the claim referred for assessment.

10
11

Principal Claims Assessor means the claims assessor designated as the Principal Claims Assessor pursuant to section 98.

12
13

specify an amount of damages includes specify a manner of determining the amount of damages.

14
15

(2) A reference in this Part to referring a claim for assessment under this Part includes a reference to referring a claim for a certificate of exemption from assessment under this Part.

16
17
18

(3) A reference in this Part to an assessment of a claim includes a reference to the result of the assessment.

19
20

88 Application

21

(1) This Part applies to any claim, whether or not the insurer admits or denies liability.

22
23

(2) Nothing in this Part prevents a claim from being settled at any time.

24

Note. Section 107 provides that a person cannot commence court proceedings in respect of a claim unless it has been referred for assessment under this Part and a certificate as to the exclusion of the claim from assessment or as to the results of assessment has been issued.

25
26
27
28

Division 2 Assessment of claims

29
30

89 Reference of claim

31

A claim may be referred to the Authority by the claimant or the insurer, or both, for assessment under this Part.

32
33

90	Time limits for referring claims	1
(1)	A claim may not be referred for assessment under this Part:	2
(a)	unless 2 months have elapsed since the insurer made an offer of settlement to the claimant under section 81, or	3 4
(b)	unless the period within which the insurer was required to make such an offer of settlement has expired and the insurer has failed to make an offer.	5 6 7
(2)	However, a claim may be referred for assessment under this Part at any time if:	8 9
(a)	it is a claim in respect of which the insurer wholly denies liability, or	10 11
(b)	it is a claim in respect of the death of a person, or	12
(c)	it is a claim in respect of an injury which has not stabilised within 3 years after the motor accident.	13 14
91	Claims exempt from assessment	15
(1)	A claim is exempt from assessment under this Part if:	16
(a)	the claim is of a kind that is exempt under MAC Claims Assessment Guidelines or the regulations, or	17 18
(b)	a claims assessor has made a preliminary assessment of the claim and has determined (with the approval of the Principal Claims Assessor) that it is not suitable for assessment under this Part.	19 20 21 22
(2)	If a claim is exempt from assessment under this Part, the Principal Claims Assessor must, as soon as practicable, issue the insurer and claimant with a certificate to that effect (enabling court proceedings to be commenced in respect of the claim concerned).	23 24 25 26
92	Arrangements for assessment	27
	The Principal Claims Assessor is responsible for making arrangements as to the claims assessor who is to assess any particular claim or class of claims that are not exempt from assessment.	28 29 30
93	Assessment of claims	31
(1)	The claims assessor is, in respect of a claim referred to the assessor for assessment, to make an assessment of:	32 33

(a)	the issue of liability for the claim (unless the insurer has accepted liability), and	1 2
(b)	the amount of damages for that liability.	3
(2)	Such an assessment is to be made having regard to such information as is conveniently available to the claims assessor, even if one or more of the parties to the assessment does not co-operate or ceases to co-operate.	4 5 6 7
(3)	The assessment is to specify an amount of damages.	8
(4)	The claims assessor must, as soon as practicable, after an assessment issue the insurer and claimant with a certificate as to the assessment.	9 10
(5)	The claims assessor is to attach a brief statement to the certificate, setting out the assessor's reasons for the assessment.	11 12
(6)	If the Principal Claims Assessor is satisfied that a certificate as to an assessment or a statement attached to the certificate contains an obvious error, the Principal Claims Assessor may issue, or approve of the claims assessor issuing, a replacement certificate or statement to correct the error.	13 14 15 16 17
94	Status of assessments	18
(1)	An assessment under this Part of the issue of liability for a claim is not binding on any party to the assessment.	19 20
(2)	An assessment under this Part of the amount of damages for liability under a claim is binding on the insurer, and the insurer must pay to the claimant the amount of damages specified in the certificate as to the assessment if:	21 22 23 24
(a)	the insurer accepts that liability under the claim, and	25
(b)	the claimant accepts that amount of damages in settlement of the claim within 21 days after the certificate of assessment is issued.	26 27 28
	Note. If the amount of damages is not accepted by the claimant within that period, section 148 makes provision with respect to liability for legal costs incurred after the certificate of assessment was issued.	29 30 31
(3)	It is a condition of an insurer's licence under Part 7.1 that the insurer complies with this section.	32 33

Clause 95	Motor Accidents Compensation Bill 1999
Chapter 4	Motor accident claims
Part 4.4	Claims assessment and resolution
Division 2	Assessment of claims

95	Special assessments of certain disputes in connection with claims	1
(1)	This section applies to a dispute between a claimant and an insurer as to:	2
		3
(a)	whether a late claim may be made in accordance with section 72, or	4
		5
(b)	whether the insurer is entitled to delay the making of an offer of settlement under section 81 on the ground that any particulars about the claim are insufficient, or	6
		7
		8
(c)	whether a payment is required to be made under section 82 (not being a medical dispute that may be referred to a medical assessor under Part 3.4)	9
		10
		11
(2)	Any such dispute may be referred at any time to the Authority by the claimant or the insurer, or both, for assessment under this Part.	12
		13
(3)	Any such dispute is to be referred to a claims assessor, the dispute is to be assessed and a certificate is to be issued by the claims assessor in accordance with the relevant provisions of this Division relating to the assessment of claims. Division 3 applies to the assessment of the dispute in the same way as it applies to the assessment of a claim.	14
		15
		16
		17
		18
(4)	An assessment of a dispute under this section is binding on the parties to the dispute to the extent that it relates to the duties of the parties with respect to the claim under Part 4.3.	19
		20
		21
96	Regulations	22
(1)	The regulations may make provision for or with respect to any aspect of procedures to be followed under this Part, including provision for or with respect to:	23
		24
		25
(a)	the manner of referring claims or disputes for assessment, and	26
(b)	the documentation that is to accompany such a reference of a claim or dispute for assessment, and	27
		28
(c)	the manner of presenting documents and information to a claims assessor by the parties, including time limits for the presentation of the documents and information, and	29
		30
		31
(d)	the making of assessments, and	32
(e)	the manner of specifying an amount of damages, and	33
(f)	the extension or abridgment of any period referred to in this Part.	34
		35

- (2) Any such regulations prevail over MAC Claims Assessment Guidelines to the extent of any inconsistency. 1
2

Division 3 Provisions relating to claims assessors 3
4

97 Motor Accidents Claims Assessment and Resolution Service 5

- (1) The Authority is to establish in association with its operations a unit, to be known as the Motor Accidents Claims Assessment and Resolution Service. 6
7
8
- (2) The Service is to consist of claims assessors and such other officers of the Authority as the Authority determines. 9
10

98 Claims assessors 11

- (1) For the purposes of this Part, a claims assessor is an officer of the Authority for the time being designated by the Authority as a claims assessor. 12
13
14
- (2) The officers so designated are to be persons who are, in the opinion of the Authority, suitably qualified to be claims assessors under this Part. 15
16
- (3) One of the claims assessors is to be designated by the Authority as the Principal Claims Assessor. 17
18

99 Power of claims assessor to require information 19

- (1) A claims assessor may give a direction in writing to a party to an assessment under this Part requiring the party: 20
21
- (a) to produce to the assessor, at a time and place specified in the direction, specified documents in the possession of the party, being documents that the assessor considers relevant to the assessment of the claim concerned, or 22
23
24
25
- (b) to furnish specified information to the assessor within a time specified in the direction, being information that the assessor considers relevant to the assessment of the claim concerned. 26
27
28
- (2) A party to an assessment who fails without reasonable excuse to comply with a direction given to the person under this section is guilty of an offence. 29
30
31
- Maximum penalty: 50 penalty units. 32

Clause 99	Motor Accidents Compensation Bill 1999
Chapter 4	Motor accident claims
Part 4.4	Claims assessment and resolution
Division 3	Provisions relating to claims assessors

(3)	If a party to an assessment fails without reasonable excuse to produce a document or furnish information in compliance with a direction given to the person under this section, the person cannot as a party to proceedings before a court have the document or information admitted in the proceedings unless the court otherwise orders in the special circumstances of the case.	1 2 3 4 5 6
(4)	The regulations may make provision for or with respect to any of the following matters:	7 8
(a)	exempting specified kinds of documents or information from the operation of this section,	9 10
(b)	specifying cases and circumstances in which a claims assessor is required to exercise the assessor's powers under subsection (1).	11 12 13
100	Power of claims assessor to provide documents and information to a party	14 15
(1)	When documents or information are produced or furnished to a claims assessor by a party to an assessment (whether or not pursuant to a requirement under this Act), the assessor may produce or furnish the documents or information to any other party to the assessment.	16 17 18 19
(2)	The regulations may make provision for or with respect to any of the following matters:	20 21
(a)	exempting specified kinds of documents or information from the operation of this section,	22 23
(b)	specifying cases and circumstances in which a claims assessor is required to exercise the assessor's powers under subsection (1),	24 25 26
(c)	specifying circumstances in which documents or information produced or furnished to a claims assessor may not be produced or furnished by the assessor to another party to the assessment.	27 28 29 30
101	Summons to appear at assessment conference	31
(1)	The Principal Claims Assessor may issue a summons requiring the attendance of a party to an assessment at an assessment conference (as referred to in section 103) on the assessment of a claim if the Principal Claims Assessor is satisfied that the party has failed without reasonable excuse to comply with a request by a claims assessor to attend an assessment conference on the assessment.	32 33 34 35 36 37

(2) A person must not fail without reasonable excuse to comply with a summons served on the person under this section.	1 2
Maximum penalty: 50 penalty units.	3
102 Protection of claims assessors	4
(1) A matter or thing done or omitted to be done by a claims assessor in the exercise of the assessor's functions does not, if the matter or thing was done or omitted in good faith, subject the assessor personally to any action, liability, claim or demand.	5 6 7 8
(2) A claims assessor is, in any legal proceedings, competent but not compellable to give evidence or produce documents in respect of any matter in which he or she was involved in the course of the exercise of his or her functions as a claims assessor.	9 10 11 12
103 Proceedings before claims assessors	13
(1) In this section:	14
<i>assessment conference</i> means any conference or other proceeding held with or before a claims assessor in connection with an assessment of a claim, and includes any such proceedings at which the parties (or some of them) participate by telephone, closed-circuit television or other means.	15 16 17 18 19
(2) A person who is a party to an assessment under this Part is entitled to be represented by a legal practitioner or by an agent. The claims assessor may however refuse to permit a party to be represented by an agent if of the opinion that the agent does not have sufficient authority to make binding decisions on behalf of the party.	20 21 22 23 24
(3) A party to an assessment at an assessment conference is entitled to such representation or assistance (for example, the assistance of an interpreter) as may be necessary to enable the party to communicate adequately at the assessment conference.	25 26 27 28
(4) A claims assessor must take into account any written submission prepared by a legal practitioner acting for a party to the assessment and submitted by or on behalf of the party (whether or not the party is represented by a legal practitioner at an assessment conference on the assessment of the claim).	29 30 31 32 33

Clause 103	Motor Accidents Compensation Bill 1999
Chapter 4	Motor accident claims
Part 4.4	Claims assessment and resolution
Division 3	Provisions relating to claims assessors

(5)	A claims assessor may, subject to any general directions of the Principal Claims Assessor, hold an assessment conference with all relevant parties in attendance and with relevant experts in attendance, or a separate assessment conference in private with any of them.	1 2 3 4
(6)	If the claims assessor is satisfied that sufficient information has been supplied to him or her in connection with an assessment, the assessor may exercise functions under this Act without holding any assessment conference or other formal hearing.	5 6 7 8
(7)	In proceedings before a court with respect to a claim (other than proceedings under Part 4.6), evidence of a statement made during an assessment conference is not admissible unless the person who made the statement agrees to the evidence being admitted.	9 10 11 12
	Note. See also section 112 with respect to disclosure of result of assessment.	13
104	Control and direction of claims assessors	14
(1)	This section applies to officers of the Authority in their capacity as claims assessors.	15 16
(2)	A claims assessor is not subject to control and direction by the Authority or any public servant with regard to any of the decisions of the assessor that affect the interests of the parties to an assessment, and the Authority or any public servant may not overrule or interfere with any such decision of the claims assessor in respect of any such assessment.	17 18 19 20 21 22
(3)	Subject to subsection (2), claims assessors are, in the exercise of their functions, subject to the general control and direction of the Principal Claims Assessor.	23 24 25
(4)	Subsection (2) does not prevent the making of arrangements for the training of claims assessors, and does not prevent claims assessors from obtaining advice, to ensure consistently correct application of the provisions of this Act and the regulations and of other relevant matters.	26 27 28 29 30
(5)	This section does not affect the exercise of the functions of the appropriate Department Head under the <i>Public Sector Management Act 1988</i> with respect to claims assessors.	31 32 33
105	MAC monitoring and oversight	34
(1)	Claims assessments under this Part are subject to relevant provisions of MAC Claims Assessment Guidelines relating to those assessments.	35 36

- (2) The Motor Accidents Council may make arrangements with the Authority for the provision of training and information to claims assessors to promote accurate and consistent claim assessments under this Part. 1
2
3
4

Part 4.5 Court proceedings on claims 5 6

106 Forum for court proceedings (cf s 51 MAA) 7

Proceedings in respect of a claim may be taken in any court of competent jurisdiction. 8
9

107 Claims assessment or exemption pre-condition for commencement of court proceedings 10 11

- (1) A claimant is not entitled to commence court proceedings against another person in respect of a claim unless: 12
13
- (a) the Principal Claims Assessor has issued a certificate in respect of the claim under section 91 (Claims exempt from assessment), or 14
15
16
 - (b) a claims assessor has issued a certificate in respect of the claim under section 93 (Assessment of claims). 17
18
- (2) The provisions of this section are in addition to those of section 108. Accordingly, both sections are capable of applying to a claim. 19
20

108 Time limitations on commencement of court proceedings (cf s 52 MAA) 21

- (1) A claimant is not entitled to commence proceedings in respect of a claim more than 3 years after: 22
23
- (a) the date of the motor accident to which the claim relates, or 24
 - (b) if the claim is made in respect of the death of a person—the date of death, 25
26
- except with the leave of the court in which the proceedings are to be taken. 27
28
- (2) Time does not run for the purposes of this section from the time that a claim has been referred to a claims assessor for assessment and until 2 months after a certificate as to the assessment or exemption from assessment is issued. 29
30
31
32

(3) The leave of the court must not be granted unless:	1
(a) the claimant provides a full and satisfactory explanation to the court for the delay, and	2 3
(b) the total damages of all kinds likely to be awarded to the claimant if the claim succeeds are not less than 25% of the maximum amount that may be awarded for non-economic loss under section 131 as at the date of the relevant motor accident.	4 5 6 7
(4) Subsection (3) (b) does not apply to a claimant who is legally incapacitated because of the claimant's age or mental capacity.	8 9
(5) The <i>Limitation Act 1969</i> does not apply to or in respect of proceedings in respect of a claim.	10 11
109 Presumption of agency (cf s 53 MAA)	12
(1) For the purposes of:	13
(a) any proceedings against the owner of a motor vehicle, whether severally or jointly with the driver of the vehicle, for the recovery of damages for liability in respect of the death of or injury to a person caused by the fault of the driver of the vehicle in the use or operation of the vehicle, and	14 15 16 17 18
(b) the third-party policy, if the vehicle concerned is an insured motor vehicle,	19 20
any person (other than the owner) who was, at the time of the occurrence out of which the proceedings arose, the driver of the vehicle (whether with or without the authority of the owner) is taken to be the agent of the owner acting within the scope of the agent's authority in relation to the vehicle.	21 22 23 24 25
(2) Nothing in this section is to be taken to imply any ratification by the owner of the motor vehicle of the acts of the person driving the motor vehicle.	26 27 28
(3) The presumption of agency under this section is applicable not only with respect to proceedings taken against the owner of the motor vehicle, whether severally or jointly with the driver, but also:	29 30 31
(a) where the owner or driver is dead, with respect to proceedings against the owner or driver's estate pursuant to Part 2 of the <i>Law Reform (Miscellaneous Provisions) Act 1944</i> , and	32 33 34
(b) where the owner or driver is dead or cannot be served with process, with respect to:	35 36

(i)	proceedings against the person's insurer under section 110 or the Nominal Defendant, and	1 2
(ii)	proceedings in which the owner or driver, the owner's or driver's estate, the insurer or the Nominal Defendant, as the case may be, is involved as alternative defendant or as a person on whom notice in writing has been served pursuant to Part 2 of the <i>Law Reform (Miscellaneous Provisions) Act 1946</i> , or as a party to proceedings for recovery of contribution by or against a joint tortfeasor pursuant to Part 3 of that Act.	3 4 5 6 7 8 9 10
110	Proceedings against insurer if insured dead or unable to be served (cf s 54 MAA)	11 12
(1)	If a person against whom a claim can be made is dead or cannot be served with process, the claimant and a person claiming contribution or indemnity between joint tortfeasors may:	13 14 15
(a)	take proceedings in respect of the claim against the person's insurer, and	16 17
(b)	recover in those proceedings an amount for which the claimant or the person claiming contribution or indemnity could have obtained a judgment against the insured person.	18 19 20
(2)	The fact that a person cannot be served with process is not to be regarded as having been proved unless it is established that all reasonable inquiries have been made in an effort to effect service.	21 22 23
111	Proof of inability to serve process and give notice (cf s 55 MAA)	24
	The fact that a person cannot be served with process or given notice of a claim may be proved orally or by the affidavit of the person who endeavoured to effect service.	25 26 27
112	Disclosure of offers or assessment by claims assessor (cf s 56 MAA)	28
(1)	This section applies to:	29
(a)	the amount of an offer of settlement under section 81 in connection with a claim, or	30 31
(b)	the amount of an assessment of damages by a claims assessor under Part 4.4.	32 33

Clause 112	Motor Accidents Compensation Bill 1999
Chapter 4	Motor accident claims
Part 4.5	Court proceedings on claims

- | | |
|--|-----------------------|
| (2) Except as prescribed by the regulations, any such amount is not to be specified in any pleading, affidavit or other document filed in or in connection with court proceedings, and is not to be disclosed to or taken into account by the court, before the court's determination of the amount of damages in the proceedings. | 1
2
3
4
5 |
|--|-----------------------|

Part 4.6 Miscellaneous provisions	6 7
--	--------

- | | |
|--|---------|
| 113 Licensed insurers to deter fraudulent claims (cf s 64A MAA) | 8 |
| A licensed insurer must take all such steps as may be reasonable to deter and prevent the making of fraudulent claims. | 9
10 |

- | | |
|--|----------------------------------|
| 114 False claims (cf s 65 MAA) | 11 |
| A person who makes a statement knowing that it is false or misleading in a material particular: | 12 |
| (a) in an accident notification form under Part 3.2, or | 13 |
| (b) in a notice of a claim given to a person or an insurer under Part 4.2, or | 14 |
| (c) in the course of the assessment of a claim under Part 4.4, or | 15 |
| (d) when otherwise furnishing information to any person concerning a motor accident or any claim relating to a motor accident, | 16 |
| is guilty of an offence. | 17 |
| Maximum penalty: 50 penalty units or imprisonment for 12 months, or both. | 18
19
20
21
22
23 |

- | | |
|--|----------------------------------|
| 115 Remedy available where claim fraudulent (cf s 66 MAA) | 24 |
| (1) This section applies to a claimant if it is established that, for the purpose of obtaining a financial benefit, the claimant did or omitted to do anything (including the making of a statement) concerning a motor accident or any claim relating to a motor accident with knowledge that the doing of the thing or the omission to do the thing was false or misleading. | 25
26
27
28
29
30 |

