

SIRA
Level 14-15, 231 Elizabeth Street
Sydney NSW 2000

Injury insurance arrangements for food delivery riders in the gig economy consultation

Menulog background

Menulog is an online food delivery business that has been operating in Australia for more than 15 years. We began as a pure self-delivery business, working with restaurant partners with their own delivery drivers to provide online ordering solutions. In 2015, we were acquired by a UK-based delivery marketplace called Just Eat.

We launched the 'Menulog Delivery Service' in 2018. Being later to market with this delivery logistics service and new to the gig economy, we were able to leverage existing market insight to launch a service that was based on best practice at the time.

Historically, the independent courier model was well suited for the Australian market, but as the gig economy continues to evolve and expand, we believe we need to make improvements for couriers that align with our philosophies and values and those of our new European parent group, Just Eat Takeaway.com.

As such, in April 2021, Menulog announced it would shift toward an employment model in Australia, beginning with a trial of employed food couriers in the Sydney CBD. We are committed to ensuring the safety of our couriers, providing them with insurance cover and a fair income.

Menulog therefore welcomes SIRA's consultation on personal injury insurance arrangements for food delivery riders in the gig economy and we are pleased to share our experience and insight with SIRA.

Menulog's current approach

Ultimately, we want to employ couriers if our application for a new modern award is successful. We are therefore open to the current Workers Compensation Scheme being extended to deem contracted food couriers as workers for the purposes of Workers' Compensation, as proposed in Option 6 of SIRA's terms of reference. However, we recognise that such a proposal will need detailed consideration given the non-traditional ways in which work is performed and remunerated in the gig economy, such as the widespread use of multi-apping and contracted couriers being paid per delivery rather than per hour. Workers Compensation also varies across states which creates further complications for the implementation of Option 6.

As such, in the interim, we have bolstered our existing injury insurance solution so that it is more in line with the benefits offered by Workers Compensation cover. Our approach is fit for purpose for contracted couriers across the country and provides enhanced cover.

We believe that contracted couriers are mostly concerned with workplace injuries that prevent them from being able to make a living. We have therefore rolled out a higher level of insurance for our contracted couriers which includes entitlements for death (including funeral benefits), bodily injury, permanent impairment, workplace assault and return to work assistance. As contracted couriers operate across multiple platforms, this coverage only provides cover whilst performing services for the Menulog Delivery Service. This demonstrates how a unified approach across all on-demand delivery industry operators is required so that food delivery riders are always protected. The coverage also includes a contracted courier's delegate. This approach most closely resembles Option 2 of SIRA's terms of reference.

Conclusion

Menulog is supportive of a uniform approach that all operators in the on-demand delivery industry have to meet. It is crucial for all couriers to have personal injury insurance arrangements in place to cover them while making deliveries on any platform in Australia. We believe it is only fair to bring this cover in line with Workers Compensation provisions as much as possible.

We advocate for a national approach, which is why we have developed a policy that seeks to reflect an average of relevant benefits for contractors at a national level. Our ambition in doing so was to bring contractors to parity with employees when it comes to appropriate injury insurance cover, in a way that is fit-for-purpose for the gig economy.

Menulog is open to options 2-6 proposed in the consultation and would welcome further discussion on how SIRA proposes they would operate in practice. Ultimately, Menulog has a desire to provide all couriers with the same benefits that Workers Compensation provides. We are therefore assessing whether making a shift toward an employment model in Australia would be feasible.

In the meantime, Menulog is in favour of requiring all those in the on-demand delivery industry to source insurance from the market. Any insurance sourced by operators in the on-demand delivery industry should be aligned with Workers Compensation as much as possible rather than extend Workers Compensation to contracted couriers as we recognise that Workers Compensation is a complicated system that varies across States and Territories.

We are, of course, open to discussion and further consultation and want to do what is best for contracted couriers. For further information, please contact:

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