

Agreement in Principle

Ms SONIA HORNERY (Wallsend—Parliamentary Secretary) [11.00 a.m.]: I move:

That this bill be now agreed to in principle.

The Government is pleased to introduce the Motor Accidents Compensation Amendment Bill 2009. The purpose of this bill is to further reform the green slip compulsory third party insurance scheme, in particular, to provide hospital and ambulance cover for at-fault drivers, as announced by the Treasurer in the mini-budget speech last year. Historically, the green slip scheme has covered only people injured in motor accidents caused by a negligent or at-fault driver. A vehicle driver or motorbike rider who causes an accident does not receive any green slip scheme benefits.

The green slip scheme pays the public hospital and ambulance costs for injured people covered by the scheme through a bulk-billing arrangement with the public health system. As at-fault drivers or motorbike riders are not covered by the green slip scheme they are not included in this bulk-billing arrangement. The ambulance and public hospital costs of drivers and motorbike riders who cause an accident are generally borne by the public health system. This is a cost currently borne by the whole New South Wales community. The mini-budget measures announced last November include this extension of the green slip scheme bulk-billing arrangement to cover the cost of public hospital and ambulance services for at-fault drivers.

The amendments are in keeping with this Government's ongoing commitment to good fiscal management by ensuring the motor accident compensation scheme meets ambulance and hospital costs. This will provide savings in the public health system, allowing the reallocation of funds for the benefit of all people of New South Wales. The Government also proposes to extend the green slip scheme early accident notification process to cover those road users who are considered to have caused a motor vehicle accident. The early accident notification process provides reimbursement for up to a maximum of \$5,000 for medical treatment, rehabilitation expenses and any lost earnings related to the accident injury.

The major beneficiaries of this very modest and responsible extension of green slip scheme benefits will be those injured vehicle drivers and motor bike riders who are currently excluded from the scheme because they caused the accident. It is estimated that each year approximately 4,000 road users will benefit from these amendments. This will encourage all injured people to access early medical treatment, with the goal of maximising recovery from their injuries. As well, the Motor Accidents Authority will be given greater flexibility in adjustment of the Motor Accidents Authority Fund levy, which raises the revenue to cover bulk-billing payments for the public health system. Motorists will be eligible also for a pro rata refund of their levy payment when a vehicle registration is cancelled, for example, in circumstances where a vehicle is written off as a result of an accident.

I now turn to the main provisions of the bill. The bill makes amendments to the Motor Accidents Compensation Act 1999 to extend the Act's early payment scheme to everyone injured in a motor vehicle accident, whether or not the person's injuries were the fault of the owner or driver of the motor vehicle concerned and even if the accident was the fault of the injured person. The bill clarifies that the green slip scheme bulk-billing arrangement for public hospital and ambulance expenses may extend to cover such expenses for people injured in motor vehicle accidents even if the accident may have been caused wholly or partly by the injured person.

Currently the Motor Accidents Authority is required to set the fund levy on a yearly basis. The bill provides for the levy to be adjusted within a financial year to allow greater flexibility in levy setting. The bill also makes provision for refunds of both the Motor Accidents Authority Fund levy and the Lifetime Care and Support Authority Fund levy—on a pro rata basis—when the vehicle registration is cancelled for a vehicle to which a green slip policy is attached.

In conclusion, the reforms proposed by the bill make further improvements to the green slip scheme. The extension of the early accident notification process will provide a safety net in reimbursing treatment expenses and lost earnings for up to \$5,000 for everyone injured in vehicle crashes on New South Wales roads. I reiterate that injured vehicle drivers and motorbike riders currently excluded from the green slip scheme when they have caused the accident will benefit from this reform. This Government initiative will directly benefit the drivers and riders who pay for green slip insurance. The extension of green slip scheme bulk-billing payments for hospital and ambulance cover will produce savings in the public health system for the benefit of the New South Wales community. I commend the bill to the House.