

2025



Consumer Perspectives on Auto Insurance

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June 27, 2025

Catherine Manten
Consumer Representative

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LETTER TO BOARD CHAIR

Patricia Matthews
Acting Board Chair
Automobile Insurance Rate Board
Suite 2440, 10303 Jasper Avenue
Edmonton, AB T5J 3N6

Dear Mrs. Matthews:

In my capacity as the Automobile Insurance Rate Board's (AIRB) Consumer Representative, I have worked with the AIRB's staff to conduct an independent and impartial review of consumer opinions and perspectives on automobile insurance in Alberta. Consumers views and opinions are critical given the mandatory nature of automobile insurance coverage in Alberta. This review and my report is to ensure consumers are adequately represented and have a voice in decisions made by the AIRB.

This review encompasses many relevant issues concerning the availability and affordability of automobile insurance. The views expressed in this report are those of Alberta consumers. A synopsis of consumer sentiments is based on the survey conducted by an independent research company earlier this year.

Please accept the following as my report to the AIRB, and I look forward to discussing my findings on August 14, 2025 at the Annual Review Meeting.

Sincerely,

Catherine Manten
Consumer Representative

CONSUMER REPRESENTATIVE

The President of Treasury Board and Minister of Finance (Minister) and the Government of Alberta formed the Automobile Insurance Rate Board (AIRB) through the Insurance Act, as an independent regulatory board in 2004. The AIRB is responsible for regulating automobile insurance rating programs for all classes of vehicles in Alberta and providing automobile insurance information to enable consumers to make informed decisions.

The AIRB's vision is for automobile insurance to be accessible, equitable, and sustainable for all Albertans. The AIRB monitors industry trends and developments to inform its board members, and ensure consideration of all viewpoints and market conditions when making decisions. The Consumer Representative's role is to represent the consumer's voice in all decisions made by the AIRB.

In accordance with the Insurance Act, the Minister appoints a Consumer Representative to ensure Albertans have a voice when the AIRB is carrying out its mandate. The Insurance Act requires the Consumer Representative "must have expertise and experience in consumer issues in the area of automobile insurance, but may not be an adjuster, broker or agent, or a director or officer of an insurance company or financial institution."

Since the first appointment in 2004, the Consumer Representative has sought to engage Albertans on topical issues related to automobile insurance including information relevant to other ministries, such as traffic safety.

The AIRB is required under Section 9 of the Automobile Insurance Premiums Regulation to conduct an annual review of automobile insurance trends and premiums relating to basic and additional coverage for private passenger vehicles. The AIRB is required to provide the Minister with an annual review report, which must include a report from the AIRB Consumer Representative.

Catherine Manten was appointed to the role of Consumer Representative on May 9, 2024, following nearly a year in the role as Public Member. Ms. Manten is the Chief Administrative Officer of Kaizen Automotive Group, where she has gained firsthand experience on issues Alberta drivers face when purchasing and insuring a vehicle. She brings over 30 years of progressively responsible experience in Finance, Administration, Operations and HR in multi-dealer point operations to the role. Catherine has led her teams through the start-up, acquisition, turnaround, and growth modes and has spent the past 18 years gaining experience in retail sales, change management, business development, financial analysis, and forecasting in Canada and the United States. In addition to the AIRB, Catherine also serves on the Board of Directors for the Alberta Motor Vehicle Industry Council, and Fear is Not Love.



OBSERVATIONS

I am pleased to provide my second Consumer Representative's report. Much is changing in auto insurance in Alberta, but concern about affordability remains the top priority for Albertans.

Throughout the survey we heard concern about price of insurance, and we are hearing more concerns about availability of certain types of coverage. There is no doubt the auto insurance market is difficult to navigate right now, but change is on the horizon.

In November 2024, the Government of Alberta announced a plan to overhaul Alberta's auto insurance system to make the product more affordable. The government's Care-First system of auto insurance promises to bring stability to the market while also significantly improving benefit levels. These changes will not go into effect until January 2027. There were opinion pieces in the media over the last year, arguing for and against the changes. A large system change like this can inspire passionate debate and the AIRB is here to provide facts. Visit the AIRB's [website](#) for the latest on Care-First.

In addition to the Care-First announcement, the government made a change to the Good Driver Rate Cap. The 2025 rate cap was set at 5%, with an additional 2.5% due to natural disasters in Alberta, for a total of 7.5% at renewal for those drivers meeting the definition of good driver. As many insurance companies did not

implement the 2024 Good Driver Rate Cap (3.7%) until spring/summer of 2024, there was concern expressed about which cap would apply to consumers' renewals. The AIRB requires insurance companies to wait a full 12 months before changing their Good Driver Rate Cap. The date of adoption is provided, by company, on the AIRB website, ensuring transparency and clarity for consumers. Based on consumer calls to the AIRB, we know consumer confusion remains.

We are certainly in a time of transition, and it is important to keep the consumer at the heart of the auto insurance system reforms. Affordability continues to be a strain on Albertans and until the implementation of the new Care-First system in 2027 there will remain pressure on the auto insurance market. By educating consumers about the things, they can influence (driving habits, deductibles, policy coverages, etc.) it gives consumers opportunities to save money and have more control over their insurance.

The annual consumer survey is an important input to AIRB deliberations. Understanding the needs and concerns of Albertans is central to the AIRB's mandate of ensuring a healthy marketplace with affordable, accessible insurance for all. We appreciate the participation of Albertans in the survey who each year give their opinions so freely.

CONSUMER EXPECTATIONS

To operate a motor vehicle, legislation requires drivers to carry a minimum limit of basic coverage (third-party liability, direct compensation for property damage and accident benefits). Given automobile insurance is mandatory, consumers have expectations regarding their insurance coverage options.

Affordability

- ★ Premiums are equitable and accurately align with the risk profile of the driver and the cost to provide the coverage.
- ★ Costs are managed enabling insurance companies to avoid unexpected premium increases at renewal.
- ★ Premium changes are clearly explained by insurance professionals, and options to reduce rates are provided to consumers.

Stability

- ★ Insurance premiums are stable over time, with expected inflationary adjustments ensuring stability for Alberta drivers when budgeting for automobile insurance.
- ★ Only drivers with a change in risk profile, due to convictions or claims, see significant increases.

Accessibility

- ★ Insurance is available to all drivers, regardless of their risk profile.
- ★ Drivers have options of insurance company and coverages to meet their specific needs through a competitive market.
- ★ Insurance companies provide full coverage to all drivers without placing obstacles in the purchase process.

Customer Service

- ★ Insurance professionals are well educated and trained to assist consumers in understanding their coverage needs, changes to their premiums, and ensuring they are adequately insured.
- ★ Insurance companies settle claims fairly and expediently.

Stability, accessibility and customer service are all tied to issues of affordability. A stable product is one with predictability in price without sudden, unexpected changes in price. Accessibility means drivers have choice in coverage and insurance company. Customer service means consumers are informed and capable of making decisions on coverage and ways to save money.

Automobile insurance affordability may be achievable with some effort and research. By shopping the market, adjusting coverage and asking about discounts, Albertans can find automobile insurance to fit their budget and provide the protection needed on the road.