(2) If this section applies to a claimant:	1
(a) a person who has a liability in respect of a payment, settlement, compromise or judgment relating to the claim is relieved from that liability to the extent of the financial benefit so obtained by the claimant, and	2 3 4 5
(b) a person who has paid an amount to the claimant in connection with the claim (whether under a settlement, compromise or judgment, or otherwise) is entitled to recover from the claimant the amount of the financial benefit so obtained by the claimant and any costs incurred in connection with the claim.	6 7 8 9 10
116 Joinder of insurer where false claim alleged (cf s 66A MAA)	11
(1) If:	12
(a) court proceedings have been commenced against a person in respect of a claim, and	13 14
(b) the person's insurer has given the plaintiff particulars alleging that the claim has not been made in good faith,	15 16
the insurer may apply to the court to be joined as a party to the proceedings.	17 18
(2) If the court gives the insurer leave to be joined as a party, the insurer may call as a witness any person able to give evidence relating to the occurrence out of which the claim arose or evidence of other matters relating to the claim, including a person who was, at the time of the occurrence, the owner or the driver of the motor vehicle.	19 20 21 22 23
(3) The insurer may examine the witness as to the occurrence out of which the claim arose and may also, with the leave of the court, examine the witness as to:	24 25 26
(a) any other claim in which the witness was involved either as a claimant, a witness or an owner or driver of the motor vehicle, and	27 28 29
(b) the credibility of the witness.	30
(4) If the court gives leave to do so, the insurer may:	31
(a) cross-examine the witness, and	32
(b) lead other evidence to refute the evidence given by the witness, as to any or all of the matters as to which the insurer might have examined the witness under subsection (3).	33 34 35

(5)	Any right to examine or cross-examine a witness arising under this section is additional to and not in diminution of any right to examine or cross-examine the person arising under any other law.	1 2 3
(6)	This section applies despite anything to the contrary in section 38 of the <i>Evidence Act 1995</i> .	4 5
(7)	Subsections (3)–(6) apply to a licensed insurer as defendant in relation to any claim in the same way as those subsections apply to a licensed insurer who is granted leave to be joined as a party.	6 7 8
117	Claims register (cf s 67 MAA)	9
(1)	Within such period after receiving notice of a claim as the Authority may reasonably require, an insurer must forward to the Authority such details of the claim as the Authority requires.	10 11 12
(2)	An insurer must provide such additional details to the Authority for inclusion in the register under this section as the Authority may reasonably require from time to time.	13 14 15
(3)	The Authority and the WorkCover Authority are authorised to exchange information concerning claims under this Act and claims under the Workers Compensation Acts.	16 17 18
(4)	The NSW Insurance Ministerial Corporation constituted under Part 5 of the <i>Government Insurance Office (Privatisation) Act 1991</i> is authorised to provide to the Authority any information concerning claims under the <i>Motor Vehicles (Third Party Insurance) Act 1942</i> and the <i>Transport Accidents Compensation Act 1987</i> .	19 20 21 22 23
(5)	The Authority is to maintain a claims register comprising:	24
(a)	details of claims notified by insurers under this Act, and	25
(b)	details of claims made on the Nominal Defendant, and	26
(c)	details of claims under the Workers Compensation Acts, the <i>Motor Vehicles (Third Party Insurance) Act 1942</i> or the <i>Transport Accidents Compensation Act 1987</i> of which the Authority is informed under this Act, and	27 28 29 30
(d)	such additional details as the Authority considers appropriate for inclusion in the register.	31 32
(6)	The claims register is to be open to inspection only by licensed insurers and such other persons or bodies as may be approved by the Authority.	33 34 35

(7)	Licensed insurers are authorised to exchange information concerning claims notified by them under this Act.	1 2
(8)	In this section: <i>claim</i> includes an accident notification form under Part 3.2. <i>this Act</i> includes the <i>Motor Accidents Act 1988</i> .	3 4 5
118	Regulation of advertising and other marketing of services	6
(1)	The regulations may make provision for or with respect to regulating (including prohibiting) conduct by any person (including advertising) that relates to:	7 8 9
(a)	the marketing of services to be provided by a legal practitioner or agent in connection with claims under this Act, or	10 11
(b)	the use of the expression “green slip” in connection with any commercial services (whether in connection with claims under this Act or the issue of third-party policies under this Act), other than services provided by or on behalf of the Authority or licensed insurers.	12 13 14 15 16
(2)	A regulation may not be made under this section except with the concurrence of the Minister administering the <i>Legal Profession Act 1987</i> .	17 18 19
(3)	Any such regulation may impose a penalty not exceeding 200 penalty units for any contravention of the regulation.	20 21

Chapter 5	Award of damages	1
		2
Part 5.1	Application	3
		4
119	Damages in respect of motor accidents (cf s 69 (1) MAA)	5
(1)	This Chapter applies to and in respect of an award of damages which relates to the death of or injury to a person caused by the fault of the owner or driver of a motor vehicle in the use or operation of the vehicle.	6 7 8 9
(2)	This Chapter does not apply to or in respect of a motor accident occurring before the commencement of this Act.	10 11
	Note. See <i>Motor Accidents Act 1988</i> for motor accidents occurring before the commencement of this Act. See section 121 of the <i>Transport Administration Act 1988</i> for the application of this Chapter to railway, ferry and other public transport accidents.	12 13 14 15
120	General regulation of court awards (cf s 70 MAA)	16
	A court cannot award damages to a person in respect of a motor accident contrary to this Chapter.	17 18
Part 5.2	Damages for economic loss	19
		20
121	Damages for past economic loss—no compensation for first 5 days of loss of earnings	21 22
	No damages for past economic loss due to loss of earnings is to be awarded in respect of the first 5 days (whether or not consecutive days) during which the plaintiff suffered a loss of earnings due to the injury.	23 24 25 26
122	Damages for past or future economic loss—maximum for loss of earnings etc (cf s 151I WCA)	27 28
(1)	This section applies to an award of damages:	29
(a)	for past economic loss due to loss of earnings, or	30
(b)	for future economic loss due to the deprivation or impairment of earning capacity, or	31 32

(c)	for the loss of expectation of financial support.	1
(2)	In the case of any such award, the court is to disregard the amount (if any) by which the injured or deceased person's net weekly earnings would (but for the injury or death) have exceeded \$1,200.	2 3 4
	Note. See section 80 for indexation of that amount.	5
123	Future economic loss—claimant's prospects and adjustments (cf s 70A MAA)	6 7
(1)	A court cannot make an award of damages for future economic loss unless the claimant first satisfies the court that the assumptions about future earning capacity or other events on which the award is to be based are realistic.	8 9 10 11
(2)	When a court determines the amount of any such award of damages it is required to adjust the amount of damages for future economic loss that would have been sustained on those assumptions by reference to the percentage possibility that the events concerned might have occurred but for the injury.	12 13 14 15 16
(3)	If the court makes an award for future economic loss, it is required to state the assumptions on which the award was based and the relevant percentage by which damages were adjusted.	17 18 19
124	Damages for future economic loss—discount rate (cf s 71 MAA)	20
(1)	Where an award of damages is to include compensation, assessed as a lump sum, in respect of damages for future economic loss which is referable to:	21 22 23
(a)	deprivation or impairment of earning capacity, or	24
(b)	loss of expectation of financial support, or	25
(c)	the value of future services of a domestic nature or services relating to nursing and attendance, or	26 27
(d)	a liability to incur expenditure in the future,	28
	the present value of the future economic loss is to be qualified by adopting the prescribed discount rate.	29 30
(2)	The <i>prescribed discount rate</i> is:	31
(a)	a discount rate of the percentage prescribed by the regulations, or	32 33
(b)	if no percentage is so prescribed—a discount rate of 5%.	34

(3)	Except as provided by this section, nothing in this section affects any other law relating to the discounting of sums awarded as damages.	1 2
125	Damages for economic loss—maximum amount for provision of certain attendant care services (cf s 72 MAA)	3 4
(1)	Compensation, included in an award of damages, for the value of attendant care services:	5 6
(a)	which have been or are to be provided by another person to the person in whose favour the award is made, and	7 8
(b)	for which the person in whose favour the award is made has not paid and is not liable to pay,	9 10
	must not exceed the amount determined in accordance with this section.	11 12
(2)	No compensation is to be awarded if the services would have been provided to the person even if the person had not been injured by the motor accident.	13 14 15
(3)	No compensation is to be awarded if the services are provided, or are to be provided:	16 17
(a)	for less than 6 hours per week, and	18
(b)	for less than 6 months.	19
(4)	If the services provided or to be provided are not less than 40 hours per week, the amount of compensation must not exceed:	20 21
(a)	the amount per week comprising the amount estimated by the Australian Statistician as the average weekly total earnings of all employees in New South Wales for:	22 23 24
(i)	in respect of the whole or any part of a quarter occurring between the date of the injury in relation to which the award is made and the date of the award, being a quarter for which such an amount has been estimated by the Australian Statistician and is, at the date of the award, available to the court making the award—that quarter, or	25 26 27 28 29 30 31
(ii)	in respect of the whole or any part of any other quarter—the most recent quarter occurring before the date of the award for which such an amount has been estimated by the Australian Statistician and is, at that date, available to the court making the award, or	32 33 34 35 36

(b)	if the Australian Statistician fails or ceases to estimate the amount referred to in paragraph (a), the prescribed amount or the amount determined in such manner or by reference to such matters, or both, as may be prescribed.	1 2 3 4
(5)	If the services provided or to be provided are less than 40 hours per week, the amount of compensation must not exceed the amount calculated at an hourly rate of one-fortieth of the amount determined in accordance with subsection (4) (a) or (b), as the case requires.	5 6 7 8
(6)	Unless evidence is adduced to the contrary, the court is to assume that the value of the services is the maximum amount determined under subsection (4) or (5), as the case requires.	9 10 11
(7)	Except as provided by this section, nothing in this section affects any other law relating to the value of attendant care services.	12 13
126	Respite care (cf s 72A MAA)	14
	An award of damages may include compensation for reasonable and necessary respite care in respect of a claimant who is seriously injured and in need of constant care over a long term.	15 16 17
127	Damages for economic loss—reduction because of other amounts paid or payable (cf s 78 MAA)	18 19
	A court must reduce the amount of economic loss of an injured person or deceased person as a consequence of a motor accident by:	20 21
(a)	the amount of any entitlement to or payment of compensation for expenses under the <i>Victims Compensation Act 1996</i> for the injury suffered in the accident, and	22 23 24
(b)	payments made to or on behalf of the claimant by an insurer or Nominal Defendant in relation to a claim made by the claimant (including payments made under Part 3.2 or Part 4.3), and	25 26 27
(c)	any other amount of a kind prescribed by the regulations for the purposes of this section.	28 29

Part 5.3 Damages for non-economic loss	1
	2
128 Impairment thresholds for award of damages for non-economic loss	3
No damages may be awarded for non-economic loss unless the degree of permanent impairment of the injured person as a result of the injury caused by the motor accident is greater than 10%.	4 5 6
129 Assessment of impairment required before award of damages for non-economic loss if dispute over impairment threshold	7 8
(1) If there is a dispute about whether the degree of permanent impairment of an injured person is sufficient for an award of damages for non-economic loss, the court may not award any such damages unless the degree of permanent impairment has been assessed by a medical assessor under Part 3.4 (Medical assessment).	9 10 11 12 13
Note. The assessment of the medical assessor under Part 3.4 is conclusive in proceedings before the court—see section 60.	14 15
(2) The court may, at any stage in proceedings for an award of damages for non-economic loss, refer the matter for assessment of the degree of permanent impairment under Part 3.4.	16 17 18
(3) A medical assessor may decline to make an assessment under Part 3.4 of the degree of permanent impairment of an injured person until the assessor is satisfied that the injury has stabilised. Court proceedings with respect to any such matter may be adjourned until the assessment is made.	19 20 21 22 23
(4) Nothing in this section prevents:	24
(a) the degree of impairment being re-assessed under Part 3.4, or	25
(b) a claim from being settled at any time.	26
130 Method of assessing degree of impairment	27
(1) The assessment of the degree of permanent impairment of an injured person as a result of the injury caused by a motor accident is to be expressed as a percentage in accordance with this Part.	28 29 30
(2) The assessment of the degree of permanent impairment is to be made in accordance with:	31 32
(a) MAC Medical Guidelines issued for that purpose, or	33

(b)	if there are no such guidelines in force—the American Medical Association’s Guides to the Evaluation of Permanent Impairment, Fourth Edition.	1 2 3
(3)	In assessing the degree of permanent impairment under subsection (2) (b), regard must not be had to any psychiatric or psychological injury, impairment or symptoms.	4 5 6
	Note. See Part 3.1 for MAC Medical Guidelines.	7
131	Maximum of amount of damages for non-economic loss	8
(1)	The maximum amount that a court may award for non-economic loss is \$260,000.	9 10
(2)	If that amount is adjusted by the operation of section 123 (Indexation of amounts relating to award of damages), the applicable maximum amount is the amount as at the date the award is made.	11 12 13
132	Publication of information to assist determination of non-economic loss (cf s 80A MAA)	14 15
(1)	The Motor Accidents Council may publish information, or promote the publication of information, to assist courts to determine the appropriate level of damages for non-economic loss as a result of motor accidents.	16 17 18 19
(2)	A court may have regard to any such information, but is not bound to act on it.	20 21
Part 5.4 Other matters		22 23
133	Mitigation of damages (cf ss 37 (4), 39 MAA)	24
(1)	An injured person is under a duty to mitigate his or her damages.	25
(2)	Accordingly, in assessing damages in respect of a claim, the court is to give consideration to the steps taken by the injured person to mitigate those damages and to the reasonable steps that could have been or could be taken by the injured person to mitigate those damages.	26 27 28 29
(3)	Those steps include the following:	30
(a)	undergoing medical treatment,	31
(b)	undertaking rehabilitation (including the formulation and undertaking of an appropriate rehabilitation program),	32 33

(c)	pursuing alternative employment opportunities,	1
(d)	giving the earliest practicable notice of the claim in order to enable the assessment and implementation of the above matters.	2 3 4
(4)	In proceedings before the court, the onus of proving that all reasonable steps to mitigate damages have been taken by the injured person lies with the claimant.	5 6 7
(5)	In proceedings before the court, a written report by a person who provided medical or rehabilitation services to the injured person is admissible as evidence of any such steps taken by that person.	8 9 10
134	Payment of interest (cf s 73 MAA)	11
(1)	Limited statutory entitlement	12
	A plaintiff has only such right to interest on damages payable in relation to a motor accident as is conferred by this section.	13 14
(2)	Attendant care services	15
	No interest is payable on damages comprising compensation under section 125. A court cannot order the payment of interest on such damages.	16 17 18
(3)	Non-economic loss	19
	No interest is payable on damages awarded for non-economic loss. A court cannot order the payment of interest on such damages.	20 21
(4)	Other heads of damages	22
	The following provisions apply to damages, other than damages to which subsection (2) or (3) applies, payable in relation to a motor accident:	23 24 25
(a)	Interest is not payable (and a court cannot order the payment of interest) on such damages unless:	26 27
(i)	information that would enable a proper assessment of the plaintiff's claim has been given to the defendant and the defendant has had a reasonable opportunity to make an offer of settlement (where it would be appropriate to do so) in respect of the plaintiff's full entitlement to all damages of any kind but has not made such an offer, or	28 29 30 31 32
(ii)	the defendant has had a reasonable opportunity to make a revised offer of settlement (where it would be appropriate to do so) in the light of further information	33 34 35 36

	given by the plaintiff that would enable a proper assessment of the plaintiff's full entitlement to all damages of any kind but has not made such an offer, or	1
		2
(iii)	if the defendant is insured under a third-party policy or is the Nominal Defendant, the insurer has failed to comply with its duty under section 82, or	3
		4
(iv)	if the defendant has made an offer of settlement, the amount of all damages of any kind awarded by the court (without the addition of any interest) is more than 20% higher than the highest amount offered by the defendant and the highest amount is unreasonable having regard to the information available to the defendant when the offer was made.	5
		6
(b)	The highest amount offered by the defendant is not unreasonable if, when the offer was made, the defendant was not able to make a reasonable assessment of the plaintiff's full entitlement to all damages of any kind.	7
		8
(c)	For the purposes of this subsection, an offer of settlement must be in writing.	9
		10
		11
		12
		13
(5)	Calculation of interest	14
	If a court is satisfied that interest is payable under subsection (4) on damages:	15
		16
(a)	the amount of interest is to be calculated for the period from when the loss to which the damages relate was first incurred until the date on which the court determines the damages, and	17
		18
(b)	the amount of interest is to be calculated in accordance with the principles ordinarily applied by the court for that purpose, subject to this section.	19
		20
(6)	Rate of interest	21
	The rate of interest to be used in any such calculation is three-quarters of the rate prescribed for the purposes of section 95 of the <i>Supreme Court Act 1970</i> for the period concerned.	22
		23
		24
		25
(7)	Judgment debts	26
	Nothing in this section affects the payment of interest on a debt under a judgment or order of a court.	27
		28
		29
		30
		31
		32
		33
		34
		35

135	Contributory negligence—generally (cf s 74 MAA)	1
(1)	The common law and enacted law as to contributory negligence apply to an award of damages in respect of a motor accident, except as provided by this section.	2 3 4
(2)	A finding of contributory negligence must be made in the following cases:	5 6
(a)	where the injured person or deceased person has been convicted of an alcohol or other drug-related offence in relation to the motor accident, unless the plaintiff satisfies the court that the alcohol or other drug involved in the commission of the offence did not contribute in any way to the accident,	7 8 9 10 11
(b)	where:	12
(i)	the injured person (not being a minor) or the deceased person was, at the time of the motor accident, a voluntary passenger in or on a motor vehicle, and	13 14 15
(ii)	the driver's ability to drive the motor vehicle was impaired as a consequence of the consumption of alcohol or any other drug and the injured person or the deceased person was aware, or ought to have been aware, of the impairment,	16 17 18 19 20
	unless, in the circumstances of the case, the injured person or deceased person could not reasonably be expected to have declined to become a passenger in or on the motor vehicle,	21 22 23
(c)	where the injured person (not being a minor) or the deceased person was, at the time of the motor accident, not wearing a seat belt when required by law to do so,	24 25 26
(d)	where the injured person or the deceased person was, at the time of the motor accident, not wearing a protective helmet when required by law to do so.	27 28 29
(3)	The damages recoverable in respect of the motor accident are to be reduced by such percentage as the court thinks just and equitable in the circumstances of the case.	30 31 32
(4)	The court must state its reasons for determining the particular percentage.	33 34

