

One in four Kiwis driving less – AA Insurance

The future of transport in New Zealand?

Auckland, 16 September 2019 – One quarter of Kiwis have cut back on the throttle and are driving less than they did a year ago, according to a new AA Insurance survey.

The 2019 AA Insurance Lifestyle Survey* reported that almost one in four (23%) New Zealanders say they drive less than they did a year ago; most likely to drive less are those aged 60+ years (29%). The survey also found a 7% drop in daily drivers since last year, with 64% of respondents saying they get behind the wheel every day compared to 71% in 2018. The rate has been dropping since 2016, when 75% of Kiwis drove daily and 19% only a few times a week. The latest survey reports that now 28% of Kiwis drive only a few times a week.

Interestingly, those aged 40-69 years are showing the greatest decline in driving every day, dropping from 78% to 63% since last year. Additionally, there was a 14% drop in driving every day from South Island drivers and a 9% drop from drivers in Auckland (both now on 63%).

“Kiwis love to drive – in fact around 3.4 million of us hold a New Zealand driver licence** – yet employment and lifestyle changes are influencing a move away from daily driving,” says Amelia Macandrew, Customer Relations Manager, AA Insurance.

“While most Kiwis believe they’ll be driving a similar amount next year, those who see themselves driving less (9%) or more (8%) are anticipating changes to their employment or stage of life,” she says.

For those who see themselves driving less, these changes include retiring, moving closer to work or taking advantage of flexible working, making greater use of public transport as well as environmental reasons. Those who will be driving *more* also see a change in employment needs such as schedule and location, as well as changing family circumstances including kids starting school, new after school activities, family members who are unable to drive, or a move from learners/restricted to a restricted/full licence.

These employment and lifestyle changes are predicted to have a longer-term effect on how often Kiwis drive in the future. Around one in five New Zealanders say that, over the next three to five

years, they will be actively using their car less (22%) while using public transport more (18%), purchasing or using other modes of transport (16%), or share riding (12%). Five per cent say they won't need to own a car at all.

“Given that 44% of drivers in the survey reported using their cars primarily for work, the shift towards driving less each week could be a significant social indicator to the work/life changes Kiwis are making across the board,” Amelia continues.

“More and more companies are embracing better work/life options for their staff, such as AA Insurance that introduced flexible working four years ago. Now 57% of our staff regularly work condensed or flexible hours or are part of our Working at Home initiative.

“We also encourage more use of technology, to lessen the need for our staff to drive between sites for meetings.

“Changes to the way we work have not only provided a better work/life balance for our people, but it also means less traffic on the road and a reduction in both our individual and collective environmental footprint as a company.”

**In 2019, AAI surveyed 1,070 Kiwis aged 18 years+ who hold a driver licence. The margin of error is +/- 2.996% for a sample size of 1,070 at the 95% confidence level (at 50% proportion percentage).*

*** nzta.govt.nz*

Statistics from the 2019 AAI Lifestyle Survey:

- The 2019 AA Insurance Lifestyle Survey reported 97% of Kiwis hold a NZ driver licence, which include 4% on a restricted, and 2% on a learner licence.
- Despite Kiwis being in the cars often, the numbers have been dropping: 75% of Kiwis said they drove every day in 2016, 68% in 2017, 71% in 2018, and 64% in 2019. This year the majority are 35-54-year-olds (72%) compared to 55+ year old (53%)
- More Kiwis now drive a few times a week: 19% in 2016, 24% in 2017, 21% in 2018 and 28% in 2019. The majority are 55+ year olds (39%) compared to 35-54-year-olds (19%).

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- Almost one in four (23%) of New Zealanders say they drive less than they did a year ago; most likely are those 60+ years (29%).
- Cars are the most popular vehicle in New Zealand (96%) with 55% owning one car, 36% owning two, and 6% owning three+. The next most popular vehicles are motorcycles (4%), vans (3%) and trucks (2%). Only 1% of people own an electric vehicle while 2% don't own any vehicles.
 - Two thirds of New Zealanders would consider buying an EV but, for many, price is the major barrier - 54% of 18-29-year-olds, 51% of 30-44-year-olds, and 41% of 45+ year-olds would buy an electric vehicle if they could afford it.
- Most New Zealanders intend to drive a similar amount over the next year, with changes in anticipated frequency largely due to changes in work circumstances.
 - 8% intend to drive more frequently over the next 12 months (13% of 18-34-year-olds, 3% of 55+ year-olds, 6% of males) due to:
 - Changes in work needs (schedule, location etc)
 - Family circumstances (kids starting school, family members unable to drive, new activities for the kids)
 - Change of licence (learners to restricted or restricted to full)
 - 83% intend to drive about the same
 - 9% intend to drive less frequently due to:
 - Changes in work needs (retiring, moving closer to work, working fewer days a week etc)
 - To reduce costs (petrol and parking)
 - Environmental reasons
 - Plans to make greater use of public transport
- Around one in five Kiwis will be actively using their car less over the next three to five years, which appears to coincide somewhat with life stage, and likely change in work circumstances.



- 22% will actively use their car less
 - 18% will use public transport more
 - 16% will be purchasing/using other modes of transport such as e-bike, bike, e-scooter, scooter
 - 12% will use uber, taxi and car sharing services more
 - 5% will not need to own a car
- Only 23% of Kiwis said they used public transport on a weekly, fortnightly or monthly basis; 54% of people from Wellington said they used public transport at least monthly, 37% of Aucklanders and 32% of those aged 60+.

ENDS

About AA Insurance

AA Insurance is an independently operated, New Zealand-based joint venture between the New Zealand Automobile Association (NZAA) and Vero Insurance New Zealand Limited (VINZL). Since 1994 we have demonstrated trusted expertise in home, contents and car insurance in New Zealand, and in 2018 introduced commercial small business insurance. We underwrite our own policies and sell direct to New Zealanders. Our more than 720 staff look after 410,000 customers with nearly 800,000 policies.

We proudly partner with Eden Park, support youth charity Blue Light, and have been consistently recognised by: Reader's Digest Most Trusted Brands (since 2011), IBM Kenexa Best Workplaces Survey (since 2008), Canstar Blue Most Satisfied Customers (2013-2018), and the Colmar Brunton Corporate Reputation Index (since 2015) that recognises New Zealand's most successful companies.

AA Insurance has an A+ (Strong) Insurer Financial Strength Rating given by Standard and Poor's (Australia) Pty Ltd. For further information visit aainsurance.co.nz.

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