

# **Personal Injuries Proceedings Indexation Notice 2025**

Explanatory notes for SL 2025 No. 55

Made under the

*Personal Injuries Proceedings Act 2002*

## **General Outline**

### **Short Title**

*Personal Injuries Proceedings Indexation Notice 2025*

### **Authorising law**

Section 75A of the *Personal Injuries Proceedings Act 2002*

### **Policy objectives and the reasons for them**

Section 75A of the *Personal Injuries Proceedings Act 2002* (PIP Act) provides for the annual indexation of various costs and offer limits relating to damages for personal injury. Under section 75A(1) of the PIP Act, the Minister must, before each financial year starts, make a notice for the financial year fixing amounts as the declared costs limit, lower offer limit and upper offer limit. These limits are the monetary thresholds used to determine whether, and to what extent, legal costs are recoverable under the PIP Act.

Under section 75A(2) of the PIP 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 75A(5) of the PIP Act, the Minister's notice is subordinate legislation.

The policy objective of the *Personal Injuries Proceedings Indexation Notice 2025* (PIP Indexation Notice) is to fix the indexed amounts for the declared costs limit, lower offer limit and upper offer limit for the 2025-26 financial year.

### **Achievement of policy objectives**

The PIP Indexation Notice, which commences on 1 July 2025, fixes the indexed amounts for the declared costs limit, lower offer limit and upper offer limit for the 2025-26 financial year.

## **Consistency with policy objectives of authorising law**

The PIP Indexation Notice is consistent with the policy objectives of the PIP Act, which provides for the annual indexation of various costs and offer limits relating to damages for personal injury.

## **Inconsistency with policy objectives of other legislation**

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

## **Benefits and costs of implementation**

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

## **Consistency with fundamental legislative principles**

The PIP Indexation Notice is consistent with fundamental legislative principles.

## **Consultation**

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