



NORFOLK

ISLAND

THE ADMINISTRATION OF NORFOLK ISLAND

MEDIA RELEASE

Compulsory motor vehicle insurance for third party injury

The Legislative Assembly recently passed legislation requiring owners of vehicles to take out third party personal injury insurance that will insure the owners and drivers of the motor vehicles. In order to provide protection to users of the road whether as drivers or passengers in vehicles or as pedestrians, the new legislation requires all owners of vehicles to take out third party insurance and to produce evidence of it being taken out before being granted registration or renewal of registration of their vehicles. The legislation came into effect on gazettal on 16 March 2007.

The principal change requires proof of having taken out third party insurance to be presented before registering or re-registering any vehicle. A "motor vehicle" is widely defined as a mechanically propelled vehicle intended or adapted for use on roads that is reasonably capable of being used on roads. Because the definition also includes trailers, the requirement to hold third party insurance in respect of a trailer is excluded.

As the protection of the community by way of third party insurance is important, the legislation provides severe penalties for driving or allowing a person to drive an uninsured vehicle. If an insurance expires or is cancelled before a vehicle's registration comes up for renewal the owner must surrender registration of the vehicle.

The legislation also clarifies that a third party policy is intended to cover both the owner and driver of a vehicle. This is of particular importance where for business reasons an owner may permit an employee or a customer to drive a vehicle in circumstances where they may be liable for damage caused by such a driver.

The compulsory third party provisions do not affect a person until the first expiry of a registration after the legislation commences. Thus while there is not an immediately affect for vehicles that are not already insured, the offence of cancelling or allowing a vehicle's insurance to lapse before the vehicle comes up for re-registration will apply to vehicles that are already insured.

For the purposes of registration and re-registration, it is necessary for evidence of the insurance to be attached to the certificate of inspection by the authorised inspector for presentation to the cashier. For those persons or companies with fleet insurance, it is necessary to identify the registration numbers of such vehicles on their Compulsory Third Party documentation when lodging registration applications.

Any enquiries about the new third party insurance and registration procedures should be directed to the Registrar, Allen Bataille on 23691 or by email to ikey@admin.gov.nf

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