

MEDIA RELEASE

Fairer and more equitable Green Slips for motorcycle owners

Tuesday, 31 August 2010

Minister for Finance Michael Daley today reminded motorcyclists that changes to the Green Slip scheme have been designed to create a fairer and more equitable system for all riders.

Under the new scheme more than 50% of motorcycle riders are expected to pay less for their Green Slip.

Mr Daley was responding to claims by the Motorcycle Council of NSW regarding changes made to the motorcycle Green Slip scheme. Mr Daley said the new Green Slips prices are about ensuring that the scheme provides cover for motorbike riders for any injury they cause or possibly incur as a result of an accident.

"Under the previous Green Slip classifications for motorcyclists, Green Slip prices were grouping too many motorcycles together in the same price range," Mr Daley said. "This meant about half of motorcycle owners were paying through the nose and subsidising about a third of riders who were not paying enough.

"We couldn't let this continue which is why we have remodelled the Green Slip categories."

Mr Daley acknowledged that roughly a third of motorcycle riders are expected to pay more for their Green Slip. "The fact is these new categories have been formulated based on an analysis of trends

in Green Slip claims," he said.

"The motorcycle riders who have experienced an increase in their Green Slip as a result of these changes are riding classifications of bikes that are overrepresented in accidents." <u>Motorcyclists</u> represented 15% of all road crash fatalities in 2009 and more than 20% of participants in the Government's Lifetime Care and Support scheme for people severely injured on the roads.

Mr Daley said he is prepared to discuss the Green Slip prices with the Motorcycle Council of NSW.

"These changes are a step in the right direction, however, I understand the concerns raised by the NSW Motorcycle Council and my door is always open for feedback," Mr Daley said.

"The Green Slip scheme is reviewed annually and I would be more than happy to consider any

feedback from riders or interest groups as to how to create a fairer system." Mr Daley said there is

great competition in the Green Slip market and encouraged motorcycle riders to shop around for the best price. This can be done on the Motor Accident Authority's free Green Slip

price comparison website <u>www.greenslips.nsw.gov.au</u> or by calling 1300 656 919.

Motorcycle Green Slip Facts:

On 1 July 2010 five new relativity classes for motorcycles were introduced, still based on engine capacity but remodelled to improve fairness to the majority of NSW riders.

The table below shows price range changes for a Sydney motorcycle rider aged between 30 to 54 years old. (Riders aged 55 and over may be eligible for a further discount.)

Bike size	Sydney Green Slip price range prior to July 2010 (30 to 54 year olds)	Sydney Green Slip price range after 1 July 2010 (30 to 54 year olds)
100cc	\$78 - \$133	\$138 - \$223
225cc	\$158 - \$269	\$138 - \$223
250cc	\$158 - \$269	\$289 - \$467
650cc	\$414 - \$702	\$289 - \$467
1200cc	\$414 - \$702	\$545 - \$882

What is the impact?

As a result of these changes more than 50% of motorcycle riders are expected to pay less for their Green Slip.

For about another 12% of motorcycle owners the MAA expects Green Slip prices will be about the same or only a very small increase of \$10 or less.

The changes introduced to the Green Slip scheme from July 1 are a result of independent analysis of trends in Green Slip claims.

Below is a graph showing the relevant cc category of motorcycle and the number and magnitude of claims made by riders of each category of motorcycle.

