



# Safe Driver Recognition Program Changes

Media backgrounder – November 2015

## New Safety Rating Scale (pending legislative approval in 2016)

Safest drivers will receive the biggest discounts, with stiffer consequences for high-risk drivers in the penalty zone.

Penalty Zone		Neutral		Safety Zone					
Points	Penalty per incident	Points	Discount	Good Drivers		Great Drivers		Safest Drivers	
				Points	Discount	Points	Discount	Points	Discount
-1	\$50	0	0%	1	2%	11	20%	21	21%
-2	\$100			2	4%	12			
-3	\$150			3	6%	13		22	22%
-4	\$200			4	8%	14			
-5	\$250			5	10%	15		23	23%
-6	\$300			6	12%	16			
-7	\$350			7	14%	17		24	24%
-8	\$400			8	16%	18			
-9	\$450			9	18%	19		25	25%
-10	\$500			10	20%	20			
Add \$50 for every additional Penalty Zone point to a maximum of \$1,000.*				As long as your rating is zero or higher you will not pay a penalty.					

\*Some Criminal Code convictions result in penalties up to \$2,500.

## Current Safety Rating Scale

Penalty Zone		0 Neutral Base insurance premium	Safety Zone			
Points	Penalty per incident		Points	Vehicle insurance discount	Platinum Customers	
					Points	Discount
-1	\$25	0	1	2%	11	20%
-2	\$50		2	4%	12	
-3	\$75		3	6%	13	
-4	\$100		4	8%	14	
-5	\$125		5	10%	15	
-6	\$150		6	12%	16	
-7	\$175		7	14%	17	
-8	\$200		8	16%	18	
-9	\$225		9	18%	19	
-10	\$250		10	20%	20	

Add \$25 for every additional Penalty Zone point to a maximum of \$500.\*

As long as your rating is zero or higher you will not pay a penalty.

\*Some Criminal Code convictions result in penalties up to \$2,500.

# Under the New Safety Rating Scale

**The Safety Zone benefits change as drivers earn safety rating points:**

## **Good Driver (+1 to +10)**

If you're in the Good Driver zone, you have earned enough safety rating points to receive a discount on your basic vehicle insurance. For each year you drive incident-free, you earn a safety rating point that gives you 2% off your basic vehicle insurance. For example, drivers at +4 receive an 8% discount and drivers at +10 receive a 20% discount.

## **Great Driver (+11 to +20)**

If you're in the Great Driver zone, you have earned enough safety rating points to receive a 20% discount on your basic vehicle insurance, plus you have earned a cushion to shield you from losing some or all of your discount if you cause a collision or get traffic convictions in the future. For example, a driver at +16 will lose 4 points for failing to stop at a stop sign and move to +12 on the safety rating scale; however, they will continue to receive a 20% discount because of the cushion.

## **Safest Driver (+21 to +25)**

If you're in the Safest Driver zone, you have driven incident-free for more than 20 years. You earn an extra 1% discount for each additional year you drive incident-free up to a maximum discount of 25%. These drivers lose some of their discount if they cause a collision or get a traffic conviction and therefore lose their designation as one of Saskatchewan's safest drivers. For example, a driver at +21 will lose 6 points if they cause a collision and move to +15 on the safety rating scale; however, they will only lose 1% of their discount.

## **Neutral Zone**

Drivers in the Neutral Zone (zero on the safety rating scale) pay a base premium for their vehicle insurance. They do not pay a penalty unless they are involved in a chargeable incident and move into the Penalty Zone. They do not earn a discount until they earn a safety rating point.

## **Penalty Zone**

Drivers who cause a collision or get a traffic conviction that moves them into the Penalty Zone, or further down the Zone, pay a penalty of \$50 per point. The maximum penalty is \$1,000 for incidents that move drivers to -20 or worse. Financial penalties for alcohol-related Criminal Code convictions remain at \$1,250 or \$2,250, based on the severity of impairment. Financial penalties for Criminal Code convictions resulting in injury or death remain at \$2,500.

