

---

**Sent:** Friday, September 15, 2017 4:03 PM  
**To:** Insurance Review  
**Subject:** : Fundamental change required

The Insurance industry is broken in Newfoundland and Labrador. It has been for a long time. We have no choice but to place a cap on pain and suffering for \$1,000. It's drastic yes, but insurance costs have gotten so high, that people are driving without it. It's in a death spiral.

If you're a new driver, insurance costs are so high that one wonders how you even get driving experience. I recently tried adding a new driver (with drivers school graduation) to my policy and the costs were \$3000 per year for liability only. She wasn't driving enough to justify that amount, so I have since removed her from my policy. Now she has no ability to gain driving experience even with me in the car because she is no longer a novice driver.

Here are some of the ideas I would explore to restructure the insurance industry in NL in order to fix the system.

1. - Pain and Suffering cap of \$1,000. This cap should cause the Lawyers to lose interest quickly.
2. - \$1,000,000 total claim cap.
3. - All drivers pay the same premium for liability. Liability premiums increase as a driver incurs accidents or driving infractions. The cost burden we are putting on new drivers are grossly unfair. Sure, new drivers are at a higher risk as they are learning, but we all started somewhere.
4. - Liability is with the person and not the vehicle.
5. Insurance on the vehicle itself is comprised of collision, fire, theft, etc. These are optional protections that a vehicle owner can seek and purchase.