

# THE FACTS

## LAWYERS FEES

Total annual lawyer fees for personal injury cases

**€350,000,000**

SOURCE: ISME ANALYSIS, AUGUST 2018

Sufficient to build a 344-bed acute hospital every year

SOURCE: BASED ON IHCA PER-BED COST ESTIMATES, IMT, OCT 2017

## LEGAL COSTS



SOURCE: AVERAGE DELIVERY COSTS 2013-2015 AS A % OF AWARDS. CIWG MOTOR REPORT JAN 2017.

## FRAUDULENT CLAIM PROSECUTIONS

Number of prosecutions for insurance fraud under current legislation, which came into effect in 2004 →

**1**

SOURCE: AIR STATISTICS

## "CLAIMS DRIVE COSTS"

Really?

Have a look at 2011 to 2016, the years motor insurance sky-rocketed:

**+57%** Average cost of motor insurance premium

SOURCE: CSO CONSUMER PRICE INDEX

**+14%** Total claims cost per policy

NOTE: Includes both the general and special damages elements of compensation as well as associated costs such as legal, medical and other fees.

SOURCE: CIWG 2nd MOTOR INSURANCE KEY INFO REPORT Overall Projected Ultimate Claims Costs

Insurers' management expenses as a % of total motor premium income →



Insurers' broker fees as a % of total motor premium income →

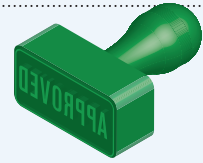


SOURCE: CENTRAL BANK 'BLUE BOOK' 2005 TO 2015. NOW ABOLISHED BY THE CENTRAL BANK

## TOTAL PERSONAL INJURY CLAIMS IN IRELAND

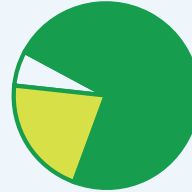
**TOTAL PERSONAL INJURY CLAIMS IN IRELAND**

**33,500**



Settled through the Courts **1,800 (5%)**

Settled through the PIAB **7,000 (21%)**



Settled by insurers or abandoned

**24,700 (74%)**

SOURCE: PIAB ANALYSIS, APRIL 2019

## GLOBAL PERSPECTIVE

### MINOR SOFT TISSUE (WHIPLASH) INJURY AWARDS

IRELAND → **€17,338**

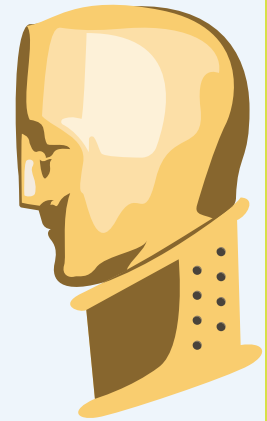
UK → **€3,798 AVERAGE**

CANADA → **CAPPED AT €2,315**

GERMANY → **UP TO €1,125**

**STD. AUSTRALIA UNLIKELY TO QUALIFY FOR COMPENSATION**

**SWEDEN LESS SEVERE WHIPLASH INJURIES DO NOT RECEIVE COMPENSATIONS**



SOURCE: PERSONAL INJURIES COMMISSION FINAL REPORT 2018

## WHO CONTROLS INSURANCE?

**6 Insurers** control 89% of the Irish motor insurance market

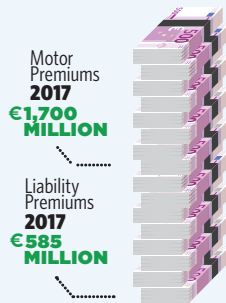
**8 Insurers** control 91% of the Irish liability insurance market



SOURCE: CENTRAL BANK 'BLUE BOOK' 2014. NOW ABOLISHED BY THE CENTRAL BANK

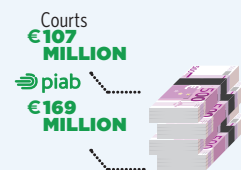
## THE BLACK HOLE

**€2,285 MILLION**



**TOTAL 2017 PREMIUMS**

**€276 MILLION**



**TOTAL 2017 PAYOUTS**

THIS LEAVES AN UNACCOUNTED FOR BLACK HOLE OF €2,019 million made up of secret insurance company settlements, legal fees, brokers' commissions and insurance company profits.

What we do know is that "over the ten years to 2014, the profit for the seven main players (insurers) was **€1.7billion**" And that is on motor insurance alone.

SOURCE: DOROTHEA DOWLING, TIMES IRELAND EDITION, 3RD AUGUST 2018