

Saskatchewan Auto Fund
2014 Rate Proposal

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1. Synopsis and Overall Summary

SGI requests that the Saskatchewan Rate Review Panel (SRRP) recommend a net 5.2% rate change for Saskatchewan Auto Fund rates, effective August 31, 2014 including:

- A 2.7% rate increase, with rate rebalancing for all vehicles, with the exception of motorcycles;
- A 2.7% flat rate increase for motorcycles, with no rebalancing; and,
- An additional 3.7% increase to all vehicles, including motorcycles, to help replenish the Rate Stabilization Reserve (RSR). This amount would be applied to the rebalanced rate for each vehicle, and flat rate for each motorcycle.

Because there is currently a 1.23% RSR surcharge built into the rates that is effective until August 30, 2014, the average increase customers would pay over their current rates is 5.2%.

The Saskatchewan Auto Fund, administered by SGI, provides basic, universal auto insurance coverage to Saskatchewan residents. It operates on a self-sustaining basis and neither receives money from, nor pays dividends to, the Government of Saskatchewan.

The Auto Fund provides services to ensure that drivers and vehicles are properly licensed, and also invests in traffic safety activities to reduce the human, social and economic costs of vehicle collisions.

Why the Auto Fund requires a rate increase

The Auto Fund needs to generate enough premium revenue to cover all claim obligations and operating expenses for the proposed rating year (August 31, 2014 to August 30, 2015). The primary reason for the proposed increase is the 2014-2016 year-over-year 10% increase to auto body labour rates.

Fairness in rating

SGI is committed to fairness in vehicle rating. Rate rebalancing takes into account collision frequency and severity, including damage, injury and liability costs, for each class of vehicle.

Although SGI's proposal is for a net increase of 5.2%, that percentage simply represents how much additional revenue SGI requires. Each customer's rate change depends on the type of vehicle they own. Some customers will see rate increases (most more or less than 5.2%), some customers will see rate decreases and some won't see any change to their rates. But the net result of all the increases and decreases will be an additional 5.2% in revenue for SGI.

Rates are determined based on the actual risk each vehicle represents for being involved in a claim, and the actual costs of paying that claim. To reduce rate shock for customers, increases and decreases will be capped to a reasonable level.

Adequate capital

In addition to the rate increase, the Auto Fund needs to replenish the RSR. The RSR is like a savings account to cover emergencies. It ensures customers are protected in the event of much higher than expected claim costs or much lower than expected investment income in any one year. Analysis indicates that a capital amount of 3.7% applied to all vehicles will help to replenish the RSR.

The difference between the rate increase and the capital amount

The rate increase is needed to cover expected claim costs and other expenses for a one-year period (Aug. 31, 2014 to Aug. 30, 2015) and is not intended to contribute to the balance of the RSR. Because of rate rebalancing, the increase is not applied to every vehicle rate across the board.

The capital amount is needed to increase the balance in the RSR. The RSR acts as a cushion to protect customers in case of unexpected events as outlined earlier. SGI uses a common industry measure called the Minimum Capital Test (MCT) to ensure there is an adequate balance in the RSR. SGI's target for the RSR is to have a 12-month rolling average MCT of 100%. As of Nov. 30, 2013, the 12-month rolling average was 63%. SGI is seeking the additional 3.7% to move the RSR toward the target 100% MCT. The 3.7% capital amount will move the RSR one-fifth of the way to the 100% target, consistent with the revised Capital Management Policy outlined later in this document.

Customer impact

If SGI receives approval for the increase with rebalancing as well as the capital amount, it would mean:

- Rate increases for about 84% of Saskatchewan vehicles with an average annual increase of \$49;
- Rate decreases for about 16% of Saskatchewan vehicles with an average annual reduction of \$12; and,
- No rate change for about 3,000 vehicles.

Customers whose rates decrease will automatically receive a refund for the difference between their old rate and new rate for the period from Aug. 31, 2014, to the expiry of their registration term. Customers whose rates increase will not pay the new rate until their next renewal on or after Aug. 31.

Reducing rate shock

While rebalancing is important to ensure fairness, all rates will be capped to reduce rate shock. The same capping structure used in the 2012 and 2013 rate programs will again be applied. If the annual premium is less than or equal to \$1,000 then a dollar cap will be applied. If the annual premium is over \$1,000 then a percentage cap is applied. The table below outlines the ranges and caps that will again be applied in this rate program:

Current Annual Rate	Maximum Cap
\$1 – 50	\$25
\$51 – 100	\$50
\$101 – 250	\$75
\$251 – 500	\$100
\$501 – 750	\$125
\$751 – 1,000	\$150
\$1,001 or greater	15%

The table below shows the proposed average rate change for each vehicle class:

Private Passenger Vehicles and Classes Based off of Private Passenger Vehicles	Proposed Rate Change
LV – Private Passenger Vehicles	5.0%
A – Commercial Light Trucks	18.2%
F – Farm Light Truck - 1994 & newer	2.1%
LV – PPV - Farm Cars, SUVs and Vans	4.4%
LV – Police Cars	19.7%
LV – Police Trucks, Vans & SUVs	-6.5%
LV – U Drives	6.8%
PT – Taxis (Rural)	8.2%
Conventionally Rated Vehicles	Proposed Rate Change
Ambulances	5.4%
A – Commercial Vehicles:	
Heavy Trucks & Vans IRP \$2500 Ded.	5.3%
Heavy Trucks & Vans IRP \$15K Ded.	-7.2%
Heavy Trucks and Vans Non-IRP	5.4%
Power Units IRP \$2500 Ded.	4.0%
Power Units IRP \$15K Ded.	-2.4%
Power Units Non-IRP	-0.2%
C & D – Commercial Vehicles:	
Heavy Trucks and Vans	12.1%
Power Units	4.0%
F – Farm Vehicles:	
Heavy Trucks and Vans	-1.2%
Light Trucks - 1993 & Older	-9.9%
Power Units	10.4%
Hearses	2.6%
L – Dealer Plates:	-1.5%
L – Snowmobile Dealers	1.6%
LV – Antiques	6.2%
LV – Buses	12.7%
LV – Buses (Restricted)	1.5%
LV – Motorcycles:	5.2%
Motorhomes	10.2%
MT – Snowmobiles	-1.2%
PB – Passenger Inter-City Buses	5.9%
PC – Passenger City Buses	12.9%
PS – Passenger School Buses	14.4%
PT – Taxis	17.3%

Trailers	Proposed Rate Change
F – Trailers	5.7%
LT – Trailer Dealers/Movers	2.6%
T – Personal Trailers	17.2%
T – Utility	17.6%
TS – Commercial Trailers	13.0%
Miscellaneous Classes	Proposed Rate Change
A – Excess Value	5.9%
C&D – Excess Value	2.6%
C&D – Non-Resident	5.9%
Industrial Tracked Vehicles	2.5%
LV – Motorized Bicycle	60.0%
PV – Converted Vehicles	0.6%
PV – Heavy Trucks and Vans	-0.9%
PV – Power Units	3.2%
TS – Excess Value	5.9%
Total	Proposed Rate Change
All Vehicles Excluding Trailers & Misc.	4.9%
All Vehicles	5.2%

2. Background

2.1 Auto Fund Overview

The Saskatchewan Auto Fund provides basic, universal insurance coverage to Saskatchewan residents. It operates on a self-sustaining basis with the goal of maintaining an adequate balance in the Rate Stabilization Reserve (RSR) to pay future claims and to protect customers against rate shock for years in which claim costs are higher than average. The Auto Fund neither receives money from, nor pays dividends to, the Government of Saskatchewan.

The Auto Fund also provides services to ensure that drivers and vehicles are properly licensed. These services include licensing for over 777,000 drivers, registration services for over one million vehicles, driver examinations, driver and vehicle fitness programs, and safety and audit programs for carriers who transport goods or passengers. These services are provided through over 400 independent motor licence issuer offices throughout Saskatchewan. The Auto Fund also invests in traffic safety activities to reduce the human, social and economic costs of vehicle collisions.

The coverage provided by the Auto Fund is legislated in *The Automobile Accident Insurance Act (AAIA)*, and can be divided into three components:

- Personal injury coverage provides Saskatchewan residents with benefits if they are injured or killed in an automobile collision. All Saskatchewan residents have a choice between No Fault Coverage and Tort Coverage.
- Third-party liability coverage provides vehicle owners with up to \$200,000 to pay the cost of damages that their vehicles cause in a motor vehicle collision, including the damage to the other driver's vehicle, damage to any property and costs resulting from injuries caused to others.
- Physical damage coverage (collision and comprehensive) pays for damages to the vehicle due to a collision or other occurrence such as hail, fire or theft. Claims for damages to a vehicle are subject to a deductible (which is \$700 for most vehicles).

The major operating philosophies of the Auto Fund are to:

- provide basic automobile insurance coverage that is universal and fair
- fairly rate insurance premiums for vehicle classes based on their claim loss experience and cost of repair
- keep rates as low as possible

In determining premium rates for the Auto Fund there are three components to consider:

1. Adequate premium rates to break even
2. Fairness in rating
3. Maintaining adequate capital

2.1.1 Adequate premium rates to break even

The first step in analyzing the Auto Fund's rates is to perform an actuarial analysis on the rating year to determine if expected premiums at current rates will be sufficient to cover expected claims and expenses. For the rating year being considered (August 31, 2014 to August 30, 2015) the Auto Fund anticipates claim and expense growth will outpace growth in premium and investment income, resulting in an overall 3.4% increase in revenue being required.

While the Auto Fund requires 3.4% in additional revenue from rate to break even in the upcoming rating year, because motorcycles will be receiving only a 2.7% increase, and the shortfall is not being subsidized by other vehicle classes, the revenue increase will be 2.7% overall.

The rate-making process involves a very detailed and complex actuarial procedure which determines the expected revenue and expenses for the rating period. A great deal of time and effort goes into this part of the rate program; however, it's still an estimate of the amount of required premium. There are three components in this rate program that create the most uncertainty in the estimate – premium revenue, claim costs and the impact of investment income. While

each component alone is difficult to forecast, it is even more challenging to forecast these revenues and expenses 12 to 27 months into the future from the time that the process is started. Actuaries use historical trends to help predict these components, along with other relevant information available that may have a future impact.

See Section 3 – Overview of Ratemaking Methodology for further details.

2.1.2 Fairness in rating

A key component of the Auto Fund's strategy to meet and exceed customer expectations is promoting fairness in rating by ensuring each class of vehicle is paying sufficient premium to cover its claim costs. To achieve that goal, rates must be rebalanced regularly.

Over the past 10 years, the Auto Fund has rebalanced rates four times (2007, 2009, 2012 and 2013). To reduce significant rate shock for affected customers, increases will be capped to a reasonable level for all vehicle groups, with the exception of motorcycles. Motorcycles will receive a flat 2.7% increase to their current rate.

The previous (2013) rate program, initially proposed on February 15, 2013, would have resulted in significant increases for most motorcycle owners. Saskatchewan's motorcycle community reacted quickly, vocally and publicly to the proposed increase. On March 14, 2013 SGI was directed by government to amend its rate proposal to cap motorcycle increases at 15%. These rates were approved and implemented effective August 31, 2013.

At the same time, the company was directed to review its rating approach for motorcycles, including injury benefit levels provided with the basic coverage, and to examine ways to improve motorcycle safety. The Motorcycle Review Committee was formed to assist with this review and a proposal of recommendations has recently been submitted to government.

It will take time for any changes from the review to have an impact on claim costs. In the interest of fairness to all vehicle owners, it is recommended that motorcycle rates be increased by a flat 2.7% – the average required for all vehicles excluding motorcycles. This approach recognizes that a number of initiatives are about to be implemented that will reduce the rate need for the motorcycle class, while bringing them closer to covering the cost of motorcycle claims that will be incurred in the upcoming rating year.

Appendix A provides details of proposed rate changes by vehicle class.

2.1.3 Maintaining adequate capital

A key operating principle for the Auto Fund is ensuring consistency and stability in rates so that customers are not subject to ongoing price fluctuations or large rate increases. In order to provide this stability, an adequate balance in the RSR is required to provide a financial resource to draw on when adverse financial events occur, such as higher than expected claim costs or material decreases in capital markets for investments. To ensure the RSR is adequate, the Auto Fund uses a common industry measurement called the Minimum Capital Test (MCT).

The Capital Management Policy for the Saskatchewan Auto Fund was recently revised to follow guidance from the Office of the Superintendent of Financial Institutions on setting appropriate capital targets. This resulted in the target capital level being changed from a Minimum Capital Test (MCT) range between 75% and 150% to targeting an MCT of 100%.

In addition, the approach used to maintain capital at an appropriate level has changed. The former policy triggered a surcharge or rebate when the MCT moved outside the target range. The new policy applies an amount to move towards an MCT of 100% in small increments with each rate program, instead of waiting for the MCT to fall outside the target range and then applying more significant surcharges or rebates. Essentially, it smoothes out the impact for customers.

The new policy determines the amount of capital adjustment needed with each rate program by applying an amount to either recover 1/5 of the capital below 100% MCT or release 1/5 of the capital above 100% MCT into the basic insurance rate every year. As such, the rate always includes a portion designed to move the RSR towards an adequate level, and avoids the volatility a surcharge might create, assuming rate programs are annual or close to annual. A very similar method is followed by the Insurance Corporation of British Columbia and is consistent with private insurers that build cost of capital requirements into each rate filing.

The new policy also considers whether overall capital needs have changed. As the claim liabilities and investment assets grow, the need for capital to support the business also increases. With each rate program, SGI will analyze actual results and bring forward recommendations for adjustments required to maintain adequate capital. SGI anticipates that, once the new policy has been implemented, only minor adjustments will be needed to address capital needs in subsequent rate programs.

See Appendix B for a copy of the five-year financial forecast with and without a rate increase, rebalancing and capital requirement.

2.2 Historical rate changes

In 1997, the Auto Fund presented customers with options for a three-year rate program and introduced the one that most customers supported. In addition to rate increases (no rebalancing) of 5% in 1998, 2% in 1999 and 2% in 2000, the basic deductible was increased from \$500 to \$700.

The Auto Fund implemented the Safe Driver Recognition (SDR) program in 2002, which rewards safe drivers with discounts as high as 20% off their base insurance premium based on driving history. In 2013, the SDR program provided discounts totaling \$93 million which is equivalent to an 11% reduction in rates.

In 2004, the Auto Fund introduced the Business Recognition (BR) program, which rewards businesses that maintain a good loss experience with discounts of up to 10% on their base vehicle insurance. In 2013, the BR program provided discounts totaling \$7 million to businesses operating in Saskatchewan.

Even with the introduction of the SDR and BR programs, the Auto Fund was still collecting more premiums than required to pay claims and expenses, and was carrying excess capital in the RSR. To return premiums to shareholders, the Auto Fund provided a \$44 million rebate in 2006 on 2005 insurance premiums to 520,000 customers who received an average rebate of \$84.

In 2007, the Auto Fund provided a \$100 million rebate on 2006 insurance premiums to 540,000 customers who received an average rebate of \$185. In addition to the rebate, the Auto Fund implemented a 7.1% general rate decrease effective July 1, 2007 to reduce premium revenue collected from customers on a go-forward basis, coupled with rate rebalancing to address the Auto Fund's objective of increasing fairness in rates.

In the 2009 rate program, overall rates were increased an average of 4.2%, with rebalancing.

The 2012 rate program rebalanced customers' rates while implementing an overall rate increase of 1.6%.

In 2013, in addition to the 1.03% rate increase and rebalancing, customers' rates also increased by 1.23% due to an RSR surcharge. The net effect was an overall average rate increase of 2.27%.

The following table highlights compounded rate adjustments in comparison to the Saskatchewan Consumer Price Index (CPI) in the last 15 years.

**History of Rate Adjustments
in Saskatchewan in Comparison to CPI**

Year	Annual Rate Adjustments	CPI year-over-year percentage change
1999	2.00%	1.80%
2000	2.00%	2.60%
2001	–	3.00%
2002	–	2.90%
2003	–	2.30%
2004	–	2.20%
2005	–	2.20%
2006	–	2.10%
2007	(7.10%)	2.80%
2008	–	3.30%
2009	4.20%	1.00%
2010	–	1.40%
2011	–	2.80%
2012	1.60%	1.60%
2013	2.27%	1.80%
Compound Change	4.65%	39.65%

2.3 Cross-Canada rate comparison

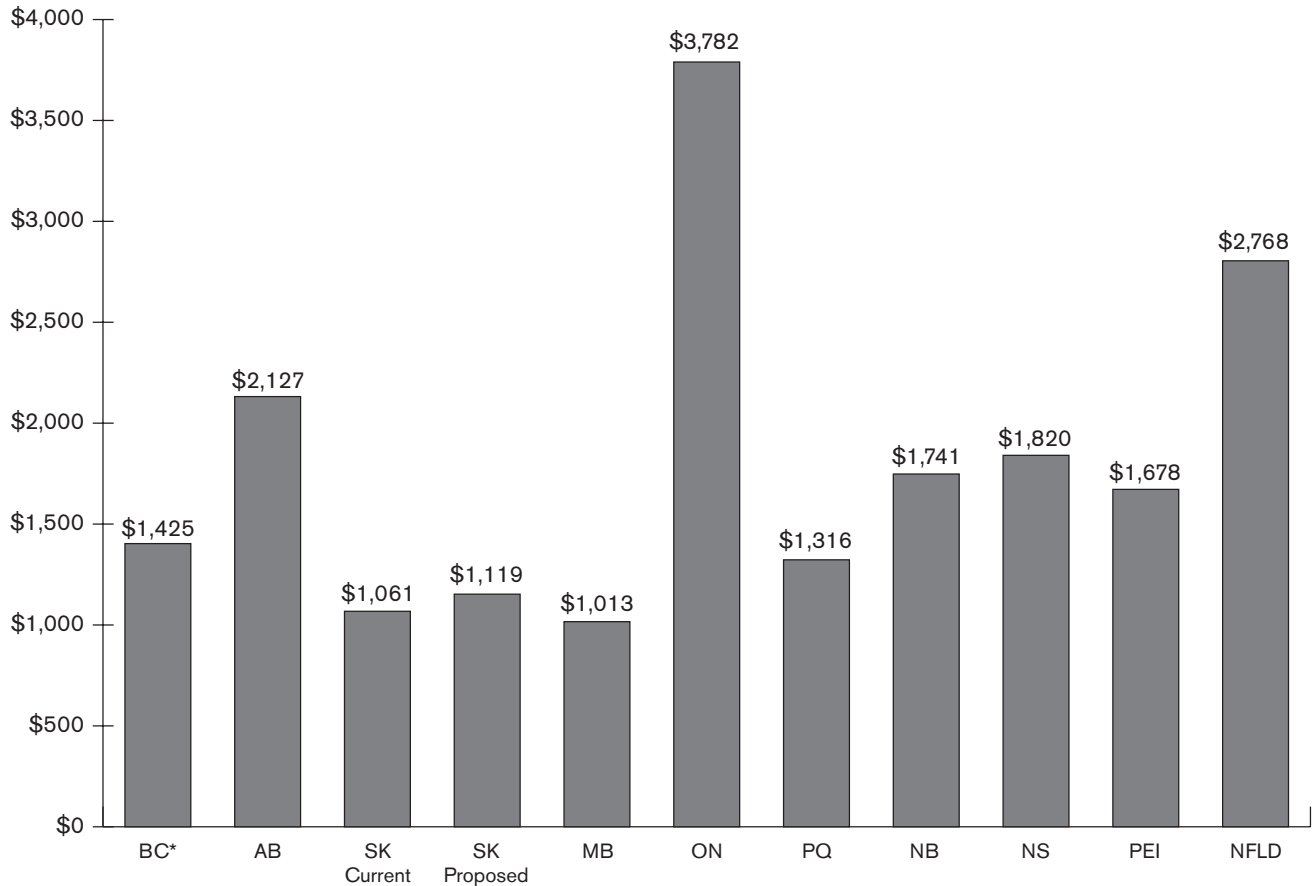
The purpose of the cross-Canada rate comparison is to determine how much a driver would pay for auto insurance in each Canadian jurisdiction given their current vehicle, driving record and claim history. The comparison obtains rates for 34 vehicle and driver profiles in 22 cities across Canada. Vehicle make and models selected each year are those with the highest number of registrations in Saskatchewan for the previous year. For the 2013 comparison, the most popular make and models of vehicles registered in 2012 were used.

Most cities used were selected in 2005 by the utility Crowns and Crown Investments Corporation (CIC), and were chosen to represent major centres, rural communities and northern communities in order to obtain a geographic representation within each province. In 2012, CIC made one revision to the Quebec cities used in comparison; the Gatineau location was replaced with Aylmer, a sector of the City of Gatineau. The change made the location more specific for the comparison. The same liability limits and physical damage deductibles are used in each province, each year.

Based on the survey, Saskatchewan continues to have one of the lowest average personal auto insurance rates in Canada, and has been in that category since the survey's inception in 2005. Insurance is provided by private insurers in all provinces except Manitoba, British Columbia and Quebec. In Quebec, only injury coverage is provided through a government plan; the remaining coverage is provided by private insurance companies.

The following graph illustrates the results of the comparison for the year 2013.

SGI's Cross-Canada Automobile Insurance Premium Comparison



*The BC rate is based on averages from Jan. 1 to Oct. 31 since November and December premiums were unavailable; however, it is known that BC rates increased effective Nov. 1, 2013.

Consistent with previous years, Manitoba continues to be Saskatchewan's closest competition for the lowest average personal auto insurance rates in Canada.

3. Overview of Ratemaking Methodology

The following describes, at a high level, the process used in determining the premium rates that should be charged for the upcoming rating year.

Classification

The Auto Fund assigns vehicles into classes based on characteristics and exposure to risk based on their use. The largest class is private passenger vehicles, which make up 63% of all vehicles (79% when trailers are excluded). Examples of other classes are farm vehicles, heavy trucks, motorcycles, taxis and ambulances.

To determine the required rate for each class of vehicle, the estimated premium, claim costs and expenses are grouped together with all vehicles within the class to determine if the premium is sufficient to cover costs. Each vehicle class should pay its portion of the costs. The following sections describe how these three components are allocated to each class.

Premiums

The major factors in forecasting premiums are drift and volume, both of which relate to attempting to predict the number and types of vehicles that the Auto Fund will be insuring during the rating period.

- Drift estimates the change in premium as motorists upgrade from older vehicles with lower premiums to newer vehicles with higher premiums.
- Volume looks at the overall number of vehicles that will be insured in the rating period.

Claims

In completing the actuarial analysis, the largest and most difficult cost to predict is claims, which represents approximately 80% to 85% of total costs annually for the Auto Fund. Damage claims represent about 65% of total claim costs, while injury and liability costs represent the remaining 35%. For the actuarial rate analysis, claims are assigned to vehicle classes based on vehicle collision responsibility (fault). If a vehicle was involved in a collision, single or multi-vehicle, and there is no at-fault vehicle then all claim costs remain with the vehicle for rating purposes; this includes wildlife collisions.

The major factors impacting claims are summer storms and winter driving conditions, both of which are largely unpredictable for any given year. Other factors impacting claims include the labour rate paid to auto body shops, parts costs and the average wage of injured people. Also, impacting the costs for injury claims are factors such as re-occurrence rates, medical innovations and rehabilitation programs that must be considered but are difficult to anticipate.

Expenses

There are two types of expenses that are charged to vehicles: variable and fixed. Variable expenses include expenses and credits that are dependent upon premiums written. These include premium taxes paid to the General Revenue Fund, traffic safety program costs, issuer commissions and credits for short-term registrations and AutoPay programs. Fixed expenses include administrative costs and expenses associated with adjusting losses.

Indicated rate change

Once all the premium, claims and expenses are grouped in the appropriate vehicle class, an overall rate indication for the class is done by comparing total premiums to total claim and expense costs for the class. If the premium is not enough to cover costs then a rate increase is required; if the premium is in excess of costs then a decrease is required. Importantly, the average of six years worth of damage and liability claims data, seven years worth of catastrophe claims data and 10 years worth of injury claims data is used to smooth the effect that one or two years of poor loss experience would have on the rate indication for a class.

Relativities within rate groups

The rates for individual vehicles within a rate group will vary depending on attributes specific to the vehicle. The process used to determine the amount of this variance is called a relativity analysis. In short, relativities are used to differentiate vehicle rates based on factors such as use, seating capacity, value and model year. As an example, motorhomes of different values have different rates; the more expensive the motorhome, the higher the premium.

4. Actuarial Analysis

4.1 Pure premium calculation

Pure premium is the average loss amount per unit of exposure. For the Auto Fund rate indication, non-catastrophe damage and liability data from accident years 2008 to May 31, 2013, catastrophe data from accident years 2006 to 2012, and injury data from accident years 2004 to May 31, 2013 are used to calculate average pure premium per coverage. Loss development factors calculated using the ultimate claim costs from the May 31, 2013 actuarial valuation are used to bring the yearly incurred losses by coverage to their ultimate value. These ultimate losses are then divided by the number of exposures to get the ultimate pure premium.

Trend factors are chosen by coverage and class based on a comparison of several exponential regressions. Trends for claim frequency (the number of claims per vehicle exposure) and severity (the average cost of a claim) were selected for both the past and future trend periods. The past trend selected should be representative of what has happened to claims historically; the future trend should be reflective of what is expected going forward. If the data for a class were too thin to produce credible frequency and/or severity trends on its own, then it was grouped with the data from other similar classes before selecting the trends. The selected trend factors, along with a development factor, are used to bring the pure premium values forward to an appropriate level for the rating period.

Two coverage lines, income replacement and care benefits, have their losses adjusted for inflation prior to trend selection. On the anniversary date of a claim the amount of payment increases by an indexed rate taken from the Saskatchewan Consumer Price Index table. The purpose of this index rate is to ensure that the payments are increased to compensate for inflation. Because benefits for these coverages fluctuate with the level of inflation, claim amounts from the different loss years need to be adjusted to bring them all to the current level of inflation.

Once income replacement and care benefit ultimate losses have been adjusted for inflation, past and future severity trends can be selected. The selected severity and frequency trend factors, as well as a future index rate of 3% that accounts for inflation before and during the rating year, are used to bring the pure premium values for these lines forward to the rating period level.

The final projected pure premium for each coverage line is based on a weighted average of estimates from historical loss years using the trended pure premiums described above.

4.1.1 Traffic safety initiative factor

New to the 2014 rate program is the Traffic Safety Initiative factor. During 2013 the Special Committee on Traffic Safety reviewed the Auto Fund's traffic safety initiatives. The Committee consulted with the public, and several new initiatives were recommended to government as a result.

The 2014 rate program accounts for both increased administrative costs and claim costs savings that are expected as a result of the Special Committee on Traffic Safety's initiatives chosen for implementation that will impact the Aug. 31, 2014 to Aug. 30, 2015 rating year. All costs associated with the traffic safety enhancements are included in the budgeted administrative expenses for the rating year.

Claim costs have been reduced for all coverage lines by varying amounts, with the exception of damage catastrophes and out-of-province liability, since these coverages will not benefit from traffic safety enhancements. An approximate 1% reduction in damage, 2% in injury and liability and 4.4% for death has been derived based on studies on cost savings from other jurisdictions.

The Traffic Safety Initiative factor is applied to the pure premiums prior to any adjustment for the time value of money (discounting) being applied. The net effect of all traffic safety initiative costs and benefits was a reduction of 0.2% to the rate indication.

