

**END
THE
INSURANCE
RIP-OFF**



INTRODUCTION

Workers and families continue to face rip-off insurance costs.

Since 2019, Sinn Féin have campaigned and delivered reforms in the insurance market to increase protections and reduce prices for consumers, including:

- ▶ ***Making the Consumer Insurance Contracts Act law*** – this legislation has enhanced consumer rights and protections;
- ▶ **Banning the unfair and discriminatory practice of price walking** – this ban has reduced prices for insurance consumers;

Despite these and other reforms in the insurance market, prices remain too high for too many.

In April 2021, new Personal Injuries Guidelines came into effect which have significantly reduced the cost of claims and personal injury awards for insurance companies.

These reforms were introduced with one clear purpose – to reduce insurance prices for consumers.

They were not introduced to increase insurance industry profits.

But since these reforms were introduced, motor insurance profits have hit their highest level in more than a decade – reaching €159 million in 2022 alone.

These reduced costs should be passed onto consumers, not pocketed by insurers to boost their profits.

Car insurance prices have increased every month in the past year – up 9 percent since May 2023.

Nearly 1,400 people responded to our car insurance survey in June, sharing their experiences of car insurance prices and how it has impacted them.

Of those who responded, 95 percent said their car insurance premium has increased in the past 12 months, with 98 percent of respondents saying no claims have been made against their insurance policies in the same period.

Workers and families continue to be fleeced by rip-off insurance prices – it is time to hold the insurance industry to account.

My legislation, the *Judicial Council Amendment Bill*, will hold the insurance industry to account and put pressure on insurance companies to reduce prices.

Insurance companies would be forced to show how they have or have not passed on reduced claims costs to their consumers, and by how much, euro for euro.

It is time for the government to stop blocking this legislation and support it, to hold insurance companies to account and give motorists a break.

THE SURVEY

In June 2024, Sinn Féin launched an online survey asking motorists to share their experiences regarding motor insurance costs and the impact these costs are having on their lives and personal finances.

Since the survey was launched, 1,390 responses have been received, with over 1,000 respondents sharing their personal stories of the impact insurance costs are having on them.

The findings reveal the impact of high and rising insurance prices on consumers.

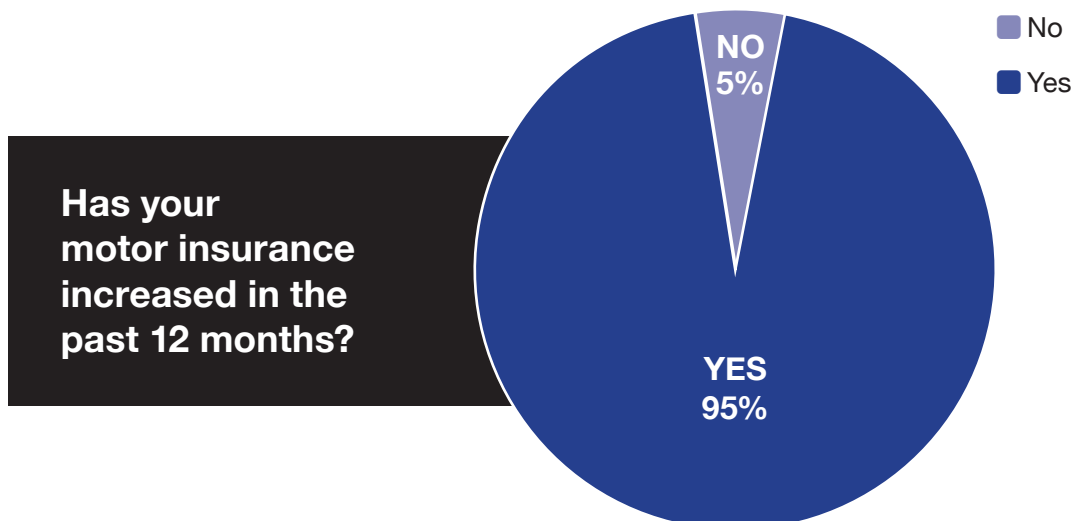
THE RESULTS

Where do respondents live?

