



Speech by

Dr DAVID WATSON

MEMBER FOR MOGGILL

Hansard 25 March 1999

MOTOR ACCIDENT INSURANCE AMENDMENT BILL

Dr WATSON (Moggill—LP) (Leader of the Liberal Party) (4.27 p.m.): At the outset, I indicate that the Opposition supports the Bill. From my reading of the Bill, its objectives are commendable and it deserves the support of everyone in the House.

The objectives are fairly straightforward. Firstly, it is to give an option to motorists to take out a six-monthly insurance policy rather than the standard 12-month insurance policy. These days, most consumers are getting used to the idea of having options of monthly, quarterly or six-monthly insurance bills for house or contents insurance and things such as that. I think that is a move in the appropriate direction.

Of course, it will mean some rise in the cost of an insurance policy if it is taken out for six months rather than for 12 months. However, that is consistent with other kinds of policies that consumers take out and simply reflects the fact that the insurance companies do not have the money for as long and, therefore, in an actuarial sense the cost of a six-monthly insurance policy is going to cost proportionately more than a 12-month insurance policy. That is standard practice. Today, I think that most consumers are aware of the implications of having a shorter-term policy than a year-long policy.

Secondly, the Bill makes provision for the payment of compulsory third party premium rates other than once a financial year. It is appropriate that that be allowed, and we support it.

Yesterday, I spoke to the Insurance Commissioner about a technical issue. I understand that following that discussion the Treasurer will be introducing a minor amendment to reflect some administrative arrangements and issues that will be simply smoother under a slightly revised clause 6. I am sure that the Treasurer will address that issue briefly at the Committee stage. The Insurance Commissioner appreciated the amendment that I suggested, as did the Treasurer.

The third objective is the enhancement of the independence and the credibility of the premium-setting process, which, at times, becomes a political issue. It is appropriate that we have as transparent a process as possible. Each side of politics should be committed to making sure that motorists are aware of the potential CTP policy costs, that that is done in a regular way and that there is no political interference in the premium-setting process. Anything that enhances the credibility and the transparency of that process ought to be applauded.

The next objective is again a technical one. While we support it, in some respects we are surprised that it has taken this long to come about. It relates to unregistered cars not being able to be moved in a safe fashion. One wonders how we can go so long through this process and suddenly it comes out that this is a particular—

Mr Hamill: Sixty-three years, at least.

Dr WATSON: That is right. It suddenly comes up as a problem, yet it obviously should be resolved and we support that. The last issue is the technical amendment that we also support. We support the Bill.

Mr ELLIOTT (Cunningham—NPA) (4.32 p.m.): I support the legislation. Once again it shows that we can agree on things that are commonsense. I believe that in this day and age it is important that people who have cash flow problems can pay such things as their CTP and registration on a six-monthly basis. That will be a big help to a lot of people, even though it will cost them some money.

However, as the shadow Minister rightly said, everyone understands that. It is part of life today. I support that issue wholeheartedly.

If a driver is pulled over and he or she turns out to be uninsured or unregistered, everyone says, "Shock, horror, isn't that terrible?" However, there but for the grace of God go I. On a couple of occasions I have discovered that I have been driving even though my licence has expired. I had to race into the police station and say, "Quick, I've been driving around for three days with my licence overdue." I have not driven an unregistered vehicle, although I have discovered on a weekend that my vehicle was not registered. The registration was due on the Saturday and I should have paid it on the Friday but I did not. I had to get my wife to run in on the Monday and reregister that vehicle. I was only one step removed from going out on the road and being pulled over or, worse still, having an accident in an unregistered vehicle. One can be pulled over when one has forgotten purely and simply—not for any criminal reason—to register a vehicle or renew a licence. That can happen in the best regulated families.

This amendment will allow the authorities to direct people to take an unregistered vehicle to a safe place. To me, that is eminently sensible. It is a nonsense to think that because someone is pulled up in an unregistered car, they will park that vehicle on the side of the road and leave it there to be stripped. The driver might have their young kids with them and be in some dreadful area where there are hoons running around covering the place in graffiti, and they could be scared of being attacked. Let us not forget Sharron Phillips. There has been a very real need for commonsense to prevail in this area. A permit that allows a driver to take their vehicle to a designated point and park it until it is registered is fair enough. To me, that is commonsense. All too rarely in Government, both State and Federal, do we see enough commonsense. I applaud that. It is very good to see and the Bill has my wholehearted support.
