



Is there anything that can be done right now to lower auto premiums?



While Alberta has introduced a freeze on auto insurance rate filings, it will do little to improve the affordability of auto insurance and many drivers may still see an increase on their renewal. The unfortunate reality is that a rate cap or rate freeze offers no savings to Alberta families.

Instead, the Insurance Bureau of Canada has put forward a series of reforms that would deliver savings to consumers today and into the future. Our ***Enhancing Care & Expanding Choice*** proposal would give drivers move choice and new coverage options to save up to **\$200 annually**, while doubling the treatment and care they receive after a collision.

To provide more immediate savings, **IBC has recommended that government remove the 4% Insurance Premium Tax to reduce your insurance bill and put money back into your pocket.** This tax is applied on every auto insurance policy, and removing it – similar to action the Alberta government has taken on the fuel tax – would save drivers an average of \$60 annually.

There are also regulatory improvements that can help reduce the price of auto insurance by cutting red tape and making it easier for insurers to provide savings to good drivers. One example is Alberta's Grid framework, which was created to make insurance more affordable for new drivers. While that's important, the Grid has grown in recent years and now caps insurance rates for high-risk drivers generally. In doing so, safe drivers are being charged more to subsidize those with a history of claims and infractions. **It's time the Grid was reformed, which would save good drivers a further \$65 on their auto insurance premiums.** Learn more about IBC's recommendations to improve the Grid [here](#).

All told, Alberta's insurers have brought forward recommendations that could save drivers up to **\$325 on their auto insurance. It's past time for half-measures. It's time for real change, and real savings.**