



Media Release
23 May 2017

MAIB PRICING INVESTIGATION

The Tasmanian Economic Regulator has been requested, by the Treasurer and the Minister for Infrastructure, to conduct an investigation into the Motor Accident Insurance Board's (MAIB) pricing policies with respect to motor accidents (personal injury) insurance and to recommend maximum premiums for the four years from 1 December 2017. The investigation is being conducted in line with Terms of Reference issued on 12 December 2016.

The Regulator has today published its Draft Report. The Draft Report takes into account the MAIB's Preliminary Submission in response to the Terms of Reference and other submissions made by stakeholders.

The Regulator's recommended maximum premiums for each vehicle class are based on actual accident claims data.

In particular, from 1 December 2017, the Regulator is intending to recommend premium decreases of between 1.45 per cent and 5.98 per cent per annum (excluding duty) for medium passenger vehicles, motor trade plates, farm tractors and special interest vehicles. For motorcycles, taxis, luxury hire cars and off-road and recreational vehicles, the Regulator is intending to recommend premium increases of between 0.73 per cent and 7.10 per cent per annum (excluding duty). Recommended maximum premiums for remaining classes are unchanged from current maximum premiums.

From 1 December 2018, the Regulator intends recommending that the MAIB may, in addition to the changes noted above, increase maximum premiums for all vehicles in line with the growth in wages.

Mr Joe Dimasi, the Tasmanian Economic Regulator, noted that the intended recommendations strike an appropriate balance between the interests of consumers, the MAIB and the Government as the MAIB's shareholder.

Mr Dimasi also noted that he intends recommending a new class be created for vehicles used to provide ride-sourcing services (eg Uber). Additionally, until there is sufficient data available on accidents involving ride-sourcing vehicles, Mr Dimasi said that he intends recommending that owners of these vehicles should pay the same maximum premium as payable on Class 1 Motor Cars.

The Regulator invites and encourages all interested parties, to make submissions on the items for comment in the Draft Report, including any other matter relevant to the Terms of Reference.

After taking account of any submissions received in response to the Draft Report, the Regulator will provide its final recommendations in the Final Report to Government by 31 July 2017. After considering those recommendations, the Government will determine maximum premiums that may be charged by the MAIB for the following four years.

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Copies of the Draft Report and the Terms of Reference are available at:
www.economicregulator.tas.gov.au
Go to *What's New*

Regulator's intended recommended maximum premiums (including GST and duty) for the period 1 December 2017 to 30 November 2018

Class	Vehicle Description	Present Premium	Recommended Maximum Premium from 1 Dec 2017
1	Motor Car	314	314
	Discounted premium for eligible asylum seekers and eligible pensioners	255	255
2	Light Goods Vehicle	314	314
	Discounted premium for eligible asylum seekers and eligible pensioners	255	255
3	Heavy Goods Vehicle	485	485
4	Medium Motorcycle	465	478
5	Large Motorcycle	465	478
6	Taxi or Luxury Hire Car	1 021	1 028
7	Large Public Passenger Vehicle	780	780
8	Hire and Drive Vehicle	780	780
9	Caravan, Horse Float, Plant and Machinery (non-self-propelled)	59	59
10	Heavy Trailer	106	106
11	Mobile Crane	331	331
12	Restricted Registration Vehicles, including farm motorcycles	61	61
13	Plant and Machinery (self-propelled)	131	131
14	Motor Trade Plate	331	327
15	Farm Tractor	131	125
16	Medium Public Passenger Vehicle	415	408
17	Small Motorcycle	167	174
18	Off-road and Recreational Vehicle	242	257
19	Short Term Unregistered Vehicle	49	49
20	Medium-Large Motorcycle	465	478
21	Vintage Motor Vehicle or Street Rod	49	49
22	Special Interest Vehicle	115	109