

Mr Caffin proposed a supplementary cover which might be purchased by Territorians who are in above average circumstances and who prudently wish to guarantee the continuation of this standard without burden on the general community.

An alternative which will be considered before the scheme is finalised is the inclusion of a benefit which could be assessed by the board - and reconsidered by the tribunal, if necessary - for pain, suffering, loss of amenities or capacity to enjoy life. The New Zealand scheme provides for such an amount to be assessed, again on a no-fault basis, but I certainly do not indicate that it should be on a no-fault basis here.

The 1978 annual report of the New Zealand Accident Compensation Commission points out the agonising required of government under that scheme in seeking a balance between the every-man-for-himself and the state-meeting-every-need extremes of philosophy. Community moods will change but we in the Territory have already seen the reaction provoked when the public are asked to pay more than they are prepared to support.

I have already announced the formation of a representative committee to examine the no-fault, fixed benefit approach to motor accident compensation, the terms of reference of the committee having already been tabled. That committee will seek the reaction of the public generally to the right to and the particular level of benefits for motor accident victims and how these benefits should be paid for. I understand the committee is proposing to commission the McNair Anderson survey people to conduct a survey throughout the Territory to try to ascertain attitudes. I believe this is certainly a very progressive move on behalf of the committee and one that I commend. In the meantime, Mr Speaker, the Motor Accidents Compensation Bill will be before this House for consideration by members and their constituents.

Whilst the study which resulted in these proposals was proceeding, the government was faced with the need to make adequate provision, and no more than adequate provision, for the insurance of the risks which it faced on its own account. This included insurance of buildings, public liability and so forth. Some states fully insure this type of risk; others meet the cost of claims on an emerging-cost basis. The Territory being so small runs a risk in not making provision for insurance in this area and, consequently, some form of fund was required almost immediately those risks were assumed from the Commonwealth. Indeed the Commonwealth, as a part of our financial arrangements, agreed to set aside for us a substantial annual payment of \$400,000 per year to cover our premiums under this heading. Such coverage in government has no profit-making potential and the lowest real cost of insurance possible must be sought.

Bearing these factors in mind, it was quite clear that we should examine the possibility of creating a Territory insurance office, both for our own needs and so that, in the interests of the government and Territorians who are obliged to take out compulsory insurance, expenses could be kept to a minimum and equitable rates of premium offered. There is not one part of Australia, Mr Speaker, except the Northern Territory where an insurance office created by government action does not exist. Important reasons include a wish to provide a competitive influence on rates of premium charged by private insurers, to make sure that statutory insurance requirements are always available cheaply to all firms and persons requiring that cover and to provide governmental cover.

Accordingly, we asked our consulting actuary to prepare a parallel report on the feasibility of setting up a Territory insurance office and he did. In that summary, the government was faced with 3 correlated problems: firstly, a system of third-party insurance under which only some victims were compensated and where premiums were about to move out of the reach of the average Territorian; secondly, an immediate need to provide a system of break-even coverage for