

# Decrease in auto insurance rates was a stretch

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In 2013, the Liberal government promised to lower auto insurance rates by fifteen per cent by August 2015, in order to gain NDP support for their budget.

As the August deadline passed, and as we begin a new year, the goal of a fifteen per cent reduction has become another unfulfilled promise.

After multiple missed deadlines, and rates nowhere near the fifteen per cent reduction, the Premier finally admitted that her promised fifteen per cent reduction was a "stretch goal."

What is a stretch goal?

One can only assume it is one made that you're confident you can't achieve!

Auto insurance rates are a major concern for Ontarians and, in particular, in the Greater Toronto Area; as we pay twice as much compared to the Maritime Provinces and 45 per cent more than Albertans.

Over the last couple of years, residents of Dufferin-Caledon have seen a spike in their auto insurance rates due to postal code changes made by Canada Post.

In one case, an individual informed me that their insurance increased by five hundred dollars because their postal code had changed.

We contacted the Financial Services Commission of Ontario (FSCO) on behalf of residents and FSCO issued a bulletin notifying insurance companies they could not increase insurance premiums based on postal code changes and must maintain the insurance rates that existed prior to the changes.

Another individual called my office and informed us that their rates were going up even though she never had an accident, drove average vehicles, and lived in a safe neighborhood.

Fortunately, my office was able to help resolve this issue, and many issues like it.

It's important when attempting to lower auto insurance rates that all changes must be done thoughtfully and with a thorough understanding of what is causing the increases.

The PC Caucus has continuously recommended the government tackle insurance fraud, which is a major reason for high insurance premiums. In 2012, the Ontario Automobile Insurance Anti-Fraud Task Force brought forward thirty-eight recommendations on how to tackle the issue of fraud.

Unfortunately, as of July 2015, the government has acted on very few of their recommendations.

I encourage the government to tackle the issue of fraud, instead of making promises they never intended to keep.