

Notice 01-2016
February 1, 2016

Notice to all Stakeholders:

Semi-annual Review of Industry Experience as of June 2015 for Private Passenger Vehicles

The Automobile Insurance Rate Board (AIRB) is issuing this notice to advise all stakeholders that the AIRB is commencing its 2016 semi-annual review. This review analyzes industry loss experience as of June 2015 for private passenger vehicles to establish Industry Benchmarks which will be used in its review of insurers' rate filings for basic and additional coverage effective April 1, 2016.

Background:

On July 1, 2014, Section 9 of the new *Automobile Insurance Premiums Regulations* came into effect requiring the AIRB to conduct an annual review.

In addition to the required annual review the Board believes that it should be using the most current available data in its review of rate filings and as such is commencing its semi-annual review. The format of this review is as follows:

Semi-annual Review - Each February/March a semi-annual review will take place whereby the Board will consult with interested stakeholders in written format. The Board will initiate this process via a Notice to all Stakeholders that the Board's consulting actuary has completed their draft Review of Industry Experience (as of June 30th) for Private Passenger Vehicles. This draft report will be posted to the AIRB website (<https://airb.alberta.ca/industry-information/semi-annual-review/>). A notice will provide Stakeholders with approximately three weeks to provide input by written submission to the AIRB. The consulting actuary will then update their report based on any new information provided by stakeholders and submit a final report to the Board. The Board will then issue a Bulletin to all Stakeholders providing industry benchmarks which will be used in its review of insurers' rate filings effective April 1st of that year.

Important Dates:

1. February 1, 2016 Board Draft Review of Industry Experience posted to AIRB website www.airb.alberta.ca
2. February 22, 2016 Deadline for written submissions
3. April 1, 2016 Board's final semi-annual report along with rate filing benchmarks posted to website

The Boards consulting actuary's (Oliver Wyman) draft report on industry experience has been posted to the AIRB's website www.airb.alberta.ca. Stakeholders are invited to comment on the report by sending written submissions by:

Email to AIRB@gov.ab.ca

Or by

Mail or Courier to

Automobile Insurance Rate Board
2440 Canadian Western Bank Place
10303 Jasper Avenue
Edmonton, AB T5J 3N6

Public disclosure of all written submissions:

Subject to section 816 of the *Insurance Act*, any information (including personal or business information) that is submitted to the Board for consideration in the semi-annual review process will be made available to the public upon request to the Board.

Should you have any questions relating to this Notice, please contact our office at 780-427-5428 or by email del.dyck@gov.ab.ca or vivian.cao@gov.ab.ca

The AIRB appreciates any and all input into this important review.

Del Dyck, CMA, CPA, CLGM
Executive Director,
Automobile Insurance Rate Board