

COMPENSATION SYSTEM FOR ROAD TRAFFIC ACCIDENT VICTIMS

A.R.R.Piyasekara

08/8872/T



University of Moratuwa, Sri Lanka.
Electronic Theses & Dissertations

www.lib.mrt.ac.lk

This is submitted in partial fulfillment of the requirements for the degree Master of
Science in Transportation

Department of Civil Engineering

University of Moratuwa

Sri Lanka

March 2013


Declaration page of the candidate & supervisor

“I declare that this is my own work and this thesis/dissertation does not incorporate without acknowledgement any material previously submitted for a Degree or Diploma in any University or other institute of higher learning and to the best of my knowledge and belief it does not contain any material previously published or written by another person except where the acknowledgement is made in the text”

Signature:

Date:

Copyright Statement

 I hereby grant the University of Moratuwa the right to archive and to make available my thesis or dissertation, in whole or part in the University Libraries in all forms of media, subject to the provisions of the current copyright act of Sri Lanka. I retain all proprietary rights, such as patent rights. I also retain the right to use in future works (such as articles or books) all or part of this thesis or dissertation.

University of Moratuwa, Sri Lanka.
Electronic Theses & Dissertations
www.lib.mrt.ac.lk

Signature:

Date:

I have supervised and accepted this thesis for the award of the degree

Abstract

Worldwide over 1.3 million Persons killed, 50 millions injured in 2007 due to road traffic accidents. In 2004, Road Traffic injuries was the ninth leading cause of death. By, 2030 it is estimated the fifth leading cause of death, beating the rank of HIV/AIDS and Tuberculosis. It is the number one leading cause of death among vulnerable age group 15-29 years old. 700,000 people were killed due to road accidents occurred in Asia and the Pacific Region in 2007. In Asia and Pacific region 98% of traffic deaths are estimated to occur in low and middle income countries.

Sri Lanka experiences an increasing trend in road accidents during the last few decades. The cost of road accidents is estimated to be over 10 billion rupees per year, which include vehicle and road furniture damages, medical costs and police and other administrative costs. Ignoring safety hazards may lead to increase in the number of serious accidents. On the other hand having no positive measures towards reducing road accidents may lead to loss of confidence of road users.

Traffic accident victims may suffer a great amount of damages. They are not only susceptible to bodily injuries but they may also succumb to financial problems arising from the hospital bills, medical treatment or rehabilitation.

However, the trauma from such accidents seems to be immeasurable. As this trauma is often accompanied by pain, suffering and emotional distress, victims may not be expected to get on their feet as quickly as possible.

Often times, after a traffic accident, most victims are simply overwhelmed by the barrage of telephone calls, insurance paperwork, accident reports, treatment costs, medical bills, paperwork and other correspondence. These may be too hard to handle for a victim who may want to rest and take a time off from distractions. Actually due to existing compensation system for road traffic accident victims in Sri Lanka, vulnerable road users are doubly vulnerable.

Hence it is very important that the compensation systems and legal procedures should be simple and accessible to the victims of road traffic accidents. This thesis discusses the features of the post accident process, its impact on the road traffic accident victims and systems practicing worldwide to compensate road traffic accident victims.

Key words: road safety, road traffic accidents, injuries, compensation, victims

Dedication

For my loving husband and two little daughters



University of Moratuwa, Sri Lanka.
Electronic Theses & Dissertations
www.lib.mrt.ac.lk

Acknowledgements

First and foremost I would like to thank my supervisor Professor Amal S. Kumarage for his superb guidance.

Further I would like to thank Professor Saman Bandara and Dr.W.K. Mampearachchi, course coordinator for their support.

A debt of gratitude to Mr.Nimal Abeysingha,IP of Traffic Police,Piliyandala for his great support for the data collection.

I would like to convey my sincere thanks to Mr.ThusharaKarunatilaka, SI,Piliyandala Traffic Police,Mrs.Hema, Mr.Wickramasingha, Mr. Samarakoon and the staff of the Piliyandala traffic police for their kind support.

I am indebted to Mr.K.Takai, Senior Resercher, United Nations Centre for Regional Development(UNCRD), Mr. Luxman Wijesinghe, Attorney-at-law, Insurance Board of Sri Lanka and Mr. U.N. Mallawaarachchi Deputy Director, Ministry of Transport

My sincere appreciation is extended to Mrs. Nadeera Amarasingha, Excecutive Officer, National Transport Commission and Ms. MangalikaWickrama, Attorney-at-law for their generous assistance in the process of data collection for this research.

