

The Cost of Motor Vehicle Theft

During 2000 a total of 12,835 motor vehicles were reported stolen to the South Australian Police. Analysis of these vehicles indicates that the vast majority (70.8%) are valued at less than \$5,000, and that almost 90% were less than \$10,000. Vehicles valued at over \$30,000 (the average price of a new family sedan) accounted for only 1.6% of all thefts during 2000.

Table 1 Estimated value of vehicles stolen in South Australia during 2000.

Estimated value of stolen vehicle	% of Thefts
< \$5,000	70.8
\$5,001 - \$10,000	17.6
\$10,001 - \$15,000	4.9
\$15,001 - \$20,000	2.8
\$20,001 - \$25,000	1.1
\$25,001 - \$30,000	1.2
\$30,001 - \$35,000	0.4
\$35,001 - \$40,000	0.4
\$40,001 +	0.8
Total	100.0

Table 2 shows that three quarter of reported finalised claims during 2000 were for under \$5,000, with almost 90% under \$10,000. The relatively low value of the claims reflects the old age and relatively low value of the vehicles stolen. It is generally the case that older vehicles sustain less damage during the entry and theft and the more likely it is to be taken by an opportunistic thief and therefore dumped a short time after the theft. Newer vehicles, on the other hand, are less likely to be recovered resulting in a total loss for the insurer or, if recovered, to have sustained much higher levels of damage during the theft.

Despite only 4.5% of all vehicle theft claims being for amounts of more than \$20,000 the total costs associated with these claims represents 34% of the total costs reported.

Table 2 Total cost to insurer per finalised vehicle theft claim during 2000.

Total Cost to the Insurer per vehicle theft claim	% of Claims
< \$5,000	75.1
\$5,001 - \$10,000	13.7
\$10,001 - \$15,000	4.6
\$15,001 - \$20,000	2.2
\$20,001 - \$25,000	1.4
\$25,001 - \$30,000	0.9
\$30,001 - \$35,000	0.7
\$35,001 - \$40,000	0.4
\$40,001 +	1.1
Total	100.0

While this data does not reflect all insurance claims it does indicate that the average vehicle theft claim costs insurers \$4,700 in direct costs. We know from analysis of recovery data that approximately half of vehicles are recovered with little damage or no damage and if we assume that 80% of the remainder are insured then the estimated total direct costs of vehicle theft claims in South Australia during 2000 was \$24.13 million. (eg. 0.4 x 12,835 thefts x \$4,700).

Table 3 Vehicles with highest average insurance claim costs (where claim > \$0 and 5 or more claims lodged).

Ranking	Make / Model / Series	Average Claim Costs (\$)
1	Nissan Patrol	9,842
2	Holden Commodore VP	8,713
3	Nissan Pintara	8,601
4	Honda Civic	7,934
5	Mazda 929	7,705
6	Ford Falcon ED	7,629
7	Holden Commodore VT	6,874
8	Holden Commodore VS	6,697
9	Holden Commodore VR	6,341
10	Mitsubishi Magna	5,956
11	Honda Prelude	5,760
12	Ford Falcon EB II	5,562
13	Toyota Tarago	5,358
14	Ford Falcon EA	5,241
15	Hyundai Excel	4,750
16	Holden Commodore VN	4,651
17	Ford Fairlane ZL	4,601
18	Ford Falcon EA II	4,534
19	Ford Falcon EF II	4,466
20	Mitsubishi Pajero	4,401

Motor Vehicle Theft is one of a number of long-term research interests within the Office of Crime Statistics. To this end OCS has established, in conjunction with the National Motor Vehicle Theft Reduction Council Inc., the National CARS Project. The National CARS (Comprehensive Auto-theft Research System) Project gathers data from police services, vehicle registration authorities and insurance companies from around Australia and uses this information to monitor trends and assist in the development and evaluation of vehicle theft reduction strategies. Further information about the National CARS project or vehicle theft in general can be obtained from the web site: www.ncars.on.net