4.1.2 Annual discount factor

Because the projected losses will be paid over time, the current value of these losses is less than their nominal value. In the time between when an insurance company receives the premium on a policy, to the time it actually pays out the full value of a claim on that policy, the company earns investment income on the premium collected. The amount that a policyholder pays should be reduced by the expected amount of this investment income. As such, the losses that a policyholder is expected to claim are reduced by a discount factor to account for the expected investment income.

The rate of return used to determine the investment income comes from the expected yields on the investment assets that will be supporting those claim payments. These assets are a mix of bonds, mortgage securities, real estate and equities. The overall rate used to discount the expected losses in this rate application is 4.26%.

Expected future claim payment patterns for different coverages were determined in the May 31, 2013 actuarial valuation using historical experience. The annual discount factor is applied to the Traffic Safety Initiative reduced weighted-average pure premiums.

4.2 Adequate gross premium calculation

The discounted pure premiums have to be adjusted for loss adjusting expenses, administrative expenses, salvage amounts, reinsurance costs, medical funding, appeal costs, the Safe Driver Recognition (SDR) program malus amounts (financial penalties collected under SDR), variable expenses, a break even margin and investment income on the RSR. These are discussed in turn below.

4.2.1 Loss adjusting expenses

Loss adjusting expenses (LAE) are expenses associated with settling claims that are not claim-specific such as internal legal fees, adjusters and operating costs of claim branches. These expenses are assigned to vehicle classes based on claim counts by coverage. The total assigned LAE amount for the class is then divided by the forecasted number of vehicles within that class for the rating period to determine the average LAE per vehicle. Each vehicle within the class will pay the same amount.

4.2.2 Administrative expenses

Administrative expenses, including staff salaries, building maintenance and supplies are charged as a fixed amount to every vehicle exposure. Due to the reduced coverage provided and consequently small annual premium for antique vehicles, snowmobiles, snowmobile dealers and trailers, only half of the administrative expense charged for all other vehicles is charged to them.

For the 2014 rate program, the amount of administrative expense charged to antique vehicles, snowmobiles, snowmobile dealers and trailers is \$27.86 per exposure, with a charge of \$55.73 per exposure for all other vehicles.

4.2.3 Credit for salvage

The Auto Fund generates profits from the sale of salvaged light passenger vehicles and their parts. These profits are applied as discounts to the damage and damage liability portions of the pure premium for passenger vehicles. The credit applied to light passenger vehicles is \$21.34 per exposure.

4.2.4 Reinsurance

The Auto Fund maintains two reinsurance programs designed to mitigate adverse effects on the RSR as a result of catastrophic losses caused by either a severe weather event or an automobile collision resulting in multiple serious injuries. Due to recent catastrophic weather losses both in Saskatchewan and in the industry in general, the cost to purchase reinsurance has increased.

The cost of reinsurance programs is applied as a fixed amount by coverage type (damage and injury) to each applicable class of vehicle. The reinsurance damage coverage cost per exposure for antique vehicles and trailers is \$4.57; all other vehicle classes are charged \$9.14 per exposure. The injury reinsurance coverage cost per exposure for antique vehicles, snowmobiles and snowmobile dealers is \$0.41; all other vehicles, excluding trailers, are charged \$0.81.

4.2.5 Medical funding

To offset costs incurred by the provincial health care system as a result of bodily injuries sustained while either operating a motor vehicle or as a result of a motor vehicle, the Auto Fund reimburses the Ministry of Health for a portion of the costs, about \$30 million per year.

Medical funding costs are allocated to vehicle classes based on the amount of actual medical expenses they incur. The total assigned medical funding cost is then divided by the forecasted number of vehicles for the rating period within that class to determine the average medical funding cost per vehicle. Each vehicle within the class will pay the same amount.

4.2.6 Appeal commission costs

Appeal commission costs represent the costs associated with the operation of the Automobile Injury Appeal Commission, about \$1 million per year. This includes such things as Board salaries, administrative expenses and legal fees. Appeal commission costs are allocated to vehicle classes based on appeal claim costs for each class. The total assigned appeal commission cost is then divided by the forecasted number of vehicles for the rating period within that class to determine the average appeal commission cost per vehicle. Each vehicle within the class will pay the same amount.

4.2.7 Credit for Safe Driver Recognition malus

The SDR program provides credits to vehicle insurance premiums for drivers in the discount zone for those classes of vehicles that qualify and financial penalties (malus) for drivers who are in the penalty zone. The financial penalties collected cannot be attributed to a specific vehicle class since they are based on the driver. For rating purposes, the credit for the SDR malus is applied to only those vehicles classes that qualify for discounts under the SDR program. The forecasted SDR malus amount, approximately \$13 million, is divided by the total number of forecasted vehicles for the rating period from those classes of vehicles that qualify for the discount. Every vehicle within these classes will receive the same discount for SDR malus.

4.2.8 Variable expenses

Variable expenses include premium taxes paid to the General Revenue Fund, traffic safety program costs, issuer commissions and credits for short-term registrations and AutoPay programs. The variable expenses and their percentage of premiums are as follows:

Premium taxes	4.95%
Traffic safety	4.20%
Issuer commissions	4.81%
Short-term registrations	-1.19%
AutoPay	-1.83%
<u>Total variable expense</u>	<u>10.94%</u>

4.2.9 Break even margin

A break even margin of 0.48% is loaded into the rates. This is required to offset expected losses from the increase in a risk provision that is required when setting reserves. The margin is reduced by expected permit premiums and cancellation retention amounts. Without the break even margin, even if rates were set at adequate, the Auto Fund would lose money since the risk provision grows each year and this growth is not accounted for anywhere else in the rates.

4.2.10 Investment income on forecasted RSR

A credit for the forecasted investment income on the forecasted RSR amount for the rating year is calculated by dividing the forecasted investment income by the number of forecasted vehicles for the rating year for all vehicles; the credit calculated is \$2.54.

4.3 Indicated rate change

The indicated rate change is the indicated required premium divided by the projected on-level average premium, excluding the RSR surcharge, minus one.

4.3.1 Projected on-level average premium

The projected on-level average premium is calculated on a class-by-class basis using exposure and premium information on a policy year basis. Historical written premiums are brought up to the current rate level (on-leveled). In order to do this, past rate changes, including capital amounts, are applied to premiums that were written prior to the rate change being implemented. For example, if rates for the class changed effective Aug. 31, 2013, all premiums written prior to Aug. 31, 2013 would have the rate change applied.

Once premiums are on-leveled, the average on-level written premium is calculated by dividing the on-level written premium by the number of written exposures in that policy year. Applying exponential trend regression against the average on-level written premium produces multi-year trends. From these trends, a past trend and a future growth trend are able to be selected. The past trend selected should be representative of what has happened to the premium historically; the future trend should be reflective of what is expected going forward.

Once selected, the rating year average premium then needs to be reduced by the expected SDR discount and BR discount/surcharge amounts so that the projected average amount of premium that will be collected per exposure can be determined.

This on-leveled average premium is then reduced by the amount of the RSR surcharge that is in effect until Aug. 30, 2014, as this surcharge is to replenish the RSR and should not impact rates. The calculation is simply the on-leveled average premium divided by one plus the 1.23% RSR surcharge.

4.3.2 Class specific experience required premium

The direct required premium, or adequate gross premium, is calculated by dividing the sum of the discounted pure premium including loss adjusting expenses, administrative expenses, the credit for salvage, reinsurance, medical funding, appeal commission costs and SDR financial penalty credit by one minus the variable expenses and break even margin percentages and then, lastly, adding the credit for investment income on the RSR.

4.3.3 Credibility

New to the 2014 rate program is the application of credibility weighting to each class's indicated rate change calculation. Credibility is a way to measure if there is enough past experience to use in predicting the rating year. The weight assigned to a forecast using past experience is commonly denoted by Z (a number between 0 and 1). The balance of the weight, 1 - Z, will be assigned to what is called the compliment of credibility. This compliment will be another valid estimate for the prediction and could come from a larger separate source of past data or could assume "no change" in the forecast variable. Together, the weights and two sources develop a weighted average for the forecast, which becomes the indicated forecast.

Generally, because of the higher risk and volatility in the volume and size of claims, the credibility of a forecast is measured using the number of past claim counts included in the forecast. It's possible that all weight is assigned to the past experience (i.e. Z = 1), if it's deemed fully credible. This is the case if there are at least as many past claim counts used in the forecast as the Standard of Full Credibility. If the past claim counts used in the forecast are less than the Standard of Full Credibility, the credibility is calculated as:

$$Z = \sqrt{\text{Claim Counts} / \text{Standard of Full Credibility}}$$

The concept of credibility is not new to the rate program. It has been used in the past in the selection of relativities for the many classification systems of the Auto Fund. However, for the first time, this rate program has introduced credibility into the overall indicated rate change for each class. In the past, this was done judgmentally, where the indicated rates for some smaller classes were proposed to not be changed due to the large indicated change and lack of reliable data backing the indication. Now, credibility provides an objective and reliable measure of the sufficiency of the past data in the overall rate indication of each class.

If the claims data is more volatile, then more past claims are needed to accurately determine the emerging patterns. This generally means that the Standard of Full Credibility should be larger whenever the claim data is more volatile. To measure this volatility, the Herfindahl–Hirschman Index (HHI) is used to measure how much of a class's past claim dollars come from a few small large-dollar claims. The HHI is a number that ranges from 0 to 1, where a larger number denotes that a few large claims dominate the total claim dollars assigned to the class. Having a small number of large claims is either because the class is expected to have more severe claims in the future, or just that it was unlucky in the past. The uncertainty around which of these scenarios is actually true means that the class's indication should have less credibility. The Standard of Full Credibility for the purpose of the overall rate indication for a class and for the CLEAR class surcharges/discounts is measured as:

- 1,082 claims, plus
- An additional 1,082 claims if either the HHI for injury is greater than 0.2, or the HHI for damage is greater than 0.2, or the number of injury claims is less than 50 and
- An additional 1,082 claims if either the HHI for injury is greater than 0.4, or the HHI for damage is greater than 0.4.

4.3.4 Compliment of credibility required premium

As mentioned above, the compliment of credibility will be another valid estimate for the prediction and could come from a larger separate source of past data or could assume “no change” in the forecast variable. For the 2014 rate program, the compliment of credibility for all classes is simply the projected on-level average premium, excluding the RSR surcharge amount.

4.3.5 Indicated required premium

Once the class's credibility and compliment of credibility required premium have been determined, then the indicated required premium can be calculated. If the credibility for the class is less than 1, then the class specific experience required premium is credibility weighted against the compliment of credibility required premium.

$$\text{Indicated required premium} = Z \times \text{Class specific experience required premium} + (1-Z) \times \text{Compliment of credibility required premium}$$

4.4 Base rates and relativities

The base rate is the rate that is applicable to the base group for a class of vehicle. The base group is typically chosen to be the group with the largest number of vehicles because the larger the numbers, the more credible the data. For example, motorhomes with declared value of \$10,001 to \$20,000 is the base rate group for the motorhome class.

For the Auto Fund, there are typically three base rates: damage, injury and liability, which includes a flat fee amount for expenses and credits applied to the pure premium. When these three components are added together they comprise the base premium for any given class of vehicle. If a vehicle has only certain coverages, then the base rates for those coverages are combined to produce the base premium. For example, trailers have only liability coverage, and as such, their base premium equals the base liability rate plus the flat fee amount.

If rates within a vehicle class vary by rating attribute(s) or rate group, such as number of seats, declared value or model year, then the base premium needs to be adjusted by a factor that reflects the variance in loss experience for each of the attributes relative to the base premium. This adjustment factor is known as the relativity factor. Following the motorhome example, the premium for a motorhome with a declared value between \$30,001 and \$50,000 is determined by multiplying the base premium (rate group \$10,001 to \$20,000) by the relativity factor for the rate group \$30,001 to \$50,000.

Typically, as the loss experience deteriorates, the corresponding relativity factor and consequent premium also increases. For motorhomes, as the amount of declared value increases, the chance of a higher value claim also increases and the premium that is charged needs to reflect this.

The calculation of indicated adequate premiums varies by class. For private passenger vehicles, motorcycles and urban taxis, the premium charged to a vehicle is calculated as:

$$\text{Premium} = \text{Damage Base Rate} \times \text{Damage Relativity} + \text{Injury Base Rate} \times \text{Injury Relativity} + \text{Liability Base Rate including Flat Fee Amount}$$

For all other existing classes of vehicles that have rating groups the premium formula is:

$$\text{Premium} = \text{Damage Base Rate} \times \text{Damage Relativity} + \text{Injury Base Rate} + \text{Liability Base Rate including Flat Fee Amount}$$

For classes where there are no rate groups the premium is:

$$\text{Premium} = \text{Damage Base Rate} + \text{Injury Base Rate} + \text{Liability Base Rate including Flat Fee Amount}$$

Once indicated adequate rates have been determined, dollar and percentage caps are applied to limit the amount that a vehicle's rate may change in a rate program. This is to ensure fair and reasonable rate changes and reduce rate shock for vehicle owners. A dollar cap will be applied when the annual premium is less than or equal to \$1,000 and a percentage cap will be applied when it is over \$1,000. The table below outlines the ranges and caps that will be applied:

Current Annual Rate	Maximum Cap
\$1 – 50	\$25
\$51 – 100	\$50
\$101 – 250	\$75
\$251 – 500	\$100
\$501 – 750	\$125
\$751 – 1,000	\$150
\$1,001 or greater	15%

For some classes of vehicles their annual rate is calculated using the base rate of the same private passenger vehicle plus a surcharge or discount based on the experience of that particular class of vehicle. For these types of vehicles, the private passenger vehicle rate will receive the caps identified above, then any changes to the discount/surcharge amount for that class is applied on top of the capped private passenger vehicle rate. The change in discount/surcharge is capped at 15% but the resulting effect of the private passenger vehicle rate change plus the discount/surcharge change may be greater than 15%.

Due to the practice of capping individual vehicle rate changes, very few classes within the Auto Fund have current relativity factors. For the relativity analysis within this rate program, the current vehicle distribution by class was used to derive the weighted average current rate group relativity factors. These derived current relativities were used in the analysis that produced the proposed relativities which were then used in the premium calculations shown above. Once the premiums were calculated, an individual vehicle's current premium was compared to the calculated proposed premium. If the change in premium was outside of the set cap amounts, then the vehicle's proposed premium was capped and therefore the proposed relativity factor is no longer being used.

Once rate change capping has been completed any capital amounts are applied. Every vehicle within the Auto Fund will have its base premium adjusted for the capital amount by the capital margin using the following formula:

$$\text{Total Premium} = \text{Proposed Premium} \times (1 + \text{Capital Margin})$$

4.5 Vehicle rating classes

Vehicles in the Auto Fund fall into two major rating groups:

i) CLEAR-rated vehicles

Within the Auto Fund only light passenger vehicles are rated using the Canadian Loss Experience Automobile Rating (CLEAR) system. The classes of vehicle that are rated using CLEAR are:

- private passenger vehicles
- farm cars, sport utility vehicles (SUVs) and vans
- farm light trucks with model years 1994 and newer
- international and inter-provincial commercial light trucks
- police cars, trucks, SUVs and vans
- UDrive (rental) vehicles
- rural taxis

CLEAR is produced by the Insurance Bureau of Canada (IBC), which captures Canada-wide loss experience for light passenger vehicles. CLEAR was designed to provide insurers with a more equitable rating system for vehicles. It is based on the premise that the vehicle-specific portion of insurance rates should be based on only two principal factors, namely, the likelihood of vehicles being involved in claims and the costs involved in settling those claims.

IBC analyzes historical records of collision frequency and repair costs of each vehicle make, model and model year in order to predict future losses. Through statistical analysis, relationships are established between vehicle characteristics and insurance claims. These relationships are then adjusted according to the actual claim history of individual models, in order to predict future losses for each. Factors such as a person's driving record, or where they live, do not affect CLEAR. As part of its analysis, IBC considers several factors, including vehicle construction, loss-prevention features and susceptibility to damage. IBC also works closely with vehicle manufacturers to monitor new developments. CLEAR is used by insurance companies Canada-wide to rate light passenger vehicles.

There are two components to the CLEAR system: rate group assignments and associated relativity factors. Under the CLEAR system, vehicles are assigned to one of 99 damage rate groups. Since rate groups correspond to expected claim costs, the higher the rate group number, the greater the relativity factor and therefore the higher the premium charged. Insurance companies can choose to use CLEAR rate group assignments with company-specific relativity factors rather than using the CLEAR relativity factors.

The Auto Fund uses internal data to produce damage relativities by rate group, which are supplemented with CLEAR relativity factors when the number of vehicles within a rate group is not large enough to produce credible numbers. The proposed rate group relativities are then multiplied to the base damage rate to determine a vehicle's required physical damage premium.

For vehicles older than 1998, the Auto Fund uses the following method to assign damage rate groups. For every year that a vehicle model is older than 1998, the 1998 damage rate group is reduced by one until rate group 0 is reached where it will stay. Rate group 0 is an Auto Fund derived rate group. Based on the distribution of CLEAR-rated vehicles as at May 31, 2013, 17% of vehicles have model years 1998 and older and 4% are in rate group 0.

The rate group tables are published annually. With each publication year, new model year rate groups are added and existing model year rate groups are updated to reflect vehicle depreciation and additional claims information. When IBC develops a new CLEAR rate group table, it is revenue-neutral given the existing vehicle distribution.

The Auto Fund can implement the use of a new table only upon the approval of a rate proposal and, as such, SGI will strive to bring forward rate adjustments on an annual basis to keep rates as close to CLEAR as possible, even if the adjustments are revenue-neutral.

Although CLEAR provides injury rate groups and relativities, it has been determined that the CLEAR assignments are not a good fit for Auto Fund injury results. As a result, injury rates are based solely on Auto Fund injury claim data. Injury rates for CLEAR-rated vehicles vary by vehicle body style. The body style groupings are:

- two-door cars
- four-door cars
- convertible cars
- station wagons
- vans
- sport utility vehicles (SUVs)
- trucks

The injury rate group relativity analysis for all CLEAR-rated vehicles uses a Poisson/Gamma method to determine injury costs per body style.

As mentioned under section 4.3.3 Credibility, the Auto Fund uses credibility analysis when calculating relativities. For CLEAR's damage relativity system, the Standard of Full Credibility is 2,656 and for CLEAR's injury relativity system, it's 4,326. The current relativity factors are credibility weighted to the calculated relativities. These relativity factors are then multiplied to the base injury rate to determine a vehicle's required injury premium based on body style.

ii) Conventionally-rated vehicles

Conventional rating is used for all vehicles that are not rated using CLEAR. This includes, but is not limited to:

- heavy trucks and power units
- farm vehicles (excluding light trucks with model years 1994 and newer)
- urban taxis
- buses
- snowmobiles
- motorcycles
- vehicle dealers
- special use vehicles (ambulance, hearse and antique)
- trailers
- motorhomes
- private vehicles

The criteria used for conventional vehicle classes are based on the significant rating attributes such as model year, engine size, value, etc. For example, buses are rated by seating capacity and model year. Motorcycles are rated by body style, engine size and model year. Motorhomes and trailers are rated by declared value. The credibility-weighted relativities for these conventional classes are calculated using the Standard of Full Credibility, 1,082.

5. Rate Indications by Class

Caps have been applied consistent with the ranges set out in Section 4.4 above unless otherwise stated.

CLEAR-rated vehicles

The CLEAR-rated vehicle class represents 70% of the number of vehicles insured by the Auto Fund (87% of vehicles excluding trailers). The actuarial analysis indicates that a 2.3% increase in premium is warranted for the CLEAR-rated vehicle class.

The indicated rate for these vehicles is based on the loss experience and premiums for the entire group. Rates for the individual classes are then determined based on the loss experience of each class in relation to private passenger vehicles.

All other class rates are either surcharged or discounted from the private passenger vehicle rates.

Recommendation: The indicated CLEAR-rated vehicle rate change is for a 2.3% rate increase. However, due to capping of rate changes in other classes, CLEAR-rated vehicles must make up the shortfall in premiums. In the past, the shortfall for all vehicle classes was included. With this rate program, the shortfall in motorcycle rates will be absorbed by the RSR. As a result, SGI is recommending an increase to CLEAR-rated vehicle rates of 2.4%, only slightly above the indicated 2.3% increase. Once the capital margin is applied on top of the capped amounts, the increase for CLEAR-rated vehicles becomes 4.9%.

Private passenger rates will be increasing by 2.5%; 5% once the capital margin is applied. The current and proposed discounts and surcharges on private passenger vehicle rates for the remaining CLEAR-rated vehicle classes are as follows:

Vehicle Class	Current Discount/Surcharge	Proposed Discount/Surcharge	Effect of CLEAR and Discount/Surcharge Changes	Effect of CLEAR and Discount/Surcharge Changes including Capital Margin
Class A – commercial light trucks	55%	75%	15.4%	18.2%
Farm cars, SUVs and vans	-20%	-20%	2.0%	4.4%
Farm light trucks (1994 & newer)	-25%	-25%	-0.3%	2.1%
Police cars	70%	80%	16.9%	19.7%
Police trucks	-10%	-20%	-8.7%	-6.5%
Rural taxis	50%	50%	5.7%	8.2%
U Drive (rental) vehicles	25%	25%	4.3%	6.8%

Totalling the damage, injury and liability plus flat fee premiums on a per vehicle basis produces the adequate premium for that vehicle. The adequate premium is then compared to the vehicle's current premium to determine the extent of dislocation. Capping, as described previously, then takes place to ensure that rate shock on individual vehicle premiums is minimized. As a result of this rate program and the current inadequacies in rates, there are some vehicles that will be receiving the maximum capped premium changes three rate programs in a row. However, going forward with continued rate rebalancing, all vehicles will be moved closer to their adequate premiums which result in fewer vehicles hitting the caps.

The minimum adequate premium, prior to the capital margin, which any private passenger vehicle should pay is:

Damage	\$ 35
Injury	223
Liability	246
Flat fees & expenses	177
Total adequate premium	\$ 681

Due to the capping of rate changes in this rate program and previous programs, there are some vehicles that will be paying only \$654.

The recommended changes, including capital margin, to CLEAR-rated vehicles based on current exposures are:

- Premium increases for about 633,000 Saskatchewan vehicles (81%) with an average annual increase of \$60 and maximum increase of \$515/year;
- Premium decreases for about 149,000 Saskatchewan vehicles (19%) with an average annual reduction of \$8 and maximum decrease of \$262/year; and,
- No premium change for about 2,000 vehicles.

The distribution of CLEAR-rated vehicles within +/-10% of adequate rates before and after the proposed 2014 rate program is as follows:

Difference between Current Rate and Adequate Rate (excluding capital margin)	Before 2014 Rate Program		After 2014 Rate Program	
	# of Vehicles	% of Vehicles	# of Vehicles	% of Vehicles
Less than -10%	19,207	2%	114	0%
Between +/-10%	679,112	87%	782,848	100%
Greater than 10%	86,078	11%	1,436	0%

Conventionally-rated vehicles

5.1 Ambulances

The rate indication shows that a 2.9% increase is required for ambulance rates to be adequate. Currently, damage costs account for 78% of the total claim costs associated with ambulances, which is to be expected considering the nature of their use as an emergency vehicle.

Ambulances are currently charged a flat rate of \$966, regardless of which class they are registered in (commercial heavy or light vehicle); \$978 including the current RSR surcharge amount.

Recommendation: SGI recommends that ambulance rates receive the indicated 2.9% increase and that the flat rate becomes \$994. Once the capital margin is applied, the ambulance flat rate becomes \$1,031, for a net rate change of 5.4%.

Class A – Provincial, Interprovincial and International Commercial Vehicles

Within this class of vehicle, there are two types: International Registration Plan (IRP) vehicles and non-IRP vehicles. The International Registration Plan is a registration reciprocity agreement among states of the United States and provinces of Canada providing for payment of licence fees on the basis of total distance operated in all jurisdictions. Even though licence fees are paid to the various jurisdictions in which fleet vehicles are operated, only one licence plate and one cab card is issued for each fleet vehicle when registered under IRP. IRP vehicles can operate provincially, interprovincially and internationally.

The regular deductible for both of IRP and non-IRP vehicles is \$2,500, with coverage for damage to their own vehicle capped at \$15,000. For damage coverage above the \$15,000 cap, customers have the option to buy excess value insurance either through the Auto Fund (excluding IRP vehicles) or the competitive market.

There is an optional \$15,000 deductible available only to IRP vehicles. If this option is chosen then the vehicle will not have any damage coverage through the Auto Fund. However, they will continue to have coverage for damages caused to other people's property (damage liability) to a limit of \$200,000. The injury and liability premiums will be the same for IRP vehicles regardless of what deductible option they choose.

Due to the nature of use the Class A – Power Units represents, these vehicles have the greatest exposure to large liability claims compared to any other vehicle class within the Auto Fund.

5.2 Class A – Heavy Trucks and Heavy Vans – IRP \$2,500 Deductible

An increase of 2.8% is warranted for this class of vehicle. Rates are calculated based on gross vehicle weight (G.V.W.) and model year for these vehicles.

Recommendation: SGI recommends an overall average rate increase of 2.8% for this class; with the capital margin applied the rate increase becomes 5.3%. Ninety-nine per cent of the current vehicle population will receive an average increase of \$43/year, with the remaining vehicles receiving an average decrease of \$74/year. Based on the current vehicle population, the maximum annual increase any customer will see will be \$76 and the maximum decrease will be \$134.