(5)	For the purposes of this Act, a deceased person is taken to have been convicted of an offence if any circumstances exist in respect of the deceased person which, but for the deceased person's death, would have resulted in the conviction of the deceased person for the offence or the proving of the offence against the deceased person.	1 2 3 4 5
(6)	This section does not exclude any other ground on which a finding of contributory negligence may be made.	6 7
(7)	For the purposes of this section, an <i>alcohol or other drug-related offence</i> is:	8 9
(a)	an offence of driving a motor vehicle with a particular concentration of alcohol or other drug in the person's blood, or	10 11
(b)	an offence of driving a motor vehicle under the influence of alcohol or other drug, or	12 13
(c)	an offence of causing death or injury while driving a motor vehicle under the influence of alcohol or other drug, or	14 15
(d)	an offence, in connection with the driving of a motor vehicle, of:	16 17
(i)	refusing or failing to submit to breath analysis, to undergo a breath test, to submit to an assessment of sobriety or to provide samples of the person's blood and urine, or	18 19 20 21
(ii)	wilfully altering the concentration of alcohol or other drug in the person's blood, or	22 23
(iii)	preventing a sample of the person's blood from being taken for analysis.	24 25
136	Contributory negligence—claims under the Compensation to Relatives Act 1897 (cf s 75 MAA)	26 27
	Section 10 (4) of the <i>Law Reform (Miscellaneous Provisions) Act 1965</i> does not apply so as to prevent the reduction of damages by the contributory negligence of a deceased person in respect of an action for damages where the death of the deceased person was caused by the fault of the owner or driver of a motor vehicle in the use or operation of the vehicle.	28 29 30 31 32 33
137	Defence of voluntary assumption of risk (cf s 76 MAA)	34
(1)	Except as provided by subsection (2), the defence of volenti non fit injuria is not available in proceedings for damages arising from a motor accident but, where that defence would otherwise have been	35 36 37

available, the amount of any damages is to be reduced to such extent as is just and equitable on the presumption that the injured person or deceased person was negligent in failing to take sufficient care for his or her own safety. 1
2
3
4

(2) If a motor accident occurs while a motor vehicle is engaged in motor racing, the defence of *volenti non fit injuria* is available in proceedings for damages brought in respect of the death of or injury to: 5
6
7

(a) the driver of the vehicle so engaged, or 8

(b) a passenger in the vehicle so engaged, other than a passenger who is less than 18 years of age or who otherwise lacked capacity to consent to be a voluntary passenger. 9
10
11

(3) For the purposes of subsection (2), a motor vehicle is engaged in motor racing if it is participating in: 12
13

(a) an organised motor sports event, or 14

(b) an activity that is an offence under section 4B of the *Traffic Act 1909*. 15
16

138 Damages for psychological or psychiatric injury (cf s 77 MAA) 17

No damages for psychological or psychiatric injury are to be awarded in respect of a motor accident except in favour of: 18
19

(a) a person who suffered injury in the accident and who: 20

(i) was the driver of or a passenger in or on a motor vehicle involved in the accident, or 21
22

(ii) was, when the accident occurred, present at the scene of the accident, or 23
24

(b) a parent, spouse, brother, sister or child of the injured person or deceased person who, as a consequence of the injury to the injured person or the death of the deceased person, has suffered a demonstrable psychological or psychiatric injury and not merely a normal emotional or cultural grief reaction. 25
26
27
28
29

139 Damages for the loss of services 30

No damages for the loss of the services of a person are to be awarded in respect of a motor accident. 31
32

140	Structured settlements (cf s 81 MAA)	1
(1)	This section applies to an award of damages if the plaintiff and the defendant's insurer or, as the case may be, the Nominal Defendant have agreed that it will apply.	2 3 4
(2)	If this section applies to an award of damages, the court may:	5
(a)	separately determine the amount of damages for non-economic loss, the amount of damages for future economic loss and the amount of damages for past economic loss, and	6 7 8
(b)	order that any damages determined by the court for future economic loss (other than damages for impairment of earning capacity), including:	9 10 11
(i)	reasonable hospital, medical, pharmaceutical and rehabilitation expenses, and	12 13
(ii)	any compensation payable for attendant care services under section 125,	14 15
	are to be paid in accordance with such arrangements as the court determines or approves, and	16 17
(c)	order that any damages determined by the court for impairment of earning capacity are to be paid in accordance with such arrangements as the court determines or approves.	18 19 20
(3)	In making an order under this section, the court is to have regard to:	21
(a)	the ability of the plaintiff to manage and invest any lump sum award of damages, and	22 23
(b)	the need to ensure that expenses incurred by the plaintiff that the defendant is required to meet:	24 25
(i)	are not unreasonable having regard to the circumstances of the plaintiff, and	26 27
(ii)	are properly verified, and	28
(iii)	relate to the injury caused by the fault of the defendant, and	29 30
(c)	the principle that costs and expenses are recoverable by the plaintiff from the defendant in relation to hospital, medical, pharmaceutical and rehabilitation services, services of a domestic nature and services relating to nursing and attendance only if the provision of those services is likely to, or is reasonably likely to, advantage the plaintiff, and	31 32 33 34 35 36

(d)	the views of the insurer or the Nominal Defendant in relation to the proposed order, and	1 2
(e)	such other matters as the court considers appropriate.	3
(4)	In making an order under subsection (2) (c) relating to damages for impairment of earning capacity, the court may order that the damages be used to purchase an annuity for the plaintiff on such terms as the court considers appropriate.	4 5 6 7
(5)	The court may make an order under subsection (2) (c) only if the court considers there is good cause for making the order.	8 9
(6)	Arrangements determined or approved under subsection (2) (c) may include provision that payments of damages for impairment of earning capacity are to be made at intervals of not more than 12 months.	10 11 12
(7)	A party to any arrangements determined or approved under this section may apply to the court at any time for an order varying or terminating the arrangements. An order cannot be made to vary or terminate the arrangements if those arrangements involve, for the purpose of giving effect to all or part of the original order, an investment that cannot readily be varied or terminated by the parties to the investment (for example, an annuity).	13 14 15 16 17 18 19
(8)	The court may, on an application under subsection (7), make such order as it considers appropriate having regard to the provisions of this section.	20 21 22
(9)	The regulations may make provision for or with respect to any matter dealt with in this section and, in particular, may impose conditions or limitations on the orders that may be made under this section or otherwise regulate the making of those orders.	23 24 25 26
(10)	Any such regulations are not to be made unless recommended by the Authority.	27 28
141	Exemplary or punitive damages (cf s 81A MAA)	29
	A court cannot award exemplary or punitive damages to a person in respect of a motor accident.	30 31
142	Court to apportion damages (cf s 82 MAA)	32
(1)	If a judgment is obtained for payment of damages in respect of the death of or injury to any person caused by the fault of the owner or driver of an insured motor vehicle in the use or operation of the	33 34 35

vehicle as well as for damages in respect of any other matter, the court must, as part of the judgment, declare what portion of the sum awarded by the judgment is in respect of the death or injury.	1 2 3
(2) In any such case, the court is to apportion any costs awarded.	4
143 Indexation of amounts relating to award of damages (cf s 80 MAA)	5
(1) The Minister is, on or before 1 October 2000 and on or before 1 October in each succeeding year, to declare, by order published in the Gazette, the amounts which are to apply, as from the date specified in the order, for the purposes of sections 122 and 131.	6 7 8 9
(2) The amounts declared are to be each of the amounts applicable under section 122 or 131 (or those amounts as last adjusted under this section) adjusted by the percentage change in the amounts estimated by the Australian Statistician of the average weekly total earnings of full-time adults in New South Wales over the 4 quarters preceding the date of the declaration for which those estimates are, at that date, available.	10 11 12 13 14 15 16
(3) An amount declared for the time being under this section applies to the exclusion of the corresponding amount under section 122 or 131.	17 18
(4) If the Australian Statistician fails or ceases to estimate the amounts referred to in subsection (2), the amounts declared are to be the amounts determined in accordance with the regulations.	19 20 21
(5) In adjusting an amount to be declared for the purpose of section 122, the amount determined in accordance with subsection (2) is to be rounded to the nearest \$1 (with the amount of 50 cents being rounded up).	22 23 24 25
(6) In adjusting an amount to be declared for the purpose of section 131, the amount determined in accordance with subsection (2) is to be rounded to the nearest \$1,000 (with the amount of \$500 being rounded up).	26 27 28 29

Chapter 6	Costs	1
		2
144	Definitions	3
(1)	In this Chapter:	4
	<i>court</i> includes a court arbitrator or arbitrators.	5
	<i>insurer</i> has the same meaning as in Chapter 4.	6
	<i>medical report</i> includes any medical certificate or opinion.	7
(2)	Expressions used in this Chapter have the same meaning as in Part 11 (Legal fees and other costs) of the <i>Legal Profession Act 1987</i> , except as provided by this Chapter.	8
		9
		10
	Note. Under the <i>Legal Profession Act 1987</i> “costs” include barristers’ and solicitors’ fees as well as other items that may be charged by barristers and solicitors (such as expenses and disbursements).	11
		12
		13
145	Application of this Chapter	14
(1)	This Chapter applies to and in respect of costs in connection with a motor accident occurring after the commencement of this Act.	15
		16
(2)	This Chapter applies to and in respect of costs payable on a party and party basis, on a solicitor and client basis or on any other basis, unless this Chapter otherwise provides.	17
		18
		19
146	Regulations fixing maximum costs recoverable by legal practitioners (cf s 113 Workplace Injury Management and Workers Compensation Act 1998)	20
		21
(1)	The regulations may make provision for or with respect to the following:	22
		23
(a)	fixing maximum costs for legal services provided to a claimant or to an insurer in any motor accidents matter,	24
		25
(b)	fixing maximum costs for matters that are not legal services but are related to proceedings in any motor accidents matter (for example, expenses for investigations, for witnesses or for medical reports).	26
		27
		28
		29
(2)	A legal practitioner is not entitled to be paid or recover for a legal service or other matter an amount that exceeds any maximum costs fixed for the service or matter by the regulations under this section.	30
		31
		32

(3)	This section does not entitle a legal practitioner to recover costs for a legal service or matter that a court or costs assessor determines were unreasonably incurred.	1 2 3
(4)	This section and any regulations under this section prevail to the extent of any inconsistency with the <i>Legal Profession Act 1987</i> (in particular section 196 of that Act) and the regulations under that Act. An assessment under Division 6 of Part 11 of that Act of any costs in respect of which provision is made by a regulation under this section is to be made so as to give effect to that regulation.	4 5 6 7 8 9
(5)	The Minister is to consult the Councils of the Bar Association and the Law Society about any proposed regulation under this section. The validity of a regulation is not affected by a contravention of this subsection.	10 11 12 13
147	Maximum fees recoverable by medical practitioners for medico-legal services (cf s 114 Workplace Injury Management and Workers Compensation Act 1998)	14 15 16
(1)	The regulations may make provision for or with respect to fixing maximum fees for the provision by medical practitioners of the following services:	17 18 19
(a)	provision of any medical report for use in court proceedings in connection with a claim, or for use in connection with the assessment of a claim by a claims assessor, or for use in connection with a medical assessment by a medical assessor,	20 21 22 23
(b)	appearance as a witness in court proceedings or before a claims assessor in connection with a claim.	24 25
(2)	A medical practitioner is not entitled to be paid or recover any fee for providing a service that exceeds any maximum fee fixed under this section for the provision of the service.	26 27 28
148	Costs where claims assessment made (cf 82D MAA)	29
(1)	This section applies if an assessment is made under Part 4.4 of the amount of damages for liability under a claim.	30 31
(2)	If the claimant does not accept that amount of damages in settlement of the claim within 21 days after the certificate of assessment is issued, then the following provisions have effect with respect to liability for costs incurred after the certificate of assessment was issued:	32 33 34 35

(a)	the insurer is liable to pay the costs if the amount of court awarded damages in respect of the claim exceeds the amount of damages specified in the certificate of assessment by \$2,000 or 20% (whichever is the greater),	1 2 3 4
(b)	the insurer and the claimant are liable to pay their own costs if the amount of court awarded damages in respect of the claim exceeds the amount of damages specified in the certificate of assessment, but does not exceed that amount of damages by \$2,000 or 20% (whichever is the greater),	5 6 7 8 9
(c)	the claimant is liable to pay the costs if the amount of court awarded damages in respect of the claim does not exceed the amount of damages specified in the certificate of assessment.	10 11 12
(3)	The regulations may make provision for or with respect to the manner in which amounts referred to in this section are to be adjusted (to take account of inflation and other matters) for the purposes of enabling the comparisons provided for in this section to be made.	13 14 15 16
(4)	In this section:	17
	<i>costs</i> means costs payable on a party and party basis in relation to a claim, including court fees prescribed under section 151.	18 19
	<i>court awarded damages</i> means all damages of any kind awarded by a court in respect of a claim (without the addition of interest) after taking into account any deduction or reduction in accordance with Chapter 5.	20 21 22 23
149	Costs where court proceedings and no claims assessment (cf s 82F MAA)	24 25
(1)	This section applies where a claim is determined by court proceedings (including court arbitration) and an assessment has not been made under Part 4.4 of the amount of damages for liability under the claim.	26 27 28
(2)	The rules of court concerning offers of compromise apply to any such offer in those proceedings.	29 30
(3)	The costs payable on a party and party basis are, subject to the rules of court, to follow the event, and are to include the court fees prescribed under section 151.	31 32 33

150	Other matters relating to costs	1
(1)	Any order of a court as to costs is to be made consistently with the relevant provisions of or made under this Act. However, the court may make an order that departs from those provisions in an exceptional case and for the avoidance of substantial injustice.	2 3 4 5
(2)	Subject to the regulations and rules of court where relevant, if costs are awarded to a claimant by reference to the amount recovered by the claimant, that amount is to be taken to be the amount recovered as qualified, or after making any deduction or reduction, in accordance with or by reference to Chapter 5.	6 7 8 9 10
(3)	Regulations under this Chapter may fix maximum costs and fees by reference to costs and fees fixed by regulations under the <i>Legal Profession Act 1987</i> .	11 12 13
(4)	The regulations may make provision for or with respect to the assessment or taxation of costs and any associated matters, and may do so by reference to the provisions of any Act.	14 15 16
151	Court fees	17
(1)	In this section: <i>court fees</i> means court fees payable in respect of a claim determined by a court which was not the subject of an assessment of the amount of damages under Part 4.4.	18 19 20 21
(2)	The regulations may make provision for or with respect to court fees payable under this Chapter.	22 23
(3)	In particular, the regulations may specify any such fee or the method by which the fee is to be calculated, and may specify by whom and in what circumstances the fee is payable.	24 25 26
(4)	Court fees are payable into the Consolidated Fund.	27

152	Claims assessment fees	1
(1)	In this section:	2
	<i>claims assessment fees</i> means fees payable in connection with an assessment of a claim under Part 4.4.	3 4
(2)	The regulations may make provision for or with respect to claims assessment fees payable under this Chapter.	5 6
(3)	In particular, the regulations may specify any such fee or the method by which the fee is to be calculated, and may specify by whom and in what circumstances the fee is payable.	7 8 9
(4)	Claims assessment fees are payable into the Motor Accidents Authority Fund.	10 11
153	Exclusion of matters from this Chapter	12
	The regulations may make provision for or with respect to excluding any class of matters from any or all of the provisions of this Chapter.	13 14

Chapter 7	Insurers	1
		2
Part 7.1	Licensing of insurers	3
		4
154	Offence—unlicensed insurers (cf s 100 MAA)	5
(1)	A person must not issue or purport to issue a certificate of insurance under section 11 unless the person is a licensed insurer	6 7
	Maximum penalty: 100 penalty units.	8
(2)	If a person contravenes this section, or any condition to which a licence under this Part is subject, the certificate remains a valid certificate of insurance and the contravention does not annul or affect the third-party policy that is taken by this Act to have been issued on the issue of the certificate.	9 10 11 12 13
155	Applications for licences (cf s 101 MAA)	14
(1)	An application for a licence under this Part may be made to the Authority by any corporation authorised under the <i>Insurance Act 1973</i> of the Commonwealth to carry on insurance business.	15 16 17
(2)	A corporation is not competent to make an application unless it is a party to the Insurance Industry Deed.	18 19
(3)	An application is to be in such form and accompanied by such documents:	20 21
(a)	as may be prescribed by the regulations, and	22
(b)	subject to any such regulations, as may be determined by the Authority.	23 24
(4)	Without affecting the generality of subsection (3), an applicant for a licence may be required to furnish the following particulars and documents:	25 26 27
(a)	particulars of the shareholders, directors and other managers of the applicant,	28 29
(b)	previous returns and accounts under the <i>Corporations Law</i> and the <i>Insurance Act 1973</i> of the Commonwealth,	30 31
(c)	particulars of re-insurance arrangements to which the applicant is a party,	32 33

(d)	a draft business plan under section 170.	1
(5)	A person who, in or in connection with an application for a licence, makes a statement knowing that it is false or misleading in a material particular is guilty of an offence.	2 3 4
	Maximum penalty: 50 penalty units or imprisonment for 12 months, or both.	5 6
156	Determination of application for licence (cf s 102 MAA)	7
(1)	The Authority is to consider each application for a licence under this Part and may:	8 9
(a)	grant a licence to the applicant, or	10
(b)	refuse the application.	11
(2)	The Authority may, in determining an application for a licence, take into consideration:	12 13
(a)	the suitability of the applicant, and	14
(b)	the paid-up share capital and reserves of the applicant, and	15
(c)	the constitution of the applicant (if any), and	16
(d)	the re-insurance arrangements of the applicant, and	17
(e)	the efficiency of the motor accidents scheme under this Act generally, and	18 19
(f)	such other matters as the Authority thinks fit.	20
(3)	Despite subsection (1), the Authority must refuse an application for a licence from a corporation that does not comply with such requirements as are prescribed by the regulations for the purposes of this section.	21 22 23 24
(4)	A licence must not be granted under this Part unless the applicant has paid (or has made arrangements acceptable to the Authority for the payment of) the fee determined by the Authority, with the approval of the Minister, for the grant of the licence.	25 26 27 28
(5)	When the Authority proposes to grant a licence to a corporation, it must give 14 days' notice of the proposal to all licensed insurers specifying the name of the corporation.	29 30 31

157	Duration of licences (cf s 104 MAA)	1
	A licence granted under this Part continues in force until it is cancelled under this Part.	2 3
158	Conditions of licences (cf s 105 MAA)	4
	(1) A licence granted under this Part is subject to:	5
	(a) such conditions as may be prescribed by this Act or the regulations, and	6 7
	(b) such conditions (not inconsistent with this Act or the regulations) as may be imposed by the Authority:	8
	(i) on the granting of the licence, or	9
	(ii) at any time during the currency of the licence.	10 11
	(2) The Authority may, by notice served on a licensed insurer, impose conditions (or further conditions) to which the licence is to be subject or revoke or vary any condition imposed on the licence by the Authority.	12 13 14 15
	(3) A condition to which a licence is subject has effect whether or not it is endorsed on the licence.	16 17
	(4) A licensed insurer who contravenes, whether by act or omission, any condition to which the licence is subject is guilty of an offence. Maximum penalty: 100 penalty units.	18 19 20
	(5) An insurer (not being a licensed insurer) who contravenes, whether by act or omission, any obligation imposed by this Act on the insurer in connection with a motor accident, being an obligation that is declared by this Act to be a condition of a licence under this Part, is guilty of an offence. Maximum penalty: 100 penalty units.	21 22 23 24 25 26
	(6) A licensed insurer cannot be convicted of an offence under subsection (4) and required to pay civil penalty under section 163 in respect of the same act or omission.	27 28 29
159	Matters that may be regulated by conditions of licences (cf ss 105 (5) and 106 MAA)	30 31
	(1) Without limiting the generality of section 158, the conditions to which a licence under this Part may be subject include conditions:	32 33
	(a) for the purpose of ensuring compliance with the obligations of the licensed insurer, or	34 35

