

Public Perceptions of Alberta's Automobile Insurance System

Prepared for: Fair Alberta Insurance Regulations (FAIR Alberta)

Field work conducted between
January 8 to 15, 2024

Prepared by



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OPINION RESEARCH

In partnership with

Trend Research

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Methodology

Survey questions were administered by Trend Research between January 8 to 15, 2024 under the director of Janet Brown Opinion Research.

900 Albertans (aged 18 and over) were surveyed, providing an overall margin of error of plus or minus 3.3 percentage points, 19 times out of 20 (i.e., at a 95% confidence interval).

Similar research was conducted for the FAIR Alberta in June 2021. Tracking data is presented where applicable.

Survey Design

- Survey respondents were initially contacted at random by live telephone interviewers and given the option of:
 - answering the survey over telephone at that time,
 - answering over the telephone at a more convenient time, or
 - receiving the link and answering the survey on-line.
- The initial sample list contained approximately 60 percent cellphones and 40 percent landlines.
- Interviewers made up to five attempts to reach each phone number in the sample before classifying it as unreachable.

Interviews

- All surveys were conducted by qualified interviewers working out of Trend Research's centralized CATI facility in Edmonton. Field supervisors were always present to ensure accurate interviewing and recording of responses.
- The interviewing staff at Trend receives extensive training on the proper administration of interviews and are closely monitored by supervisors. A minimum of 10 percent of each interviewer's work was unobtrusively monitored for quality control in accordance with the standards set out by the Canadian Research Insights Council (CRIC).

Throughout the report, arrows (↑↓) indicate statistically significant change from previous survey.

Research Findings

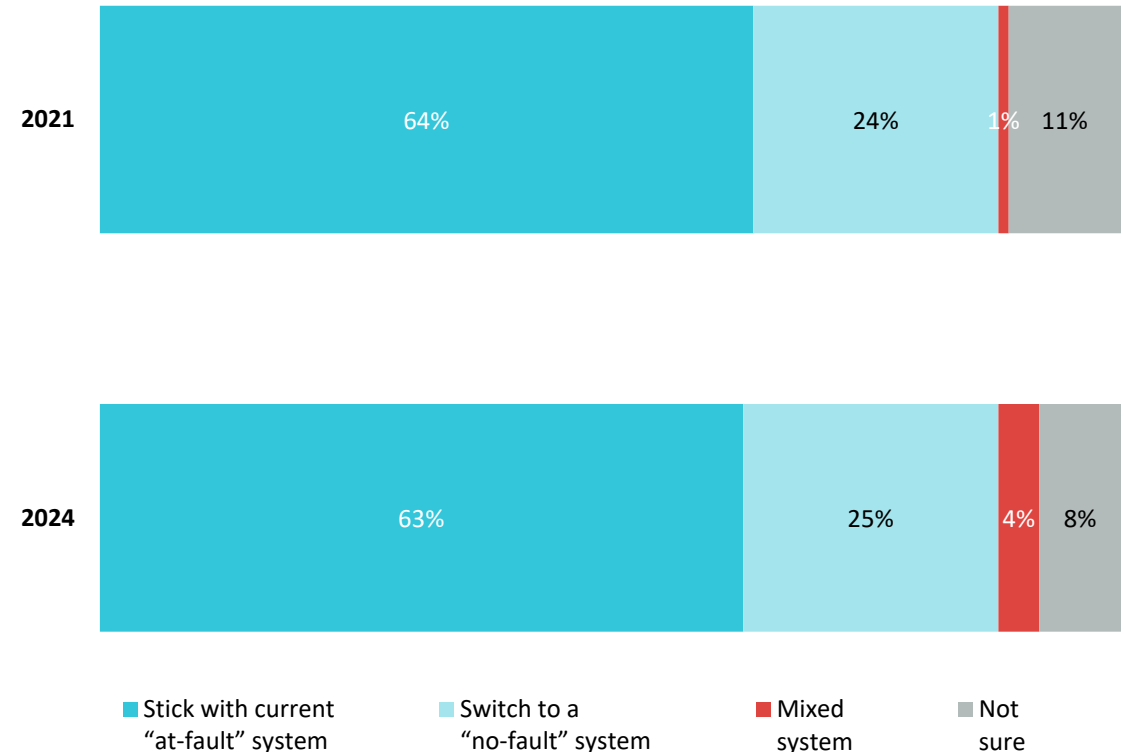
Initial Reaction to No-Fault vs At-Fault Insurance

In order to understand Albertans' preference for "no-fault" versus "at-fault" automobile insurance, survey respondents were provided with an explanation of both types of insurance at the beginning of the survey (see below) and asked for their reaction.