	<i>No. of respondents</i>
Rural	561
Small or Medium-Sized Town/City	457
Urban	372
Total	1,390

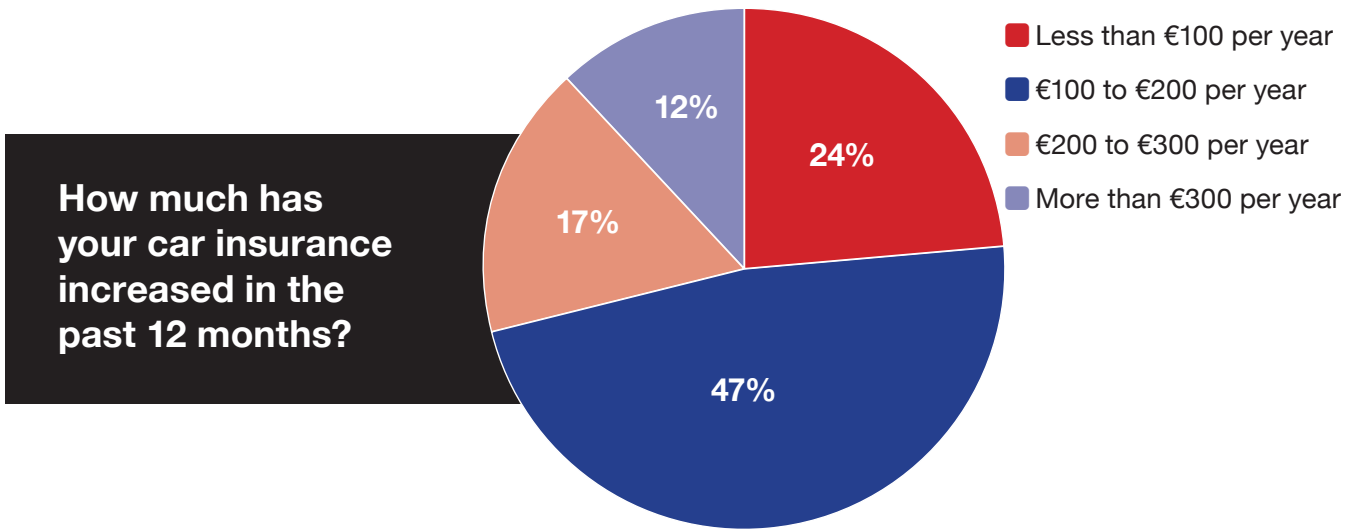
Has your motor insurance increased in the past 12 months?

	<i>No. of respondents</i>
Yes	1,314
No	76
Total	1,390



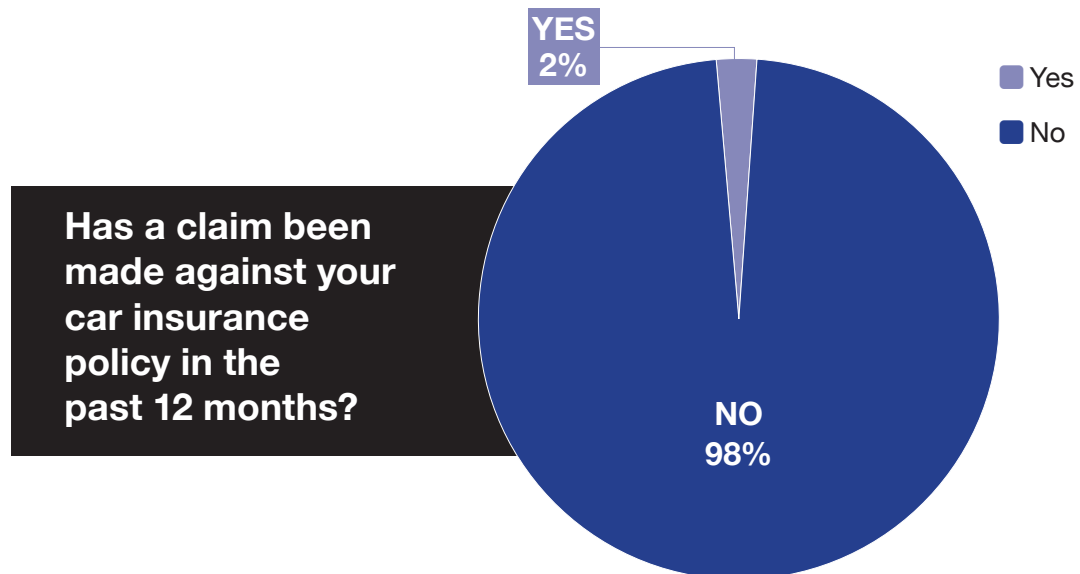
How much has your car insurance increased in the past 12 months?

	No. of respondents
Less than €100 per year	313
€100 to €200 per year	621
€200 to €300 per year	224
More than €300 per year	153
	<i>Did not respond: 89</i>
Total	1,390



Has a claim been made against your car insurance policy in the past 12 months?