SURVEY METHODOLOGY



The purpose of this report is to provide an overview of consumer perspectives in Alberta automobile insurance, as determined through the survey conducted in January 2025. The report also explores how the perspectives of Albertans have changed year-to-year and evaluates correlations between consumer knowledge and quantitative market data.

The AIRB contracted the services of Y Station to collect data to assess consumer awareness and perceptions regarding insurance rates over the past year.

Prior to 2019, the AIRB primarily collected data through telephone surveys supplemented by small focus groups and individual telephone interviews. In 2019, the collection process was changed, introducing an online survey through social media supplemented by telephone surveys and sometimes focus groups.

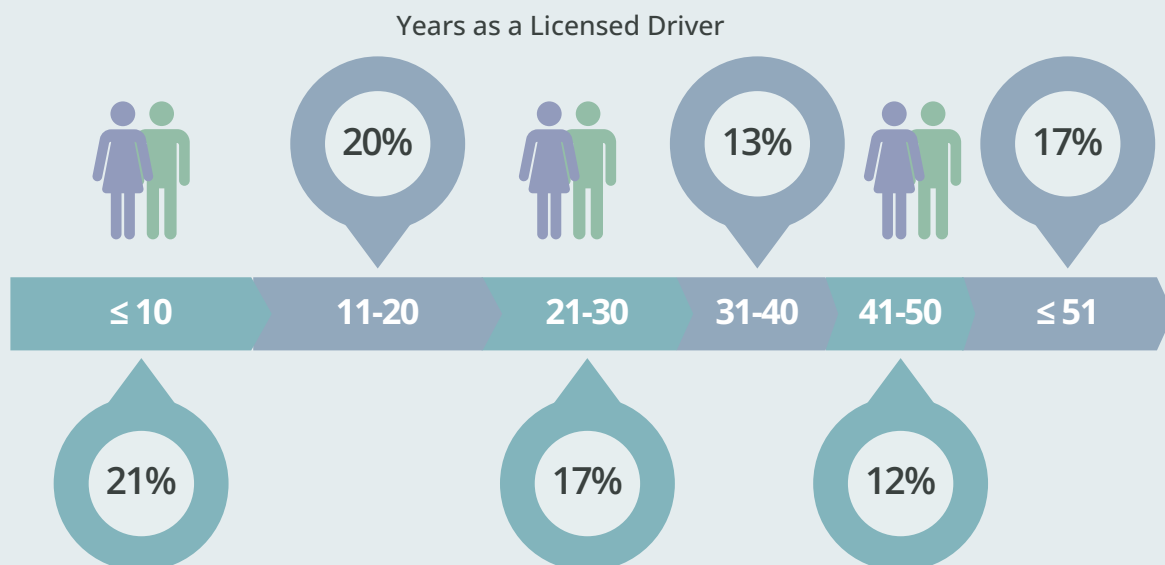
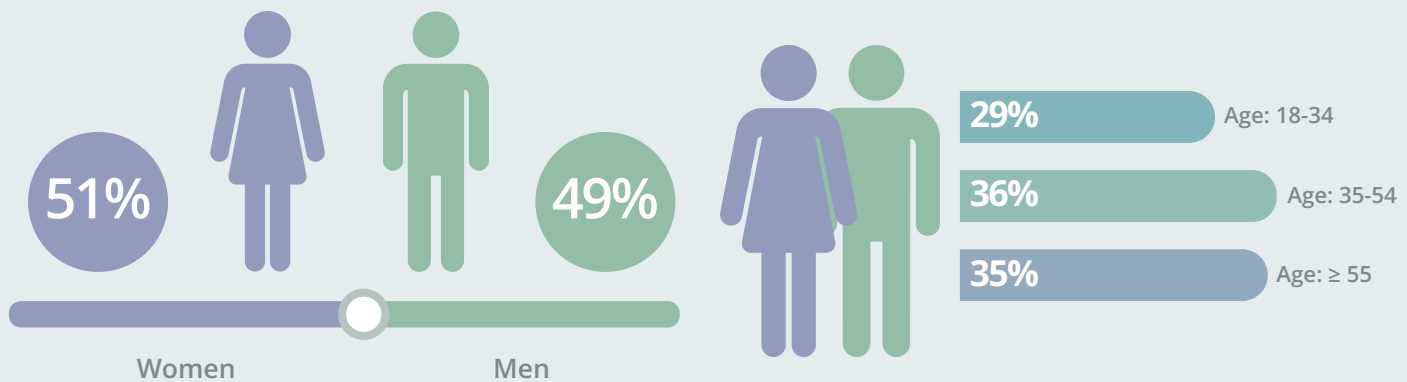
For 2025, Y Station obtained consumer feedback through an online survey, marketed through social media, and a telephone survey. All participants had to be at least 18 years of age, responsible for the purchase of vehicle insurance for their household's private passenger vehicles and their vehicle must be for on-road use. Further, all participants had to declare they do not work in marketing research, news media, the insurance industry or for the Superintendent of Insurance or the AIRB.

The surveys included both quantitative and qualitative questions to collect data comparable to previous years to ensure the voice of Albertans was captured.

To ensure the survey sample was statistically representative of Albertans' opinions, Y Station closely monitored the demographics. They established quotas to ensure a minimum number of participants for online panel and telephone surveys were completed in each of the locations: Edmonton, Calgary, other urban and rural areas. Other monitored demographics included gender, age, and years of driving experience. The total number of respondents for the 2025 survey was 1000, with 707 respondents to the online survey and 293 respondents to the telephone survey.

Again in 2025, we found more respondents participated in the online survey and fewer chose to participate through telephone. In 2024, there were 1,000 individuals surveyed (631 online and 369 by phone).

SURVEY DEMOGRAPHICS



Note: Some responded prefer not to say for some of the categories

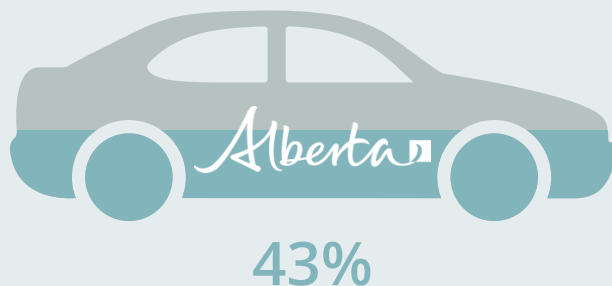
SURVEY RESULTS

Awareness

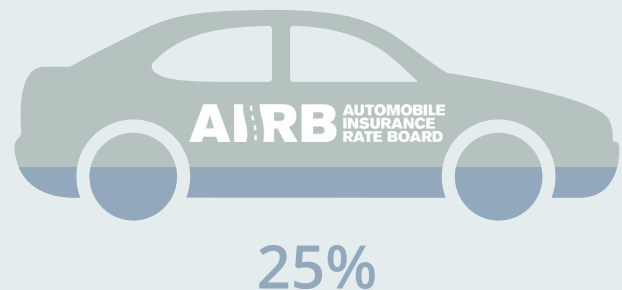
Last year changes were made to the survey to measure whether Albertans know the Government of Alberta regulates the auto insurance industry. We also wanted to measure whether Albertans have heard of the AIRB in advance of our consumer education campaign.

