

Press release

For immediate release

IBC releases the results of a survey on the reform
of the *Automobile Insurance Act*

Amendments to the no-fault system: Quebecers' support drops as they learn more about the possible impact of the government's reform

Montreal, October 7th 2003 – A survey conducted for the Insurance Bureau of Canada (IBC) clearly shows that Quebecers' support for the reform of the *Automobile Insurance Act*, as proposed by the government, drops significantly when they become aware of the possible consequences of the plan. With the new legislative session beginning in a few weeks, IBC is releasing the results of the survey.

An analysis of the survey reveals that, while the majority of the population seems to be spontaneously in favour of the changes proposed by the government, perceptions vary greatly when respondents are confronted with specific situations. In order to measure the public's support for the government's plan, cases examples were presented to the respondents.

The results of this exercise are very revealing. For instance, 77% of respondents initially stated that they were in favour of the amendment aimed at cutting off benefits for criminal drivers, but awarded it an average score of 4.5 out of 10 when asked about a specific case. With respect to reinstating the right to sue, the rate of approval dropped from 69% to a score of 4.6 out of 10. Finally, after the persons surveyed learned about three actual cases concerning the reimbursement by criminal drivers of amounts paid to victims, their support collapsed, falling from 65% to scores of 5 out of 10, 3.9 out of 10 and 5.3 out of 10 respectively for the three cases submitted.

“A review of this data shows that the answers are much more varied when the public becomes aware of the actual implications of the government’s plans. This is certainly the reason why respondents feel that the government should provide better compensation to victims (63%) rather than reinstate the right to sue”, explains Jacques Valotaire, chairman of IBC Quebec.

Furthermore, when individuals surveyed were told about the possible consequences of cutting off benefits paid to criminal drivers injured in an accident for which they are responsible, this amendment received the support of 17% of respondents only. A large proportion of Quebecers, i.e. 87%, felt that it should be imperative to hold public hearings before making a final decision on the proposed changes.

The survey also addressed the issue of premium increases. On this issue, 68% of those surveyed felt that the amendments proposed by the government would result in higher automobile insurance premiums. The public’s support for the government’s plan declines significantly as the percentage of premium increase becomes higher.

The survey provides information on the main factors that would prevent individuals, should they be victims of criminal drivers, from suing them even if they have the right to do so. These factors are in decreasing order: lawyers’ fees, long waits, the criminal driver’s insolvency and the psychological pain of having to relive the event during the proceedings.

“The survey confirms that, while the public may find the government’s intentions commendable, the means used seem inappropriate. We are convinced that once the Quebec people are better informed about the consequences that these changes may bring about, a large majority will want to keep the current no fault system and will oppose the implementation of new judicial proceedings. We hope that the results of this survey will influence the government’s thinking in this matter”, Mr Valotaire concluded.

The survey was conducted by Impact Recherche, between August 1 and August 19, 2003, and included 1,015 persons over 18 years of age across the province of Quebec. The margin of error is ± 3.1 percentage points, 19 times out of 20. The complete survey may be viewed on the following Web site: www.bac-quebec.qc.ca

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