

Civil Liability and Other Legislation (Prescribed Amounts) Amendment Regulation 2020

Explanatory notes for SL 2020 No. 117

Made under the

Civil Liability Act 2003

Motor Accident Insurance Act 1994

Personal Injuries Proceedings Act 2002

General Outline

Short title

Civil Liability and Other Legislation (Prescribed Amounts) Amendment Regulation 2020

Authorising law

Sections 74 and 75 of the *Civil Liability Act 2003*

Sections 100 and 100A of the *Motor Accident Insurance Act 1994*

Sections 75 and 75A of the *Personal Injuries Proceedings Act 2002*

Policy objectives and the reasons for them

The *Civil Liability Regulation 2014*, the *Motor Accident Insurance Regulation 2018* and the *Personal Injuries Proceedings Regulation 2014* contain various costs and offer limits, monetary caps and thresholds in relation to common law damages for personal injury.

Provisions in the primary legislation for each regulation require the relevant Minister to recommend to the Governor in Council on or before 1 July each year the amounts that are to be prescribed for the indexation of these costs and offer limits and monetary caps and thresholds. The indexed amount is determined by the amount last prescribed, adjusted by the percentage change in the amount of Queensland full-time adult persons ordinary time earnings declared by the Australian Statistician in the original series of the statistician's average weekly earnings (AWE) publication most recently published before the start of the financial year and rounded to the nearest ten dollars.

Achievement of policy objectives

Australian Bureau of Statistics data indicates that AWE effective as of 1 July 2020 will be \$1,609.30. This represents an annual increase of 2.24% when applied to each costs and offer limit, monetary cap and threshold under the *Civil Liability Regulation 2014*, the *Motor Accident Insurance Regulation 2018* and the *Personal Injuries Proceedings Regulation 2014*.

The *Civil Liability and Other Legislation (Prescribed Amounts) Amendment Regulation 2020* (the Amendment Regulation) achieves the policy objectives by applying the relevant increase to each costs and offer limit, monetary cap and threshold for injuries occurring on or after 1 July 2020.

The Amendment Regulation also removes an obsolete reference from Schedule 1 to the *Motor Accident Insurance Regulation 2018*.

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the main objects of the *Civil Liability Act 2003* and the *Personal Injuries Proceedings Act 2002*, namely to facilitate the ongoing affordability of insurance through appropriate and sustainable awards of damages for personal injury; and the *Motor Accident Insurance Act 1994*, namely, to encourage the speedy resolution of personal injury claims resulting from motor vehicle accidents and to keep the costs of compulsory third-party vehicle insurance at a level the average motorist can afford.

Inconsistency with policy objectives of other legislation

The Amendment Regulation is not inconsistent with the policy objectives of other legislation.

Benefits and costs of implementation

The Amendment Regulation will have a beneficial result by maintaining the relative value of the prescribed amounts over time in line with wages growth. There is no cost associated with the making of the Amendment Regulation.

Consistency with fundamental legislative principles

The Amendment Regulation is consistent with fundamental legislative principles.

Consultation

As responsible Ministers are required under the relevant Acts to make the substantive amendments in the Amending Regulation, no consultation was undertaken.

In accordance with the *Queensland Government Guide to Better Regulation*, the Amendment Regulation has been assessed as excluded from further regulatory impact analysis as a regulatory proposal of a machinery nature.