We saw a modest amount of growth in AIRB recognition but saw a small decline in awareness of the government's regulation of auto insurance. Last year's consumer education campaign was a first for the AIRB and with continued campaigns we hope to grow awareness even further. The reason awareness is important is so Albertans know where to look for help or guidance when they need to purchase auto insurance or have a complaint/concern with pricing. Interestingly, the survey found 31% of men are aware of the AIRB, compared to 21% of women.

Aware the Government Regulated Auto Insurance



Have Heard of the AIRB (Aided)¹



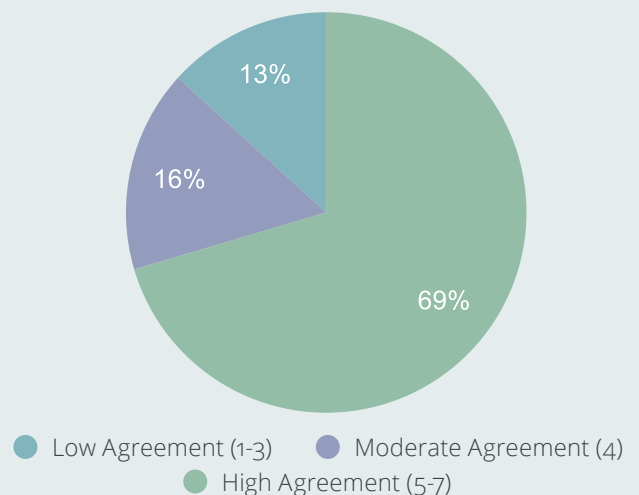
Consumer Confidence

We also added a question on consumer confidence to last year's survey and repeated it again this year. The question *"How confident are you about making purchasing decisions regarding automobile insurance?"* had identical results to 2024 – 69% of surveyed Albertans have high confidence in their ability to purchase insurance. This is a positive sign Albertans feel they can confidently make good decisions about their insurance. Confidence also needs to be supported by education. Low awareness about the components of insurance with high confidence can lead to poor decision making.

Not surprisingly, Albertans 55+ are more confident (77%), likely due to experience, compared to those 18-34 years old (58%).

With the upcoming implementation of Care-First it will be interesting to see if consumers remain confident, even when dealing with a new product.

Confidence in Auto Insurance Purchase Decision



¹Aided awareness prompts the respondent with a name "Have you heard of the AIRB?" Unaided asks without the name "Do you know who regulates automobile insurance rating programs in Alberta?"

Awareness of Good Driver Rate Cap

To address affordability challenges, the Government of Alberta implemented short-term reforms to assist Alberta drivers.

The short-term reforms include a cap on premium increases for “good drivers”. These short-term reforms were implemented through a Ministerial Order limiting AIRB from only approving changes to an insurance company’s rating program where no policyholder meeting the definition of “good driver” sees an increase greater than what is set forth in the Ministerial Order.

- ★ 2024 it was 3.7%.
- ★ 2025 it is 7.5% (5% plus 2.5% rider due to natural disasters).

What this means for Alberta drivers is when your insurance company implements the changes to their rating program, adopting the Good Driver rate cap, if you meet the definition of good driver, your premium increase will be capped at 3.7% in 2024 and 7.5% in 2025.

Despite this being the second year of the rate cap unfortunately only 28% of respondents said they were aware of the cap. The Good Driver Rate Cap is an important consumer protection and insurance companies are required to make their policyholder aware of whether they are capped or not. This result indicates Albertans are perhaps not absorbing all of their insurance documents at the time of renewal.

Have Heard of the Good Driver Rate Cap



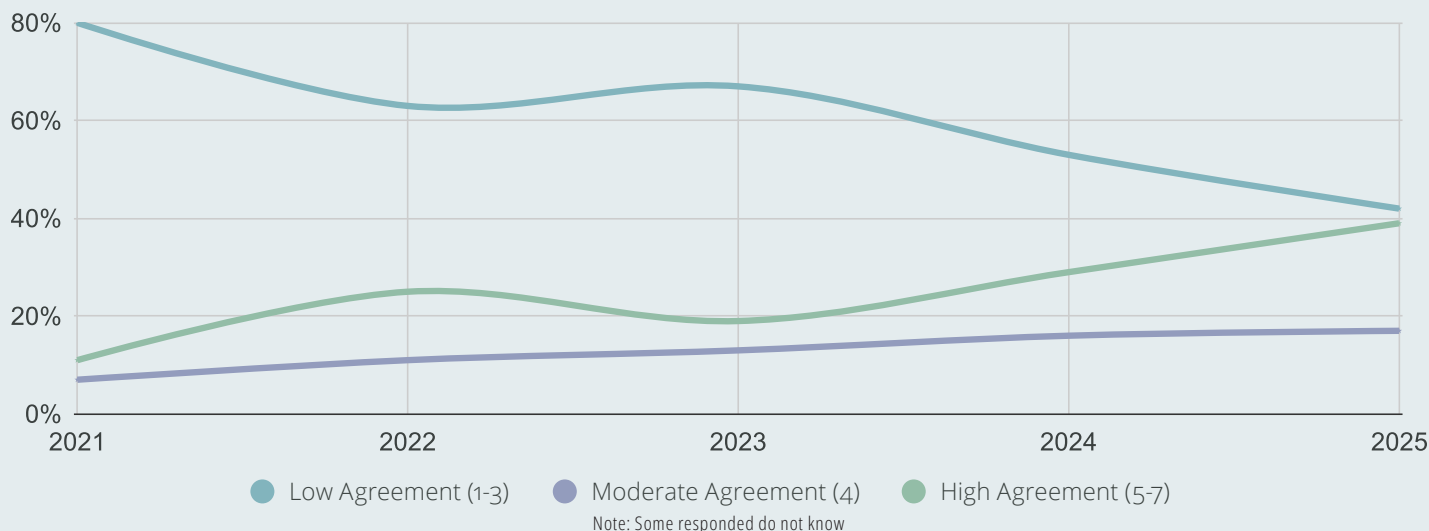
Premiums

One of the most important questions we ask each year is level of agreement for the statement “*Automobile insurance premiums are fair and reasonable.*” We found the percentage of consumers surveyed who indicated a high level of agreement has increased significantly over the last year. In 2024, 29% had high agreement and it went up ten points to 39% in 2025.

This improvement seems counter intuitive. Consumer calls to the AIRB, social media discussions, and media coverage have focussed on Alberta having the second highest premiums in the country. However, perhaps because of the affordability discussion Albertans were expecting much higher increases than occurred.

Premium increases have been limited on two fronts - first is the Good Driver Rate Cap as we discussed earlier. Secondly, the AIRB will not approve increases of more than 10% for an insurance company during a twelve-month period. This has established guardrails to ensure those who do not qualify as a “good driver” are not disproportionately impacted and see excessive premium requests at renewal.

