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# IF IT AIN'T BROKE, DON'T FIX IT BARRY.✘

25 June 2013

## An Open Letter to the Hon. Barry O'Farrell MP Premier of New South Wales

Dear Mr Premier,

We welcome the announcement that you will review the proposed changes to the green slip legislation. Over 1000 of our members have written to the Parliament opposing these changes.

There is an old saying "If it ain't broke, don't fix it". The average premium was \$350 in 1988 and \$550 today – an increase of 60% over 25 years. The CPI has increased by 120% over that time.

We support your aim of keeping premiums affordable, but invite you to focus on the 47% of the premium dollar retained by insurers rather than the 50% they pay to accident victims (MAA Discussion Paper).

Any system can be improved. However:

1. The Discussion Paper expressed concern that insurers were only paying 50% of premiums collected by them to accident victims. Slashing the rights of accident victims is no way to address that concern.
2. You don't remove the right to sue from 90% of innocent accident victims and replace it with limited benefits in order to "improve" the scheme.
3. It is completely unfair to slash the damages of innocent accident victims in order to fund a no-fault scheme to pay for those who caused the accident. That is outrageous.
4. Under the current system all road users are covered for future income loss if the accident is not their fault. The proposed legislation takes this away after 5 years for most people. We could buy expensive income protection insurance but who can afford that? The extra cost dwarfs any green slip saving.

We look forward to working with you to ensure the continuing protection of road users in NSW from the most dangerous thing most of us do – venturing onto the road.

Yours faithfully,



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