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**Brief to the Saskatchewan Rate Review Panel
Regarding the SGI Rate Application**

The Consumer Association of Saskatchewan Inc. (CASK) is a voluntary, non-profit, non-partisan association with the objectives to provide consumer information and education on marketplace issues and to represent the consumer interest to government and industry. Traditionally, CASK has taken a special interest in vulnerable consumers and those with fixed incomes.

In the past we were fortunate to have expertise on our Board as well as access to funding which allowed the Consumer Association to present comprehensive and technical submissions on rate applications by SaskEnergy, SGI, SaskPower and SaskTel. We no longer have the volunteer expertise nor the financial resources for research support. However, I did want to come here tonight as President of the Consumer Association of Saskatchewan to show our interest and to provide a few comments about this application.

In reviewing the presentation by SGI in the sections regarding Fairness in Rating (Sec. 2.1.2) and Maintaining Adequate Capital (Sec. 2.1.3) as well as Historical Rate Changes (Sec. 2.2), it appears that SGI is to be commended for ensuring consistency and stability in rates so that consumers are not subjected to large rate increases and dramatic price fluctuations. However, the Consumer Association would like to see SGI ensure that each customer pays a rate fair and appropriate for that individual so that no consumer is either over-charged or under-charged.

Also of benefit to consumers in Saskatchewan is the availability of rebates to various driver groups through such programs as Safe Driver Recognition. Based on your survey, SGI has had the lowest average personal auto insurance rates in Canada since SGI began

conducting the survey in 2005 – good news for consumers in Saskatchewan who are enjoying lower insurance rates.

One issue, however we wish to bring to the attention of the Panel is the fact that in reviewing the information provided by SGI to the public regarding rate increases, it became quickly apparent that the sections discussing Rate Making Methodology is indeed a very detailed and complex actuarial process – one that is, I believe safe to say, beyond the scope of expertise of the Board of the Consumer Association and in all likelihood, that of many consumers in the province.

In conclusion, the Consumer Association of Saskatchewan applauds SGI for having the lowest rates in Canada and we wish to see a continuance of low rates to Saskatchewan motorists. Also, the Consumer Association would like to suggest to SGI that they adopt a means of communicating to the public that is less complex and, perhaps, somewhat more transparent. We wish to suggest that SGI, for instance, provide consumers with simplified information describing criteria used by SGI in determining how a vehicle is classified as “totaled”, and, what other criteria are used in determining claim costs and reimbursements.

In addition, the Consumer Association of Saskatchewan urges SGI to take an active role in increasing awareness and understanding by consumers on insurance rates prior to their purchasing a vehicle in order to promote sound decision-making.

Thank you.

Audrey Findlay, President
Consumer Association of Saskatchewan