



THE CANADIAN  
BAR ASSOCIATION  
British Columbia Branch

April 5, 2018

Hon. David Eby, QC  
Attorney General  
PO Box 9044, Stn Prov Govt  
Victoria, BC V8W 9E2

Dear Attorney General,

**Re:     *CBABC Submissions Regarding Rate Proposals***

The CBABC is pleased to provide these submissions in response to the government's request regarding feedback to potential changes to ICBC's rate structure. These changes ought to be part of an overall plan to improve driver behaviour, decrease accidents, and hold those responsible for crashes accountable; rather than to pass on expenses to or take away rights of motorists who have done nothing wrong. The CBABC supports a move towards modernizing the rate structure at ICBC, particularly if that modernization includes implementing measures that encourage good driving and place more financial responsibility on motorists who are engaging in risky driving behaviours.

The CBABC encourages the government to ensure that any changes that are made to the rate structure are straightforward and uncomplicated. For a rate structure to have any impact on driving behaviour, the structure has to be easily understood and directly related to driving behaviour. Changes to the rate structure that are complicated or not directly related to driving behaviour, will not have any impact on risky driving in British Columbia. Deterring risky driving behaviour should be a key goal of the revisions to the rate structure. Rather than being based on statistical likelihood of being involved in a crash, the CBABC submits that the rate structure should be based upon actual driving behaviour and actual experience of the driver.

With respect to penalties for drivers who are not registered as drivers, the CBABC submits the proposed revisions to the principal operator rules are unnecessary and form a potential trap to motorists. There are occasions where an unregistered operator of a vehicle is asked to drive for a justified reason, which enhances road safety. Allowing an unregistered operator to drive on those occasions should be encouraged; examples include: the owner's ability to operate the vehicle is compromised by fatigue; the owner is intoxicated; the owner's concentration is affected by medication; the owner suffers a medical condition affecting his or her ability to drive; or the owner suffers a sudden emotional event affecting his or her ability to drive. In such circumstances owners should be encouraged to have another individual operate their vehicle. The proposed revisions regarding penalties for unregistered drivers may dissuade rather than encourage responsible practices by vehicle owners.

The proposals relating to discounts for kilometres driven are complicated and, in the CBABC's view, unnecessary. Although statistically there may be some connection between number of kilometres being

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driven and the chance of causing a crash, the CBABC encourages the government to base the rate structure on actual experience of motorists and their history of risky driving behaviour as the determinant of rates, not a statistical chance. We note that motorists who drive infrequently may drive in a manner that actually increases the likelihood of crashes due to lack of practice, while motorists who are frequent drivers develop a skill level that could decrease the likelihood of crashes. The frequency of driving is a poor measure of risk, as you only have to drive poorly once to cause a crash. Historical behaviour should be the measure of risk, not frequency of driving. The CBABC disagrees with basing the rate structure on general factors rather than the actual driving behaviour of an individual, as this will result in unfair results. For example, under what the CBABC understands the proposed changes to be, a driver who drives frequently – regardless of whether they have ever been involved in an accident – will get penalized simply as a result of driving frequently. When a rate structure is based on statistical measures rather than actual driving experience it will unfairly penalize some motorists while benefiting some undeserving motorists.

The CBABC strongly encourages the government to increase rates for dangerous driving behaviours such as impaired driving, excessive speeding, and distracted driving. Significant weight should also be placed on prior accidents and driving infractions, such as failing to stop. Doing so will ensure that those motorists who are placing others at risk are paying a financial price for having done so. The CBABC also supports measures being put in place to incentivize motorists and car companies to implement accident-avoiding technology, such as back up cameras and blind spot warning sensors, which decrease the likelihood of crashes. This in turn will encourage safe driving and increase the safety of British Columbia roads.

In line with this, the CBABC supports penalizing a driver rather than an owner of a vehicle for driving behaviour that results in a crash. We appreciate further investigation is required regarding how this may be implemented given the current structure, particularly in those situations where a motorist does not own a vehicle. One option is to tie this to an individual's driver's license.

The CBABC supports implementation of a system whereby owners of higher value vehicles are paying more for their insurance. The choice of operating a more luxurious vehicle for some ought not to increase insurance costs for others. Given the rising cost of living in British Columbia, including the costs of goods such as vehicles, further investigation is required into setting the price point for a luxurious vehicle so as not to burden most British Columbians with this additional cost.

In summary, the CBABC sees potential changes to ICBC's rate structure as a significant opportunity to accomplish the objectives of improving driver behaviour, decreasing accidents, and holding those responsible for crashes accountable rather than passing on expenses or taking away rights of motorists who have done nothing wrong. This can be achieved by implementing a rate structure that is clear in its messaging, with the most important principle being that drivers who are reckless or careless will pay significantly more for insurance while safe driving will be recognized.

Yours truly,



Bill Veenstra  
CBABC President 2017/2018