



2016 Public Perception Survey
Final Report

March 4, 2016



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1.0 SUMMARY OF FINDINGS

In 2016, the Consumer Representative for the Alberta Automobile Insurance Rate Board (AIRB) contracted Banister Research & Consulting Inc. (Banister Research) to conduct a survey amongst adult residents of Alberta to assess the public's perceptions and knowledge of various features of automobile insurance in Alberta. Surveys were completed randomly via telephone, with individuals who reported managing automobile insurance for their household's private passenger vehicles. A total of 800 respondents completed the telephone survey, providing a margin of error no greater than $\pm 3.5\%$ at the 95% confidence level, or 19 times out of 20.

Key findings of the 2016 Public Perception Survey included:

Purchasing Behaviour

- When asked whether they had sought competitive quotes at any time in the past 2 years, just over one-quarter of the respondents (27%) reported obtaining quotes. Seventy-three percent (73%) did not obtain any quotes prior to purchasing their insurance.
 - Those who sought competitive quotes before purchasing their insurance (n=222) obtained a mean of 2.62 quotes in 2016.
 - The majority of respondents (64%) who obtained quotes (n=222) most frequently reported having made telephone calls to brokers. Thirty-one percent (31%) received competitive quotes from websites, a significant increase from 2015 (25%). Thirty percent (30%) made in-person visits to brokers.
 - Those who sought competitive quotes (n=222) most frequently decided to purchase insurance via telephone/in person (57%). Twenty-nine percent (29%) purchased via an insurance company direct by phone/visit, and 8% purchased via online company.
- With regards to respondent loyalty to their policy and/or company in the past 2 years:
 - Ninety percent (90%) of all respondents **remained with their existing carrier** (comparable to 89% in 2015);
 - Thirty-eight percent (38%) of all respondents **obtained a new policy** (comparable to 39% in 2015); and
 - Twelve percent (12%) of all respondents **switched insurance companies** (comparable to 10% in 2015).¹
 - Respondents who switched insurance companies in the past 2 years (n=96) most often reported switching due to lower premiums and/or lower deductibles (69%), while 12% reported switching companies due to poor customer service, and 12% switched because the coverage was better at the new company.
 - Respondents who either switched insurance companies or obtained a new policy (n=343) were asked why they chose their new company or policy; just over one-third of the respondents (34%) switched due to comparative or competitive rates, while 29% expressed switching for better service.

¹ Findings are independent of one another (i.e., respondents permitted to have indicated they remained with their existing carrier, obtained a new policy, *and* switched insurance companies).

Perceptions on Automobile Insurance

- With regards to respondent perceptions of automobile insurance in Alberta:
 - Twenty-eight percent (28%) reported having **experienced excessively high insurance rates** in the past 2 years (the same as 28% in 2015);
 - Six percent (6%) **decided not to insure a vehicle because they felt the premiums were cost-prohibitive** for their household (the same as 6% in 2015); and
 - Less than one percent (<1%) **reported having been denied automobile insurance coverage** for their household (compared to 1% in 2015).
- When asked to indicate how strongly they agreed that their insurance premiums are fair and reasonable, 60% of the respondents agreed, overall, while 18% were in moderate agreement, and 22% disagreed. Results were comparable, overall, with those from 2015.
- Five percent (5%) of the respondents reported having insured a vehicle in another province in the past 10 years, while 3% of the respondents had insured a vehicle in another country. Results were comparable to those obtained in 2015.
- When asked if they felt that, compared to other provinces, Alberta insurance premiums are generally more expensive, less expensive, or the same, 29% of respondents indicated that they were more expensive, while 8% felt they were less expensive. Twenty-one percent (21%) felt that they were about the same (42% were unsure).

Opinions on Legislation and Regulation

- Fifty-one percent (51%) of respondents indicated that they would consider signing up for usage-based insurance in 2016, while 25% would not. Eighteen percent (18%) indicated that “it depends.”
- Eighty-five percent (85%) of the respondents reported that their household had not received any tickets resulting in demerit points in the past 3 years, while 13% received at least one ticket; results were comparable to those in 2015.
- When asked how many tickets they, or someone else in their household had received since September, 2011, for distracted driving, the vast majority of respondents surveyed did not receive any tickets (97%, comparable to 98% in 2015), while 3% of the respondents received one (1) ticket.
- In terms of level of agreement with the enforcement of distracted driving laws, in general, 84% of the respondents agreed, overall, a significant increase from 2015 (79%). Five percent (5%) were in moderate agreement, and 10% disagreed, a significant decrease from 2015 (14%).
- Respondents were also asked to rate their level of agreement with the implementation of demerits for distracted driving infractions. Eighty-five percent (85%) of respondents agreed, 5% were in moderate agreement, and 9% disagreed.

Organized Crime

- Respondents were asked how concerned they are with the occurrence of organized staged collisions in order to make fraudulent claims. Seventy percent (70%) showed a high level of concern, 11% were moderately concerned, and 16% reported a low level of concern. Results were comparable to 2015.
- In terms of level of support for an initiative that would involve the pooling of industry-wide insurance data for the purpose of detecting and preventing organized automobile insurance fraud, 85% of the respondents supported this suggestion, while 5% were neutral or provided moderate levels of support or opposition. Six percent (6%) opposed the suggestion.

Transportation Safety

- Respondents were asked how strongly they agreed that a priority of the Alberta government should be to have a plan that addresses road safety to reduce fatalities and injuries on roadways in the province. Eighty-four percent (84%) agreed with this suggestion, overall, while 6% were in moderate agreement and 9% disagreed. Responses were comparable to those in 2015.
- In terms of how strongly they agreed that the Alberta government is taking the right approach to reduce the collision, injury and fatality rate; more than half of the respondents (57%) agreed (ratings of 5 to 7 out of 7), while 13% provided moderate levels of agreement (ratings of 4 out of 7), a significant decrease from 2015. Nineteen percent (19%) of respondents disagreed (ratings of 1 to 3 out of 7). Responses were comparable to those obtained in 2015.

Transportation Network Companies

- Respondents were then asked if they, or any others in their household had used transportation network companies in the past 12 months. Ninety-two percent (92%) of respondents had not used transportation network companies, while 7% had used transportation network companies.
- Respondents were then asked how strongly they support regulations to legally allow transportation network companies to operate in the province. Fifty-five percent (55%) indicated support, 13% showed moderate support or were somewhat neutral, and 22% were opposed.

Household Insurance Profile

- With regards to respondent incidence rates for collisions and non-collision incidents:
 - Eleven percent (11%) indicated that someone in their household had been involved in a **collision with another vehicle** in the past 2 years (comparable to 14% in 2015);
 - Ten percent (10%) indicated that someone in their household had experienced a **non-collision incident** (e.g., property damage caused by fire, theft, hail, or vandalism) (comparable to 12% in 2015); and
 - Four percent (4%) indicated that someone in their household had been involved in a **collision not involving another vehicle** (comparable to 6% in 2015).
- When asked if there had ever been a period of time when the respondent, or someone in their household, had stopped carrying automobile insurance for any reason, 8% of the respondents reported that they had, while the vast majority (91%) had not; results were comparable to those in 2015.
- Approximately 8 out of 10 respondents (81%) reported that their household had not made any at-fault claims in the past 6 years, while 15% had made one (1) claim. Four percent (4%) indicated that their household had at least two (2) at-fault claims in the past 6 years. Results were comparable to 2015.

2.0 PROJECT BACKGROUND

In 2016, the Consumer Representative for the Alberta Automobile Insurance Rate Board contracted Banister Research to conduct a general population telephone survey amongst adult residents of Alberta to assess the public's perception and knowledge of the Province of Alberta's automobile insurance industry; the survey has been conducted annually since 2008.

3.0 METHODOLOGY

All components of the project were designed and executed in close consultation with the Automobile Insurance Rate Board (the Client). A detailed description of each task of the project is outlined in the remainder of this section.

3.1 Project Initiation and Questionnaire Design

At the outset of the project, all background information relevant to the study was identified and subsequently reviewed by Banister Research. The consulting team familiarized itself with the objectives of the Client, ensuring a full understanding of the issues and concerns to be addressed in the project. The result of this task was an agreement on the research methodology, a detailed work plan and project initiation.

The 2016 survey instrument was based on the questionnaire used in previous research years (2008 to 2015), allowing for comparability between survey years. The 2016 questionnaire included a new section concerning transportation network companies. The survey included both quantitative and qualitative questions, in order to elicit a more in-depth investigation of the issues and concerns pertinent to the evaluation assignment. A copy of the final questionnaire has been provided in Appendix A.

3.2 Survey Population and Data Collection

Telephone interviews were conducted from January 30th to February 15th, 2016. Banister Research completed a total of 800 telephone interviews with residents of the Province of Alberta who reported managing automobile insurance for their household's private passenger vehicles. To ensure that the survey sample was statistically representative of the province, quotas were established to ensure that 200 interviews each were completed in Edmonton and Calgary, while 200 interviews were also completed with residents in other cities within Alberta, and 200 with residents residing in rural areas throughout the province. Geographic segments were established based on the following parameters:

- City of Edmonton;
- City of Calgary;
- **Other cities within Alberta**, including Fort McMurray, Grande Prairie, Red Deer, Medicine Hat, Lethbridge, Lloydminster, St. Albert, Spruce Grove, Leduc, Sherwood Park; and
- **Rural areas**, including Athabasca, Banff, Canmore, Blairemore, Crowsnest Pass, Bonnyville, Brooks, Camrose, Drayton Valley, Rocky Mountain House, Drumheller, Edson, Hinton, Grande Cache, Jasper, Grande Centre, Cold Lake, High Prairie, High River, Lacombe, Okotoks, Olds, Peace River, High Level, St. Paul, Slave Lake, Stettler, Wainwright, Westlock, Wetaskiwin, and Whitecourt.

Overall results of the telephone survey provide a margin of error no greater than $\pm 3.5\%$ at the 95% confidence level, or 19 times out of 20, while area-specific results provide a margin of error of $\pm 6.9\%$ for each location. When reviewing the survey findings, it is important to note that the sample error tolerances associated with the size of sample sub-groups vary. The reader should be cautious when interpreting results based on a small sample size.

To maximize the sample, up to five (5) call back attempts were made to each listing, prior to excluding it from the final sample. Busy numbers were scheduled for a call back every fifteen (15) minutes. Where there was an answering machine, fax, or no answer, the call back was scheduled for a different time period on the following day. The first attempts to reach each listing were made during the evening or on weekends.

The following table presents the results of the final call attempts. Using the call summary standard established by the Market Research and Intelligence Association, there was an 11% response rate and an 79% refusal rate (compared to a 14% response rate and 78% refusal rate in 2015). It is important to note that the calculation used for both response and refusal rates is a conservative estimate and does not necessarily measure respondent interest in the subject area.

Summary of Final Call Attempts	
Call Classification:	Number of Calls:
Completed Interviews	800
Busy/No Answer/Answering Machine	3,536
Respondents Unavailable/Appointments Set	179
Refusals	3,551
Fax/Modem/Business/Not-In-Service/Wrong Number	650
Language Barrier/Communication Problem	143
Disqualified/Quota Full (Age and/or Gender)	141
Total	9,000

At the outset of the fieldwork, all interviewers and supervisors were given a thorough step-by-step briefing to ensure the successful completion of telephone interviews. To ensure quality, at least 20% of each interviewer's work was monitored by a supervisor on an on-going basis.

The questionnaire was programmed into Banister Research's Computer Assisted Telephone Interviewing (CATI) system. Using this system, data collection and data entry were simultaneous, as data was entered into a computer file while the interview was being conducted. Furthermore, the CATI system allowed interviewers to directly enter verbatim responses to open-ended questions.

3.3 Data Analysis and Project Documentation

While data was being collected, Banister Research provided either a written or verbal progress report to the Client. After the interviews were completed and verified, the lead consultant reviewed the list of different responses to each open-ended or verbatim question and then a code list was established. To ensure consistency of interpretation, the same team of coders was assigned to this project from start to finish. The coding supervisor verified at least 20% of each coder's work. Once the responses were fully coded and entered onto the data file, computer programs were written to check the data for quality and consistency.

Data analysis included cross-tabulation, whereby the frequency and percentage distribution of the results for each question were broken down based on respondent characteristics and responses (e.g. length of residency, demographics, etc.). Statistical analysis included a Z-test to determine if there were significant differences in responses between respondent subgroups. Results were reported as statistically significant at the 95% confidence level.

To ensure that their representation in the sample was proportionate to their representation in the Province, each geographical region was associated a weight for analysis purposes. The table below outlines the weighing factors:

Telephone Survey Population ²	Percent (%) of Total Population	Number of Interviews Completed	Weighting Factor	Representative Number of Interviews
Edmonton: 877,926	22.13%	200	0.8853	177
Calgary: 1,195,194	30.13%	200	1.2052	241
Other Cities: 735,794	18.55%	200	0.7419	148
Rural: 1,157,961	29.19%	200	1.676	234

Tabulations of the detailed data tables have been provided under separate cover, including weighting factors and tabulations of the weighted results. **The reader should note that any discrepancies between charts, graphs or tables are due to rounding of the numbers.**

Please note: The annual AIRB Public Perception Survey has been previously conducted by Banister Research in 2008, 2009, 2011, 2012, 2013, 2014, and 2015. Comparisons up until the 2012 survey data have been included, where applicable. Comparisons to years prior to 2012 have not been included for ease of report comprehension.

²Sources: 2011 census (<http://www12.statcan.ca/>); 2014 population list http://www.municipalaffairs.alberta.ca/documents/LGS/2014_Municipal_Affairs_Population_List.pdf

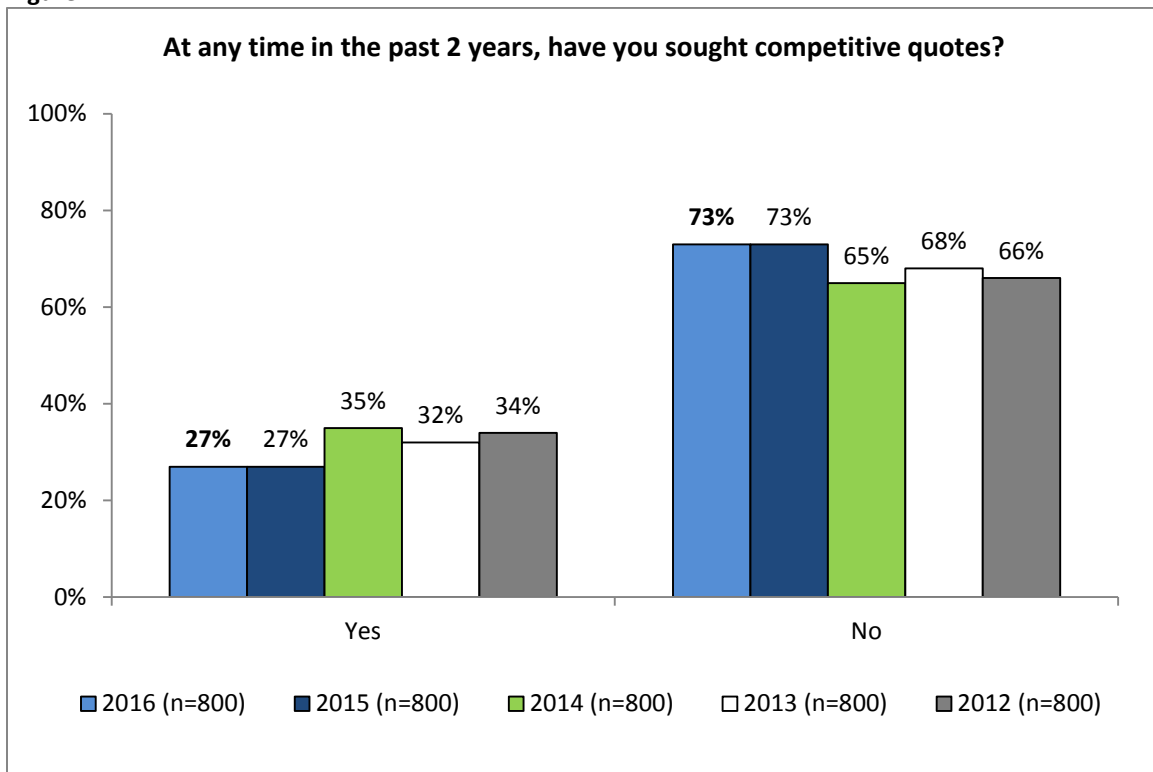
4.0 STUDY FINDINGS

Results of the survey are presented as they relate to the specific topic areas addressed by the survey. It is important to note that the data tables, under a separate cover, provide a detailed analysis of all survey findings. In particular, a comprehensive listing of all open-ended responses has been provided in these tables. The reader should also note, when reading the report that the term significant refers to “statistical significance”. Only those respondent subgroups which reveal statistically significant differences at the 95% confidence level (19 times out of 20) have been reported on. Respondent subgroups that are statistically similar have been omitted from the presentation of findings.

4.1 Purchasing Behaviour

To begin the survey, respondents were asked a series of questions about their purchasing behaviour for automobile insurance in the past 2 years. First, respondents were asked whether they had sought competitive quotes at any time in the past 2 years, prior to making a decision about which company to purchase insurance from. As shown in Figure 1, below, just over one-quarter of the respondents (27%) reported obtaining quotes, comparable to 27% in 2015. Seventy-three percent (73%) did not obtain any quotes prior to purchasing their insurance.

