

The Star : Don't be hasty implementing no-fault scheme

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Friday, 11 September 2009 12:37 - Last Updated Friday, 11 September 2009 12:38

17 October 2007

Opinion
ATTORNEY-General Tan Sri Abdul Gani Patail's proposal for a no-fault liability scheme for motor vehicle accidents could be a benefit to the public, provided this scheme is guided by the principles of transparency.

The no-fault liability scheme aims to cut back on lawsuits since fault does not have to be determined, and it restricts the right of policy-holders to sue. Everyone pays for his or her own losses from a car accident. No-fault liability has the goal of lowering premium costs by avoiding litigation and providing quick payment for injuries suffered. However, the policy-holder will have to pay a higher premium. Thus, this scheme does not seem to punish reckless or negligent drivers.

I am of the view that the following should be answered before the implementation:

1. The scheme appears to have catered for compensation to personal injuries but there seems to be no direction in regard to damages to vehicles in an accident.

2. What is the amount for which a driver must self-insure?

What type of losses would be compensated?

3. Will the scheme be replaced by the universal compensation systems where payment is effected irrespective of fault?

4. Will the public know how much they can claim for specific injuries?

5. Will the requirement on documents in support for the claim under the insurance policy such as JPJ reports, medical reports, specialists' reports be burdensome?

6. Does the new scheme cover medical expenses, future medical expenses, pain and suffering, mental anguish, loss of income, loss of earning capacity, dependency claim, etc?

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