

PERTH STORMS — TEMPORARY CHANGES TO VEHICLE LICENSING LAWS

Statement by Minister for Transport

HON SIMON O'BRIEN (South Metropolitan — Minister for Transport) [3.03 pm]: In recognition of the hardship being faced by many vehicle owners, today I announced temporary changes to the way that the Department of Transport will deal with vehicles which have been declared repairable write-offs by insurers due to superficial hail damage and which are retained by the current owner.

A repairable write-off is a vehicle that insurance assessors deem as uneconomical to repair, but it is not a statutory write-off. Under existing arrangements insurance companies are required to report both statutory and repairable write-offs to the government. The vehicle is then placed on the Written-Off Vehicle Register, a national database that assists governments around Australia to fight the illegal rebirthing racket. Presently, the Department of Transport advises the owner of a vehicle to surrender his plates and to cease driving the vehicle until such time as the vehicle is inspected for structural integrity by a WOVF-approved inspection centre and passes a roadworthy examination at a vehicle examination centre or an authorised inspection station. It is only then that a repairable write-off can be re-registered.

Although these existing arrangements are suitable during normal circumstances, they are impractical at a time when so many people have been adversely affected by a freak storm. It is estimated that between 30 000 and 40 000 vehicles will be written off as a result of last Monday's storm, compared with only 10 000 write-offs for all of 2009. Many of the repairable write-offs we are seeing at the moment are vehicles which are both structurally and mechanically sound but which have only aesthetic hail damage to their outer panels. I am advised that this being the case, many individuals will choose to negotiate with their insurance company and agree to retain their hail-damaged vehicles.

In recognition of the pressure placed on vehicle owners due to last week's storm, the state government will allow temporary changes to the way in which repairable write-offs are handled. Vehicle owners whose car is declared a repairable write-off due to superficial hail damage and who opt to retain their hail-damaged vehicle rather than permanently surrender it to their insurer will be able to continue to drive their vehicle. However, a number of conditions will be placed on these vehicles. The conditions include the following. Only repairable write-offs that have been assessed as having superficial hail damage by the vehicle owner's insurer are eligible to take part in this scheme. Only vehicles retained by the original owner are eligible to take part in the scheme—this will not apply to hail-damaged vehicles sold at auction. Vehicle owners will be required to have their vehicles inspected at an accredited inspection station at a reduced rate of \$59.70—normally it is \$85.60—before their registration is due, otherwise their vehicle registration will not be renewed. Affected vehicles cannot be transferred or sold until this inspection has been completed and the vehicle passed. I reiterate for the benefit of the house that this scheme applies only to vehicles that have surface hail damage. For all other vehicles, the existing arrangements will be enforced.

Consideration of the statement made an order of the day for the next sitting, on motion by **Hon Ed Dermer**.