Figure 1



Respondent subgroups significantly more likely to **have obtained competitive quotes** before making a decision included:

- Those aged 35 to 54 (32%), versus those aged 55 and older (23%);
- Those who live in Edmonton (34%), Calgary (27%), and other cities (33%) versus those who live in rural areas (19%);
- Those who refrained from insuring a vehicle because automobile insurance premiums were cost prohibitive for their household in the past 2 years (43%, versus those who did not 26%);
- Those who felt they have experienced excessively high insurance rates in the past 2 years (39%, versus 23% of those who have not);
- Those who disagreed that their insurance premiums are fair and reasonable (36%, versus 23% of those who agreed);
- Those who have received one or more tickets resulting in demerit points in the past 3 years (36%, versus 25% of those with zero);
- Those who have switched insurance companies in the past 2 years (83%, versus 19% of those who have not);
- Those who have not remained with their existing insurance carrier in the past two years (75%, versus 21% of those who have); and
- Those who have obtained a new insurance policy in the past 2 years (34%, versus 22% of those who have not).

Those who reported having sought competitive quotes before purchasing their insurance (n=222) were asked how many quotes they obtained; the mean number of quotes obtained in 2016 was 2.62 quotes, an increase from 2.65, as reported in 2015. See Figure 2 and Table 1, below.

Figure 2

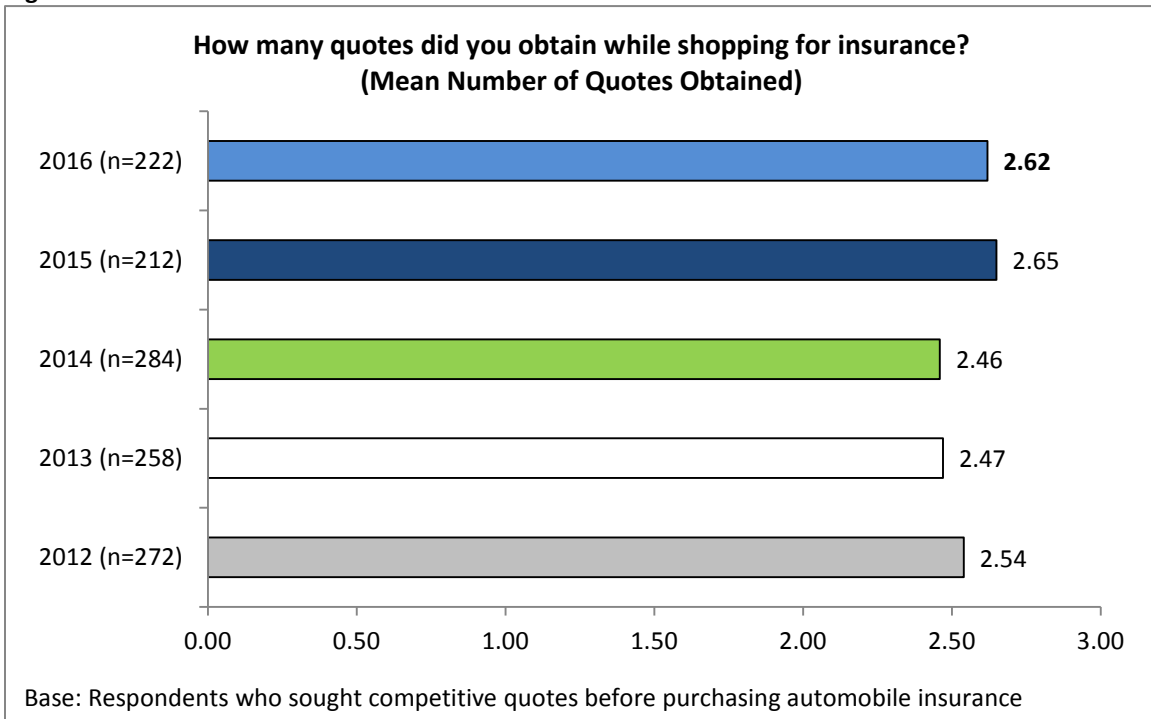


Table 1

How many quotes did you obtain while shopping for insurance?					
Base: Respondents who sought competitive quotes before purchasing automobile insurance	Percent of Respondents				
	2016 (n=222)	2015 (n=212)	2014 (n=284)	2013 (n=258)	2012 (n=272)
One (1) quote	10	9	18	16	15
Two (2) quotes	39	41	38	36	36
Three (3) quotes	36	37	30	41	35
Four (4) quotes	8	6	8	4	8
Five (5) or more quotes	5	5	5	3	4
Mean	2.62 quotes	2.65 quotes	2.46 quotes	2.47 quotes	2.54 quotes

Those who obtained quotes before purchasing insurance for their vehicles (n=222) were also asked how or where they obtained these quotes. The majority of respondents (64%) made telephone calls to brokers, comparable to 60% in 2015. Thirty-one percent (31%) referred to websites (comparable to 25% in 2015), while 10% used “other” sources. Just over one-quarter of respondents (30%) made in-person visits to brokers, comparable to 27% in 2015.

See Figure 3, below, and Table 2, on the following page.

Figure 3

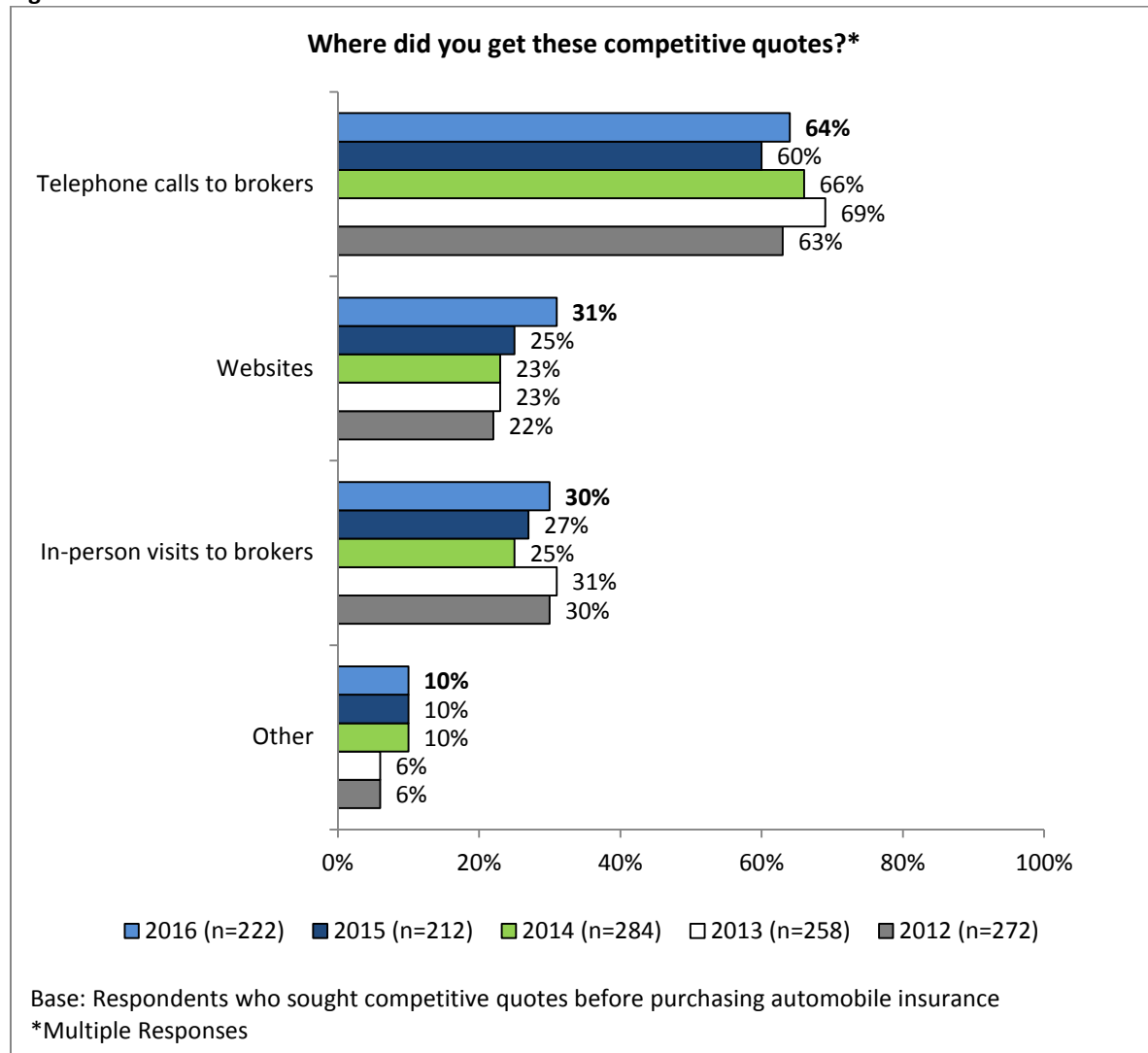


Table 2

Where did you get these competitive quotes?*	
Base: Respondents who sought competitive quotes before purchasing automobile insurance	Percent of Respondents* (n=222)
Telephone calls to brokers	64
Websites	31
In-person visits to brokers	30
Other; specify:	10
A personal referral/reference/word-of-mouth	4
E-mail	1
AMA	1
Mail	1
Bank	1
Other insurance brokers	1
Current provider/company	1
Yellow pages	1
Co-op	1
Radio/radio advertisements	1
Kanetix	<1
Don't Know/Not Stated	<1

*Multiple responses

Those who live in Calgary (43%) were significantly more likely than those in rural areas (19%) to have referred to websites for quotes.

Respondent subgroups significantly more likely to have **made telephone calls to brokers** for a quote included:

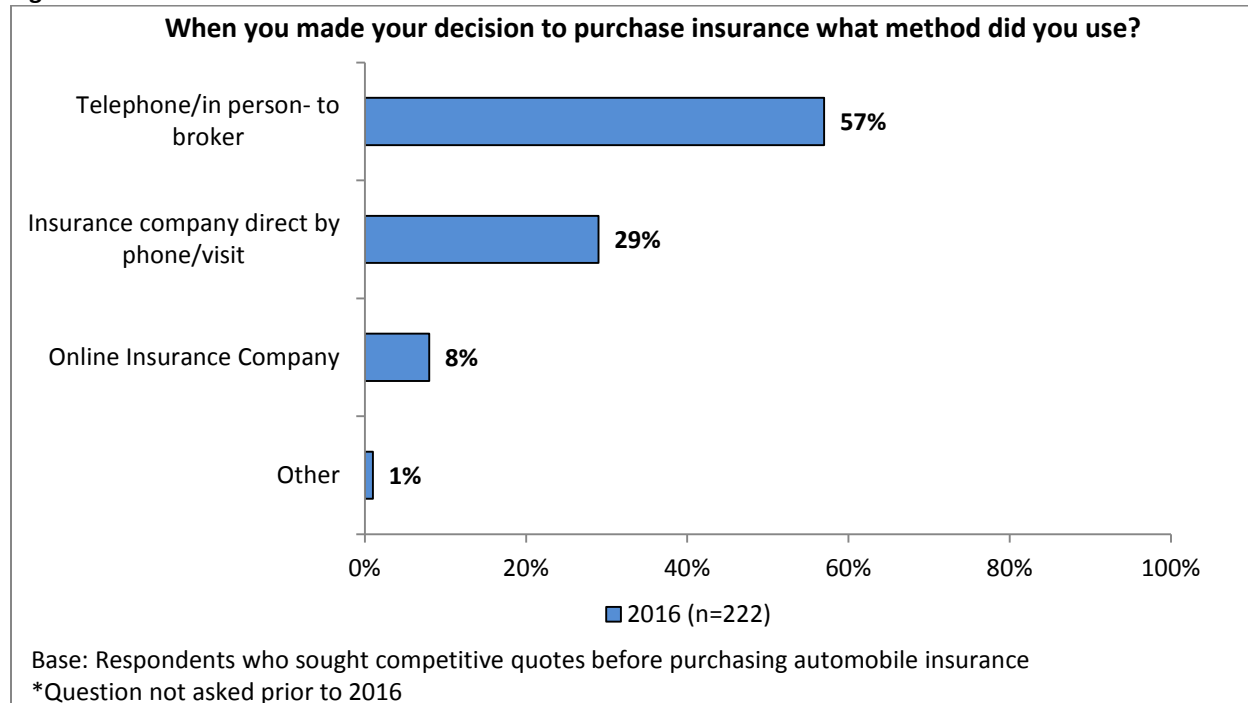
- Those aged 35 to 54 (76%, versus 58% of those aged 55 and older);
- Those who live in Calgary (76%, versus 55% of those who live in other cities in Alberta, excluding Edmonton);
- Those who disagreed that their insurance premiums are fair and reasonable (79%, versus 54% of those who were neutral, and 60% of those who agreed); and
- Those who switched insurance companies in the past 2 years (73%) versus those who did not (59%).

Respondent subgroups significantly more likely to **have made in-person visits to brokers** for a quote included:

- Those aged 55 or older (35%, versus 19% of those aged 35 to 54); and
- Those who live in rural areas (41%, versus 21% of those who live in Calgary).

Those who sought competitive quotes before purchasing automobile insurance were asked, when they made their decision to purchase insurance, what method they used. The majority (57%) used a broker, via telephone or in person. Twenty-nine percent (29%) used an insurance company direct by phone or visit, and 8% used an online insurance company. See Figure 4, below and Table 3, on the following page.

Figure 4



Respondent subgroups significantly more likely to **purchase insurance from a broker** included:

- Females (66%, versus 50% of males);
- Those who live in other cities in Alberta excluding Edmonton (69%, versus 45% of those who live in Calgary); and
- Those who have not remained with their existing insurance carrier in the past two years (70%, versus 52% of those who have).

Respondent subgroups significantly more likely to **purchase insurance from an insurance company** included:

- Those who live in Calgary (42%, versus 21% of those from Edmonton and 23% of those who live in other cities in Alberta);
- Those who felt they have experienced excessively high insurance rates in the past 2 years (38%, versus 24% of those who have not);
- Those who disagreed that their insurance premiums are fair and reasonable (35%) and those who were somewhat neutral (44%) versus those who agreed (20%); and
- Those who have remained with their existing insurance carrier in the past two years (34%, versus 18% of those who have not).

Table 3

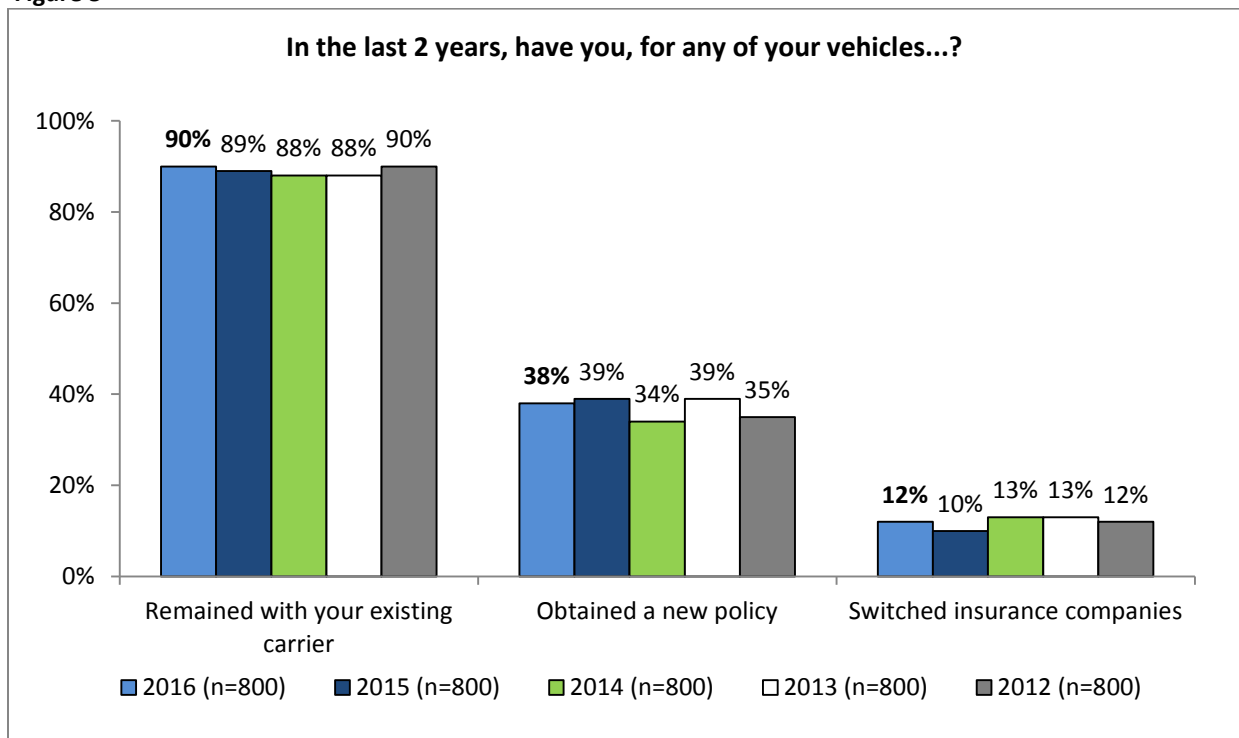
When you made your decision to purchase insurance what method did you use?	
Base: Respondents who sought competitive quotes before purchasing automobile insurance	Percent of Respondents (n=222)
Telephone/in person- to broker	57
Insurance company direct by phone/visit	29
Online Insurance Company	8
Other; specify:	1
Combination of online, telephone, and in-person	1
Don't Know/Not Stated	5

Next, respondents were asked about whether they had remained with their existing carrier, switched companies, or obtained a new policy in the last 2 years. As shown in Figure 5, below:

- Ninety percent (90%) of all respondents **remained with their existing carrier** (comparable to 89% in 2015);
- Thirty-eight percent (38%) of all respondents **obtained a new policy** (comparable to 39% in 2015); and
- Twelve percent (12%) of all respondents **switched insurance companies** (comparable to 10% in 2015).