	No. of respondents
Yes	33
No	1,357
Total	1,390



THE CASE STUDIES

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As I am on illness benefit and can't work until my doctor signs me off, I have to save most of my social money in case my insurance rises again. I am having to sacrifice other things like house insurance, deferring property tax, and turning my heating off to reduce gas bills.

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I find it dishonest for insurance companies to penalise someone who is claim-free for 50 years. Being on a pension makes life a bit harder, especially since the premiums never ever go down. Driving over 55 years accident-free and receiving quotes from €650 to €850. Why?

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This is causing financial strain and stress on the family. Something has to be sacrificed in order to afford this year's insurance. Such as buying less food. I can't afford to pay insurance in full and am wondering how to pay for it monthly.

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I am a professional driver in his mid-fifties with an impeccable driving record. I drive a 13-year-old car worth about €2500. I am currently being charged around €700 per year. I cannot remember the last time my insurance went down. The automatic renewal quote I receive from ANY insurer goes up EVERY year by around 30%. I have to change insurers every year to at least keep it near the same. I have NEVER had an accident.

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I'm a community healthcare assistant so my work is critical and I enjoy it but I haven't been able to take my son on a holiday and with the cost of everything rising and higher charges and taxes on everything going up I don't think I'll ever be able to do that.

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My no-claims bonus is up over 15 years but year on year, my insurance keeps going up. I'm punished for a perfect driving record, and it feels like insurance companies are just profiteering. I feel helpless with little or no support from the people in power.

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I basically can't afford my insurance anymore. I used to be able to put the money aside for it but now I can't so every month the direct debit bounces back. This month my daughter and I need new shoes and I have to pay the electricity bill. I can't afford either. We need the car as we live rural, and I am a single mum. Moving to a more urban area is not an option because there is no housing.

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We live pay cheque to pay cheque even though my partner is a teacher and on good pay it means we have to choose if we pay it from our clothing or food budgets! If me or my partner earn too much money my very small carer's allowance will be affected so we have that to think about too! I've no points on my licence and never made a claim so don't understand how it's gone up so much. Things need to change!

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I'm living on disability allowance due to my cancer diagnosis and other chronic illnesses and finding another €80 for car insurance has been very difficult. As I live in rural Ireland I rely on my car for essential journeys. I cannot afford non-essential journeys. This winter it has been a case of car insurance having to come before heating or eating; I need my car to get oil for my room heater and I need it to get groceries and my monthly prescription. I appreciate what the government has done for me over the past years, but something needs to be done about rising car premiums. I have a full no-claims history, stayed with the same insurance company for years, yet my annual premium went up by €80 with no explanation why.

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Can't afford to keep the car on the road really but need to for school runs and as an emergency vehicle with no ambulance available for over an hour and a half when needed in the past. So, we cut down on heating lighting, we dry our washing on a rack, and are buying cheaper foods. It's crazy as I know the road users over the water are paying less than half what I pay.

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CONCLUSION

In the past number of years, the insurance industry has been given every reform it has asked for.

The *Personal Injuries Guidelines* have been in place for more than three years and have slashed claims costs for insurers.

The cost of motor insurance claims under these guidelines are between 25 and 48 percent lower compared to claims previously settled under the old rules.

Despite this, motorists are not seeing the benefit, while insurance profits soar.

Car insurance prices have increased every month in the past year.

Of the more than 1,300 people who responded to our survey, 95 percent them said their car insurance premium had risen in the past 12 months. Yet 98 percent of those who responded said that not a single claim had been made against their insurance policy in that period.

Consumers continue to be fleeced by rising insurance prices and it is time for accountability and transparency.

In 2021, Sinn Féin introduced the *Judicial Council (Amendment) Bill* – legislation that would increase transparency, hold the insurance industry to account and put pressure on insurance companies to reduce their prices.

The legislation would require insurance companies to provide information to the Central Bank for each of the next four years outlining how the cost of claims have fallen as a result of the *Personal Injuries Guidelines*, how they have or have not passed on these savings to their customers, and by how much.

Similar requirements are in place in the North for insurance companies following a reduction in whiplash injury awards. Consumers here deserve no less transparency and accountability.

Since this legislation was introduced, the government have blocked and delayed it at every turn.

It is time for action and accountability for consumers, not inaction and delay by government.

It is time for this legislation to be progressed and made law to give motorists a break and reduce insurance prices.

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