Just over six in ten Albertans (63%) prefer the current "at-fault" automobile insurance system. Another 25 per cent prefer a "no-fault" system. Four per cent want a mixed system and eight per cent are unsure.

Attitudes toward "no-fault" and "at-fault" insurance are similar to those measured in 2021.

Those most likely to want Alberta to stick with the current "at-fault" system include those who feel very or somewhat familiar with the changes to auto insurance being considered by the Government of Alberta (70%), and seniors (68%). Otherwise, attitudes are relatively consistent across the province.



Alberta currently operates under an "at-fault" automobile insurance system. If you are hurt or your vehicle is damaged in an accident, the insurance company of the person deemed "at-fault" pays for the losses of all people involved in the accident. Those involved in an accident can sue the "at-fault" driver's insurance company for additional damages. Some other provinces operate under a "no-fault" insurance system. Under a no-fault system, if you are hurt or your vehicle is damaged in an accident, your insurance company pays for your losses, regardless of who caused the accident. Losses experienced by other people are covered by their insurance company. Those involved in an accident cannot sue for additional damages. Based on this description, would you prefer to see Alberta ...

Fairness of No-Fault Versus At-Fault Insurance

Two aspects of “no-fault” automobile insurance were explained to survey respondents: (1) that those responsible for an accident are treated the same as those not “at-fault”, and (2) that those involved in an accident cannot sue the “at-fault” driver.

Treating those responsible the same as those not “at-fault”

Six in ten (61%) believe it would be less fair to treat those responsible for an accident the same as those “at fault”. Since 2021, there has been a slight decrease in the proportion who feel this is less fair (down five-points from 66%).

Those who feel very or somewhat familiar with the changes to auto insurance being considered by the Government of Alberta are particularly likely to find this to be less fair (68%).

Those most likely to find this to be more fair include 18 to 24 year olds (36%), and those with an annual household income under \$60,000 (30%).

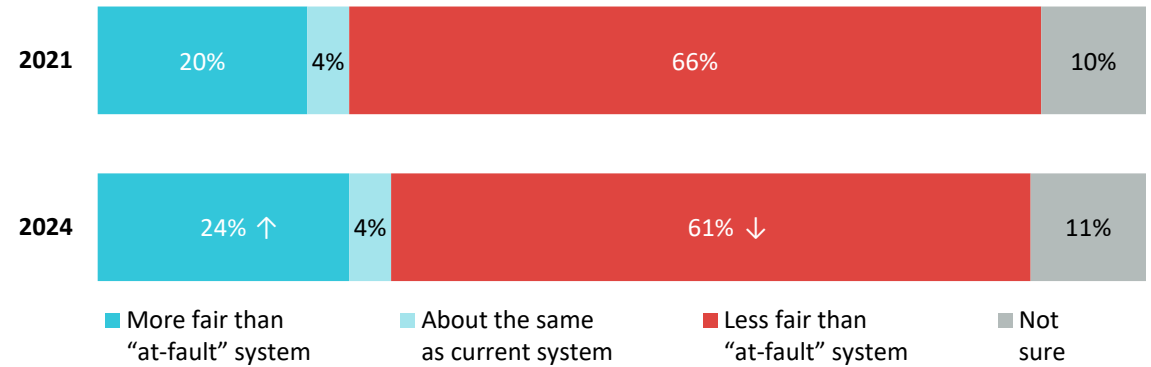
Not being able to sue “at-fault” driver’s insurance company for damages

Seven in ten (71%) believe it would be less fair if those involved in an accident could not sue the “at-fault” driver. This finding is little changed since 2021.

