

Carole Nash Statement on EU Gender Directive 2004/113/EC

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The implementation of the EU Gender Directive could see insurance costs either rising or falling for some bikers.

The widely trailed legislation comes into force on Friday 21st December and will require insurers to give equal treatment to men and women when calculating premiums. Leading motorcycle insurance specialist Carole Nash (<http://www.carolenash.com>) says the impact of the move will vary as different insurers have adopted different strategies in anticipation of the change.

“Many insurers removed gender as a risk factor some time ago but a few have held back until the last minute,” commented the company’s director of products and marketing, Nick Baker. “How individual riders are affected will depend upon whom they’re currently insured with. If they are simply planning to renew through a scheme still to be affected then their premium could see a somewhat more dramatic change than normal. However, a specialist broker should, as ever, be able to point them to cover which best suits their specific profile and needs. That’s because different insurers will continue to have different strengths and weaknesses in particular segments of the overall market. Now, more than ever, access to a variety of specialist motorcycle insurance policies and good advice are crucial to help bikers get the best deal.”

He added: “Gender has, historically, been one of very many risk factors that underwriters have used to determine premiums. It remains the fact that the length and quality of your riding experience will be paramount, with long years without claims earning significant discounts.”

So what is the EU Gender Directive?

Otherwise known as Council Directive 2004/113/EC it was first adopted in 2004 to implement the “principle of equal treatment between men and women in the access to and supply of goods and services.” This is to ensure compliance with Articles 21 and 23 of the Charter of Fundamental Rights of the European Union. It comes into force on 21st December 2012 . From this date insurers cannot use statistical differences in risk between the genders to inform their pricing.

What does that mean in practice?

It means if two riders, one male, one female, present comparable situations to an insurer then they should be treated equally. This will be true for both new policies and renewals but will not affect any adjustments you make to a policy already in force on 21st December 2012 .

How much might my premium be affected?

Many riders will be unaffected as insurers have known about this change for sometime and have already made their quoting systems gender neutral, so if you are covered by one of these insurers this doesn’t mean your premium will necessarily increase. However a few insurers are implementing the change at the last minute. There is no straightforward answer to how much the differences will be because there is likely to be significant variations between insurers and the schemes they operate.

What should I do?

Seek advice from a specialist motorcycle insurance broker like Carole Nash. A good specialist will have access to a variety of schemes offered by a variety of insurers. They can interrogate the insurance panel to see who offers the best deal for you.

Editor's Notes:

1. Carole Nash was ranked as the UK's 36th biggest UK insurance broker in August 2012 by Insurance Times magazine. The company employs over 300 staff in the UK and Ireland and provides insurance for some 300,000 classic, vintage, modern, custom and off road motorcycles – equivalent to around 25 percent of all licensed machines. It is also a leading player in the classic car sector with its portfolio also spanning modern car, van, military vehicle, travel and home insurance.

2. Carole Nash is a trading style of Carole Nash Insurance Consultants Ltd registered in England and Wales No 2600841. Carole Nash Insurance Consultants Ltd is authorised and regulated by the Financial Services Authority.

3. For more information on Council Directive 2004/113/EC, visit <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32004L0113:EN:HTML>

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