Automobile Insurance Premiums are Fair & Reasonable



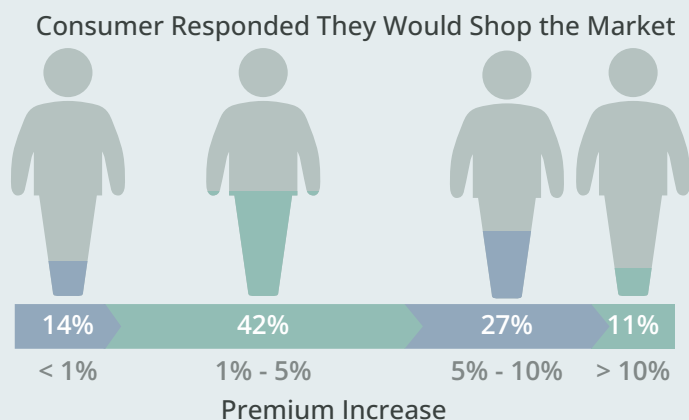
Tolerance for Premium Increases

A new question this year was *“When renewing your automobile insurance, what is the minimum percentage increase you would find unacceptable and would make you seek quotes elsewhere?”* The intent of this question was to gauge what an acceptable increase is given inflation and rising cost of living; what can Albertans truly afford? The AIRB has traditionally found Albertans can tolerate up to 10% increases at renewal, but these results show Albertans’ price sensitivity has increased.

According to the AIRB’s 2025 Mid-Year Market and Trends report, “the average full coverage premium was \$1,703 in the first half of 2024, up 3.9% from the first half in 2023.

This was slightly above inflation, as the CPI adjusted premiums increased 0.8%.”

Shopping the market is highly encouraged because insurance company rates can vary significantly – use our [Rate Comparison Tool](#) to check your own situation. However, you come out from under the Good Driver Rate Cap if you switch companies, which can put a dampening on the exercise. There may still be savings to be found but it is definitely more difficult to shop the market in the current environment.



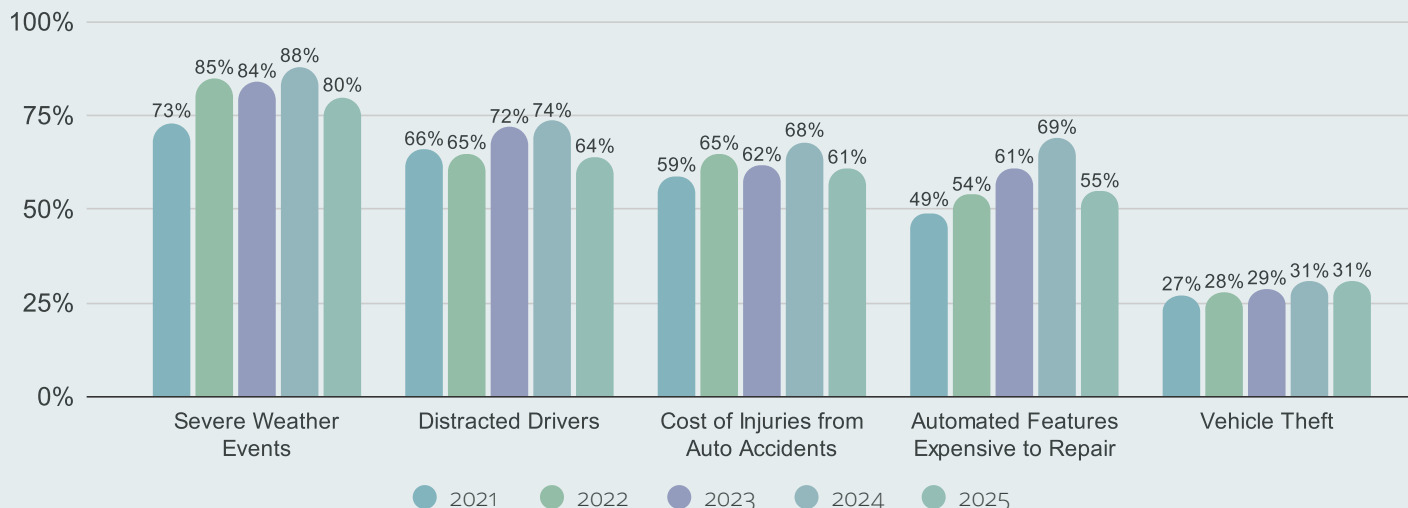
Factors Contributing to the Rising Cost of Insurance

When asked, *“Were you aware the following factors contribute to the rising cost of insurance”*, there was a drop in awareness across all options, except for “Alberta is the vehicle theft capital of Canada per capita” which stayed at the same level.

This significant drop in awareness of cost factors may be due to a normalization of risks, or perhaps even economic distractions which take priority in people’s minds, making them less focussed on why their insurance rates are changing.

The AIRB’s social media channels often share information to educate Albertans but perhaps more of a focus on cost drivers is required going forward.

Awareness of Factors Contributing to the Rising Costs of Insurance



Purchasing Auto Insurance

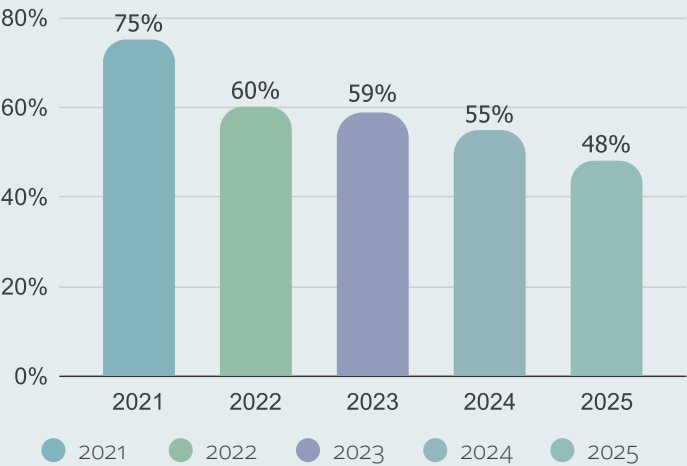
Alberta has a robust auto insurance market with dozens of companies actively offering private passenger vehicle coverage. There were two withdrawals from the market in 2024 representing less than 1.3% of the private passenger vehicle market. The AIRB has not heard from customers of those two companies being unable to find replacement insurance.

In our 2025 survey we asked respondents if they, or anyone in their household had *“experienced an unexpected increase in the cost of your auto insurance although you have no claims and convictions”* and saw a noticeable drop from the 2024 numbers. Fewer Albertans reported “unexpected” increases but perhaps due to media and political focus on insurance they were expecting larger increases on renewals in 2024.

The numbers stayed the same as 2024 results when respondents were asked if they *“or someone else in your household experienced a decrease in the cost of insurance.”* Interestingly 24% of respondents aged 18-34 indicated they, or someone else in their household, have experienced a decrease in the cost of the auto insurance in the last two years.

We also asked respondents *“Have you or someone in your household decided not to insure your vehicle.”* The number increased by 1% over 2024 results, from 6% to 7%.

Consumer Experienced Unexpected Increase Although Claims & Convictions Free



Been Denied Coverage in the Past Two Years



There was a slight uptick in respondents saying they had *“been denied vehicle insurance coverage.”* This is a matter we hear about more frequently at the AIRB. As insurance companies face rising costs and a cap on rate increases, many companies have restricted their Section C coverage – physical damage coverage like collision, comprehensive, and specified perils. These underwriting changes can have a negative impact on Albertans who finance their vehicle as financing companies generally require Section C coverage on their vehicles.

Complicating matters, if your insurance company will not offer you physical damage coverage and you look to switch insurance company, you will no longer qualify for the Good Driver Rate Cap, which can mean significantly higher premiums.

