

14 June 2016

## Aussies more likely to insure their car than their home or health

Car insurance is the most common form of insurance in Australia, with Australians more likely to insure their car than their home, health or life.

Insurance experts [iSelect](#) today released the results of two national Galaxy Research studies which explored the attitudes and behaviours of Australians towards insurance.<sup>1</sup>

**Seventy-seven per cent** of all Australians have car insurance, compared to only **65 per cent** who have taken out home and contents insurance and **54 per cent** with private health insurance. Only **nine per cent** of respondents indicated they didn't have any form of insurance.

**Twelve per cent** of all homes have **3 or more cars**. The **vast majority (82 per cent)** of households with one or more car have fully comprehensive car insurance, **nine per cent** have third party fire and theft/property insurance and **six per cent** have compulsory third party insurance. Only **four per cent** of households with a car do not have it insured.

Laura Crowden, spokesperson for iSelect, said the survey portrayed Australian as a car-loving country.

"Almost half (**47 per cent**) of Aussie households have two or more cars and twelve per cent of homes have three or more! On average we have 1.5 cars per house so with such a high level of car ownership it's not surprising that car insurance is the most commonly held form of insurance."

The survey also found that **38 per cent** of Australians have some form of life insurance, with life cover the most common (**30 per cent**), followed by income protection (**16 per cent**), total and permanent disability (**15 per cent**) and trauma (**5 per cent**). All forms of life insurance were more significantly common among those with a home loan, as was mortgage insurance (**19 per cent** among those with a home loan compared to **10 per cent** overall).

"The survey showed those under the age of 50 are more likely to have some form of life insurance, income protection or mortgage insurance, demonstrating the importance of these types of cover to those more likely to be juggling a mortgage with the costs of raising a family," Laura explained.

Laura said that almost **one in ten** (nine per cent) held either boat, bike or caravan insurance, while **seven per cent of Australians** have some form of pet insurance.

The survey revealed some interesting insights into the different motivators for taking out insurance and also highlighted how this changes depending on life stage.

"It's not surprising that Australians with a home loan are more likely to have home and contents insurance (**80 per cent compared to 53 per cent without a home loan**)," Laura said.

"Younger Australians are also much less likely to have home and contents insurance, presumably because more of them are renting or living at home."

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<sup>1</sup> iSelect commissioned two separate nationally representative consumer research studies with Galaxy Research:

- March 2016: attitudes of 1,000 Australian adults towards insurance, home loans and life insurance
- April 2016: attitudes of over 1,100 Australian household decision makers towards energy, broadband and car insurance.

Laura said the survey also suggested that the various government initiatives designed to encourage higher income earners to take out private health insurance are working.

“While just over half (**54 per cent**) of all Australians have some form of private health insurance policy, the likelihood of having private cover increases with income.”

Only **25 per cent** of Australians with a household income of less than \$40,000 have private health insurance, compared to **79 per cent** of those earning more than \$130,000.

Most forms of insurance were fairly consistent across Australia, with private health insurance showing the most variance. Residents of Western Australia, New South Wales and South Australia are slightly more likely to have private cover than those living in Victoria, Tasmania or Queensland.

What insurance do Australians have?
<b>77%</b> - car insurance
<b>65%</b> - home and contents insurance
<b>54%</b> - private health insurance
<b>38%</b> - some form of life insurance: <ul style="list-style-type: none"><li>• 30% life cover</li><li>• 16% income protection</li><li>• 15% total and permanent disability (TPD)</li><li>• 4% trauma</li></ul>
<b>10%</b> - mortgage insurance
<b>9%</b> - boat, bike or caravan insurance
<b>7%</b> - pet insurance
<b>9%</b> - no insurance

**ENDS**

**For further information, please contact:**

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**Laura Crowden**

Public Relations Manager | iSelect Limited

Ph: +61 3 9276 8178 | Mob: +61 421 784 254 | Email: [lcrowden@iselect.com.au](mailto:lcrowden@iselect.com.au)

**About iSelect**

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