

Protest highlights Tory Christmas gift to insurance industry fat cats

The government's proposed gift to major insurers of at least £200m a year – robbed from the NHS, HMRC and injured people – was symbolically handed over to Father Christmas for delivery today at an event on College Green, Westminster.

Giant presents from Secretaries of State Liz Truss (Justice), Jeremy Hunt (Health) and Phillip Hammond (Treasury) were loaded onto Santa's sleigh and taken to the UK headquarters of Axa, Aviva, Admiral and Direct Line to highlight the financial gain to the insurance industry of the government's misnamed 'whiplash' reforms – which will actually deprive hundreds of thousands of people injured at work and on the roads of proper legal representation and compensation.

Chief Executives Thomas Buberl (Axa), Mark Wilson (Aviva), David Stevens (Admiral) and Paul Geddes (Direct Line) each received personalised presents highlighting the individual remuneration packets, some as high as £11.55m per annum, which are only set to increase from the government's proposed changes.

"It's an outrage that the government openly concedes their proposed changes will starve the NHS and the Treasury of £millions while gifting insurers at least £200m in extra profit each year," said Shadow Justice Minister Christina Rees, who is supporting the #FeedingFatCats.

"They're trying to mislead people when they say that this is only about whiplash. In fact, the government's real agenda is increasing the small claims limit so that all injured victims – including those hurt at work and elsewhere - lose their right to free, independent legal representation."

Shadow Lord Chancellor Richard Burgon said: "The government has offered no justification for including work accidents in what is being billed as a reform of whiplash. The proposed changes are in fact about the insurance industry seizing control of the legal process and undermining the longstanding legal principle that the guilty party pays.

"These changes would be a licence for insurance companies to under-settle or not pay out at all to nearly a million injured people a year."

Tom Jones, Head of Policy at Thompsons Solicitors said: "In its 'back of a fag packet' impact assessment, the government hugely understates the financial burden of its proposed changes on the NHS and UK taxpayers: its latest Insurance Premium Tax rise alone will add an additional £15m to the taxpayers' burden.

"Despite taking on board his previous reforms without question, the government has chosen to ignore the advice of Lord Justice Jackson who referred to an 'asymmetric relationship' between the injured and insurers, and said that there was no justification for increasing the small claims limit until inflation naturally took it to £1,500 - which it has yet to do."