

June 9, 2008

Willie Handler
Automobile Insurance Policy Unit
Financial Services Commission of Ontario
5160 Yonge Street, 15th Floor, Box 85
Toronto, ON M2N 6L9



Dear Mr. Handler:

I am writing to you with suggestions for changes to the Insurance Act and submit this letter for the review process being conducted pursuant to section 289.1 of the Act.

Calling auto insurance in Ontario "no-fault" is a misnomer. It is inaccurate and misleading. In Ontario, someone is always at fault in an accident and pays increased premiums as a result.

Changes need to be made to the regulations governing auto insurance in the Province of Ontario if it is to be fair and provide value for what could be considered the most expensive premiums in the world. It should serve the public's interest as much as the insurance industry's.

Here are some of the issues that need reform:

Whether you're "Partially At-Fault" or "Completely At-Fault" your insurance company will increase your rate the same dollar amount. If you're found to be only partially at-fault for an accident, your insurance rate should NOT increase as much as if you were completely at-fault for the accident. Currently that is not the case.

If you have a single vehicle accident it's your fault. Even if you swerve to miss a dog, deer, kid or an oncoming car, and you hit the ditch, the guard rail, or whatever, and damage your vehicle, you're completely at-fault, and your insurance rate will go up.

You can't blame the weather or road conditions for your accident. Regardless of snow covered or icy roads, potholes, black ice, poor visibility, and so forth, you will still be at-fault and your insurance rate will increase if you have an accident.

Really, even if fault was determined, under these circumstances, it should NOT affect the driver's insurance rate, or record.

If a car hits you from behind, causing you to hit the car in front of you, you are considered to be partially at-fault or at-fault for the accident.

How could anyone help it if a car slams into him or her from behind, and the force of the crash causes him or her to hit the car in front of him or her? Why should their

rates go up as much as the driver who slammed into them??? Fault should lie solely with the driver of the car who initiated the impact.

Being Sideswiped: If the insurance adjuster cannot determine the location of each driver in a sideswipe collision, both drivers will be found 50% at-fault.

And now both drivers' rates will suffer. In the justice system, you are guilty or not guilty - not partially guilty. The same should be applied here.

All Way Stop: If the adjuster cannot determine which driver stopped first and therefore had the right-of-way at a four way stop, a collision in the intersection will find both drivers 50% at-fault. Again, if fault cannot be determined then no one can be held accountable.

Traffic Lights: If the adjuster cannot determine which driver failed to stop at a stoplight, or which driver disobeyed traffic lights, both drivers will be 50% at-fault and both drivers will have rate increases. So the driver who obeyed the traffic lights is penalized the same as the driver who went through the red light. This is unfair. And the auto insurance companies for each will increase their premiums and benefit.

All these examples should mean - if the adjuster cannot determine fault - then fault cannot be laid.

All these are examples of rules that favour the industry at the expense of drivers in Ontario. Two insurance companies can increase their premiums for their clients for one accident. It's profiteering.

It means that the insurer actually benefits from some accidents because they can increase premiums even when their customer is not at-fault or only partially at-fault.

In fact, insurance companies in Ontario are raking in huge profits as a result of the astronomical premium increases made in the 1990's. Premium reductions since then have not come down in proportion to those increases.

I am asking that these issues be addressed and the rules rewritten in the interest of fairness for drivers in Ontario.

Sincerely,

A large black rectangular redaction covers the signature and name of the sender. The redaction is composed of several overlapping black shapes, completely obscuring any text that might have been present.