The reader should note that these findings are independent of one another (i.e., respondents were permitted to have indicated they remained with their existing carrier, obtained a new policy, *and* switched insurance companies, if applicable).

Figure 5



Respondent subgroups significantly more likely to have **switched insurance companies in the last 2 years** included:

- Those aged 35 to 54 (15%, versus 9% of those aged 55 and older);
- Those who live in other cities in Alberta, excluding Edmonton and Calgary (17%, versus 8% of those in rural areas);
- Those who have obtained competitive quotes in the past 2 years (36%, versus 3% of those who have not);
- Those who felt they have experienced excessively high insurance rates in the past 2 years (20%, versus 8% of those who have not);
- Those who disagreed that their insurance premiums are fair and reasonable (16%, versus 10% of those who agreed);
- Those who have stopped carrying automobile insurance coverage for a period of time (21%, versus 11% of those who have not);
- Those who have received one or more tickets resulting in demerit points in the past 3 years (22%, versus 10% of those with zero);
- Those who have not remained with their existing carrier in the past 2 years (78%, versus 4% of those who have); and
- Those who have obtained a new insurance policy in the past 2 years (18%, versus 8% of those who have not).

Respondent subgroups significantly more likely to have **remained with their existing carrier in the last 2 years** included:

- Those who live in Calgary (93%) and those who live in rural areas in Alberta (93%) versus those who live in other cities in Alberta, excluding Edmonton (85%);
- Those who have not obtained competitive quotes in the past 2 years (97%, versus 72% of those who have);
- Those who have not felt they have experienced excessively high insurance rates in the past 2 years (92%, versus 85% of those who have);
- Those who have not stopped carrying automobile insurance coverage for a period of time (91%, versus 82% of those who have);
- Those who have received zero tickets resulting in demerit points in the past 3 years (91%, versus 84% of those with one or more); and
- Those who have not switched insurance companies in the past 2 years (98%, versus 34% of those who have).

Respondent subgroups significantly more likely to have **obtained a new policy in the last 2 years** included:

- Males (42%, versus 34% of females);
- Those aged 35 to 54 (48%), versus those aged 55 and older (35%);
- Those who live in Calgary (44%, versus 35% of those who live in rural areas);
- Those who have obtained competitive quotes in the past 2 years (49%, versus 34% of those who have not);
- Those who have been involved in incidents involving damage to a vehicle other than a collision (52%, versus 37% of those who have not);
- Those who refrained from insuring a vehicle because automobile insurance premiums were cost prohibitive (54%, versus 37% of those who did not);
- Those who have stopped carrying automobile insurance coverage for a period of time (53%, versus 37% of those who have not);
- Those who have had at least one at-fault claim in the past 6 years (45%, versus 37% of those who have had zero);
- Those whose household has received at least one ticket resulting in demerit points in the past 3 years (57%, versus 35% of those who have not received any); and
- Those who have switched insurance companies in the past 2 years (59%, versus 35% of those who have not).

Respondents who switched insurance companies in the past 2 years (n=96) were asked for what reasons they decided to switch companies. Nearly three-quarters of the respondents (69%) indicated that they switched due to lower premiums and/or lower deductibles, while 12% reported switching companies due to poor customer service, and 12% switched because coverage was better at the new company. See Table 4, below.

Table 4

For what reason(s) did you make a decision to switch automobile insurance companies?	
Base: Respondents who switched insurance companies in the last 2 years	Percent of Respondents* (n=96)
It was cheaper/cost/lower deductible	69
Received poor service at prior company/claim was poorly handled/better service at new company	12
Coverage was better/not good enough coverage at previous company	12
Got a deal with our house insurance/wanted house and car together	4
Location of the company was convenient	3
Broker found a better deal with a different company/broker recommended it	2
Moved/moved provinces	1
Had a claim with another company	1
Convenience	1
Switched back to a previously used broker	1
Different coverage options/to get the coverage option I wanted	1
Family member used the service/switched when we got married	1
Broker/company went out of business/sold company	1
Don't know/not stated	1

*Multiple responses

Respondents who either switched insurance companies or obtained a new policy (n=343) were asked why they chose their new company or policy; just over one-third of the respondents (34%) reported choosing due to comparative or competitive rates, followed by 29% of respondents who chose their policy because of good service. See Table 5, below.

Table 5

On what basis did you choose this policy?	
Base: Respondents who switched insurance or obtained a new policy in the past 2 years	Percent of Respondents* (n=343)
Comparative rates/lower prices/looked at multiple quotes	34
Good service/has used the company for years/remained with the same company	29
Better coverage/was better suited to me/fit the vehicle	13
Only added to existing policy	8
Was for a new vehicle/switched insurance to a new vehicle	5
Followed agent recommendation	4
Customer satisfaction/word-of-mouth/company reputation	3
It was necessary	2
Easy/convenient	2
Other (1% of respondents or less)	7
Don't Know/Not Stated	4

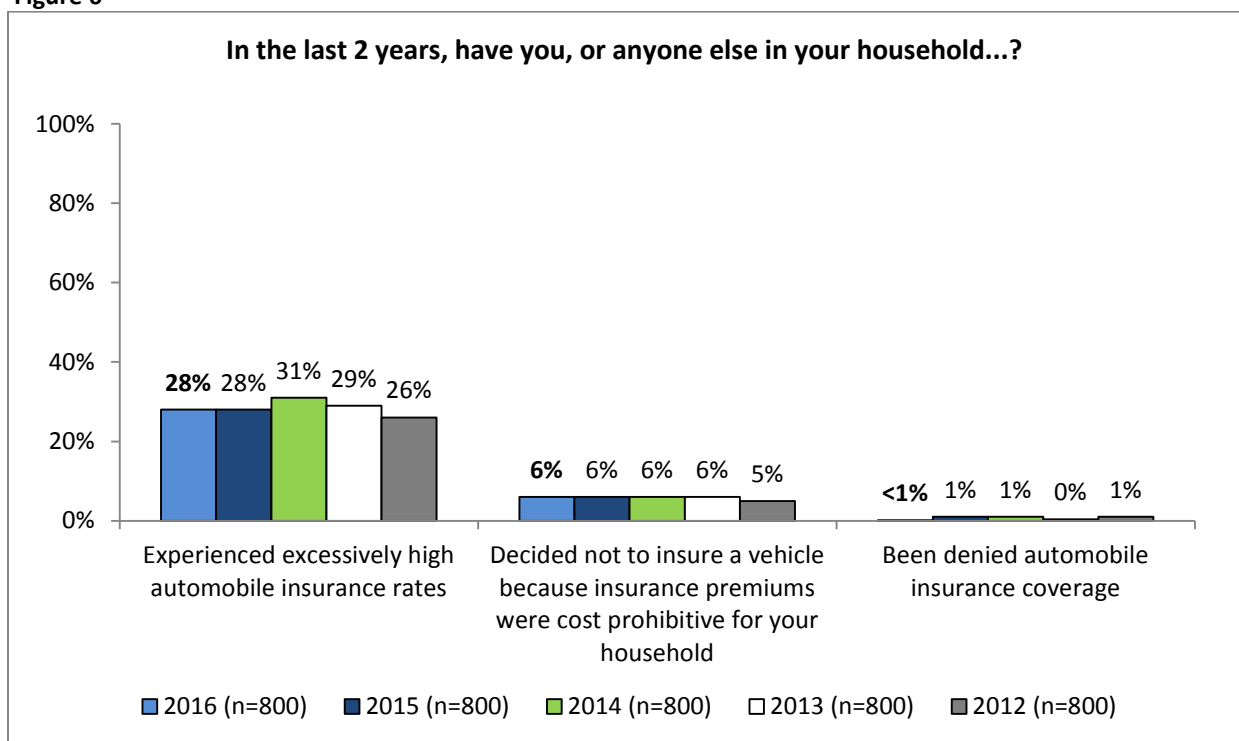
*Multiple responses

4.2 Perceptions of Automobile Insurance

In the next section of the survey, respondents were asked a series of questions concerning their perceptions on automobile insurance in Alberta. As shown in Figure 6, below:

- Twenty-eight percent (28%) reported having **experienced excessively high insurance rates** in the past 2 years (the same as 28% in 2015);
- Six percent (6%) **decided not to insure a vehicle because they felt the premiums were cost-prohibitive** for their household (the same as 6% in 2015); and
- Less than one percent (<1%) **reported having been denied automobile insurance coverage** in the past 2 years (compared to 1% in 2015).

Figure 6



Respondent subgroups significantly more likely to have **decided not to insure a vehicle in the last 2 years because it was cost-prohibitive** included:

- Males (8%, versus 4% of females);
- Those who have obtained competitive quotes in the past 2 years (9%, versus 5% of those who have not);
- Those who felt they have experienced excessively high insurance rates in the past 2 years (13%, versus 3% of those who have not);
- Those who disagreed (13%) that their insurance premiums are fair and reasonable, versus those who were somewhat neutral (3%) and 4% of those who agreed they are reasonable;
- Those who have insured a vehicle in another province in the past 10 years (21%, versus 5% of those who have not);
- Those who have stopped carrying automobile insurance coverage for a period of time (14%, versus 5% of those who have not);
- Those who have received one or more tickets resulting in demerit points in the past 3 years (15%, versus 4% of those with zero); and
- Those who have obtained a new insurance policy in the past 2 years (8%, versus 4% of those who have not).

Respondent subgroups significantly more likely to have **experienced excessively high insurance rates in the last 2 years** included:

- Those who disagreed that their insurance premiums are fair and reasonable (60%, versus 29% of those who showed moderate support and those who agreed, versus 16% of those who agreed);
- Those who were somewhat neutral that their insurance premiums are fair and reasonable (29%, versus 16% of those who agreed);
- Those who have insured a vehicle in another province in the past 10 years (42%, versus 27% of those who have not);
- Those who have stopped carrying automobile insurance coverage for a period of time (43%, versus 27% of those who have not);
- Those who have switched insurance companies in the past 2 years (48%, versus 25% of those who have not); and
- Those who have not remained with their existing carrier in the past 2 years (41%, versus 27% of those who have).

Next, respondents were asked to indicate how strongly they agreed, given their personal circumstances, their insurance premiums are fair and reasonable. Using a scale of 1 to 7, where 1 meant “do not agree at all” and 7 meant “completely agree,” 60% of the respondents agreed (ratings of 5 to 7 out of 7), overall, that their premiums are “fair and reasonable,” while 18% were in moderate agreement (ratings of 4 out of 7), and 22% disagreed (ratings of 1 to 3 out of 7), overall. Results were comparable, overall, with those from 2015. See Figure 7, below, and Table 6, on the following page.

Figure 7

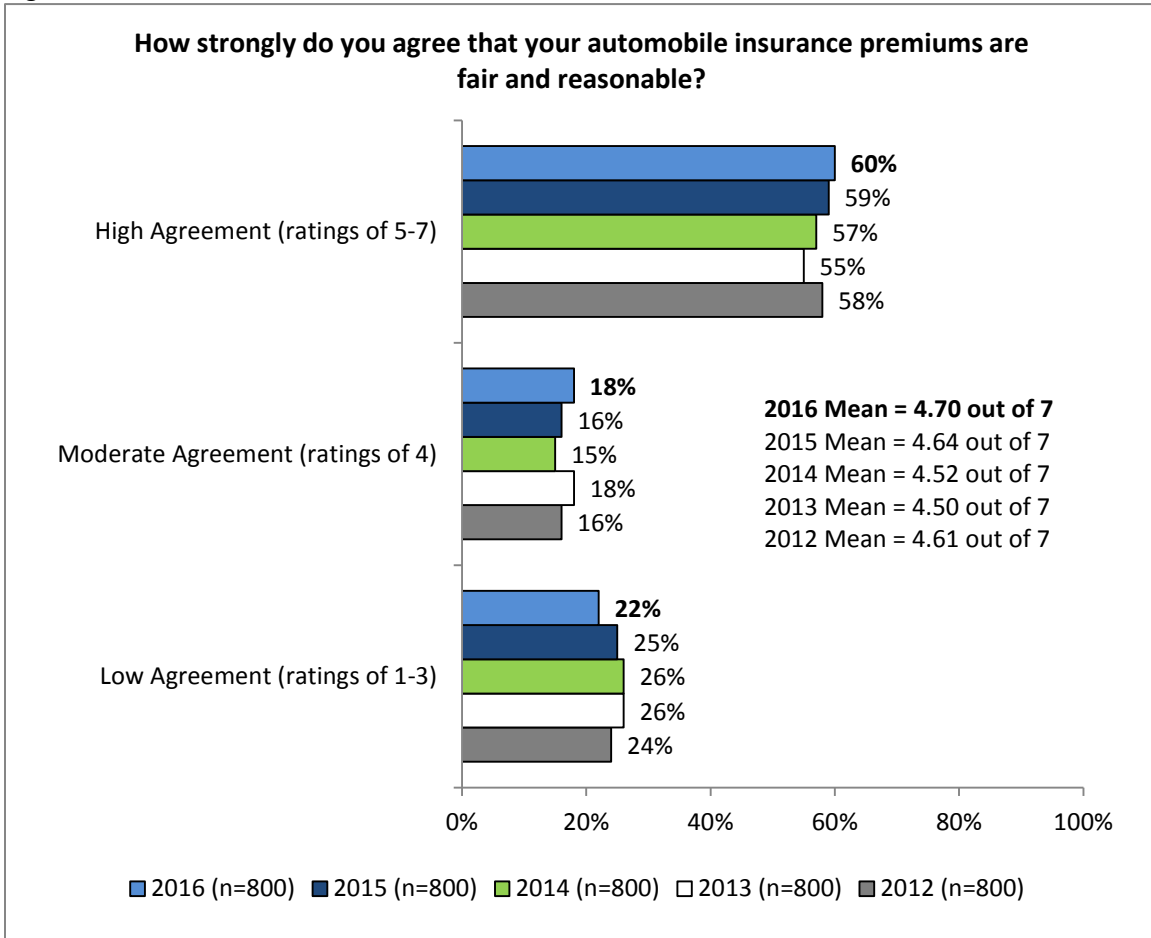


Table 6

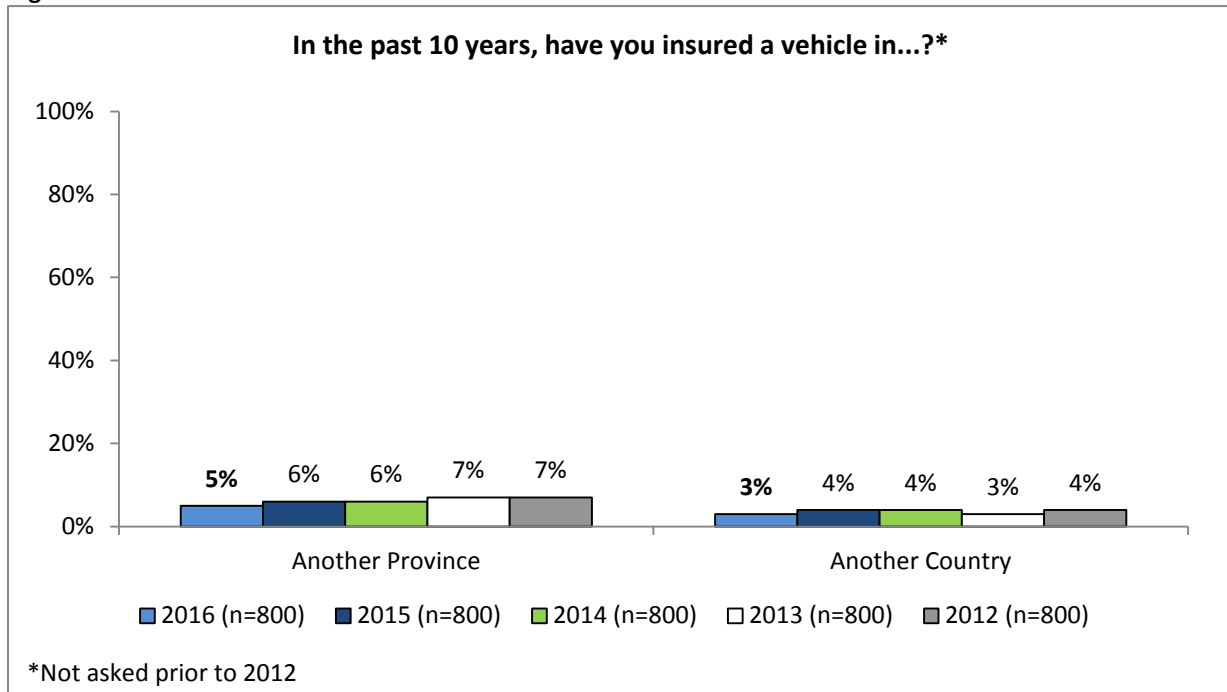
Using a scale of 1 to 7, how strongly do you agree that, given your personal circumstances, your automobile insurance premiums are fair and reasonable?					
	Percent of Respondents				
	2016 (n=800)	2015 (n=800)	2014 (n=800)	2013 (n=800)	2012 (n=800)
(7) Completely agree	16	14	14	13	14
(6)	16	19	15	13	15
(5)	28	27	28	29	28
(4)	18	16	15	18	16
(3)	11	13	12	14	12
(2)	5	7	5	5	6
(1) Do not agree at all	6	5	9	7	6
Don't Know/Not Stated	2	1	2	1	2
Mean	4.70 out of 7	4.64 out of 7	4.52 out of 7	4.50 out of 7	4.61 out of 7

Respondent subgroups significantly *more likely* to have **agreed that their insurance premiums are fair and reasonable (ratings of 5 to 7 out of 7)** included:

- Those aged 55 or older (64%, versus 51% of those aged 35 to 54);
- Those who live in Edmonton (64%) and those who live in other cities in Alberta (65%) versus those who live in Calgary (54%);
- Those who have not obtained competitive quotes in the past 2 years (62%, versus 52% of those who have);
- Those who did not refrain from insuring a vehicle in the last 2 years because it was cost-prohibitive (61%, versus 43% of those who did);
- Those who have not felt they have experienced excessively high insurance rates in the past 2 years (70%, versus 34% of those who have); and
- Those whose household has received zero tickets resulting in demerit points in the past 3 years (61%, versus 50% of those who have received one or more).