# Safe Driver Recognition Program Changes

1. **The safety rating scale will grow to +25, allowing the safest drivers to earn a discount of up to 25%.** Currently, a driver's safety rating grows by one safety rating point each year that they drive incident-free to a maximum discount of 20% (see current scale). When the changes are implemented, drivers that earn 21 safety rating points will receive a 21% discount, drivers that earn 22 safety rating points will receive a 22% discount, and so on up to a maximum safety rating of +25, and a maximum discount of 25%.

*Example:* Your safe driving record puts you at +25 on the new safety rating scale. You cause a collision that results in \$3,000 in damages. You lose 6 points and move from +25 (25% discount) to +19 (20% discount) on the safety rating scale – a 5% loss of discount. Customers lower in the safety rating scale with fewer years of safe driving could lose 12%. And because you were in the Safest Driver Zone, you still have a 9-point cushion that shields you from losing more of your discount if you are involved in future incidents. Customers in the Great Driver Zone (+11 to +20) all receive a 20% discount.

2. **The at-fault collision threshold will increase from \$305 to \$700.** At-fault collisions where the Auto Fund pays out less than \$700 will result in loss of 4 points, while at-fault collisions where the Auto fund pays out \$700 or more will result in loss of 6 points. Today, no points are lost if the Auto Fund pays out less than \$305, while 6 points are lost if the Auto Fund pays out \$305 or more.

*Examples:*

- a) You are at +10 on the safety rating scale and cause a collision that results in \$1,100 in damages. After you pay your \$700 deductible, the Auto Fund pays out the remaining \$400. Today, you would lose 6 points since \$400 is greater than the \$305 threshold. You move from +10 (20% discount) to +4 (8% discount) on the safety rating scale, resulting in a 12% loss of discount. When the changes are implemented, you will lose only 4 points since \$400 is below the new \$700 threshold. You move from +10 (20% discount) to +6 (12% discount) on the safety rating scale, resulting in an 8% loss of discount.
- b) You are at +8 on the safety rating scale and cause a collision that results in \$900 in damages. After you pay your \$700 deductible, the Auto Fund pays out the remaining \$200. Today, you would not lose any points since \$200 is below the \$305 threshold. When the changes are implemented, you will lose 4 points since \$200 is below the new \$700 threshold. You will move from +8 (16% discount) to +4 (8% discount) on the safety rating scale, resulting in an 8% loss of discount.
- c) You are at +2 on the safety rating scale and cause a collision that results in \$1,700 in damages. After you pay your \$700 deductible, the Auto Fund pays out the remaining \$1,000. Today, you would lose 6 points since \$1,000 is greater than the \$305 threshold. You move from +2 (4% discount) to -4 (0% discount) on the safety rating scale receiving a \$100 financial penalty ( $4 \times \$25 = \$100$  penalty) and a 4% loss of discount. When these changes are implemented, you will still lose 6 points since \$1,000 is greater than the new \$700 threshold. You move from +2 (4% discount) to -4 (0% discount) on the safety rating scale resulting in a \$200 financial penalty ( $4 \times \$50 = \$200$  penalty) and a 4% loss of discount.

**NOTE:** These consequences are the same even if you have an auto extension policy that gives you a lower deductible. Your extension insurer would pay the difference between your deductible and the basic \$700 deductible, and the Auto Fund would continue to pay the amounts over \$700.

**3. Financial penalties are doubling from \$25 to \$50 per point in the penalty zone**

*Example:* You are at 0 on the safety rating scale and are convicted for failing to wear your seatbelt (a 3-point offence). You lose 3 points and move from 0 to -3 in the Penalty Zone. Today, you would receive a \$75 penalty (3 demerits x \$25). When the changes are implemented, you would receive a \$150 penalty (3 demerits x \$50).

**4. Drivers lose two points for less severe speeding infractions**

*Example:* You are at +5 on the safety rating scale and are charged for speeding 20 km/h over the posted speed limit. Today, your safety rating would not be impacted by this ticket unless you were going at least 35 km/h over the posted speed limit or were charged with speeding in a high risk zone such as a school zone or construction zone. When the changes are implemented, you will lose 2 points for this offence and move from +5 (10% discount) to +3 (6% discount) on the safety rating scale, resulting in a 4% loss of discount.