

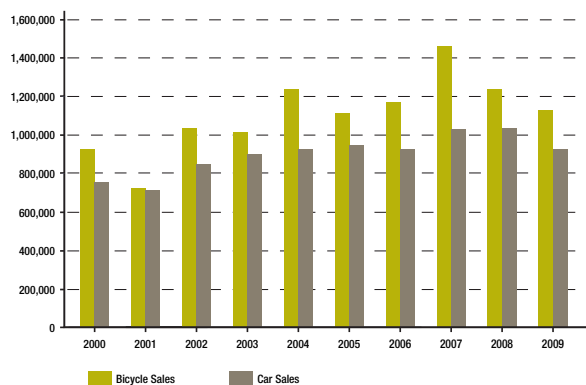
# Bicycle Sales 2009

*Australian bicycle sales have shown amazing strength throughout the global recession. Australians want to ride and continue to purchase bicycles.*

Australian Bureau of Statistics figures show that for the tenth year in succession, Australians have purchased more bicycles than cars, purchasing 1,154,077 bicycles in 2009.

In the ten year period since 2000, over 11,000,000 bikes have been sold in Australia, 2,000,000 greater than the car industry.

## Bicycle and Car Sales 2000 - 2009



Source: Based on Australian Customs import figures. VFACTS

## Value to the Australian Economy

In a previous study commissioned by Bicycle Industries Australia, it was estimated that each bike sold contributes approximately \$1000 to the Australian economy.

From this study, it is estimated that the bicycle industry has contributed over \$11 billion to the Australian economy since 2000.

## Australian Bicycle and Motor Vehicle Sales 2009

ANNUAL SALES	CARS*	BICYCLES #
2000	787,100	926,924
2001	772,681	774,938
2002	824,309	1,109,736
2003	909,811	1,003,844
2004	955,229	1,247,991
2005	988,269	1,168,601
2006	962,521	1,199,854
2007	1,049,982	1,427,738
2008	1,012,164	1,203,628
2009	937,328	1,154,077
<b>TOTAL</b>	<b>9,199,394</b>	<b>11,217,331</b>

Source: \* VFACTS

# Based on Australian Customs import figures

## Why are Australians buying more bicycles?

Governments at all levels have been investing in cycling infrastructure which is critical to lowering the barriers to getting more people active on bikes. But more needs to be done.

2009 was a significant year for cycling infrastructure with the \$40 million National Bike Paths Fund part of the Government's Economic Security Strategy and substantial State government investment.

"With petrol prices expected to continue rising in 2010 cycling provides a cheap, healthy and environmentally friendly option for the many short trips Australians make each day.

"Provision of high quality bicycle infrastructure costs a fraction of other transport modes and increasingly makes sense when all benefits are taken into account.

*It is clear Australians are buying bicycles in record numbers and using them not just for recreation, but increasingly as a replacement to short/medium car trips.*

- Transport is responsible for 34% of household greenhouse gas emissions
- There has been a 32% increase in the numbers of people cycling since 2000
- The Australian Bicycle Industry is worth approximately \$1 billion per year to the Australian economy and employs an estimated 6,000 people
- Countries with high levels of cycling, have lower levels of obesity

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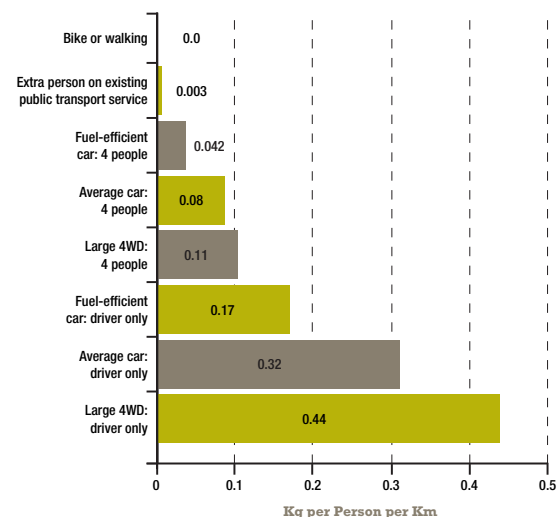


## Helping to make cycling even more attractive

Although the growth rates are impressive, trips to work by bicycle account for only around 1.5% of trips to work. In order to further boost the proportion of Australians choosing to cycle, it is recommended that:

- A significant boost to the on and off road bicycle network be implemented by all three levels of government. This will help create a bicycle friendly environment
- Bicycle education classes be offered in schools, communities and workplaces. This will provide the necessary skills to encourage safe, confident cycling
- Lower the default speed limit in urban areas to improve road safety for all road users (World Health Organisation, 2008)
- Government funds encouragement and marketing campaigns for public transport, walking and cycling such as TravelSmart and mass media campaigns

## Greenhouse gas emissions from different forms of transport



Source: Australian Greenhouse Office 2006

*“By 2010, the Bureau of Infrastructure, Transport and Regional Economics estimates that congestion costs in our capital cities will soar to \$20.4 billion.”*

Cyclists alone save the economy an estimated \$64m a year in reduced congestion costs and \$72m in reduced health costs. Significant benefits also flow from reduced car use, with a 10% reduction in vehicle kilometres estimated to cut road trauma costs by between \$850m and \$1.7bn a year. (Victoria Transport Policy Institute, 2007).

## Benefit Analysis of Commuter Cycling

ITEM	VALUE PER KM (2006)*	TOTAL VALUE 2006*	PRESENT VALUE (25 YEARS @ 6% PER ANNUM*** DISCOUNT RATE)*
Externalities	\$0.0599/car-km	\$9.2million	\$127 million
Congestion	\$0.125 - \$0.666/car-km (peak)** \$0.033 - \$0.1777/ car km (off-peak)** depending on city	\$63.9 million	\$909 million
Health and fitness	\$0.376/cycle-km (mortality plus morbidity)	\$71.2 million	\$982 million
TOTAL Capital Cities	Benefit	\$144.3 million	\$1,527 million to \$2,018 million

\* Valued at resource costs (ie. net of indirect taxes - GST and Fuel Excise)

\*\* Subject to escalation of fuel cost component in line with progressive increase in real cost of petrol to \$2/litre by 2016

\*\*\* Most jurisdictions use a higher discount rate that broadly reflects the market rate of interest. However, the market rate of interest includes inflation expectations that are specifically excluded from this assessment. The Australian Transport Commission (2006) recommends using it as the long term government bond rate, which is currently around 6%.