The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$423	\$468	\$513	\$534	\$544	\$586	\$594
5,001-11,000	\$446	\$502	\$559	\$584	\$597	\$650	\$659
11,001-13,000	\$457	\$518	\$580	\$607	\$622	\$680	\$690
13,001-22,000	\$492	\$536	\$603	\$634	\$649	\$713	\$724
22,001-34,000	\$573	\$598	\$686	\$725	\$746	\$828	\$843
34,001-40,000	\$666	\$691	\$738	\$784	\$807	\$902	\$919
40,001-50,000	\$724	\$746	\$793	\$844	\$871	\$978	\$997
50,001-63,500	\$870	\$892	\$912	\$941	\$970	\$1,013	\$1,055

Proposed rates excluding Capital Margin	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$429	\$495	\$536	\$575	\$593	\$620	\$625
5,001-11,000	\$447	\$530	\$581	\$630	\$653	\$687	\$693
11,001-13,000	\$454	\$543	\$598	\$651	\$675	\$712	\$719
13,001-22,000	\$463	\$559	\$619	\$677	\$703	\$742	\$750
22,001-34,000	\$487	\$606	\$679	\$750	\$782	\$830	\$840
34,001-40,000	\$541	\$647	\$733	\$815	\$853	\$909	\$920
40,001-50,000	\$599	\$689	\$786	\$881	\$924	\$988	\$1,001
50,001-63,500	\$720	\$742	\$808	\$907	\$952	\$1,020	\$1,033

% Change excluding capital amounts	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	1%	6%	4%	8%	9%	6%	5%
5,001-11,000	0%	6%	4%	8%	9%	6%	5%
11,001-13,000	-1%	5%	3%	7%	9%	5%	4%
13,001-22,000	-6%	4%	3%	7%	8%	4%	4%
22,001-34,000	-15%	1%	-1%	3%	5%	0%	0%
34,001-40,000	-19%	-6%	-1%	4%	6%	1%	0%
40,001-50,000	-17%	-8%	-1%	4%	6%	1%	0%
50,001-63,500	-17%	-17%	-11%	-4%	-2%	1%	-2%

\$ Change excluding capital amounts	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$6	\$27	\$23	\$41	\$49	\$34	\$31
5,001-11,000	\$1	\$28	\$22	\$46	\$56	\$37	\$34
11,001-13,000	-\$3	\$25	\$18	\$44	\$53	\$32	\$29
13,001-22,000	-\$29	\$23	\$16	\$43	\$54	\$29	\$26
22,001-34,000	-\$86	\$8	-\$7	\$25	\$36	\$2	-\$3
34,001-40,000	-\$125	-\$44	-\$5	\$31	\$46	\$7	\$1
40,001-50,000	-\$125	-\$57	-\$7	\$37	\$53	\$10	\$4
50,001-63,500	-\$150	-\$150	-\$104	-\$34	-\$18	\$7	-\$22

Current rates including RSR surcharge	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$428	\$474	\$519	\$541	\$551	\$593	\$601
5,001-11,000	\$451	\$508	\$566	\$591	\$604	\$658	\$667
11,001-13,000	\$463	\$524	\$587	\$614	\$630	\$688	\$698
13,001-22,000	\$498	\$543	\$610	\$642	\$657	\$722	\$733
22,001-34,000	\$580	\$605	\$694	\$734	\$755	\$838	\$853
34,001-40,000	\$674	\$699	\$747	\$794	\$817	\$913	\$930
40,001-50,000	\$733	\$755	\$803	\$854	\$882	\$990	\$1,009
50,001-63,500	\$881	\$903	\$923	\$953	\$982	\$1,025	\$1,068

Proposed rates including Capital Margin	Model Year						
	1986 & Prior	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW							
No GVW	\$445	\$513	\$556	\$596	\$615	\$643	\$648
5,001-11,000	\$463	\$549	\$602	\$653	\$677	\$712	\$718
11,001-13,000	\$471	\$563	\$620	\$675	\$700	\$738	\$745
13,001-22,000	\$480	\$580	\$642	\$702	\$729	\$769	\$778
22,001-34,000	\$505	\$628	\$704	\$778	\$811	\$860	\$871
34,001-40,000	\$561	\$671	\$760	\$845	\$884	\$942	\$954
40,001-50,000	\$621	\$714	\$815	\$913	\$958	\$1,024	\$1,038
50,001-63,500	\$746	\$769	\$838	\$940	\$987	\$1,057	\$1,071

% Change including capital amounts	Model Year						
	1986 & Prior	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW							
No GVW	4%	8%	7%	10%	12%	8%	8%
5,001-11,000	3%	8%	6%	10%	12%	8%	8%
11,001-13,000	2%	7%	6%	10%	11%	7%	7%
13,001-22,000	-4%	7%	5%	9%	11%	7%	6%
22,001-34,000	-13%	4%	1%	6%	7%	3%	2%
34,001-40,000	-17%	-4%	2%	6%	8%	3%	3%
40,001-50,000	-15%	-5%	1%	7%	9%	3%	3%
50,001-63,500	-15%	-15%	-9%	-1%	1%	3%	0%

\$ Change including capital amounts	Model Year						
	1986 & Prior	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW							
No GVW	\$17	\$39	\$37	\$55	\$64	\$50	\$47
5,001-11,000	\$12	\$41	\$36	\$62	\$73	\$54	\$51
11,001-13,000	\$8	\$39	\$33	\$61	\$70	\$50	\$47
13,001-22,000	-\$18	\$37	\$32	\$60	\$72	\$47	\$45
22,001-34,000	-\$75	\$23	\$10	\$44	\$56	\$22	\$18
34,001-40,000	-\$113	-\$28	\$13	\$51	\$67	\$29	\$24
40,001-50,000	-\$112	-\$41	\$12	\$59	\$76	\$34	\$29
50,001-63,500	-\$135	-\$134	-\$85	-\$13	\$5	\$32	\$3

5.3 Class A – Heavy Trucks and Heavy Vans – IRP \$15,000 Deductible

Rates for the \$15,000 deductible option are flat rated based on injury and liability premiums that are the same for both the regular and \$15,000 deductible options. However, due to capping not all rates are currently at this level. The indicated rate change for Class A – Heavy Trucks and Vans–IRP vehicles with the \$15,000 deductible is an 11.8% rate decrease.

Recommendation: SGI recommends applying the indicated rate increase, which, after rate capping results in an overall average rate decrease of 9.5% for this class; -7.2% once the capital margin has been applied. Sixty-five per cent of the current vehicle population will receive an average decrease of \$58/year, with the remaining 35% of vehicles receiving an average increase of \$23/year. Based on the current vehicle population, the maximum increase any customer will see will be \$32 and the maximum decrease will be \$117.

The impact on rates for these vehicles is shown below.

Current rates excluding RSR surcharge	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$332	\$332	\$332	\$332	\$332	\$332	\$332
5,001-11,000	\$332	\$332	\$332	\$332	\$332	\$332	\$332
11,001-13,000	\$332	\$332	\$332	\$332	\$332	\$332	\$336
13,001-22,000	\$332	\$332	\$332	\$332	\$332	\$351	\$365
22,001-34,000	\$332	\$332	\$343	\$360	\$378	\$411	\$429
34,001-40,000	\$390	\$380	\$392	\$408	\$425	\$459	\$479
40,001-50,000	\$399	\$413	\$425	\$442	\$460	\$506	\$529
50,001-63,500	\$489	\$504	\$518	\$539	\$560	\$590	\$620

Proposed rates excluding Capital Margin	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$355	\$355	\$355	\$355	\$355	\$355	\$355
5,001-11,000	\$355	\$355	\$355	\$355	\$355	\$355	\$355
11,001-13,000	\$355	\$355	\$355	\$355	\$355	\$355	\$355
13,001-22,000	\$355	\$355	\$355	\$355	\$355	\$355	\$355
22,001-34,000	\$355	\$355	\$355	\$355	\$355	\$355	\$355
34,001-40,000	\$355	\$355	\$355	\$355	\$355	\$359	\$379
40,001-50,000	\$355	\$355	\$355	\$355	\$360	\$381	\$404
50,001-63,500	\$389	\$379	\$393	\$414	\$435	\$465	\$495

% Change excluding capital amounts	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	7%	7%	7%	7%	7%	7%	7%
5,001-11,000	7%	7%	7%	7%	7%	7%	7%
11,001-13,000	7%	7%	7%	7%	7%	7%	6%
13,001-22,000	7%	7%	7%	7%	7%	1%	-3%
22,001-34,000	7%	7%	3%	-1%	-6%	-14%	-17%
34,001-40,000	-9%	-7%	-9%	-13%	-16%	-22%	-21%
40,001-50,000	-11%	-14%	-16%	-20%	-22%	-25%	-24%
50,001-63,500	-20%	-25%	-24%	-23%	-22%	-21%	-20%

\$ Change excluding capital amounts	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$23	\$23	\$23	\$23	\$23	\$23	\$23
5,001-11,000	\$23	\$23	\$23	\$23	\$23	\$23	\$23
11,001-13,000	\$23	\$23	\$23	\$23	\$23	\$23	\$19
13,001-22,000	\$23	\$23	\$23	\$23	\$23	\$4	-\$10
22,001-34,000	\$23	\$23	\$12	-\$5	-\$23	-\$56	-\$74
34,001-40,000	-\$35	-\$25	-\$37	-\$53	-\$70	-\$100	-\$100
40,001-50,000	-\$44	-\$58	-\$70	-\$87	-\$100	-\$125	-\$125
50,001-63,500	-\$100	-\$125	-\$125	-\$125	-\$125	-\$125	-\$125

Current rates including RSR surcharge	Model Year						
	1986 & Prior	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$336	\$336	\$336	\$336	\$336	\$336	\$336
5,001-11,000	\$336	\$336	\$336	\$336	\$336	\$336	\$336
11,001-13,000	\$336	\$336	\$336	\$336	\$336	\$336	\$340
13,001-22,000	\$336	\$336	\$336	\$336	\$336	\$355	\$369
22,001-34,000	\$336	\$336	\$347	\$364	\$383	\$416	\$434
34,001-40,000	\$395	\$385	\$397	\$413	\$430	\$465	\$485
40,001-50,000	\$404	\$418	\$430	\$447	\$466	\$512	\$536
50,001-63,500	\$495	\$510	\$524	\$546	\$567	\$597	\$628

Proposed rates including Capital Margin	Model Year						
	1986 & Prior	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW							
No GVW	\$368	\$368	\$368	\$368	\$368	\$368	\$368
5,001-11,000	\$368	\$368	\$368	\$368	\$368	\$368	\$368
11,001-13,000	\$368	\$368	\$368	\$368	\$368	\$368	\$368
13,001-22,000	\$368	\$368	\$368	\$368	\$368	\$368	\$368
22,001-34,000	\$368	\$368	\$368	\$368	\$368	\$368	\$368
34,001-40,000	\$368	\$368	\$368	\$368	\$368	\$372	\$393
40,001-50,000	\$368	\$368	\$368	\$368	\$373	\$395	\$419
50,001-63,500	\$403	\$393	\$407	\$429	\$451	\$482	\$513

% Change including capital amounts	Model Year						
	1986 & Prior	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW							
No GVW	10%	10%	10%	10%	10%	10%	10%
5,001-11,000	10%	10%	10%	10%	10%	10%	10%
11,001-13,000	10%	10%	10%	10%	10%	10%	8%
13,001-22,000	10%	10%	10%	10%	10%	4%	0%
22,001-34,000	10%	10%	6%	1%	-4%	-12%	-15%
34,001-40,000	-7%	-4%	-7%	-11%	-14%	-20%	-19%
40,001-50,000	-9%	-12%	-14%	-18%	-20%	-23%	-22%
50,001-63,500	-19%	-23%	-22%	-21%	-20%	-19%	-18%

\$ Change including capital amounts	Model Year						
	1986 & Prior	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW							
No GVW	\$32	\$32	\$32	\$32	\$32	\$32	\$32
5,001-11,000	\$32	\$32	\$32	\$32	\$32	\$32	\$32
11,001-13,000	\$32	\$32	\$32	\$32	\$32	\$32	\$28
13,001-22,000	\$32	\$32	\$32	\$32	\$32	\$13	-\$1
22,001-34,000	\$32	\$32	\$21	\$4	-\$15	-\$48	-\$66
34,001-40,000	-\$27	-\$17	-\$29	-\$45	-\$62	-\$93	-\$92
40,001-50,000	-\$36	-\$50	-\$62	-\$79	-\$93	-\$117	-\$117
50,001-63,500	-\$92	-\$117	-\$117	-\$117	-\$116	-\$115	-\$115

5.4 Class A – Heavy Trucks and Heavy Vans – non-IRP

In order for this class to have adequate rates, an increase of 3.2% is required. As with Class A – Heavy Trucks and Vans – IRP vehicles, the rates for non-IRP vehicles are calculated based on G.V.W. and model year.

Recommendation: SGI recommends applying the indicated rate increase, which, after rate capping results in an overall average rate increase of 2.9% for this class; 5.4% once the capital margin has been applied. All but three vehicles will see an increase with the average size being approximately \$51/year, topping out at a maximum of \$144, based on the current vehicle population. The remaining three will see no change to their rate.

The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
No GVW	\$452	\$775	\$797	\$819	\$831	\$836	\$848	\$854
5,001-11,000	\$452	\$777	\$801	\$820	\$836	\$841	\$854	\$861
11,001-13,000	\$504	\$803	\$838	\$874	\$893	\$900	\$919	\$929
13,001-22,000	\$547	\$829	\$876	\$923	\$949	\$959	\$985	\$998
22,001-34,000	\$583	\$851	\$909	\$966	\$997	\$1,009	\$1,041	\$1,057
34,001-40,000	\$648	\$874	\$942	\$1,009	\$1,046	\$1,060	\$1,098	\$1,116
40,001-50,000	\$648	\$882	\$954	\$1,026	\$1,064	\$1,079	\$1,119	\$1,139
50,001-63,500	\$648	\$899	\$978	\$1,058	\$1,101	\$1,117	\$1,161	\$1,183

Proposed rates excluding Capital Margin	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
No GVW	\$552	\$787	\$818	\$838	\$856	\$865	\$878	\$880
5,001-11,000	\$552	\$787	\$818	\$838	\$857	\$865	\$878	\$881
11,001-13,000	\$629	\$814	\$870	\$905	\$939	\$954	\$977	\$982
13,001-22,000	\$672	\$825	\$891	\$932	\$972	\$990	\$1,017	\$1,022
22,001-34,000	\$708	\$840	\$919	\$968	\$1,016	\$1,037	\$1,070	\$1,076
34,001-40,000	\$773	\$855	\$947	\$1,004	\$1,059	\$1,084	\$1,122	\$1,129
40,001-50,000	\$773	\$861	\$958	\$1,019	\$1,077	\$1,104	\$1,144	\$1,152
50,001-63,500	\$773	\$878	\$991	\$1,060	\$1,128	\$1,159	\$1,205	\$1,214

% Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
No GVW	22%	2%	3%	2%	3%	3%	4%	3%
5,001-11,000	22%	1%	2%	2%	3%	3%	3%	2%
11,001-13,000	25%	1%	4%	4%	5%	6%	6%	6%
13,001-22,000	23%	0%	2%	1%	2%	3%	3%	2%
22,001-34,000	21%	-1%	1%	0%	2%	3%	3%	2%
34,001-40,000	19%	-2%	1%	0%	1%	2%	2%	1%
40,001-50,000	19%	-2%	0%	-1%	1%	2%	2%	1%
50,001-63,500	19%	-2%	1%	0%	2%	4%	4%	3%

\$ Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
No GVW	\$100	\$12	\$21	\$19	\$25	\$29	\$30	\$26
5,001-11,000	\$100	\$10	\$17	\$18	\$21	\$24	\$24	\$20
11,001-13,000	\$125	\$11	\$32	\$31	\$46	\$54	\$58	\$53
13,001-22,000	\$125	-\$4	\$15	\$9	\$23	\$31	\$32	\$24
22,001-34,000	\$125	-\$11	\$10	\$2	\$19	\$28	\$29	\$19
34,001-40,000	\$125	-\$19	\$5	-\$5	\$13	\$24	\$24	\$13
40,001-50,000	\$125	-\$21	\$4	-\$7	\$13	\$25	\$25	\$13
50,001-63,500	\$125	-\$21	\$13	\$2	\$27	\$42	\$44	\$31

Current rates including RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
No GVW	\$458	\$785	\$807	\$829	\$841	\$846	\$858	\$865
5,001-11,000	\$458	\$787	\$811	\$830	\$846	\$851	\$865	\$872
11,001-13,000	\$510	\$813	\$848	\$885	\$904	\$911	\$930	\$940
13,001-22,000	\$554	\$839	\$887	\$934	\$961	\$971	\$997	\$1,010
22,001-34,000	\$590	\$861	\$920	\$978	\$1,009	\$1,021	\$1,054	\$1,070
34,001-40,000	\$656	\$885	\$954	\$1,021	\$1,059	\$1,073	\$1,112	\$1,130
40,001-50,000	\$656	\$893	\$966	\$1,039	\$1,077	\$1,092	\$1,133	\$1,153
50,001-63,500	\$656	\$910	\$990	\$1,071	\$1,115	\$1,131	\$1,175	\$1,198

Proposed rates including Capital Margin	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
No GVW	\$572	\$816	\$848	\$869	\$887	\$897	\$910	\$912
5,001-11,000	\$572	\$816	\$848	\$869	\$888	\$897	\$910	\$913
11,001-13,000	\$652	\$844	\$902	\$938	\$973	\$989	\$1,013	\$1,018
13,001-22,000	\$697	\$855	\$924	\$966	\$1,008	\$1,026	\$1,054	\$1,060
22,001-34,000	\$734	\$871	\$953	\$1,004	\$1,053	\$1,075	\$1,109	\$1,116
34,001-40,000	\$801	\$886	\$982	\$1,041	\$1,098	\$1,124	\$1,163	\$1,170
40,001-50,000	\$801	\$893	\$993	\$1,056	\$1,117	\$1,145	\$1,186	\$1,194
50,001-63,500	\$801	\$910	\$1,027	\$1,099	\$1,169	\$1,202	\$1,249	\$1,259

% Change including capital amounts	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
No GVW	25%	4%	5%	5%	5%	6%	6%	5%
5,001-11,000	25%	4%	5%	5%	5%	5%	5%	5%
11,001-13,000	28%	4%	6%	6%	8%	9%	9%	8%
13,001-22,000	26%	2%	4%	3%	5%	6%	6%	5%
22,001-34,000	24%	1%	4%	3%	4%	5%	5%	4%
34,001-40,000	22%	0%	3%	2%	4%	5%	5%	4%
40,001-50,000	22%	0%	3%	2%	4%	5%	5%	4%
50,001-63,500	22%	0%	4%	3%	5%	6%	6%	5%

\$ Change including capital amounts	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
No GVW	\$114	\$31	\$41	\$40	\$46	\$51	\$52	\$47
5,001-11,000	\$114	\$29	\$37	\$39	\$42	\$46	\$45	\$41
11,001-13,000	\$142	\$31	\$54	\$53	\$69	\$78	\$83	\$78
13,001-22,000	\$143	\$16	\$37	\$32	\$47	\$55	\$57	\$50
22,001-34,000	\$144	\$10	\$33	\$26	\$44	\$54	\$55	\$46
34,001-40,000	\$145	\$1	\$28	\$20	\$39	\$51	\$51	\$40
40,001-50,000	\$145	\$0	\$27	\$17	\$40	\$53	\$53	\$41
50,001-63,500	\$145	\$0	\$37	\$28	\$54	\$71	\$74	\$61

5.5 Class A – Power Units – IRP \$2,500 Deductible

The rate indication shows that a 1.8% increase is required for this class to be rate adequate. A relativity analysis was done on G.V.W. and model year.

Recommendation: SGI is recommending that the indicated rate change be applied, which, after the capital margin is applied becomes a 4.0% increase. Based on the current vehicle population, 91% of vehicles will be receiving an average increase of \$108, while the remainder will receive an average decrease of \$31. The maximum decrease that any vehicle in the current population will receive is \$59 and the maximum increase is \$290.

The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$452	\$831	\$858	\$872	\$913	\$918	\$935	\$952
11,001-13,000	\$494	\$1,075	\$1,110	\$1,130	\$1,150	\$1,175	\$1,200	\$1,225
13,001-22,000	\$508	\$1,225	\$1,273	\$1,300	\$1,328	\$1,360	\$1,396	\$1,431
22,001-34,000	\$508	\$1,374	\$1,435	\$1,470	\$1,507	\$1,545	\$1,582	\$1,619
34,001-40,000	\$648	\$1,510	\$1,656	\$1,976	\$2,191	\$2,248	\$2,303	\$2,358
40,001-55,000	\$648	\$1,511	\$1,658	\$1,978	\$2,267	\$2,274	\$2,354	\$2,402
55,001-63,500	\$648	\$1,528	\$1,682	\$2,018	\$2,321	\$2,329	\$2,414	\$2,463

Proposed rates excluding Capital Margin	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$552	\$981	\$1,008	\$1,022	\$1,063	\$1,068	\$1,085	\$1,102
11,001-13,000	\$594	\$1,236	\$1,276	\$1,299	\$1,322	\$1,351	\$1,380	\$1,408
13,001-22,000	\$633	\$1,330	\$1,433	\$1,495	\$1,527	\$1,564	\$1,605	\$1,645
22,001-34,000	\$633	\$1,360	\$1,483	\$1,660	\$1,733	\$1,776	\$1,819	\$1,861
34,001-40,000	\$773	\$1,479	\$1,685	\$1,979	\$2,184	\$2,321	\$2,398	\$2,452
40,001-55,000	\$773	\$1,484	\$1,693	\$1,992	\$2,200	\$2,339	\$2,417	\$2,472
55,001-63,500	\$773	\$1,487	\$1,698	\$2,000	\$2,210	\$2,351	\$2,429	\$2,485

% Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	22%	18%	17%	17%	16%	16%	16%	16%
11,001-13,000	20%	15%	15%	15%	15%	15%	15%	15%
13,001-22,000	25%	9%	13%	15%	15%	15%	15%	15%
22,001-34,000	25%	-1%	3%	13%	15%	15%	15%	15%
34,001-40,000	19%	-2%	2%	0%	0%	3%	4%	4%
40,001-55,000	19%	-2%	2%	1%	-3%	3%	3%	3%
55,001-63,500	19%	-3%	1%	-1%	-5%	1%	1%	1%

\$ Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$100	\$150	\$150	\$150	\$150	\$150	\$150	\$150
11,001-13,000	\$100	\$161	\$166	\$169	\$172	\$176	\$180	\$183
13,001-22,000	\$125	\$105	\$160	\$195	\$199	\$204	\$209	\$214
22,001-34,000	\$125	-\$14	\$48	\$190	\$226	\$231	\$237	\$242
34,001-40,000	\$125	-\$31	\$29	\$3	-\$7	\$73	\$95	\$94
40,001-55,000	\$125	-\$27	\$35	\$14	-\$67	\$65	\$63	\$70
55,001-63,500	\$125	-\$41	\$16	-\$18	-\$111	\$22	\$15	\$22

Current rates including RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$458	\$841	\$869	\$883	\$924	\$929	\$947	\$964
11,001-13,000	\$500	\$1,088	\$1,124	\$1,144	\$1,164	\$1,189	\$1,215	\$1,240
13,001-22,000	\$514	\$1,240	\$1,289	\$1,316	\$1,344	\$1,377	\$1,413	\$1,449
22,001-34,000	\$514	\$1,391	\$1,453	\$1,488	\$1,526	\$1,564	\$1,601	\$1,639
34,001-40,000	\$656	\$1,529	\$1,676	\$2,000	\$2,218	\$2,276	\$2,331	\$2,387
40,001-55,000	\$656	\$1,530	\$1,678	\$2,002	\$2,295	\$2,302	\$2,383	\$2,432
55,001-63,500	\$656	\$1,547	\$1,703	\$2,043	\$2,350	\$2,358	\$2,444	\$2,493

Proposed rates including Capital Margin	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
5,001-11,000	\$572	\$1,017	\$1,045	\$1,060	\$1,102	\$1,107	\$1,125	\$1,142
11,001-13,000	\$616	\$1,281	\$1,323	\$1,347	\$1,371	\$1,401	\$1,431	\$1,460
13,001-22,000	\$656	\$1,379	\$1,486	\$1,550	\$1,583	\$1,621	\$1,664	\$1,705
22,001-34,000	\$656	\$1,410	\$1,537	\$1,721	\$1,797	\$1,841	\$1,886	\$1,929
34,001-40,000	\$801	\$1,533	\$1,747	\$2,052	\$2,264	\$2,406	\$2,486	\$2,542
40,001-55,000	\$801	\$1,539	\$1,755	\$2,065	\$2,281	\$2,425	\$2,506	\$2,563
55,001-63,500	\$801	\$1,542	\$1,760	\$2,073	\$2,291	\$2,437	\$2,518	\$2,576

% Change including capital amounts	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
5,001-11,000	25%	21%	20%	20%	19%	19%	19%	18%
11,001-13,000	23%	18%	18%	18%	18%	18%	18%	18%
13,001-22,000	28%	11%	15%	18%	18%	18%	18%	18%
22,001-34,000	28%	1%	6%	16%	18%	18%	18%	18%
34,001-40,000	22%	0%	4%	3%	2%	6%	7%	6%
40,001-55,000	22%	1%	5%	3%	-1%	5%	5%	5%
55,001-63,500	22%	0%	3%	1%	-3%	3%	3%	3%

\$ Change including capital amounts	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
5,001-11,000	\$114	\$176	\$176	\$177	\$178	\$178	\$178	\$178
11,001-13,000	\$116	\$193	\$199	\$203	\$207	\$212	\$216	\$220
13,001-22,000	\$142	\$139	\$197	\$234	\$239	\$244	\$251	\$256
22,001-34,000	\$142	\$19	\$84	\$233	\$271	\$277	\$285	\$290
34,001-40,000	\$145	\$4	\$71	\$52	\$46	\$130	\$155	\$155
40,001-55,000	\$145	\$9	\$77	\$63	-\$14	\$123	\$123	\$131
55,001-63,500	\$145	-\$5	\$57	\$30	-\$59	\$79	\$74	\$83

5.6 Class A – Power Units – IRP \$15,000 Deductible

Rates for the \$15,000 deductible option are flat rated based on injury and liability premiums that are the same for both the regular and \$15,000 deductible options. However, due to capping not all rates are currently this level. The indicated rate change for Class A – Power Units–IRP vehicles with the \$15,000 deductible is a 4.5% rate decrease.

Recommendation: SGI recommends applying the indicated rate increase, which, after rate capping, results in an overall average rate decrease of 4.6% for this class; -2.4% once the capital margin has been applied. Fifty-two per cent of the current vehicle population will receive an average decrease of \$89/year, with the remaining 48% of vehicles receiving an average increase of \$34/year. Based on the current vehicle population, the maximum increase any customer will see will be \$179 and the maximum decrease will be \$144.

The impact on rates for these vehicles is shown below.

