

Automobile Insurance Rate Board



July 26, 2007

Mandatory auto insurance premiums remain at 2006 levels

Edmonton... The Automobile Insurance Rate Board (AIRB) has decided to hold premiums for mandatory auto insurance in Alberta at 2006 levels as the result of its annual insurance rate review.

"Alberta consumers continue to have access to fair and affordable auto insurance," says AIRB board chair Alf Savage. "Insurance premiums for mandatory auto insurance remain 18 per cent lower than they were before auto insurance reforms were implemented in 2004."

In making its decision, the AIRB considered input from Albertans, the board's consumer representative and insurers. Two days of public meetings were held in June.

The AIRB's mandate is to set premiums for mandatory auto insurance coverage for private passenger vehicles, monitor premiums for optional coverage, and review and approve rating programs for new insurers entering the Alberta market. The AIRB annually sets the maximum premiums for mandatory coverage that all automobile insurers charge.

Each year, the rate board is required to announce any industry-wide adjustment that results from its annual auto insurance rate review by August 1st.

When automobile insurance reforms went into effect on October 1st, 2004, Alberta drivers received a five per cent reduction. On July 1st, 2005, rates were reduced another six per cent. The initial annual review process in 2005 further reduced premiums for mandatory coverage by four percent, followed by a three per cent reduction in 2006.

For more information, visit the board's web site at www.airb.gov.ab.ca or call (780) 427-5428 (toll free at 310-0000).

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This information is available on the Auto Insurance Rate Board homepage at: www.airb.gov.ab.ca

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