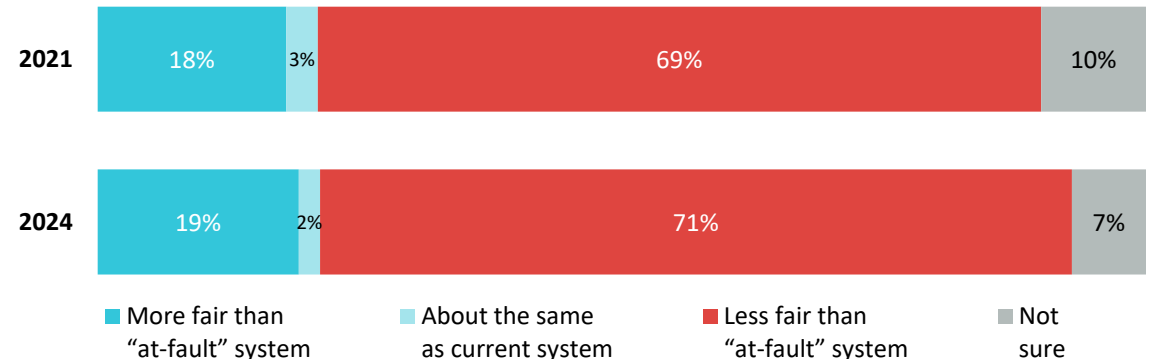
Those most likely to find this to be less fair include those who feel very or somewhat familiar with the changes to auto insurance being considered by the Government of Alberta (76%), seniors (75%), and men (74%).

Those age 18 to 24 (29%) are more likely than others to find this to be more fair.

Treating those responsible the same as those not “at-fault”



Not being able to sue “at-fault” driver’s insurance company for damages



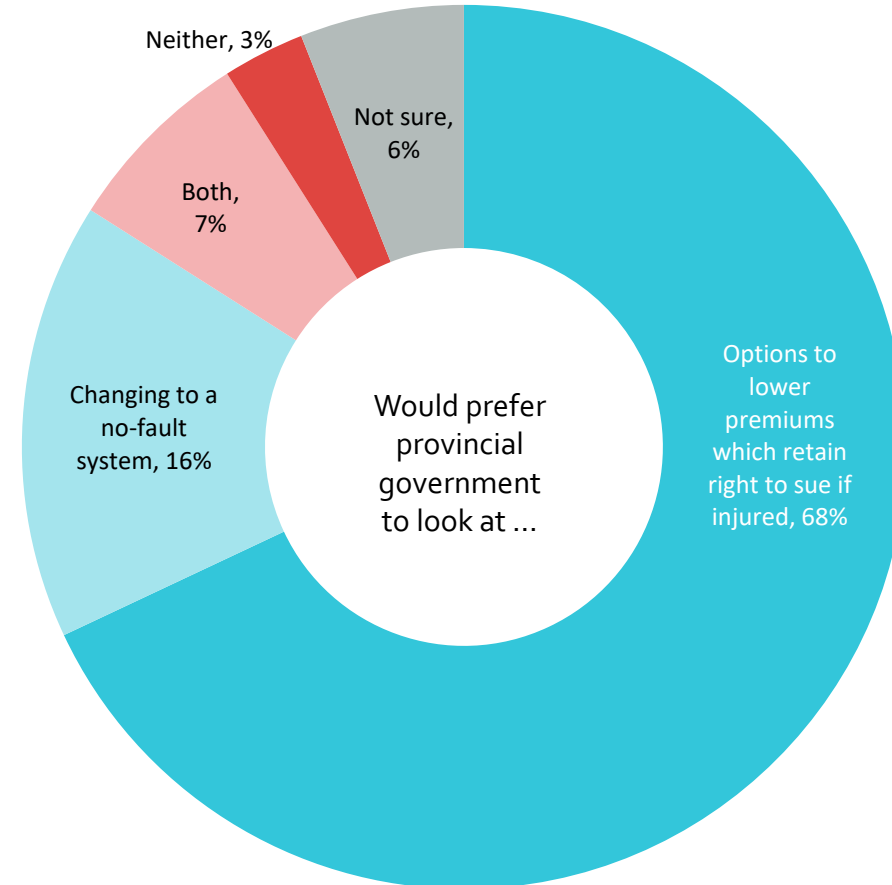
Under a “no-fault” system, those responsible for accidents are treated the same as those not “at-fault” for the purposes of determining benefits and compensation. Do you think this is more fair or less fair than the current “at-fault” system?

Under a “no-fault” system, those involved in an accident cannot sue the “at-fault” driver’s insurance company for damages. Do you think this is more fair or less fair than the current “at-fault” system?

