TREASURER

INCREASED MOTOR VEHICLE ACCIDENT COMPENSATION

7 May 2014

The Northern Territory Parliament today passed legislation that will increase the benefits to Territorians injured as a result of a motor vehicle accident.

The new legislation aligns the Motor Accidents Compensation (MAC) scheme with the National Injury Insurance Scheme minimum benchmarks for motor vehicle accidents.

The MAC scheme is underwritten by the Northern Territory Government and administered by the Territory Insurance Office (TIO).

The scheme provides compensation for medical and rehabilitation costs, loss of earning capacity, attendant care, as well as reparation for the spouse and dependants of a person killed in a motor vehicle accident.

Currently the scheme does not limit medical or hospital benefits, however attendant care benefits are capped at 32 hours per week. Attendant care is the paid support service to assist with essential and regular personal care; and household services such as cooking, house cleaning, laundry and gardening.

Under amendments to the scheme passed today, new MAC claimants injured in accidents from 1 July 2014 will have no cap on necessary and reasonable attendant care benefits. The hourly rate paid to approved providers of attendant care services will also be increased for all claimants, including existing claimants.

Mr Tollner said TIO’s prudential management over the past five years means the MAC scheme is in a strong financial position to meet the costs of additional care.

“It is a credit to TIO that the organisation can meet the financial implications of adopting the National Injury Insurance Scheme out of capital reserves and the existing automatic indexation of MAC premiums,” he said.

The legislative changes also include a number of other amendments which correct some anomalies and inequities in the scheme.

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