(b)	for the purpose of ensuring that insurance premiums for third-party policies are available to meet claims, or	1 2
(c)	for the purpose of requiring the licensed insurer to achieve early resolution of compensation claims, and early payment under Part 3.2, at particular levels, or	3 4 5
(d)	for the purpose of the efficiency of the motor accidents scheme under this Act generally.	6 7
(2)	A licensed insurer does not contravene a condition of a kind referred to in subsection (1) (c) if the insurer establishes that the insurer furnished a report to the Authority within a reasonable period and that the report sets out reasonable grounds for justifying the contravention.	8 9 10 11
160	Matters not subject to conditions of licences (cf s 105 (1A) and (5) MAA)	12
(1)	A condition of a licence under this Part must not be prescribed by the regulations or imposed, revoked or varied by the Authority if this would give or be likely to give a competitive advantage to the licensed insurer over other licensed insurers.	13 14 15 16
(2)	A condition of a licence under this Part that requires or has the effect of requiring a licensed insurer to obtain a share of the insurance market specified in or determined in accordance with the terms of the condition is of no effect.	17 18 19 20
(3)	This section extends, in the case of a licence in force on the commencement of this Act, to conditions imposed or otherwise applicable before that commencement.	21 22 23
(4)	This section has effect despite anything to the contrary in sections 158 and 159.	24 25
161	Assignment of licences (cf s 106A MAA)	26
(1)	A licensed insurer may, with the approval of the Authority, assign its licence to another licensed insurer or to a corporation to whom the Authority proposes to grant a licence.	27 28 29
(2)	The Authority must not approve the assignment of a licence unless the Authority is satisfied that the proposed assignee is able to meet the past, present and future liabilities of the assignor:	30 31 32
(a)	under any third-party policy in respect of which the assignor is the insurer, and	33 34
(b)	to the Motor Accidents Authority Fund, and	35

(c)	to any other licensed insurer.	1
162	Suspension of licences (cf s 106B MAA)	2
(1)	The Authority may, by notice served on a licensed insurer, suspend the insurer's licence and the insurer is thereby prohibited from issuing any third-party policies after such date as is specified in the notice for the purpose.	3 4 5 6
(2)	A licensed insurer who contravenes, whether by act or omission, the terms of any such notice is guilty of an offence. Maximum penalty: 100 penalty units.	7 8 9
(3)	A suspension may be effected only if:	10
(a)	subject to subsection (4), a licensed insurer has contravened its licence or this Act or the regulations or the Insurance Industry Deed, or	11 12 13
(b)	the insurer ceases to be an insurer authorised to carry on business under the <i>Insurance Act 1973</i> of the Commonwealth, or	14 15 16
(c)	a provisional liquidator, liquidator or official liquidator, or a receiver, receiver and manager, official manager or trustee, is appointed over all or any part of the assets or undertaking of the insurer, or	17 18 19 20
(d)	the insurer is given a direction under section 51 or 62 of the <i>Insurance Act 1973</i> of the Commonwealth or an inspector is appointed to investigate the affairs of the insurer under Part V of that Act, or	21 22 23 24
(e)	after receiving a report under section 174, the Authority is of the opinion that the insurer is, or is likely to become, unable to meet its liabilities under this Act or under third-party policies taken to have been issued by it, or	25 26 27 28
(f)	there is any default by the insurer in the payment of principal or interest in excess of \$100,000 under any debenture, or series of debentures, issued by the insurer (except where the default occurs because the insurer genuinely disputes its liability to make the payment), or	29 30 31 32 33
(g)	the insurer enters into, or resolves to enter into, any arrangement, composition or compromise with its creditors or any assignment for the benefit of its creditors, or proceedings are commenced to sanction any such arrangement, composition,	34 35 36 37

	compromise or assignment (except for the purposes of a reconstruction or amalgamation, on terms which have been approved by the Authority), or	1 2 3
(h)	an application (other than a frivolous or vexatious application) or an order is made for the winding up or dissolution of the insurer or a resolution is passed for the winding up or dissolution of the insurer (except for the purposes of a reconstruction or amalgamation, on terms which have been approved by the Authority), or	4 5 6 7 8 9
(i)	there is a change in the effective control of the insurer or the insurer becomes a subsidiary of a company of which it was not a subsidiary at the date of the issue of its licence, or	10 11 12
(j)	the Authority is of the opinion that the insurer has failed to comply at any time with a condition imposed on its authority to carry on insurance business under the <i>Insurance Act 1973</i> of the Commonwealth, or	13 14 15 16
(k)	a person claiming to be a creditor by assignment or otherwise of the insurer for a sum exceeding \$100,000 then due has served on the insurer, by leaving at its registered office, a demand requiring the insurer to pay the sum so claimed to be due, and the insurer has for 3 weeks thereafter failed to pay the sum or to secure or compound for it to the satisfaction of the person claiming to be a creditor, or	17 18 19 20 21 22 23
(l)	there is returned unsatisfied, in whole or part, any execution or other process issued on a judgment, decree or order of any court in favour of a creditor of the insurer and the amount unsatisfied exceeds \$100,000, or	24 25 26 27
(m)	the insurer has agreed to the suspension.	28
(4)	If the contravention by a licensed insurer of its licence or this Act or the regulations or the Insurance Industry Deed is capable, in the opinion of the Authority, of being remedied within 21 days after the contravention occurred (or such longer period as the Authority, having regard to the nature of the contravention and the need to protect the interests of policy holders and other persons, may reasonably allow), the Authority must not suspend the licence during that period.	29 30 31 32 33 34 35
(5)	The Authority may, by notice served on the licensed insurer, terminate the suspension of the insurer's licence if the Authority is satisfied that the licensed insurer is able to comply with the requirements that would	36 37 38

be imposed on the licensed insurer if it were then to be granted a licence for the first time.	1 2
163 Imposition of civil penalty on or censure of licensed insurer	3
(1) If the Authority is satisfied that a licensed insurer has contravened its licence or this Act or the regulations or the Insurance Industry Deed, the Authority may, instead of suspending the insurer's licence:	4 5 6
(a) impose a civil penalty on the insurer not exceeding \$50,000, or	7
(b) issue a letter of censure to the insurer.	8
(2) Before imposing a civil penalty, the Authority is required to refer the matter to a special committee for advice and to consider any advice provided by the committee.	9 10 11
(3) Any such special committee:	12
(a) is to comprise the Chairperson of the Board of Directors of the Authority, a nominee of the Insurance Council of Australia Limited and another member nominated jointly by the Authority and that Council, and	13 14 15 16
(b) is required to give the licensed insurer concerned an opportunity to make written submissions with respect to the alleged contravention, but is not required to conduct a hearing into the matter.	17 18 19 20
If that Council fails to make a nomination for the purposes of constituting any such special committee within the time required by the Authority, the Minister may make that nomination on its behalf.	21 22 23
(4) A civil penalty that has been imposed under this section may be recovered by the Authority in a court of competent jurisdiction as a debt due to the Authority.	24 25 26
(5) A civil penalty that is paid or recovered is payable into the Motor Accidents Authority Fund.	27 28
164 Cancellation of licences (cf s 107 MAA)	29
(1) The Authority may, by notice served on the licensed insurer, cancel a licence granted under this Part.	30 31
(2) The Authority may cancel a licence for any reason it thinks fit, but must give the reasons for its decision.	32 33

(3)	Without affecting the generality of subsection (2), the Authority may cancel a licence for reasons that relate to the motor accidents scheme under this Act generally, whether or not the reasons relate to the efficiency and conduct of the licensed insurer.	1 2 3 4
(4)	The Authority must, as far as practicable, give a licensed insurer whose licence it proposes to cancel an opportunity to make representations on the matter.	5 6 7
(5)	A licence surrendered by a licensed insurer is not cancelled until the Authority approves of the surrender.	8 9
(6)	The Authority must not cancel a licence unless the Authority is satisfied that the licensed insurer has discharged all of its past, present and future liabilities:	10 11 12
	(a) under any third-party policy in respect of which it is the insurer, and	13 14
	(b) to the Motor Accidents Authority Fund, and	15
	(c) to any other licensed insurer,	16
	or that the insurer has provided security or entered into other arrangements satisfactory to the Authority in respect of those liabilities.	17 18 19
(7)	If the Authority is unable to cancel a licence because of any such liabilities, the Authority may, instead, impose a condition on the licence that prohibits the insurer from issuing any further third-party policies.	20 21 22 23
165	Assignment of policies following cancellation of licence and in other cases (cf s 108 MAA)	24 25
(1)	In this section: <i>insurer</i> means a licensed insurer, and includes a person whose licence has been cancelled or has otherwise ceased to be in force.	26 27 28
(2)	The Authority may assign the third-party policies of an insurer to another insurer if:	29 30
	(a) the licence of the insurer is cancelled or otherwise ceases to be in force, or	31 32
	(b) the Authority is satisfied that it is necessary to do so to ensure compliance with any conditions to which a licence is subject.	33 34

(3) Policies may be assigned under this section by notice served by the Authority on the insurers concerned.	1 2
(4) On the service of any such notice:	3
(a) the policies of insurance to which it relates are cancelled as from the date and time specified in the notice, and	4 5
(b) the insurer to whom those policies are assigned is taken (as from the time and date of cancellation) to have issued third-party policies on the same terms as, and for the balance of the periods of, those policies.	6 7 8 9
(5) On the cancellation of a third-party policy under subsection (4) (a), the insurer whose policy is cancelled must pay to the insurer to whom the policy is assigned:	10 11 12
(a) the same proportion of the premium paid or to be paid in respect of the policy as the balance of the indemnity period of the policy bears to the whole indemnity period of the policy, and	13 14 15 16
(b) such additional amount as the Authority directs relating to the income from investment and the management fee with respect to the premium.	17 18 19
(6) Any amount payable under subsection (5) to an insurer may be recovered by the insurer as a debt in a court of competent jurisdiction.	20 21
(7) The effect of the cancellation of a third-party policy under this section is to terminate the indemnity period of the policy but, subject to this section, without affecting any right, obligation or liability acquired, accrued or incurred under the policy in respect of that period before its termination.	22 23 24 25 26
166 Records and evidence relating to licences (cf s 109 MAA)	27
(1) The Authority must keep records in relation to all licences granted by the Authority under this Part, including particulars of:	28 29
(a) the granting, refusal, conditions, suspension and cancellation of licences, the assignment of licences and notices served under section 162, and	30 31 32
(b) such other matters relating to licences as the Authority thinks fit.	33 34
(2) A certificate purporting to be signed by the General Manager of the Authority and certifying that on any date or during any period	35 36

specified in the certificate the particulars set forth in the certificate as to any of the matters referred to in subsection (1) did or did not appear on or from the records is (without the production of any record or document on which the certificate is founded) admissible in any proceedings and is evidence of the particulars certified in and by the certificate.	1 2 3 4 5 6
167 Reviews of licensing decisions by Administrative Decisions Tribunal (cf s 109A MAA)	7 8
(1) A person may apply to the Administrative Decisions Tribunal for a review of any of the following decisions of the Authority under this Part:	9 10 11
(a) a decision to refuse the person's application for a licence,	12
(b) a decision to impose a condition on the person's licence,	13
(c) a decision to vary any condition imposed on the person's licence,	14 15
(d) a decision to refuse to grant approval to the person to assign a licence,	16 17
(e) a decision to suspend the person's licence,	18
(f) a decision to impose a fine on the person,	19
(g) a decision to cancel the person's licence.	20
(2) Despite the provisions of Division 2 of Part 3 of Chapter 5 of the <i>Administrative Decisions Tribunal Act 1997</i> , the Tribunal may not order that a decision referred to in subsection (1) be stayed pending the determination of an application for its review.	21 22 23 24
Part 7.2 Supervision of licensed insurers	25 26
168 Authority guidelines for market practice	27
(1) The Authority may issue to licensed insurers guidelines with respect to the issue of third-party policies.	28 29
(2) The Authority may amend, revoke or replace any such guidelines.	30
(3) The Authority is to consult licensed insurers before it issues, amends or replaces any such guidelines.	31 32

(4)	It is a condition of a licence granted under Part 7.1 that the licensed insurer must comply with the guidelines in force under this section.	1 2
169	Determination of market share of each insurer (cf s 115A MAA)	3
(1)	A licensed insurer must, within such time after the end of each quarter and each year as is determined by the Authority, notify the Authority of the amount of insurance premiums received by it in relation to all third-party policies taken to have been issued by it during that quarter or year.	4 5 6 7 8
(2)	The Authority must, after notifications have been received from all licensed insurers in respect of a quarter or year, determine, in relation to each insurer, the proportion that the insurance premiums for third-party policies received by the insurer for the quarter or year bears to the aggregate amount of insurance premiums for third-party policies received by all licensed insurers for the quarter or year.	9 10 11 12 13 14
(3)	The Authority may round a proportion determined under this section to one-tenth of a percent.	15 16
(4)	After determining the proportion for each licensed insurer, the Authority must inform all licensed insurers of the proportions so determined.	17 18 19
(5)	In this section:	20
	<i>quarter</i> means a quarter ending on the last day of September, December, March and June in each year.	21 22
	<i>year</i> means a year commencing on 1 July.	23
170	Business plans of licensed insurers (cf s 110 MAA)	24
(1)	A licensed insurer must prepare and deliver to the Authority a business plan for its third-party insurance business as soon as practicable after it is requested to do so by the Authority.	25 26 27
(2)	The licensed insurer must revise its business plan:	28
(a)	whenever it departs significantly from its business plan, and	29
(b)	at such intervals of not less than 12 months as the Authority directs.	30 31
(3)	The licensed insurer must, as far as practicable, conduct its third-party insurance business in accordance with its current business plan, but if it departs significantly from that plan the insurer must notify the Authority accordingly.	32 33 34 35

(4)	A business plan must be prepared in accordance with such guidelines as the Authority determines from time to time and notifies to licensed insurers.	1 2 3
(5)	A business plan must describe the manner in which the insurer's third-party insurance business is to be conducted (including claims handling, management, expenses and systems).	4 5 6
(6)	It is a condition of a licence granted under Part 7.1 that the licensed insurer must comply with this section.	7 8
(7)	In this section, a reference to the third-party insurance business of a licensed insurer is a reference to any business associated with third-party policies.	9 10 11
171	Re-insurance arrangements of licensed insurers (cf s 111 MAA)	12
(1)	It is a condition of a licence granted under Part 7.1 that the licensed insurer must notify the Authority of:	13 14
(a)	particulars of arrangements made or proposed to be made for re-insurance in respect of liabilities under third-party policies issued by the licensed insurer, and	15 16 17
(b)	the terms of any approval of the Insurance and Superannuation Commissioner under the <i>Insurance Act 1973</i> of the Commonwealth in respect of any such re-insurance.	18 19 20
(2)	A licensed insurer must not, without the prior written consent of the Authority, effect any form of re-insurance if the aggregate premium payable for the re-insurance exceeds 15% of the gross direct premium written by the insurer.	21 22 23 24
172	Investment of funds of licensed insurer (cf s 112 MAA)	25
(1)	It is a condition of a licence granted under Part 7.1 that the licensed insurer, if required to do so by the Authority, must provide the Authority with details of the way in which its third-party funds and other funds are invested.	26 27 28 29
(2)	The third-party funds of a licensed insurer are the funds of the insurer derived from the payment of insurance premiums for third-party policies and from their investment.	30 31 32

173	Accounts, returns and other records of licensed insurer (cf s 113 MAA)	1
(1)	A licensed insurer must keep such accounting and other records in relation to the business or financial position of the insurer:	2
	(a) as may be prescribed by the regulations, and	3
	(b) subject to the regulations, as may be directed by the Authority by notice served on the insurer.	4
(2)	The regulations may prescribe the manner in which financial transactions are to be accounted for in any such records.	5
(3)	A licensed insurer must lodge with the Authority returns in relation to the business or financial position of the insurer in such form, containing such particulars and accompanied by such documents:	6
	(a) as may be prescribed by the regulations, and	7
	(b) subject to the regulations, as may be directed by the Authority by notice served on the insurer.	8
(4)	Returns must be lodged:	9
	(a) subject to paragraph (b), within 6 weeks after each 31 March, 30 June, 30 September and 31 December, or	10
	(b) at such other times as the Authority, by notice served on the insurer, directs.	11
(5)	The regulations may require returns, and documents accompanying returns, to be certified by an auditor or by an actuary.	12
(6)	A licensed insurer who contravenes any requirement imposed on the insurer by or under this section is guilty of an offence.	13
	Maximum penalty: 100 penalty units.	14
(7)	The Authority may make publicly available a copy of any return, and any documents accompanying a return, under this section.	15
(8)	In this section:	16
	<i>accounting records</i> include invoices, receipts, orders for the payment of money, bills of exchange, cheques, promissory notes, vouchers and other documents of prime entry, and also include such working papers and other documents as are necessary to explain the methods and calculations by which accounts are made up.	17
		18
		19
		20
		21
		22
		23
		24
		25
		26
		27
		28
		29
		30
		31
		32

174	Audit of accounting records and of compliance with guidelines (cf s 114 MAA)	1 2
(1)	The Authority may appoint an appropriately qualified person to audit or inspect, and report to the Authority on, the accounting and other records relating to the business or financial position of a licensed insurer, including accounting and other records relating to:	3 4 5 6
(a)	the manner in which its third-party funds and other funds are invested, or	7 8
(b)	compliance with any guideline under this Act.	9
(2)	A person so appointed is, for the purpose of exercising any functions under this section, entitled to inspect the accounting and other records of the licensed insurer.	10 11 12
(3)	A licensed insurer must provide all reasonable assistance to enable the exercise of those functions.	13 14
(4)	A person must not wilfully obstruct or delay a person exercising a function under this section.	15 16
(5)	A person exercising functions under this section has qualified privilege in proceedings for defamation in respect of any statement that the person makes orally or in writing in the course of the exercise of those functions.	17 18 19 20
(6)	A licensed insurer or another person who contravenes any requirement imposed on the insurer or other person by or under this section is guilty of an offence. Maximum penalty: 100 penalty units.	21 22 23 24
(7)	In this section, <i>accounting records</i> has the same meaning as in section 173.	25 26
175	Information and documents as to business and finances to be supplied to Authority by insurers and former insurers (cf s 115 MAA)	27 28
(1)	In this section: <i>documents</i> includes returns and accounts furnished under the <i>Corporations Law</i> and the <i>Insurance Act 1973</i> of the Commonwealth. <i>insurer</i> means a licensed insurer or a former licensed insurer.	29 30 31 32

-
- (2) The Authority may require an insurer: 1
- (a) to disclose to the Authority specified information relating to the 2
business and financial position of the insurer or of any 3
corporation which is a related corporation (within the meaning 4
of the *Corporations Law*), or 5
 - (b) to forward to the Authority, or make available for inspection, 6
specified documents, or copies of or extracts from specified 7
documents, kept by the insurer or by any corporation which is 8
such a related corporation. 9
- (3) Subsection (2) extends to requiring: 10
- (a) financial information that is or may be relevant to the 11
consideration by the Authority of insurance premiums filed by 12
the insurer under this Act, and 13
 - (b) information about the cost of claims handling incurred by the 14
insurer, about the settlement of claims by the insurer, and 15
 - (c) information about other matters concerning the insurer, 16
- but this subsection does not affect the generality of subsection (2), 17
section 26 or any other provision of this Act regarding the obtaining of 18
information by the Authority, and does not limit any other manner in 19
which the Authority may obtain information. 20
- (4) A requirement under this section: 21
- (a) must be made in writing and served on the insurer, and 22
 - (b) must specify the manner in which and the time within which 23
the requirement is to be complied with. 24
- (5) The manner in which a requirement is to be complied with may 25
include the supply to the Authority of a certificate by a registered tax 26
agent, a registered company auditor (within the meaning of the 27
Corporations Law) or an actuary approved by the Authority as to the 28
correctness of any specified information or specified documents (or 29
copies of or extracts from specified documents). 30
- (6) Unless the insurer satisfies the court that it is not within its power to 31
comply with the requirement, an insurer that fails to comply with a 32
requirement under this section is guilty of an offence. 33
- Maximum penalty: 100 penalty units. 34