As shown in Figure 8, below, 5% of the respondents reported having insured a vehicle in another province in the past 10 years, while 3% of the respondents had insured a vehicle in another country in the past 10 years. Results were comparable to those obtained in 2015.

Figure 8



Respondent subgroups significantly more likely to have **insured a vehicle in another province in the past 10 years** included:

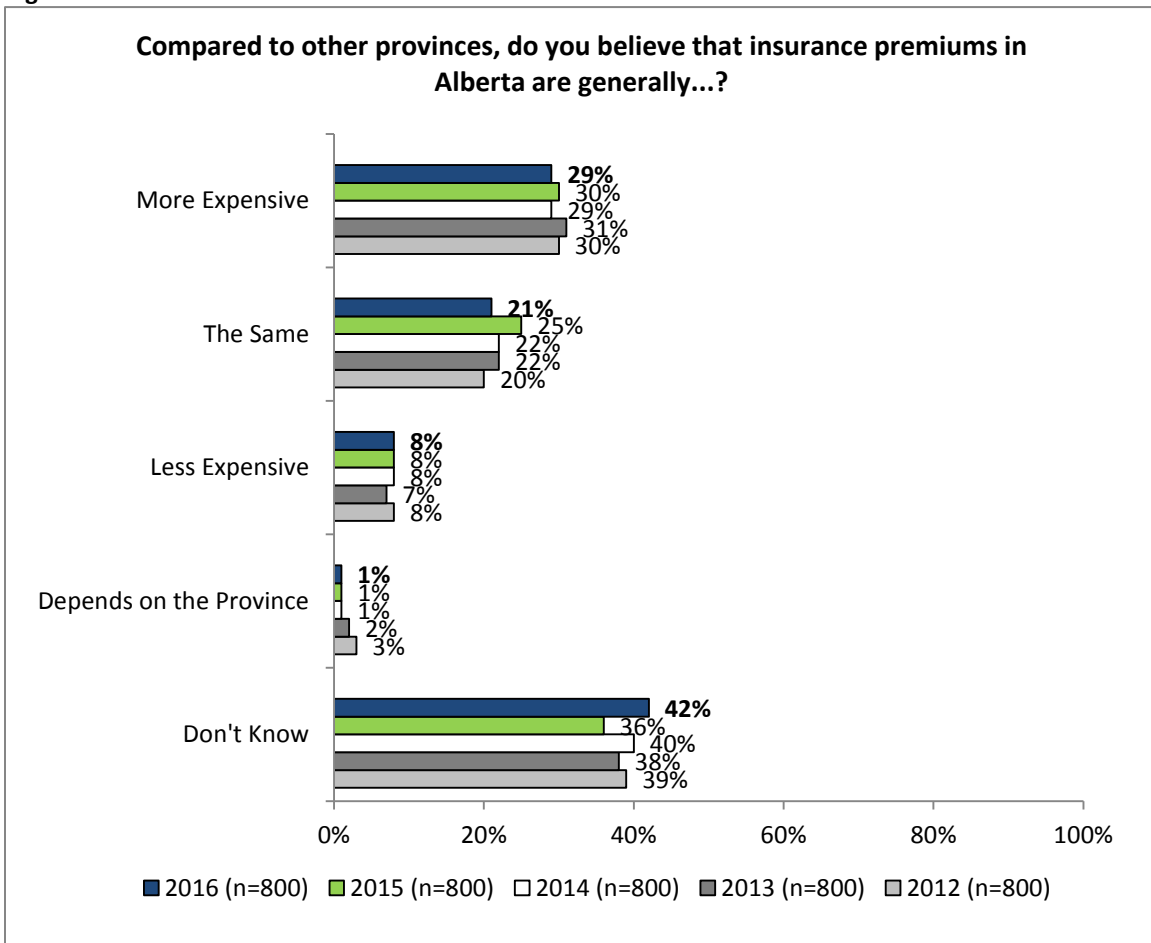
- Those who have been involved in collisions involving another vehicle (11%, versus 5% of those who have not);
- Those who refrained from insuring a vehicle because automobile insurance premiums were cost prohibitive (19%, versus 5% of those who did not);
- Those who have stopped carrying automobile insurance coverage for a period of time (16%, versus 4% of those who have not); and
- Those who have had at least one at-fault claim in the past 6 years (9%, versus 5% of those who have had zero).

Respondent subgroups significantly more likely to have **insured a vehicle in another province in the past 10 years** included:

- Those who live in Calgary (7%) versus those who live in Edmonton (2%), those who live in other cities in Alberta (1%), and those who live in rural areas (2%);
- Those who have stopped carrying automobile insurance coverage for a period of time (9%, versus 3% of those who have not); and
- Those who have obtained a new insurance policy in the past 2 years (6%, versus 2% of those who have not).

When asked if they felt that, compared to other provinces, Alberta insurance premiums are generally more expensive, less expensive, or the same, slightly less than 1 in 3 respondents (29%) indicated that they were more expensive, while 8% felt they were less expensive. Twenty-one percent (21%) felt that they were about the same, while the highest proportion of respondents (42%) were unsure or were unable to provide a response, a significant increase from 2015 (36%). See Figure 9, below.

Figure 9



Respondent subgroups significantly more likely to have **felt that premiums in Alberta are more expensive than in other provinces** included:

- Males (34%, versus 23% of females);
- Those aged 35 to 54 (36%, versus 25% of those aged 55 or older);
- Those who live in Edmonton (32%) or Calgary (32%), or other cities in Alberta excluding Edmonton and Calgary (32%), versus those who live in rural areas within Alberta (21%);
- Those who have obtained competitive quotes in the past 2 years (40%, versus 24% of those who have not);
- Those who did not refrain from insuring a vehicle in the last 2 years because it was cost-prohibitive (46%, versus 28% of those who did);
- Those who have felt they have experienced excessively high insurance rates in the past 2 years (45%, versus 23% of those who have not);
- Those who disagreed (46%) and those who were somewhat neutral (32%) that their insurance premiums are fair and reasonable, versus 21% of those who agreed they are reasonable;
- Those who have insured a vehicle in another province in the past 10 years (48%, versus 27% of those who have not); and
- Those who have not remained with their existing carrier in the past 2 years (38%, versus 27% of those who have).

Respondent subgroups significantly more likely to have **felt that premiums in Alberta are less expensive than in other provinces** included:

- Those who have been involved in incidents involving damage to a vehicle other than a collision (15%, versus 7% of those who have not);
- Those who have not felt they have experienced excessively high insurance rates in the past 2 years (9%, versus 3% of those who have);
- Those who agreed (10%) and those who were somewhat neutral (6%) that their insurance premiums are fair and reasonable versus those who disagreed (2%);
- Those who have insured a vehicle in another province in the past 10 years (20%, versus 7% of those who have not);
- Those who have had at least one at-fault claim in the past 6 years (13%, versus 6% of those who have had zero); and
- Those who have not remained with their existing carrier in the past 2 years (13%, versus 7% of those who have).

Respondent subgroups significantly more likely to have **felt that premiums in Alberta are about the same as in other provinces** included:

- Those who have not obtained competitive quotes in the past 2 years (23%, versus 17% of those who have);
- Those who have not felt they have experienced excessively high insurance rates in the past 2 years (26%, versus 11% of those who have); and
- Those who agreed (25%) and those who were somewhat neutral (22%) that their insurance premiums are fair and reasonable versus those who disagreed (13%).

4.3 Opinions on Legislation and Regulation

Respondents were provided with the following information:

“Some provinces have approved (Ontario, Quebec and Nova Scotia)- “usage-based insurance” rates to drivers. These rates are calculated based on vehicle data such as speeding, hard braking, and mileage, collected by an on-board telematics device (sensor). If the vehicle’s data shows safe driving habits, a discount may be offered on insurance rates. It is important to note that unsafe driving practices do not result in increased premiums if User Based Insurance is added to your policy. Some companies within the Province of Alberta may offer usage-based insurance in 2016.”

Respondents were then asked to indicate if they would consider signing up for usage-based insurance. As shown in Figure 10, below, half of the respondents (51%) indicated that they would, while 25% indicated that they would not consider signing up for usage-based insurance. See Table 7, on the following page, for the full breakdown of results.

Figure 10

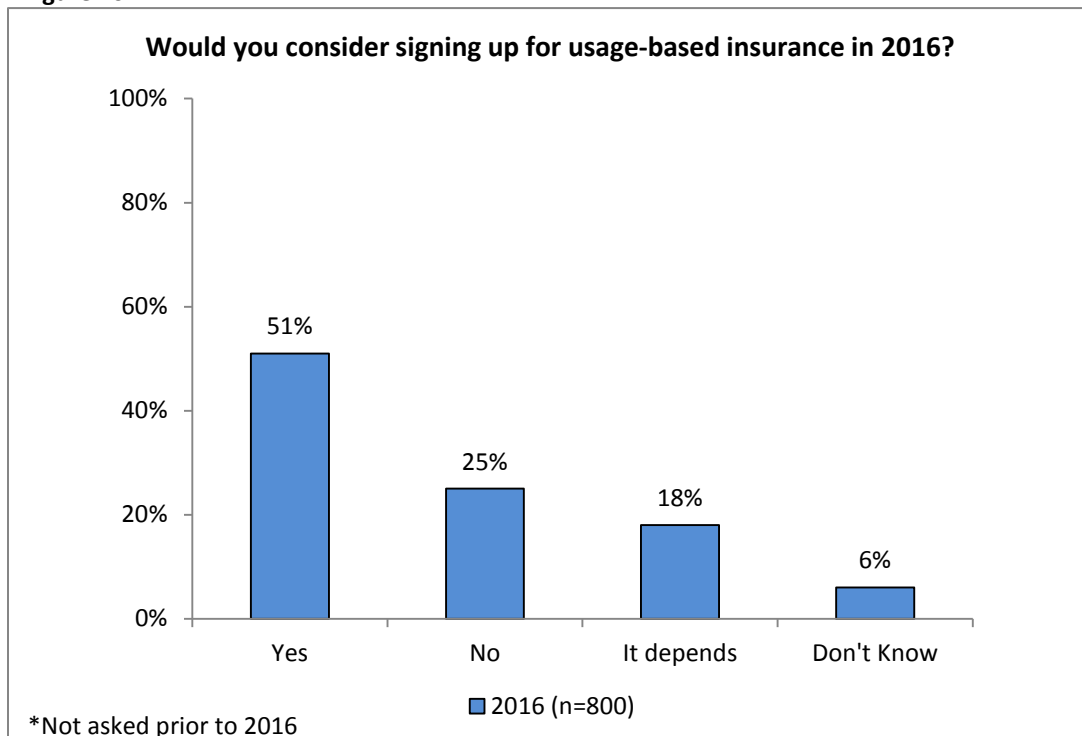


Table 7

Would you consider signing up for usage-based insurance?*	
	Percent of Respondents
	2016 (n=800)
Yes	51
No	25
It depends	18
Depends on the discount/cost	8
Need more information/details	6
Other (1% or less)	5
Don't Know/Not Stated	6

*Not asked prior to 2016

Respondent subgroups significantly more likely to **consider signing up for usage-based insurance** included:

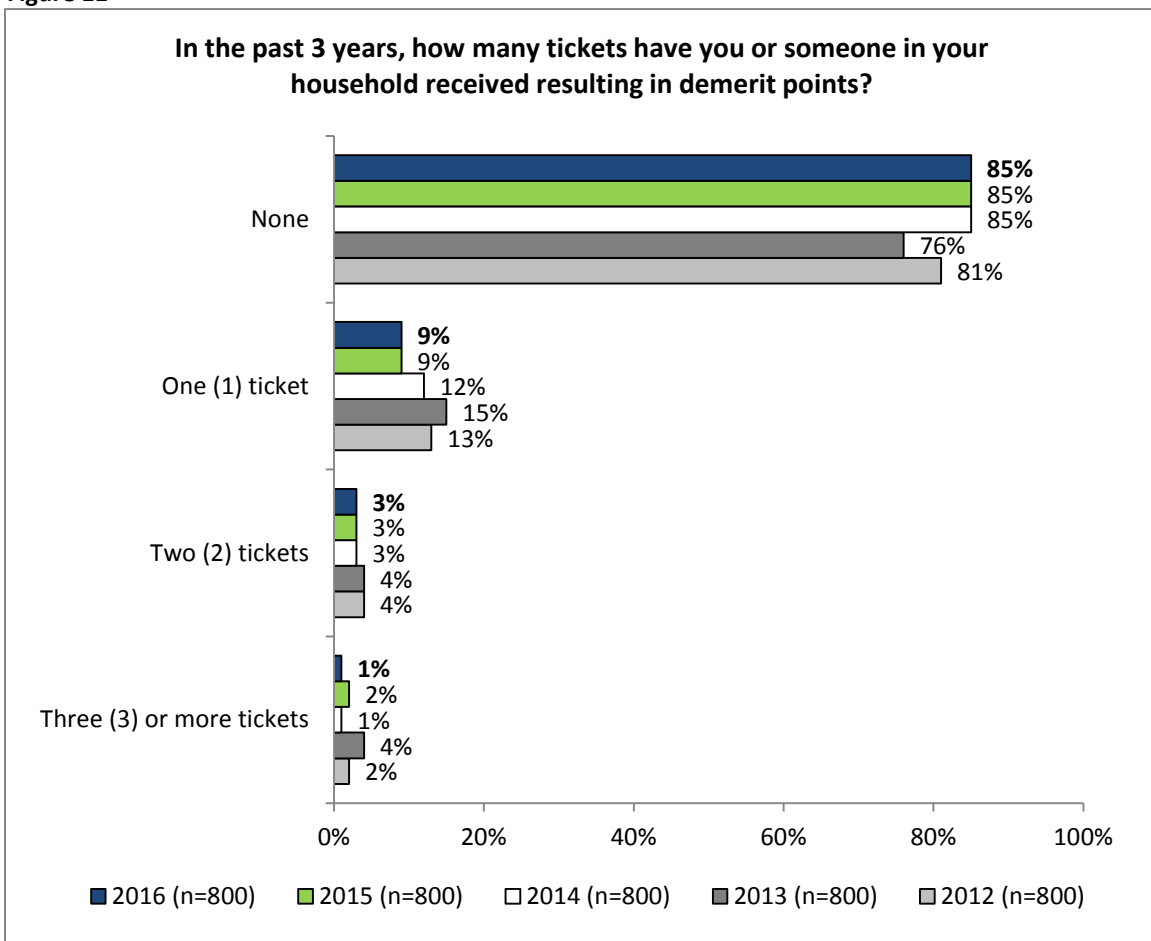
- Those aged 35 to 54 (57%, versus 47% of those aged 55 and older); and
- Those who have insured a vehicle in another province in the past 10 years (71%, versus 49% of those who have not).

Respondents were then provided the following information about traffic violations that result in demerits:

“Certain kinds of traffic violations result in demerit points while other infractions, such as photo radar and parking tickets, do not. Demerit points are incurred for things such as speeding, failure to signal, making an improper turn, passing a vehicle stopped at a crosswalk, failing to stop for a school bus, and Criminal Code violations such as impaired driving.”

When asked how many tickets their household has received in the past 3 years that have resulted in demerit points, 85% of the respondents reported that they have not received any, while 13% received at least one ticket; results were comparable to those in 2015. See Figure 11, below.

