



**Consumers' Association of Canada  
Association des consommateurs du Canada**

## **PRESS RELEASE**

For Release: February 26, 2004

### **Consumers' Association Brands Latest Plan By Private Insurers an Insult to Drivers in New Brunswick**

OTTAWA - "Consumers last summer delivered a loud and clear message on auto insurance to the New Brunswick Government," said Mr. Bruce Cran, President of the Consumers' Association of Canada. "Consumers said they were fed up with outrageous price increases by private auto insurers and they want action."

Since then the New Brunswick Government helped the auto insurance industry lock-in high prices for consumers while legislating a reduction in benefits to victims of crashes.

Mr. Cran called the latest 5 Point proposal from the auto insurance industry to lower rates an 'insult to New Brunswick consumers'. "The industry jacked up rates and took an extra slice amounting to tens of millions of dollars out of consumers' pockets over the last year," said Mr. Cran. In response to consumer outrage, the auto insurance industry is scurrying around floating trial balloons in advance of the release of the Weir Commission report on public auto.

The latest proposal from the industry, to offer higher priced policies, providing reduced protection, while suggesting consumers adjust head restraints is ludicrous. "Consumers demand fairly priced insurance with good coverage," said Mr. Cran. "The industry's proposal does nothing to mend the problem consumers want fixed.

The industry proposal to take several thousand drivers out of the 'Facility Association' is good news for those drivers, but if the industry really wanted to demonstrate their commitment to reduce rates they would refund the millions of dollars of overcharges paid by consumers who shouldn't have been in the Facility in the first place. That would be real action by industry," said Mr. Cran.

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Additional background information on auto insurance can be obtained from  
[www.consumer.ca](http://www.consumer.ca)

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