

Alberta Sees 8.8 Per Cent Increase in Auto Insurance Rate Quotes in Year-End Study

By George Small

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The study, designed to spot and highlight the pricing trends of car insurance in Alberta, identified an 8.8 per cent increase in the average lowest rates quoted for auto insurance in Q4 2008 compared to the same time period in 2007.

Toronto, ON -- Today, Kanetix® (www.kanetix.ca), Canada's shopping marketplace for insurance quotes, released the results of their quarterly Alberta auto insurance premium study. The study, designed to spot and highlight the pricing trends of car insurance in Alberta, identified an 8.8 per cent increase in the average lowest rates quoted for auto insurance in Q4 2008 compared to the same time period in 2007.

This 'end of year' increase comes as no surprise. While past studies suggested Albertans shopped for newer vehicles resulting in higher premiums because they typically include more coverages, this is not the reason for the increase this time around. Instead, it is due to higher car insurance rates.

In the summer of 2008, the Alberta Auto Insurance Rate Board announced a 5 per cent increase in the mandatory auto insurance premiums. This increase came into effect on November 1st. If you also consider that rate increases by several insurers to the additional Alberta car insurance coverages (like collision and comprehensive premiums) were implemented, the year-over-year comparison was sure to be higher.

"No one wants to hear about car insurance premiums going up, especially given all the negative news regarding the economy," suggests George Small, Co-founder of Kanetix.ca. "That's why now is the time to make sure you are getting the best rate for your car insurance coverage. Simply put, why pay more than you need to for your car insurance? Too often people overpay because they assume all insurers rate their policies the same, but a simple visit to Kanetix.ca to get quotes will show how the rates insurers offer can vary wildly."

As an online auto insurance shopping service that provides real-time quotes from many well-known competing insurers, Kanetix is in a unique position to empower insurance consumers with the tools needed to not only anticipate car insurance trends, but also to compare auto insurance quotes to find the best rate for the car insurance coverage they need.

About the study

Intended as a tool to spot and highlight the pricing trends of car insurance, the Kanetix Alberta car insurance rate study is released quarterly. Kanetix believes this study to be an accurate reflection of what Alberta auto insurance consumers are seeing when they get their renewal notice from their current insurer, as well as when they shop around for coverage. The study includes all drivers, regardless of their driving or insurance history, and includes the lowest car insurance rate quoted, no matter which company provided it (e.g. direct writing companies or broker-based insurers).

The results of the study are determined by comparing the average of the lowest auto insurance premiums quoted online for Alberta shoppers through Kanetix in Q4 2008 (i.e. October, November, and December) with the average from the same period in 2007. The results, and resulting interpretations, are based on the profile information as it is entered by the shopper and may not represent their accurate driving profile or vehicle data. As such, Kanetix can make no representation or warranty, either expressed or implied, as to the accuracy of this information.

About Kanetix

Launched in October 1999, Kanetix is Canada's leading national, online insurance marketplace. The Kanetix insurance information and shopping service brings consumers and insurance companies together in a one-stop shopping environment. Each day, thousands of consumers visit the Kanetix website to compare insurance quotes from a variety of Canadian insurance companies. Kanetix visitors can select the insurance quote of their choice and where available, choose to complete the application for coverage online or purchase their policy over the phone.

In addition to the insurance marketplace, Kanetix is a leading provider of online insurance quotation technology and develops online quotation systems and websites for some of Canada's leading insurance providers.

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