



THE LAW SOCIETY  
OF NEW SOUTH WALES

Our Ref: InjuryComp:RElw910139

29 October 2014

The Hon. Dominic Perrottet, MP  
Minister for Finance and Services  
Level 36 Governor Macquarie Tower  
1 Farrer Place  
SYDNEY NSW 2000

Dear Minister,

*Dominic*

### **Motor Accidents (Lifetime Care and Support) Amendment Bill 2014**

I write to you on behalf of the Law Society's Injury Compensation Committee ("the Committee") to provide its submission in relation to the Motor Accidents (Lifetime Care and Support) Amendment Bill 2014 ("Amendment Bill").

The Committee has some concerns with respect to the proposed section 11AA which provides as follows:

#### **11AA Option of contribution to other cost effective expenditure for meeting treatment and care needs**

- (1) The Authority has the option of satisfying its liability under this Part to pay for expenses incurred in relation to a participant's assessed treatment and care needs by contributing to alternative expenditure (incurred by or on behalf of the participant) that the Authority is satisfied will provide for those needs in a cost effective manner.

The Second Reading Speech provides some insight into how such an amendment could provide useful and cost effective flexibility in the case of capital expenditure. However, legislation can operate in unintended ways with unforeseen consequences, and the Committee is concerned that the Lifetime Care and Support Authority ("Authority") may not limit the operation of the new provision in this way.

The Committee would not wish to see the provision used to enable the Authority to adopt less beneficial cheaper options in relation to other expenses that do not involve the type of capital expenditure described in the Second Reading Speech.

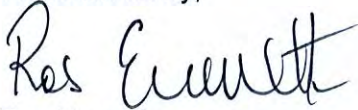
The Committee suggests that a definition be provided for the term "alternative expenditure" used in section 11AA and that the section be amended to provide a requirement that the participant's consent be obtained before the Authority is able to satisfy its liability under Part 2A of the *Motor Accidents (Lifetime Care and Support) Act 2006* in this way.

The Law Society was given no prior notification of the Amendment Bill before its introduction in the Legislative Assembly on 22 October 2014. I wrote to you last month

about the issue of consultation in the context of WorkCover and the Workers Compensation (Existing Claims) Regulation 2014. Once again the Law Society is disappointed that meaningful input, which provides benefits for all stakeholders and the Scheme generally, has not been sought.

Should there be any queries arising from this letter your officials may find it convenient to contact Leonora Wilson, Policy Lawyer for the Committee, on (02)9926 0323 or [leonora.wilson@lawsociety.com.au](mailto:leonora.wilson@lawsociety.com.au).

Yours sincerely,

A handwritten signature in black ink, appearing to read "Ros Everett". The signature is written in a cursive, flowing style.

Ros Everett  
**President**