176 Reports about insurers (cf s 132C MAA)	1
(1) The Authority may from time to time forward to the Minister reports relating to:	2
(a) the level of compliance by insurers with:	3
(i) any requirements of this Act, and	4
(ii) any conditions of licences under this Act (including any guidelines under this Act), and	5
(b) complaints made about insurers, and any other matters relating to insurers, in connection with any matters to which this Act relates.	6
(2) A report may relate to insurers generally, or to any class of insurers, or to any particular insurers.	7
(3) A report may identify particular insurers.	8
(4) A report may include such observations and recommendations as the Authority thinks fit.	9
(5) The Minister may make a report public and may lay a report or cause it to be laid before both or either of the Houses of Parliament.	10
(6) Nothing in this section affects reports that may be made apart from this section.	11
177 Power of Supreme Court to deal with insurers unable to meet liabilities (cf s 116 MAA)	12
(1) The Supreme Court may, on the application of the Authority, make such orders as the Supreme Court considers necessary or desirable for the purpose of protecting the interests of the holders of third-party policies taken to have been issued by a licensed insurer or a former licensed insurer.	13
(2) The Supreme Court may make such an order if it is satisfied that the licensed insurer or former licensed insurer:	14
(a) is not able to meet the insurer's liabilities under the third-party policies or may not be able to do so, or	15
(b) has acted or may act in a manner that is prejudicial to the interests of the holders of the third-party policies.	16

-
- (3) Without limiting the generality of subsection (1), the Supreme Court may make the following orders:
- (a) an order regulating the administration and payment of claims under the third-party policies,
 - (b) an order prohibiting or regulating the transfer or disposal of, or other dealing in, the assets of the licensed insurer or former licensed insurer,
 - (c) an order requiring the licensed insurer or former licensed insurer to discharge its liabilities under the third-party policies out of its assets and the assets of any related corporation (within the meaning of the *Corporations Law*),
 - (d) an order appointing a receiver or receiver and manager, having such powers as the Supreme Court orders, of the property or part of the property of the licensed insurer or former licensed insurer or of any such related corporation.
- (4) If an application is made to the Supreme Court for an order under subsection (1), the Supreme Court may, if in its opinion it is desirable to do so, before considering the application, grant an interim order, being an order of the kind applied for that is expressed to have effect pending the determination of the application.
- (5) If an application is made to the Supreme Court for an order under subsection (1), the Supreme Court is not to require the Authority, as a condition of granting an interim order, to give any undertaking as to damages.
- (6) If the Supreme Court has made an order under this section, the Supreme Court may, on application by the Authority or by any person affected by the order, make a further order rescinding or varying the first mentioned order.
- (7) A person who contravenes, whether by act or omission, an order made by the Supreme Court under this section that is applicable to the person is guilty of an offence.
Maximum penalty: 20 penalty units or imprisonment for 6 months, or both.
- (8) The Supreme Court is not to exercise its powers under this section in respect of a corporation which is in the course of being wound up.
- (9) The powers of the Supreme Court under this section are in addition to any other powers of the Supreme Court.

178	Notification to Authority of certain defaults in relation to insurers (cf s 117 MAA)	1 2
(1)	A licensed insurer and a former licensed insurer must notify the Authority in writing of the occurrence of any of the events or things referred to in section 162 (paragraphs (a), (e), (j) and (m) excepted) within 21 days after the event or thing happens (whether within or outside the State).	3 4 5 6 7
(2)	A licensed insurer must notify the Authority in writing of:	8
(a)	a decrease or proposed decrease in the issued capital of the insurer within 21 days after the decrease or proposal to effect the decrease, and	9 10 11
(b)	the receipt by the insurer of any Part A, B, C or D statement as defined for the purposes of the <i>Corporations Law</i> .	12 13
	Maximum penalty: 100 penalty units.	14
179	Powers of entry and inspection by authorised officers of Authority (cf s 118 MAA)	15 16
(1)	In this section:	17
	<i>authorised officer</i> means an officer of the Authority, or other person, in either case authorised by the Authority for the purposes of a specified investigation under this section.	18 19 20
	<i>insurer</i> means a licensed insurer or a former licensed insurer, and includes any insurance broker or commission agent engaged in third-party insurance business.	21 22 23
	<i>premises</i> includes any structure, building, aircraft, vehicle, vessel and place (whether built on or not).	24 25
(2)	An authorised officer may:	26
(a)	on production of his or her authority, enter at any reasonable hour any premises (not being a dwelling-house) used, or that the authorised officer reasonably suspects to be used, by an insurer for conduct of the insurer's business or the storage or custody of any document, and	27 28 29 30 31
(b)	remain in or on those premises while exercising any power conferred by this section, and	32 33

-
- (c) require an insurer or any other person in or on those premises to produce any such document that is in his or her possession or under his or her control and is capable of being produced, and 1
2
3
4
- (d) require an insurer or any other person having possession or control of any such document that is not written, or is not written in the English language, or is not decipherable on sight, to produce a statement, written in the English language and decipherable on sight, of the information contained in the document, and 5
6
7
8
9
10
- (e) inspect, or make copies of or take extracts from, a document produced pursuant to paragraph (c) or a statement produced pursuant to paragraph (d), or retain such a statement, and 11
12
13
- (f) require an insurer or any other person in or on those premises to answer questions relating to: 14
15
(i) the business or financial position of an insurer, or 16
(ii) the observance of this Act or the regulations. 17
- (3) A person must not: 18
- (a) refuse or fail to allow an authorised officer to enter premises under this section, or 19
20
- (b) wilfully obstruct or delay an authorised officer when exercising any powers under this section, or 21
22
- (c) unreasonably refuse or fail to produce a document or statement to an authorised officer under this section, or 23
24
- (d) if an authorised officer informs a person that by virtue of this Act the person is obliged to answer questions relating to any matter referred to in subsection (2) (f): 25
26
(i) refuse or fail to answer such a question, or 27
(ii) give an answer to such a question that the person knows is false or misleading in a material particular. 28
29
30
- Maximum penalty: 50 penalty units. 31
- (4) A person may not refuse to answer a question under subsection (2) on the ground that it might tend to incriminate the person, but neither the question nor the answer is admissible in any civil or criminal proceedings against the person other than proceedings for an offence under this section. 32
33
34
35
36

180	Proceedings for failure to comply with licence (cf s 118A MAA)	1
	No proceedings may be taken against a licensed insurer for failure to comply with the terms of the licensed insurer's licence or this Act or the regulations, except by the Authority.	2 3 4
Part 7.3 Insolvent insurers		5 6
181	Interpretation (cf s 119 MAA)	7
	(1) In this Part:	8
	<i>insolvent insurer</i> means an insurer to whom an order of the Minister in force under section 182 relates.	9 10
	<i>insurer</i> means a licensed insurer or a former licensed insurer, but does not include an insolvent insurer.	11 12
	<i>third-party policy issued by an insolvent insurer</i> means:	13
	(a) a third-party policy issued by an insolvent insurer, whether before or after the insurer became an insolvent insurer, or	14 15
	(b) a third-party policy, issued by a person other than an insolvent insurer, in respect of which an insolvent insurer has (whether before or after becoming an insolvent insurer) entered into a contract or an arrangement whereby the insolvent insurer is (or would but for its dissolution be) liable to indemnify the person against liability of the person under the policy.	16 17 18 19 20 21
	(2) In this Part, a reference to a liquidator or to a provisional liquidator includes a reference to a liquidator or a provisional liquidator appointed outside New South Wales.	22 23 24
	(3) So far as the legislative power of Parliament permits, the liquidator of an insolvent insurer has outside New South Wales the functions conferred or imposed on the liquidator by this Part, in addition to having those functions within New South Wales.	25 26 27 28
182	Insolvent insurers (cf s 120 MAA)	29
	If the Minister is satisfied that a liquidator or provisional liquidator has been appointed in respect of an insurer, or that an insurer has been dissolved, the Minister may, by order published in the Gazette, declare that the insurer is an insolvent insurer for the purposes of this Part.	30 31 32 33

183	Liquidator to notify Nominal Defendant of claims (cf s 121 MAA)	1
	The liquidator of an insolvent insurer must, on receiving any claim relating to any third-party policy issued by the insolvent insurer, forward the claim to the Nominal Defendant.	2 3 4
	Maximum penalty: 20 penalty units.	5
184	Delivery of documents to Nominal Defendant (cf s 122 MAA)	6
	The liquidator of an insolvent insurer must, whenever requested to do so by the Nominal Defendant:	7 8
	(a) deliver to the Nominal Defendant all documents relating to third-party policies issued by the insolvent insurer and all claims or judgments made in respect of any such policies in the liquidator's possession, and	9 10 11 12
	(b) supply to the Nominal Defendant all information in the liquidator's possession relating to any such policies or any such claims or judgments.	13 14 15
	Maximum penalty: 20 penalty units.	16
185	Appointment of Nominal Defendant as agent and attorney of insured (cf s 123 MAA)	17 18
	(1) The Nominal Defendant is by this section appointed as the agent and attorney of the person insured under a third-party policy issued by an insolvent insurer.	19 20 21
	(2) As agent and attorney of such a person, the Nominal Defendant may exercise the rights and discharge the obligations of the person:	22 23
	(a) for the purpose of dealing with and finalising any claim against which the person is indemnified under the third-party policy, and	24 25 26
	(b) for the purpose of satisfying any such claim or any judgment against which the person is indemnified under the third-party policy, and	27 28 29
	(c) for any other purpose prescribed by the regulations.	30
	(3) As agent and attorney of such a person, the Nominal Defendant may exercise the rights of the person in connection with the third-party policy:	31 32 33

- (a) for the purpose of proving in the winding-up of the insolvent insurer and receiving any dividends or other money payable to the person in the winding-up, and 1
2
3
- (b) for the purpose of recovering any money which the person is entitled under the third-party policy to recover from the person who issued the policy, being a policy referred to in paragraph (b) of the definition of *third-party policy issued by an insolvent insurer* in section 181, and 4
5
6
7
8
- (c) for any other purpose prescribed by the regulations. 9
- (4) The Nominal Defendant may exercise rights and discharge obligations as agent in the name of the person concerned, or in its own name. 10
11
- (5) All rights vested in an insurer and all obligations imposed on an insurer, being rights or obligations: 12
13
 - (a) arising from or relating to a third-party policy issued by an insolvent insurer to a person, and 14
15
 - (b) which may or must be exercised or discharged for the purpose of: 16
17
 - (i) dealing with and finalising any claim, or 18
 - (ii) satisfying any claim or judgment, against which the person is indemnified under the policy, 19
20are vested in or imposed on the person. 21
- (6) Subsection (5) is not to be construed so as to vest in or impose on a person, or to affect in any other way: 22
23
 - (a) a right of an insurer to be indemnified by a re-insurer or an obligation of an insurer to indemnify a person, or 24
25
 - (b) any other prescribed right or obligation. 26
- (7) If the Nominal Defendant is, under this section, empowered to exercise any rights, or to discharge any obligations, of a person as agent and attorney, the person is not entitled, without the consent of the Nominal Defendant, to exercise those rights or discharge those obligations. 27
28
29
30
31
- (8) The appointment effected by this section may be revoked only by an Act. 32
33

(9) If the Nominal Defendant is the agent and attorney of a person insured under a third-party policy issued by an insolvent insurer, the Nominal Defendant is also the agent and attorney for the purposes of this Part of any person who is authorised by this Act to take proceedings for damages against the insolvent insurer under the third-party policy.	1 2 3 4 5
186 Payments to insured or liquidator (cf s 124 MAA)	6
(1) Where a person insured under a third-party policy issued by an insolvent insurer has satisfied (whether before or after the insurer became an insolvent insurer for the purposes of this Part) any claim or judgment in respect of which the person has not been indemnified under that policy, the Nominal Defendant may pay from the Nominal Defendant's Fund to the person an amount equal to the whole or any part of the amount paid by the person in satisfaction of the claim or judgment.	7 8 9 10 11 12 13 14
(2) Where the liquidator of an insolvent insurer has satisfied (whether before or after the insurer became an insolvent insurer for the purposes of this Part) any claim or judgment in respect of which a person is entitled to be indemnified under a third-party policy issued by the insolvent insurer, the Nominal Defendant may pay from the Nominal Defendant's Fund to the liquidator an amount equal to the whole or any part of the amount paid by the liquidator in satisfaction of the claim or judgment.	15 16 17 18 19 20 21 22
(3) Where:	23
(a) a payment is made under subsection (1) to a person in respect of a claim or judgment, the Nominal Defendant is taken, to the extent of the payment, to have satisfied the claim or judgment as agent and attorney of the person, or	24 25 26 27
(b) a payment is made under subsection (2) to the liquidator of an insolvent insurer in respect of a claim by or on behalf of any person or a judgment for the benefit of any person, the Nominal Defendant is taken, to the extent of the payment, to have satisfied the claim or judgment as agent and attorney of the person in respect of whom the payment is made.	28 29 30 31 32 33

(4)	The powers conferred by subsections (1) and (2) are exercisable at the absolute discretion of the Nominal Defendant and neither of those subsections operates nor the exercise of any of those powers operates so as to confer, directly or indirectly, any right on any person to whom a payment is or may be made under those subsections or on any other person.	1 2 3 4 5 6
187	Application of Nominal Defendant's Fund (cf s 125 MAA)	7
(1)	Out of the Nominal Defendant's Fund, the Nominal Defendant:	8
(a)	is to pay the amount of any claim or judgment arising from or relating to any third-party policy issued by an insolvent insurer, being a claim or judgment that it proposes to satisfy as agent and attorney of a person, and any other amounts required by this Part to be paid from that Fund, and	9 10 11 12 13
(b)	is entitled to be indemnified against all payments made by it and all costs and expenses that it may incur in or in connection with the exercise of its functions under this Part.	14 15 16
(2)	Where a payment is made by the Nominal Defendant as agent and attorney of a person, being a payment authorised by this Part, the Nominal Defendant is not entitled to recover the amount of that payment from the person.	17 18 19 20
188	Recovery of amounts under contracts or arrangements for re-insurance (cf s 126 MAA)	21 22
	To the extent that any amounts are paid out of the Nominal Defendant's Fund in respect of a claim or judgment pursuant to section 187 the Nominal Defendant is, where an insolvent insurer (if it had provided indemnity to that extent under a third-party policy) would have been entitled to recover any sum under a contract or arrangement for re-insurance, entitled to the benefit of and may exercise the rights and powers of the insolvent insurer under that contract or arrangement so as to enable the Nominal Defendant to recover from the re-insurer and pay into the Nominal Defendant's Fund the amount due under that contract or arrangement.	23 24 25 26 27 28 29 30 31 32
189	Payments of compensation when insolvent insurer dissolved (cf s 127 MAA)	33 34
(1)	When an insolvent insurer has been dissolved, the payments under judgments relating to third-party policies issued by the insolvent insurer which would, but for the dissolution taking place, be payable	35 36 37

	by the insolvent insurer are to continue and are to be paid out of the Nominal Defendant's Fund by the Nominal Defendant.	1 2
(2)	When an insolvent insurer has been dissolved, a person who would have had, but for the dissolution of the insolvent insurer, an entitlement to payment of any amount arising from or relating to any third-party policy issued by the insolvent insurer (being a policy in respect of which the insolvent insurer is the insurer) is entitled to payment of that amount out of the Nominal Defendant's Fund.	3 4 5 6 7 8
(3)	A person referred to in subsection (2) may make a claim against the Nominal Defendant in respect of an entitlement to payment of an amount under that subsection.	9 10 11
(4)	The Nominal Defendant is entitled to deal with and finalise a claim made under subsection (3) in relation to a third-party policy issued by an insolvent insurer to the same extent as it would have been entitled to do so if the insolvent insurer had not been dissolved.	12 13 14 15
190	Borrowings for the purposes of the Nominal Defendant's Fund (cf s 127A MAA)	16 17
	The Nominal Defendant may from time to time borrow such amounts as the Nominal Defendant considers are necessary to satisfy claims and judgments arising from or pertaining to third-party policies issued by an insolvent insurer which would otherwise be unable to be met from the money in the Nominal Defendant's Fund.	18 19 20 21 22
191	Inspection of documents by person authorised by Minister (cf s 128 MAA)	23 24
	The liquidator of an insolvent insurer must, whenever requested to do so by a person authorised by the Minister, make any documents relating to third-party policies issued by the insolvent insurer and any claims or judgments made in respect of any such policies in the liquidator's possession available for inspection by that person.	25 26 27 28 29
	Maximum penalty: 20 penalty units.	30
192	Nominal Defendant may take certain legal proceedings (cf s 129 MAA)	31
(1)	If:	32
(a)	the liquidator of an insolvent insurer applies to any court for directions in relation to any particular matter arising under the winding-up, or	33 34 35

(b)	the exercise by the liquidator of an insolvent insurer of any of the liquidator's functions, whether under this Part or not, is challenged, reviewed or called into question in proceedings before any court, or	1 2 3 4
(c)	any other matter that concerns or may affect the operation of this Part is raised in proceedings before any court,	5 6
	the Nominal Defendant may intervene at any stage of the proceedings before that court, by counsel or agent, and the Nominal Defendant thereupon becomes a party to, and has all the rights of a party to, those proceedings before that court, including the right to appeal against any order, judgment or direction of the court.	7 8 9 10 11
(2)	In any case in which the Attorney General might take proceedings on the relation or on behalf of or for the benefit of a person who is (or who would but for the dissolution of the insolvent insurer be) entitled, under a third-party policy issued by an insolvent insurer, to be indemnified against a claim or judgment arising from or relating to the policy, being proceedings for or with respect to enforcing or securing the observance of any provision made by or under this Part, any Act or any rule of law, the Nominal Defendant is taken to represent sufficiently the interests of the public and may take the proceedings in its own name.	12 13 14 15 16 17 18 19 20 21
(3)	The Nominal Defendant is entitled to be paid, out of the Nominal Defendant's Fund, all the costs and expenses incurred by the Nominal Defendant in exercising the powers conferred by this section.	22 23 24
193	Insurers or other persons may act for Nominal Defendant (cf s 130 MAA)	25
	The Nominal Defendant may appoint a licensed insurer or other person as its agent for the purposes of exercising its functions under this Part.	26 27 28
194	Regulations (cf s 131 MAA)	29
	The regulations may make provision for or with respect to the application, with such modifications as may be provided by the regulations, of any of the provisions of this Act in relation to the dealing with or finalising of claims, or the satisfying of judgments, by the Nominal Defendant as agent and attorney of a person under this Part.	30 31 32 33 34 35

