



Alignment of CTP premiums for personalised transport

Information for people who help others get safely to their destinations through rideshare or booked hire, hire vehicles or taxi cars or station wagons.



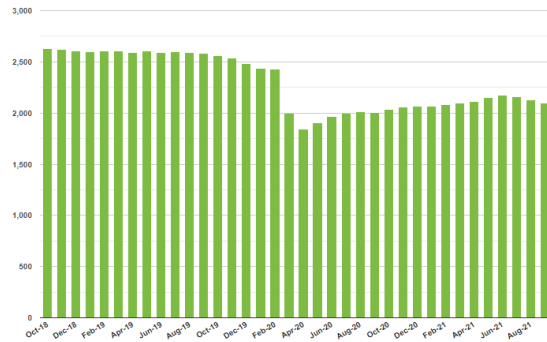
Background

- CTP insurance provides motorists with important protection in the event of a crash and is paid alongside your vehicle registration. Insurance premiums are informed by claim data, vehicle types and purpose of use.
- Recent years have seen changes to the personalised transport industry, including the introduction of a new CTP insurance class and differences in the way that operators work and lease vehicles.
- We have also seen dynamic shifts in the number of personalised transport vehicles registered in Queensland.

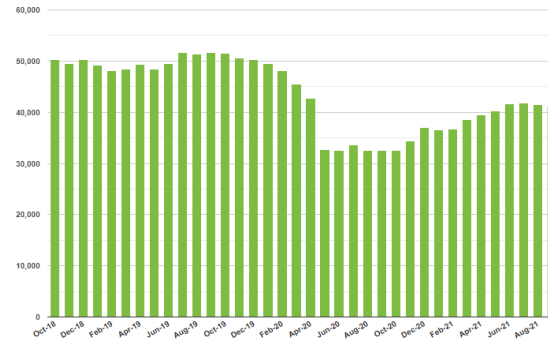
Change in vehicle numbers across class 3, 4 and 26

The number of vehicles registered in class 3, 4 and 26 has changed over the last few years, particularly since the COVID-19 pandemic began.

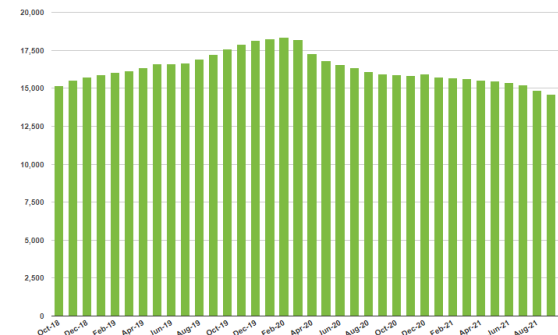
Class 3 – taxi cars and station wagons



Class 4 - hire vehicles



Class 26 – booked hire vehicles and limos



In response to these changing market dynamics, we are aligning premiums paid by personalised transport operators who deliver similar services. This includes offering certain vehicles for hire, with or without a driver.

This change aims to provide greater fairness while ensuring that premiums still cover the expected cost of CTP injury claims.

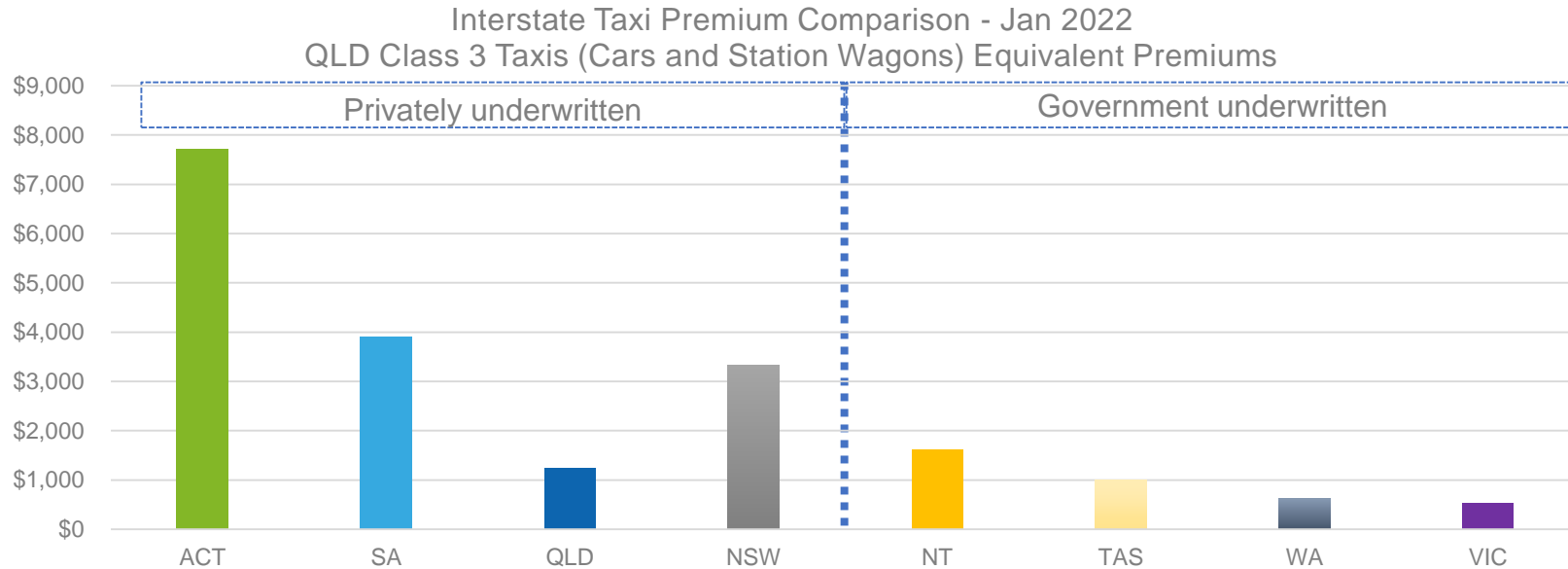
The changes also ensures that Queensland CTP personalised transport vehicle premiums remain competitive when compared to interstate CTP schemes.



