

Question on Notice

No. 1491

Asked on Wednesday 29 November 2006

MR FOLEY asked the Deputy Premier, Treasurer and Minister for Infrastructure (Ms BLIGH) –

QUESTION:

With reference to Queensland Transport which has a limited use concessional fee registration scheme for several types of vehicles including historic/heritage type vehicles, special interest vehicles, hot rods, etc and as these vehicles come under one Queensland Transport classification (Class 5) and as the incidence of insurance claims is significantly higher with non-historic groups in this class and as this may impact on historic vehicle insurance premiums and place further restrictions on their usage-

Will she alter Queensland Transport's Class 5 definition to allow historic vehicles to be considered a separate entity from other special interest vehicles?

ANSWER:

Premiums under the CTP Scheme are based on the risk exposure for the particular class of motor vehicle as indicated by the claims experience. There are already 26 vehicle classes in the scheme, and new classes would only be created if there was material evidence that a substantial subset of a vehicle class was being significantly disadvantaged.

Class 5 is defined as "motor vehicles (including cycles) for use only as vintage, veteran, historic or street rod motor vehicles". This Class has one of the lowest claim frequencies and hence lowest premiums of all CTP insurance classes, with a current premium of \$65.60.

There are about 11,500 vehicles registered in Class 5, across the range of vintage, veteran, historic and street rod vehicles. Since 1994 there has been an average of one claim per year in Class 5. On the evidence available, if Class 5 were to be subdivided, there would be no difference in the premium between the two sections of the Class.

The CTP premium for Class 5, at \$65.60, is good value. The CTP policy provides unlimited indemnity and protects the driver or owner of the vehicle against potentially millions of dollars in personal injury claims in the event of a serious, multi-vehicle accident caused by the Class 5 vehicle.