Current rates excluding RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$286	\$524	\$540	\$548	\$558	\$561	\$571	\$581
11,001-13,000	\$311	\$680	\$701	\$713	\$725	\$738	\$751	\$765
13,001-22,000	\$320	\$765	\$789	\$804	\$818	\$835	\$853	\$872
22,001-34,000	\$320	\$854	\$874	\$917	\$937	\$956	\$976	\$995
34,001-40,000	\$414	\$1,080	\$1,080	\$1,169	\$1,169	\$1,169	\$1,169	\$1,169
40,001-55,000	\$414	\$1,142	\$1,142	\$1,169	\$1,169	\$1,174	\$1,204	\$1,234
55,001-63,500	\$414	\$1,169	\$1,169	\$1,185	\$1,258	\$1,287	\$1,319	\$1,351

Proposed rates excluding Capital Margin	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$386	\$649	\$665	\$673	\$683	\$686	\$696	\$706
11,001-13,000	\$411	\$805	\$826	\$838	\$850	\$863	\$901	\$915
13,001-22,000	\$420	\$915	\$939	\$954	\$968	\$985	\$1,003	\$1,022
22,001-34,000	\$420	\$1,004	\$1,024	\$1,067	\$1,087	\$1,106	\$1,126	\$1,145
34,001-40,000	\$514	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181
40,001-55,000	\$514	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181
55,001-63,500	\$514	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181

% Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	35%	24%	23%	23%	22%	22%	22%	22%
11,001-13,000	32%	18%	18%	18%	17%	17%	20%	20%
13,001-22,000	31%	20%	19%	19%	18%	18%	18%	17%
22,001-34,000	31%	18%	17%	16%	16%	16%	15%	15%
34,001-40,000	24%	9%	9%	1%	1%	1%	1%	1%
40,001-55,000	24%	3%	3%	1%	1%	1%	-2%	-4%
55,001-63,500	24%	1%	1%	0%	-6%	-8%	-10%	-13%

\$ Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$100	\$125	\$125	\$125	\$125	\$125	\$125	\$125
11,001-13,000	\$100	\$125	\$125	\$125	\$125	\$125	\$150	\$150
13,001-22,000	\$100	\$150	\$150	\$150	\$150	\$150	\$150	\$150
22,001-34,000	\$100	\$150	\$150	\$150	\$150	\$150	\$150	\$150
34,001-40,000	\$100	\$101	\$101	\$12	\$12	\$12	\$12	\$12
40,001-55,000	\$100	\$39	\$39	\$12	\$12	\$7	-\$23	-\$53
55,001-63,500	\$100	\$12	\$12	-\$4	-\$77	-\$106	-\$138	-\$170

Current rates including RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$290	\$530	\$547	\$555	\$565	\$568	\$578	\$588
11,001-13,000	\$315	\$688	\$710	\$722	\$734	\$747	\$760	\$774
13,001-22,000	\$324	\$774	\$799	\$814	\$828	\$845	\$863	\$883
22,001-34,000	\$324	\$865	\$885	\$928	\$949	\$968	\$988	\$1,007
34,001-40,000	\$419	\$1,093	\$1,093	\$1,183	\$1,183	\$1,183	\$1,183	\$1,183
40,001-55,000	\$419	\$1,156	\$1,156	\$1,183	\$1,183	\$1,188	\$1,219	\$1,249
55,001-63,500	\$419	\$1,183	\$1,183	\$1,200	\$1,273	\$1,303	\$1,335	\$1,368

Proposed rates including Capital Margin	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
5,001-11,000	\$400	\$673	\$689	\$698	\$708	\$711	\$722	\$732
11,001-13,000	\$426	\$835	\$856	\$869	\$881	\$895	\$934	\$949
13,001-22,000	\$435	\$949	\$973	\$989	\$1,004	\$1,021	\$1,040	\$1,060
22,001-34,000	\$435	\$1,041	\$1,062	\$1,106	\$1,127	\$1,147	\$1,167	\$1,187
34,001-40,000	\$533	\$1,224	\$1,224	\$1,224	\$1,224	\$1,224	\$1,224	\$1,224
40,001-55,000	\$533	\$1,224	\$1,224	\$1,224	\$1,224	\$1,224	\$1,224	\$1,224
55,001-63,500	\$533	\$1,224	\$1,224	\$1,224	\$1,224	\$1,224	\$1,224	\$1,224

% Change including capital amounts	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
5,001-11,000	38%	27%	26%	26%	25%	25%	25%	24%
11,001-13,000	35%	21%	21%	20%	20%	20%	23%	23%
13,001-22,000	34%	23%	22%	21%	21%	21%	21%	20%
22,001-34,000	34%	20%	20%	19%	19%	18%	18%	18%
34,001-40,000	27%	12%	12%	3%	3%	3%	3%	3%
40,001-55,000	27%	6%	6%	3%	3%	3%	0%	-2%
55,001-63,500	27%	3%	3%	2%	-4%	-6%	-8%	-11%

\$ Change including capital amounts	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
5,001-11,000	\$110	\$143	\$142	\$143	\$143	\$143	\$144	\$144
11,001-13,000	\$111	\$147	\$146	\$147	\$147	\$148	\$174	\$175
13,001-22,000	\$111	\$175	\$174	\$175	\$176	\$176	\$177	\$177
22,001-34,000	\$111	\$176	\$177	\$178	\$178	\$179	\$179	\$180
34,001-40,000	\$114	\$131	\$131	\$41	\$41	\$41	\$41	\$41
40,001-55,000	\$114	\$68	\$68	\$41	\$41	\$36	\$5	-\$25
55,001-63,500	\$114	\$41	\$41	\$24	-\$49	-\$79	-\$111	-\$144

5.7 Class A – Power Units – non-IRP

The rate indication shows that a decrease of 2.5% is warranted for this class. A relativity analysis was done on G.V.W. and model year.

Recommendation: SGI recommends an overall average rate decrease of 2.5% for this class, which turns into a decrease of 0.2% once the capital margin is applied. Sixty per cent of the current vehicle population will receive increases of approximately \$54/year, with the remaining 40% receiving an average decrease of \$88/year. The maximum increase any vehicle in the current population will see will be \$142 and the maximum decrease is \$198.

The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$452	\$781	\$804	\$850	\$909	\$916	\$924	\$932
11,001-13,000	\$494	\$792	\$819	\$875	\$945	\$954	\$963	\$973
13,001-22,000	\$508	\$805	\$838	\$905	\$989	\$1,000	\$1,013	\$1,035
22,001-34,000	\$508	\$820	\$860	\$940	\$1,041	\$1,054	\$1,067	\$1,088
34,001-40,000	\$648	\$1,094	\$1,142	\$1,171	\$1,251	\$1,272	\$1,294	\$1,317
40,001-55,000	\$648	\$1,293	\$1,349	\$1,382	\$1,416	\$1,447	\$1,485	\$1,521
55,001-63,500	\$648	\$1,417	\$1,477	\$1,513	\$1,550	\$1,586	\$1,625	\$1,665

Proposed rates excluding Capital Margin	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$552	\$794	\$829	\$877	\$911	\$948	\$950	\$956
11,001-13,000	\$594	\$810	\$855	\$920	\$965	\$1,013	\$1,016	\$1,023
13,001-22,000	\$633	\$826	\$882	\$962	\$1,018	\$1,079	\$1,081	\$1,091
22,001-34,000	\$633	\$842	\$909	\$1,005	\$1,071	\$1,144	\$1,147	\$1,159
34,001-40,000	\$773	\$930	\$1,001	\$1,151	\$1,255	\$1,368	\$1,373	\$1,392
40,001-55,000	\$773	\$1,100	\$1,147	\$1,216	\$1,337	\$1,468	\$1,474	\$1,496
55,001-63,500	\$773	\$1,205	\$1,256	\$1,287	\$1,367	\$1,505	\$1,511	\$1,533

% Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	22%	2%	3%	3%	0%	3%	3%	3%
11,001-13,000	20%	2%	4%	5%	2%	6%	6%	5%
13,001-22,000	25%	3%	5%	6%	3%	8%	7%	5%
22,001-34,000	25%	3%	6%	7%	3%	9%	7%	7%
34,001-40,000	19%	-15%	-12%	-2%	0%	8%	6%	6%
40,001-55,000	19%	-15%	-15%	-12%	-6%	1%	-1%	-2%
55,001-63,500	19%	-15%	-15%	-15%	-12%	-5%	-7%	-8%

\$ Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$100	\$13	\$25	\$27	\$2	\$32	\$26	\$24
11,001-13,000	\$100	\$18	\$36	\$45	\$20	\$59	\$53	\$50
13,001-22,000	\$125	\$21	\$44	\$57	\$29	\$79	\$68	\$56
22,001-34,000	\$125	\$22	\$49	\$65	\$30	\$90	\$80	\$71
34,001-40,000	\$125	-\$164	-\$141	-\$20	\$4	\$96	\$79	\$75
40,001-55,000	\$125	-\$193	-\$202	-\$166	-\$79	\$21	-\$11	-\$25
55,001-63,500	\$125	-\$212	-\$221	-\$226	-\$183	-\$81	-\$114	-\$132

Current rates including RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$458	\$791	\$814	\$860	\$920	\$927	\$935	\$943
11,001-13,000	\$500	\$802	\$829	\$886	\$957	\$966	\$975	\$985
13,001-22,000	\$514	\$815	\$848	\$916	\$1,001	\$1,012	\$1,025	\$1,048
22,001-34,000	\$514	\$830	\$871	\$952	\$1,054	\$1,067	\$1,080	\$1,101
34,001-40,000	\$656	\$1,107	\$1,156	\$1,185	\$1,266	\$1,288	\$1,310	\$1,333
40,001-55,000	\$656	\$1,309	\$1,366	\$1,399	\$1,433	\$1,465	\$1,503	\$1,540
55,001-63,500	\$656	\$1,434	\$1,495	\$1,532	\$1,569	\$1,606	\$1,645	\$1,685

Proposed rates including Capital Margin	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$572	\$823	\$859	\$909	\$944	\$983	\$985	\$991
11,001-13,000	\$616	\$840	\$886	\$954	\$1,000	\$1,050	\$1,053	\$1,061
13,001-22,000	\$656	\$856	\$914	\$997	\$1,055	\$1,119	\$1,121	\$1,131
22,001-34,000	\$656	\$873	\$942	\$1,042	\$1,110	\$1,186	\$1,189	\$1,202
34,001-40,000	\$801	\$964	\$1,038	\$1,193	\$1,301	\$1,418	\$1,423	\$1,443
40,001-55,000	\$801	\$1,140	\$1,189	\$1,261	\$1,386	\$1,522	\$1,528	\$1,551
55,001-63,500	\$801	\$1,249	\$1,302	\$1,334	\$1,417	\$1,560	\$1,567	\$1,589

% Change including capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	25%	4%	6%	6%	3%	6%	5%	5%
11,001-13,000	23%	5%	7%	8%	4%	9%	8%	8%
13,001-22,000	28%	5%	8%	9%	5%	11%	9%	8%
22,001-34,000	28%	5%	8%	9%	5%	11%	10%	9%
34,001-40,000	22%	-13%	-10%	1%	3%	10%	9%	8%
40,001-55,000	22%	-13%	-13%	-10%	-3%	4%	2%	1%
55,001-63,500	22%	-13%	-13%	-13%	-10%	-3%	-5%	-6%

\$ Change including capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-11,000	\$114	\$32	\$45	\$49	\$24	\$56	\$50	\$48
11,001-13,000	\$116	\$38	\$57	\$68	\$43	\$84	\$78	\$76
13,001-22,000	\$142	\$41	\$66	\$81	\$54	\$107	\$96	\$83
22,001-34,000	\$142	\$43	\$71	\$90	\$56	\$119	\$109	\$101
34,001-40,000	\$145	-\$143	-\$118	\$8	\$35	\$130	\$113	\$110
40,001-55,000	\$145	-\$169	-\$177	-\$138	-\$47	\$57	\$25	\$11
55,001-63,500	\$145	-\$185	-\$193	-\$198	-\$152	-\$46	-\$78	-\$96

Classes C and D – Commercial Vehicles

The rates for these classes are currently the same. Because the risk is similar for these two classes the indication and relativity analysis were done with combined experience. SGI keeps the classes separate for registration purposes.

5.8 Classes C and D – Heavy Trucks and Heavy Vans

The rate indication shows that an 11.9% increase is required to obtain adequate rates. A relativity analysis was performed on both G.V.W. and model year.

Recommendation: SGI recommends an overall average rate increase of 9.5% for this class; 12.1% once the capital margin has been applied. Nearly all of the current vehicle population will receive average increases of approximately \$80/year; the remaining 0.4% will receive an average decrease of \$17. The maximum increase that any vehicle currently insured will receive is \$135 and the maximum decrease is \$35.

The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$497	\$525	\$565	\$575	\$585	\$599	\$631	\$638
20,001-30,000	\$497	\$555	\$617	\$676	\$731	\$735	\$739	\$748
30,001-40,000	\$497	\$568	\$638	\$704	\$765	\$770	\$775	\$784
40,001-50,000	\$506	\$607	\$699	\$786	\$868	\$874	\$880	\$893
50,001-63,500	\$563	\$668	\$795	\$916	\$1,029	\$1,037	\$1,046	\$1,064

Proposed rates excluding Capital Margin	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$560	\$560	\$613	\$646	\$679	\$693	\$715	\$719
20,001-30,000	\$584	\$584	\$659	\$706	\$751	\$771	\$802	\$808
30,001-40,000	\$595	\$595	\$680	\$732	\$783	\$806	\$841	\$848
40,001-50,000	\$624	\$624	\$734	\$803	\$869	\$899	\$944	\$953
50,001-63,500	\$658	\$658	\$799	\$886	\$971	\$1,009	\$1,067	\$1,079

% Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	13%	7%	8%	12%	16%	16%	13%	13%
20,001-30,000	18%	5%	7%	4%	3%	5%	9%	8%
30,001-40,000	20%	5%	7%	4%	2%	5%	9%	8%
40,001-50,000	23%	3%	5%	2%	0%	3%	7%	7%
50,001-63,500	17%	-1%	1%	-3%	-6%	-3%	2%	1%

\$ Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$63	\$35	\$48	\$71	\$94	\$94	\$84	\$81
20,001-30,000	\$87	\$29	\$42	\$30	\$20	\$36	\$63	\$60
30,001-40,000	\$98	\$27	\$42	\$28	\$18	\$36	\$66	\$64
40,001-50,000	\$118	\$17	\$35	\$17	\$1	\$25	\$64	\$60
50,001-63,500	\$95	-\$10	\$4	-\$30	-\$58	-\$28	\$21	\$15

Current rates including RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$503	\$531	\$572	\$582	\$592	\$606	\$639	\$646
20,001-30,000	\$503	\$562	\$625	\$684	\$740	\$744	\$748	\$757
30,001-40,000	\$503	\$575	\$646	\$713	\$774	\$779	\$785	\$794
40,001-50,000	\$512	\$614	\$708	\$796	\$879	\$885	\$891	\$904
50,001-63,500	\$570	\$676	\$805	\$927	\$1,042	\$1,050	\$1,059	\$1,077

Proposed rates including Capital Margin	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$581	\$581	\$636	\$670	\$704	\$718	\$741	\$745
20,001-30,000	\$605	\$605	\$683	\$732	\$779	\$799	\$831	\$838
30,001-40,000	\$617	\$617	\$705	\$759	\$812	\$836	\$872	\$879
40,001-50,000	\$647	\$647	\$761	\$832	\$901	\$932	\$979	\$988
50,001-63,500	\$682	\$682	\$828	\$919	\$1,007	\$1,046	\$1,106	\$1,119

% Change including capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	16%	9%	11%	15%	19%	18%	16%	15%
20,001-30,000	20%	8%	9%	7%	5%	7%	11%	11%
30,001-40,000	23%	7%	9%	6%	5%	7%	11%	11%
40,001-50,000	26%	5%	7%	5%	3%	5%	10%	9%
50,001-63,500	20%	1%	3%	-1%	-3%	0%	4%	4%

\$ Change including capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$78	\$50	\$64	\$88	\$112	\$112	\$102	\$99
20,001-30,000	\$102	\$43	\$58	\$48	\$39	\$55	\$83	\$81
30,001-40,000	\$114	\$42	\$59	\$46	\$38	\$57	\$87	\$85
40,001-50,000	\$135	\$33	\$53	\$36	\$22	\$47	\$88	\$84
50,001-63,500	\$112	\$6	\$23	-\$8	-\$35	-\$4	\$47	\$42

5.9 Classes C and D – Power Units

The rate indication shows that the premium for these vehicles requires a 3.3% increase overall to become adequate. A relativity analysis was performed on both G.V.W. and model year.

Recommendation: SGI recommends applying the indicated rate change to the rates, which, after capping results in an overall average rate increase of 1.6% for this class. The overall rate increase becomes 4.0% once the capital margin is applied. Eighty-eight per cent of the current vehicle population will receive an average increase of \$62/year. The remaining 12% of the population will receive an average decrease of \$21/year. The maximum increase that any vehicle within the current population will receive is \$147; the maximum decrease is \$56.

The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$497	\$550	\$584	\$656	\$683	\$695	\$706	\$717
20,001-30,000	\$497	\$696	\$752	\$790	\$855	\$870	\$911	\$927
30,001-35,000	\$497	\$852	\$937	\$943	\$1,024	\$1,067	\$1,086	\$1,105
35,001-36,000	\$525	\$900	\$994	\$1,135	\$1,241	\$1,271	\$1,299	\$1,327
36,001-40,000	\$546	\$939	\$1,051	\$1,220	\$1,344	\$1,431	\$1,467	\$1,494
40,001-50,000	\$546	\$980	\$1,107	\$1,303	\$1,445	\$1,582	\$1,600	\$1,618
50,001-63,500	\$546	\$988	\$1,122	\$1,325	\$1,473	\$1,615	\$1,634	\$1,652

Proposed rates excluding Capital Margin	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$597	\$675	\$709	\$781	\$808	\$820	\$831	\$842
20,001-30,000	\$597	\$757	\$808	\$879	\$929	\$984	\$986	\$995
30,001-35,000	\$597	\$796	\$873	\$983	\$1,060	\$1,143	\$1,147	\$1,160
35,001-36,000	\$650	\$832	\$933	\$1,078	\$1,179	\$1,289	\$1,294	\$1,311
36,001-40,000	\$671	\$867	\$993	\$1,173	\$1,298	\$1,435	\$1,441	\$1,463
40,001-50,000	\$671	\$908	\$1,062	\$1,282	\$1,435	\$1,602	\$1,609	\$1,636
50,001-63,500	\$671	\$911	\$1,067	\$1,291	\$1,446	\$1,615	\$1,622	\$1,650

% Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	20%	23%	21%	19%	18%	18%	18%	17%
20,001-30,000	20%	9%	7%	11%	9%	13%	8%	7%
30,001-35,000	20%	-7%	-7%	4%	4%	7%	6%	5%
35,001-36,000	24%	-8%	-6%	-5%	-5%	1%	0%	-1%
36,001-40,000	23%	-8%	-6%	-4%	-3%	0%	-2%	-2%
40,001-50,000	23%	-7%	-4%	-2%	-1%	1%	1%	1%
50,001-63,500	23%	-8%	-5%	-3%	-2%	0%	-1%	0%

\$ Change excluding capital amounts	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$100	\$125	\$125	\$125	\$125	\$125	\$125	\$125
20,001-30,000	\$100	\$61	\$56	\$89	\$74	\$114	\$75	\$68
30,001-35,000	\$100	-\$56	-\$64	\$40	\$36	\$76	\$61	\$55
35,001-36,000	\$125	-\$68	-\$61	-\$57	-\$62	\$18	-\$5	-\$16
36,001-40,000	\$125	-\$72	-\$58	-\$47	-\$46	\$4	-\$26	-\$31
40,001-50,000	\$125	-\$72	-\$45	-\$21	-\$10	\$20	\$9	\$18
50,001-63,500	\$125	-\$77	-\$55	-\$34	-\$27	\$0	-\$12	-\$2

Current rates including RSR surcharge	Model Year							
	1975 & Prior	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW								
5,001-20,000	\$503	\$557	\$591	\$664	\$691	\$704	\$715	\$726
20,001-30,000	\$503	\$705	\$761	\$800	\$866	\$881	\$922	\$938
30,001-35,000	\$503	\$862	\$949	\$955	\$1,037	\$1,080	\$1,099	\$1,119
35,001-36,000	\$531	\$911	\$1,006	\$1,149	\$1,256	\$1,287	\$1,315	\$1,343
36,001-40,000	\$553	\$951	\$1,064	\$1,235	\$1,361	\$1,449	\$1,485	\$1,512
40,001-50,000	\$553	\$992	\$1,121	\$1,319	\$1,463	\$1,601	\$1,620	\$1,638
50,001-63,500	\$553	\$1,000	\$1,136	\$1,341	\$1,491	\$1,635	\$1,654	\$1,672

Proposed rates including Capital Margin	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
5,001-20,000	\$619	\$700	\$735	\$810	\$838	\$850	\$862	\$873
20,001-30,000	\$619	\$785	\$838	\$911	\$963	\$1,020	\$1,022	\$1,032
30,001-35,000	\$619	\$825	\$905	\$1,019	\$1,099	\$1,185	\$1,189	\$1,203
35,001-36,000	\$674	\$863	\$967	\$1,118	\$1,222	\$1,336	\$1,342	\$1,359
36,001-40,000	\$696	\$899	\$1,029	\$1,216	\$1,346	\$1,488	\$1,494	\$1,517
40,001-50,000	\$696	\$941	\$1,101	\$1,329	\$1,488	\$1,661	\$1,668	\$1,696
50,001-63,500	\$696	\$944	\$1,106	\$1,338	\$1,499	\$1,674	\$1,682	\$1,711

% Change including capital amounts	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
5,001-20,000	23%	26%	24%	22%	21%	21%	21%	20%
20,001-30,000	23%	11%	10%	14%	11%	16%	11%	10%
30,001-35,000	23%	-4%	-5%	7%	6%	10%	8%	8%
35,001-36,000	27%	-5%	-4%	-3%	-3%	4%	2%	1%
36,001-40,000	26%	-5%	-3%	-2%	-1%	3%	1%	0%
40,001-50,000	26%	-5%	-2%	1%	2%	4%	3%	4%
50,001-63,500	26%	-6%	-3%	0%	1%	2%	2%	2%

\$ Change including capital amounts	Model Year							
	1975 & Prior	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW								
5,001-11,000	\$116	\$143	\$144	\$146	\$147	\$146	\$147	\$147
11,001-13,000	\$116	\$80	\$77	\$111	\$97	\$139	\$100	\$94
13,001-22,000	\$116	-\$37	-\$44	\$64	\$62	\$105	\$90	\$84
22,001-34,000	\$143	-\$48	-\$39	-\$31	-\$34	\$49	\$27	\$16
34,001-40,000	\$143	-\$52	-\$35	-\$19	-\$15	\$39	\$9	\$5
40,001-55,000	\$143	-\$51	-\$20	\$10	\$25	\$60	\$48	\$58
55,001-63,500	\$143	-\$56	-\$30	-\$3	\$8	\$39	\$28	\$39

5.10 Class F – Farm Heavy Trucks and Heavy Vans

The rate indication for this subclass shows a 10.4% required rate decrease. Relativity analysis was performed on the model year of the vehicle.

The number of vehicles within this class has been declining while the number of farm power units has been increasing. Over the past three years, the average decrease in number of vehicles for this class has been around 6% per year. The decline is believed to be the result of farmers' preferences shifting from grain trucks to semi-trailers and grain carts for their increased hauling capacity.

Recommendation: SGI recommends that the overall indicated rate decrease is applied, which, after the application of the caps produces an average rate decrease of 3.6% for this class; -1.2% once the capital margin is applied. Eighty-five per cent of the current vehicle population will receive an average increase of \$12/year, with the remaining 15% of vehicles receiving an average decrease of \$82/year. The maximum increase any vehicle within the current population will receive is \$20; the maximum decrease is \$137. The impact on the rates for these vehicles is shown in the following table.

Model Year	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
1979 & Prior	\$123	\$131	7%	\$8	\$125	\$136	9%	\$11
1980	\$143	\$154	8%	\$11	\$145	\$160	10%	\$15
1981	\$153	\$162	6%	\$9	\$155	\$168	8%	\$13
1982	\$153	\$162	6%	\$9	\$155	\$168	8%	\$13
1983	\$153	\$163	7%	\$10	\$155	\$169	9%	\$14
1984	\$153	\$163	7%	\$10	\$155	\$169	9%	\$14
1985	\$161	\$170	6%	\$9	\$163	\$176	8%	\$13
1986	\$172	\$183	6%	\$11	\$174	\$190	9%	\$16
1987	\$189	\$192	2%	\$3	\$191	\$199	4%	\$8
1988	\$191	\$201	5%	\$10	\$193	\$208	8%	\$15
1989	\$191	\$205	7%	\$14	\$193	\$213	10%	\$20
1990	\$195	\$209	7%	\$14	\$197	\$217	10%	\$20
1991	\$210	\$213	1%	\$3	\$213	\$221	4%	\$8
1992	\$225	\$217	-4%	-\$8	\$228	\$225	-1%	-\$3
1993	\$248	\$222	-10%	-\$26	\$251	\$230	-8%	-\$21
1994	\$283	\$226	-20%	-\$57	\$286	\$234	-18%	-\$52
1995	\$283	\$231	-18%	-\$52	\$286	\$239	-16%	-\$47
1996	\$349	\$249	-29%	-\$100	\$353	\$258	-27%	-\$95
1997	\$373	\$273	-27%	-\$100	\$378	\$283	-25%	-\$95
1998	\$385	\$285	-26%	-\$100	\$390	\$295	-24%	-\$95
1999	\$396	\$296	-25%	-\$100	\$401	\$307	-23%	-\$94
2000	\$474	\$374	-21%	-\$100	\$480	\$388	-19%	-\$92
2001	\$492	\$392	-20%	-\$100	\$498	\$406	-18%	-\$92
2002	\$500	\$400	-20%	-\$100	\$506	\$415	-18%	-\$91
2003	\$509	\$400	-21%	-\$109	\$515	\$415	-19%	-\$100
2004	\$533	\$408	-23%	-\$125	\$540	\$423	-22%	-\$117
2005	\$572	\$447	-22%	-\$125	\$579	\$463	-20%	-\$116
2006	\$623	\$498	-20%	-\$125	\$631	\$516	-18%	-\$115
2007	\$652	\$527	-19%	-\$125	\$660	\$546	-17%	-\$114
2008	\$708	\$583	-18%	-\$125	\$717	\$604	-16%	-\$113
2009	\$751	\$601	-20%	-\$150	\$760	\$623	-18%	-\$137
2010	\$789	\$639	-19%	-\$150	\$799	\$662	-17%	-\$137
2011	\$827	\$677	-18%	-\$150	\$837	\$702	-16%	-\$135
2012	\$862	\$712	-17%	-\$150	\$873	\$738	-15%	-\$135
2013	\$898	\$748	-17%	-\$150	\$909	\$775	-15%	-\$134
2014	\$898	\$748	-17%	-\$150	\$909	\$775	-15%	-\$134
2015	N/A	\$748	N/A	N/A	N/A	\$775	N/A	N/A

5.11 Class F – Farm Light Trucks with Model Years 1993 and Older

The rate indication for farm light trucks with model years 1993 and older shows that a 12.0% decrease is warranted. A relativity analysis was performed on model year and on vehicle size – full-size or compact. Due to the fact that the number of vehicles within this class continues to decrease over time, the decision has been made to move farm light trucks with models 1993 and older to a flat rate.