Shopping the Market

As mentioned earlier, shopping the market can be difficult in today's environment due to the Good Driver Rate Cap. It is possible you can find a more competitive rate by shopping around, but it does require more effort on the part of the consumer.

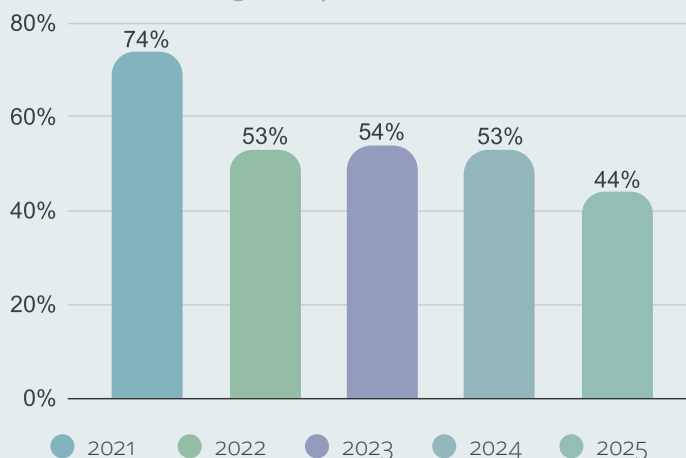
The survey asked *"At any time in the past two years, have you sought competitive quotes"* and we saw a significant decrease in those who responded yes. A nine point drop occurred between 2024 and 2025.

There was an obvious urban/rural divide in seeking quotes – 51% of respondents from Calgary, 47% from Edmonton, and 46% of other urban respondents have sought competitive quotes in the past two years. Only 32% of rural respondent have done so.

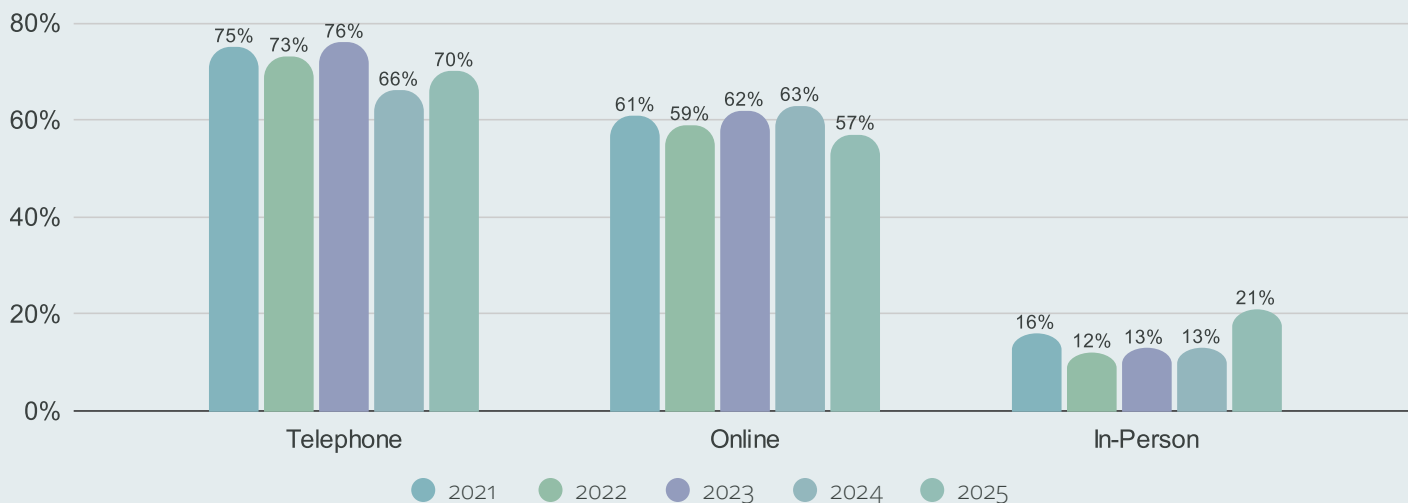
We also saw a difference between age groups on who sought quotes, 55% of people who are 18-34 and 52% of those 35-54 have sought a competitive quote in the past two years. Only 28% of people 55+ have done so.

To dive deeper into the issue, we asked how respondents obtained their quotes. We saw a slight increase in telephone quotes and a decline in online quotes. One of the two companies who withdrew from the Alberta auto insurance market was an online company. It is possible this accounted for some of the drop – current and prospective clients were required to reach-out by phone or in-person to a broker, agent or insurance company.

Consumers Who Sought Competitive Quotes in the Past Two Years



Method of Obtaining Quotes



Insurance companies in a rate-restricted market have changed some of their underwriting to require paper applications and/or vehicle inspections. These are barriers to completing the insurance purchase process online or by phone. The additional requirements are meant to discourage consumers from going to those companies, thereby frustrating the “All Comers Rule”.

The Alberta “All Comers Rule” requires insurance companies to provide basic mandatory auto insurance coverage to all eligible drivers, regardless of their risk level. This means if you are legally allowed to drive and meet the insurance company’s basic requirements, they cannot deny you coverage for mandatory insurance.

Information Sources

The survey asked, *“What information sources helped you to make your insurance purchasing decision?”* and we saw small changes to the 2025 results. As mentioned above, online quotes are not as easily available and there was an increase to phone calls to insurance companies (30% in 2024, 38% in 2025). There was more “speaking to family/friends” (21% in 2024, 27% in 2025) and online reviews (7% in 2024, 16% in 2025).

Anecdotally, we noted an increase in the number of social media posts asking other Albertans for advice or direction to insurance companies which would fit their budget. We found 15% of respondents used Facebook for information but overall social media is not used to find auto insurance information (74% of respondents in 2024 did not use social media for insurance info, 65% in 2025).

Again, we see an urban/rural divide in how quotes are obtained, with 62% of those from Edmonton, 66% from Calgary, and 60% from other urban areas indicating they obtained their quotes online. Only 29% of those from rural Alberta indicated they obtained their quotes online.

There was an overall increase in ease of obtaining quotes. With a scale of one to seven, one being the most difficult and seven being very straightforward, the mean response was 5.03 out of seven. This is an increase over the mean of 4.71 in 2024.