Preferred Response from Provincial Government

Almost seven in ten Albertans (68%) would prefer for the provincial government to look at options to lower premiums which retain a person's right to sue the "at-fault" party if they are injured. In contrast, one in six (16%) would prefer to see the provincial government look at changing to a "no-fault" system. Seven per cent would like government to consider both, three per cent would like them to consider neither, and six per cent are unsure.

Those most likely to prefer to see the provincial government look at options to lower premiums which retain your right to sue include those who feel very or somewhat familiar with the changes to auto insurance being considered by the Government of Alberta (73%), those with an annual household income over \$120,000 (73%), and Calgarians (72%).



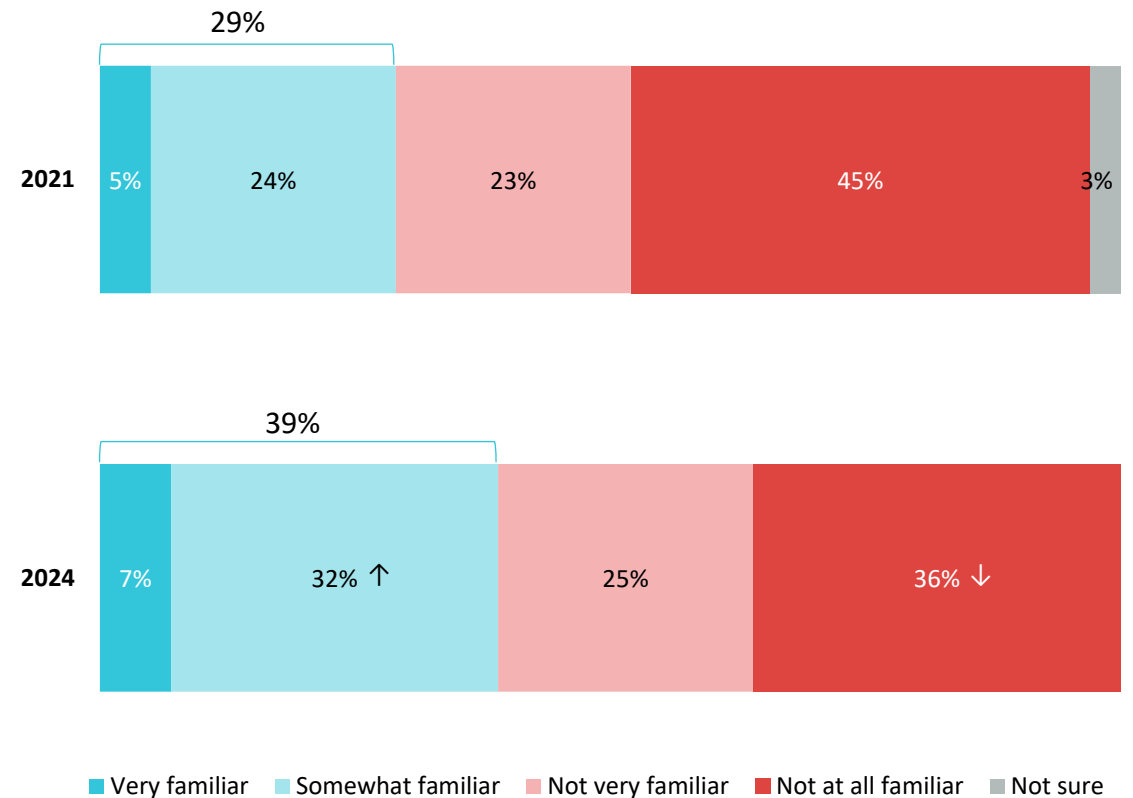
The Government of Alberta is considering changes to automobile insurance in an attempt to lower premiums. Would you prefer the provincial government to look at changing to a "no-fault" system, or look at options to lower premiums which retain your right to sue the "at-fault" party if you are injured?

Familiarity with Changes Being Considered

Four in ten Albertans (39%) feel they are either very (7%) or somewhat (32%) familiar with the changes to automobile insurance being considered by the Government of Alberta. However, more than six in ten (61%) are either not very (25%) or not at all (36%) familiar with these changes.

Since 2021, the proportion indicating they are at least somewhat familiar with the changes being considered has increased by 10-points (from 29 to 39 per cent).

Those age 45 and over (45%) are particularly likely to feel at least somewhat familiar with the changes to auto insurance being considered.



