

The Times

04 March 2013

Re: *Honest drivers are paying £90 a year to cover whiplash claims*

Insurers are fond of demonising people who suffer whiplash injuries in car accidents (4 March). It is a populist, if increasingly predictable, way for the Association of British Insurers to divert attention from the fact that its own research shows more of the motorist's premium is used to cover the cost of vehicle repair and replacement than anything else. Perhaps the ABI is hoping readers will forget that insurers' own practices in this area have been branded 'dysfunctional' by the Office of Fair Trading.

Having found evidence that insurers' approach to car repair and replacement "may push up premiums for drivers by £225 million a year", the OFT referred the UK's private motor insurance market to the Competition Commission for investigation.

The OFT also said there are "features of the private motor insurance market that prevent, restrict or distort competition" and that the market would work better if insurers were to stop focusing "on gaining the competitive edge through raising rival insurers' costs and increasing their own revenues".

Seatbelts; the fact that UK roads are among the busiest in Europe; stiffer car bodies which provide better protection in accidents - they have all contributed to an increase in whiplash injuries in recent years but a welcome fall in deaths and serious injuries. I think that's a good thing.



I am happy for part of my car insurance premium to be used to help people who are injured in accidents. The way to cut the costs of premiums is to cut fraudulent, criminal activity, and for the insurance industry to put its own shoddy house in order.

Deborah Evans

Chief Executive

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