Figure 11



Respondent subgroups significantly more likely to have **reported their household has not received any tickets resulting in demerit points in the past 3 years** included:

- Those aged 55 or older (89%, versus 73% of those aged 18 to 34 and 77% of those aged 35 to 54);
- Those who have not obtained competitive quotes in the past 2 years (87%, versus 81% of those who have);
- Those who have not been involved in incidents involving damage to a vehicle other than a collision (87%, versus 74% of those who have);
- Those who did not refrain from insuring a vehicle because automobile insurance premiums were cost prohibitive (87%, versus 64% who did);
- Those who agreed that their insurance premiums are fair and reasonable (88%, versus 79% those who were somewhat neutral);
- Those who have not stopped carrying automobile insurance coverage for a period of time (87%, versus 73% of those who have);
- Those whose household has had no at-fault claims in the past 6 years (88%, versus 75% of those whose household has at least one);
- Those who have not switched insurance companies in the past 2 years (87%, versus 74% of those who have);
- Those who have remained with their existing insurance carrier in the past two years (87%, versus 75% of those who have); and
- Those who have not obtained a new insurance policy in the past 2 years (90%, versus 78% of those who have).

Generally speaking, respondent subgroups significantly more likely to have **reported their household has received at least one ticket resulting in demerit points in the past 3 years** included:

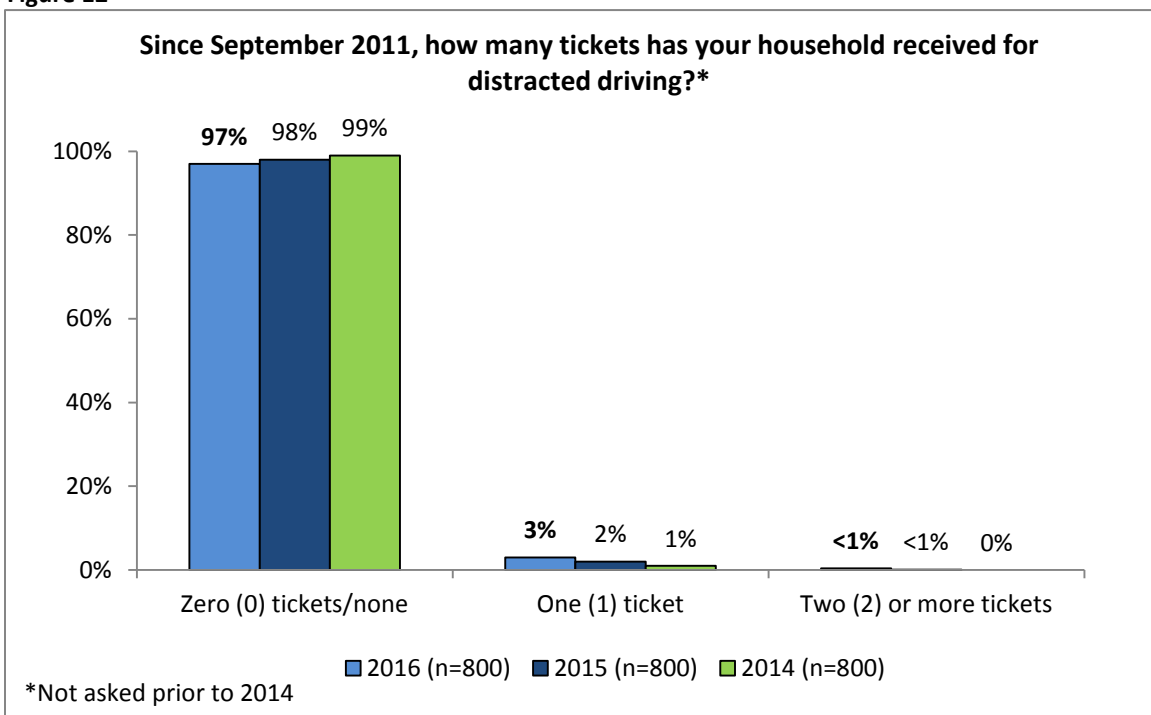
- Those aged 35 to 54 versus those aged 55 and older;
- Those who have been involved in incidents involving damage to a vehicle other than a collision versus those who have not;
- Those who refrained from insuring a vehicle because automobile insurance premiums were cost prohibitive versus those who did not;
- Those who have had at least one at-fault claim in the past 6 years versus those who have not;
- Those who have switched insurance companies in the past 2 years versus those who have not; and
- Those who have obtained a new insurance policy in the past 2 years.

Respondents were then asked about distracted driving legislation. Respondents were informed of the following:

“Drivers may receive a ticket if they are talking or texting on a hand-held cell phone, watching videos, reading or applying make-up, for example.”

When asked how many tickets they, or someone else in their household had received since September, 2011, for distracted driving, the vast majority of respondents surveyed did not receive any tickets (97%, comparable to 98% in 2015), while 3% of the respondents received one (1) ticket; three respondents (n=3; <1%) received two (2) distracted driving tickets since 2011. See Figure 12, below.

Figure 12



Respondent subgroups significantly more likely to have **reported their household has not received any tickets for distracted driving since September, 2011** included:

- Those aged 55 or older (98%, versus 95% of those aged 35 to 54);
- Those who live in rural areas within Alberta (99%, versus 95% of those who live in Edmonton);
- Those whose household has not received any tickets resulting in demerit points in the past 3 years (98%, versus 88% of those who have received at least one ticket); and
- Those who have remained with their existing carrier in the past 2 years (97%, versus 93% those who have not).

Respondent subgroups significantly more likely to have **reported their household has received one (1) ticket for distracted driving since September, 2011** included:

- Those aged 35 to 54 (5%, versus 2% of those aged 55 or older); and
- Those whose household has received at least one ticket resulting in demerit points in the past 3 years (10%, versus 2% of those who have not received any).

Respondent subgroups significantly more likely to have **reported their household has received two (2) ticket for distracted driving since September, 2011** included:

- Those who have been involved in collisions not involving another vehicle in the past 2 years (4%, versus <1% of those who have not);
- Those who have stopped carrying automobile insurance coverage for a period of time (2%, versus <1% of those who have not); and
- Those who have switched insurance companies in the past 2 years (2%, versus <1% of those who have not).

Next, using a scale of 1 to 7, where 1 meant “do not agree at all” and 7 meant “completely agree,” respondents were asked to rate how strongly they agreed with the enforcement of distracted driving laws, in general. As shown in Figure 13, below, 84% of the respondents agreed (ratings of 5 to 7 out of 7), a significant increase from 2015 (79%). Five percent (5%) were in moderate agreement (ratings of 4 out of 7), and 10% disagreed (ratings of 1 to 3 out of 7), overall. See Table 8, on the following page, for the full breakdown of results.

Figure 13

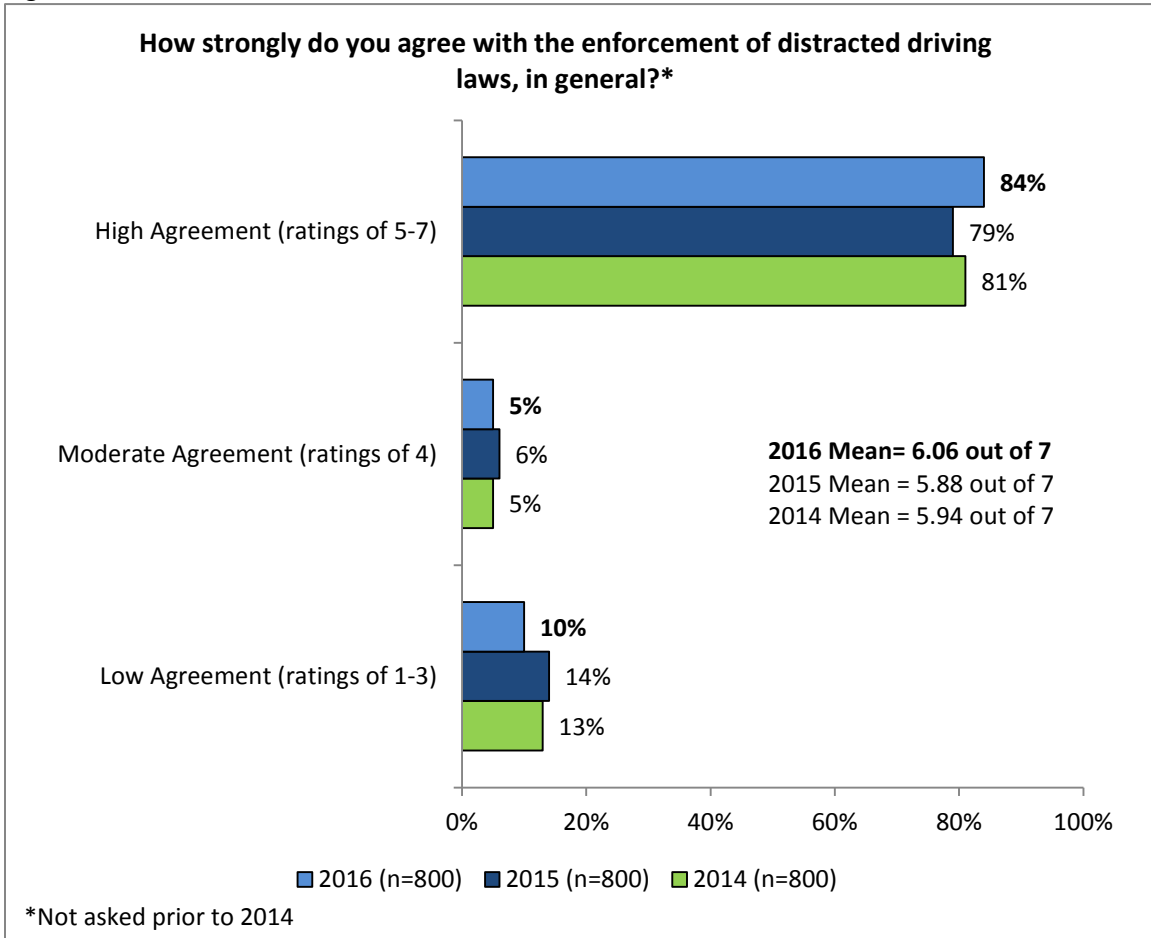


Table 8

Using a scale of 1 to 7, how strongly do you agree with the enforcement of distracted driving laws, in general?*			
	Percent of Respondents		
	2016 (n=800)	2015 (n=800)	2014 (n=800)
(7) Completely agree	66	61	62
(6)	8	12	12
(5)	10	7	7
(4)	5	6	5
(3)	4	6	4
(2)	2	4	4
(1) Do not agree at all	4	5	4
Don't Know/Not Stated	1	1	2
Mean	6.06 out of 7	5.88 out of 7	5.94 out of 7

*Not asked prior to 2014

Respondent subgroups significantly *more likely* to have **agreed with the enforcement of distracted driving laws, in general (ratings of 5 to 7 out of 7)** included:

- Females (87%, versus 81% of males);
- Those who live in Edmonton (88%) and other cities in Alberta (87%) versus Calgary (79%);
- Those who agreed that their insurance premiums are fair and reasonable (86%, versus 77% of those who disagreed);
- Those whose household has not received any tickets resulting in demerit points in the past 3 years (85%, versus 77% of those whose household has received at least one); and
- Those who have not obtained a new insurance policy in the past 2 years (87%, versus 79% of those who have).

New to the 2016 survey, respondents were provided with the following information:

“As of January 1, 2016 a distracted driving conviction will result in three demerits on a driver’s record. Using the same scale, please rate your level of agreement for the addition of demerits to all distracted driving charges.”

In 2014 and 2015, respondents were asked to rate their level of agreement with the possibility of implementing changes to distracted driving laws that would ensure infractions also resulted in demerits on the offenders’ license. In 2016, after the law was passed, respondents were asked to rate their level of agreement with the implementation of distracted driving resulting in demerits. As shown in Figure 14, below, 85% of the respondents agreed (ratings of 5 to 7 out of 7), in general, while 5% were in moderate agreement (ratings of 4 out of 7), and 9% disagreed (ratings of 1 to 3 out of 7), overall. All results were comparable to those obtained in 2015. See Table 9, on the following page, for a detailed breakdown of the results.

Figure 14

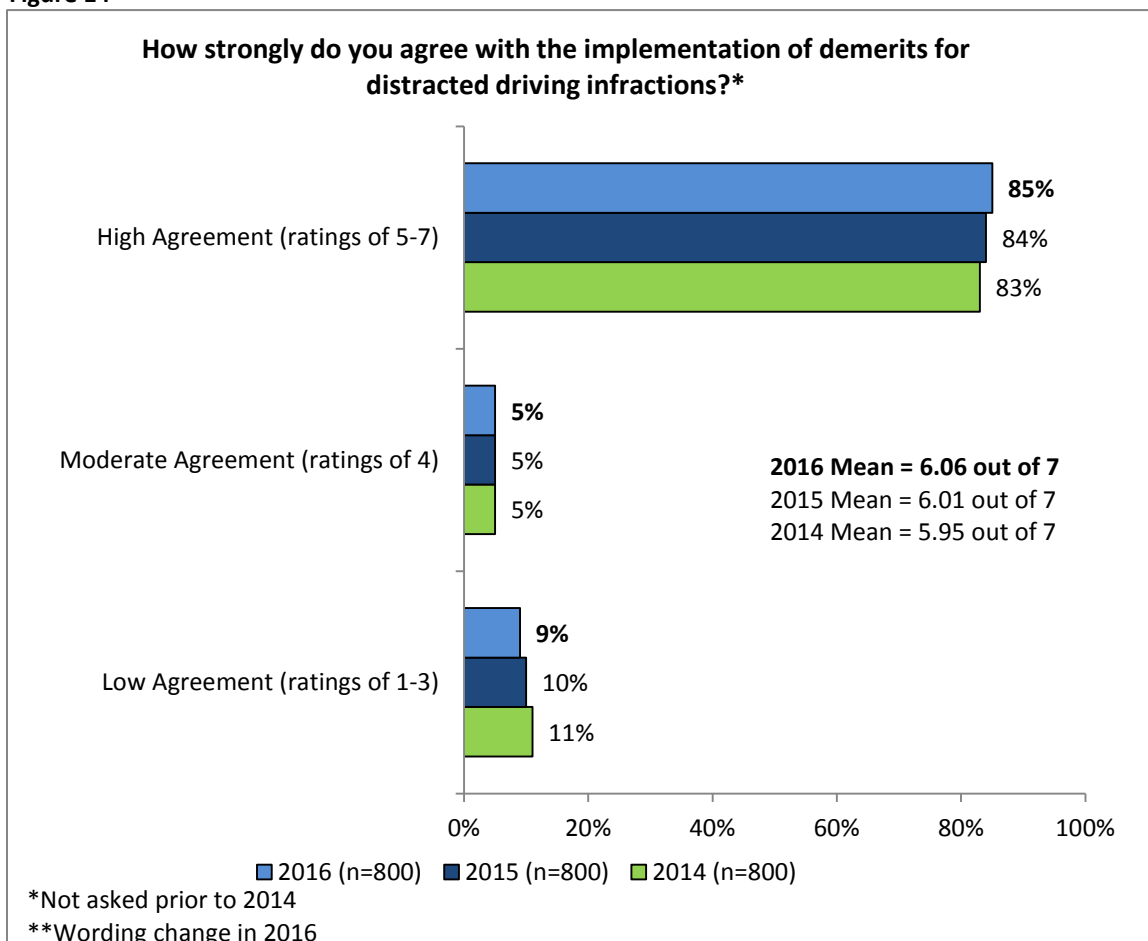


Table 9

Using a scale of 1 to 7, how strongly do you agree with the implementation of demerits for distracted driving infractions?*			
	Percent of Respondents		
	2016 (n=800)	2015 (n=800)	2014 (n=800)
(7) Completely agree	64	63	61
(6)	10	11	12
(5)	10	10	10
(4)	5	5	5
(3)	4	3	3
(2)	2	3	3
(1) Do not agree at all	4	4	5
Don't Know/Not Stated	1	<1	2
Mean	6.06 out of 7	6.01 out of 7	5.95 out of 7

*Not asked prior to 2014

Respondent subgroups significantly *more likely* to have **agreed with the implementation of demerits for distracted driving infractions (ratings of 5 to 7 out of 7)** included:

- Females (87%, versus 82% of males);
- Those who have not been involved in vehicle collisions in the past 2 years (86%, versus 78% of those who have);
- Those who did not refrain from insuring a vehicle in the last 2 years because it was cost-prohibitive (85%, versus 69% of those who did);
- Those who have not felt they have experienced excessively high insurance rates in the past 2 years (89%, versus 76% of those who have); and
- Those who agreed (89%) and those who were somewhat neutral (85%) that their insurance premiums are fair and reasonable versus those who disagreed (72%).