Recommendation: SGI recommends an overall average rate decrease of 12% for this class, which becomes a rate decrease of 9.9% once the capital margin is applied. Seventy-seven per cent of the current vehicle population will receive an average decrease of \$31/year, 20% of vehicles will receive an average increase of \$2/year, and the remaining 3% will be unchanged. The maximum annual increase that any one vehicle will receive, based on the current population, is \$4; the maximum decrease is \$76. The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Size	
	Full-Sized	Compact
1976 & Older	\$204	\$203
1977	\$205	\$204
1978	\$205	\$205
1979	\$206	\$205
1980	\$207	\$206
1981	\$208	\$207
1982	\$209	\$208
1983	\$210	\$209
1984	\$210	\$209
1985	\$212	\$210
1986	\$213	\$211
1987	\$217	\$215
1988	\$230	\$225
1989	\$235	\$229
1990	\$242	\$235
1991	\$254	\$245
1992	\$261	\$251
1993	\$282	\$258

Proposed rates excluding Capital Margin	Size	
	Full-Sized	Compact
1976 & Older	\$202	\$202
1977	\$202	\$202
1978	\$202	\$202
1979	\$202	\$202
1980	\$202	\$202
1981	\$202	\$202
1982	\$202	\$202
1983	\$202	\$202
1984	\$202	\$202
1985	\$202	\$202
1986	\$202	\$202
1987	\$202	\$202
1988	\$202	\$202
1989	\$202	\$202
1990	\$202	\$202
1991	\$202	\$202
1992	\$202	\$202
1993	\$202	\$202

% Change excluding capital amounts	Size	
	Full-Sized	Compact
1976 & Older	-1%	0%
1977	-1%	-1%
1978	-1%	-1%
1979	-2%	-1%
1980	-2%	-2%
1981	-3%	-2%
1982	-3%	-3%
1983	-4%	-3%
1984	-4%	-3%
1985	-5%	-4%
1986	-5%	-4%
1987	-7%	-6%
1988	-12%	-10%
1989	-14%	-12%
1990	-17%	-14%
1991	-20%	-18%
1992	-23%	-20%
1993	-28%	-22%

\$ Change excluding capital amounts	Size	
	Full-Sized	Compact
1976 & Older	-\$2	-\$1
1977	-\$3	-\$2
1978	-\$3	-\$3
1979	-\$4	-\$3
1980	-\$5	-\$4
1981	-\$6	-\$5
1982	-\$7	-\$6
1983	-\$8	-\$7
1984	-\$8	-\$7
1985	-\$10	-\$8
1986	-\$11	-\$9
1987	-\$15	-\$13
1988	-\$28	-\$23
1989	-\$33	-\$27
1990	-\$40	-\$33
1991	-\$52	-\$43
1992	-\$59	-\$49
1993	-\$80	-\$56

Current rates including RSR surcharge	Size	
	Full-Sized	Compact
1976 & Older	\$207	\$205
1977	\$208	\$207
1978	\$208	\$208
1979	\$209	\$208
1980	\$210	\$209
1981	\$211	\$210
1982	\$212	\$211
1983	\$213	\$212
1984	\$213	\$212
1985	\$215	\$213
1986	\$216	\$214
1987	\$220	\$218
1988	\$233	\$228
1989	\$238	\$232
1990	\$245	\$238
1991	\$257	\$248
1992	\$264	\$254
1993	\$285	\$261

Proposed rates including Capital Margin	Size	
	Full-Sized	Compact
1976 & Older	\$209	\$209
1977	\$209	\$209
1978	\$209	\$209
1979	\$209	\$209
1980	\$209	\$209
1981	\$209	\$209
1982	\$209	\$209
1983	\$209	\$209
1984	\$209	\$209
1985	\$209	\$209
1986	\$209	\$209
1987	\$209	\$209
1988	\$209	\$209
1989	\$209	\$209
1990	\$209	\$209
1991	\$209	\$209
1992	\$209	\$209
1993	\$209	\$209

% Change including capital amounts	Size	
	Full-Sized	Compact
1976 & Older	1%	2%
1977	0%	1%
1978	0%	0%
1979	0%	0%
1980	0%	0%
1981	-1%	0%
1982	-1%	-1%
1983	-2%	-1%
1984	-2%	-1%
1985	-3%	-2%
1986	-3%	-2%
1987	-5%	-4%
1988	-10%	-8%
1989	-12%	-10%
1990	-15%	-12%
1991	-19%	-16%
1992	-21%	-18%
1993	-27%	-20%

\$ Change including capital amounts	Size	
	Full-Sized	Compact
1976 & Older	\$2	\$4
1977	\$1	\$2
1978	\$1	\$1
1979	\$0	\$1
1980	-\$1	\$0
1981	-\$2	-\$1
1982	-\$3	-\$2
1983	-\$4	-\$3
1984	-\$4	-\$3
1985	-\$6	-\$4
1986	-\$7	-\$5
1987	-\$11	-\$9
1988	-\$24	-\$19
1989	-\$29	-\$23
1990	-\$36	-\$29
1991	-\$48	-\$39
1992	-\$55	-\$45
1993	-\$76	-\$52

5.12 Class F – Farm Power Units

The rate indication shows that a 7.5% increase is warranted for this class. A relativity analysis based on model year was performed.

As mentioned previously, due to increased capacity requirements, the number of vehicles within this class has been growing while the number of farm heavy trucks has been decreasing. Over the past three years, the average growth in number of vehicles for this class has been over 10% per year.

Recommendation: SGI recommends an overall average rate increase for this class be applied which, after capping, results in a 7.8% rate increase. With the application of the capital margin the increase becomes 10.4%. Eighty-seven per cent of the current vehicle population will receive an average increase of \$56/year, with the remaining 13% of vehicles receiving an average decrease of \$24/year. The maximum increase that any vehicle within the current population will receive is \$67; the maximum decrease is \$26. The impact on the rates for these vehicles is shown in the tables below.

Model Year	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
1981 & Prior	\$289	\$346	20%	\$57	\$293	\$359	23%	\$66
1982-1985	\$311	\$368	18%	\$57	\$315	\$382	21%	\$67
1986-1990	\$328	\$384	17%	\$56	\$332	\$398	20%	\$66
1991-1994	\$375	\$426	14%	\$51	\$380	\$442	16%	\$62
1995-1998	\$394	\$444	13%	\$50	\$399	\$460	15%	\$61
1999	\$416	\$456	10%	\$40	\$421	\$473	12%	\$52
2000	\$479	\$527	10%	\$48	\$485	\$546	13%	\$61
2001	\$488	\$529	8%	\$41	\$494	\$548	11%	\$54
2002	\$498	\$532	7%	\$34	\$504	\$552	10%	\$48
2003	\$507	\$542	7%	\$35	\$513	\$562	10%	\$49
2004	\$517	\$551	7%	\$34	\$523	\$571	9%	\$48
2005	\$556	\$561	1%	\$5	\$563	\$582	3%	\$19
2006	\$609	\$571	-6%	-\$38	\$616	\$592	-4%	-\$24
2007	\$620	\$581	-6%	-\$39	\$628	\$602	-4%	-\$26
2008	\$630	\$591	-6%	-\$39	\$638	\$613	-4%	-\$25
2009	\$640	\$602	-6%	-\$38	\$648	\$624	-4%	-\$24
2010	\$650	\$614	-6%	-\$36	\$658	\$637	-3%	-\$21
2011	\$660	\$625	-5%	-\$35	\$668	\$648	-3%	-\$20
2012	\$670	\$638	-5%	-\$32	\$678	\$661	-3%	-\$17
2013	\$680	\$651	-4%	-\$29	\$688	\$675	-2%	-\$13
2014	\$680	\$664	-2%	-\$16	\$688	\$688	0%	\$0
2015	N/A	\$664	N/A	N/A	N/A	\$688	N/A	N/A

5.13 Hearses

These vehicles are currently charged the private passenger make and model vehicle rate with a cap of \$411 (\$416 including the RSR surcharge), with most hearses hitting the cap. The rate indication shows that a 0.2% increase is warranted for this class.

Recommendation: SGI recommends an overall average rate increase of 0.2% for this class; 2.6% once the capital margin is applied. The proposed cap will be adjusted to \$412; which becomes \$427 with the capital margin.

5.14 Class L – Automobile and Motorcycle Dealers

Licence plates registered under this vehicle class are used as floater plates for dealerships. The rate indication shows that a 3.9% decrease is warranted for this class. A relativity analysis based on dealer type was performed.

Recommendation: SGI recommends an overall average rate decrease of 3.9% for this class, which becomes -1.5% once the capital margin is applied. The impact on the rates for these vehicles is shown in the table below.

Dealer Type	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
Automobile	\$731	\$703	-4%	-\$28	\$740	\$729	-1%	-\$11
Motorcycle	\$545	\$518	-5%	-\$27	\$552	\$537	-3%	-\$15

5.15 Class L – Snowmobile Dealers

Snowmobile dealers are currently charged a flat fee of \$60 (\$61 with the RSR surcharge) per floater licence plate. These plates provide liability coverage, with very limited injury coverage. The rate indication shows that there should be no change to this rate class.

Recommendation: SGI recommends that no rate change be applied with rate application with the exception of the application of the capital margin of 3.7% which brings the snowmobile dealer flat fee to \$62.

5.16 Class LV – Antiques

In order to qualify for an antique licence plate, the vehicle must be at least 30 years old and not be the primary vehicle of the insured. Antique vehicles have full injury and liability coverage, but are limited to \$300 damage coverage (\$800 damage limit with a \$500 deductible). The rate indication suggests that this class requires a 4.4% rate increase. These vehicles are currently charged a flat rate of \$80 (\$81 including the RSR surcharge).

Recommendation: SGI recommends that the indicated rate change be applied, which results in a rate increase of 3.8%; 6.2% with the capital margin. The proposed flat premium, including capital margin, will therefore become \$86; an annual increase of \$5 for customers.

5.17 Class LV – Buses

Class LV buses include private or company buses with a G.V.W. of 15,000 kg or less that are not used for the transport of passengers for compensation. Sports teams and camps register their buses under this class.

In order for this class to have adequate rates, an increase of 10.6% is required. Bus rates differ based on seating capacity and as such, a relativity analysis was performed based on seating capacity.

Recommendation: After the application of the indicated rate increase and capping, SGI recommends an overall average rate increase of 10% for this class; 12.7% once the capital margin is applied. All vehicles within this class will be receiving increases. The average increase is \$66/year and the maximum increase is \$72/year. The impact on the rates for these vehicles is shown in the table below.

Seating Capacity	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
15 or less	\$463	\$522	13%	\$59	\$469	\$541	15%	\$72
16 - 24	\$536	\$567	6%	\$31	\$543	\$588	8%	\$45
25 or more	\$559	\$613	10%	\$54	\$566	\$636	12%	\$70

5.18 Class LV – Restricted Buses

Vehicles registered under this class are vans or buses that are used exclusively to transport Sunday school students and teachers to and from Sunday school and church, or to transport patients or persons with special needs to and from hospitals, care homes or recreation centres.

The rate indication shows that a 0.8% decrease is indicated for this class to be rate adequate. Restricted bus rates differ based on seating capacity and as such, a relativity analysis was performed based on seating capacity.

Recommendation: SGI recommends applying the overall rate decrease for this class, which, after capping, becomes an overall average rate decrease of 0.9%. Once the capital margin is applied the rate change becomes a 1.5% increase. All vehicles within this class will be receiving an increase. The average and maximum increase is \$6/year. The impact on the rates for these vehicles is shown in the table below.

Seating Capacity	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
15 or less	\$361	\$358	-1%	-\$3	\$365	\$371	2%	\$6
16 - 24	\$368	\$364	-1%	-\$4	\$373	\$377	1%	\$4
25 or more	\$377	\$370	-2%	-\$7	\$382	\$384	1%	\$2

5.19 Class LV – Motorcycle

As in previous rate programs, motorcycles continue to be the class with one of the largest indicated rate increases. This year's rate indication shows that a 46.8% rate increase is required to break even as a class. Due to the lack of occupant protection, whether in a single vehicle crash or otherwise, injury claim costs for this class are extremely high given the likelihood of a motorcycle rider sustaining severe injuries. Unlike CLEAR-rated vehicles where injury makes up approximately 25% of the total required premium, motorcycle injury costs account for approximately 73% of the required average motorcycle premium.

Motorcycle rates within the class are split into three body types: cruiser/touring, sport and dual purpose/other. These three categories are further divided by model year and engine size.

Recommendation: While it was suggested during last year's motorcycle review that motorcycle rates would remain unchanged, it was felt that out of fairness to all other vehicle owners, motorcycles should, at a minimum, receive the average rate increase all other vehicles in the Auto Fund are receiving – a 2.7% increase. On top of this rate increase motorcycles will receive the 3.7% capital margin for a net motorcycle increase of 5.2%. Cruiser/touring bikes will receive an average increase of \$87/year, dual purpose/other bikes will receive an average increase of \$36/year and sport bikes will see an average increase of \$93/year. The maximum annual increases are as follows: cruiser/touring bikes \$107, dual purpose/other bikes \$93 and sport bikes \$141. The impact on the rates for these vehicles is shown in the tables below.

Cruiser/Touring

Current rates excluding RSR surcharge	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
Model Year					
1982 & Older	\$305	\$305	\$792	\$983	\$1,113
1983 - 1986	\$322	\$364	\$970	\$1,107	\$1,228
1987 - 1992	\$333	\$390	\$1,101	\$1,239	\$1,358
1993 - 1996	\$335	\$410	\$1,176	\$1,336	\$1,484
1997 - 2000	\$339	\$468	\$1,319	\$1,537	\$1,715
2001 - 2004	\$345	\$476	\$1,386	\$1,615	\$1,769
2005 - 2007	\$345	\$500	\$1,469	\$1,708	\$1,919
2008 - 2010	\$345	\$500	\$1,555	\$1,820	\$1,919
2011 - 2013	\$348	\$525	\$1,642	\$1,932	\$2,030
2014 - 2016	\$383	\$578	\$1,806	\$2,098	\$2,233

Proposed rates excluding Capital Margin	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$313	\$313	\$814	\$1,010	\$1,143
1983 - 1986	\$331	\$374	\$996	\$1,137	\$1,261
1987 - 1992	\$342	\$401	\$1,131	\$1,273	\$1,395
1993 - 1996	\$344	\$421	\$1,208	\$1,372	\$1,524
1997 - 2000	\$348	\$481	\$1,355	\$1,579	\$1,762
2001 - 2004	\$354	\$489	\$1,424	\$1,659	\$1,817
2005 - 2007	\$354	\$514	\$1,509	\$1,754	\$1,971
2008 - 2010	\$354	\$514	\$1,597	\$1,869	\$1,971
2011 - 2013	\$357	\$539	\$1,687	\$1,984	\$2,085
2014 - 2016	\$393	\$594	\$1,855	\$2,155	\$2,294

% Change excluding capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	3%	3%	3%	3%	3%
1983 - 1986	3%	3%	3%	3%	3%
1987 - 1992	3%	3%	3%	3%	3%
1993 - 1996	3%	3%	3%	3%	3%
1997 - 2000	3%	3%	3%	3%	3%
2001 - 2004	3%	3%	3%	3%	3%
2005 - 2007	3%	3%	3%	3%	3%
2008 - 2010	3%	3%	3%	3%	3%
2011 - 2013	3%	3%	3%	3%	3%
2014 - 2016	3%	3%	3%	3%	3%

\$ Change excluding capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$8	\$8	\$22	\$27	\$30
1983 - 1986	\$9	\$10	\$26	\$30	\$33
1987 - 1992	\$9	\$11	\$30	\$34	\$37
1993 - 1996	\$9	\$11	\$32	\$36	\$40
1997 - 2000	\$9	\$13	\$36	\$42	\$47
2001 - 2004	\$9	\$13	\$38	\$44	\$48
2005 - 2007	\$9	\$14	\$40	\$46	\$52
2008 - 2010	\$9	\$14	\$42	\$49	\$52
2011 - 2013	\$9	\$14	\$45	\$52	\$55
2014 - 2016	\$10	\$16	\$49	\$57	\$61

Current rates including RSR surcharge	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$309	\$309	\$802	\$995	\$1,127
1983 - 1986	\$326	\$368	\$982	\$1,121	\$1,243
1987 - 1992	\$337	\$395	\$1,115	\$1,254	\$1,375
1993 - 1996	\$339	\$415	\$1,190	\$1,352	\$1,502
1997 - 2000	\$343	\$474	\$1,335	\$1,556	\$1,736
2001 - 2004	\$349	\$482	\$1,403	\$1,635	\$1,791
2005 - 2007	\$349	\$506	\$1,487	\$1,729	\$1,943
2008 - 2010	\$349	\$506	\$1,574	\$1,842	\$1,943
2011 - 2013	\$352	\$531	\$1,662	\$1,956	\$2,055
2014 - 2016	\$388	\$585	\$1,828	\$2,124	\$2,260

Proposed rates including Capital Margin	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$324	\$324	\$844	\$1,047	\$1,185
1983 - 1986	\$343	\$388	\$1,033	\$1,179	\$1,307
1987 - 1992	\$355	\$416	\$1,173	\$1,320	\$1,446
1993 - 1996	\$357	\$436	\$1,252	\$1,422	\$1,580
1997 - 2000	\$361	\$499	\$1,405	\$1,637	\$1,827
2001 - 2004	\$367	\$507	\$1,476	\$1,720	\$1,884
2005 - 2007	\$367	\$533	\$1,564	\$1,818	\$2,043
2008 - 2010	\$367	\$533	\$1,656	\$1,938	\$2,043
2011 - 2013	\$370	\$559	\$1,749	\$2,057	\$2,162
2014 - 2016	\$407	\$616	\$1,923	\$2,234	\$2,378

% Change including capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	5%	5%	5%	5%	5%
1983 - 1986	5%	5%	5%	5%	5%
1987 - 1992	5%	5%	5%	5%	5%
1993 - 1996	5%	5%	5%	5%	5%
1997 - 2000	5%	5%	5%	5%	5%
2001 - 2004	5%	5%	5%	5%	5%
2005 - 2007	5%	5%	5%	5%	5%
2008 - 2010	5%	5%	5%	5%	5%
2011 - 2013	5%	5%	5%	5%	5%
2014 - 2016	5%	5%	5%	5%	5%

\$ Change including capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$15	\$15	\$42	\$52	\$58
1983 - 1986	\$17	\$20	\$51	\$58	\$64
1987 - 1992	\$18	\$21	\$58	\$66	\$71
1993 - 1996	\$18	\$21	\$62	\$70	\$78
1997 - 2000	\$18	\$25	\$70	\$81	\$91
2001 - 2004	\$18	\$25	\$73	\$85	\$93
2005 - 2007	\$18	\$27	\$77	\$89	\$100
2008 - 2010	\$18	\$27	\$82	\$96	\$100
2011 - 2013	\$18	\$28	\$87	\$101	\$107
2014 - 2016	\$19	\$31	\$95	\$110	\$118

Sport

Current rates excluding RSR surcharge	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$312	\$323	\$866	\$1,101	\$1,151
1983 - 1986	\$374	\$383	\$1,096	\$1,282	\$1,509
1987 - 1992	\$402	\$415	\$1,276	\$1,661	\$1,737
1993 - 1996	\$420	\$462	\$1,562	\$1,811	\$1,895
1997 - 2000	\$440	\$521	\$1,831	\$1,975	\$2,259
2001 - 2004	\$471	\$531	\$1,921	\$2,074	\$2,377
2005 - 2007	\$471	\$561	\$2,035	\$2,197	\$2,518
2008 - 2010	\$472	\$559	\$2,145	\$2,327	\$2,602
2011 - 2013	\$490	\$589	\$2,257	\$2,457	\$2,686
2014 - 2016	\$539	\$648	\$2,483	\$2,703	\$2,955

Proposed rates excluding Capital Margin	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$320	\$332	\$890	\$1,131	\$1,182
1983 - 1986	\$384	\$393	\$1,126	\$1,317	\$1,550
1987 - 1992	\$413	\$426	\$1,311	\$1,706	\$1,784
1993 - 1996	\$431	\$475	\$1,604	\$1,860	\$1,946
1997 - 2000	\$452	\$535	\$1,881	\$2,029	\$2,320
2001 - 2004	\$484	\$545	\$1,973	\$2,130	\$2,442
2005 - 2007	\$484	\$576	\$2,090	\$2,257	\$2,586
2008 - 2010	\$485	\$574	\$2,203	\$2,390	\$2,673
2011 - 2013	\$503	\$605	\$2,318	\$2,524	\$2,759
2014 - 2016	\$554	\$666	\$2,550	\$2,776	\$3,035

% Change excluding capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	3%	3%	3%	3%	3%
1983 - 1986	3%	3%	3%	3%	3%
1987 - 1992	3%	3%	3%	3%	3%
1993 - 1996	3%	3%	3%	3%	3%
1997 - 2000	3%	3%	3%	3%	3%
2001 - 2004	3%	3%	3%	3%	3%
2005 - 2007	3%	3%	3%	3%	3%
2008 - 2010	3%	3%	3%	3%	3%
2011 - 2013	3%	3%	3%	3%	3%
2014 - 2016	3%	3%	3%	3%	3%

\$ Change excluding capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$8	\$9	\$24	\$30	\$31
1983 - 1986	\$10	\$10	\$30	\$35	\$41
1987 - 1992	\$11	\$11	\$35	\$45	\$47
1993 - 1996	\$11	\$13	\$42	\$49	\$51
1997 - 2000	\$12	\$14	\$50	\$54	\$61
2001 - 2004	\$13	\$14	\$52	\$56	\$65
2005 - 2007	\$13	\$15	\$55	\$60	\$68
2008 - 2010	\$13	\$15	\$58	\$63	\$71
2011 - 2013	\$13	\$16	\$61	\$67	\$73
2014 - 2016	\$15	\$18	\$67	\$73	\$80

Current rates including RSR surcharge	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$316	\$327	\$877	\$1,115	\$1,165
1983 - 1986	\$379	\$388	\$1,109	\$1,298	\$1,528
1987 - 1992	\$407	\$420	\$1,292	\$1,681	\$1,758
1993 - 1996	\$425	\$468	\$1,581	\$1,833	\$1,918
1997 - 2000	\$445	\$527	\$1,854	\$1,999	\$2,287
2001 - 2004	\$477	\$538	\$1,945	\$2,100	\$2,406
2005 - 2007	\$477	\$568	\$2,060	\$2,224	\$2,549
2008 - 2010	\$478	\$566	\$2,171	\$2,356	\$2,634
2011 - 2013	\$496	\$596	\$2,285	\$2,487	\$2,719
2014 - 2016	\$546	\$656	\$2,514	\$2,736	\$2,991

Proposed rates including Capital Margin	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$332	\$344	\$923	\$1,173	\$1,225
1983 - 1986	\$398	\$407	\$1,167	\$1,365	\$1,607
1987 - 1992	\$428	\$442	\$1,359	\$1,769	\$1,850
1993 - 1996	\$447	\$492	\$1,663	\$1,928	\$2,017
1997 - 2000	\$469	\$555	\$1,950	\$2,104	\$2,405
2001 - 2004	\$502	\$565	\$2,045	\$2,208	\$2,532
2005 - 2007	\$502	\$597	\$2,167	\$2,340	\$2,681
2008 - 2010	\$503	\$595	\$2,284	\$2,478	\$2,771
2011 - 2013	\$521	\$627	\$2,403	\$2,617	\$2,860
2014 - 2016	\$574	\$690	\$2,644	\$2,878	\$3,146

% Change including capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	5%	5%	5%	5%	5%
1983 - 1986	5%	5%	5%	5%	5%
1987 - 1992	5%	5%	5%	5%	5%
1993 - 1996	5%	5%	5%	5%	5%
1997 - 2000	5%	5%	5%	5%	5%
2001 - 2004	5%	5%	5%	5%	5%
2005 - 2007	5%	5%	5%	5%	5%
2008 - 2010	5%	5%	5%	5%	5%
2011 - 2013	5%	5%	5%	5%	5%
2014 - 2016	5%	5%	5%	5%	5%

\$ Change including capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$16	\$17	\$46	\$58	\$60
1983 - 1986	\$19	\$19	\$58	\$67	\$79
1987 - 1992	\$21	\$22	\$67	\$88	\$92
1993 - 1996	\$22	\$24	\$82	\$95	\$99
1997 - 2000	\$24	\$28	\$96	\$105	\$118
2001 - 2004	\$25	\$27	\$100	\$108	\$126
2005 - 2007	\$25	\$29	\$107	\$116	\$132
2008 - 2010	\$25	\$29	\$113	\$122	\$137
2011 - 2013	\$25	\$31	\$118	\$130	\$141
2014 - 2016	\$28	\$34	\$130	\$142	\$155

Dual Purpose/Other

Current rates excluding RSR surcharge	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$291	\$291	\$718	\$919	\$1,015
1983 - 1986	\$322	\$323	\$848	\$1,082	\$1,181
1987 - 1992	\$330	\$373	\$1,001	\$1,135	\$1,268
1993 - 1996	\$332	\$394	\$1,112	\$1,223	\$1,359
1997 - 2000	\$336	\$415	\$1,232	\$1,398	\$1,476
2001 - 2004	\$343	\$454	\$1,266	\$1,457	\$1,536
2005 - 2007	\$343	\$468	\$1,370	\$1,554	\$1,661
2008 - 2010	\$343	\$484	\$1,394	\$1,580	\$1,723
2011 - 2013	\$346	\$500	\$1,417	\$1,605	\$1,785
2014 - 2016	\$381	\$550	\$1,559	\$1,766	\$1,964

Proposed rates excluding Capital Margin	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$299	\$299	\$738	\$944	\$1,043
1983 - 1986	\$331	\$332	\$871	\$1,111	\$1,213
1987 - 1992	\$339	\$383	\$1,028	\$1,166	\$1,302
1993 - 1996	\$341	\$405	\$1,142	\$1,256	\$1,396
1997 - 2000	\$345	\$426	\$1,265	\$1,436	\$1,516
2001 - 2004	\$352	\$466	\$1,300	\$1,497	\$1,578
2005 - 2007	\$352	\$481	\$1,407	\$1,596	\$1,706
2008 - 2010	\$352	\$497	\$1,432	\$1,623	\$1,770
2011 - 2013	\$355	\$514	\$1,455	\$1,649	\$1,833
2014 - 2016	\$391	\$565	\$1,601	\$1,814	\$2,017

% Change excluding capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	3%	3%	3%	3%	3%
1983 - 1986	3%	3%	3%	3%	3%
1987 - 1992	3%	3%	3%	3%	3%
1993 - 1996	3%	3%	3%	3%	3%
1997 - 2000	3%	3%	3%	3%	3%
2001 - 2004	3%	3%	3%	3%	3%
2005 - 2007	3%	3%	3%	3%	3%
2008 - 2010	3%	3%	3%	3%	3%
2011 - 2013	3%	3%	3%	3%	3%
2014 - 2016	3%	3%	3%	3%	3%

\$ Change excluding capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$8	\$8	\$20	\$25	\$28
1983 - 1986	\$9	\$9	\$23	\$29	\$32
1987 - 1992	\$9	\$10	\$27	\$31	\$34
1993 - 1996	\$9	\$11	\$30	\$33	\$37
1997 - 2000	\$9	\$11	\$33	\$38	\$40
2001 - 2004	\$9	\$12	\$34	\$40	\$42
2005 - 2007	\$9	\$13	\$37	\$42	\$45
2008 - 2010	\$9	\$13	\$38	\$43	\$47
2011 - 2013	\$9	\$14	\$38	\$44	\$48
2014 - 2016	\$10	\$15	\$42	\$48	\$53

Current rates including RSR surcharge	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$295	\$295	\$727	\$930	\$1,027
1983 - 1986	\$326	\$327	\$858	\$1,095	\$1,196
1987 - 1992	\$334	\$378	\$1,013	\$1,149	\$1,284
1993 - 1996	\$336	\$399	\$1,126	\$1,238	\$1,376
1997 - 2000	\$340	\$420	\$1,247	\$1,415	\$1,494
2001 - 2004	\$347	\$460	\$1,282	\$1,475	\$1,555
2005 - 2007	\$347	\$474	\$1,387	\$1,573	\$1,681
2008 - 2010	\$347	\$490	\$1,411	\$1,599	\$1,744
2011 - 2013	\$350	\$506	\$1,434	\$1,625	\$1,807
2014 - 2016	\$386	\$557	\$1,578	\$1,788	\$1,988

Proposed rates including Capital Margin	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	\$310	\$310	\$765	\$979	\$1,081
1983 - 1986	\$343	\$344	\$903	\$1,152	\$1,258
1987 - 1992	\$351	\$397	\$1,066	\$1,209	\$1,350
1993 - 1996	\$354	\$420	\$1,184	\$1,302	\$1,447
1997 - 2000	\$358	\$442	\$1,311	\$1,489	\$1,572
2001 - 2004	\$365	\$483	\$1,348	\$1,552	\$1,636
2005 - 2007	\$365	\$499	\$1,459	\$1,655	\$1,769
2008 - 2010	\$365	\$515	\$1,485	\$1,683	\$1,835
2011 - 2013	\$368	\$533	\$1,508	\$1,710	\$1,900
2014 - 2016	\$405	\$586	\$1,660	\$1,881	\$2,091

% Change including capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
1982 & Older	5%	5%	5%	5%	5%
1983 - 1986	5%	5%	5%	5%	5%
1987 - 1992	5%	5%	5%	5%	5%
1993 - 1996	5%	5%	5%	5%	5%
1997 - 2000	5%	5%	5%	5%	5%
2001 - 2004	5%	5%	5%	5%	5%
2005 - 2007	5%	5%	5%	5%	5%
2008 - 2010	5%	5%	5%	5%	5%
2011 - 2013	5%	5%	5%	5%	5%
2014 - 2016	5%	5%	5%	5%	5%

\$ Change including capital amounts	Engine Size				
	100 CC & Less	101 - 400 CC	401 - 750 CC	751 - 1100 CC	1101 CC & Greater
Model Year					
1982 & Older	\$15	\$15	\$38	\$49	\$54
1983 - 1986	\$17	\$17	\$45	\$57	\$62
1987 - 1992	\$17	\$19	\$53	\$60	\$66
1993 - 1996	\$18	\$21	\$58	\$64	\$71
1997 - 2000	\$18	\$22	\$64	\$74	\$78
2001 - 2004	\$18	\$23	\$66	\$77	\$81
2005 - 2007	\$18	\$25	\$72	\$82	\$88
2008 - 2010	\$18	\$25	\$74	\$84	\$91
2011 - 2013	\$18	\$27	\$74	\$85	\$93
2014 - 2016	\$19	\$29	\$82	\$93	\$103

5.20 Motorhomes

The rate indication shows that the premiums for these vehicles require an 8.7% rate increase. A relativity analysis was done based on declared value.

