



# YOUR MONEY



...and business

## BUSINESS BRIEFCASE

### Less taxing for Irish workers

IRISH workers pay the third lowest tax among rich countries, a new study from the Paris-based OECD think-tank has found.

Ireland is also the best place to be a single parent in the 30 countries of the OECD (Organisation for Economic Co-Operation and Development). And despite fears over Irish competitiveness, the OECD ranked Irish labour costs twelfth lowest in the OECD in 2002.

Although the Irish pay less tax, there are bigger gains from getting married and having children in other countries.

In Germany, Hungary, Iceland and Luxembourg, the effective tax rate for families can be more than 20pc lower than that for singles.

### Baileys is the cream

CONTINUING strong consumption of Baileys Irish Cream has lifted the brand to eighth position among the world's top-selling spirits.

Sales in 2002 topped six million cases for the first time, a dynamic growth of 12pc in a market that is in decline overall.

The 2002 performance took Baileys, a priority brand within Diageo (which owns Guinness) — up one place in an international league table. A new €64m plant is on schedule to begin production in Belfast in June.

### Tony Quinn looking healthy

LATEST filed accounts for Tony Quinn Health Centres (TQHC) Ltd show the company had €624,519 in cash on September 30, 2001.

This represents an almost five-fold increase on the previous year's cash balance for the health and lifestyle guru.

The weight loss, health/fitness and mind power firm created by Quinn has 12 shops with a range of products valued at almost €1.1m, according to the accounts. While the company showed €709,504 in total assets less current liabilities, the group's retained profit and loss was heavily in the red, at €989,450.

## MOVERS AND CURRENCIES

COMPANY	TODAY (c)	CHANGE (c)
McINERNEY	230	10
CRN	1180	-15
AIB	1235	-15
ELAN	350	-7
GLAMBIA	135	-5
ISEQ	3933.17	-21.42

EURO	BUY NOTE	SELL NOTE
Sterling	0.6640	0.6960
US Dollar	1.0610	1.1125

Courtesy Bank of Ireland Treasury & International Banking

# Cracking down on insurance fraud

## THE MONEY SHOP



WITH EXPERT DAN WHITE

FRAUDULENT or exaggerated claims are one of the main forces driving up insurance costs. In the end it is policyholders who pick up the tab for such bogus injuries. Now the insurance companies say they are cracking down on a €100m racket.

Most of us, if we were to be honest, know of somebody who has at the very least inflated a minor trip or fall into a major "injury" with a compensation payout to match. The problem is most of us, even if we are privately livid at such carry on, do nothing about it.

However, the good news is that people are far less ambivalent towards making fraudulent or exaggerated insurance claims than is widely believed. Recent market research carried out by Lansdowne Market Research for the insurance industry found that:

► 79pc of those questioned would not consider inventing or inflating a claim even if they could get away with it;

► 84pc of respondents believed that inflating a claim is dishonest;

► 76pc believed that there should be a specific crime of insurance fraud.

Now the Irish Insurance Federation, the organisation which represents the insurance companies, is seeking to use this public disapproval to cut down on bogus and exaggerated claims. It estimates that such claims will cost the insurance industry, and indirectly



TACKLING FRAUD: Ian Stuart, President of the Irish Insurance Federation, with Tanaiste Mary Harney at the launch of the Irish Insurance Federation anti-fraud awareness campaign in Buswells Hotel

If you have an issue you'd like Dan White to discuss on this page, write to him c/o Evening Herald, Middle Abbey St, Dublin 1 or e-mail danwhite@iol.ie

policyholders, €100m this year.

Contrary to what is generally believed, insurance company executives don't stay awake at night worrying about multi-million euro compensation payouts to the paralysed victims of serious road accidents or other critically injured accident victims. Not alone are these huge awards relatively rare, picking up the tab for such catastrophic once-off events is precisely what insurance was first invented for.

Of far greater concern are much smaller but more numerous

claims, which are either entirely bogus or greatly exaggerated. The main forms of insurance fraud include making false declarations or failing to disclose information in order to get insurance cover and inflating a claim following a genuine accident.

### SHARE

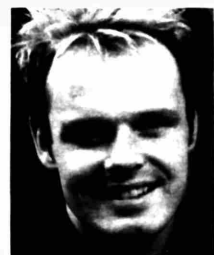
The insurance companies and the major public bodies already routinely share information databases on claims. This means that compensation claims from those unlucky people with a history of making claims can be identified and investigated much more thoroughly. Insurance companies have also got much better at spotting multiple claims. In addition most of the major companies have beefed up their investigation teams with ex-gardai in recent years.

Now the IIF has started a

nationwide campaign highlight the cost of insurance fraud to policyholders, which was launched yesterday by Tanaiste Mary Harney. As well as the usual advertising campaign there will also be a dedicated anti-fraud telephone "hotline" which will allow members of the public to contact the IIF if they suspect insurance fraud.

Will the campaign work? The fact that making a bogus or exaggerated insurance claim is not yet a specific criminal offence makes the fight even harder than it need be. On the plus side the fact that public opinion appears much less tolerant of insurance fraud gives some grounds for cautious optimism.

So the next time you meet someone whom you know has made either a bogus or fraudulent claim, just remember one thing. His "free" money came out of your pocket.



## MY TECHNOLOGY...

### Technophobe or Technophile?

Definitely technophile, always first to learn about new gadgets.

► What piece of technology could you not do without? Why?

My mobile phone because in my business its impossible to live without.

► What is your favorite website?

www.nowayout.ie  
► What do you use your computer for? Mainly the Internet.

What is the best thing about the Internet?

You can contact anyone in the world with the push of a button.

► And the worst? Pop up mail.

► E-mail/mobile phone/neither?

Mobile phone.  
► Has technology made your life easier? Yes, everything is more accessible now.

► How long do you spend surfing the Internet every day?

## with Robbie Purcell

Thirty minutes to one hour a day.

► What piece of technology will you never buy or do you think is absolutely useless?

Camera phones.

► Robbie Purcell is a member of pop band No Way Out, who release their debut single, I Believe in Miracles, on February 28.