

The Hon. Jeremy Rockcliff MP  
Premier of Tasmania

9 January 2026

**By email**

Dear Premier Rockcliff,

**RE: TASINSURE – DISCUSSION PAPER & PRELIMINARY DRAFT BILL**

I am writing to you as **Tasmania State Branch President of the Australian Lawyers Alliance (ALA)**.

The ALA is a national association of lawyers, academics and other professionals dedicated to protecting and promoting access to justice and equality before the law for all individuals.

The ALA is represented in every state and territory in Australia. We estimate that our 1,500 members represent up to 200,000 people each year across Australia.

The ALA writes to express its serious concern about the proposed design of the “Tasinsure” scheme contained in the 2025 discussion paper and draft Bill.

The major concern held by the ALA is that the proposal presents an unacceptable risk to the Motor Accidents Insurance Board, and therefore to Tasmanian road accident victims, their families and dependents, and the public services who would otherwise support them.

**Preliminary comments: The need for the scheme**

1. The discussion paper states that:

*Significant concerns have been raised that insurance premiums are rising due to national and international risk profiles. In many cases, these risk profiles do not reflect Tasmania’s actual risk exposure, resulting in disproportionately high premiums in Tasmania.*<sup>1</sup>

2. This conclusion comes in the third paragraph of the discussion paper. No source is cited for it.

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<sup>1</sup> Discussion paper at page 2

3. Our knowledge of the industry suggests that the insurance market in Tasmania remains quite competitive, with a number of major national insurers being active in the state in addition to the RACT.
4. In our submission, this conclusion, or assumption, should be treated with care. Detailed research should be undertaken (or, if it has been undertaken, presented) to support this argument.
5. In the absence of cogent evidence justifying this conclusion, we would suggest that Tasinsure is both unnecessary and unlikely to yield any significant benefit to the community.

#### **Risk to the MAIB**

6. The discussion paper states:

*The initial proposal is that the existing MAIB balance sheet will be leveraged to deliver Tasinsure through the utilisation of its existing commercial and operating infrastructure. The degree of integration or separation from the MAIB will be key component of the governance policy architecture.<sup>2</sup>*

7. The MAIB exists with a significant capital premium pool because of its compulsory nature.
8. The benefits of the MAIB scheme to the state are broad. Significant premium pool contributes to additional economic benefits for Tasmanian medical and other providers assisting victims in their rehabilitation.
9. The ALA notes that the current compulsory third party injury scheme run by the Motor Accidents Insurance Board (MAIB) is an effective and well-run scheme. The claims risk is well established by actuaries with historic data and so the pricing of policies can be determined in a satisfactory way.
10. The knock-on effects of this for the State and the community are significant. The public health system as well as the significant network of public and community led services enjoy the benefits of this well-run scheme so that services can be provided on a no-fault basis according to the legislation. Ultimately, the beneficiaries of this are not just those injured in motor vehicle accidents but the broader Tasmanian community.

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<sup>2</sup> Ibid at 3

11. While the discussion paper provides little concrete detail about how the Tasinsure scheme will actually operate, we note the repeated reference to “affordability”<sup>3</sup> throughout the discussion paper.
12. If the intention of the scheme is to provide more affordable insurance in contexts where premiums otherwise set by the market are too high, Tasinsure risks becoming an insurer of last resort.
13. First, this is a very different business model and probably incompatible with that of the MAIB with its focus on administering a compulsory scheme.
14. Second, it is a risky proposition. We are concerned that this will jeopardise the viability of an entity which pays dividends (both literally and figuratively) to our community.
15. The MAIB should be protected at all costs. There is a significant risk that incorporating some other scheme into our existing MAIB risks the premium pool which puts victims of road accidents in Tasmania at undue risk.
16. In our submission, a profitable and stable scheme like the MAIB shouldn’t be diluted for this purpose.

## **Conclusion**

17. In our submission:
  - i. Careful consideration should be given to the need for the scheme. If insurers are overcharging for insurance this may be a matter for the market or, perhaps, the regulator. If not, we would question the benefit of setting up a scheme which might simply replicate or duplicate the services provided by industry;
  - ii. The intention to reduce insurance costs is admirable but unless approached with care, it creates risks to both the insurer and the insured. Care should be taken not to simply create an insurer of last resort;
  - iii. The Motor Accidents Insurance Board is not the right entity to run a broad state-owned insurer. Its services and its capital pool are too valuable to the State to risk on a venture like this. If Tasinsure is to proceed, it should be a completely separate entity from the MAIB on a legislative institutional, administrative and financial level.

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<sup>3</sup> Discussion paper at 2, 3 5, 7 and 8

Please do not hesitate to contact the writer if you have any questions regarding the above.

Please direct correspondence to Chris Haynes, Policy & Advocacy Manager, Australian Lawyers Alliance, on (02) 9258 7700 or at [chris@lawyersalliance.com.au](mailto:chris@lawyersalliance.com.au)

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Henry Pill', with a horizontal line extending to the right.

**Henry Pill**

**Chair, Tasmania Branch**

**Australian Lawyers Alliance**