

NEWS RELEASE

ICBC monopoly keeps auto insurance rates high

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For Immediate Release

VANCOUVER—The Government of British Columbia’s ICBC reforms haven’t gone far enough and maintain ICBC’s monopoly on basic automobile insurance—which keeps rates higher than they otherwise would be, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“The experience from other jurisdictions in Canada demonstrates how open competitive markets with multiple insurance providers can lower auto insurance rates for drivers,” said John Chant, professor emeritus of economics at Simon Fraser University, Fraser Institute senior fellow and author of [*Reforming BC Auto Insurance to Benefit Consumers*](#).

Currently, the Insurance Corporation of British Columbia (ICBC), a provincial Crown corporation, operates as a monopoly in the province’s basic auto insurance market. And auto insurance costs in B.C. are generally among the highest in Canada.

While the B.C. government has introduced reforms in recent years, particularly in light of ICBC’s multi-billion-dollar losses, the reforms do nothing to end ICBC’s monopoly.

“If the B.C. government wants to help lower auto insurance rates in the province, it should create a level playing field for other providers to compete for clients and let market forces do their work,” Chant said.

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