Chapter 8	Administration	1
		2
Part 8.1	Motor Accidents Authority	3
		4
Division 1	Constitution of Authority	5
		6
195	Constitution of Authority (cf s 83 MAA)	7
	(1) There is constituted by this Act a corporation with the corporate name of the Motor Accidents Authority of New South Wales.	8 9
	(2) The Authority is, for the purposes of any Act, a statutory body representing the Crown.	10 11
196	Board of Directors (cf s 84 MAA)	12
	(1) There is to be a Board of Directors of the Authority.	13
	(2) The Board is to consist of the following directors:	14
	(a) the General Manager of the Authority,	15
	(b) 5 part-time directors appointed by the Governor on the recommendation of the Minister.	16 17
	(3) Of the part-time directors:	18
	(a) one is to be appointed as the Chairperson of the Board, and	19
	(b) one is to be appointed as the Deputy Chairperson of the Board.	20
	(4) A person can be both a director of the Board and a member of the Motor Accidents Council.	21 22
	(5) Schedule 1 has effect with respect to the Board.	23
197	General Manager (cf s 86 MAA)	24
	The General Manager of the Authority is the General Manager holding office as such under Part 2 of the <i>Public Sector Management Act 1988</i> .	25 26

Clause 198	Motor Accidents Compensation Bill 1999
Chapter 8	Administration
Part 8.1	Motor Accidents Authority
Division 1	Constitution of Authority

198	Staff of Authority (cf s 89 MAA)	1
(1)	Such staff as may be necessary to enable the Authority to exercise its functions may be employed under Part 2 of the <i>Public Sector Management Act 1988</i> .	2 3 4
(2)	The Authority may arrange for the use of the services of any staff or facilities of a government department or a public or local authority.	5 6
(3)	The Authority may, with the approval of the Minister, employ casual staff to assist it in the exercise its functions.	7 8
(4)	Part 2 of the <i>Public Sector Management Act 1988</i> does not apply to or in respect of the employment of casual staff under this section.	9 10
(5)	The Authority may engage such consultants as the Authority requires to assist it in the exercise of its functions.	11 12
(6)	For the purposes of this Act, a person who is employed under subsection (1) or (3) or whose services are made use of under subsection (2) is an officer of the Authority.	13 14 15
Division 2	Management of Authority	16 17
199	The Minister (cf s 88 MAA)	18
(1)	If the Minister is satisfied that it is desirable in the public interest to do so, the Minister may, by notice in writing to the Board of Directors of the Authority or the General Manager of the Authority, give directions to the Board or General Manager with respect to the exercise of their respective functions.	19 20 21 22 23
(2)	The Board of Directors of the Authority and the General Manager of the Authority must comply with any direction given under this section by the Minister to the Board or General Manager, as the case requires.	24 25 26
(3)	The Authority must include in its annual report particulars of each direction given under this section during the year to which the report relates.	27 28 29
(4)	Except as provided by this or any other section of this Act, the Board of Directors of the Authority and the General Manager of the Authority are not, in the exercise of their respective functions, subject to the control and direction of the Minister.	30 31 32 33

200	Board of Directors (cf s 85 MAA)	1
	(1) The Board of Directors of the Authority has the function of determining the administrative policies of the Authority.	2 3
	(2) In exercising that function, the Board must ensure that, as far as practicable, the activities of the Authority are carried out properly and efficiently.	4 5 6
201	General Manager (cf s 87 MAA)	7
	(1) Subject to this Division, the affairs of the Authority are to be managed and controlled by the General Manager of the Authority.	8 9
	(2) Any act, matter or thing done in the name of, or on behalf of, the Authority by the General Manager of the Authority is taken to have been done by the Authority.	10 11 12
202	Delegation of functions (cf s 96 MAA)	13
	(1) The Authority may delegate to an authorised person any of the functions of the Authority (other than this power of delegation).	14 15
	(2) A delegate may sub-delegate to an authorised person any function delegated by the Authority if the delegate is authorised in writing to do so by the Authority.	16 17 18
	(3) In this section:	19
	<i>authorised person</i> means:	20
	(a) an officer of the Authority, or	21
	(b) a person of a class prescribed by the regulations or of a class approved by the Board of Directors of the Authority.	22 23
Division 3	Functions of Authority	24 25
203	Functions of Authority (cf ss 36, 90 MAA)	26
	(1) The Authority has such functions as are conferred or imposed on it by or under this or any other Act.	27 28
	Note. The Authority has, for example, functions conferred under Chapter 2 in connection with third-party insurance and as the Nominal Defendant and Chapter 7 in connection with the licensing and control of insurers.	29 30 31

- (2) The Authority also has the following functions: 1
- (a) to monitor the operation of the motor accidents scheme under this Act, and in particular to conduct (or arrange for other persons to conduct) research into and to collect statistics or other information on the level of damages awarded by the courts, the handling of claims by insurers and other matters relating to that scheme, 2
3
4
5
6
7
 - (b) to advise the Minister as to the administration, efficiency and effectiveness of that scheme, 8
9
 - (c) to publicise and disseminate information concerning that scheme, 10
11
 - (d) to provide an advisory service to assist claimants in connection with the claims assessment procedure under this Act, 12
13
 - (e) to provide funding for: 14
 - (i) measures for preventing or minimising injuries from motor accidents, and 15
16
 - (ii) safety education, 17
 - (f) to provide administrative and other support to the Motor Accidents Council, sufficient to assist the Council to meet its priorities, 18
19
20
 - (g) to provide advice and make recommendations to the Motor Accidents Council on such matters as the Council requests or the Authority considers appropriate. 21
22
23
- (3) The Authority has the following functions in relation to the provision of acute care, treatment, rehabilitation, long term support and other services for persons injured in motor accidents: 24
25
26
- (a) to monitor those services, 27
 - (b) to provide support and funding for programs that will assist effective injury management, 28
29
 - (c) to provide support and funding for research and education in connection with those services that will assist effective injury management, 30
31
32
 - (d) to develop and support education programs in connection with effective injury management. 33
34
- (4) The Authority is not prevented from exercising any function that is the same as or similar to a function being exercised or capable of being exercised by the Motor Accidents Council. 35
36
37

Part 8.2 Motor Accidents Council

	1
	2
204 Constitution of Council	3
(1) There is constituted by this Act a corporation with the corporate name of the Motor Accidents Council of New South Wales.	4 5
(2) The Motor Accidents Council is subject to the control and direction of the Minister, except in relation to the contents of any advice, report or recommendation given to the Minister or the Authority.	6 7 8
205 Membership and procedure of Council	9
(1) The Motor Accidents Council is to consist of the following 17 members:	10 11
(a) the Chairperson of the Board of Directors of the Authority, who is to be the Chairperson of the Council,	12 13
(b) the Deputy Chairperson of the Board of Directors of the Authority, who is to be the Deputy Chairperson of the Council,	14 15
(c) 4 persons involved in the insurance industry appointed by the Minister after consultation with the Insurance Council of Australia,	16 17 18
(d) 4 legal practitioners appointed by the Minister after consultation with the Councils of the Law Society and Bar Association,	19 20 21
(e) 3 health practitioners appointed by the Minister after consultation with the Australian Medical Association (NSW Branch) and such other associations of health practitioners as the Minister considers appropriate,	22 23 24 25
(f) 1 person not involved in the insurance industry appointed by the Minister on the nomination of the NRMA,	26 27
(g) 1 person appointed by the Minister after consultation with such associations concerned with injured persons as the Minister considers appropriate,	28 29 30
(h) 1 person appointed by the Minister after consultation with such consumer organisations as the Minister considers appropriate,	31 32
(i) the General Manager of the Authority.	33
(2) Schedule 2 has effect with respect to the Motor Accidents Council.	34

206	Functions of Council	1
(1)	The functions of the Motor Accidents Council are as follows:	2
(a)	to exercise the functions conferred on it under Part 3.4 (Medical assessment) and Part 4.4 (Claims assessment and resolution),	3 4 5
(b)	to issue and keep under review MAC Medical Guidelines and MAC Claims Assessment Guidelines,	6 7
(c)	to monitor and oversee the operation of the services provided under this Act for the assessment of injuries and the assessment of claims,	8 9 10
(d)	to monitor the operation of Part 3.2 (Early payment for treatment of injured persons),	11 12
(e)	to advise the Board of Directors of the Authority or the Minister (through the Board) on any matter relating to the motor accidents scheme under this Act that the Council considers appropriate or that the Board or Minister refers to the Council for advice,	13 14 15 16 17
(f)	such other functions as are conferred or imposed on it by or under this or any other Act.	18 19
(2)	The Motor Accidents Council is to exercise its functions consistently with the objects of this Act set out in Chapter 1.	20 21
(3)	The Motor Accidents Council may seek advice from any appropriate source, and accordingly is not limited to seeking advice from bodies constituted under this Act.	22 23 24
(4)	The Motor Accidents Council is not prevented from exercising any function that is the same as or similar to a function being exercised or capable of being exercised by the Authority.	25 26 27
	Part 8.3 Financial provisions	28 29
207	Definitions (cf s 92 MAA)	30
	In this Part:	31
	<i>financial year</i> means a year commencing on 1 July.	32
	<i>Fund</i> means the Motor Accidents Authority Fund established under this Part.	33 34

<i>premium income</i> , in relation to the contribution payable for a financial year by a licensed insurer under this Part, means the total amount of the insurance premiums on third-party policies taken to have been issued by the insurer during that financial year.	1 2 3 4
208 Motor Accidents Authority Fund (cf s 93 MAA)	5
(1) There is established a fund, to be known as the Motor Accidents Authority Fund, belonging to and vested in the Authority.	6 7
(2) The following is to be paid into the Fund:	8
(a) money contributed by licensed insurers under this Part,	9
(b) the interest from time to time accruing from the investment of the Fund,	10 11
(c) money required to be paid into the Fund by or under this or any other Act,	12 13
(d) all other money received by the Authority and not otherwise appropriated.	14 15
(3) The following is to be paid from the Fund:	16
(a) the remuneration, allowances, office accommodation and other associated costs of the General Manager of the Authority, the part-time directors of the Board of Directors of the Authority and staff of the Authority,	17 18 19 20
(b) the remuneration, allowances and other associated costs of members of the Motor Accidents Council,	21 22
(c) expenditure incurred by the Authority in the provision of services under Part 3.4 (Medical assessment) and Part 4.4 (Claims assessment and resolution),	23 24 25
(d) all payments required to meet expenditure incurred in relation to the functions of the Authority or the Motor Accidents Council, where money is not otherwise provided for that purpose,	26 27 28 29
(e) all other money required by or under this or any other Act to be paid from the Fund.	30 31
(4) The Authority may invest money in the Fund which is not immediately required for the purposes of the Fund:	32 33
(a) in such manner as may be authorised by the <i>Public Authorities (Financial Arrangements) Act 1987</i> , or	34 35

(b)	if that Act does not confer power on the Authority to invest money in the Fund—in any other manner approved by the Minister with the concurrence of the Treasurer.	1 2 3
209	Assessment by Authority of amount to be contributed to Fund (cf s 94 MAA)	4 5
	The Authority is required, as soon as practicable in respect of each financial year:	6 7
(a)	to make an estimate of the total of the amounts to be paid from the Fund during that financial year, and	8 9
(b)	to determine what amounts, if any, are to be set aside as provisions to meet expenditure from the Fund in future years, and specify for what purpose each such amount is being set aside, and	10 11 12 13
(c)	to make an estimate of the total amounts (including the amounts already received) to be received into the Fund during that financial year otherwise than by way of contributions in respect of that financial year from licensed insurers under this Part, and	14 15 16 17 18
(d)	to determine the total amount to be contributed to the Fund under this Part in respect of that financial year by licensed insurers after having regard to the amounts likely to be standing to the credit of the Fund at the beginning of the year, including any amounts set aside in earlier years as provisions to meet expenditure in later years, and the amounts estimated under paragraph (c) to be received into the Fund during the year, and	19 20 21 22 23 24 25
(e)	to specify in writing the estimates, provisions and amounts to be contributed to the Fund by licensed insurers.	26 27
210	Contributions to Fund by licensed insurers (cf s 95 MAA)	28
(1)	Each licensed insurer must pay the contributions prescribed by this section to the Authority for payment into the Fund.	29 30
(2)	The contribution to be paid by a licensed insurer in respect of each financial year is an amount equal to the percentage (determined by the Authority in accordance with this section) of the premium income of the insurer in respect of that financial year.	31 32 33 34

(3) The percentage determined by the Authority pursuant to subsection (2):	1
(a) is to be such as, in the opinion of the Authority, will be sufficient to yield the total amount to be contributed to the Fund by licensed insurers in respect of the relevant financial year as determined under this Part, and	2
(b) is to be the same percentage for all licensed insurers.	3
(4) A contribution by a licensed insurer is payable at such times and in respect of premium income received during such periods as may be determined by the Authority and notified to the insurer.	4
(5) If a contribution payable by a licensed insurer has not been paid within the time prescribed by or under this section:	5
(a) the insurer is guilty of an offence and liable to a penalty not exceeding 100 penalty units, and	6
(b) the amount of that contribution together with interest calculated at the rate of 15% per annum compounded quarterly (or, where another rate is prescribed by the regulations, that other rate) may be recovered by the Authority as a debt in any court of competent jurisdiction.	7
(6) Subject to subsection (3), more than one percentage may be determined by the Authority for different portions of a financial year for the purposes of subsection (2).	8
(7) A certificate purporting to be signed by the General Manager of the Authority as to the amount of a contribution payable under this section by a licensed insurer specified in the certificate and the due date for payment is admissible in proceedings under this section and is evidence of the matters specified in the certificate.	9
(8) The obligation of a licensed insurer to make a contribution under this section in respect of any period during which the person was a licensed insurer does not cease merely because the person subsequently ceases to be a licensed insurer.	10
211 Financial year (cf s 97 MAA)	11
(1) The financial year of the Authority is the year commencing on 1 July.	12
(2) A different financial year may be determined by the Treasurer under section 4 (1A) of the <i>Public Finance and Audit Act 1983</i> .	13

Chapter 9	Miscellaneous	1
		2
212	No contracting out of Act (cf s 132 MAA)	3
	This Act applies despite any contract to the contrary.	4
213	Secrecy of information obtained from or relating to insurers or proposed insurers (cf s 132B MAA)	5
		6
(1)	A person who acquires protected information in the exercise of functions under this Act must not, directly or indirectly, make a record of the information or divulge the information to another person if the person is aware that it is protected information, except in the exercise of functions under this Act.	7
		8
		9
		10
		11
	Maximum penalty: 50 penalty units.	12
(2)	Despite subsection (1), protected information may be divulged:	13
(a)	to a particular person or persons, if the Authority certifies that it is necessary in the public interest that the information be divulged to the person or persons, or	14
		15
		16
(b)	to a prescribed person or prescribed authority, or	17
(c)	to a person who is expressly or impliedly authorised to obtain it by the person to whom the information relates, or	18
		19
(d)	to the Minister.	20
(3)	A person cannot be required:	21
(a)	to produce in any court any document or other thing that contains protected information and that has come into the person's possession, custody or control by reason of, or in the course of, the exercise of the person's functions under this Act, or	22
		23
		24
		25
		26
(b)	to divulge to any court any protected information that has come to the person's notice in the exercise of the person's functions under this Act.	27
		28
		29
(4)	Despite subsection (3), a person may be required to produce such a document or other thing in a court or to divulge protected information to a court if:	30
		31
		32
(a)	the Authority certifies that it is necessary in the public interest to do so, or	33
		34

-
- (b) a person to whom the information relates (or to whom the information contained in the document or thing relates) has expressly authorised it to be divulged to or produced in the court. 1
2
3
4
- (5) An authority or person to whom protected information is divulged under subsection (2), and a person or employee under the control of that authority or person, are, in respect of that information, subject to the same rights, privileges and duties under this section as they would be if that authority, person or employee were a person exercising functions under this Act and had acquired the information in the exercise of those functions. 5
6
7
8
9
10
11
- (6) This section does not apply to the divulging of information to, or the production of any document or other thing to: 12
13
- (a) any law enforcement agency, or 14
- (b) any person or body prescribed for the purposes of this subsection. 15
16
- (7) In this section: 17
- court*** includes any tribunal, authority or person having power to require the production of documents or the answering of questions. 18
19
- functions under this Act*** includes functions under the regulations or other instruments under this Act. 20
21
- produce*** includes permit access to. 22
- protected information*** means: 23
- (a) information concerning the business, commercial, professional or financial affairs of an applicant for a licence under this Act or of a licensed insurer, or 24
25
26
- (b) information obtained in the course of an investigation of an application for such a licence, or 27
28
- (c) information that was obtained by the Authority under this Act from a licensed insurer and that is the subject of an unrevoked declaration by the licensed insurer to the effect that the information is confidential, 29
30
31
32
- not being information that is publicly available. 33

214 Act to bind Crown (cf s 4 MAA)	1
This Act binds the Crown, not only in right of New South Wales but also, so far as the legislative power of Parliament permits, the Crown in all its other capacities.	2 3 4
215 Recovery of money by Authority (cf s 99 MAA)	5
Any charge, fee or money due to the Authority, or to the Crown in respect of any of the activities of the Authority, may be recovered by the Authority as a debt in a court of competent jurisdiction, if no express provision is otherwise made for its recovery.	6 7 8 9
216 Seal of Authority	10
The seal of the Authority is to be kept by the General Manager and may be affixed to a document only:	11 12
(a) in the presence of the General Manager or an officer of the Authority authorised for the purpose by the General Manager, and	13 14 15
(b) with an attestation by the signature of the General Manager or that officer of the fact of the affixing of the seal.	16 17
217 Certificate evidence (cf s 132A MAA)	18
(1) A certificate issued by the Authority or a person authorised by the Authority as to the name of a licensed insurer by whom a third-party policy has been issued for a particular period for:	19 20 21
(a) a particular motor vehicle, or	22
(b) motor vehicles to which a particular trader's plate is fixed,	23
is admissible in any proceedings and is evidence of the matters certified by the certificate.	24 25
(2) A certificate issued by the Authority or a person authorised by the Authority stating that a third-party policy was not in force on a particular date or during a particular period in relation to:	26 27 28
(a) a particular motor vehicle, or	29
(b) motor vehicles to which a particular trader's plate was fixed,	30
is admissible in any proceedings and is evidence of the matters certified by the certificate.	31 32

218	Service of documents generally (cf s 133 MAA)	1
(1)	If by or under this Act a notice or other document is required to be, or may be, given to or served on a person other than the Authority or the Motor Accidents Council, that notice or other document may be given to or served on:	2
		3
		4
		5
(a)	an individual:	6
(i)	by delivering it to the individual personally, or	7
(ii)	by leaving it at the individual's place of residence last known to the person who issued the notice or other document with a person who apparently resides there, being a person who has or apparently has attained the age of 16 years, or	8
		9
		10
		11
		12
(iii)	by sending it by prepaid post addressed to the individual at that place of residence, or	13
		14
(b)	a corporation:	15
(i)	by delivering it to a person who is or apparently is concerned in the management of the corporation, or	16
		17
(ii)	by leaving it at the registered office in the State of the corporation with a person apparently employed at that office, being a person who has or apparently has attained the age of 16 years, or	18
		19
		20
		21
(iii)	by sending it by prepaid post addressed to the corporation at that registered office.	22
		23
(2)	A notice or other document that is delivered, left or sent by post in accordance with subsection (1) is taken to have been given or served on its being so delivered or left or, if it is sent by post, is, in the absence of evidence to the contrary, prima facie taken to have been given or served when it would have been delivered in the ordinary course of post.	24
		25
		26
		27
		28
		29
219	Service of documents on Authority or Motor Accidents Council (cf s 98 MAA)	30
		31
(1)	A document may be served on the Authority or the Motor Accidents Council by leaving it at, or by sending it by post addressed to, the Authority's office or, if it has more than one office, any of its offices.	32
		33
		34
(2)	Nothing in this section affects the operation of any provision of a law or of the rules of a court authorising a document to be served on the Authority or the Motor Accidents Council in any other manner.	35
		36
		37