Taxi CTP premiums



Taxi premiums nationally – January 2022



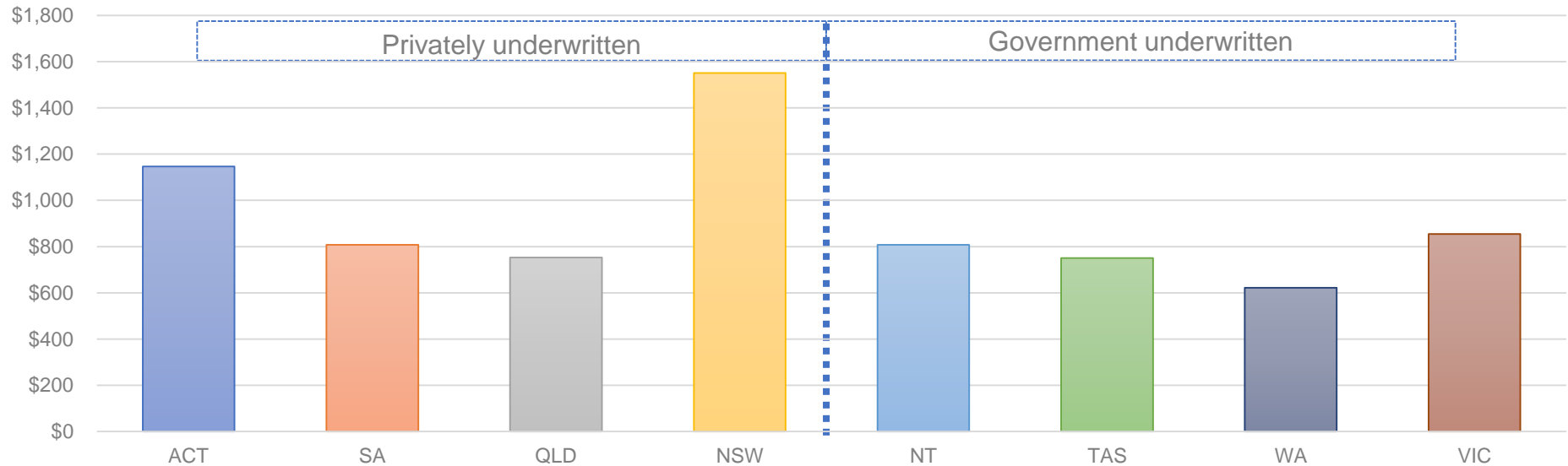
- Variation in taxi premiums appear to be mainly a function of scheme underwriting model.
- NSW all regions average premium \$3,327. NSW metro \$5,345 one off annual charge if opt-out (not accessing distance travelled option).
- NSW is only jurisdiction offering this option.

