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Question on Notice:- Law and Justice Committee hearing Tuesday 25th May 2021

The Hon. Anthony Adam: Just leading on from this, I was going to ask the question around delivery riders and the CTP that applies to delivery riders on motorbikes. Are there issues there in terms of an increasing utilisation of motorbikes as commercial vehicles? Do we need to look at the risk profile in terms of CTP for those vehicles? Perhaps Mr Wood might happen opinion on that.

Mr Wood: We have raised concern about food delivery riders, but what CTP they may be paying or whether they are a commercial vehicle is not something that we have investigated. We could take that as a question on notice if you wish

Response:

Food delivery riders generally choose to use a small capacity motorcycle or scooter, that is, those that would fall into the CTP Class 10d (motorcycles and scooters less than 225cc).

Using SIRA's CTP Calculator, the annual CTP premium for Class 10d is around \$140 regardless of whether they are registered for private or business use.

This indicates that the risk profile for Class 10d is the same for commercial use as it is for personal use.

The annual Registration Fees and Motor Vehicles Tax for motorcycles and scooters under 300cc is the same for commercial use as it is for personal use, that is, \$68 and \$66 respectively.

Therefore there is no financial disadvantage for food delivery riders to register their Class 10d motorcycles and scooters for business use.

Looking at registration numbers, in the 7 years from 2014 to 2020 there has been a gradual decline in scooter registrations and this is reflected in the registrations of scooters for business use, around 800 in 2014 to around 550 in 2020. This indicates that in the past several years food delivery riders have chosen to not register their scooters for business use otherwise there would have been a gradual increase over the past 4 or 5 years.

As many food delivery riders would use their motorcycle or scooter for both personal and business use, it appears food delivery riders have chosen to register and CTP insure their vehicle for personal use as there is no option to register and CTP insure a vehicle for both uses.

End of response

Ambassadors CMC, Australian Hayabusa Club, Aus Motorcycles, Bikers Anon, Bikers Australia Inc., Biker Hunter, Blue Mountains Bikers, BMW Touring Club of NSW, Bombala Bike Show, Central Coast Scooter Club, Classic & Enthusiasts Motor Cycle Club of NSW, Clubman Tourers Motorcycle Club, Copperheads SMC, Ducati Owners Club of NSW Inc. Dual Sport Motorcycle Riders Association, Dykes on Bikes, Easyriders Australia (Sydney), Filoz Riders Australia Motorcycle Club, Firebird Classic MCC, Girls Ride Out, Harleys for Humanity, Hawkesbury Nepean Motorcycles, Harley Owners Group (Liverpool), Hunter Ducati Owners Group, Illawarra Riders, Inverell Motorcycle Restorers, Just Girls Motorcycle Group, Katana Australia, Kawasaki Sportsbike Rider Club, Kings Cross Bikers Club, Club Laverda NSW, Kobbbers Cruiser Klub, MAATES, Maharlika Riders, Midstate Motorcycle Club, Natureland Classic Motorcycle Club, Nepean Motorcycle Club, NSW Riders, Patriots Australia, Pinoy Motorcycle Club, RATS Down Under, Saturday Night Riders, Sidecar Owners Club (Sydney), Southern Cross Cruiser Club, Sydney Knights, Sydney Motorcycle Club, Ulysses, United Districts Motorcycle Club, United Motorcycle Club, United Tourers Motorcycle Club, United Trikes Australia, XS650