

## Press Release 3 August 2004

# New insurance deal for young drivers in NSW

For the first time, specialist insurer Just Car Insurance is offering young drivers the option of fire and theft protection when they purchase a third party property damage insurance policy. The move is backed by latest figures that show young drivers are among the highest risk groups for car crime nationally.

Just Car Insurance National Manager, Andrew O'Hara, said it was important to make insurance more affordable for young people to protect their most valued asset.

"Our research\* shows that 23 per cent of drivers under the age of 35 years have experienced car crime and that this type of crime costs more per vehicle in New South Wales than anywhere else in Australia," said Mr O'Hara.

"We also found that car crime decreased with the driver's age and increased according to the car's age – sadly, these drivers are probably among those who can least afford such as loss.

"This finding is supported by National Motor Vehicle Theft Reduction Council figures, which show that vehicles that are more than 10 years old are more likely to have been stolen: while they represent only 40 per cent of Australia's vehicles, they account for seven in ten thefts.

"We found that just over one-quarter (27 per cent) of car thefts occur when the car is parked in the owner's carport or garage while more than one-third of cars are stolen while parked on the street.

"Significantly, the average cost of car crime per policy is highest in Sydney, where it was more than double the national average."

Just Car Insurance's Third Party Property Damage Insurance, with fire and theft extension, will be available in New South Wales for the first time from 1 August 2004.

"Many young drivers have had few options until now, as comprehensive insurance is often beyond their reach. One-quarter of drivers in New South Wales are under 30<sup>‡</sup> and this new form of cover can provide this group with greater peace of mind," said Mr O'Hara.

While car theft is decreasing, it remains a serious community problem costing approximately \$1 billion a year<sup>†</sup>.

A national survey by the Insurance Council of Australia completed in December 2003 found that 12 per cent of Australian motorists had no car insurance on their vehicle whatsoever.

According to Mr O'Hara, the new fire and theft cover now available on Just Car Insurance third party property damage policies will help to alleviate the concern of high theft rates among young drivers.

"It is a good transition product for young drivers, who may not be able to afford to insure their vehicle comprehensively. It also allows them to build their rating, so they can benefit from lower

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\* Research was conducted in 2004 by Sweeney Research via a telephone survey of 1460 adults across Australia except Northern Territory and Western Australia.

‡ Roads and Traffic Authority New South Wales

† National Motor Vehicle Theft Reduction Council figures

premiums when they come to purchase a comprehensive car insurance policy down the track,” said Mr O’Hara.

Mr O’Hara said that policyholders would be covered for accidental loss or damage to their car caused by fire or theft or attempted theft to current market value of the vehicle up to \$5000.

“If the car is damaged, we will either repair it, pay the cost of repairing your vehicle, or declare the car a write-off and pay the amount covered. If the vehicle is not found after being stolen, we will declare your car a write-off and pay the amount covered,” said Mr O’Hara.

Mr O’Hara said Just Car Insurance is an insurer of choice among young drivers.

“Our customers are by and large car aficionados who are passionate about their cars. Our staff share this passion and have specialised knowledge and understanding of our customers’ needs.”

Just Car Insurance offers insurance for under-25s, drivers of privately imported second-hand cars, drivers of modified and high performance cars, drivers with a less-than-perfect driving or insurance history and drivers with no insurance history (that is, drivers being insured for the first time). Just Car Insurance is underwritten by AAMI, one of Australia’s leading car and home insurance companies.

The Just Car Insurance Third Party Property Damage Insurance policy, with fire and theft extension, will be available in New South Wales from August 1. Information about the new policy can be found at the Just Car Insurance Web site [www.justcarinsurance.com.au](http://www.justcarinsurance.com.au).

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