Before answering this survey, how familiar were you with the changes to automobile insurance being considered by the Government of Alberta?

Final Reaction to No-Fault vs At-Fault Insurance

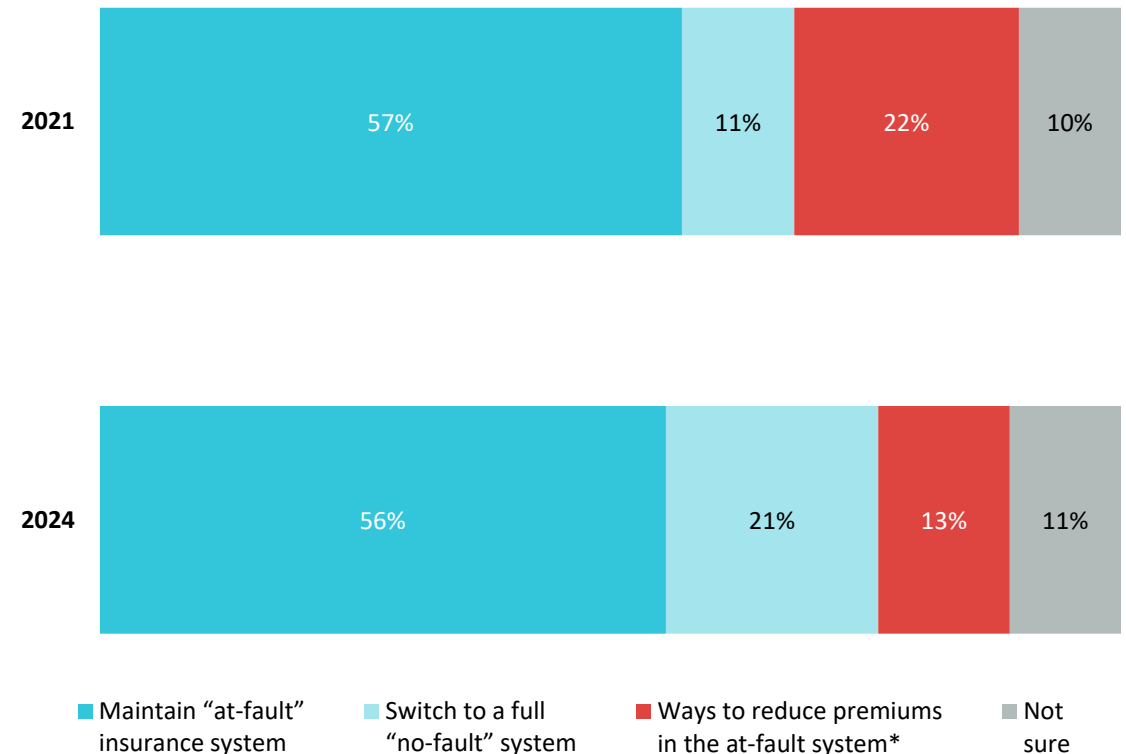
At the end of the survey, after being given information about automobile insurance and reflecting on the implications of changing the system, survey respondents were asked to give their final thoughts on whether Alberta should maintain the current “at-fault” system, switch to a full “no-fault” system, or look for ways to reduce premiums in within an “at-fault” system which retain the right to sue.

Given these three options, most Albertans (56%) would prefer to maintain the current system. Fewer want to switch to a full “no-fault” system (21%) or look for ways to reduce premiums with an “at-fault” system (13%). And 11 per cent are unsure.

A similar question was asked in 2021. However, the question wording was slightly different. It asked about a “hybrid” system rather about looking for ways to reduce premiums in an “at-fault” system. Despite this difference in wording, a similar proportion of Albertans support the maintenance of the existing “at-fault” automobile insurance system.

Those most likely to want to maintain the current system include those who feel very or somewhat familiar with the changes to auto insurance being considered by the Government of Alberta (62%) and seniors (59%).

Those 18 to 24 year olds (29%), those with a high school education or less (28%), and unemployed people (27%) are more likely than others to want to switch to a full “no-fault” system.



Now that you know more about this topic, do you think the Government of Alberta should maintain the current “at-fault” insurance system, switch to a full “no-fault” system, or find ways to reduce premiums in the “at-fault” system which retain your right to sue if injured?

* Note: in 2021, wording for this option was presented *as switching to a hybrid "no-fault" system*.

Questionnaire

Data Tables



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