

As your dedicated broker we at aibGROUP are here to explain the changes to Motor Vehicle Premium Prices

Premiums can change for a number of reasons

Insurers has seen an increase in claims costs for motor over the last few years due to emerging and changing risks. Insurers endeavor to make sure premium rates reflect the current environment in order to remain sustainable.

Here are some of the reasons for changes in vehicle insurance prices:

Frequency of claims

- Increase in the number of vehicles on the road due to increasing population.
- More new vehicles on the roads and new vehicle owners are more inclined to claim for damage.
- Driver distraction due to in-car devices.



Average cost of claims

- Average market value of vehicles on the road has increased.
- Higher repairer/ replacement costs due to in vehicle technology, such as:
 - Intelligent braking systems
 - Bumpers contain sensors and cameras.
 - Rain sensors in windscreens
- Labour costs have increased.

Example of a recent claim -

A client was recently involved in a small accident, when her car was hit as she reversed out of a car park.

Fortunately no one was hurt, but the clients 2015 Nissan Pathfinder received some minor damage when it was scraped along the back wheel guard. The wheel guard was easily repairable, and would have typically cost around \$3,000 to fix.

However, due to technology in the vehicle, the front passenger and side curtain airbags in the car were deployed. They needed to be replaced, which is a detailed and time-consuming process. As a result, the cost to repair the car rose to \$16,000.

This was a minor crash, one of a large number that happen every day throughout the country, that now incurs a much larger bill.

aibGROUP Insurance follows a strict process of offering Insurance quotes and cover based on the information we have been provided. It is our role to ensure you are provided with current information in regards to Insurance pricing and options. Insurers tend to review pricing on an annual and/or six-monthly basis and those reviews can impact on your premium costs and/or your choice of Insurer. As your Insurance broker we have a wealth of expertise and knowledge ready to assist you with the right cover.