Recommendation: SGI recommends an overall average rate increase of 7.6% for this class, which becomes 10.2% with the capital margin applied. The current vehicle population will receive an average increase of \$49/year. The maximum rate increase that any customer in the current population will receive is \$216. The impact on the rates for these vehicles is shown in the tables below.

Value	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
\$10,000 & Less	\$264	\$272	3%	\$8	\$267	\$282	6%	\$15
\$10,001-\$20,000	\$358	\$352	-2%	-\$6	\$362	\$365	1%	\$3
\$20,001-\$30,000	\$558	\$630	13%	\$72	\$565	\$653	16%	\$88
\$30,001-\$50,000	\$564	\$689	22%	\$125	\$571	\$714	25%	\$143
\$50,001-\$75,000	\$770	\$831	8%	\$61	\$779	\$862	11%	\$83
\$75,001-\$100,000	\$779	\$884	13%	\$105	\$789	\$916	16%	\$127
\$100,001-\$125,000	\$912	\$956	5%	\$44	\$923	\$991	7%	\$68
\$125,001-\$150,000	\$975	\$1,035	6%	\$60	\$987	\$1,073	9%	\$86
\$150,001-\$200,000	\$1,077	\$1,121	4%	\$44	\$1,090	\$1,162	7%	\$72
\$200,001-\$250,000	\$1,088	\$1,217	12%	\$129	\$1,101	\$1,262	15%	\$161
\$250,001-\$300,000	\$1,126	\$1,294	15%	\$168	\$1,140	\$1,342	18%	\$202
\$300,001-\$400,000	\$1,147	\$1,319	15%	\$172	\$1,161	\$1,367	18%	\$206
\$400,001-\$500,000	\$1,177	\$1,353	15%	\$176	\$1,191	\$1,403	18%	\$212
> \$500,000	\$1,202	\$1,382	15%	\$180	\$1,217	\$1,433	18%	\$216

5.21 Class MT – Snowmobiles

Snowmobiles are currently charged a flat fee of \$80 (\$81 with the RSR surcharge). Snowmobiles have only liability coverage. The rate indication shows that a 4.0% decrease is warranted for this class.

Recommendation: SGI recommends that the indicated rate decrease be applied. This lowers the premium to \$77, which increases to \$80 after the capital margin is applied.

5.22 Class PB – Passenger Inter-city Buses

The indicated rate change for passenger inter-city buses shows that an increase of 3.7% is required. A relativity analysis was performed on model year and seating capacity.

Recommendation: SGI recommends an overall average rate increase of 3.4% for this class, which results in an average increase of 5.9% once the capital margin is applied. The average increase for 70% of the current vehicle population in this class is \$194/year. The average decrease for the remaining vehicles is \$57. The maximum increase that any one vehicle within the current population will receive is \$544; the maximum decrease is \$87. The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Seating Capacity				
	Model Year	9 & Less	10 - 15	16 - 24	25 or More
	1986 & Prior	\$1,001	\$940	\$1,053	\$1,522
	1987 - 1992	\$1,196	\$1,196	\$1,196	\$1,639
	1993 - 1998	\$1,408	\$1,317	\$1,406	\$2,523
	1999 - 2004	\$1,541	\$1,440	\$1,591	\$2,853
	2005 - 2008	\$1,634	\$1,527	\$1,687	\$3,025
	2009 - 2012	\$1,735	\$1,623	\$1,738	\$3,214
	2013 - 2016	\$1,772	\$1,720	\$1,772	\$3,404

Proposed rates excluding Capital Margin	Seating Capacity				
	Model Year	9 & Less	10 - 15	16 - 24	25 or More
	1986 & Prior	\$1,086	\$1,086	\$1,086	\$1,409
	1987 - 1992	\$1,112	\$1,112	\$1,112	\$1,516
	1993 - 1998	\$1,331	\$1,331	\$1,331	\$2,419
	1999 - 2004	\$1,568	\$1,568	\$1,568	\$3,280
	2005 - 2008	\$1,597	\$1,597	\$1,597	\$3,478
	2009 - 2012	\$1,628	\$1,628	\$1,628	\$3,641
	2013 - 2016	\$1,660	\$1,660	\$1,660	\$3,774

% Change excluding capital amounts	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1986 & Prior	8%	16%	3%	-7%
1987 - 1992	-7%	-7%	-7%	-8%
1993 - 1998	-5%	1%	-5%	-4%
1999 - 2004	2%	9%	-1%	15%
2005 - 2008	-2%	5%	-5%	15%
2009 - 2012	-6%	0%	-6%	13%
2013 - 2016	-6%	-3%	-6%	11%

\$ Change excluding capital amounts	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1986 & Prior	\$85	\$146	\$33	-\$113
1987 - 1992	-\$84	-\$84	-\$84	-\$123
1993 - 1998	-\$77	\$14	-\$75	-\$104
1999 - 2004	\$27	\$128	-\$23	\$427
2005 - 2008	-\$37	\$70	-\$90	\$453
2009 - 2012	-\$107	\$5	-\$110	\$427
2013 - 2016	-\$112	-\$60	-\$112	\$370

Current rates including RSR surcharge	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1986 & Prior	\$1,013	\$952	\$1,066	\$1,541
1987 - 1992	\$1,211	\$1,211	\$1,211	\$1,659
1993 - 1998	\$1,425	\$1,333	\$1,423	\$2,554
1999 - 2004	\$1,560	\$1,458	\$1,611	\$2,888
2005 - 2008	\$1,654	\$1,546	\$1,708	\$3,062
2009 - 2012	\$1,756	\$1,643	\$1,759	\$3,254
2013 - 2016	\$1,794	\$1,741	\$1,794	\$3,446

Proposed rates including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1986 & Prior	\$1,126	\$1,126	\$1,126	\$1,461
1987 - 1992	\$1,153	\$1,153	\$1,153	\$1,572
1993 - 1998	\$1,380	\$1,380	\$1,380	\$2,508
1999 - 2004	\$1,626	\$1,626	\$1,626	\$3,400
2005 - 2008	\$1,656	\$1,656	\$1,656	\$3,606
2009 - 2012	\$1,688	\$1,688	\$1,688	\$3,775
2013 - 2016	\$1,721	\$1,721	\$1,721	\$3,913

% Change including capital amounts	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1986 & Prior	11%	18%	6%	-5%
1987 - 1992	-5%	-5%	-5%	-5%
1993 - 1998	-3%	4%	-3%	-2%
1999 - 2004	4%	12%	1%	18%
2005 - 2008	0%	7%	-3%	18%
2009 - 2012	-4%	3%	-4%	16%
2013 - 2016	-4%	-1%	-4%	14%

\$ Change including capital amounts	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1986 & Prior	\$113	\$174	\$60	-\$80
1987 - 1992	-\$58	-\$58	-\$58	-\$87
1993 - 1998	-\$45	\$47	-\$43	-\$46
1999 - 2004	\$66	\$168	\$15	\$512
2005 - 2008	\$2	\$110	-\$52	\$544
2009 - 2012	-\$68	\$45	-\$71	\$521
2013 - 2016	-\$73	-\$20	-\$73	\$467

5.23 Class PC – Passenger City Buses

The indicated rate change for passenger city buses is a 30.7% increase. A relativity analysis was performed on model year and seating capacity.

Recommendation: SGI recommends applying the indicated rate change, which, after capping, results in an overall average rate increase of 10.2% for this class, 12.9% with the capital margin. The average increase for vehicles in this class is \$218/year, with the maximum increase that any one vehicle within the population experiencing being \$312. The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Seating Capacity				
	Model Year	9 & Less	10 - 15	16 - 24	25 or More
	1984 & Prior	\$656	\$849	\$988	\$1,572
	1985 - 1992	\$702	\$938	\$1,089	\$1,738
	1993 - 2000	\$822	\$1,095	\$1,260	\$2,082
	2001 - 2004	\$863	\$1,153	\$1,343	\$2,235
	2005 - 2008	\$909	\$1,186	\$1,388	\$2,312
	2009 - 2012	\$941	\$1,237	\$1,458	\$2,428
	2013 - 2016	\$973	\$1,288	\$1,528	\$2,546

Proposed rates excluding Capital Margin	Seating Capacity				
	Model Year	9 & Less	10 - 15	16 - 24	25 or More
	1984 & Prior	\$781	\$999	\$1,138	\$1,807
	1985 - 1992	\$827	\$1,088	\$1,252	\$1,998
	1993 - 2000	\$972	\$1,259	\$1,449	\$2,267
	2001 - 2004	\$1,013	\$1,325	\$1,544	\$2,332
	2005 - 2008	\$1,059	\$1,363	\$1,596	\$2,432
	2009 - 2012	\$1,091	\$1,422	\$1,676	\$2,534
	2013 - 2016	\$1,123	\$1,481	\$1,757	\$2,652

% Change excluding capital amounts	Seating Capacity				
	Model Year	9 & Less	10 - 15	16 - 24	25 or More
	1984 & Prior	19%	18%	15%	15%
	1985 - 1992	18%	16%	15%	15%
	1993 - 2000	18%	15%	15%	9%
	2001 - 2004	17%	15%	15%	4%
	2005 - 2008	17%	15%	15%	5%
	2009 - 2012	16%	15%	15%	4%
	2013 - 2016	15%	15%	15%	4%

\$ Change excluding capital amounts	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1984 & Prior	\$125	\$150	\$150	\$235
1985 - 1992	\$125	\$150	\$163	\$260
1993 - 2000	\$150	\$164	\$189	\$185
2001 - 2004	\$150	\$172	\$201	\$97
2005 - 2008	\$150	\$177	\$208	\$120
2009 - 2012	\$150	\$185	\$218	\$106
2013 - 2016	\$150	\$193	\$229	\$106

Current rates including RSR surcharge	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1984 & Prior	\$664	\$859	\$1,000	\$1,591
1985 - 1992	\$711	\$950	\$1,102	\$1,759
1993 - 2000	\$832	\$1,108	\$1,275	\$2,108
2001 - 2004	\$874	\$1,167	\$1,360	\$2,262
2005 - 2008	\$920	\$1,201	\$1,405	\$2,340
2009 - 2012	\$953	\$1,252	\$1,476	\$2,458
2013 - 2016	\$985	\$1,304	\$1,547	\$2,577

Proposed rates including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1984 & Prior	\$810	\$1,036	\$1,180	\$1,873
1985 - 1992	\$857	\$1,128	\$1,298	\$2,071
1993 - 2000	\$1,008	\$1,305	\$1,502	\$2,350
2001 - 2004	\$1,050	\$1,374	\$1,601	\$2,418
2005 - 2008	\$1,098	\$1,413	\$1,655	\$2,521
2009 - 2012	\$1,131	\$1,474	\$1,738	\$2,627
2013 - 2016	\$1,164	\$1,535	\$1,822	\$2,749

% Change including capital amounts	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1984 & Prior	22%	21%	18%	18%
1985 - 1992	21%	19%	18%	18%
1993 - 2000	21%	18%	18%	11%
2001 - 2004	20%	18%	18%	7%
2005 - 2008	19%	18%	18%	8%
2009 - 2012	19%	18%	18%	7%
2013 - 2016	18%	18%	18%	7%

\$ Change including capital amounts	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1984 & Prior	\$146	\$177	\$180	\$282
1985 - 1992	\$146	\$178	\$196	\$312
1993 - 2000	\$176	\$197	\$227	\$242
2001 - 2004	\$176	\$207	\$241	\$156
2005 - 2008	\$178	\$212	\$250	\$181
2009 - 2012	\$178	\$222	\$262	\$169
2013 - 2016	\$179	\$231	\$275	\$172

5.24 Class PS – Passenger School Buses

The passenger school bus rate indication is for an 11.3% rate increase. A relativity analysis was performed on model year and number of seats. Based on this analysis, SGI is proposing to remove seating capacity as a rating variable for school buses and to have rates vary by model year only.

Recommendation: SGI recommends an overall average rate increase of 11.6% for this class, which becomes 14.4% once the RSR surcharge is applied. The average increase for school buses will be \$72/year, with a maximum increase of \$111. The impact on the rates for these vehicles is shown in the tables below.

Current rates excluding RSR surcharge	Seating Capacity	
	24 & Less	25 or More
Model Year		
1986 & Prior	\$316	\$315
1987 - 1990	\$413	\$409
1991 - 1994	\$413	\$409
1995 - 1998	\$466	\$462
1999 - 2002	\$494	\$490
2003 - 2006	\$494	\$490
2007 - 2010	\$515	\$511
2011 - 2014	\$536	\$532
2015 - 2018	\$560	\$555

Proposed rates excluding Capital Margin	Seating Capacity	
	24 & Less	25 or More
Model Year		
1986 & Prior	\$415	\$415
1987 - 1990	\$451	\$451
1991 - 1994	\$469	\$469
1995 - 1998	\$496	\$496
1999 - 2002	\$517	\$517
2003 - 2006	\$551	\$551
2007 - 2010	\$585	\$585
2011 - 2014	\$618	\$618
2015 - 2018	\$648	\$648

% Change excluding capital amounts	Seating Capacity		
	Model Year	24 & Less	25 or More
	1986 & Prior	31%	32%
	1987 - 1990	9%	10%
	1991 - 1994	14%	15%
	1995 - 1998	6%	7%
	1999 - 2002	5%	6%
	2003 - 2006	12%	12%
	2007 - 2010	14%	14%
	2011 - 2014	15%	16%
	2015 - 2018	16%	17%

\$ Change excluding capital amounts	Seating Capacity		
	Model Year	24 & Less	25 or More
	1986 & Prior	\$99	\$100
	1987 - 1990	\$38	\$42
	1991 - 1994	\$56	\$60
	1995 - 1998	\$30	\$34
	1999 - 2002	\$23	\$27
	2003 - 2006	\$57	\$61
	2007 - 2010	\$70	\$74
	2011 - 2014	\$82	\$86
	2015 - 2018	\$88	\$93

Current rates including RSR surcharge	Seating Capacity		
	Model Year	24 & Less	25 or More
	1986 & Prior	\$320	\$319
	1987 - 1990	\$418	\$414
	1991 - 1994	\$418	\$414
	1995 - 1998	\$472	\$468
	1999 - 2002	\$500	\$496
	2003 - 2006	\$500	\$496
	2007 - 2010	\$521	\$517
	2011 - 2014	\$543	\$539
	2015 - 2018	\$567	\$562

Proposed rates including Capital Margin	Seating Capacity		
	Model Year	24 & Less	25 or More
	1986 & Prior	\$430	\$430
	1987 - 1990	\$468	\$468
	1991 - 1994	\$486	\$486
	1995 - 1998	\$514	\$514
	1999 - 2002	\$536	\$536
	2003 - 2006	\$571	\$571
	2007 - 2010	\$606	\$606
	2011 - 2014	\$641	\$641
	2015 - 2018	\$672	\$672

% Change including capital amounts	Seating Capacity		
	Model Year	24 & Less	25 or More
	1986 & Prior	34%	35%
	1987 - 1990	12%	13%
	1991 - 1994	16%	17%
	1995 - 1998	9%	10%
	1999 - 2002	7%	8%
	2003 - 2006	14%	15%
	2007 - 2010	16%	17%
	2011 - 2014	18%	19%
	2015 - 2018	19%	20%

\$ Change including capital amounts	Seating Capacity		
	Model Year	24 & Less	25 or More
	1986 & Prior	\$110	\$111
	1987 - 1990	\$50	\$54
	1991 - 1994	\$68	\$72
	1995 - 1998	\$42	\$46
	1999 - 2002	\$36	\$40
	2003 - 2006	\$71	\$75
	2007 - 2010	\$85	\$89
	2011 - 2014	\$98	\$102
	2015 - 2018	\$105	\$110

5.25 Class PT – Urban Taxis

The rate indication for this class shows that a 36.3% rate increase overall is required.

Recommendation: SGI recently completed an analysis of taxi loss costs for each Saskatchewan community, both urban and rural, to see whether claims costs change along with a community's population size or if there was another factor that should be used to group taxi rates together. The analysis showed that small city and large city taxis, with the exception of Prince Albert, had nearly identical claims histories. As such, SGI proposes to group large and small cities together for rating purposes. Prince Albert, Regina and Saskatoon have significantly different claims histories than all other locations. For this reason, the proposed change is to have separate rates for Regina, Saskatoon and Prince Albert. While the rates will be separate for these three locations, they will be based off the average for all three locations to ensure stable, credible results. At present, only damage rates vary by location. Based on the analysis, injury rates are proposed to vary by location as well.

SGI recommends an overall average rate increase of 14.5% for this class, which after the application of the capital margin becomes 17.3%. The impact on the rates for these vehicles is shown in the table below.

Location Table	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
A – Small Cities	\$1,869	\$2,149	15%	\$280	\$1,892	\$2,228	18%	\$336
B – Large Cities	\$3,322	\$3,647	10%	\$325	\$3,363	\$3,781	12%	\$418
Prince Albert	\$3,322	\$3,820	15%	\$498	\$3,363	\$3,960	18%	\$597
Regina	\$3,946	\$4,537	15%	\$591	\$3,995	\$4,704	18%	\$709
Saskatoon	\$3,946	\$4,537	15%	\$591	\$3,995	\$4,704	18%	\$709

Trailers

Typically, the only coverage available to trailers is first-party damage with all other coverages being provided under the towing vehicle.

5.26 Class F – Farm Trailers

The rate indication shows that a 4.2% increase is warranted for this class. A relativity analysis based on body type was performed.

Recommendation: SGI recommends an overall average rate increase of 3.9% for these trailers, 5.7% once the capital margin is applied. All of the current farm trailer population will receive an increase at an average of \$4/year, with the maximum being \$5. The impact on the rates for these trailers is shown in the table below.

Trailer Type	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
Utility Trailer	\$41	\$44	7%	\$3	\$42	\$46	10%	\$4
Semi Trailer	\$91	\$91	0%	\$0	\$92	\$94	2%	\$2
Transport Trailer	\$45	\$49	9%	\$4	\$46	\$51	11%	\$5

5.27 Class LT – Trailer Dealers and Movers

The indicated rate change is an increase of 0.1%.

Recommendation: After rounding, SGI recommends an overall average rate increase of 0.1% for this class; 2.6% once the capital margin is applied. The average increase that will be applied is \$19/year; the maximum increase is \$24. The impact on the rates for these trailers is shown in the table below.

Trailer Type	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
Utility Trailer	\$158	\$154	-3%	-\$4	\$160	\$160	0%	\$0
Tent Trailer	\$158	\$154	-3%	-\$4	\$160	\$160	0%	\$0
Semi Trailer	\$429	\$428	0%	-\$1	\$434	\$444	2%	\$10
Transport Trailer	\$429	\$428	0%	-\$1	\$434	\$444	2%	\$10
Cabin Trailer	\$826	\$830	0%	\$4	\$836	\$860	3%	\$24

5.28 Class T – Personal Trailers

The rate indication suggests that an increase of 15.7% is warranted on the premiums for this class. A relativity analysis was performed on value and body style.

Recommendation: SGI recommends an overall average rate increase of 14.3% for this class; 17.2% once the capital margin is applied. Ninety-nine per cent of the current trailer population will receive an average increase of \$38; the remainder will receive a \$47 average reduction. The maximum increase that any trailer in the current population will receive is \$145; the maximum decrease is \$95. The impact on the rates for these trailers is shown in the tables below.

Current rates excluding RSR surcharge	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fiberglass
Value				
\$1,000 & Less	\$43	\$39	\$43	\$43
\$1,001 to 3,000	\$58	\$45	\$72	\$57
\$3,001 to 5,000	\$89	\$58	\$133	\$87
\$5,001 to 10,000	\$184	\$98	\$305	\$177
\$10,001 to 15,000	\$249	\$142	\$393	\$264
\$15,001 to 20,000	\$279	\$150	\$455	\$294
\$20,001 to 25,000	\$332	\$198	\$552	\$318
\$25,001 to 40,000	\$343	\$258	\$594	\$329
\$40,001 to 60,000	\$407	\$298	\$695	\$390
\$60,001 to 80,000	\$426	\$318	\$746	\$409
\$80,001 to 100,000	\$473	\$375	\$809	\$453
\$100,001 & More	\$520	\$443	\$917	\$498

Proposed rates excluding Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fiberglass
Value				
\$1,000 & Less	\$52	\$47	\$58	\$51
\$1,001 to 3,000	\$68	\$54	\$87	\$67
\$3,001 to 5,000	\$104	\$70	\$153	\$101
\$5,001 to 10,000	\$205	\$112	\$337	\$197
\$10,001 to 15,000	\$318	\$160	\$493	\$304
\$15,001 to 20,000	\$343	\$171	\$555	\$328
\$20,001 to 25,000	\$365	\$180	\$625	\$348
\$25,001 to 40,000	\$382	\$187	\$656	\$364
\$40,001 to 60,000	\$471	\$225	\$819	\$449
\$60,001 to 80,000	\$475	\$226	\$824	\$452
\$80,001 to 100,000	\$518	\$275	\$902	\$493
\$100,001 & More	\$565	\$343	\$988	\$538

% Change excluding capital amounts	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fiberglass
Value				
\$1,000 & Less	21%	21%	35%	19%
\$1,001 to 3,000	17%	20%	21%	18%
\$3,001 to 5,000	17%	21%	15%	16%
\$5,001 to 10,000	11%	14%	10%	11%
\$10,001 to 15,000	28%	13%	25%	15%
\$15,001 to 20,000	23%	14%	22%	12%
\$20,001 to 25,000	10%	-9%	13%	9%
\$25,001 to 40,000	11%	-28%	10%	11%
\$40,001 to 60,000	16%	-24%	18%	15%
\$60,001 to 80,000	12%	-29%	10%	11%
\$80,001 to 100,000	10%	-27%	11%	9%
\$100,001 & More	9%	-23%	8%	8%

\$ Change excluding capital amounts	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fiberglass
Value				
\$1,000 & Less	\$9	\$8	\$15	\$8
\$1,001 to 3,000	\$10	\$9	\$15	\$10
\$3,001 to 5,000	\$15	\$12	\$20	\$14
\$5,001 to 10,000	\$21	\$14	\$32	\$20
\$10,001 to 15,000	\$69	\$18	\$100	\$40
\$15,001 to 20,000	\$64	\$21	\$100	\$34
\$20,001 to 25,000	\$33	-\$18	\$73	\$30
\$25,001 to 40,000	\$39	-\$71	\$62	\$35
\$40,001 to 60,000	\$64	-\$73	\$124	\$59
\$60,001 to 80,000	\$49	-\$92	\$78	\$43
\$80,001 to 100,000	\$45	-\$100	\$93	\$40
\$100,001 & More	\$45	-\$100	\$71	\$40

Current rates including RSR surcharge	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fiberglass
Value				
\$1,000 & Less	\$44	\$39	\$44	\$44
\$1,001 to 3,000	\$59	\$46	\$73	\$58
\$3,001 to 5,000	\$90	\$59	\$135	\$88
\$5,001 to 10,000	\$186	\$99	\$309	\$179
\$10,001 to 15,000	\$252	\$144	\$398	\$267
\$15,001 to 20,000	\$282	\$152	\$461	\$298
\$20,001 to 25,000	\$336	\$200	\$559	\$322
\$25,001 to 40,000	\$347	\$261	\$601	\$333
\$40,001 to 60,000	\$412	\$302	\$704	\$395
\$60,001 to 80,000	\$431	\$322	\$755	\$414
\$80,001 to 100,000	\$479	\$380	\$819	\$459
\$100,001 & More	\$526	\$448	\$928	\$504

Proposed rates including Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fiberglass
Value				
\$1,000 & Less	\$54	\$49	\$60	\$53
\$1,001 to 3,000	\$70	\$56	\$90	\$69
\$3,001 to 5,000	\$108	\$73	\$159	\$105
\$5,001 to 10,000	\$213	\$116	\$349	\$204
\$10,001 to 15,000	\$330	\$166	\$511	\$315
\$15,001 to 20,000	\$356	\$177	\$575	\$340
\$20,001 to 25,000	\$378	\$187	\$648	\$361
\$25,001 to 40,000	\$396	\$194	\$680	\$377
\$40,001 to 60,000	\$488	\$233	\$849	\$465
\$60,001 to 80,000	\$492	\$234	\$854	\$469
\$80,001 to 100,000	\$537	\$285	\$935	\$511
\$100,001 & More	\$586	\$356	\$1,024	\$558

% Change including capital amounts	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fiberglass
Value				
\$1,000 & Less	23%	26%	36%	20%
\$1,001 to 3,000	19%	22%	23%	19%
\$3,001 to 5,000	20%	24%	18%	19%
\$5,001 to 10,000	15%	17%	13%	14%
\$10,001 to 15,000	31%	15%	28%	18%
\$15,001 to 20,000	26%	16%	25%	14%
\$20,001 to 25,000	13%	-6%	16%	12%
\$25,001 to 40,000	14%	-26%	13%	13%
\$40,001 to 60,000	18%	-23%	21%	18%
\$60,001 to 80,000	14%	-27%	13%	13%
\$80,001 to 100,000	12%	-25%	14%	11%
\$100,001 & More	11%	-21%	10%	11%

\$ Change including capital amounts	Trailer Type			
	Value	Tent	Semi & Transport	Metal Cabin
\$1,000 & Less	\$10	\$10	\$16	\$9
\$1,001 to 3,000	\$11	\$10	\$17	\$11
\$3,001 to 5,000	\$18	\$14	\$24	\$17
\$5,001 to 10,000	\$27	\$17	\$40	\$25
\$10,001 to 15,000	\$78	\$22	\$113	\$48
\$15,001 to 20,000	\$74	\$25	\$114	\$42
\$20,001 to 25,000	\$42	-\$13	\$89	\$39
\$25,001 to 40,000	\$49	-\$67	\$79	\$44
\$40,001 to 60,000	\$76	-\$69	\$145	\$70
\$60,001 to 80,000	\$61	-\$88	\$99	\$55
\$80,001 to 100,000	\$58	-\$95	\$116	\$52
\$100,001 & More	\$60	-\$92	\$96	\$54

5.29 Class T – Utility Trailers

The indication shows that utility trailers require a 13.3% increase to their rate. Currently utility trailers are charged a flat rate of \$34 per trailer.