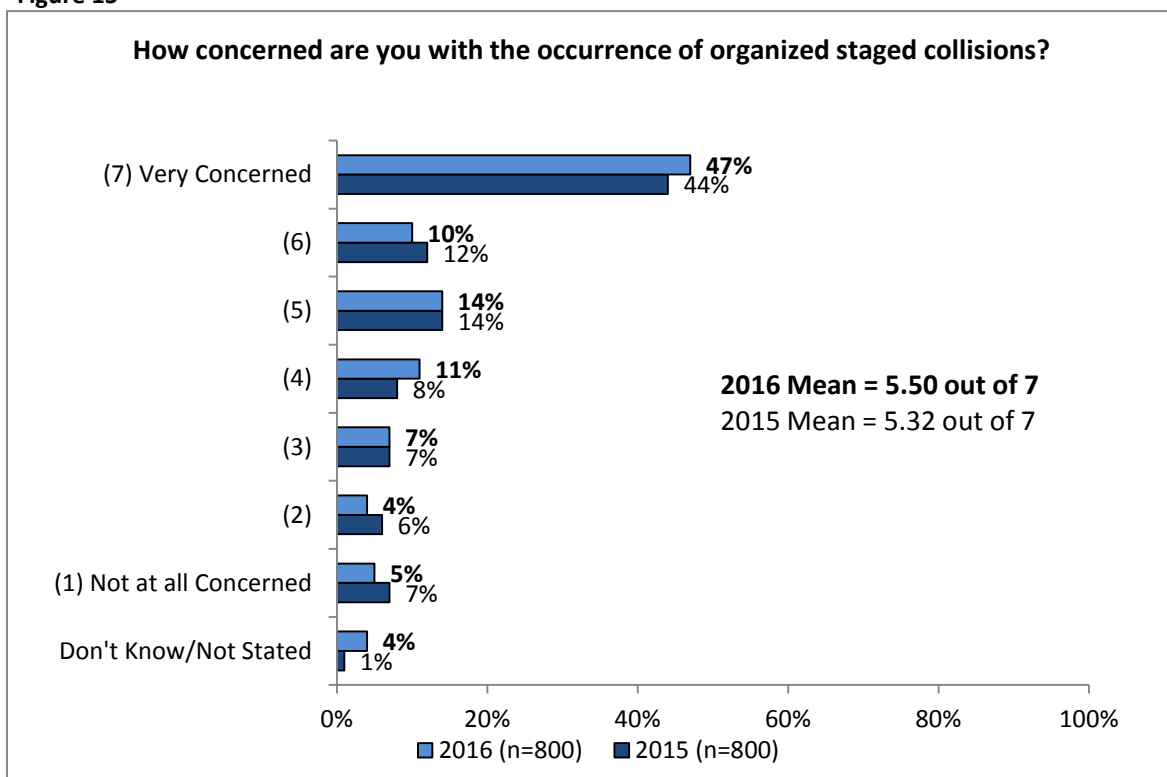
4.4 Organized Crime

Respondents were provided with the following information:

“Some drivers may purposely stage collisions in order to make fraudulent insurance claims. In addition to endangering the safety of other drivers and pedestrians, this may lead to increased premiums for all consumers, as insurance rates are based on industry-wide statistics, in addition to a driver’s personal driving history.”

Given this information, respondents were then asked how concerned they are with the occurrence of organized staged collisions, using a scale of 1 to 7, where 1 meant “not at all concerned” and 7 meant “very concerned.” As shown in Figure 15, below, 70% of the respondents showed a high level of concern (ratings of 5 to 7 out of 7), 11% were moderately concerned (ratings of 4 out of 7), and 16% reported a low level of concern (ratings of 1 to 3 out of 7). Results were comparable to the results from 2015.

Figure 15

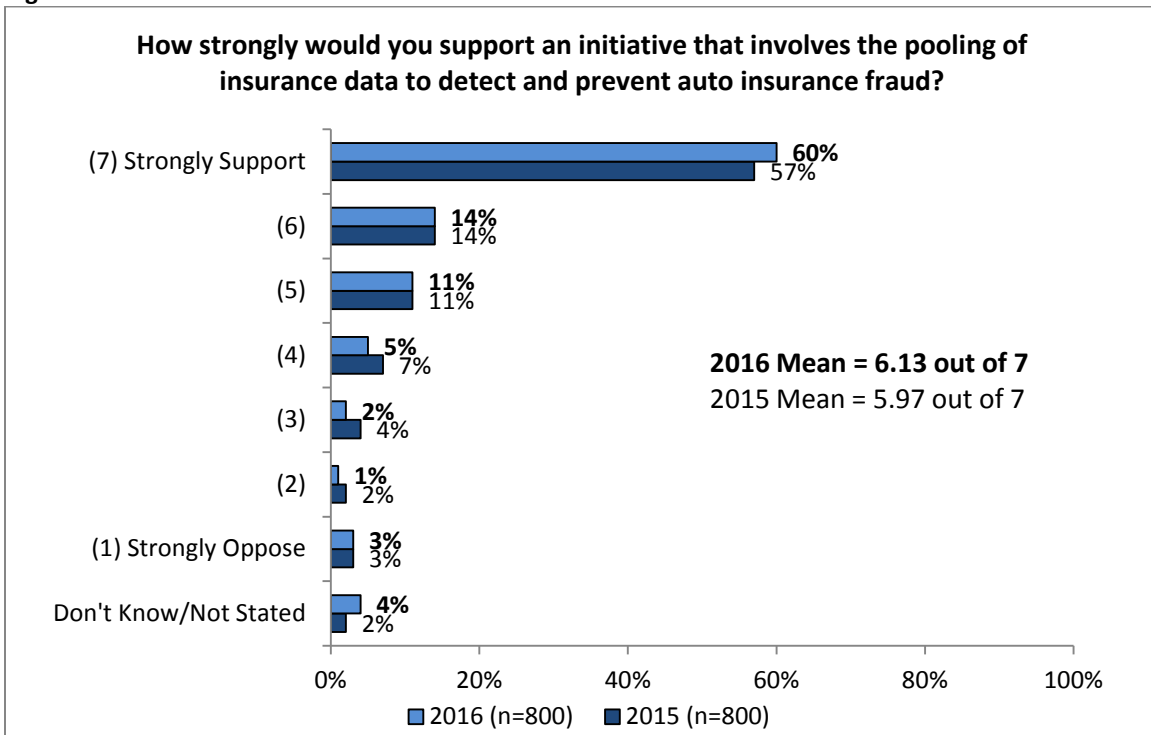


Respondent subgroups significantly *more likely* to have **been concerned with the occurrence of organized staged collisions (ratings of 5 to 7 out of 7)** included:

- Those aged 55 or older (74%, versus 66% of those aged 35 to 54).

Next, respondents were asked to use scale of 1 to 7 (1 being “strongly oppose” and 7 being “strongly support”) to indicate their level of support for an initiative that would involve the pooling of industry-wide insurance data for the purpose of detecting and preventing organized automobile insurance fraud. Eighty-five percent (85%) of the respondents supported (ratings of 5 to 7 out of 7) this suggestion, while 5% were somewhat neutral (ratings of 4 out of 7). Six percent (6%) opposed the suggestion (ratings of 1 to 3 out of 7). See Figure 16, below.

Figure 16



Respondent subgroups significantly *more likely* to have **indicated that they would support an initiative that involves the pooling of insurance data to detect and prevent insurance fraud (ratings of 5 to 7 out of 7)** included:

- Those who live in other cities in Alberta, excluding Calgary (89%, versus 81% of those from Edmonton);
- Those who agreed that their insurance premiums are fair and reasonable (87%, versus 79% of those who disagreed); and
- Those whose household has received zero tickets resulting in demerit points in the past 3 years (87%, versus 71% of those who have at least one).

4.5 Transportation Safety

In the next section of the survey, respondents were asked a couple of questions concerning the role of the Province of Alberta in terms of addressing road safety and reducing injuries and fatalities in the province. Respondents were provided with the following information:

“The Government of Alberta is currently implementing a comprehensive Traffic Safety Plan to reduce deaths and injuries on Alberta roads. The Plan focuses on 4 priority topics. These are: increasing occupant restraint use; improving intersection safety; and reducing impaired driving and speeding.”

“A number of strategies are being used to improve traffic safety. These include public awareness, communication and education; targeted enforcement; engineering initiatives; and involving communities at the local grassroots level. The Plan also addresses additional traffic safety topics, for example, distracted driving, commercial vehicle safety, and motorcycle safety.”

Using a scale of 1 to 7, respondents were then asked how strongly they agreed that a priority of the Alberta government should be to have a plan that addresses road safety to reduce fatalities and injuries on roadways in the province. Eighty-four percent (84%) agreed (ratings of 5 to 7 out of 7) with this suggestion, overall, while 6% were in moderate agreement (ratings of 4 out of 7) and 9% disagreed (ratings of 1 to 3 out of 7), overall. Responses were comparable to those in 2015. See Figure 17, below, and Table 10, on the following page.

Figure 17

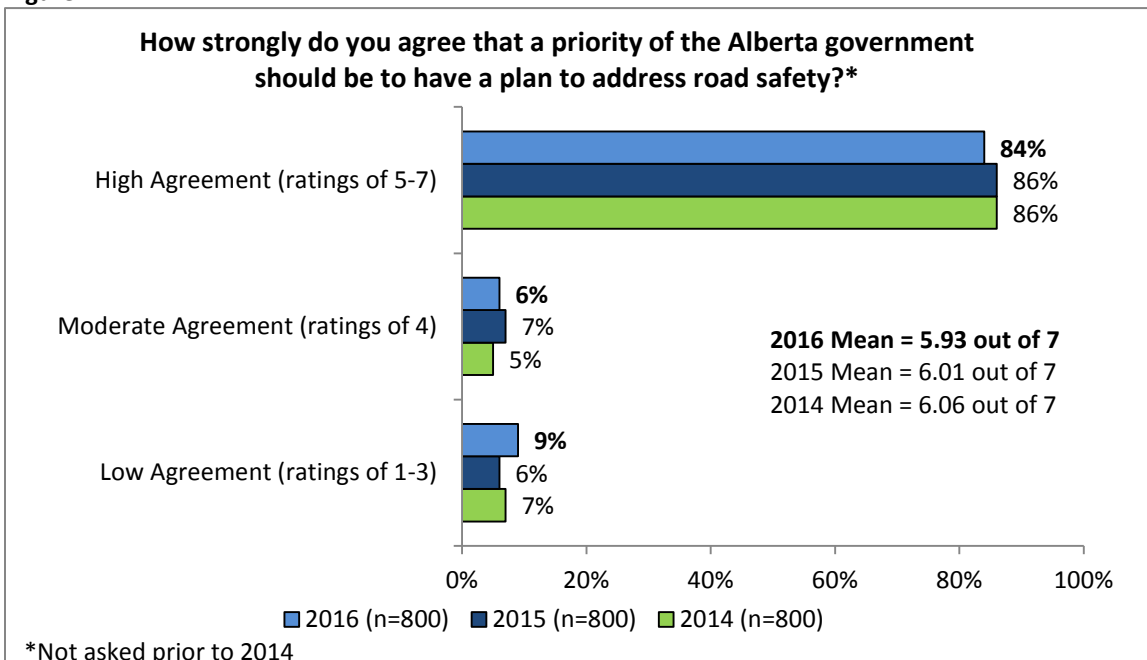


Table 10

Using a scale of 1 to 7, how strongly do you think a priority of the Alberta government should be to have a plan that addresses road safety to reduce fatalities and injuries on roadways in the province?*			
	Percent of Respondents		
	2016 (n=800)	2015 (n=800)	2014 (n=800)
(7) Completely agree	53	54	57
(6)	16	16	17
(5)	15	16	12
(4)	6	7	5
(3)	4	4	3
(2)	2	2	2
(1) Do not agree at all	3	1	2
Don't Know/Not Stated	2	1	2
Mean	5.93 out of 7	6.01 out of 7	6.06 out of 7

*Not asked prior to 2014

Respondent subgroups significantly *more likely* to have **agreed that a priority of the Alberta government should be to have a plan that addresses road safety (ratings of 5 to 7 out of 7)** included:

- Females (87%, versus 81% of males);
- Those who live in Edmonton (90%) and those who live in other cities in Alberta (88%), versus those who live in rural areas within Alberta (80%);
- Those who agreed that their insurance premiums are fair and reasonable (89%, versus 78% of those who were somewhat neutral, and 73% of those who disagreed); and
- Those who have not switched insurance companies in the past 2 years (85%, versus 76% those who have).

Respondents were also asked indicate how strongly they agreed that the Alberta government is taking the right approach to reduce the collision rate and the number of deaths and injuries caused by traffic collisions.; more than half of the respondents (57%) agreed (ratings of 5 to 7 out of 7), while 13% provided moderate levels of agreement (ratings of 4 out of 7), significant decrease from 18% in 2015. Nineteen percent (19%) of respondents disagreed (ratings of 1 to 3 out of 7). See Figure 18, below, and Table 11, on the following page.

Figure 18

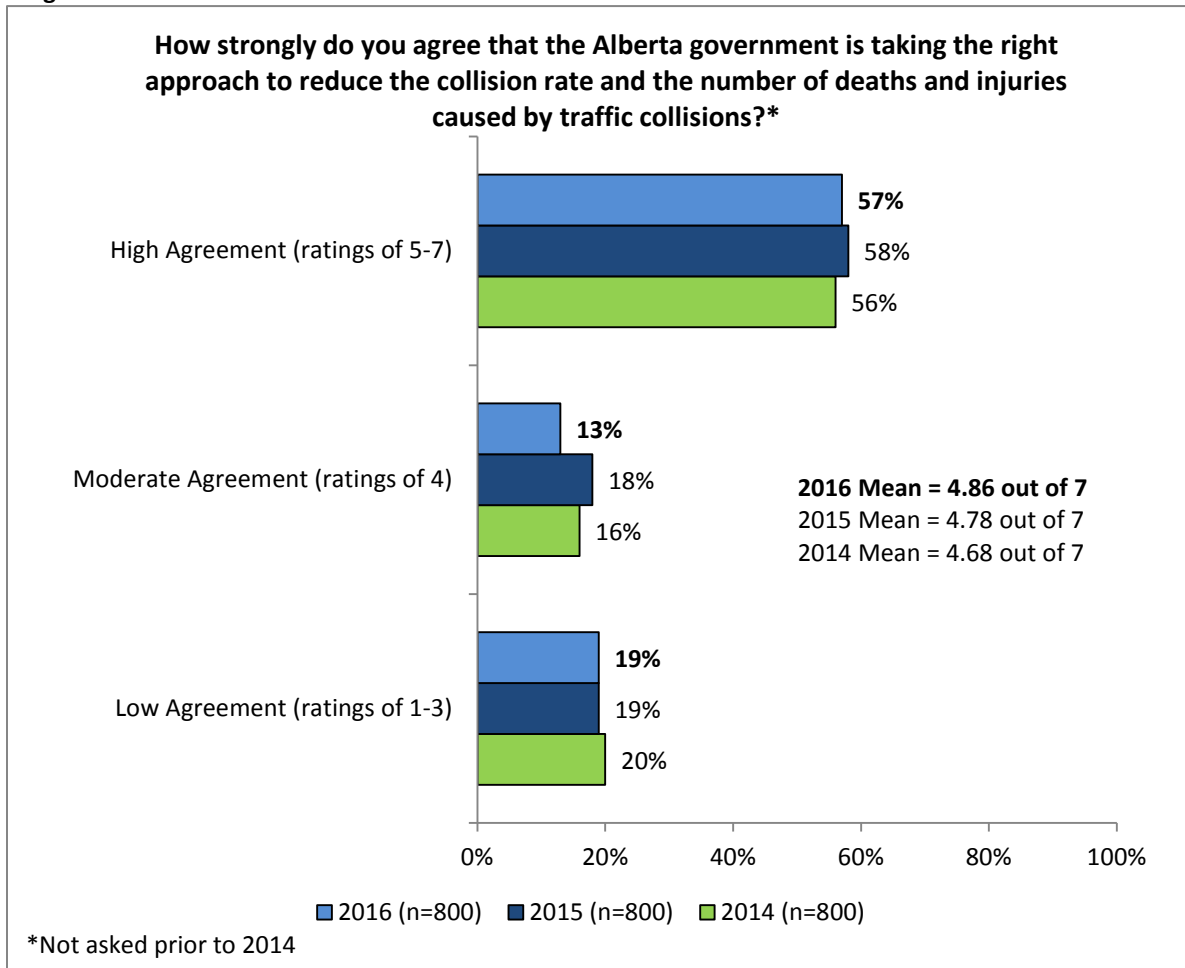


Table 11

Using a scale of 1 to 7, how strongly do you agree that the Alberta government is taking the right approach to reducing Alberta's collision rate and the number of deaths and injuries caused by traffic collisions?*			
	Percent of Respondents		
	2016 (n=800)	2015 (n=800)	2014 (n=800)
(7) Completely agree	20	17	16
(6)	15	12	12
(5)	23	29	28
(4)	13	18	16
(3)	9	10	9
(2)	4	5	6
(1) Do not agree at all	6	4	6
Don't Know/Not Stated	10	6	8
Mean	4.86 out of 7	4.78 out of 7	4.68 out of 7

*Not asked prior to 2014

Respondent subgroups significantly *more likely* to have **agreed that that Alberta government is taking the right approach (ratings of 5 to 7 out of 7)** included:

- Those who live in other cities in Alberta, excluding Edmonton (64%, versus 52% of those who live in Calgary);
- Those who have not felt they have experienced excessively high insurance rates in the past 2 years (62%, versus 49% of those who have); and
- Those who agreed that their insurance premiums are fair and reasonable (67%, versus 51% of those who were somewhat neutral, and 40% of those who disagreed).

