INQUIRY INTO 2018 REVIEW OF THE LIFETIME CARE AND SUPPORT SCHEME

Organisation: Motorcycle Council of NSW

Date Received: 4 November 2018

Standing Committee on Law and Justice 2018 review of the Lifetime Care and Support Scheme

November 2018



Standing Committee on Law and Justice
Parliament House
Macquarie St Sydney NSW 2000

Motorcycle Council of NSW

PO Box 517 Parramatta NSW 2124

enquiries@mccofnsw.org.au

www.mccofnsw.org.au

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About the Motorcycle Council of NSW Inc.

The Motorcycle Council of NSW Inc. (MCC) is an internationally recognised umbrella group for motorcycle clubs, associations and ride groups, in the state of New South Wales, representing over 50 clubs, with more than 41,000 riders.

Established in 1981, MCC is recognised as the peak motorcycle representative body in NSW and subject matter experts on many complex issues dealing with motorcycling including crash data and statistics, traffic data and congestion information.

MCC has published documentation that has been referenced worldwide by overseas motorcycling and traffic bodies and has produced video training films that have been utilised and referred to by many overseas trainers, researchers and ride associations.

The MCC wishes to thank the Standing Committee on Law and Justice for this opportunity to make a submission to the inquiry into the Life Time Care and Support Scheme.

Should you require further information on the information contained within this submission please feel free to contact the MCC enquiries@mccofnsw.org.au or 1300 NSW MCC

Regards,

Brian Wood Secretary

Comment 1

All Australian road authorities have signed up to the Safe System approach to road safety. This approach requires road authorities to provide infrastructure such that should a rider or driver make a mistake it doesn't result in the rider or driver being fatally or seriously injured.

Road surface hazards are known to be a contributory factor in 21% of motorcycle single vehicle crashes ("Position for Safety 2010" Motorcycle Council of NSW, page 18).

When a motorcycle crashes as the result of a road surface hazard, the road authority concerned has failed in their commitment to provide a Safe System. The Road Authority should therefore reimburse the LTCS scheme the cost of providing the rider with life time care and support.

Road Authorities will argue that they are unaware of road surface defects on their network. This is an indication that they are failing in their role as asset managers. Road surface defects that can affect motorcycle stability are well documented.

Defects, such as potholes and loose gravel, usually don't appear overnight but are the result of a gradual reduction in the quality of the road surface. Repairs to potholes are usually only temporary with many opening back up after a period of wet weather. Road authorities should have adequate maintenance programs in place to identify areas where gravel and potholes hazardous to motorcyclists with form and adequate repair programs to remove gravel and repair potholes.

Comment 2

The Motorcycle Council of NSW (MCC) believes that LTCS should be considered as a whole of the motoring community responsibility as it covers those that are catastrophically injured whether or not they are at fault, licensed or driving/riding a registered vehicle.

Many of those currently in the LTCS scheme as a result of a motorcycle crash were either unlicensed and/or riding an unregistered motorcycle. The MCC refers to these are 'unriders' as they don't contribute to CTP yet benefit from both the CTP scheme and LTCS. Why should they be solely supported by riders who do the right thing by being licensed and ride registered motorcycles?

Pedal cyclists and pedestrians also benefit from the CTP scheme and LTCS yet don't contribute to the fund these schemes. They are in effect supported by the owners of registered motor vehicles.

In the future, the LTCS scheme will come under the National Disability Insurance Scheme (NDIS) and there is no suggestion that the NDIS won't be a whole of community responsibility funded equalling across the community.

Therefore, why shouldn't the LTCS levy be funded equally across the motoring community?

The LTCS levy is included in the MCIS levy which also includes:

- administration of the regulatory and assessment services provided by the Motor Accidents Authority (now SIRA) and Roads and Maritime Services
- ambulance and initial NSW public hospital treatment for all those injured in motor accidents in NSW.

The MCIS levy is calculated as a percentage of the 'CTP' premium before GST and varies depending on vehicle class and geographical zone. A list of the MCIS levies is located at http://valuegreenslips.com.au/what-is-the-mcis-levy.html

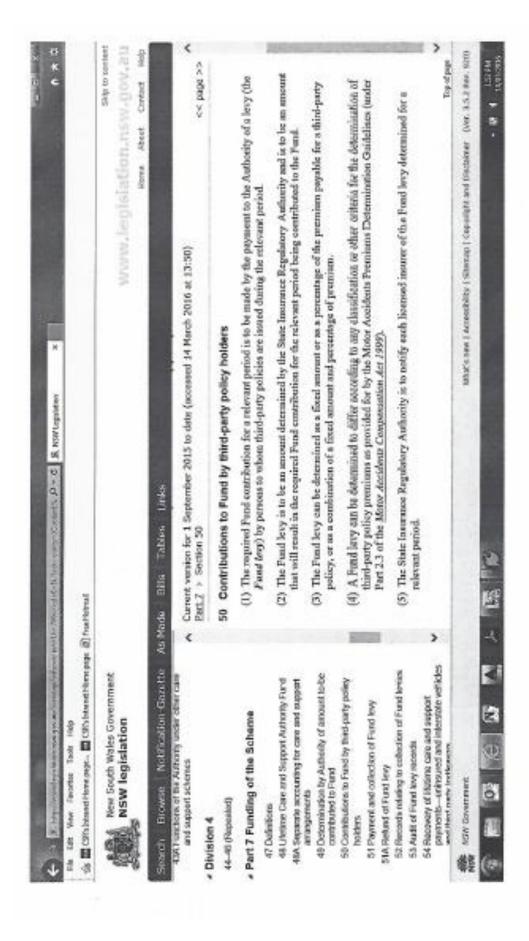
The MCIS levy for motorcycles varies from 27.68% to 42.41% whereas for cars it varies from 16.83% to 23.42%.

The SIRA & RMS costs plus the ambulance and initial hospital costs account for 9% of the MCIS levy. The remainder is for LTCS. Therefore the LTCS levy for motorcycles ranges from 18.68% to 33.41% where as for cars it varies from 7.83% to 14.42%.

The legislation for the LTCS has provision for the levy to be a lump sum or an amount otherwise determined. See attached.

Summary

- 1/ The cost of the LTCS scheme can be reduced by introducing claim recovery from Road Authorities who have failed to provide a Safe System.
- 2/ The Motorcycle Council of NSW recommends that LTCS levy be a lump sum so it is funded equally across the motoring community.



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