

Civil Liability Indexation Notice 2025

Explanatory notes for SL 2025 No. 54

Made under the

Civil Liability Act 2003

General Outline

Short Title

Civil Liability Indexation Notice 2025

Authorising law

Section 75 of the *Civil Liability Act 2003*

Policy objectives and the reasons for them

Section 75 of the *Civil Liability Act 2003* (CL Act) provides for the annual indexation of various monetary caps and thresholds relating to damages for personal injury. Under section 75(1) of the CL Act, the Minister must, before each financial year starts, make a notice for the financial year fixing the following amounts:

- the threshold which determines whether a court can award damages for loss of consortium or loss of servitium (CL Act, section 58(1)(b));
- caps on general damages (CL Act, section 62(2)(a) and (b)); and
- the threshold for notification by a court about a proposed award for future loss to give the parties to a proceeding a reasonable opportunity to negotiate a structured settlement (CL Act, section 64(2)).

Under section 75(2) of the CL Act, the amounts fixed are to be the amounts last fixed by the Minister, adjusted by the percentage change in average weekly earnings between the current financial year and the last financial year and rounded to the nearest 10 dollars (rounding one-half upwards). Under section 75(5) of the CL Act, the Minister's notice is subordinate legislation.

The policy objective of the *Civil Liability Indexation Notice 2025* (CL Indexation Notice) is to fix the indexed amounts for or under sections 58(1)(b), 62(2)(a) and (b) and 64(2) of the CL Act for the 2025-26 financial year.

Achievement of policy objectives

The CL Indexation Notice, which commences on 1 July 2025, fixes the indexed amounts for or under sections 58(1)(b), 62(2)(a) and (b) and 64(2) of the CL Act for the 2025-26 financial year.

Consistency with policy objectives of authorising law

The CL Indexation Notice is consistent with the policy objectives of the CL Act, which provides for the annual indexation of various monetary caps and thresholds relating to damages for personal injury.

Inconsistency with policy objectives of other legislation

The CL Indexation Notice is not inconsistent with the policy objectives of other legislation.

Benefits and costs of implementation

The benefit of the CL Indexation Notice is that it fixes the indexed amounts for various monetary caps and thresholds under the CL Act for the 2025-26 financial year. There are no costs associated with implementation of the CL Indexation Notice.

Consistency with fundamental legislative principles

The CL Indexation Notice is consistent with fundamental legislative principles.

Consultation

As the annual indexation process is purely machinery in nature, consultation on the CL Indexation Notice was not undertaken.