

Submission paper – 13cabs

Consultation on personal injury insurance arrangement for food delivery riders in the gig economy

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Thank you for the opportunity to comment on your paper: "consultation on personal injury insurance arrangement for food delivery riders in the gig economy".

The Point to Point industry has regulations and processes in place that govern the requirements for all individuals who operate Taxis. These include the pricing and structure for CTP and general vehicle insurance, along with strict workers compensation requirements that are tightly enforced by the Taxi Networks, the Insurers and SIRA. These requirements are not as clear for Rideshare and we appreciate any opportunity to reiterate our position that a level playing field is necessary in the Point to Point space if the NSW Government is to continue to support and encourage the growth of Australian owned businesses.

As you would be aware the lines between Point to Point providers are blurring and the traditional model for Rideshare has altered considerably to the point where we are seeing a number of individuals who previously operated Taxis move across to Rideshare due to the lower costs and lesser safety requirements. Whilst the Rideshare model may in the past have been one targeting private vehicle owners looking to make some extra income, it is moving towards one similar to the traditional Taxi industry – where individuals purchase vehicles that they drive all day for fare/reward or where entities purchase and/or lease large fleets of vehicles which they rent to Drivers with whom they have set up a bailee/bailor arrangement.

Unlike the traditional Taxi industry, these entities act like car rental businesses. They are not subject to the Point to Point NSW Regulations, they are not required to have a Safety Management System (SMS) in place, and they pay much lower CTP and general insurance costs compared to Point to Point providers. Further, as a car rental business they are not required to pay for any personal injury insurance arrangement in respect of the Drivers who rent their vehicles for the purposes of Rideshare.

It is therefore becoming increasingly clear that the services provided and the model used are becoming the same across both Taxis and Rideshare, however these individuals and entities benefit by avoiding regulation and incurring significantly lower operating costs.

It is our position at 13cabs that all riders and drivers, regardless of the platform used, provide a Point to Point service, and so should be required to hold the same level of cover whether that be vehicle insurance, CTP or workers compensation.

At 13cabs, vehicle Operators and Drivers within our Network provide personal transport, parcel and food deliveries. All Taxis regardless of which of these services are being provided, are required to hold workers compensation for each Taxi plate that they operate. This insurance covers all Drivers of vehicles holding that plate and cover applies regardless of whether those Drivers provide transport or food services. They are all provided with and appropriate and regulated insurance against injury caused whilst in the workplace.

Accordingly, our position is clear - if all vehicles in the Point to Point industry, regardless of whether they transport people or goods, should be required to hold the same level and type of insurance – which is what we believe, then to that end, and in conjunction with our position in regards CTP, we request that the NSW Government support a level playing field and enforce the same Workers compensation requirements across the entire industry.