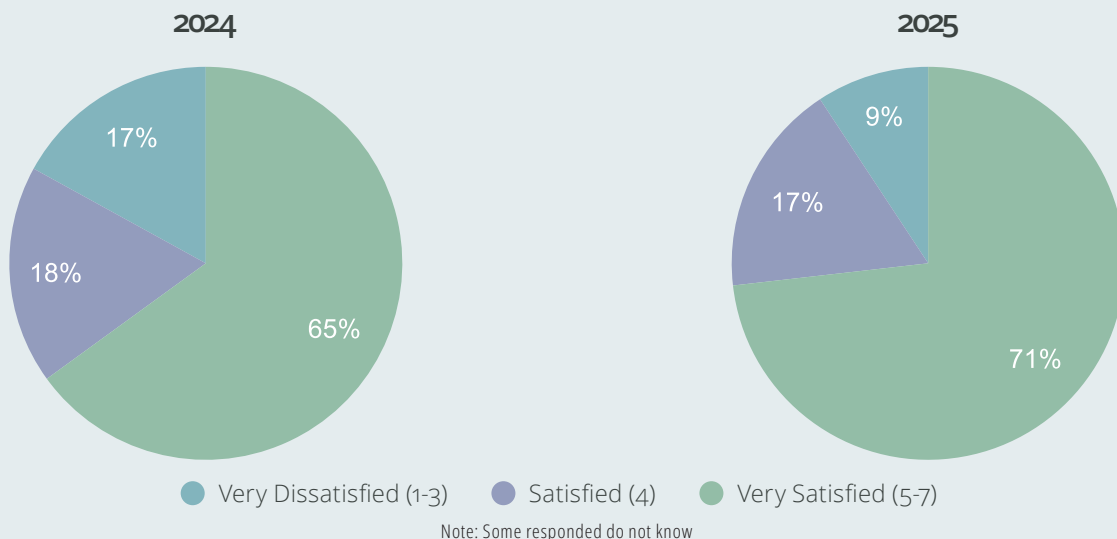
Customer Service

We asked, *“Were you satisfied with the level of service at the point of sale provided by your insurance company?”* The responses showed higher satisfaction from Albertans. The 2025 mean is 5.24 out of seven, compared to 4.95 in 2024.

When asked *“Why were you dissatisfied with your insurance company’s service at the point of sale”*, the most common complaint was increases to insurance rates (65%) but notably lack of, or poor communication

came in third place at 17%. This is a large jump from 2% of complaints being about communication in 2024. At the AIRB we have encouraged insurance companies to provide more information to their policyholders, especially considering the different caps in place today. Albertans want to understand what goes into their premium calculation and are clearly not satisfied with the answers they receive.

Satisfaction with Level of Service at Point of Sale Provided by Insurance Company



Communication

The AIRB conducted a study in 2023 about the information shared with consumers at the time of renewal. Insurance companies responded they rely on agents and brokers to explain changes in premium to their policyholders, but at the same time the agents and brokers did not always receive adequate information to respond to their customer’s questions.

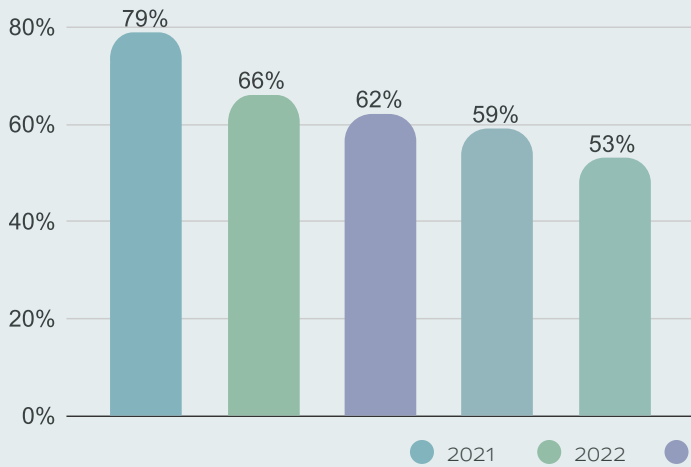
In the last several surveys we have asked, *“Did you contact your insurance broker or agent to explain the changes to your insurance cost?”* and *“Did the agent or broker’s explanation satisfy you?”*

We found more satisfaction from Albertans in the information provided by their agent or broker (34% were satisfied in 2024, 39% in 2025). This is movement

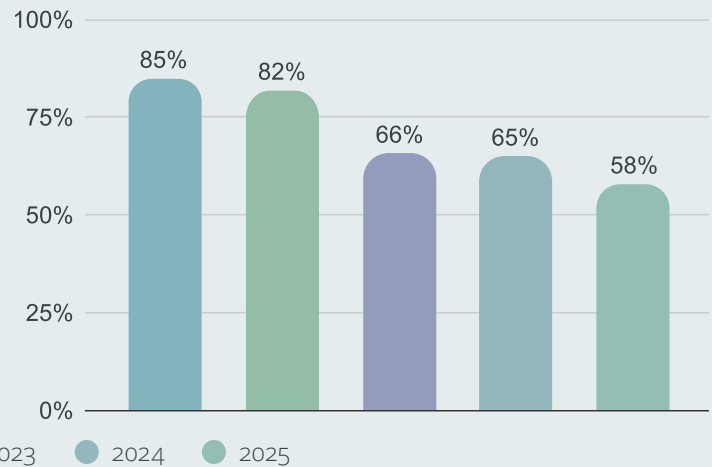
in the right direction but there is significantly more work to be done in the industry. Most people calling the AIRB for assistance are simply looking for more information or clarity with their pricing. It can be difficult to unravel exact reasons for increases as the rating algorithms are more complicated than ever. But insurance need not be a “black box” where customers are forced to simply trust they are being rated properly.

In some cases, when the AIRB requests the insurance company review the customers premiums it has found to be incorrect, resulting in hundreds of dollars in saving for the driver.

Consumers Who Contacted Their Brokers/Agent for an Explanation as to Why Their Premiums Increased



Consumers Who Felt Their Brokers/Agent Didn't Provide Satisfactory Explanation as to Why Their Premium Increased

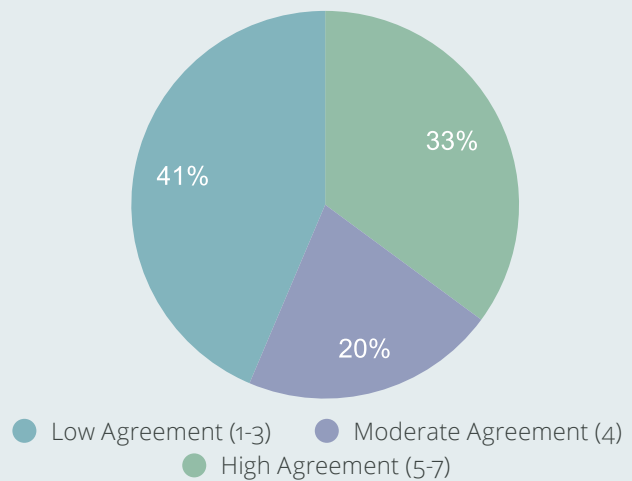


Insurance Industry Trust

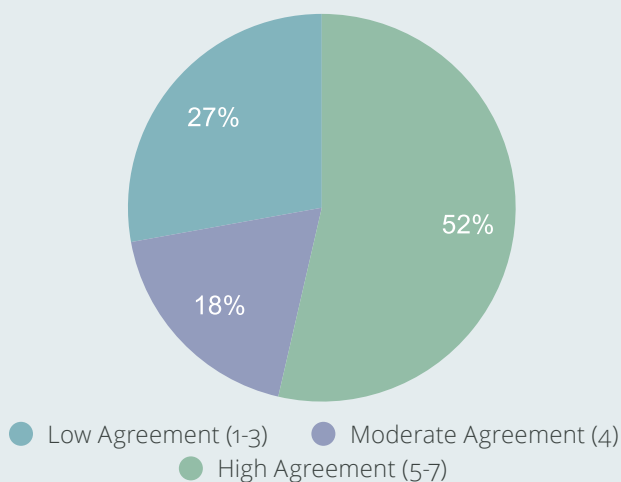
New this year are questions on Albertans' trust of the auto insurance industry. The switch to Care-First auto insurance will be a culture shift for insurance companies. Moving away from an adversarial system is new, and the industry's reputation will be on the line.

