



# PRESS RELEASE

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## **Auto insurance: a necessary evil for many Quebecers**

**Montreal**, June 21, 2016. While there are more than 5 million vehicles on the roads in Quebec, a new survey indicates many Quebecers still do not understand how their auto insurance works.

Claims settlement in particular is still a fuzzy concept for most drivers. A recent SOM survey conducted on behalf of the *Groupement des assureurs automobiles* (GAA) clearly demonstrates this:

- 23% of motorists believe the police must be called after an accident, even if nobody is injured.
- 42% do not know that their insurer takes into account their responsibility in a collision in order to compensate them.
- 44% think that they still have to pay the deductible specified in the contract, even in the event of a collision for which they are not at fault.

More importantly, 69% of Quebec drivers are unaware that their contract covers them following a collision for which they are not liable, even if they have no coverage for damage to their vehicle—a surprising fact that suggests some policyholders are not benefitting from their insurance when they need it.

"We know that insurance is not a favourite topic among consumers, but since motorists are required to be insured, it is in their best interest to know what their policy covers," says Anne Morin, head of public affairs at the GAA.

Ms. Morin encourages policyholders to inquire about their coverage and to check to make sure their policy meets their needs. "A better understanding of why we pay a premium not only increases our level of satisfaction but also contributes to ensuring we have the right coverage," she adds.

### **Persistent myths**

While the public at large is familiar with the ratings criteria used by insurers, the myth that a red car costs more to insure persists. One in five policyholders (21%) still believes

that the colour of their car affects the amount of their premium, when in reality this is not true.

As to the Joint Report, 60% of respondents assume it is used to establish liability following an accident, while its actual purpose is to report a new claim to a driver's insurer. And finally, as for Quebec's Fichier central des sinistres automobiles (automobile accident central registry), 59% of those surveyed are unaware that, when an accident occurs, the claim is registered on behalf of the custodian of the vehicle, in other words in the name of the person who was driving it at the time of the collision.

### **A tool to understand claims settlement**

To help consumers navigate the process, the GAA has created a tool that explains the different steps involved in claims settlement. It is available on the [gaa.qc.ca](http://gaa.qc.ca) site. It is also possible to obtain information on claims settlement and on insurance in general at [infoassurance.ca](http://infoassurance.ca) or through the Insurance Information Centre at 1 877 288-4321.

### **About the GAA**

The mission of the *Groupement des assureurs automobiles* is to play an active role in developing the automobile insurance industry in Quebec and safeguard consumers' interests, specifically by guaranteeing access to insurance, simplifying claims settlement, and promoting fair and equitable rates through the publication of statistical data.

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