Recommendation: SGI recommends that the full indicated rate change be applied to utility trailers, which when combined with rounding, results in a 14.7% rate increase; 17.6% including the capital margin. The proposed rate for utility trailers is \$40 including the capital margin, an increase of \$6.

5.30 Class TS – Commercial Trailers

The rate indication for this class is for a 10.8% rate increase. These trailers are rated by value up to a limit of \$15,000. Customers have the option to purchase excess value coverage through either the Auto Fund or the competitive market. A relativity analysis was completed for the declared value bands up to \$15,000.

Recommendation: SGI recommends the application of the indicated rate change, which, when combined with the capital margin, results in a 13.0% increase. All of the current commercial trailer population will receive an increase, which on average is \$13/year, with the maximum annual increase that any commercial trailer will receive being \$28. The table below shows the impact on the rates for these trailers.

Value	Current rates excluding RSR surcharge	Proposed rates excluding Capital Margin	% Change excluding capital amounts	\$ Change excluding capital amounts	Current rates including RSR surcharge	Proposed rates including Capital Margin	% Change including capital amounts	\$ Change including capital amounts
2,000 & Less	\$45	\$48	7%	\$3	\$46	\$50	9%	\$4
2,001 - 5,000	\$82	\$90	10%	\$8	\$83	\$93	12%	\$10
5,001 - 7,000	\$94	\$103	10%	\$9	\$95	\$107	13%	\$12
7,001 - 10,000	\$109	\$120	10%	\$11	\$110	\$124	13%	\$14
10,001 - 12,000	\$134	\$155	16%	\$21	\$136	\$161	18%	\$25
12,001 - 15,000	\$183	\$205	12%	\$22	\$185	\$213	15%	\$28

Miscellaneous Classes

5.31 Class A – Heavy Trucks, Heavy Vans and Power Units non-IRP Excess Value

For Class A non-IRP commercial vehicles, the Auto Fund provides damage coverage up to a limit of \$15,000 for damage to a customer's own vehicle. A customer has the option of purchasing excess value coverage either through the Auto Fund or a competitive insurer. The current charge for excess value through the Auto Fund is \$17 per \$1,000 of excess value. The rate indication shows that a 22.6% decrease is warranted for this class.

Recommendation: SGI is recommending no rate change for Class A excess value at this time. As part of the Auto Fund coverage review, SGI is considering not providing excess coverage in the future and, as such, does not want to lower the rate only to tell customers that they cannot purchase the coverage anymore. The rate for this coverage will have the capital margin amount applied, so that the fee will increase to \$18 per \$1,000 of excess value.

5.32 Class C and D – Heavy Trucks, Heavy Vans and Power Units Excess Value

For Class C and D commercial vehicles, the Auto Fund provides damage coverage up to a limit of \$15,000 for damage to a customer's own vehicle. A customer has the option of purchasing excess value coverage either through the Auto Fund or a competitive insurer. The current charge for excess value through the Auto Fund is \$17 per \$1,000 of excess value. The rate indication shows that a 45.6% decrease is warranted for this class.

Recommendation: SGI is recommending no rate change for Class C and D excess value at this time. As part of the Auto Fund coverage review, SGI is considering not providing excess coverage in the future and, as such, does not want to lower the rate and then tell customers that they cannot purchase the coverage anymore. As with the Class A excess value rate, the rate for Class C and D excess value will increase to \$18 per \$1,000 of excess value once the capital margin is applied.

5.33 Class C and D – Non-Resident

Vehicles fully registered and insured in another jurisdiction, operating in Saskatchewan for less than one year with the following vehicle industry types, are charged a flat fee of \$75 annually (\$76 with the RSR surcharge) and are only provided with injury coverage: mineral exploration or transportation of passengers, dangerous goods, general merchandise or other. As these vehicles are fully registered and insured in another jurisdiction they are referred to as "non-resident" vehicles. The rate indication shows that no rate change is warranted for this class.

Recommendation: Due to the low number of vehicles in this class and the lack of claims, SGI recommends no change to the current flat fee. The capital margin will be applied to the flat fee increasing it to \$78.

5.34 Industrial Tracked Vehicles

These vehicles run on tracks rather than wheels, such as a Bombardier or snow-groomer. The data for this class is very thin. Industrial tracked vehicles from all classes have been pooled together for the analysis. The indication shows that a 0.2% decrease is warranted for these vehicles. The current flat fee for this type of vehicle is \$275 (\$278 including the RSR surcharge).

Recommendation: SGI recommends no change to the flat fee at this time, other than the application of the capital margin, since there are no vehicles currently being insured. The proposed flat fee is \$285, a 2.5% increase over the current rate.

5.35 Class LV – Motorized Bicycle

Motorized pedal bikes are currently charged a flat rate of \$44 (\$45 with the RSR surcharge). The rate indication shows that a 87.4% increase is warranted for this class.

Recommendation: SGI recommends a change of 56.8% to this line; 60.0% when the impact of the capital margin is accounted for. The proposed flat fee for motorized bicycles will increase to \$69 and \$72 with the capital margin.

Private Vehicle (PV) Class

Currently, private vehicles include heavy trucks, power units and vans that are greater than one tonne that are not being used for conducting a business or commercial undertaking and vehicles that are used to conduct a primary farming activity, if the registered owner of the vehicle is not eligible for Class F.

5.36 Class PV – Converted Vehicles

Converted vehicles are those vehicles that were originally manufactured for one use, but a customer has modified it for another use. An example of this would be a school bus that has all the seats behind the driver seat removed and is now being used for hauling.

The indication for Class PV converted vehicles is a 1.5% rate decrease.

Recommendation: SGI recommends that the indicated rate decrease is applied, which, due to capping, results in a decrease of 1.9%. Once the capital margin is applied the overall impact on the customer is a 0.6% increase. There are currently seven vehicles registered as a class PV converted vehicle. Three of the seven vehicles will receive an average increase of \$34/year, with a maximum increase of \$47/year, one vehicle will remain unchanged, and the remaining three vehicles will receive an average decrease of \$27/year, with a maximum decrease of \$65/year. The tables below show the impact on rates:

Current rates excluding RSR surcharge	Model Year						
	1986 & Older	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$603	\$710	\$790	\$848	\$906	\$964	\$993
5,001-11,000	\$606	\$710	\$803	\$865	\$926	\$987	\$1,018
11,001-13,000	\$609	\$710	\$821	\$887	\$953	\$1,018	\$1,051
13,001-22,000	\$612	\$710	\$829	\$909	\$980	\$1,050	\$1,085
22,001-34,000	\$616	\$710	\$829	\$931	\$1,006	\$1,081	\$1,118
34,001-40,000	\$618	\$710	\$829	\$942	\$1,019	\$1,096	\$1,135
40,001-50,000	\$620	\$710	\$829	\$954	\$1,033	\$1,112	\$1,152
50,001-63,500	\$621	\$710	\$829	\$966	\$1,047	\$1,129	\$1,170

Proposed rates excluding Capital Margin	Model Year						
	1986 & Older	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW							
No GVW	\$622	\$721	\$773	\$823	\$846	\$881	\$887
5,001-11,000	\$626	\$730	\$784	\$837	\$861	\$898	\$905
11,001-13,000	\$630	\$739	\$796	\$852	\$877	\$915	\$923
13,001-22,000	\$635	\$749	\$809	\$868	\$894	\$934	\$942
22,001-34,000	\$639	\$759	\$822	\$884	\$912	\$954	\$962
34,001-40,000	\$644	\$770	\$836	\$901	\$930	\$974	\$983
40,001-50,000	\$649	\$781	\$851	\$919	\$949	\$996	\$1,005
50,001-63,500	\$655	\$793	\$867	\$938	\$970	\$1,018	\$1,028

% Change excluding capital amounts	Model Year						
	1986 & Older	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW							
No GVW	3%	2%	-2%	-3%	-7%	-9%	-11%
5,001-11,000	3%	3%	-2%	-3%	-7%	-9%	-11%
11,001-13,000	3%	4%	-3%	-4%	-8%	-10%	-12%
13,001-22,000	4%	5%	-2%	-5%	-9%	-11%	-13%
22,001-34,000	4%	7%	-1%	-5%	-9%	-12%	-14%
34,001-40,000	4%	8%	1%	-4%	-9%	-11%	-13%
40,001-50,000	5%	10%	3%	-4%	-8%	-10%	-13%
50,001-63,500	5%	12%	5%	-3%	-7%	-10%	-12%

\$ Change excluding capital amounts	Model Year						
	1986 & Older	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
GVW							
No GVW	\$19	\$11	-\$17	-\$25	-\$60	-\$83	-\$106
5,001-11,000	\$20	\$20	-\$19	-\$28	-\$65	-\$89	-\$113
11,001-13,000	\$21	\$29	-\$25	-\$35	-\$76	-\$103	-\$128
13,001-22,000	\$23	\$39	-\$20	-\$41	-\$86	-\$116	-\$143
22,001-34,000	\$23	\$49	-\$7	-\$47	-\$94	-\$127	-\$156
34,001-40,000	\$26	\$60	\$7	-\$41	-\$89	-\$122	-\$152
40,001-50,000	\$29	\$71	\$22	-\$35	-\$84	-\$116	-\$147
50,001-63,500	\$34	\$83	\$38	-\$28	-\$77	-\$111	-\$142

Current rates including RSR surcharge	Model Year						
	1986 & Older	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$610	\$719	\$800	\$858	\$917	\$976	\$1,005
5,001-11,000	\$613	\$719	\$813	\$876	\$937	\$999	\$1,031
11,001-13,000	\$616	\$719	\$831	\$898	\$965	\$1,031	\$1,064
13,001-22,000	\$620	\$719	\$839	\$920	\$992	\$1,063	\$1,098
22,001-34,000	\$624	\$719	\$839	\$942	\$1,018	\$1,094	\$1,132
34,001-40,000	\$626	\$719	\$839	\$954	\$1,032	\$1,109	\$1,149
40,001-50,000	\$628	\$719	\$839	\$966	\$1,046	\$1,126	\$1,166
50,001-63,500	\$629	\$719	\$839	\$978	\$1,060	\$1,143	\$1,184

Proposed rates including Capital Margin	Model Year						
	1986 & Older	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$645	\$747	\$801	\$853	\$877	\$913	\$920
5,001-11,000	\$649	\$757	\$813	\$868	\$893	\$931	\$938
11,001-13,000	\$653	\$766	\$825	\$883	\$909	\$949	\$957
13,001-22,000	\$658	\$777	\$839	\$900	\$927	\$968	\$977
22,001-34,000	\$662	\$787	\$852	\$916	\$946	\$989	\$997
34,001-40,000	\$668	\$798	\$867	\$934	\$964	\$1,010	\$1,019
40,001-50,000	\$673	\$810	\$882	\$953	\$984	\$1,033	\$1,042
50,001-63,500	\$679	\$822	\$899	\$972	\$1,006	\$1,055	\$1,066

% Change including capital amounts	Model Year						
	1986 & Older	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	6%	4%	0%	-1%	-4%	-6%	-8%
5,001-11,000	6%	5%	0%	-1%	-5%	-7%	-9%
11,001-13,000	6%	7%	-1%	-2%	-6%	-8%	-10%
13,001-22,000	6%	8%	0%	-2%	-7%	-9%	-11%
22,001-34,000	6%	9%	2%	-3%	-7%	-10%	-12%
34,001-40,000	7%	11%	3%	-2%	-7%	-9%	-11%
40,001-50,000	7%	13%	5%	-1%	-6%	-8%	-11%
50,001-63,500	8%	14%	7%	-1%	-5%	-8%	-10%

\$ Change including capital amounts	Model Year						
	1986 & Older	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
GVW							
No GVW	\$35	\$28	\$1	-\$5	-\$40	-\$63	-\$85
5,001-11,000	\$36	\$38	\$0	-\$8	-\$44	-\$68	-\$93
11,001-13,000	\$37	\$47	-\$6	-\$15	-\$56	-\$82	-\$107
13,001-22,000	\$38	\$58	\$0	-\$20	-\$65	-\$95	-\$121
22,001-34,000	\$38	\$68	\$13	-\$26	-\$72	-\$105	-\$135
34,001-40,000	\$42	\$79	\$28	-\$20	-\$68	-\$99	-\$130
40,001-50,000	\$45	\$91	\$43	-\$13	-\$62	-\$93	-\$124
50,001-63,500	\$50	\$103	\$60	-\$6	-\$54	-\$88	-\$118

5.37 Class PV – Heavy Trucks and Heavy Vans

The indicated rate change for Class PV heavy trucks and vans is a 4.5% rate decrease.

Recommendation: SGI recommends that the indicated rate decrease is applied, which, due to capping, results in a decrease of 3.2%. Once the capital margin is applied the overall impact on the customer is a 0.9% decrease. Fifty-nine percent of the vehicles within this class will see an average increase of \$35/year, with a maximum increase of \$56/year. The remaining 41% will see an average decrease of \$65/year, with a maximum decrease of \$174/year. The tables below show the impact on rates:

Current rates excluding RSR surcharge	Model Year									
	1971 & Older	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.										
No G.V.W.	\$503	\$536	\$572	\$601	\$657	\$714	\$789	\$854	\$918	\$954
5,001-11,000	\$504	\$541	\$577	\$607	\$667	\$727	\$794	\$888	\$1,047	\$1,088
11,001-13,000	\$505	\$545	\$584	\$616	\$680	\$744	\$808	\$987	\$1,166	\$1,213
13,001-22,000	\$506	\$548	\$590	\$624	\$693	\$761	\$886	\$1,018	\$1,284	\$1,335
22,001-34,000	\$507	\$560	\$597	\$633	\$706	\$779	\$1,011	\$1,148	\$1,284	\$1,335
34,001-40,000	\$508	\$562	\$600	\$637	\$712	\$787	\$1,011	\$1,148	\$1,284	\$1,335
40,001-50,000	\$509	\$565	\$603	\$642	\$718	\$796	\$1,011	\$1,148	\$1,284	\$1,335
50,001-63,500	\$509	\$567	\$607	\$646	\$718	\$806	\$1,011	\$1,148	\$1,284	\$1,335

Proposed rates excluding Capital Margin	Model Year									
	1971 & Older	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.										
No G.V.W.	\$538	\$554	\$576	\$604	\$640	\$686	\$731	\$751	\$782	\$804
5,001-11,000	\$540	\$558	\$580	\$610	\$648	\$697	\$744	\$765	\$890	\$925
11,001-13,000	\$543	\$562	\$585	\$616	\$657	\$707	\$757	\$837	\$992	\$1,032
13,001-22,000	\$546	\$565	\$590	\$623	\$665	\$719	\$770	\$866	\$1,092	\$1,135
22,001-34,000	\$549	\$570	\$596	\$630	\$674	\$730	\$860	\$976	\$1,092	\$1,135
34,001-40,000	\$553	\$574	\$602	\$637	\$684	\$743	\$860	\$976	\$1,092	\$1,135
40,001-50,000	\$556	\$579	\$608	\$645	\$694	\$756	\$860	\$976	\$1,092	\$1,135
50,001-63,500	\$560	\$583	\$614	\$653	\$705	\$770	\$860	\$976	\$1,092	\$1,135

% Change excluding capital amounts	Model Year									
	1971 & Older	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.										
No G.V.W.	7%	3%	1%	0%	-3%	-4%	-7%	-12%	-15%	-16%
5,001-11,000	7%	3%	1%	0%	-3%	-4%	-6%	-14%	-15%	-15%
11,001-13,000	8%	3%	0%	0%	-3%	-5%	-6%	-15%	-15%	-15%
13,001-22,001	8%	3%	0%	0%	-4%	-6%	-13%	-15%	-15%	-15%
22,001-34,000	8%	2%	0%	0%	-5%	-6%	-15%	-15%	-15%	-15%
34,001-40,000	9%	2%	0%	0%	-4%	-6%	-15%	-15%	-15%	-15%
40,001-50,000	9%	2%	1%	0%	-3%	-5%	-15%	-15%	-15%	-15%
50,001-63,500	10%	3%	1%	1%	-2%	-4%	-15%	-15%	-15%	-15%

\$ Change excluding capital amounts	Model Year									
	1971 & Older	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.										
No G.V.W.	\$35	\$18	\$4	\$3	-\$17	-\$28	-\$58	-\$103	-\$136	-\$150
5,001-11,000	\$36	\$17	\$3	\$3	-\$19	-\$30	-\$50	-\$123	-\$157	-\$163
11,001-13,000	\$38	\$17	\$1	\$0	-\$23	-\$37	-\$51	-\$150	-\$174	-\$181
13,001-22,001	\$40	\$17	\$0	-\$1	-\$28	-\$42	-\$116	-\$152	-\$192	-\$200
22,001-34,000	\$42	\$10	-\$1	-\$3	-\$32	-\$49	-\$151	-\$172	-\$192	-\$200
34,001-40,000	\$45	\$12	\$2	\$0	-\$28	-\$44	-\$151	-\$172	-\$192	-\$200
40,001-50,000	\$47	\$14	\$5	\$3	-\$24	-\$40	-\$151	-\$172	-\$192	-\$200
50,001-63,500	\$51	\$16	\$7	\$7	-\$13	-\$36	-\$151	-\$172	-\$192	-\$200

Current rates including RSR surcharge	Model Year									
	1971 & Older	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.										
No G.V.W.	\$509	\$543	\$579	\$608	\$665	\$723	\$799	\$865	\$929	\$966
5,001-11,000	\$510	\$548	\$584	\$614	\$675	\$736	\$804	\$899	\$1,060	\$1,101
11,001-13,000	\$511	\$552	\$591	\$624	\$688	\$753	\$818	\$999	\$1,180	\$1,228
13,001-22,001	\$512	\$555	\$597	\$632	\$702	\$770	\$897	\$1,031	\$1,300	\$1,351
22,001-34,000	\$513	\$567	\$604	\$641	\$715	\$789	\$1,023	\$1,162	\$1,300	\$1,351
34,001-40,000	\$514	\$569	\$607	\$645	\$721	\$797	\$1,023	\$1,162	\$1,300	\$1,351
40,001-50,000	\$515	\$572	\$610	\$650	\$727	\$806	\$1,023	\$1,162	\$1,300	\$1,351
50,001-63,500	\$515	\$574	\$614	\$654	\$727	\$816	\$1,023	\$1,162	\$1,300	\$1,351

Proposed rates including Capital Margin	Model Year									
	1971 & Older	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.										
No G.V.W.	\$558	\$574	\$597	\$626	\$664	\$711	\$758	\$779	\$811	\$834
5,001-11,000	\$560	\$578	\$601	\$632	\$672	\$723	\$771	\$793	\$923	\$959
11,001-13,000	\$563	\$583	\$606	\$639	\$681	\$733	\$785	\$868	\$1,028	\$1,070
13,001-22,001	\$566	\$586	\$612	\$646	\$689	\$745	\$798	\$898	\$1,132	\$1,177
22,001-34,000	\$569	\$591	\$618	\$653	\$699	\$757	\$892	\$1,012	\$1,132	\$1,177
34,001-40,000	\$573	\$595	\$624	\$660	\$709	\$770	\$892	\$1,012	\$1,132	\$1,177
40,001-50,000	\$576	\$600	\$630	\$669	\$719	\$784	\$892	\$1,012	\$1,132	\$1,177
50,001-63,500	\$581	\$604	\$637	\$677	\$731	\$798	\$892	\$1,012	\$1,132	\$1,177

% Change including capital amounts	Model Year									
	1971 & Older	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.										
No G.V.W.	10%	6%	3%	3%	0%	-2%	-5%	-10%	-13%	-14%
5,001-11,000	10%	5%	3%	3%	0%	-2%	-4%	-12%	-13%	-13%
11,001-13,000	10%	6%	3%	2%	-1%	-3%	-4%	-13%	-13%	-13%
13,001-22,001	11%	6%	3%	2%	-2%	-3%	-11%	-13%	-13%	-13%
22,001-34,000	11%	4%	2%	2%	-2%	-4%	-13%	-13%	-13%	-13%
34,001-40,000	11%	5%	3%	2%	-2%	-3%	-13%	-13%	-13%	-13%
40,001-50,000	12%	5%	3%	3%	-1%	-3%	-13%	-13%	-13%	-13%
50,001-63,500	13%	5%	4%	4%	1%	-2%	-13%	-13%	-13%	-13%

\$ Change including capital amounts	Model Year									
	1971 & Older	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.										
No G.V.W.	\$49	\$31	\$18	\$18	-\$1	-\$12	-\$41	-\$86	-\$118	-\$132
5,001-11,000	\$50	\$30	\$17	\$18	-\$3	-\$13	-\$33	-\$106	-\$137	-\$142
11,001-13,000	\$52	\$31	\$15	\$15	-\$7	-\$20	-\$33	-\$131	-\$152	-\$158
13,001-22,001	\$54	\$31	\$15	\$14	-\$13	-\$25	-\$99	-\$133	-\$168	-\$174
22,001-34,000	\$56	\$24	\$14	\$12	-\$16	-\$32	-\$131	-\$150	-\$168	-\$174
34,001-40,000	\$59	\$26	\$17	\$15	-\$12	-\$27	-\$131	-\$150	-\$168	-\$174
40,001-50,000	\$61	\$28	\$20	\$19	-\$8	-\$22	-\$131	-\$150	-\$168	-\$174
50,001-63,500	\$66	\$30	\$23	\$23	\$4	-\$18	-\$131	-\$150	-\$168	-\$174

5.38 Class PV – Power Units

For Class PV power units there is no rate change indicated.

Recommendation: SGI recommends that rebalancing be applied which results in a small increase of 0.8%; 3.2% once the capital margin amount is applied. Eighty-one percent of the 52 vehicles within this class will see an average increase of \$49/year, with a maximum increase of \$104/year. The remaining 19% will see an average decrease of \$43/year, with a maximum decrease of \$76/year. The tables below show the impact on rates:

Current rates excluding RSR surcharge	Model Year								
	1981 & Older	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	
G.V.W.									
5,001-11,000	\$470	\$565	\$728	\$838	\$946	\$1,107	\$1,285	\$1,336	
11,001-13,000	\$510	\$582	\$797	\$920	\$1,002	\$1,165	\$1,299	\$1,385	
13,001-22,000	\$556	\$598	\$834	\$964	\$1,103	\$1,203	\$1,313	\$1,434	
22,001-34,000	\$574	\$607	\$871	\$989	\$1,112	\$1,247	\$1,362	\$1,488	
34,001-40,000	\$593	\$616	\$938	\$1,013	\$1,121	\$1,293	\$1,412	\$1,543	
40,001-55,000	\$613	\$625	\$971	\$1,100	\$1,228	\$1,340	\$1,464	\$1,601	
55,001-63,500	\$633	\$633	\$1,006	\$1,127	\$1,248	\$1,390	\$1,519	\$1,661	

Proposed rates excluding Capital Margin	Model Year								
	1981 & Older	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	
G.V.W.									
5,001-11,000	\$559	\$559	\$715	\$871	\$1,004	\$1,093	\$1,191	\$1,299	
11,001-13,000	\$582	\$582	\$746	\$910	\$1,051	\$1,145	\$1,248	\$1,361	
13,001-22,000	\$607	\$607	\$780	\$952	\$1,100	\$1,199	\$1,307	\$1,427	
22,001-34,000	\$633	\$633	\$815	\$996	\$1,152	\$1,256	\$1,370	\$1,496	
34,001-40,000	\$654	\$654	\$843	\$1,032	\$1,194	\$1,302	\$1,421	\$1,551	
40,001-55,000	\$675	\$675	\$872	\$1,068	\$1,237	\$1,349	\$1,473	\$1,609	
55,001-63,500	\$698	\$698	\$902	\$1,107	\$1,282	\$1,399	\$1,527	\$1,669	

% Change excluding capital amounts	Model Year							
	1981 & Older	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.								
5,001-11,000	19%	-1%	-2%	4%	6%	-1%	-7%	-3%
11,001-13,000	14%	0%	-6%	-1%	5%	-2%	-4%	-2%
13,001-22,000	9%	2%	-6%	-1%	0%	0%	0%	0%
22,001-34,000	10%	4%	-6%	1%	4%	1%	1%	1%
34,001-40,000	10%	6%	-10%	2%	7%	1%	1%	1%
40,001-55,000	10%	8%	-10%	-3%	1%	1%	1%	0%
55,001-63,500	10%	10%	-10%	-2%	3%	1%	1%	0%

\$ Change excluding capital amounts	Model Year							
	1981 & Older	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.								
5,001-11,000	\$89	-\$6	-\$13	\$33	\$58	-\$14	-\$94	-\$37
11,001-13,000	\$72	\$0	-\$51	-\$10	\$49	-\$20	-\$51	-\$24
13,001-22,000	\$51	\$9	-\$54	-\$12	-\$3	-\$4	-\$6	-\$7
22,001-34,000	\$59	\$26	-\$56	\$7	\$40	\$9	\$8	\$8
34,001-40,000	\$61	\$38	-\$95	\$19	\$73	\$9	\$9	\$8
40,001-55,000	\$62	\$50	-\$99	-\$32	\$9	\$9	\$9	\$8
55,001-63,500	\$65	\$65	-\$104	-\$20	\$34	\$9	\$8	\$8

Current rates including RSR surcharge	Model Year							
	1981 & Older	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
G.V.W.								
5,001-11,000	\$476	\$572	\$737	\$848	\$958	\$1,121	\$1,301	\$1,352
11,001-13,000	\$516	\$589	\$807	\$931	\$1,014	\$1,179	\$1,315	\$1,402
13,001-22,000	\$563	\$605	\$844	\$976	\$1,117	\$1,218	\$1,329	\$1,452
22,001-34,000	\$581	\$614	\$882	\$1,001	\$1,126	\$1,262	\$1,379	\$1,506
34,001-40,000	\$600	\$624	\$950	\$1,025	\$1,135	\$1,309	\$1,429	\$1,562
40,001-55,000	\$621	\$633	\$983	\$1,114	\$1,243	\$1,356	\$1,482	\$1,621
55,001-63,500	\$641	\$641	\$1,018	\$1,141	\$1,263	\$1,407	\$1,538	\$1,681

Proposed rates including Capital Margin	Model Year							
	1981 & Older	1982- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
G.V.W.								
5,001-11,000	\$580	\$580	\$741	\$903	\$1,041	\$1,133	\$1,235	\$1,347
11,001-13,000	\$603	\$603	\$773	\$943	\$1,090	\$1,187	\$1,294	\$1,411
13,001-22,000	\$629	\$629	\$809	\$987	\$1,140	\$1,243	\$1,355	\$1,479
22,001-34,000	\$656	\$656	\$845	\$1,033	\$1,194	\$1,302	\$1,420	\$1,551
34,001-40,000	\$678	\$678	\$874	\$1,070	\$1,238	\$1,350	\$1,473	\$1,608
40,001-55,000	\$700	\$700	\$904	\$1,107	\$1,282	\$1,399	\$1,527	\$1,668
55,001-63,500	\$724	\$724	\$935	\$1,148	\$1,329	\$1,450	\$1,583	\$1,730

% Change including capital amounts	Model Year							
	1981 & Older	1982- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
G.V.W.								
5,001-11,000	22%	1%	1%	6%	9%	1%	-5%	0%
11,001-13,000	17%	2%	-4%	1%	7%	1%	-2%	1%
13,001-22,000	12%	4%	-4%	1%	2%	2%	2%	2%
22,001-34,000	13%	7%	-4%	3%	6%	3%	3%	3%
34,001-40,000	13%	9%	-8%	4%	9%	3%	3%	3%
40,001-55,000	13%	11%	-8%	-1%	3%	3%	3%	3%
55,001-63,500	13%	13%	-8%	1%	5%	3%	3%	3%

\$ Change including capital amounts	Model Year							
	1981 & Older	1982- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016
G.V.W.								
5,001-11,000	\$104	\$8	\$4	\$55	\$83	\$12	-\$66	-\$5
11,001-13,000	\$87	\$14	-\$34	\$12	\$76	\$8	-\$21	\$9
13,001-22,000	\$66	\$24	-\$35	\$11	\$23	\$25	\$26	\$27
22,001-34,000	\$75	\$42	-\$37	\$32	\$68	\$40	\$41	\$45
34,001-40,000	\$78	\$54	-\$76	\$45	\$103	\$41	\$44	\$46
40,001-55,000	\$79	\$67	-\$79	-\$7	\$39	\$43	\$45	\$47
55,001-63,500	\$83	\$83	-\$83	\$7	\$66	\$43	\$45	\$49

5.39 Class TS – Excess Value

For class TS commercial trailers, the Auto Fund provides damage coverage up to a limit of \$15,000 for damage to a customer's own trailer. A customer has the option of purchasing excess value coverage either through the Auto Fund or a competitive insurer. The current charge for excess value through the Auto Fund is \$17 per \$1,000 of excess value. The rate indication shows that a 25.3% decrease is warranted for this class.

