

MEMBER'S RESOLUTION

Committee of the Whole (2) Report

DATE: Tuesday, March 08, 2022

TITLE: CITY OF VAUGHAN - CAR INSURANCE RATES

FROM:

Regional Councillor Linda Jackson

Whereas, Vaughan residents have not received a fair deal and have been underserved and discriminated against regarding auto insurance rates for decades;

Whereas, there are currently no standardized rates for auto insurance in Ontario as the rates are dependent on several factors, many of which are not in the drivers' control;

Whereas, a report commissioned by the Ontario government in 2016 found that Ontario had the most expensive auto insurance rates in Canada despite having one of the lowest levels of accidents and fatalities;

Whereas, Ontario's average auto insurance rates cost \$1,616 per year;

Whereas, the cost of insuring a vehicle in Vaughan is approximately 60 per cent higher than Ontario's average;

Whereas, Vaughan currently has the most expensive insurance rates in Ontario with an approximate average of \$2,334 per year;

Whereas, the following postal codes currently pay the highest average rates per year in Vaughan: L4K at \$2,584, L4L at \$2,584, L6A at \$2,463, L4H at \$2,463, L3L at \$2,460, L4J at \$2,240, and L0J at \$1,547;

Whereas, other municipalities in Ontario pay significantly lower rates. For example, neighbouring King Township average \$1,700 per year and the average per year in Toronto, Whitby and Oshawa are \$1,800 per year;

Whereas, rates in Vaughan are expected to continue to rise in 2022;

Whereas, Bill 42 was introduced by the Ontario government in 2019 to end discrimination in automobile insurance and to prohibit insurance companies from using postal codes or area codes as primary factors in setting insurance rates and is currently in the process of being reviewed by the Ontario Standing Committee on Finance and Economic Affairs;

Whereas, due to Covid-19 there is no identified timeline for when the committee will announce recommendations or the outcome of the recommendations; and

Whereas, Vaughan residents must have their voices heard concerning their demand for decisive and prompt action relating to auto insurance rates.

It is therefore recommended:

1. That City staff develop an online petition calling on the Ontario government to develop policy solutions that provide Vaughan residents fair and equitable treatment by delivering urgently needed reductions in auto insurance rates;
2. That the Corporate and Strategic Communications department be directed to assist with public information efforts about the petition, utilizing corporate communications channels;
3. That the online petition be sent to the Premier of Ontario and Minister of Finance, with correspondence from the City, including a copy of the Council-approved Member's Resolution; and
4. That a copy of the petition, correspondence and Member's Resolution also be sent to all Vaughan Members of Provincial Parliament, the Association of Municipalities of Ontario and the Insurance Bureau of Canada.

Attachments:

None