(3) This section does not apply to the service of documents on the Authority as the Nominal Defendant.	1 2
220 Service of documents on Nominal Defendant (cf s 34 MAA)	3
(1) A document may be served on the Nominal Defendant by leaving it at, or by sending it by post addressed to, the Nominal Defendant at:	4 5
(a) an address prescribed by the regulations for the purposes of this section, or	6 7
(b) if no such address is prescribed—the address of the head office of the Authority.	8 9
(2) Nothing in this section affects the operation of any provision of a law or of the rules of a court authorising a document to be served on the Nominal Defendant in any other manner.	10 11 12
221 Personal liability (cf Sch 2, cl 11 MAA)	13
(1) In this section:	14
<i>body</i> means the Authority, the Board of Directors of the Authority or the Motor Accidents Council.	15 16
(2) A matter or thing done by a body, by a member of a body or by a person acting under the direction of a body does not, if the matter or thing was done in good faith for the purposes of executing this or any other Act, subject a member of a body or a person so acting personally to any action, liability, claim or demand.	17 18 19 20 21
222 Offences by corporations (cf s 134 MAA)	22
(1) If a corporation contravenes, whether by act or omission, any provision of this Act or a regulation, each person who is a director of the corporation or who is concerned in the management of the corporation is taken to have contravened the same provision if the person knowingly authorised or permitted the contravention.	23 24 25 26 27
(2) A person may be proceeded against and convicted under a provision pursuant to subsection (1) whether or not the corporation has been proceeded against or been convicted under that provision.	28 29 30
(3) Nothing in this section affects any liability imposed on a corporation for an offence committed by the corporation against this Act or the regulations.	31 32 33

223	Proceedings for offences (cf s 135 MAA)	1
(1)	Proceedings for an offence against this Act or the regulations are to be dealt with summarily before a Local Court constituted by a Magistrate sitting alone.	2 3 4
(2)	Proceedings for an offence against section 114 (False claims) may be commenced at any time within 2 years after the date of commission of the offence.	5 6 7
224	Regulations (cf s 136 MAA)	8
(1)	The Governor may make regulations, not inconsistent with this Act, for or with respect to any matter that by this Act is required or permitted to be prescribed or that is necessary or convenient to be prescribed for carrying out or giving effect to this Act.	9 10 11 12
(2)	A regulation may adopt the provisions of other publications, whether with or without modification or addition and whether in force at a particular time or from time to time.	13 14 15
(3)	A regulation may create an offence punishable by a penalty not exceeding 5 penalty units.	16 17
225	Amendment of Motor Accidents Act 1988 No 102	18
	The <i>Motor Accidents Act 1988</i> is amended as set out in Schedule 3.	19
226	Consequential amendment of other Acts	20
	The Acts specified in Schedule 4 are amended as set out in that Schedule.	21 22
227	Repeals	23
(1)	The <i>Motor Accidents Amendment Act 1998</i> is repealed.	24
(2)	The <i>Motor Accidents Regulation 1995</i> is repealed.	25
228	Savings, transitional and other provisions (cf s 137 MAA)	26
	Schedule 5 has effect.	27
229	Review of Act	28
(1)	The Minister is to review this Act to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing those objectives.	29 30 31

- (2) The review is to be undertaken as soon as possible after the period of 5 years from the date of assent to this Act. 1
2
- (3) A report on the outcome of the review is to be tabled in each House of Parliament within 12 months after the end of the period of 5 years. 3
4

Schedule 1	Provisions relating to Board of Directors of Authority	1
		2
		3
	(Section 196)	4
1	Definitions	5
	In this Schedule:	6
	<i>Board</i> means the Board of Directors of the Authority.	7
	<i>director</i> means any director of the Board.	8
	<i>part-time director</i> means a director of the Board other than the General Manager.	9
		10
2	Deputies of part-time directors	11
	(1) The Minister may, from time to time, appoint a person to be the deputy of a part-time director, and the Minister may revoke any such appointment.	12
		13
		14
	(2) In the absence of a part-time director, the director's deputy:	15
	(a) may, if available, act in the place of the absent director, and	16
	(b) while so acting, has all the functions of the director (other than any functions the director has as Chairperson or Deputy Chairperson of the Board) and is taken to be a director.	17
		18
		19
	(3) A person while acting in the place of a part-time director is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine in respect of the person.	20
		21
		22
		23
	(4) For the purposes of this clause, a vacancy in the office of a director is taken to be an absence of the director.	24
		25
3	Terms of office of part-time directors	26
	Subject to this Schedule, a part-time director holds office for such period (not exceeding 3 years) as is specified in the director's instrument of appointment, but is eligible (if otherwise qualified) for re-appointment.	27
		28
		29
		30

4 Remuneration	1
A part-time director is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine in respect of the director.	2 3 4
5 Vacancy in office of part-time director	5
(1) The office of a part-time director becomes vacant if the director:	6
(a) dies, or	7
(b) completes a term of office and is not re-appointed, or	8
(c) resigns the office by instrument in writing addressed to the Minister, or	9 10
(d) is removed from office by the Governor under this clause or under Part 8 of the <i>Public Sector Management Act 1988</i> , or	11 12
(e) is absent from 4 consecutive meetings of the Board of which reasonable notice has been given to the director personally or in the ordinary course of post, except on leave granted by the Board or unless, before the expiration of 4 weeks after the last of those meetings, the director is excused by the Board for having been absent from those meetings, or	13 14 15 16 17 18
(f) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit, or	19 20 21 22
(g) becomes a mentally incapacitated person, or	23
(h) is convicted in New South Wales of an offence which is punishable by penal servitude or imprisonment for 12 months or more or is convicted elsewhere than in New South Wales of an offence which, if committed in New South Wales, would be an offence so punishable.	24 25 26 27 28
(2) The Governor may at any time remove a part-time director from office.	29 30
6 Disclosure of pecuniary interests	31
(1) If:	32
(a) a director has a direct or indirect pecuniary interest in a matter being considered or about to be considered at a meeting of the Board, and	33 34 35

-
- | | |
|--|----------------------------|
| (b) the interest appears to raise a conflict with the proper performance of the director's duties in relation to the consideration of the matter, | 1
2
3 |
| the director must, as soon as possible after the relevant facts have come to the director's knowledge, disclose the nature of the interest at a meeting of the Board. | 4
5
6 |
| (2) A disclosure by a director at a meeting of the Board that the director: | 7 |
| (a) is a member, or is in the employment, of a specified company or other body, or | 8
9 |
| (b) is a partner, or is in the employment, of a specified person, or | 10 |
| (c) has some other specified interest relating to a specified company or other body or to a specified person, | 11
12 |
| is a sufficient disclosure of the nature of the interest in any matter relating to that company or other body or to that person which may arise after the date of the disclosure and which is required to be disclosed under this clause. | 13
14
15
16 |
| (3) The Board must cause particulars of any disclosure made under this clause to be recorded in a book kept for the purpose and that book must be open at all reasonable hours to inspection by any person on payment of such fee as may be determined by the Board from time to time. | 17
18
19
20
21 |
| (4) After a director has disclosed the nature of an interest in any matter, the director must not, unless the Minister or the Board otherwise determines: | 22
23
24 |
| (a) be present during any deliberation of the Board with respect to the matter, or | 25
26 |
| (b) take part in any decision of the Board with respect to the matter. | 27
28 |
| (5) For the purposes of the making of a determination by the Board under subclause (4), a director who has a direct or indirect pecuniary interest in a matter to which the disclosure relates must not: | 29
30
31 |
| (a) be present during any deliberation of the Board for the purpose of making the determination, or | 32
33 |
| (b) take part in the making by the Board of the determination. | 34 |
| (6) A contravention of this clause does not invalidate any decision of the Board. | 35
36 |
-

7	Filling of vacancy in office of part-time director	1
	If the office of a part-time director becomes vacant, a person is, subject to this Act, to be appointed to fill the vacancy.	2 3
8	Effect of certain other Acts	4
	(1) Part 2 of the <i>Public Sector Management Act 1988</i> does not apply to or in respect of the appointment of a part-time director.	5 6
	(2) If by or under any Act provision is made:	7
	(a) requiring a person who is the holder of a specified office to devote the whole of his or her time to the duties of that office, or	8 9 10
	(b) prohibiting the person from engaging in employment outside the duties of that office,	11 12
	the provision does not operate to disqualify the person from holding that office and also the office of a part-time director or from accepting and retaining any remuneration payable to the person under this Act as such a director.	13 14 15 16
9	General procedure	17
	The procedure for the calling of meetings of the Board and for the conduct of business at those meetings is, subject to this Act and the regulations, to be as determined by the Board.	18 19 20
10	Quorum	21
	The quorum for a meeting of the Board is 4 directors.	22
11	Presiding member	23
	(1) The Chairperson of the Board or, in the absence of the Chairperson, the Deputy Chairperson is to preside at a meeting of the Board.	24 25
	(2) In the absence of both the Chairperson and the Deputy Chairperson, another part-time director elected to chair the meeting by the directors present at the meeting is to preside at the meeting.	26 27 28
	(3) The person presiding at any meeting of the Board has a deliberative vote and, in the event of an equality of votes, has a second or casting vote.	29 30 31

12	Voting	1
	A decision supported by a majority of the votes cast at a meeting of the Board at which a quorum is present is the decision of the Board.	2 3
13	Transaction of business outside meetings or by telephone	4
	(1) The Board may, if it thinks fit, transact any of its business by the circulation of papers among all the directors for the time being, and a resolution in writing approved in writing by a majority of those directors is taken to be a decision of the Board.	5 6 7 8
	(2) The Board may, if it thinks fit, transact any of its business at a meeting at which the directors (or some of them) participate by telephone, closed-circuit television or other means, but only if any director who speaks on a matter before the meeting can be heard by the other directors.	9 10 11 12 13
	(3) For the purposes of:	14
	(a) the approval of a resolution under subclause (1), or	15
	(b) a meeting held in accordance with subclause (2),	16
	the Chairperson and each director have the same voting rights as they have at an ordinary meeting of the Board.	17 18
	(4) A resolution approved under subclause (1) is, subject to the regulations, to be recorded in the minutes of the Board.	19 20
	(5) Papers may be circulated among the directors for the purposes of subclause (1) by facsimile or other transmission of the information in the papers concerned.	21 22 23
14	Committees	24
	(1) The Board may establish committees to assist it in connection with the exercise of any of its functions.	25 26
	(2) It does not matter that any or all of the members of a committee are not directors of the Board.	27 28

Motor Accidents Compensation Bill 1999

Schedule 1 Provisions relating to Board of Directors of Authority

- (3) The procedure for the calling of meetings of a committee and for the conduct of business at those meetings is to be as determined by the Board or (subject to any determination of the Board) by the committee. 1
2
3
4
- 15 First meeting** 5
- The Minister is to call the first meeting of the Board in such manner as the Minister thinks fit. 6
7

Schedule 2	Provisions relating to Motor Accidents Council	1
		2
		3
	(Section 205)	4
1	Definitions	5
	In this Schedule:	6
	<i>appointed member</i> means any member of the Motor Accidents Council, other than the Chairperson, the Deputy Chairperson or the General Manager of the Authority.	7
		8
		9
	<i>Chairperson</i> means the Chairperson of the Motor Accidents Council and of the Board of Directors of the Authority.	10
		11
	<i>Deputy Chairperson</i> means the Deputy Chairperson of the Motor Accidents Council and of the Board of Directors of the Authority.	12
		13
	<i>member</i> means any member of the Motor Accidents Council.	14
2	Deputies of members	15
(1)	The Minister may, from time to time, appoint a person to be the deputy of a member (other than the General Manager of the Authority), and the Minister may revoke any such appointment.	16
		17
		18
(2)	In the absence of a member (other than the General Manager of the Authority), the member's deputy:	19
		20
	(a) may, if available, act in the place of the member, and	21
	(b) while so acting, has all the functions of the member (other than any functions the member has as Chairperson or Deputy Chairperson) and is taken to be a member.	22
		23
		24
(3)	A person while acting in the place of a member is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine in respect of the person.	25
		26
		27
		28
(4)	For the purposes of this clause, a vacancy in the office of a member is taken to be an absence of the member.	29
		30

3	Terms of office of appointed members	1
	Subject to this Schedule, an appointed member holds office for such period (not exceeding 3 years) as is specified in the member's instrument of appointment, but is eligible (if otherwise qualified) for re-appointment.	2 3 4 5
4	Allowances	6
	A member is entitled to be paid such allowances as the Minister may from time to time determine in respect of the member.	7 8
5	Vacancy in office of appointed member	9
	(1) The office of an appointed member becomes vacant if the member:	10
	(a) dies, or	11
	(b) completes a term of office and is not re-appointed, or	12
	(c) resigns the office by instrument in writing addressed to the Minister, or	13 14
	(d) is removed from office by the Minister under this clause or by the Governor under Part 8 of the <i>Public Sector Management Act 1988</i> , or	15 16 17
	(e) is absent from 4 consecutive meetings of the Motor Accidents Council of which reasonable notice has been given to the member personally or in the ordinary course of post, except on leave granted by the Motor Accidents Council or unless, before the expiration of 4 weeks after the last of those meetings, the member is excused by the Motor Accidents Council for having been absent from those meetings, or	18 19 20 21 22 23 24
	(f) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit, or	25 26 27 28
	(g) becomes a mentally incapacitated person, or	29
	(h) is convicted in New South Wales of an offence that is punishable by penal servitude or imprisonment for 12 months or more or is convicted elsewhere than in New South Wales of an offence that, if committed in New South Wales, would be an offence so punishable.	30 31 32 33 34
	(2) The Minister may at any time remove an appointed member from office.	35 36

6 Disclosure of pecuniary interests	1
(1) If:	2
(a) a member has a direct or indirect pecuniary interest in a matter being considered or about to be considered at a meeting of the Motor Accidents Council, and	3 4 5
(b) the interest appears to raise a conflict with the proper performance of the member's duties in relation to the consideration of the matter,	6 7 8
the member must, as soon as possible after the relevant facts have come to the member's knowledge, disclose the nature of the interest at a meeting of the Motor Accidents Council.	9 10 11
(2) A disclosure by a member at a meeting of the Motor Accidents Council that the member:	12 13
(a) is a member, or is in the employment, of a specified company or other body, or	14 15
(b) is a partner, or is in the employment, of a specified person, or	16
(c) has some other specified interest relating to a specified company or other body or to a specified person,	17 18
is a sufficient disclosure of the nature of the interest in any matter relating to that company or other body or to that person which may arise after the date of the disclosure and which is required to be disclosed under subclause (1).	19 20 21 22
(3) Particulars of any disclosure made under this clause must be recorded by the Motor Accidents Council in a book kept for the purpose and that book must be open at all reasonable hours to inspection by any person on payment of the fee determined by the Motor Accidents Council.	23 24 25 26 27
(4) After a member has disclosed the nature of an interest in any matter, the member must not, unless the Minister or the Motor Accidents Council otherwise determines:	28 29 30
(a) be present during any deliberation of the Motor Accidents Council with respect to the matter, or	31 32
(b) take part in any decision of the Motor Accidents Council with respect to the matter.	33 34

(5)	For the purposes of the making of a determination by the Motor Accidents Council under subclause (4), a member who has a direct or indirect pecuniary interest in a matter to which the disclosure relates must not:	1
		2
		3
		4
(a)	be present during any deliberation of the Motor Accidents Council for the purpose of making the determination, or	5
		6
(b)	take part in the making by the Motor Accidents Council of the determination.	7
		8
(6)	A contravention of this clause does not invalidate any decision of the Motor Accidents Council.	9
		10
(7)	Nothing in this clause applies to or in respect of an interest of a member in a matter or thing that arises by reason only of the member having the qualification required for appointment.	11
		12
		13
7	Filling of vacancy in office of appointed member	14
	If the office of an appointed member becomes vacant, a person is, subject to this Act, to be appointed to fill the vacancy.	15
		16
8	Effect of certain other Acts	17
(1)	Part 2 of the <i>Public Sector Management Act 1988</i> does not apply to or in respect of the appointment of a member.	18
		19
(2)	If by or under any Act provision is made:	20
(a)	requiring a person who is the holder of a specified office to devote the whole of his or her time to the duties of that office, or	21
		22
		23
(b)	prohibiting the person from engaging in employment outside the duties of that office,	24
		25
	the provision does not operate to disqualify the person from holding that office and also the office of a member or from accepting and retaining any remuneration payable to the person under this Act as a member.	26
		27
		28
		29
9	General procedure	30
	The procedure for the calling of meetings of the Motor Accidents Council and for the conduct of business at those meetings is, subject to this Act and the regulations, to be as determined by the Motor Accidents Council.	31
		32
		33
		34

10 Quorum	1
The quorum for a meeting of the Motor Accidents Council is 9 members.	2 3
11 Presiding member	4
(1) The Chairperson or, in the absence of the Chairperson, the Deputy Chairperson is to preside at a meeting of the Motor Accidents Council.	5 6
(2) In the absence of both the Chairperson and the Deputy Chairperson, another member elected to chair the meeting by the members present at the meeting is to preside at the meeting.	7 8 9
(3) The person presiding at any meeting of the Motor Accidents Council has a deliberative vote and, in the event of an equality of votes, has a second or casting vote.	10 11 12
12 Voting	13
A decision supported by a majority of the votes cast at a meeting of the Motor Accidents Council at which a quorum is present is the decision of the Council.	14 15 16
13 Transaction of business outside meetings or by telephone	17
(1) The Motor Accidents Council may, if it thinks fit, transact any of its business by the circulation of papers among all the members for the time being, and a resolution in writing approved in writing by a majority of the voting members is taken to be a decision of the Motor Accidents Council.	18 19 20 21 22
(2) The Motor Accidents Council may, if it thinks fit, transact any of its business at a meeting at which members (or some members) participate by telephone, closed-circuit television or other means, but only if any member who speaks on a matter before the meeting can be heard by the other members.	23 24 25 26 27
(3) For the purposes of:	28
(a) the approval of a resolution under subclause (1), or	29
(b) a meeting held in accordance with subclause (2),	30
each member has the same voting rights (if any) as they have at an ordinary meeting of the Motor Accidents Council.	31 32

Motor Accidents Compensation Bill 1999

Schedule 2 Provisions relating to Motor Accidents Council

(4)	A resolution approved under subclause (1) is, subject to the regulations, to be recorded in the minutes of the meetings of the Motor Accidents Council.	1 2 3
(5)	Papers may be circulated among the members for the purposes of subclause (1) by facsimile or other transmission of the information in the papers concerned	4 5 6
14	Attendance by non-members	7
(1)	A person authorised by the Motor Accidents Council or Chairperson may attend a meeting of the Motor Accidents Council, and may participate in the meeting to the extent that the Motor Accidents Council determines.	8 9 10 11
(2)	A person attending a meeting of the Motor Accidents Council under this clause cannot cast a vote at the meeting.	12 13
15	First meeting	14
	The Minister is to call the first meeting of the Motor Accidents Council in such manner as the Minister thinks fit.	15 16

Schedule 3 Amendment of Motor Accidents Act 1988

(Section 225)

[1] Section 2AA

Insert after section 2:

2AA Motor Accidents Compensation Act 1999

The *Motor Accidents Compensation Act 1999* makes provision with respect to motor vehicle accidents occurring after the commencement of that Act.