Furthermore, I like to extend my gratitude to Mrs. Lathika Senanayaka and Mr. E.Vicneshwaran for their support and assistance. At last but not least I would like to convey my heartiest thanks to my husband, two daughters and my mother-in –law and father-in-law for their understanding and great support in many ways.

Contents

Declaration page of the candidate & supervisor	ii
Abstract	iii
Dedication	iv
Acknowledgements.....	v
List of figures.....	vii
List of Tables	viii
List of abbreviations.....	ix
CHAPTER 1: INTRODUCTION.....	1
1.1 Background	1
1.2 Objectives	7
1.3 Study Area.....	8
1.4 Scope of the Study.....	10
1.5 Methodology	11
CHAPTER 2: DATA COLLECTION AND ANALYSIS.....	12
CHAPTER 3: COMPENSATION SYSTEMS FOR ROAD TRAFFIC ACCIDENT VICTIMS.....	21
3.1 Road Safety and Compensation system in Sweden	22
3.2 Traffic Accident Claims in UK	32
3.3 Compensation Standards for Traffic Accident Victims in Japan	40
3.4 Traffic Accident Compensation scheme in Hong Kong	47
CHAPTER 4: COMPENSATION SYSTEM IN SRI LANKA.....	52
CHAPTER 5: DISCUSSION	58
CHAPTER 6: CONCLUSIONS.....	61



University of Moratuwa, Sri Lanka
Electronic Theses & Dissertations
www.lib.mrt.ac.lk

List of figures

Figure 1: Leading causes of deaths	3
Figure 2: Main factors related to road accidents.....	4
Figure 3: Types of accidents.....	4
Figure 4: Accident trends in 30 years in Sri Lanka (1977-2007).....	5
Figure 5: Location of the study area	9
Figure 6: Map of the study area.....	10
Figure 7: Time Period to get compensation	16
Figure 8: Compensation payment levels (Grievous Road Traffic Accident Victims)	16
Figure 9: Satisfaction level on compensation amount received by the victims	18
Figure 10: Satisfaction level on time duration to obtain compensation	18
Figure 11: Process of compensation system in Sweden.....	23
Figure 12: Types of traffic accidents compensation in UK.....	33
Figure 13 : types of compensation for road traffic accident victims in Japan	42
Figure 14: Road traffic accident compensation system in Hong-Kong	47
Figure 15: Legal system for road traffic accidents in Sri Lanka.....	52
Figure 16: Settlement types for road traffic accident victims in Sri Lanka.....	54



List of Tables

Table 1: Accidents in Piliyandala Police area(2005-2009)	13
Table 2 : Settlements and compensation received (Grievous accidents victims)	14
Table 3 : Summary of the Swedish road accidents compensation system	31
Table 4 : Summary of the UK road traffic accidents compensation system.....	39
Table 5 : Summary of the Japanese road traffic accident compensation system.....	46
Table 6: Summary of the road traffic accident compensation system in Hong-Kong	51
Table7: Comparison of different compensation systems for road traffic accident victims	58



University of Moratuwa, Sri Lanka.
Electronic Theses & Dissertations
www.lib.mrt.ac.lk

List of abbreviations

Abbreviation	Description
AIRO	Automobile Insurance Rating Organization of Japan
CALI	Compulsory Automobile Liability Insurance
CFA	Conditional Fee Agreement
FSA	Financial Services Agency
GDP	Gross Domestic Product
GSRRS	Global Status Report on Road Safety
JCSTAD	Japan Centre for settlement of Traffic Accident Dispute
MIB	Motor Insurance Bureau
MTPL	Motor Third Party Liability
NLIRO	Non-Life Insurance Rating Organization of Japan
PCIRO	Property and Casualty Insurance Rating Organization of Japan
PRA	Public Roads Administration
TFF	Traffic for sakningsforeningen (Sweden's Green Card Bureau)
TSL	Traffiksakdelagen (Swedish Traffic Damage Act)
TSN	Swedish Road Traffic Injuries Commission
UK	United Kingdom
UNCRD	United Nations Centre for Regional Developments
US\$	United State Dollar

USA	United State of America
VRU	Vulnerable Road Users
WHO	World Health Organization



University of Moratuwa, Sri Lanka.
Electronic Theses & Dissertations
www.lib.mrt.ac.lk