Hire car CTP premiums



Hire vehicle premiums nationally

Annual ITCE Hire Vehicle Premium Comparison as at 1 Jan 2022

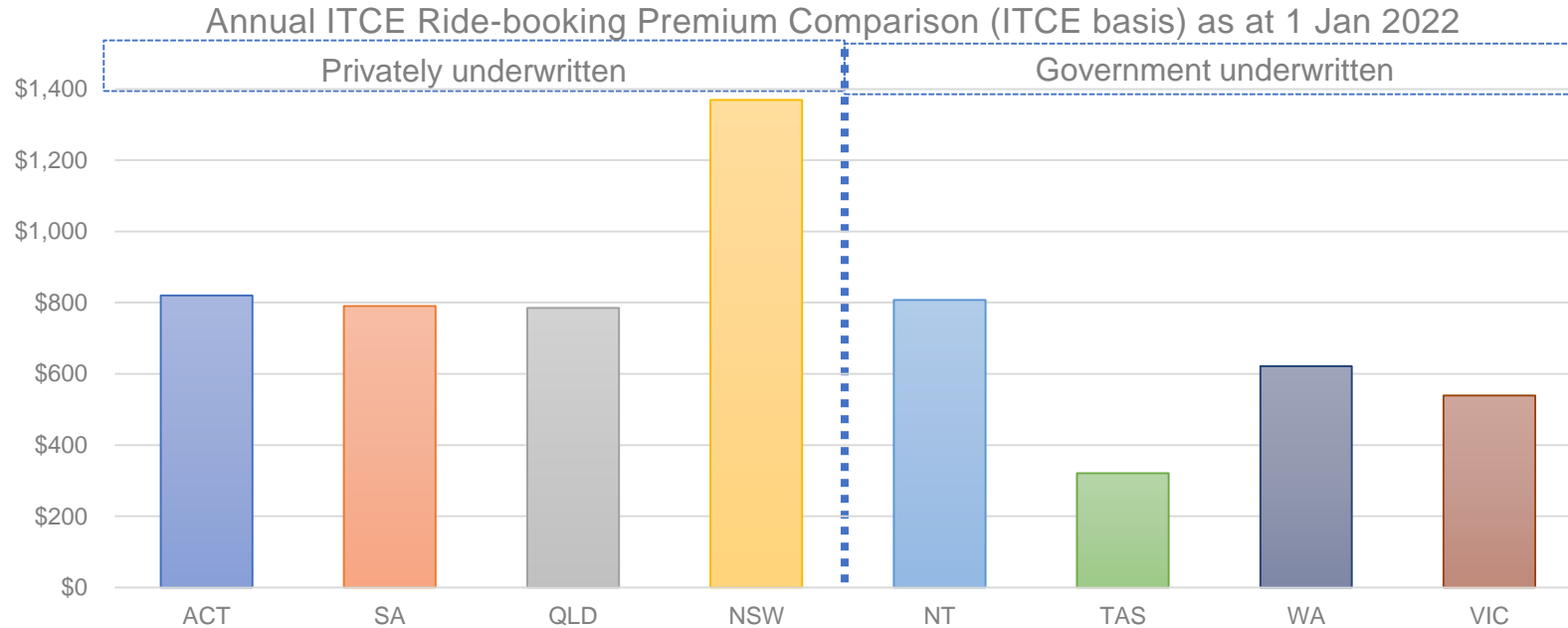


- Hire Car CTP premiums exhibit less variability across jurisdictions barring NSW and ACT.
- ACT Class 8 (drive-yourself vehicle) premium shown including lifetime care levy.

Ride-booking vehicle CTP premiums



Ride-booking premiums nationally



- Variability in premiums may be a function of different 'maturity points' in ride booking markets.
- NSW charge Class 1 premium plus 10c per km for metro and 6.6c per km country - no cap on premiums for rideshare. Average premium \$1,369.
- Some jurisdictions may have geographic zone pricing.

Change to Queensland CTP premiums from 1 January 2022



Queensland CTP premium changes

- Aligning premiums paid by personalised transport operators who deliver similar services. This includes offering a car or station wagon for hire, with or without a driver.
- Insurer premium will change for class 3 taxis (cars or station wagons), class 4 hire cars (including booked hire rental vehicles), and class 26 booked hire vehicles.
- From 1 July 2022, the levies and fee that make up the rest of the total premium are proposed to change.
- Changes reflect evolving personalised transport industry, including the introduction of a new CTP insurance class and business models: ride-booking vehicles (class 26) and booked hire rental vehicles (class 4).
- Queensland CTP premiums remain affordable and competitive against interstate schemes.

Change to premiums at renewal

3-month premium renewals (business)			
Vehicle class	Quarter starting 1-Jan-22	Quarter starting 1-Oct-21	3-month change
3	\$311.45	\$322.25	-\$10.80
4	\$188.35	\$201.85	-\$13.50
26	\$196.40	\$207.15	-\$10.75

6-month premium renewals (business)			
Vehicle class	Quarter starting 1-Jan-22	Quarter starting 1-Jul-21	6-month change
3	\$622.90	\$1598.30	-\$975.40
4	\$376.70	\$324.90	\$51.80
26	\$392.80	\$473.90	-\$81.10

12-month premium renewals (business)			
Vehicle class	Quarter starting 1-Jan-22	Quarter starting 1-Apr-21	12-month change
3	\$1,245.80	\$3,391.40	-\$2,145.60
4	\$753.40	\$641.60	\$111.80
26	\$785.60	\$831.20	-\$45.60

Summary

- Changes to personalised transport CTP premiums will be closely monitored by MAIC each quarter.
- MAIC will respond to any unexpected or significant trends in experience.
- The approach MAIC has adopted (with no regulation or legislative change) will enable an agile and flexible response to changes in experience if needed.
- MAIC continues to engage with industry stakeholders and insurers on market dynamics and trends.
- CTP premium information will be updated each quarter.



Thank you

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