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### **Lawyer's campaign will take public liability back to bad old days**

The continuing campaign by plaintiff lawyers to wind back public liability reforms will send the community back to the bad old days when cover was either unaffordable or unavailable, the Insurance Council of Australia said today.

Insurance Council CEO, Kerrie Kelly, said every Government in Australia had decided that the reforms were necessary and regular monitoring has shown that they have been effective, with average premiums coming down and cover more widely available.

"Lawyers should do better than to mislead the public by quoting the court statistics of public liability cases as the complete picture of the number of claims being handled and settled by insurers. The reality is that the vast majority of claims for personal injury compensation are dealt with outside the court process.

"Insurers have been subject to considerable scrutiny over the last four years. There have been five Australian Competition and Consumer Commission (ACCC) price monitoring reports, with the last one finding that average liability premiums declined by 4% in 2004 with further reductions expected in 2005.

"A NSW Parliamentary inquiry into personal injury reforms reported in late 2005 that the insurance industry has not been 'systematically profiteering' from liability insurance. (Page 103 of the NSW General Purpose Standing Committee No 1 Report into Personal Injury Compensation).

"Surveys and anecdotal evidence indicate further premium reductions in 2005. For example, the National Insurance Brokers Association survey of its members released in February, 2006 found premiums reductions of up to 30%.

"All Governments agreed to introduce reforms to ensure that seriously injured people continue to receive appropriate compensation while Australians can take part in everyday community activities without being restricted. The reforms are working.

"Winding back the reforms can only operate to the detriment of ordinary Australians, community groups, small businesses and the major corporates, who all depend on a stable insurance market for the public liability insurance protection they need," Ms Kelly said.

Media inquiries: Rod Frail      02 9253-5160      0413 98 98 97