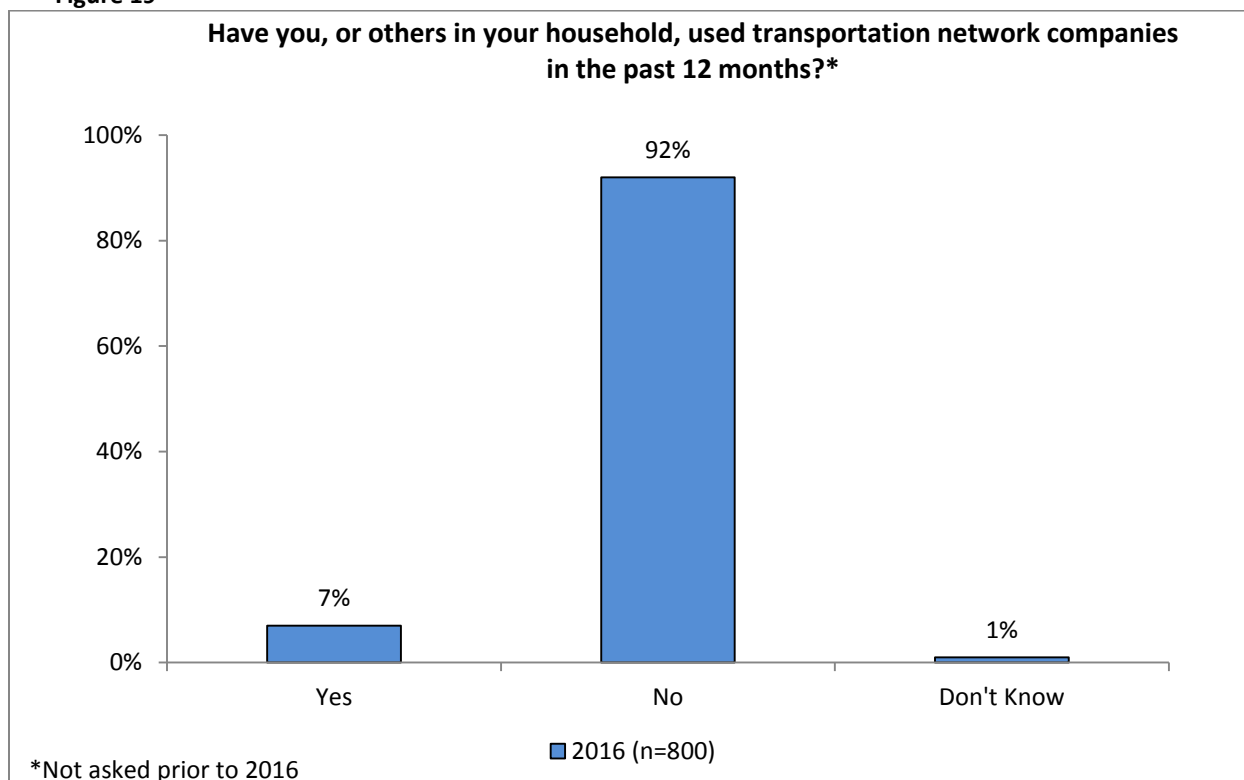
4.6 Transportation Network Companies

For this section of the survey, respondents were asked about transportation network companies. Respondents were provided with the following information.

“Transportation Network Companies are those that use online platforms to connect passengers with drivers using personal, non-commercial vehicles. Some examples of transportation network companies include Uber, Lyft, and Sidecar.”

Respondents were then asked if they, or any others in their household had used transportation network companies in the past 12 months. Ninety-two percent (92%) of respondents had not used transportation network companies, while 7% had used transportation network companies. See Figure 19, below.

Figure 19



Respondent subgroups significantly more likely to have **used transportation network companies in the past 12 months** included:

- Those aged 35 to 54 (10%), versus those aged 55 and older (6%);
- Those who live in Edmonton (12%), those who live in Calgary (10%), and those who live in other cities in Alberta (7%), versus those who live in rural areas in Alberta (2%);
- Those who refrained from insuring a vehicle because automobile insurance premiums were cost prohibitive (15%, versus 7% of those who did not);
- Those who disagreed (12%) and those who were somewhat neutral (11%) that their insurance premiums are fair and reasonable (versus 4% of those that agreed);
- Those who have switched insurance companies in the past 2 years (12%, versus 6% of those who have not); and
- Those who have obtained a new insurance policy in the past 2 years (10%, versus 5% of those who have not).

Using a scale of 1 to 7 (1 being “strongly oppose” and 7 being “strongly support”), respondents were then asked how strongly they support regulations to legally allow transportation network companies to operate in the province. Fifty-five percent (55%) supported this suggestion (ratings of 5 to 7 out of 7), while 13% were somewhat neutral (ratings of 4 out of 7), and 22% opposed (ratings of 1 to 3 out of 7), overall. See Figure 20, below, and Table 12, below, for the full breakdown of results.

Figure 20

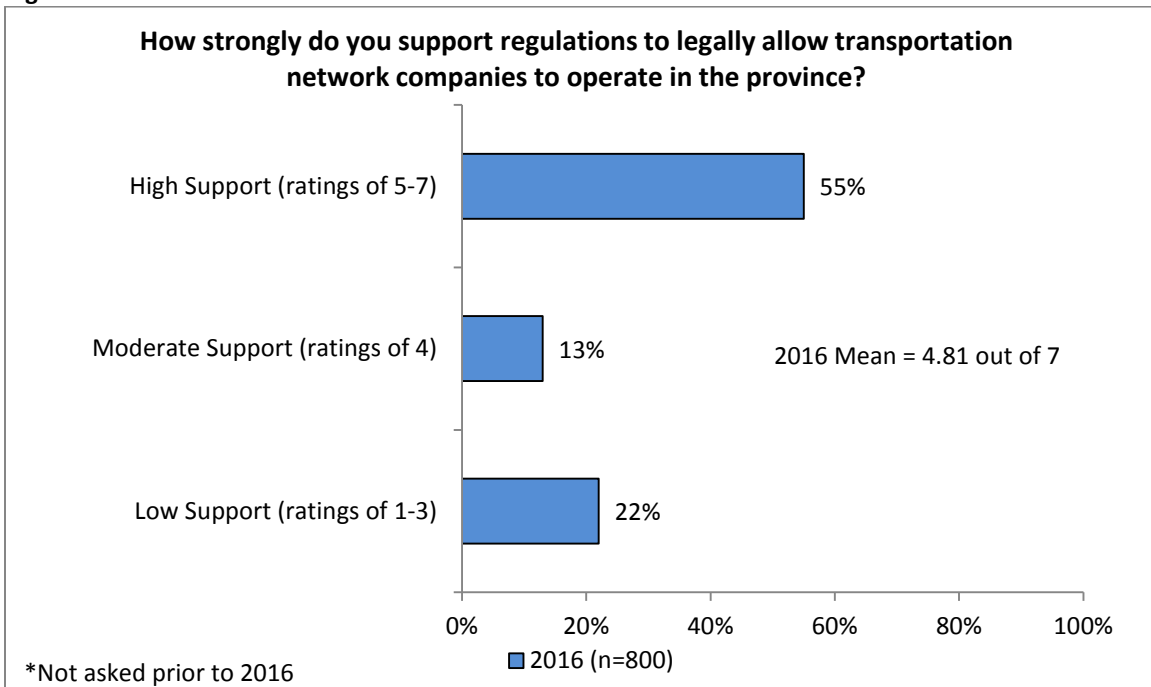


Table 12

Using a scale of 1 to 7, where 1 means "strongly oppose" and 7 means "strongly support", how strongly do you support regulations to legally allow transportation network companies to operate in the province?	
	Percent of Respondents
	2016 (n=800)
(7) Strongly Support	26
(6)	12
(5)	17
(4)	13
(3)	8
(2)	4
(1) Strongly Oppose	11
Don't Know/Not Stated	10
Mean	4.81 out of 7

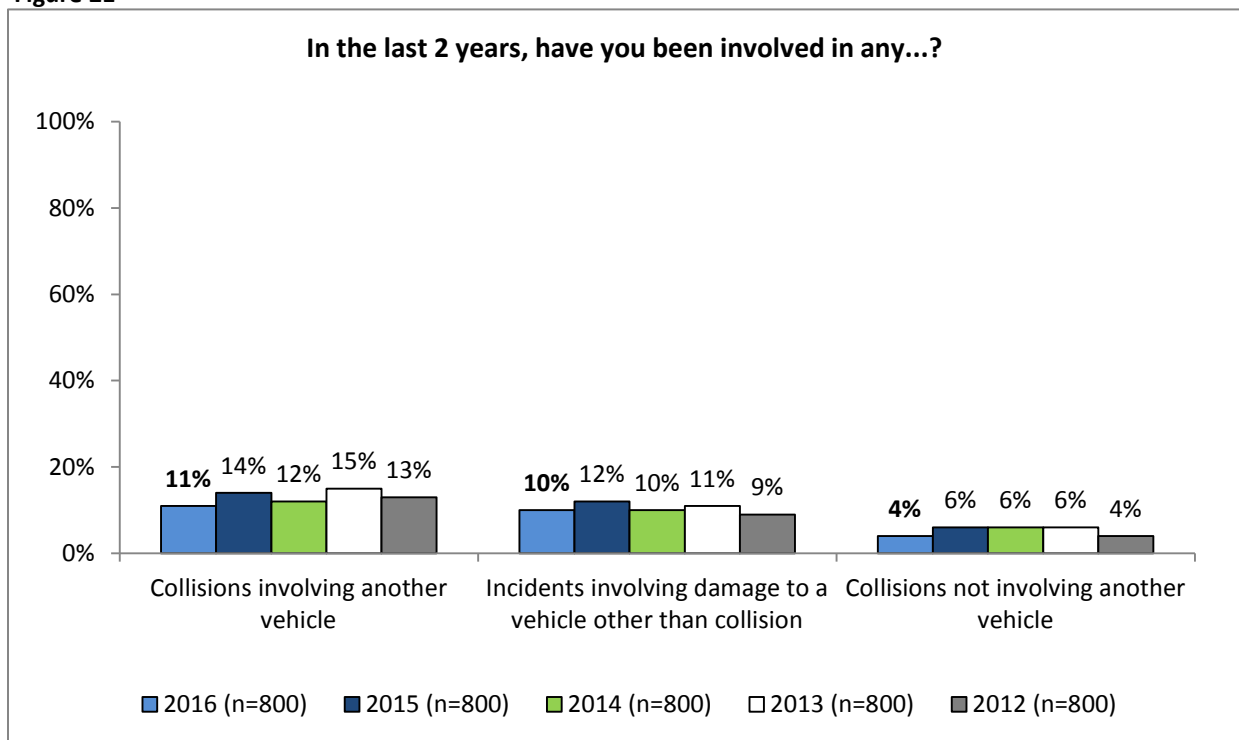
4.7 Household Insurance Profile

In the final section of the survey, respondents were asked a few questions regarding their household’s insurance history, including vehicle collisions, non-vehicle collisions, and other non-collision incidents:

- Eleven percent (11%) indicated that someone in their household had been involved in a **collision with another vehicle** in the past 2 years (comparable to 14% in 2015);
- Ten percent (10%) indicated that someone in their household had experienced a **non-collision incident** (e.g., property damage caused by fire, theft, hail, or vandalism) (comparable to 12% in 2015); and
- Four percent (4%) indicated that someone in their household had been involved in a **collision not involving another vehicle** (comparable to 6% in 2015).

All results were comparable to those obtained in 2015. See Figure 21, below.

Figure 21



Respondent subgroups significantly more likely to have **been involved in collisions involving another vehicle in the last 2 years** included:

- Those who live in Edmonton (17%, versus 10% of those who live in Calgary and 9% of those who live in rural areas in Alberta);
- Those who have been insured in another province in the past 10 years (22%, versus 11% of those who have not);
- Those whose household has had at least one at-fault claim in the past 6 years (28%, versus 7% of those whose household has not had any); and
- Those whose household has received at least one ticket resulting in demerit points in the past 3 years (18%, versus 10% of those whose households have not received any).

Respondent subgroups significantly more likely to have **been involved in collisions not involving another vehicle in the last 2 years** included:

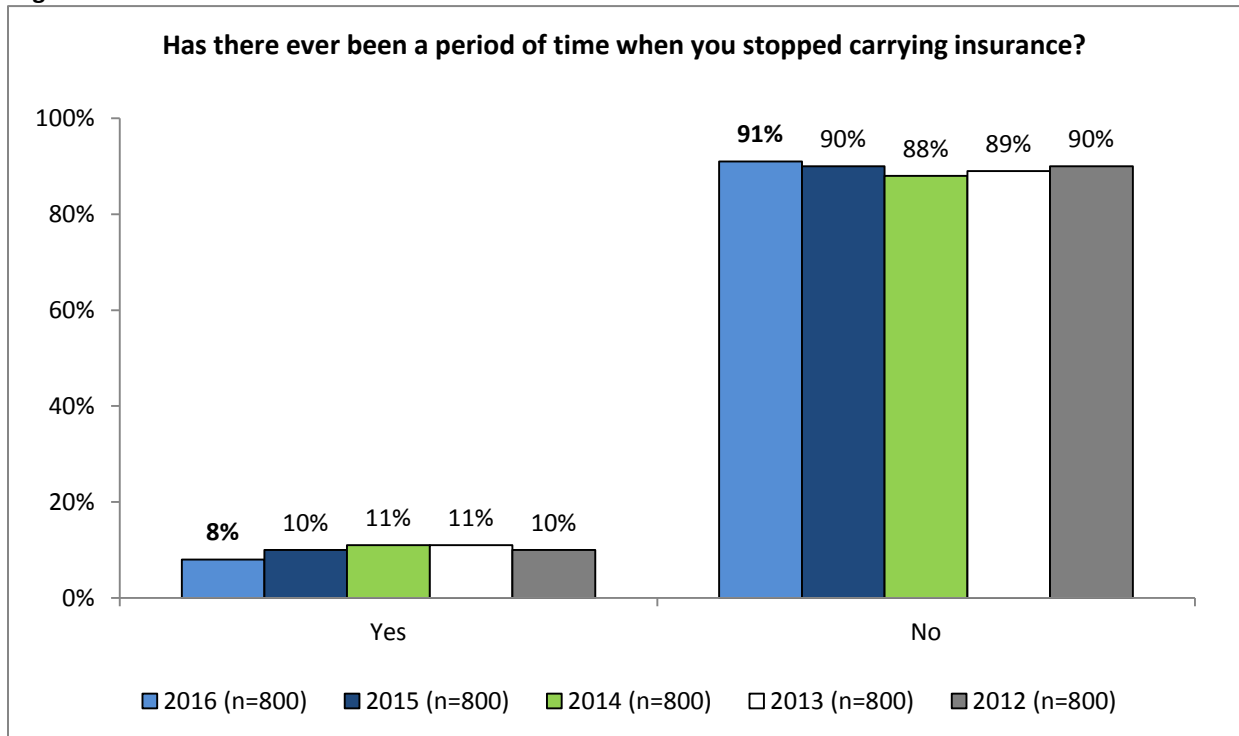
- Those who live in rural areas within Alberta (7%, versus 3% of those who live in Calgary, and 2% of those who live Edmonton); and
- Those whose household has had at least one at-fault claim in the past 6 years (8%, versus 3% of those whose household has not had any).

Respondent subgroups significantly more likely to have **experienced non-collision incidents in the last 2 years** included:

- Males (13%, versus 7% of females);
- Those who live in Calgary (15%, versus 8% of those who live in rural areas within Alberta, and 6% of those who live in Edmonton); and
- Those whose household has received at least one ticket resulting in demerit points in the past 3 years (17%, versus 9% of those whose households have not received any).

When asked if there had ever been a period of time when the respondent, or someone in their household, had stopped carrying automobile insurance for any reason, 8% of the respondents reported that they had, while the vast majority (91%) had not; results were comparable to those in 2015. See Figure 22, below.

