## 2. MOTOR-VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT, 1928.

### (a) Statistics.

The Motor-vehicles Insurance (Third-party Risks) Act passed in 1928 compels every owner of a motor-vehicle to insure against liability to pay damages on account of the death or injury to another person caused through the use of a motor-vehicle.

Payment of the insurance premiums is made annually to the Deputy Registrars of Motor-vehicles simultaneously with that of the annual license fee payable under the Motor-vehicles Act. Owners of motor-vehicles are required to nominate each year the insurance company with which the contract of insurance is to be made.

For the year ended 31st May, 1936, forty-four insurance concerns gave the prescribed notice to undertake business under the Act, and carried on business accordingly. The following table shows the experience of the scheme during the seven years ended 31st May, 1936. The figures for claims do not represent the amount paid during each year, but refer to accidents happening during each particular period.

| Year ended 31st May, | Revenue from Premiums. | Claims paid and Estimated Liability for Claims outstanding at 31st May. | Claim Ratio. |
|---|---|---|---|
| | £ | £ | Per Cent. |
| 1930 .. .. .. .. | 235,007 | 202,380 | 86·12 |
| 1931 .. .. .. .. | 242,864 | 186,379 | 76·74 |
| 1932 .. .. .. .. | 233,731 | 161,352 | 69·03 |
| 1933 . .. .. .. | 229,133 | 151,095 | 65·94 |
| 1934 .. .. .. . | 221,734 | 198,614 | 89·57 |
| 1935 .. .. .. .. | 211,709 | 288,554 | 136·30 |
| 1936 .. .. .. .. | 230,696 | 320,621 | 138·98 |
| Totals .. .. .. | 1,604,874 | 1,508,995 | 94·03 |

### (b) Annual Review of Premium Rates.

Section 16 of the Act provides that the amount of the premiums to be paid in respect of third-party insurance may be fixed from time to time by Order in Council.

In accordance with the usual practice, the financial operations of the companies undertaking this class of insurance were carefully examined, and it was decided to make the following alterations to the premiums for the year 1937–38 :—

| Class. | Old Premiums. | New Premiums. |
|---|---|---|
| Class 5 .. .. .. | 41s. | 45s. |
| Class 6 .. .. .. | 27s. | 30s. |
| Class 8B .. .. .. | £6, plus 5s. for each seat over 10 (maximum, £10) | £6, plus 2s. 6d. for each seat over 10 (maximum, £8). |
| Class 8C .. .. | £6, plus 15s. for each seat over 7 (maximum, £12 15s.) | £6, plus 7s. 6d. for each seat over 7 (maximum, £9 7s. 6d.). |

### (c) "Hit-and-Run" Drivers.

The table hereunder indicates the number of claims and the amounts paid out under the agreement gazetted on the 29th October, 1931, at page 3023, and relating to third-party insurance for victims of "hit-and-run" drivers, the negligence of whom has resulted in personal injuries to the victims.

The table indicates that the previous rapid increase in numbers of this type of accident has not only been checked, but that there is a drop of over 20 per cent. as between this year's figures and those of last year.

No doubt the increase in maximum penalty brought into effect in August, 1936, for this type of offence (£500 fine or five years' imprisonment, as against the former £20 fine) has assisted this reduction in the number of these claims, although it was effective for only part of the year covered.