

MOTOR VEHICLES — NO-FAULT INJURY INSURANCE SCHEME

**675. Hon AMBER-JADE SANDERSON to the parliamentary secretary representing the Minister for Transport:**

I refer to the state government's policy on compulsory third party premiums that are paid by motorists on a per-vehicle basis.

- (1) What mechanisms has the state government put in place to prevent companies that use vehicles registered in states other than Western Australia for WA-based business or project work, from avoiding their rightful obligation to contribute to the no-fault motor vehicle injury insurance scheme of \$99 per vehicle?
- (2) If no such mechanism is in place, what action will the state government take to stop companies from evading their rightful obligations to contribute to the levy?

**Hon JIM CHOWN replied:**

I thank the honourable member for some notice of the question.

- (1) Under the road laws of all Australian jurisdictions, owners of vehicles are required to license them in the state or territory where the vehicle is primarily kept, with all revenue remaining in that state or territory. A licensing authority has the power to refuse to renew a licence on the grounds that the vehicle is being garaged in another jurisdiction.

Major injury insurance is compulsory at the time of vehicle licensing or renewal in Western Australia and all other states and territories. From 1 July 2016, all states will have no-fault lifetime care schemes in place. If a person is catastrophically injured in a crash after 1 July 2016, they will be provided lifetime treatment, care and support irrespective of the location of the crash and what jurisdiction the vehicle is registered in. For example, if a vehicle registered in South Australia crashes in Western Australia causing a catastrophic injury, the South Australian state insurer is liable for the lifetime care costs.

In common with other states and territories, the Road Traffic (Vehicles) Act 2012 recognises an interstate vehicle licence when the vehicle is being used temporarily in Western Australia. Mutual recognition of vehicle licensing affords productivity benefits. Vehicles must be licensed and insured for compulsory third party and no-fault catastrophic injury cover for use on public roads in all states and territories.

- (2) Not applicable.