

Motor Accident Insurance (Fees and Levies) Amendment Regulation 2017

Explanatory notes for SL 2017 No. 39

made under the

Motor Accident Insurance Act 1994

National Injury Insurance Scheme (Queensland) Act 2016

General Outline

Short title

Motor Accident Insurance (Fees and Levies) Amendment Regulation 2017.

Authorising law

Sections 14A(1), 14A(2) and 100(1) of the *Motor Accident Insurance Act 1994* and Sections 99(1) and 140(1) of the *National Injury Insurance Act 1994*

Policy objectives and the reasons for them

The objective of this Regulation amendment is to fix the levies and administration fee that will apply to Compulsory Third Party (CTP) insurance policies from 1 July 2017.

The levies and administration fee applicable under the *Motor Accident Insurance Act 1994* are:

- **Hospital and Emergency Services Levy** – designed to cover a reasonable proportion of the estimated cost of providing public hospital and public emergency services for people injured in motor vehicle accidents using such services who are CTP claimants or potential CTP claimants.
- **Nominal Defendant Levy** – provides funds to pay for claims relating to uninsured or unidentified vehicles.
- **Statutory Insurance Scheme Levy** – meets the operating cost of the Motor Accident Insurance Commission (the Commission) as well as providing funding for research into injury mitigation and accident prevention.

- **Administration Fee** – paid to the Department of Transport and Main Roads for work done in the administration of the scheme.
- **Injury Insurance Scheme levy** – is designed to cover the estimated present and future cost of National Injury Insurance Scheme (Queensland) participants' lifetime treatment care and support for claims occurring in the financial year.

The levies and administration fee are required to be fixed by regulation annually and in order to comply with legislative timeframes the regulation must be made before 1 April 2017.

Achievement of policy objectives

The objective is achieved by amending S8(2) and Schedule 3 of the *Motor Accident Insurance Regulation 2004* and S24(1) and Schedule 1 of the *National Injury Insurance Scheme (Queensland) Regulation 2016* to update the administration fee and levies applicable under this legislation.

Consistency with policy objectives of authorising law

The Regulation amendment is consistent with the main objectives of the *Motor Accident Insurance Act 1994* including to keep the cost of CTP insurance at a level the average motorist can afford.

Inconsistency with policy objectives of other legislation

There is no known inconsistency with policy objectives of other legislation.

Benefits and costs of implementation

There is no cost to Government associated with these amendments however they will provide significant funding to Queensland Health, Queensland Fire and Emergency Services, the Public Safety Business Agency, the Department of Transport and Main Roads and the Motor Accident Insurance Commission.

Consistency with fundamental legislative principles

The amendments do not conflict with fundamental legislative principles.

Consultation

Submissions were received from:

- Queensland Health, Queensland Fire and Emergency Services and the Public Safety Business Agency in regards to the Hospital and Emergency Services Levy;
- Queensland State Actuary for determining the Nominal Defendant Levy
- National Injury Insurance Agency Queensland regarding the Injury Insurance Scheme Levy; and
- Department of Transport and Main Roads in regards to the administration fee.

The Office of Best Practice Regulation (OBPR) was not required to be consulted following a Regulatory Impact Statement exclusion self-assessment.