Recommendation: SGI is recommending no rate change for Class TS excess value at this time. As part of the Auto Fund coverage review, SGI is considering not providing excess coverage in the future and, as such, does not want to lower the rate only to tell customers that they cannot purchase the coverage anymore. The rate for this coverage will have the capital margin amount applied, so that the fee will increase to \$18 per \$1,000 of excess value.

6. Proposed Timelines

The Auto Fund will be in a position to implement rate changes Aug. 31, 2014. Time is required to test new rate tables and ensure system integrity.

Tentative implementation dates are as follows:

Submission to SRRP	Feb. 11, 2014
Recommendations from SRRP	June 2014
Final Cabinet approval	June 2014
Rate changes and system testing complete	July 2014
August 31 renewals mailed	July 2014
Rate changes implemented	Aug. 31, 2014
Re-rate registrations/process refunds	Aug. 31, 2014
Mail refunds	Sept. 2014

7. Summary and Conclusion

The Auto Fund requires 3.4% in additional revenue from rate to cover claims and other expenses and break even in the upcoming rating year. However, because motorcycles will be receiving only a 2.7% increase, and the shortfall is not being subsidized by other vehicle classes, the revenue increase will be 2.7% overall.

A capital margin of 3.7% is required to maintain and replenish the RSR. The overall change in revenue due to the rate increase and capital margin will be offset by the 1.23% RSR surcharge built into the current rates (effective until Aug. 30, 2014), meaning the average increase customers would pay over their current rates is 5.2%.

SGI is committed to fairness in vehicle rating. Customers will not see an across the board increase. While the net result for the Auto Fund is a 5.2% increase with rebalancing, some customers will see increases and some will see decreases. In fact, 16% of SGI customers will see either a decrease or no change to their rates.

Rates are determined based on the actual risk each vehicle make, model and year represents for being involved in a claim, and the anticipated costs of paying that claim. To reduce rate shock for customers, increases will be capped for all vehicles.

One of SGI's key operating philosophies is to keep rates as low as possible. Over the last 15 years, the Saskatchewan Consumer Price Index has increased by 40%, while the Auto Fund's rates, excluding capital amounts, increased by only 4.7%.

Appendix A – Summary of Indicated and Proposed Rate Changes

By Class Indicated and Proposed Rate Changes with Dollar Impact

Vehicle Class	2014 Indicated Required Rate Change	2014 Proposed Change	2014 Proposed Rate Change with Capital Margin	Weighted Average Current Premium Excl RSR Surcharge	Weighted Average Current Premium Incl RSR Surcharge	Weighted Average Proposed Premium	Weighted Average Proposed Premium with Capital Margin	Average \$ Change	Maximum \$ Increase	Maximum \$ Decrease	Average \$ Increase	Average \$ Decrease
CLEAR-Rated Vehicles												
A – Commercial Light Trucks	2.3%	2.4%	4.9%	1,049	1,062	1,074	1,114	\$52	\$515	-\$262	\$60	-\$8
F – Farm Light Truck – 1994 & Newer		15.4%	18.2%	1,755	1,776	2,025	2,099	\$323	\$465	\$0	\$323	\$0
LV – Private Passenger Vehicles (PPV)		-0.3%	2.1%	864	875	862	893	\$19	\$173	-\$158	\$34	-\$15
LV – PPV – Farm Cars, SUVs and Vans		2.5%	5.0%	1,065	1,078	1,092	1,132	\$54	\$515	-\$258	\$62	-\$8
LV – Police Cars		2.0%	4.4%	848	859	865	897	\$38	\$182	-\$170	\$44	-\$6
LV – Police Trucks, Vans & SUVs		16.9%	19.7%	1,727	1,748	2,019	2,093	\$345	\$451	\$0	\$345	\$0
LV – Udrives		-8.7%	-6.5%	1,072	1,086	979	1,015	-\$70	\$38	-\$247	\$1	-\$72
PT – Taxis (Rural)		4.3%	6.8%	1,440	1,458	1,503	1,558	\$100	\$246	-\$262	\$111	-\$11
Conventionally Rated Vehicles												
Ambulances	2.9%	2.9%	5.4%	966	978	994	1,031	\$53	\$53	\$0	\$53	\$0
A – Commercial Vehicles:												
Heavy Trucks & Vans IRP \$2500 Ded.	2.8%	2.8%	5.3%	772	781	793	823	\$42	\$76	-\$134	\$43	-\$74
Heavy Trucks & Vans IRP \$15K Ded.	-11.8%	-9.5%	-7.2%	402	407	364	378	-\$30	\$32	-\$117	\$23	-\$58
Heavy Trucks and Vans Non-IRP	3.2%	2.9%	5.4%	930	941	957	992	\$51	\$144	\$0	\$51	\$0
Power Units IRP \$2500 Ded.	1.8%	1.6%	4.0%	2,313	2,342	2,350	2,437	\$95	\$290	-\$59	\$108	-\$31
Power Units IRP \$15K Ded.	-4.5%	-4.6%	-2.4%	1,236	1,252	1,179	1,222	-\$29	\$179	-\$144	\$34	-\$89
Power Units Non-IRP	-2.5%	-2.5%	-0.2%	1,414	1,431	1,378	1,428	-\$3	\$142	-\$198	\$54	-\$88
C & D – Commercial Vehicles:												
Heavy Trucks and Vans	11.9%	9.5%	12.1%	648	656	709	735	\$79	\$135	-\$35	\$80	-\$17
Power Units	3.3%	1.6%	4.0%	1,297	1313	1,318	1,366	\$53	\$147	-\$56	\$62	-\$21
F – Farm Vehicles:												
Heavy Trucks and Vans	-10.4%	-3.6%	-1.2%	181	183	174	181	-\$3	\$20	-\$137	\$12	-\$82
Light Trucks – 1993 & Older	-12.0%	-12.0%	-9.9%	230	232	202	209	-\$24	\$4	-\$76	\$2	-\$31
Power Units	7.5%	7.8%	10.4%	442	447	476	493	46	67	-26	56	-24
Hearses	0.2%	0.2%	2.6%	411	416	412	427	\$11	\$11	\$0	\$11	\$0

Appendix A – Summary of Indicated and Proposed Rate Changes

By Class Indicated and Proposed Rate Changes with Dollar Impact

Vehicle Class	2014 Indicated Required Rate Change	2014 Proposed Change	2014 Proposed Rate Change with Capital Margin	Weighted Average Current Premium Excl RSR Surcharge	Weighted Average Current Premium Incl RSR Surcharge	Weighted Average Proposed Premium	Weighted Average Proposed Premium with Capital Margin	Average \$ Change	Maximum \$ Increase	Maximum \$ Decrease	Average \$ Increase	Average \$ Decrease
L – Dealer Plates	-3.9%	-3.9%	-1.5%	726	735	698	724	-\$11	\$0	-\$15	\$0	-\$11
L – Snowmobile Dealers	0.0%	0.0%	1.6%	60	61	60	62	\$1	\$1	\$0	\$1	\$0
LV – Antiques	4.4%	3.8%	6.2%	80	81	83	86	\$5	\$5	\$0	\$5	\$0
LV – Buses	10.6%	10.0%	12.7%	520	526	572	593	\$66	\$72	\$0	\$66	\$0
LV – Buses (Restricted)	-0.8%	-0.9%	1.5%	362	366	359	372	\$6	\$6	\$0	\$6	\$0
LV – Motorcycles	46.8%	2.7%	5.2%	1,568	1,588	1,611	1,670	\$82	\$141	\$0	\$82	\$0
LV – Motorhomes	8.7%	7.6%	10.2%	475	481	511	530	\$49	\$216	\$0	\$49	\$0
MT – Snowmobiles	-4.1%	-3.8%	-1.2%	80	81	77	80	-\$1	\$0	-\$1	\$0	-\$1
PB – Passenger Inter-city Buses	3.7%	3.4%	5.9%	1,978	2,002	2,046	2,121	\$119	\$544	-\$87	\$194	-\$57
PC – Passenger City Buses	30.7%	10.2%	12.9%	1,676	1,696	1,847	1,914	\$218	\$312	\$0	\$218	\$0
PS – Passenger School Buses	11.3%	11.6%	14.4%	498	504	556	577	\$72	\$111	\$0	\$72	\$0
PT – Taxis	36.3%	14.5%	17.3%	3,279	3,319	3,755	3,893	\$574	\$709	\$0	\$574	\$0
Trailers												
F - Trailers	4.2%	3.9%	5.7%	62	63	64	67	\$4	\$5	\$0	\$4	\$0
LT - Trailer Dealers/Movers	0.1%	0.1%	2.6%	543	549	543	563	\$14	\$24	\$0	\$19	\$0
T - Personal Trailers	15.7%	14.3%	17.2%	218	220	249	258	\$37	\$145	-\$95	\$38	-\$47
T - Utility	13.3%	14.7%	17.6%	34	34	39	40	\$6	\$6	\$0	\$6	\$0
TS - Commercial Trailers	10.8%	10.8%	13.0%	97	99	108	112	\$13	\$28	\$0	\$13	\$0
Miscellaneous Classes												
A - Excess Value	-22.6%	0.0%	5.9%	17	17	17	18	\$1	\$1	\$0	\$1	\$0
C&D - Non-Resident	0.0%	0.0%	2.6%	75	76	75	78	\$2	\$2	\$0	\$2	\$0
C&D - Excess Value	-45.6%	0.0%	5.9%	17	17	17	18	\$1	\$1	\$0	\$1	\$0
Industrial Tracked Vehicles	-0.2%	0.0%	2.5%	275	278	275	285	\$7	\$7	\$0	\$7	\$0
LV - Motorized Bicycle	87.4%	56.8%	60.0%	44	45	69	72	\$27	\$27	\$0	\$27	\$0
PV - Converted Vehicles	-1.5%	-1.9%	0.6%	797	806	782	811	\$4	\$47	-\$65	\$34	-\$27
PV - Heavy Trucks and Vans	-4.5%	-3.2%	-0.9%	662	670	641	664	-\$6	\$56	-\$174	\$35	-\$65
PV - Power Units	0.0%	0.8%	3.2%	976	988	983	1,019	\$32	\$104	-\$76	\$49	-\$43
TS - Excess Value	-25.3%	0.0%	5.9%	17	17	17	18	\$1	\$1	\$0	\$1	\$0
All Vehicles Including Trailers	3.4%	2.7%	5.2%					\$39	\$709	-\$262	\$49	-\$12
All Vehicles Excluding Trailers & Misc	3.3%	2.5%	4.9%					\$45	\$709	-\$262	\$59	-\$12
All Vehicles Excluding Motorcycles	2.7%											

Appendix A – Summary of Indicated and Proposed Rate Changes

By Class Percent Impact and Number of Vehicles Changing

Vehicle Class	Average % Change	Maximum % Increase	Maximum % Decrease	Average % Increase	Average % Decrease	# of Vehicles* Increasing	# of Vehicles* Decreasing	# of Vehicles* Unchanged	# Vehicles Getting Maximum \$ Increase	# Vehicles Getting Maximum \$ Decrease	# Vehicles Getting Maximum % Increase	# Vehicles Getting Maximum % Decrease
CLEAR-Rated Vehicles	4.9%	28%	-18%	6%	-1%	632,741	149,386	2,271	117	395	49	396
A – Commercial Light Trucks	18.2%	27%	0%	18%	0%	150	-	-	1	150	1	150
F – Farm Light Truck – 1994 & Newer	2.1%	18%	-14%	4%	-2%	33,934	17,389	345	4	4	4	1
LV – Private Passenger Vehicles (PPV)	5.0%	26%	-15%	6%	-1%	576,419	127,264	1,832	1	3	35	1
LV – PPV – Farm Cars, SUVs and Vans	4.4%	28%	-13%	5%	-1%	17,233	3,856	89	49	1	3	6
LV – Police Cars	19.7%	27%	0%	20%	0%	235	-	-	13	235	2	235
LV – Police Trucks, Vans & SUVs	-6.5%	4%	-18%	0%	-6%	24	301	2	1	2	2	2
LV – Udrives	6.8%	25%	-13%	8%	-1%	4,592	564	2	43	0	1	1
PT – Taxis (Rural)	8.2%	20%	-10%	9%	0%	154	13	-	4	0	1	0
Conventionally Rated Vehicles												
Ambulances	5.4%	5%	0%	5%	0%	306	-	-	306	-	306	-
A – Commercial Vehicles:												
Heavy Trucks & Vans IRP \$2500 Ded.	5.3%	12%	-17%	6%	-10%	510	7	-	11	2	3	1
Heavy Trucks & Vans IRP \$15K Ded.	-7.2%	10%	-21%	7%	-13%	18	34	-	11	1	11	1
Heavy Trucks and Vans Non-IRP	5.4%	28%	0%	5%	0%	1,052	-	3	1	-	1	-
Power Units IRP \$2500 Ded.	4.0%	21%	-3%	5%	-1%	3,305	340	-	12	126	1	126
Power Units IRP \$15K Ded.	-2.4%	27%	-11%	3%	-7%	622	667	-	7	99	1	99
Power Units Non-IRP	-0.2%	28%	-13%	4%	-6%	787	524	-	1	18	1	14
C & D – Commercial Vehicles:												
Heavy Trucks and Vans	12.1%	26%	-3%	13%	-2%	12,722	52	-	1	21	1	21
Power Units	4.0%	26%	-6%	6%	-2%	6,514	852	-	259	4	4	4
F – Farm Vehicles:												
Heavy Trucks and Vans	-1.2%	10%	-27%	9%	-19%	20,937	3,819	-	644	132	327	258
Light Trucks – 1993 & Older	-9.9%	2%	-27%	1%	-12%	2,563	10,064	411	396	1,288	396	1,288
Power Units	10.4%	23%	-4%	14%	-4%	9,474	1,395	-	331	439	393	439
Hearses	2.6%	3%	0%	3%	0%	137	-	-	137	-	137	-

*Based on written exposures from June 1, 2012 to May 31, 2013.

Appendix A – Summary of Indicated and Proposed Rate Changes

By Class Percent Impact and Number of Vehicles Changing

Vehicle Class	Average % Change	Maximum % Increase	Maximum % Decrease	Average % Increase	Average % Decrease	# of Vehicles* Increasing	# of Vehicles* Decreasing	# of Vehicles* Unchanged	# Vehicles Getting Maximum \$ Increase	# Vehicles Getting Maximum \$ Decrease	# Vehicles Getting Maximum % Increase	# Vehicles Getting Maximum % Decrease
L – Dealer Plates	-1.5%	0%	-3%	0.0%	-2%	-	3,981	-	-	104	-	104
L – Snowmobile Dealers	1.6%	2%	0%	2%	0%	60	-	-	60	-	60	-
LV – Antiques	6.2%	6%	0%	6%	0%	12,687	-	-	12,687	-	12,687	-
LV – Buses	12.7%	15%	0%	13%	0%	364	-	-	132	-	132	-
LV – Buses (Restricted)	1.5%	2%	0%	2%	0%	32	-	-	29	-	29	-
LV – Motorcycles	6.5%	5%	5%	5%	0%	11,711	-	-	20	-	23	-
LV – Motorhomes	10.2%	25%	0%	8%	0%	5,150	-	-	7	-	530	-
MT – Snowmobiles	-1.2%	0%	-1%	0%	-1%	-	8,050	-	-	8,050	-	8,050
PB – Passenger Inter-city Buses	5.9%	18%	-5%	8%	-3%	344	147	-	30	15	30	17
PC – Passenger City Buses	12.9%	22%	0%	14%	0%	559	-	-	59	-	2	-
PS – Passenger School Buses	14.4%	35%	0%	14%	0%	3,312	-	-	3	-	3	-
PT – Taxis	17.3%	18%	0%	17%	0%	598	-	-	347	-	199	-
Trailers												
F - Trailers	5.7%	11%	0%	8%	0%	31,528	-	-	17,129	-	17,129	-
LT - Trailer Dealers/Movers	2.6%	3%	0%	3%	0%	370	-	124	226	-	226	-
T - Personal Trailers	17.2%	36%	-27%	19%	-18%	44,199	294	-	200	2	920	10
T - Utility	17.6%	18%	0%	18%	0%	79,665	-	-	79,665	-	79,665	-
TS - Commercial Trailers	13.0%	18%	0%	12%	0%	49,434	-	-	6,802	-	3,967	-
Miscellaneous Classes												
A - Excess Value	5.9%	6%	0%	6%	0%	279	-	-	279	-	279	-
C&D - Non-Resident	2.6%	3%	0%	3%	0%	34	-	-	34	-	34	-
C&D - Excess Value	5.9%	6%	0%	6%	0%	3,027	-	-	3,027	-	3,027	-
Industrial Tracked Vehicles	2.5%	3%	0%	3%	0%	0	-	-	0	-	0	-
LV - Motorized Bicycle	60.0%	60%	0%	60%	0%	14	-	-	14	-	14	-
PV - Converted Vehicles	0.6%	7%	-7%	5%	-3%	3	3	1	0	1	0	1
PV - Heavy Trucks and Vans	-0.9%	11%	-14%	7%	-7%	311	214	-	0	0	0	0
PV - Power Units	3.2%	22%	-8%	6%	-5%	42	10	-	1	1	1	1
TS - Excess Value	5.9%	6%	0%	6%	0%	2,267	-	-	2,267	-	2,267	-
All Vehicles Including Trailers						932,105	179,839	2,809	119,679	10,697	117,282	10,829
All Vehicles Excluding Trailers & Misc						726,505	179,318	2,684	15,608	10,693	15,326	10,816
All Vehicles Excluding Motorcycles												

*Based on written exposures from June 1, 2012 to May 31, 2013.

Appendix B – Five-Year Forecast

2013 year-end values based on Oct. 31, 2013 forecast

year ended December 31 (\$000's)	Forecast without 2014 Rate Change and Capital Margin (with current 1.2% capital margin removed 2014)					
	2013	2014	2015	2016	2017	2018
	\$	\$	\$	\$	\$	\$
Direct premium	834,264	905,290	953,059	1,009,742	1,069,796	1,133,420
Ceded premium	(7,183)	(10,044)	(10,524)	(11,027)	(11,555)	(12,109)
Net premiums written	827,081	895,246	942,535	998,715	1,058,241	1,121,311
Net premiums earned	804,111	868,664	919,803	972,935	1,030,929	1,092,374
Claims incurred	626,818	726,706	740,488	818,706	892,779	953,898
Prior year claims (Net of Disc/PFAD)	14,035	-	-	-	-	-
Loss adjusting expense (LAE)	76,134	70,350	75,878	81,758	86,810	92,798
Issuer fees and premium taxes	79,522	85,890	90,589	95,899	101,608	107,658
Administrative expenses	52,588	58,611	59,712	62,331	64,909	67,410
Traffic safety	28,236	35,231	39,936	44,854	49,991	50,991
Total claims and expenses	877,333	976,788	1,006,603	1,103,548	1,196,097	1,272,755
Underwriting loss	(73,222)	(108,124)	(86,800)	(130,613)	(165,168)	(180,381)
Investment earnings	77,246	46,787	26,771	59,774	89,632	97,909
Other income	39,140	44,028	45,920	48,971	52,227	55,704
Increase (decrease) to RSR	43,164	(17,309)	(14,109)	(21,868)	(23,309)	(26,768)
Year-End MCT	66%	57%	50%	40%	30%	21%

year ended December 31 (\$000's)	Forecast with 2.7% Rate Change and 3.7% Capital Margin					
	2013	2014	2015	2016	2017	2018
	\$	\$	\$	\$	\$	\$
Direct premium	834,264	922,894	1,014,952	1,075,315	1,139,267	1,207,023
Ceded premium	(7,183)	(10,044)	(10,524)	(11,027)	(11,555)	(12,109)
Net premiums written	827,081	912,850	1,004,428	1,064,288	1,127,712	1,194,914
Net premiums earned	804,111	872,986	967,115	1,036,749	1,098,617	1,164,088
Claims incurred	626,818	726,706	740,488	818,706	892,779	953,898
Prior year claims (Net of Disc/PFAD)	14,035	-	-	-	-	-
Loss adjusting expense (LAE)	76,134	70,350	75,878	81,758	86,810	92,798
Issuer fees and premium taxes	79,522	86,930	95,851	102,157	108,244	114,688
Administrative expenses	52,588	58,611	59,712	62,331	64,909	67,410
Traffic safety	28,236	35,231	39,936	44,854	49,991	50,991
Total claims and expenses	877,333	977,828	1,011,865	1,109,806	1,202,733	1,279,785
Underwriting loss	(73,222)	(104,842)	(44,750)	(73,057)	(104,116)	(115,697)
Investment earnings	77,246	46,787	26,966	61,843	95,623	107,594
Other income	39,140	44,549	47,719	50,877	54,246	57,843
Increase (decrease) to RSR	43,164	(13,506)	29,935	39,663	45,753	49,740
Year-End MCT	66%	57%	65%	73%	81%	89%

Appendix C – Glossary of Terms and Abbreviations

Rating Terminology

Administrative expenses – Operating expenses such as salaries, infrastructure costs, system support costs and traffic safety program costs. Administrative expenses in relation to total revenue are approximately 7%. Traffic safety program costs consist of programs, sponsorship and advertising associated with promoting traffic safety. The goal of this investment is to provide social and economic benefits through the promotion of safe driving to reduce collisions.

Base rates – The base rate is the premium for the base group. The base group is typically chosen to be the group with the largest number of registrations because the larger the numbers, the more credible the data. As an example, for the LV – Motorhomes class, the base group is motorhomes valued between \$10,001 and \$20,000. Premiums for groups, other than the base group, are derived by adjusting the base rate by a per cent that reflects the variance in loss experience between the groups (see Relativities definition).

Business Recognition (BR) program – A program to reward businesses with safe driving records. Companies that own and operate commercial vehicles and have a loss ratio of less than 70% in the past five years are eligible for a discount, to a maximum of 10%, on their vehicle insurance premiums. A loss ratio between 70% – 80% is SGI's approximate break-even range. The break-even range is calculated by subtracting administrative costs, premium taxes, issuer fees and traffic safety program costs from the total premiums paid for all vehicles. Therefore, for every \$1 of premium collected, between 70 – 80 cents can be paid out in claim costs to break even.

Under the BR program, any operator with a loss ratio greater than 80% is subject to financial penalties. However, relative to the size of the vehicle fleet, losses are capped to ensure premium increases are fair and reasonable. A capped five-year loss ratio determines how much a customer saves or is surcharged on their vehicle insurance.

Claim frequency – The number of occurrences (or claims) per exposure (registration).

Claim severity – Average amount of loss per claim (or per occurrence).

CLEAR – An acronym for the industry-wide Canadian Loss Experience Automobile Rating system. The Insurance Bureau of Canada (IBC), captures Canada-wide loss experience for light passenger vehicles 33 years of age or newer. CLEAR analyzes historical records of collision frequency and repair costs of each vehicle make and model in order to predict future losses. Through statistical analysis, relationships are established between vehicle characteristics and insurance claims. These relationships are then adjusted according to the actual claim history of individual models in order to predict future losses for each model. Other rating factors, such as a person's driving record or where they live, are not affected by CLEAR. As part of its analysis, IBC considers several factors, including vehicle construction, safety equipment and susceptibility to damage. IBC also works closely with vehicle manufacturers to monitor new developments. CLEAR is used by insurance companies Canada-wide to rate damage and injury coverage for light passenger vehicles.

Credibility – Credibility is a way to measure if there is enough past experience to use in predicting the rating year. The weight assigned to a forecast using past experience is commonly denoted by Z (a number between 0 and 1). The balance of the weight, 1 - Z, will be assigned to what is called the compliment of credibility. This compliment will be another valid estimate for the prediction and could come from a larger separate source of past data or could assume "no change" in the forecast variable. Together, the weights and two sources develop a weighted average for the forecast, which becomes the indicated forecast.

Generally, because of the higher risk and volatility in the volume and size of claims, the credibility of a forecast is measured using the number of past claim counts included in the forecast. It's possible that all weight is assigned to the past experience (i.e. Z = 1), if it's deemed fully credible. This is the case if there are at least as many past claim counts used in the forecast as the Standard of Full Credibility. If the past claim counts used in the forecast are less than the Standard of Full Credibility, the credibility is calculated as:

$$Z = \sqrt{\text{Claim Counts} / \text{Standard of Full Credibility}}$$

Deductible – An agreed specified sum to be deducted from the amount of loss and assumed by the insured. It is the amount the insured must pay before their insurance benefits begin to cover remaining costs.

Exposures – Rating units on which insurance premium is based, or units by which the probability and size of loss are measured. For the purposes of this report, an exposure is equivalent to a vehicle written on a policy. For example, one car insured for an entire year equals one exposure. A motorcycle insured for half a year equals half an exposure.

Relativities – One plus the per cent difference between rating groups that reflect the variance in loss experience. For example, when looking at the motorhome class, the base group is motorhomes with a value between \$10,001 and \$20,000. To determine the premium for other values of vehicles, the base group rate is multiplied by the calculated relativity for the specified group. If the specified group's experience is worse than the base group's, then the premium charged will be higher than the base group's. The converse is also true.

Safe Driver Recognition (SDR) program – A program designed to reward safe drivers with a discount on their vehicle insurance. The program also ensures drivers who demonstrate risky behaviour pay their share, as drivers with at-fault collisions and/or more serious traffic convictions are assessed a financial penalty for each incident they are involved in.

These financial penalties are assessed immediately after an incident and help offset the cost of discounts for safe drivers.

Acronyms

AAIA – *The Automobile Accident Insurance Act*

BR – Business Recognition program

CIC – Crown Investments Corporation

CLEAR – Canadian Loss Experience Automobile Rating

CPI – Consumer Price Index

GVW – Gross Vehicle Weight

HHI - Herfindahl–Hirschman Index

IBC – Insurance Bureau of Canada

IRP – International Registration Plan

LAE – Loss Adjusting Expenses

MCT – Minimum Capital Test

MRC – Motorcycle Review Committee

RSR – Rate Stabilization Reserve

SDR – Safe Driver Recognition program

SRRP – Saskatchewan Rate Review Panel

Z – Credibility

1-Z – Compliment of Credibility

