



Association of British Insurers

**Friday 21<sup>st</sup> December 2012** marks a major change to the way insurance premiums and benefits are priced and the Association of British Insurers (ABI) has stressed the insurance industry will remain competitive for customers despite the changes.

Commenting on the changes, the Association of British Insurers said:

“Insurance is all about matching price to risk. We have opposed the gender ruling on behalf of our customers, as it goes against this principle. Although insurers can now no longer take gender into account, they will continue to look at other relevant risk factors to ensure consumers benefit from the most competitively priced insurance. The insurance market will remain competitive and customers should continue to shop around to get the right policy at the best price.”

The ABI published consumer guidance to the changes at [www.abi.org.uk/genderruling](http://www.abi.org.uk/genderruling)

Gender has always been one important factor of many used to assess risk in insurance, with different risks linked to gender being taken into consideration to calculate premiums and benefits. Women for example have typically benefitted from lower car insurance premiums because of their lower accident rates, and men have tended to receive higher annuity rates because of their shorter life expectancy. But a ruling from the European Court of Justice in March 2011 means this will all change by 21<sup>st</sup> December 2012 as insurance pricing becomes ‘gender-neutral’.