We asked about agreement with the statement *"Auto insurance providers act in Albertans' best interests"* and found a pretty even split. Those who completely agreed gave a seven, and those who do not agree at all gave a one. The mean result was 3.66 out of seven. We found 16% of respondents did not agree at all with the statement.

Insurance Providers Act in Albertans' Best Interest



Trust Their Insurance Provider to Act in Their Best Interest During a Claim



Asking the question in a slightly different way, we asked Albertans to respond to the statement *"I trust my auto insurance provider to act in my best interest during a claim"* and saw more trust of insurance companies. Most respondents were in high agreement. This could be the loyalty built-up with their own insurance company or belief they have selected a "better" insurance company.

There is a lot of work to be done by the industry to improve trust. The move to a Care-First system is an opportunity to either gain or lose trust with Albertans. It will be interesting to watch these questions in the future as the Care-First system is implemented.

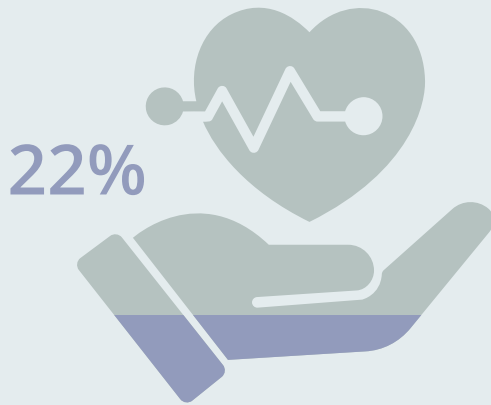
Care-First System

In November 2024, the Government of Alberta announced a change to the way auto insurance works in Alberta. In order to stabilize the market for both insurance companies and consumers, the government is moving to a Care-First system as of January 1, 2027.

In a Care-First system, Albertans injured in a vehicle collision will receive higher benefits to support their recovery. Albertans will still be able to sue an at-fault driver in certain cases (like if the other driver is convicted of a Criminal Code driving offense), and at-fault drivers will be held accountable through higher premiums.

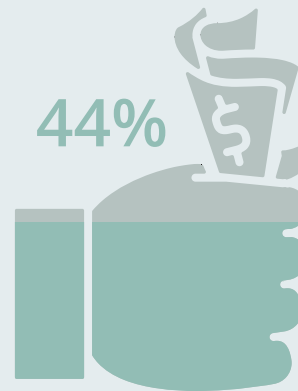
Albertans can expect to see a reduction in their premiums paid today for third-party liability (bodily injury), compared to what they pay today.

Have Heard of a Care-First System



The government's announcement and subsequent work on auto insurance reform has garnered political and media attention. To gauge Albertans' awareness of the upcoming change we asked *"Before today, have you heard of a Care-First system of auto insurance?"* Only 22% of those surveyed responded in the affirmative. There was higher awareness from those 55+ (31% compared to 19% of those 35-54, and 16% of those 18-34).

A Care-First System Will Provide Greater Affordability



We also asked for level of agreement with the statement *"A Care-First system will provide greater affordability for drivers."* The mean out of seven was 4.52 in agreement. However, 20% said they "did not know". Those aged 18-34 had high agreement with the statement (55%) compared to those 35-54 (42%) and 55+ (37%).

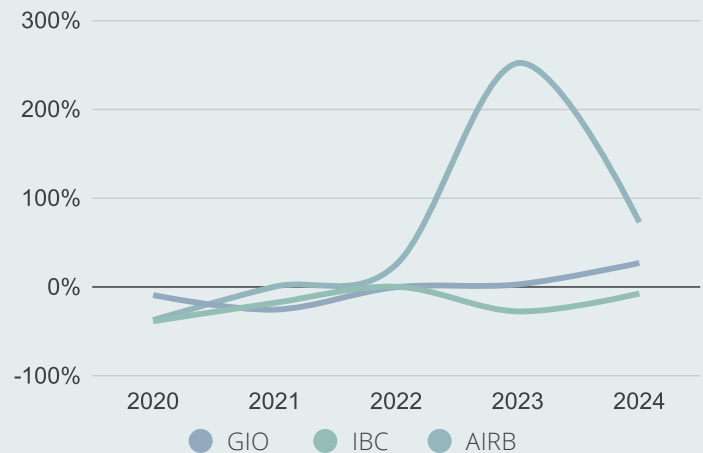
The results of this line of questioning indicate Albertans may not be entirely aware of, or paying attention to the Care-First changes. This is not surprising as the changes will not be in effect until 2027 and there has been limited government advertising on the reform. We anticipate overall awareness of Care-First will increase as we get closer to the launch date.

Complaint Resolution

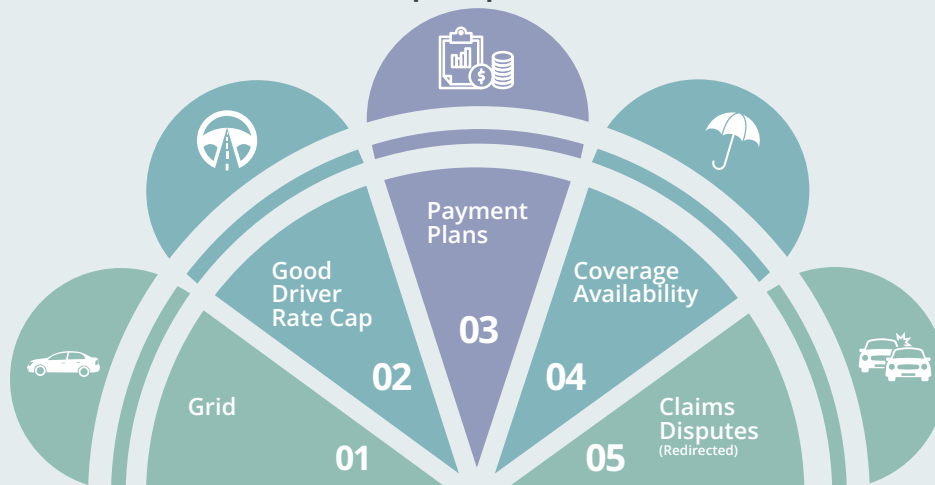
After experiencing a significant call volume increase of 250% between 2022 and 2023, the AIRB saw another year of increasing consumer calls. Between 2023 and 2024, call volume increased another 73%. Many of the 2024 consumer inquiries were related to the Good Driver Rate Cap and consumers wanting to understand how to apply for the cap (application is not needed – it is automatic based on individuals' circumstances at renewal), and understanding why a consumer was not capped.

The overlapping government announcements (Good Driver Rate Cap at 3.7% and 7.5%, Care-First) caused some confusion with consumers about what applies to their situation, and when it applies. These trends are continuing through early 2025 with even higher call volumes as awareness of the AIRB improves.

Percentage Change Over Previous Years Call Volumes



AIRB's Top Inquiries (2024)



The AIRB receives a variety of inquiries from the public and insurance industry professionals. At the top of the list this year, and for many years prior, is the Grid.