Figure 22



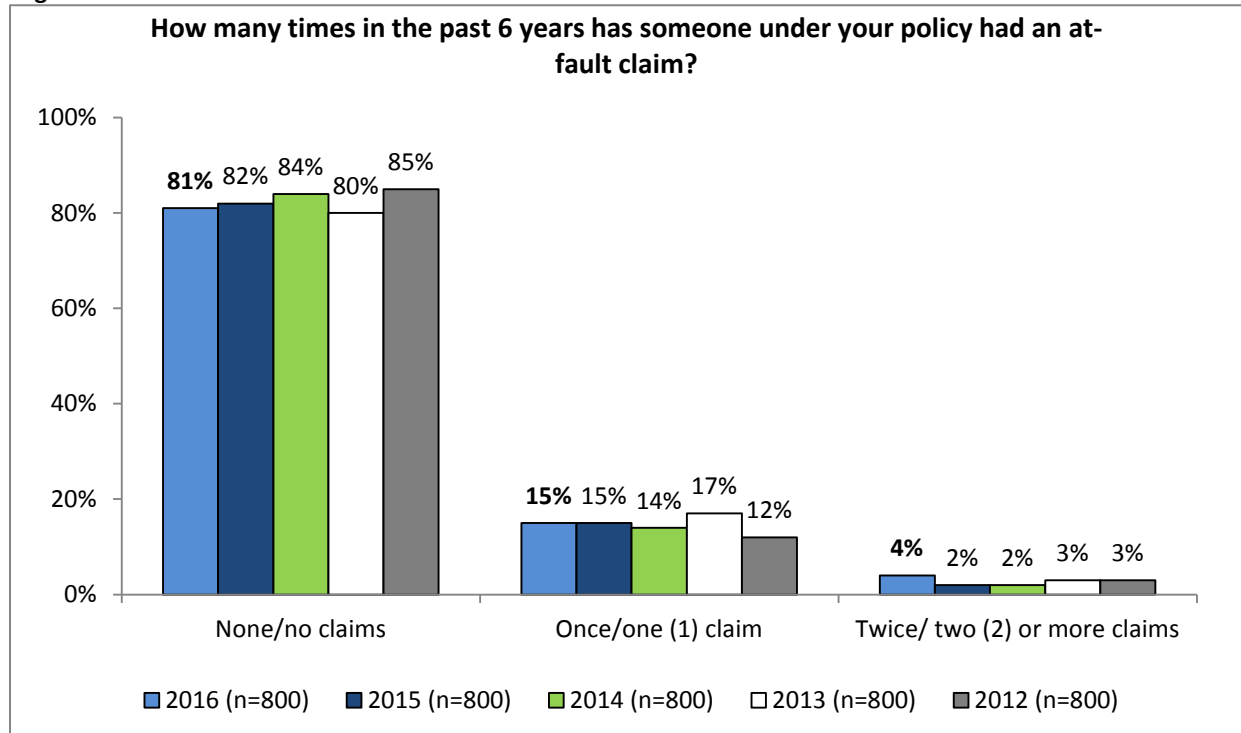
Respondent subgroups significantly more likely to have **stopped carrying insurance for any period of time** included:

- Those who live in Edmonton (12%, versus 6% of those who live in rural areas of Alberta);
- Those who refrained from insuring a vehicle in the last 2 years because it was cost-prohibitive (20%, versus 8% of those who did not);
- Those who felt they have experienced excessively high insurance rates in the past 2 years (13%, versus 7% of those who have not);
- Those who disagreed that their insurance premiums are fair and reasonable (12%, versus 7% of those who agreed);
- Those who have been insured in another province in the past 10 years (25%, versus 7% of those who have not);
- Those whose household has received at least one ticket resulting in demerit points in the past 3 years (16%, versus 7% of those whose households have not received any);
- Those who have switched insurance companies in the past 2 years (15%, versus 7% of those who have not);
- Those who have not remained with their existing insurance carrier in the past two years (15%, versus 8% of those who have); and

- Those who have obtained a new insurance policy in the past 2 years (12%, versus 6% of those who have not).

Finally, respondents were asked how many times in the past 6 years, someone covered by their insurance policy had made at at-fault claim. As shown in Figure 23, below, approximately 8 out of 10 respondents (81%) had not made any at-fault claims, while 15% had made one (1) claim. Four percent (4%) indicated that their household had at least two (2) at-fault claims in the past 6 years.

Figure 23



Respondent subgroups significantly *more likely* to have reported that there have not been any at-fault claims under their policy in the past 6 years included:

- Those who have not been involved in vehicle collisions in the past 2 years (85%, versus 53% of those who have);
- Those who have not been involved in non-vehicle collisions in the past 2 years (82%, versus 62% of those who have); and
- Those whose household has not received any tickets resulting in demerit points in the past 3 years (83%, versus 64% of those who have received at least one ticket).

Respondent subgroups significantly *more likely* to have **reported that there has been one (1) at-fault claim under their policy in the past 6 years** included:

- Males (18%, versus 13% of females);
- Those who have been involved in vehicle collisions in the past 2 years (36%, versus 13% of those who have not);
- Those who have been involved in non-vehicle collisions in the past 2 years (34%, versus 14% of those who have not);
- Those who refrained from insuring a vehicle because automobile insurance premiums were cost prohibitive (26%, versus 14% of those who did not);
- Those whose household has received at least one ticket resulting in demerit points in the past 3 years (31%, versus 13% of those who have not received any); and
- Those who have switched insurance companies in the past 2 years (23%, versus 14% of those who have not).

4.8 Respondent Demographics

Table 13, below, demonstrates the demographic breakdown of the residents surveyed in 2016.

Table 13

	Percent of Respondents (n=800)				
	2016 (n=800)	2015 (n=800)	2014 (n=800)	2013 (n=800)	2012 (n=800)
Gender					
Male	50	50	52	59	54
Female	50	50	48	42	46
Age					
18 to 24 years old	1	3	<1	1	1
25 to 34 years old	3	6	3	4	7
35 to 44 years old	10	13	7	12	13
45 to 54 years old	15	21	17	20	22
55 to 64 years old	24	21	30	25	26
65 years of age or older	43	36	42	37	31
Mean	61.0 years	57.4 years	61.5 years	-	-
For how many years have you been a licensed driver?					
10 years or less	2	6	3	4	3
11 to 20 years	7	10	6	7	11
21 to 30 years	16	19	13	16	19
31 to 40 years	23	23	25	25	25
41 to 50 years	28	19	28	27	24
More than 50 years	24	23	26	21	17
Mean	41.3 years	38.2 years	42.0 years	39.9 years	37.7 years
How many licensed drivers do you arrange insurance for in your household?					
One (1) driver	30	32	31	29	28
Two (2) drivers	54	53	55	56	56
Three (3) drivers	9	9	9	9	10
Four (4) drivers	4	4	3	5	4
Five (5) or more drivers	1	1	2	1	1
None	1	1	<1	1	<1
Mean	1.91 drivers	1.95 drivers	2.00 drivers	1.98 drivers	1.96 drivers

APPENDIX A – SURVEY INSTRUMENT

INTRODUCTION

Hello, my name is _____ from Banister Research and Consulting, a full service research provider based in Edmonton. On behalf of the Alberta Automobile Insurance Rate Board our firm will be conducting a study on consumer perception of automobile insurance rates and related topics. I assure you that we are not selling or promoting anything, and all your responses are confidential and will be kept completely anonymous.

Your household has been randomly dialed to participate in this study, and your responses will be used to help the Board's Consumer Representative present a public report about this study.

A. For this study, I need to speak to adult member of your household who is at least 18 years of age and reviews or researches automobile insurance for your household's private passenger vehicles. Is that person available?

- 01. Yes, speaking **[Continue]**
- 02. Yes, I'll get him/her **[Repeat introduction and continue]**
- 03. Not now **[Arrange callback and record first name of selected respondent]**

If you have any questions about the survey, please contact the Alberta Automobile Insurance Rate Board at 780-427-5428 or toll-free at 310-0000.

B. Does your household have one or more passenger vehicles that are in active use?

- 01. Yes **[CONTINUE]**
- 02. No **[THANK AND TERMINATE]**

C. Do you, or does any member of your household... **[READ LIST]**

- 01. Yes
- 02. No

- a. Work in marketing research or the news media such as radio, television, or newspaper?
- b. Work in the automobile insurance industry?
- c. Work for the Superintendent of Insurance or the Alberta Automobile Insurance Rate Board?

THANK AND TERMINATE, IF YES TO ANY IN Question C.

D. Record Gender **[DO NOT ASK] – 50/50 Male/Female Split (Overall)**

- 01. Male
- 02. Female

E. Region (Watch Quotas) n=800:

1. Edmonton n=200
2. Calgary n=200
3. Other Cities n=200
4. Rural n=200

F. In what year were you born?

_____ [Record year]
9. Refused

Q1. At any time in the past two years, have you sought competitive quotes before making a decision about from which company to purchase automobile insurance?

01. Yes
02. No [SKIP TO Q2]

1a. How many quotes did you obtain while shopping for insurance?

_____ RECORD NUMBER

1b. Where did you get the quotes? [SELECT ALL THAT APPLY]

01. Websites
02. Telephone calls to brokers
03. In-person visits to brokers
96. Other: _____ [Specify]

1c. When you made your decision to purchase insurance what method did you use? [SINGLE RESPONSE]

01. Online Insurance Company
02. Telephone/in person - to broker
03. Insurance Company Direct by phone/visit
96. Other: _____ [Specify]

Q2. Thinking about your household's automobile insurance, in the last two years, have you, for any of your vehicles ...

01. Yes
02. No

- a. Switched insurance companies
- b. Remained with your existing carrier
- c. Obtained a new automobile insurance policy for a vehicle you purchased or acquired

Q3. IF YES TO Q.2a: For what reasons did you make a decision to switch automobile insurance companies?

_____ [Specify]

Q3a. IF YES TO Q.2a or 2c: On what basis did you choose this policy?

_____ [Specify]

PERCEPTIONS OF AUTOMOBILE INSURANCE

Q4. In the past two years, have you or someone else in your household ...

01. Yes

02. No

03. Don't know / Don't remember timing

[DO NOT READ]

a. Decided not to insure a vehicle because automobile insurance premiums were cost prohibitive (i.e. too expensive) for your household?

b. Been denied automobile insurance coverage?

c. Experienced excessively high automobile insurance rates?

Q5. Using a scale from 1 to 7, where 1 means DO NOT AGREE AT ALL and 7 means COMPLETELY AGREE, please rate your level of agreement that given your personal circumstances, your automobile insurance premiums are fair and reasonable.

01. Do not agree at all

02.

03.

04.

05.

06.

07. Completely agree

08. Don't know

[DO NOT READ]

Q5A. Have you insured a vehicle in another province or country in the past 10 years?

01. Yes

02. No

09. Don't know

[DO NOT READ]

a. Another province

b. Another country

Q5B. Do you believe automobile insurance premiums in Alberta are generally more expensive, less expensive, or about the same as premiums in other Canadian provinces?

01. More expensive

02. Less expensive

03. The same

04. Depends upon the province

[DO NOT READ]

98. Don't know

Q6. Some provinces have approved (Ontario, Quebec and Nova Scotia- "usage-based insurance" rates to drivers. These rates are calculated based on vehicle data such as speeding, hard braking, and mileage, collected by an on-board telematics device (sensor). If the vehicle's data shows safe driving habits, a discount may be offered on insurance rates. It is important to note that unsafe driving practices do not result in increased premiums if User Based Insurance is added to your policy. Some companies within the Province of Alberta may offer usage-based insurance in 2016.

Would you consider signing up for User Based Insurance when the insurance companies make it available to you?

- 01. Yes
- 02. No
- 03. It depends; specify: _____
- 98. Don't know **[DO NOT READ]**

Q7. Certain kinds of traffic violations result in demerit points while other infractions such as photo radar and parking tickets do not. Demerit points are incurred for things such as speeding, failure to signal, making an improper turn, passing a vehicle stopped at a crosswalk, failing to stop for a school bus, and *Criminal Code* violations such as impaired driving. In the past three years, how many tickets have you or someone in your household received resulting in demerit points?

- 1. 0
- 2. 1
- 3. 2
- 4. 3
- 5. 4 or more
- 9. Don't know

Q8. Drivers may receive a ticket if they are talking or texting on a hand-held cell phone, watching videos, reading or applying make-up, for example. Since September 2011, how many tickets have you or someone in your household received for distracted driving?

1. 0
2. 1
3. 2
4. 3
5. 4 or more
9. Don't know

Q8A. Using a scale from 1 to 7, where 1 means DO NOT AGREE AT ALL and 7 means COMPLETELY AGREE, please rate your level of agreement with enforcement of distracted driving laws in general.

01. Do not agree at all
- 02.
- 03.
- 04.
- 05.
- 06.
07. Completely agree
98. Don't know **[DO NOT READ]**

Q8B. As of January 1, 2016 a distracted driving conviction will result in three demerits on a driver's record. Using the same scale, please rate your level of agreement for the addition of demerits to all distracted driving charges.

01. Do not agree at all
- 02.
- 03.
- 04.
- 05.
- 06.
07. Completely agree
98. Don't know **[DO NOT READ]**

Organized Crime

[READ:] Some drivers may purposely stage collisions in order to make fraudulent insurance claims. In addition to endangering the safety of other drivers and pedestrians, this may lead to increased premiums for all consumers, as insurance rates are based on industry-wide statistics, in addition to a driver's personal driving history.

Q9. Given this information, how concerned are you with the occurrence of organized staged collisions? Please use a scale of 1 to 7, where 1 means "not at all concerned" and 7 means "very concerned."

- 01. Not at all concerned
- 02.
- 03.
- 04.
- 05.
- 06.
- 07. Very concerned
- 98. Don't know **[DO NOT READ]**

Q10. Using a scale of 1 to 7, where 1 means "strongly oppose" and 7 means "strongly support," how strongly would you support an initiative that involves the pooling of industry-wide insurance data for the purpose of detecting and preventing organized auto insurance fraud?

- 01. Strongly oppose
- 02.
- 03.
- 04.
- 05.
- 06.
- 07. Strongly support
- 98. Don't know **[DO NOT READ]**

Transportation Safety

The Government of Alberta is currently implementing a comprehensive Transportation Safety Plan to reduce deaths and injuries on Alberta roads. The Plan focuses on four priority topics. These are: increasing occupant restraint use; improving intersection safety; and reducing impaired driving and speeding.

A number of strategies are being used to improve traffic safety. These include public awareness, communication and education; targeted enforcement; engineering initiatives; and involving communities at the local grass roots level. The Plan also addresses additional traffic safety topics, for example, distracted driving, commercial vehicle safety, and motorcycle safety.

[**INTERVIEWER:** 'Occupant restraints', some examples, seat belt, child safety seats.]

Q11. Using a scale from 1 to 7, where 1 means DO NOT AGREE AT ALL and 7 means COMPLETELY AGREE, please rate your level of agreement with the following statements:

- a) A priority of the Alberta government should be to have a plan that addresses road safety to reduce fatalities and injuries on roadways in the province.

01. Do not agree at all

02.

03.

04.

05.

06.

07. Completely agree

98. Don't know **[DO NOT READ]**

- b) With the previous context in mind, how would you rate your agreement with the statement "The Alberta government is taking the right approach to reducing Alberta's collision rate and the number of deaths and injuries caused by traffic collisions."?

01. Do not agree at all

02.

03.

04.

05.

06.

07. Completely agree

98. Don't know **[DO NOT READ]**

Transportation Network Companies

[READ:] Transportation Network Companies are those that use online platforms to connect passengers with drivers using personal, non-commercial vehicles. Some examples of transportation network companies include Uber, Lyft, and Sidecar.

Q12. Have you, or others in your household, used transportation network companies in the past 12 months?

- 01. Yes
- 02. No
- 98. Don't know **[DO NOT READ]**

Q13. Using a scale of 1 to 7, where 1 means "strongly oppose" and 7 means "strongly support," how strongly do you support regulations to legally allow transportation network companies to operate in the province?

- 01. Strongly oppose
- 02.
- 03.
- 04.
- 05.
- 06.
- 07. Strongly support
- 98. Don't know **[DO NOT READ]**

DEMOGRAPHICS

I would like to ask you a few final questions about yourself and your household. I can reassure you that none of your responses will be reported individually, all responses will be pooled with those of all other participants.

D1. In the past two years, have you been involved in any ...

- 01. Yes
- 02. No

- a. Collisions involving another vehicle?
- b. Collisions not involving another vehicle?
- c. Incidents involving damage to a vehicle other than a collision. For example, property damage caused by fire, theft, hail or vandalism?

D2. For how many years have you been a licensed driver?

_____ **[RECORD EXACT ANSWER]**

If less than one year, enter "0".

D3. How many licensed drivers do you arrange insurance for in your household?

[RECORD EXACT ANSWER]

D4. There are a number of reasons why people may stop carrying automobile insurance. For example, selling all of your vehicles or moving out of the country. Has there ever been a period of time where you or someone covered by your insurance policy stopped carrying automobile insurance coverage?

- 1. Yes
- 2. No
- 9. Don't know

D5. How many times in the past 6 years have you or someone covered by your insurance policy had an at-fault claim? An at-fault claim is where you are held accountable for at least 50% of the automobile accident or related incidents.

_____ **[RECORD EXACT ANSWER]**

PAT RESPONSE: An at-fault accident is when the accident is at least 50% your fault. (as determined by Police or Insurance company)

D6. Which are the first 3 digits of your postal code?

- 99 Refused

RECRUITMENT INVITATION

D7. The Alberta Automobile Insurance Rate Board may be conducting follow-up research in the future regarding your knowledge and perceptions of automobile insurance in Alberta, including focus groups, web-based surveys and interviews. Would you be willing to participate in follow-up research?

YES – **[CONTINUE WITH SURVEY]**

NO – **[THANK & END]**

NO Response – **[END]**

D8. Do we have your permission to collect and release your contact information? Please be ensured that only your contact information will be released in this regard, and none of your responses to this survey will be linked to you in any way.

YES – **[CONTINUE WITH SURVEY]**

NO – **[THANK & END]**

NO Response – **[END]**

D9. Please confirm your first name, telephone number, city and email address so we may contact you in the future:

First name: _____

Telephone number: _____

City: _____

Email address: _____

On behalf of the Alberta Automobile Insurance Rate Board, I would like to thank you very much for your time and co-operation.