



## **Uninsured drivers a danger to others and themselves, says AA Insurance**

**Auckland – 22 October 2009** – AA Insurance claims records for 2009 reveal that uninsured drivers are responsible for over a third of accidents caused by a third party, (this figure excludes windscreen damage).

Recent figures indicate that around seven percent of privately owned vehicles in New Zealand are uninsured (Ministry of Transport, October 2009).

“Uninsured drivers owe thousands of dollars for damage they do to other people’s property,” says Martin Fox, Deputy General Manager, AA Insurance. “The cars they drive are often older or worth less, but the sad and inescapable truth is that uninsured drivers are responsible for a disproportionately high number of accidents and damage to other people’s cars and property.”

According to the AA Insurance Drivers Index 2009, which surveyed 3,708 New Zealand drivers, 98 percent of respondents believe that it is important for all drivers on New Zealand roads to have some form of car insurance.

“Everyone on the road has the responsibility to carry some sort of insurance,” says Martin. “If price is an issue then third party insurance can be really useful as it’s very cost effective. That’s because it’s more about the damage you might do to other people’s property than it is about your vehicle. It clearly saves people from significant debts.”

The highest amount paid on behalf of an AA Insurance customer with third party insurance who damaged another person's property was \$65,065. The driver failed to give way at an intersection and collided with a campervan worth over \$112,000.

AA Insurance has recently dealt with several claims where drivers who have caused accidents have had to pay large amounts of money because they were uninsured.

- A young uninsured woman was speeding behind another car when it braked suddenly. The young driver lost control and hit the car in front at speed. She is now paying off a debt of \$25,200 – and that doesn't include the damage she did to her own car.
- An uninsured man failed to give way at an intersection, crashing into a brand new Suzuki worth \$44,000. The man is now paying off \$23,000 in damages to the Suzuki – which doesn't include the cost of repairing his own car.
- A young man without license or insurance borrowed a high-powered vehicle for a short drive. He lost control driving around a corner and crashed head on into an oncoming car. He is now paying off a debt of \$25,700 – which doesn't include the damage he caused to the borrowed car.

AA Insurance's average annual premium for third party insurance is about \$180. The average claim amount is more than 13 times that: \$2,385.

"It's pretty simple – if you damage someone else's car and it's your fault, if you don't have insurance you will have to pay for it," says Martin. "Without insurance, one accident can change your credit rating and leave you with a significant debt."

**ENDS**

### **About AA Insurance**

AA Insurance was launched in 1994 and is a joint venture between New Zealand Automobile Association and Suncorp-Metway Limited.

AA Insurance has over 300 staff servicing 150,000 plus customers and manages over 300,000 policies. Over half of those policies cover motor insurance risks including cars, bikes, caravans and motor homes, and the remainder are house and contents insurance.

In 2008, AA Insurance was a finalist in the unlimited/JRA Best Places to Work Survey in the medium-large workplace category, making it one of the top places to work in New Zealand.

AA Insurance Limited has an A+ (Strong) Insurer Financial Strength Rating given by Standard and Poor's (Australia) Pty Ltd on 8 January 2009. For further information visit [www.aainsurance.co.nz](http://www.aainsurance.co.nz).

#### **About the 2009 AA Insurance Drivers Index**

The 2009 AA Insurance Drivers Index is an independent internet survey of 3,708 drivers aged 18 to 65 from around New Zealand.

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