



## Minister's Order

### Saskatchewan Auto Fund Rate Change and Rebalancing Proposal

#### Terms of Reference

**WHEREAS** by a Minister's Order dated December 11, 2023 (the "2023 Order"), issued pursuant to Section 15 of *The Executive Government Administration Act*, the Minister of Crown Investments Corporation appointed a Ministerial Advisory Committee known as the Saskatchewan Rate Review Panel;

**AND WHEREAS** the 2023 Order provides for specific terms of reference for each rate change review to be attached by further Minister's Order;

**AND WHEREAS** it is desirable to establish terms of reference for a Saskatchewan Auto Fund vehicle insurance rate changes and rebalancing review and to attach the terms of reference to the 2023 Order;

**NOW THEREFORE**, I hereby amend the 2023 Order by attaching "**Schedule A: Saskatchewan Auto Fund Rate Changes and Rebalancing Proposal - Terms of Reference**".

Dated at Regina, Saskatchewan this 2 day of January, 2026.

  
\_\_\_\_\_  
Minister of Crown Investments Corporation

## **Saskatchewan Auto Fund Rate Changes and Rebalancing Proposal**

### **Terms of Reference**

The Saskatchewan Rate Review Panel (the Panel) is requested to conduct a review of the Saskatchewan Auto Fund (Auto Fund) proposal for a multi-year adjustment and rebalancing of vehicle insurance rates, targeted to be effective on June 1, 2026, and June 1, 2027.

The June 1, 2026, increase will be implemented on an interim basis. Cabinet may implement any rate change adjustment(s) on an interim basis pending receipt of the Panel's recommendation(s).

The Panel shall function within its mandate and operational terms of reference as specified in the Minister's Order dated December 11, 2023. The Panel shall provide an opinion of the fairness and reasonableness of the proposed Auto Fund rate changes and rebalancing, having consideration for the following:

- The interests of the Auto Fund, its customers, and the public;
- Consistency with the Auto Fund's mandate, objectives, and methodologies;
- Relevant industry practices and principles; and,
- The effect of the proposed rate changes and rebalancing on the competitiveness of the Auto Fund relative to other jurisdictions.

### **AUTO FUND RATE REVIEW**

In conducting the Auto Fund rate review, the Panel will consider:

- A) The reasonableness of the proposed rate change(s) and rebalancing in the context of:
  - (i) The Auto Fund mandate to operate on a self-sustaining basis over time;
  - (ii) The total forecasted premium revenue requirement by vehicle risk group including the assumptions, estimates, and methodology used in forecasting premiums, investment income, claims, and expenses for the basic (non-capital portion) rate indication being considered; and,
  - (iii) The objective of ensuring stability and fairness in vehicle insurance rating such that each vehicle class pays sufficient premiums to cover its anticipated claim costs and minimize cross subsidization.
- B) The following parameters as given:
  - (i) The compulsory insurance coverage provided by the Auto Fund through its legislative mandate;
  - (ii) The Auto Fund is a public fund for motorists with no profit component required in the pricing of the product;
  - (iii) SGI CANADA and SGI CANADA Insurance Services Ltd. are separate commercial entities from the Saskatchewan Auto Fund and shall not be considered part of the Auto Fund rate review;
  - (iv) The existing program parameters of the International Registration Plan, Safe Driver Recognition Program, and the Business Recognition Program;
  - (v) The terms of the approved Capital Management Policy and approved target capital levels;
  - (vi) The vehicle risk groups used by the Auto Fund; and,

(vii) The accounting and operating policies and procedures used by the Auto Fund.

The Auto Fund will provide the Panel with its application package immediately. The Auto Fund will also provide the Panel with any supplementary information as the Panel may require fulfilling its mandate and these Terms of Reference.

The Auto Fund may provide the Panel with a mid-application financial update if a business factor(s) informing the rate application has changed materially from those of the initial application. Should it be deemed necessary, any material updates to the application shall be provided by no later than Tuesday, March 3<sup>rd</sup>, 2026

The Panel shall determine a public consultation process for this rate change and rebalancing application that is appropriate and cost effective under the circumstances and within the timeline for the review as established by the Minister of Crown Investments Corporation.

The Panel shall provide members of the public with the opportunity to review and comment on the Auto Fund rate change and rebalancing submission outside any public meeting, to the extent reasonable, and within the timeline for the review as established by the Minister of Crown Investments Corporation.

The Auto Fund shall be provided with an opportunity to make a presentation to the Panel and the public to discuss noteworthy rate application issues.

Questions from the public, Panel members, and the Panel's technical consultant(s) that require a response from the Auto Fund shall be received by the Panel in a timely and efficient manner and forwarded to the Auto Fund for response.

The Panel shall provide the Auto Fund with the opportunity and reasonable time to review the technical consultant's preliminary report prior to its finalization to ensure there are no errors in data or in the interpretation of data. The preliminary report shall include the consultant's observations (i.e., outstanding issues and questions), but will not include the consultant's recommendations to the Panel.

Where Panel recommendations differ from the Auto Fund's proposed rate change and rebalancing, its final report must include an explanation of how, in its opinion, implementation of the Panel's recommendations will allow the Auto Fund to achieve the performance inherent in the parameters outlined in section (A).

#### **CONFIDENTIALITY**

Consistent with the "Confidentiality Guidelines" for the Panel, the Panel will not publicly release or require the Auto Fund to publicly release confidential information supplied by the Auto Fund to the Panel during the rate change and rebalancing application review.

The Panel will release, as part of its final report, the results of the review of the Auto Fund rate change and rebalancing proposal as conducted by an independent third party. By doing so the Panel shall ensure there has been no indirect release of any confidential Auto Fund information.

### **CONDUCT OF THE REVIEW**

The Panel will present its report to the Minister of Crown Investments Corporation no later than June 19, 2026.

### **ABBREVIATED REVIEW FOR JUNE 1, 2027, RATE CHANGE**

Prior to the implementation of a rate change in 2027, the Auto Fund will provide current financial statements and an update on any business plan forecasts for the Panel's review by November 30, 2026.

The Panel shall provide the Auto Fund with the opportunity and reasonable time to review the Panel's updated recommendation on the 2027 rate change prior to its finalization to ensure there are no errors in the data or the interpretation of data.

The Panel will provide a recommendation to confirm or revise the 2027 rate change to the Minister of Crown Investments Corporation no later than February 1, 2027.