Note. See sections 34B, 39AA, 41 (1) and 69 (1A) which limit the provisions of the Act relating to claims, court proceedings and the award of damages to motor accidents occurring before the commencement of the *Motor Accidents Compensation Act 1999*.

[2] Section 3 Definitions

Omit “constituted under Part 7” from the definition of *Authority* in section 3 (1).

Insert instead “constituted under Part 8.1 of the *Motor Accidents Compensation Act 1999*”.

[3] Section 3, definition of “licensed insurer”

Omit “under Division 1 of Part 8”.

Insert instead “under Part 7.1 of the *Motor Accidents Compensation Act 1999*”.

[4] Section 3, definitions of “light rail vehicle”, “market share”, “Motor Accidents Authority Fund” and “Nominal Defendant’s Fund”

Omit the definitions.

[5] Section 3, definition of “Nominal Defendant”

Omit “referred to in section 26”.

Insert instead “within the meaning of the *Motor Accidents Compensation Act 1999*”.

[6] Section 3A Execution of certain agreement	1
Insert at the end of the section:	2
	3
(6) The agreement, and any amendment of the agreement, do not apply to or in respect of motor vehicle accidents occurring after the commencement of the <i>Motor Accidents Compensation Act 1999</i> . However, the Insurance Industry Deed under that Act may make provision with respect to motor accidents occurring before that commencement and accordingly may replace the agreement under this section.	4
	5
	6
	7
	8
	9
	10
[7] Part 3 Third-party insurance	11
Omit the Part.	12
	13
[8] Section 34B	14
Insert after section 34A:	15
	16
34B Application of Part	17
This Part does not apply to or in respect of motor accidents occurring after the commencement of the <i>Motor Accidents Compensation Act 1999</i> .	18
	19
	20
[9] Section 36 Functions of the Authority concerning rehabilitation	21
Omit the section.	22
	23
[10] Section 37 Provision of rehabilitation services	24
Omit section 37 (1)–(3).	25
	26
[11] Section 39AA	27
Insert before section 39A:	28
	29
39AA Application of Part	30
This Part does not apply to or in respect of motor accidents occurring after the commencement of the <i>Motor Accidents Compensation Act 1999</i> .	31
	32
	33

[12] Section 39D Payments by licensed insurer or Nominal Defendant	1
Omit “section 31”.	2
Insert instead “section 38 of the <i>Motor Accidents Compensation Act 1999</i> ”.	3
	4
[13] Section 41 Application of Part	5
Insert at the beginning of the section:	6
	7
	8
(1) This Part does not apply to or in respect of motor accidents occurring after the commencement of the <i>Motor Accidents Compensation Act 1999</i> .	9
	10
	11
[14] Section 67 Claims register	12
Omit the section.	13
	14
[15] Section 69 Application	15
Insert at the beginning of the section:	16
	17
	18
(1A) This Part does not apply to or in respect of motor accidents occurring after the commencement of the <i>Motor Accidents Compensation Act 1999</i> .	19
	20
	21
[16] Section 78 Determination of economic loss	22
Insert after section 78 (b):	23
	24
(c) amounts, payments or benefits comprising payments made to or on behalf of the claimant by an insurer or Nominal Defendant in relation to a claim made by the claimant (including amounts, costs and expenses paid under section 37 and payments made under section 45), and	25
	26
	27
	28
	29
	30
[17] Part 7 Motor Accidents Authority	31
Omit the Part.	32
	33
[18] Part 8 Licensing and control of insurers	34
Omit the Part.	35
	36

[19] Section 132A Certificate evidence	1
Omit the section.	2 3
[20] Section 140 Payments into TAC Fund	4
Insert after section 140 (1) (b):	5 6
(b1) any amount paid to the Ministerial Corporation under a sharing agreement made with another person in respect of compensation or damages for death or personal injury arising from an accident in New South Wales or elsewhere in Australia involving a motor vehicle which occurred before 1 July 1989,	7 8 9 10 11 12
[21] Section 141 Payments out of TAC Fund	13
Insert after section 141 (1) (a):	14 15
(a1) any amount payable by the Ministerial Corporation under a sharing agreement made with another person in respect of compensation or damages for death or personal injury arising from an accident in New South Wales or elsewhere in Australia involving a motor vehicle which occurred before 1 July 1989, and	16 17 18 19 20 21
(a2) an amount (payable into the Consolidated Fund) equal to \$3 for every \$43 that is received by the Roads and Traffic Authority from the payment of short-fall levies under section 148 in relation to an application made for the registration or renewal of registration of a motor vehicle, and	22 23 24 25 26 27
[22] Schedule 1 Third-party policy	28
Omit the Schedule.	29 30
[23] Schedule 2 Constitution and procedure of the Board of Directors of the Authority	31
Omit the Schedule.	32 33 34

Schedule 4	Consequential amendment of other Acts	1
		2
	(Section 226)	3
4.1	Community Land Management Act 1989 No 202	4
		5
	Section 116 Open and private access ways	6
	Omit “ <i>Motor Accidents Act 1988</i> ” wherever occurring in section 116 (1)	7
	and (4).	8
	Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	9
		10
4.2	Defamation Act 1974 No 18	11
		12
[1]	Section 17BC Matters arising under Motor Accidents Acts	13
	Insert “or the <i>Motor Accidents Compensation Act 1999</i> ” after “ <i>Motor</i>	14
	<i>Accidents Act 1988</i> ” wherever occurring in section 17BC (a).	15
		16
[2]	Section 17BC (c)	17
	Insert “or section 117 of the <i>Motor Accidents Compensation Act 1999</i> ” after	18
	“ <i>Motor Accidents Act 1988</i> ”.	19
		20
4.3	District Court Act 1973 No 9	21
		22
	Section 61 Exclusion of damages relating to motor accidents	23
	Insert “or Chapter 5 of the <i>Motor Accidents Compensation Act 1999</i> ” after	24
	“ <i>Motor Accidents Act 1988</i> ”.	25
		26

4.4 Duties Act 1997 No 123	1
	2
[1] Section 233 Classes of general insurance	3
	4
Omit “Motor Accidents Act 1988” from section 233 (3).	5
Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	6
	7
[2] Section 259 What insurance is exempt from duty?	8
	9
	10
Insert “or the <i>Motor Accidents Compensation Act 1999</i> ” after “ <i>Motor Accidents Act 1988</i> ” in section 259 (1) (h).	11
	12
4.5 Fines Act 1996 No 99	13
	14
[1] Section 70 Effect of enforcement action on vehicle insurance	15
	16
	17
Omit “ <i>Motor Accidents Act 1988</i> ” from section 70 (4).	18
Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	19
	20
[2] Section 70, note	21
	22
Omit “Section 13 of the <i>Motor Accidents Act 1988</i> ” from the note to section 70.	23
Insert instead “Section 14 of the <i>Motor Accidents Compensation Act 1999</i> ”.	24
	25
4.6 Insurance Act 1902 No 49	26
	27
Section 17A Rights of insurer to challenge evidence where false claim alleged	28
	29
	30
Insert “or under the <i>Motor Accidents Compensation Act 1999</i> ” after “ <i>Motor Accidents Act 1988</i> ” in section 17A (8).	31
	32

4.7 Legal Profession Act 1987 No 109	1
	2
Section 208O Costs fixed by regulations	3
Insert after section 208O (1):	4
	5
(1A) An assessment of costs fixed by a regulation under section 146 of the <i>Motor Accidents Compensation Act 1999</i> is to be made in accordance with that regulation (despite anything to the contrary in a regulation under section 196).	6
	7
	8
	9
4.8 Legal Profession Amendment (Costs Assessment) Act 1998 No 83	10
	11
	12
[1] Schedule 1 Amendments	13
Omit Schedule 1 [3] and [5].	14
	15
[2] Schedule 1 [15]	16
Omit the item. Insert instead:	17
	18
	19
[15] Section 208O Costs fixed by regulations	20
Insert “(a1),” after “(a),” in section 208O (1).	21
4.9 Motor Accidents Compensation Act 1999	22
	23
[1] Section 3, definitions of “motor vehicle” and “trailer” and the notes to those definitions	24
	25
Omit “ <i>Traffic Act 1909</i> ” wherever occurring.	26
	27
Insert instead “ <i>Road Transport (General) Act 1999</i> ”.	28
[2] Section 3, definition of “spouse”	29
	30
Omit “ <i>De Facto Relationships Act 1984</i> ”.	31
	32
Insert instead “ <i>Property (Relationships) Act 1984</i> ”.	32

[3] Section 37 (3)	1
Omit “section 4B of the <i>Traffic Act 1909</i> ”.	2
Insert instead “section 40 of the <i>Road Transport (Safety and Traffic Management) Act 1999</i> ”.	3
	4
	5
4.10 Rail Safety Act 1993 No 50	6
	7
Section 24 Style of accreditation	8
Omit “ <i>Motor Accidents Act 1988</i> ” from section 24 (4).	9
Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	10
	11
4.11 Recreation Vehicles Act 1983 No 136	12
	13
[1] Section 17 Applications	14
	15
	16
Omit “ <i>Motor Accidents Act 1988</i> ” from section 17 (2) (b).	17
Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	18
[2] Section 18 Registration	19
	20
	21
Omit “ <i>Motor Accidents Act 1988</i> ” from section 18 (2) (b).	22
Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	23
[3] Section 21 Cancellation of registration	24
	25
	26
Omit “ <i>Motor Accidents Act 1988</i> ” from section 21 (f).	27
Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	28

4.12 Road Transport (General) Act 1999	1
	2
Section 15 Penalty notices for certain offences	3
Omit “ <i>Motor Accidents Act 1988</i> ” from section 15 (1).	4
Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	5
	6
4.13 Supreme Court Act 1970 No 52	7
	8
Section 76H Exclusion of damages relating to motor accidents	9
Insert “or Chapter 5 of the <i>Motor Accidents Compensation Act 1999</i> ” after	10
“ <i>Motor Accidents Act 1988</i> ”.	11
	12
4.14 Traffic Act 1909 No 5	13
	14
Section 18B Penalty notices for certain offences	15
Omit “ <i>Motor Accidents Act 1988</i> ” from section 18B (1) (db).	16
Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	17
	18

4.15 Transport Administration Act 1988 No 109	1
	2
Part 9, Division 5	3
Insert after section 120:	4
	5
Division 5 Miscellaneous provisions relating to common law damages for public transport accidents	6
	7
121 Application of common law damages for motor accidents to railway and other public transport accidents (cf ss 68, 69 (2) MAA)	8
	9
(1) Chapter 5 (Award of damages) of the <i>Motor Accidents Compensation Act 1999</i> applies to and in respect of an award of damages which relates to the death of or bodily injury to a person caused by or arising out of a public transport accident, not being an award of damages to which that Chapter applies.	10
	11
	12
	13
	14
(2) Accordingly, in that Chapter:	15
(a) a reference to a motor accident includes a reference to a public transport accident, and	16
	17
(b) a reference to a motor vehicle includes a reference to any vehicle or vessel used for public transport.	18
	19
(3) For the purposes of this section, a public transport accident is an accident caused by or arising out of the use of any form of public transport in New South Wales, including public transport in the form of a passenger railway or a water ferry or taxi, but not including:	20
	21
	22
	23
	24
(a) public transport in the form of air transport, or	25
(b) public transport that is operated primarily for tourists, the purposes of recreation or historical interest or that is an amusement device, or	26
	27
	28
(c) an accident for which, or to the extent to which, a person is liable otherwise than in the capacity of the owner or driver of, or other person in charge of, the vehicle or vessel used for public transport.	29
	30
	31
	32
A public transport accident, however, includes an accident of a class declared by the regulations to be a public transport	33
	34

	accident, but does not include an accident of a class declared by the regulations not to be a public transport accident.	1 2
(4)	This section does not apply to or in respect of public transport accidents occurring before the commencement of the <i>Motor Accidents Compensation Act 1999</i> .	3 4 5
	Note. For damages that may be awarded for accidents occurring before that commencement, see Part 6 of the Motor Accidents Act 1988.	6 7
4.16	Victims Compensation Act 1996 No 115	8 9
	Section 24 Other persons not eligible to receive compensation	10
	Omit “ <i>Motor Accidents Act 1988</i> ” from section 24 (2).	11 12
	Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	13
4.17	Workers Compensation Act 1987 No 70	14 15
[1]	Section 151A Election—damages or “Table of Disabilities” compensation	16 17 18 19
	Insert “or Chapter 5 of the <i>Motor Accidents Compensation Act 1999</i> ” after “ <i>Motor Accidents Act 1988</i> ” in the definition of damages in section 151A (1).	20 21 22
[2]	Section 151D Time limit for commencement of court proceedings against employer for damages	23 24 25 26
	Insert “or Chapter 5 of the <i>Motor Accidents Compensation Act 1999</i> ” after “ <i>Motor Accidents Act 1988</i> ” in section 151D (4).	27 28
[3]	Section 151E Application—modified common law damages	29 30
	Insert “or Chapter 5 of the <i>Motor Accidents Compensation Act 1999</i> ” after “ <i>Motor Accidents Act 1988</i> ” in section 151E (2).	31 32

Motor Accidents Compensation Bill 1999

Schedule 4 Consequential amendment of other Acts

4.18 Workplace Injury Management and Workers Compensation Act 1998 No 86	1
	2
	3
Section 72 Inspection of relevant claims information (cf former s 93D)	4
	5
	6
Omit “ <i>Motor Accidents Act 1988</i> ” from the definition of <i>insurer</i> in section 72 (3).	7
	8
Insert instead “ <i>Motor Accidents Compensation Act 1999</i> ”.	9

Schedule 5	Savings, transitional and other provisions	1
		2
	(Section 228)	3
Part 1	Preliminary	4
1	Definitions	5
(1)	In this Schedule:	6
	<i>1988 Act</i> means the <i>Motor Accidents Act 1988</i> .	7
(2)	A reference in this Act or the 1988 Act to the commencement of this Act is a reference to the commencement of the majority of the provisions of this Act.	8 9 10
2	Savings and transitional regulations	11
(1)	The regulations may contain provisions of a savings or transitional nature consequent on the enactment of the following Acts: this Act	12 13 14
(2)	Any such provision may, if the regulations so provide, take effect on the date of assent to the Act concerned or a later date.	15 16
(3)	To the extent to which any such provision takes effect on a date that is earlier than the date of its publication in the Gazette, the provision does not operate so as:	17 18 19
(a)	to affect, in a manner prejudicial to any person (other than the State or an authority of the State), the rights of that person before the date of its publication, or	20 21 22
(b)	to impose liabilities on any person (other than the State or an authority of the State) in respect of anything done or omitted to be done before the date of its publication.	23 24 25
Part 2	Provisions arising from the enactment of this Act	26
3	Continuation of Motor Accidents Authority	27
	The Motor Accidents Authority constituted under Part 8.1 of this Act is a continuation of, and the same legal entity as, the Motor Accidents Authority constituted under Part 7 of the 1988 Act.	28 29 30

4	Board of Directors of Authority	1
(1)	The Board of Directors of the Motor Accidents Authority constituted under section 84 of the 1988 Act is abolished.	2 3
(2)	A person who held office as a part-time director of that Board immediately before its abolition ceases to hold office and is not entitled to any remuneration, or compensation, for loss of that office. However, any such person is eligible (if otherwise qualified) to be appointed as a part-time director of the Board of Directors of the Authority constituted under this Act.	4 5 6 7 8 9
(3)	The regulations under this Schedule may make provision for or with respect to the re-constitution of that Board before its abolition by this clause in accordance with the provisions applicable to the constitution of the Board of Directors of the Authority under this Act.	10 11 12 13
5	Continuation of Motor Accidents Authority Fund	14
	The Motor Accidents Authority Fund established under Part 7 of the 1988 Act becomes, on the commencement of this Act, the Motor Accidents Authority Fund established under Part 8.3 of this Act.	15 16 17
6	Financial provisions	18
(1)	Any obligation of an insurer to pay a contribution under section 95 of the 1988 Act in respect of a financial year that commenced before the commencement of this Act is not affected by the repeal of that section. Any such obligation extends to the obligation to pay an instalment of a contribution that is not due until after the commencement of this Act.	19 20 21 22 23
(2)	Any such contribution paid or recovered after the commencement of this Act is to be paid into the Motor Accidents Authority Fund established under Part 8.3 of this Act.	24 25 26
7	Nominal Defendant	27
	Anything that was done under or had effect under a provision of Division 5 of Part 3 of the 1988 Act in relation to the Nominal Defendant is, after the commencement of this Act, also taken to have been done under or to have effect under the corresponding provision of this Act.	28 29 30 31 32

8	Claims register	1
	The claims register kept under section 67 of the 1988 Act becomes, on the commencement of this Act, the claims register under section 117 of this Act.	2 3 4
9	Insurers	5
	(1) A licence granted under Division 1 of Part 8 of the 1988 Act, and in force immediately before the commencement of this Act, is taken to be a licence granted under Part 7.1 of this Act.	6 7 8
	(2) Anything that was done under or had effect under a provision of the 1988 Act in relation to any such licence is, after the commencement of this Act, also taken to have been done under or to have effect under the corresponding provision of this Act.	9 10 11 12
10	Insurance Industry Deed	13
	(1) Until an Insurance Industry Deed is in force under this Act, the Industry Deed in force under the 1988 Act immediately before the commencement of this Act is taken to be the Insurance Industry Deed for the purposes of this Act.	14 15 16 17
	(2) Any provisions of the Industry Deed that are inconsistent with this Act or any instrument made under this Act do not have effect.	18 19
11	Rehabilitation guidelines	20
	Rehabilitation guidelines in force under section 37 of the 1988 Act immediately before the commencement of this Act are taken to be MAC Medical Guidelines until any such guidelines are issued under this Act with respect to the provision of rehabilitation services.	21 22 23 24
12	References to 1988 Act	25
	A reference to the <i>Motor Accidents Act 1988</i> in any Act (other than in this Act), in any instrument made under any such Act or in any document is to be read as including a reference to this Act, unless the regulations or the context otherwise requires.	26 27 28 29
13	Premium guidelines	30
	Any guidelines issued by the Authority for the determination of premiums, and in force immediately before the commencement of this Act under section 14A of the 1988 Act, are taken to be MAA	31 32 33

Premiums Determination Guidelines under Part 2.3 of this Act, and may be amended, revoked or replaced under this Act.	1 2
14 Premiums for third-party policies	3
(1) This clause applies to a third-party policy issued or taken to have been issued by a licensed insurer after the commencement of this Act and before this clause ceases to apply in respect of the insurer.	4 5 6
(2) The premium that may be charged by the licensed insurer for any such policy may be (and may only be) the premium approved by the Authority under this clause.	7 8 9
(3) The Authority may approve of such a premium proposed to be charged by a licensed insurer if and only if:	10 11
(a) the insurer has filed with the Authority the premium or set of premiums the insurer proposes to charge (whether filed before or after the commencement of this Act), and	12 13 14
(b) the Authority is satisfied (after taking into account independent actuarial advice) that the filed premiums provide, in the case of a passenger motor vehicle in a metropolitan area, an average annual premium of not more than approximately \$330.	15 16 17 18
(4) This clause ceases to apply in respect of a licensed insurer at the time (being no sooner than 6 months after the commencement of this Act) when the insurer has filed a premium or set of premiums under Part 2.3 of this Act for third party policies issued by the insurer and that Part authorises the insurer to charge premiums in accordance with the premiums so filed.	19 20 21 22 23 24