The Grid rating system was developed in 2004 to establish the maximum rate insurance companies can charge for basic coverage third-party liability (bodily injury & property damage tort), and accident benefits, with direct compensation property damage (DCPD) charged at insurance company rates. Insurance companies must compare a driver's rate under their current rating program to a driver's rate calculated by the Grid and charge the lesser of the two rates.

On November 21, 2024, the Government announced the Grid would be repealed effective January 1, 2027, and replaced with new measures to support new and young drivers. The details on the new measures will be shared once known.

The Grid can be complicated and the AIRB is often called when there is a dispute between how an insurance company places the consumer on the Grid, and how the customer and/or their representative calculates the Grid step. Despite the Grid being in place since 2004, we often find improper interpretations which lead to incorrect premium calculations. The AIRB provides [Grid Guidance](#) on our website for full transparency.

The second highest call volume was surrounding the Good Driver Rate Cap. This rate cap has generated more calls than previous rate caps, or Ministerial Orders.

Consumers reached out to the AIRB to talk about qualifying for the Good Driver Rate Cap. Some individuals wanted to know how to apply (no application is required, it is automatically applied by the insurance company). Consumers calling the AIRB expected to see a 3.7% (for 2024) cap on renewal as most people consider themselves “good drivers.”

Some Albertans not covered by the Good Driver Rate Cap are not necessarily “bad” drivers; they fall under an exemption (like moving to a higher-risk community, purchasing a new vehicle, or changing insurance company). AIRB staff have worked with insurance companies to find out why customers are exempted, and to then explain to the customer how the rules apply to their situation.

The AIRB directed all insurance companies to communicate to their policyholders about whether they qualify for the Good Driver Rate Cap, or not, along with other information to explain exemptions. Unfortunately, the insurance companies’ communication has not been adequate for all consumers. Some insurance companies provided incorrect information in their letters to policyholders which increased confusion.

This year we’ve heard from Albertans about payment plans and their ability to access them. Many Albertans use monthly payment plans as it can be onerous to pay the full annual premium up front. There are cases when an insurance company can refuse to offer a monthly payment plan. For example, if you have been cancelled two or more times for non-payment in a 36-month period. The rules for payment plans are outlined in the [Automobile Insurance Premiums Regulation](#).

As mentioned earlier in this report, some insurance companies changed their underwriting rules around Section C (physical damage) coverage. While the AIRB does not have authority to approve or change underwriting, the issue has been flagged for government and it is a matter being watched closely.

We also receive a number of calls about claims disputes with insurance companies. This area of concern is handled by the Office of the Superintendent of Insurance and consumers are re-directed to their office for assistance.

Consumer calls to the AIRB are also often the “canary in the coal mine” for regulators. A spike in call volume on a particular issue can lead us to investigate potential market trends and emerging issues. Complaints help the AIRB identify broader trends happening across the market in Alberta and can lead to proposals for policy changes. Often our calls indicate consumer confusion, which means the insurance industry is not communicating important information to their customers. Industry communication has been a theme at the AIRB over the last couple of years and we will continue to provide guidance to the industry for improvement.

The AIRB has a consumer-facing website (airbfordrivers.ca) which tries to clarify the information and help consumer navigate auto insurance. As new information becomes available it is added to the website.

We also encourage consumers to reach out with their questions through the website or by calling the AIRB’s office.

In addition to the AIRB, Alberta drivers can seek assistance with their inquiries or complaints through two industry funded organizations.

- ★ The General Insurance OmbudService (GIO), created in 2002 as an independent dispute resolution service, provides free and impartial help for Canadian consumers of home, automobile and business insurance. The GIO can be reached at 1-877-225-0446.
- ★ Insurance Bureau of Canada (IBC) is a national industry association representing the Canadian property and casualty insurance market. IBC offers regional consumer information centres to address consumer questions. IBC’s consumer information centre can be reached at 1-844-2ASK-IBC (1-844-227-5422).

Who to Contact

Questions About Your Auto Insurance?

Broker & Agent

The first point of contact is the broker, agent, or direct writer, who sold you your auto insurance. Brokers and agents will represent your best interests, and may offer independent advice on resolving issues or addressing concerns about your automobile insurance.

Insurance Company

If your concerns were not addressed or you were not able to reach a resolution with your broker, agent, or direct writer, your next step is to contact your insurance company's Complaint Liaison Officer or Ombudsperson.

General Insurance OmbudService (GIO)

If your insurance broker, agent, or insurance company representative has not resolved your concerns, the next step is to contact the GIO.

The GIO is an independent organization helping Albertans resolve their concerns, questions, or disputes with their auto insurance company by providing mediation services, free of charge. More information about the GIO and how their process works is available on their website at giocanada.org.



Questions About Auto Insurance Regulation?

Automobile Insurance Rate Board (AIRB)

If your concern is about AIRB rules and processes used to regulate the calculation of automobile insurance premiums, you may contact us at 780-427-5428 or airb@gov.ab.ca. To call toll-free within Alberta, dial 310-0000 then 780-427-5428.

Superintendent of Insurance

If your concern is about the operation of the auto insurance system, the experience obtaining coverage, or the resolution of a claim, contact your broker or call the Office of the Superintendent of Insurance at 780-427-8322 or tbfi.insurance@gov.ab.ca. To call toll-free within Alberta, dial 310-0000 then 780-427-8322.

CONCLUSION

As always, at the end of our survey we ask participants if they have any “comments or concerns with auto insurance in Alberta?” This is a chance to provide feedback beyond the set questions we ask. We heard:

- ★ Insurance rates are too high (67% of respondents)
- ★ Insurance rates should not be increased if a person has a clean driving record (16%)
- ★ Insurance companies are greedy/only care about money/profit (8%)
- ★ There is too much government influence/control over insurance rates (5%)

The last two comments likely speak to media and political conversations happening around Alberta about changes coming to auto insurance in 2027.

In order to help Albertans navigate the current, and future, auto insurance systems, the AIRB has taken a number of steps to improve communication with drivers.

First was the launch of a new consumer-focussed website – airbfordrivers.ca. This new website provides advice, rate comparison tools, educational resources and updates on Care-First.

The AIRB also conducted its first consumer education campaign with television commercials, online and outdoor advertising, to let Albertans know we are here to help them. Another campaign will launch in 2025 to continue building awareness.

And finally, Albertans may have noticed a change to the AIRB logo to provide a better visual representation of our work on auto insurance. The refreshed logo was used across our advertising campaigns and websites.



Understanding consumer perspectives on Alberta auto insurance is essential for the AIRB to foster a fair, competitive, and transparent market. The insights gathered from our consumer survey have highlighted key concerns such as affordability, communication, and transparency, which regulators and insurance companies must address to improve trust and satisfaction.

Moving forward, continued engagement with consumers through surveys and public consultations will be critical in shaping AIRB activities to meet the evolving needs of drivers.

The AIRB is here to help Albertans. We provide consumer education and help explain current issues like the Good Driver Rate Cap, premium changes and actions you can take to be an empowered auto insurance customer.

We look forward to continuing to connect with Albertans in the coming year. We want to empower Albertans to confidently navigate the auto insurance market using our free tools and resources.



Questions/ Comments



Automobile Insurance Rate Board

 airbfordrivers.ca

 airb@gov.ab.ca