

Notices

Notice

Automobile Insurance Act
(R.S.Q., c. A-25)

Automobile insurance contributions — Increase under the public plan

Before amending the Regulation respecting insurance contributions, the Société de l'assurance automobile du Québec must get a report from a panel of experts formed for that purpose. The mandate given to this panel is to review the approach taken by the SAAQ and verify the data used in support of the regulatory modifications it proposes.

The Panel of Experts must hold hearings on automobile insurance contributions and submit its report to the SAAQ board of directors on the date set by the board, June 19, 2006.

Notice is hereby given that after the date the report is tabled, the draft Regulation respecting insurance contributions published in the *Gazette officielle du Québec* dated 1 March 2006 could be adopted by the Société de l'assurance automobile du Québec.

Here, in summary, are the type of regulatory changes proposed by the SAAQ in connection with automobile insurance contributions:

- To redress the financial situation of the Fonds d'assurance automobile du Québec, the SAAQ proposes rate adjustments starting in January 2007.

- The proposed adjustments form part of a scenario intended to eliminate the financing deficit of the Plan over a period of four years.

- The proposal by the SAAQ maintains the Plan's basic principles:

- the no-fault principle in rate-setting through an equal sharing of the cost of compensation between the vehicles involved in an accident;

- the financing of the Plan by road vehicle users;

- uniform rates, regardless of age, sex or region.

- Insurance contributions are based on the accident risk associated to each category of road vehicle and the behaviour of licence holders.

- The SAAQ is committed to maintaining accident prevention programs.

- The SAAQ proposes a new rate structure for driver's licence based on demerit points on the driving record of holders, which better reflects the level of risk. In 2007, the insurance contributions would increase with the first demerit point entered on a licence holder's record.

- As for motorcycles, the SAAQ intends to create two broad categories: "regular" motorcycles and "sport" motorcycles (the latter listed in Schedule 1 to the draft Regulation) and to adapt the cylinder size grouping according to the level of risk observed. It also proposes that part of the insurance contribution be levied on driver's licences which include the authorization of operating a motorcycle.

- With regards to commercial vehicles and other types of road vehicles, the insurance contributions proposed take into account the level of risk associated with the use of these vehicles, according to their current classification.

- The draft Regulation provides for the annual indexing of insurance contributions to the change in the consumer price index, starting in 2009, as is the case currently with compensation payments to road accident victims. The indexing of insurance contributions linked to passenger vehicle registration would start in 2007.

Discussion Document

The SAAQ has produced a discussion document, For a Sustainable and Equitable Plan, that explains the proposed changes. This document and the draft Regulation respecting insurance contributions are available for consultation on the website: www.saaq.gouv.qc.ca.

A copy of these documents may also be obtained by writing to this address:

Société de l'assurance automobile du Québec
Direction des communications
Case postale 19600
333, boulevard Jean-Lesage, O-M-51
Québec (Québec) G1K 8J6

Fax: 418 644-5861

Public Consultation

The Panel of Experts will be holding public hearings from May 8 through 10, 2006 in Montréal and from May 15 through 17, 2006 in Québec City, at these locations:

May 8th, 9th and 10th May 15th, 16th and 17th

Holiday Inn Select Montréal Centre-Ville 99, avenue Viger Ouest Montréal	Hilton Québec 1100, boulevard René-Lévesque Est Québec
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From 9 am to 5 pm. From 9 am to 5 pm.

The Panel reserves the right to schedule more dates and extend the hours of hearings into the evening, if warranted.

Parties interested in submitting a brief or making their comments in writing on the draft Regulation must send a copy to the Panel by 5 pm on April 10, 2006.

The rules for presentation of briefs and submission of written comments may be viewed on the Panel of Experts' website at : www.conseilexpert.aauto.ca.

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