

2026

CONSUMER
PERSPECTIVES ON
**AUTO
INSURANCE**



AIRB AUTOMOBILE
INSURANCE
RATE BOARD

CONTENT

INTRODUCTION	.....	2
CONSUMER EXPECTATIONS	.....	3
SURVEY DEMOGRAPHICS	.....	4
SURVEY RESULTS	.....	5
CONSUMER COMPLAINTS	.....	13
WHO TO CONTACT	.....	14
CONCLUSION	.....	15

INTRODUCTION

The Government of Alberta established the Automobile Insurance Rate Board (AIRB) through the Insurance Act as an independent regulatory body responsible for regulating auto insurance rating programs and providing information to help consumers make informed decisions about auto insurance.

The AIRB's mission is to foster public confidence by independently regulating the industry and informing consumers. To support this mission, the AIRB monitors market conditions and consumer perspectives to ensure decisions reflect the realities faced by drivers across the province.

Each year, the AIRB conducts a consumer survey to better understand the experiences and perceptions of Albertans purchasing auto insurance. These insights help inform the AIRB's Annual Review and contribute to a more complete understanding of the auto insurance marketplace.

As in previous years, the results of the survey highlight affordability remains the dominant concern among Alberta drivers.

While perceptions of fairness in insurance premiums have improved slightly, many consumers remain sensitive to even modest premium increases. In fact, more than half of respondents indicated they would consider seeking quotes from another insurer if their premium increased by less than five percent.

The survey also shows gradual improvement in awareness of the AIRB and the role government plays in regulating the auto insurance marketplace. Awareness of the AIRB increased to approximately thirty percent in 2026, continuing the steady upward trend observed over the past several years.

However, awareness of key consumer protections remains limited. Only about thirty percent of respondents indicated they were aware of the Good Driver Rate Cap.

"Only one quarter of surveyed Albertans indicated they were aware of the upcoming Care-First auto insurance system."

At the same time, many Albertans report confidence in their ability to make insurance purchasing decisions. While this confidence is encouraging, it must be supported by clear information and consumer education to ensure drivers fully understand their coverage options and protections.

The survey also highlights continued consumer frustration regarding unexpected premium increases.

"Over half of respondents reported experiencing an unexpected increase in their insurance premiums despite having no claims or convictions."

These findings reinforce the importance of transparency and communication within the auto insurance marketplace.

The AIRB engaged Y Station to conduct the 2026 Consumer Awareness and Perception Survey. Data collection took place between January 14 and February 3, 2026. A total of 1,000 surveys were completed with Albertans responsible for purchasing auto insurance for their household's private passenger vehicles.

The survey used a mixed methodology combining online surveys and telephone interviews. Of the completed responses, 777 were collected online and 223 were collected through telephone interviews.

To ensure representation across the province, respondents were recruited from four geographic regions: Edmonton, Calgary, other urban centres and rural Alberta. Each region accounted for approximately one quarter of the total sample.

Demographic weighting was applied to ensure the results accurately reflect the population distribution by age, gender, and region. As in previous years, the survey included both quantitative and qualitative questions designed to measure consumer awareness, perceptions, and purchasing behaviour.

"A total of 1,000 Alberta drivers participated in the 2026 Consumer Survey."

CONSUMER EXPECTATIONS

To operate a motor vehicle, legislation requires drivers to carry a minimum limit of basic coverage (third-party liability, direct compensation for property damage and accident benefits). Given auto insurance is mandatory, consumers have expectations regarding their insurance coverage options.



AFFORDABILITY

- ★ Premiums are equitable and accurately align with the risk profile of the driver and the cost to provide the coverage.
- ★ Costs are managed enabling insurers to avoid unexpected premium increases at renewal.
- ★ Premium changes are clearly explained by insurance professionals, and options to reduce rates are provided to consumers.



STABILITY

- ★ Insurance premiums are stable over time, with expected inflationary adjustments ensuring stability for Alberta drivers when budgeting for auto insurance.
- ★ Only drivers with a change in risk profile, due to convictions or claims, see significant increases.



ACCESSIBILITY

- ★ Insurance is available to all drivers, regardless of their risk profile.
- ★ Drivers have options of insurer and coverages to meet their specific needs through a competitive market.
- ★ Insurers provide full coverage to all drivers without placing obstacles in the purchase process.



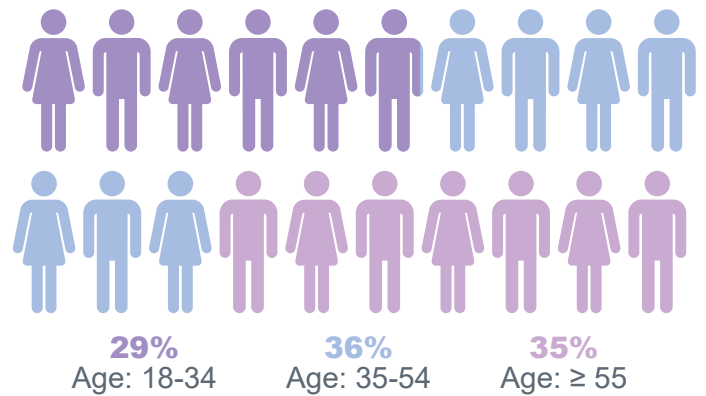
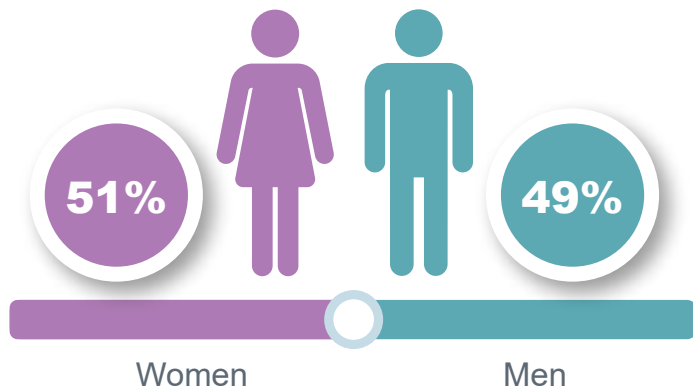
CUSTOMER SERVICE

- ★ Insurance professionals are well educated and trained to assist consumers in understanding their coverage needs, changes to their premiums, and ensuring they are adequately insured.
- ★ Insurers settle claims fairly and expediently.

Stability, accessibility and customer service are all tied to issues of affordability. A stable product is one with predictability in price without sudden, unexpected changes in price. Accessibility means drivers have choice in coverage and insurer. Customer service means consumers are informed and capable of making decisions on coverage and ways to save money.

Auto insurance affordability may be achievable with some effort and research. By shopping the market, adjusting coverage and asking about discounts, Albertans can find auto insurance to fit their budget and provide the protection needed on the road.

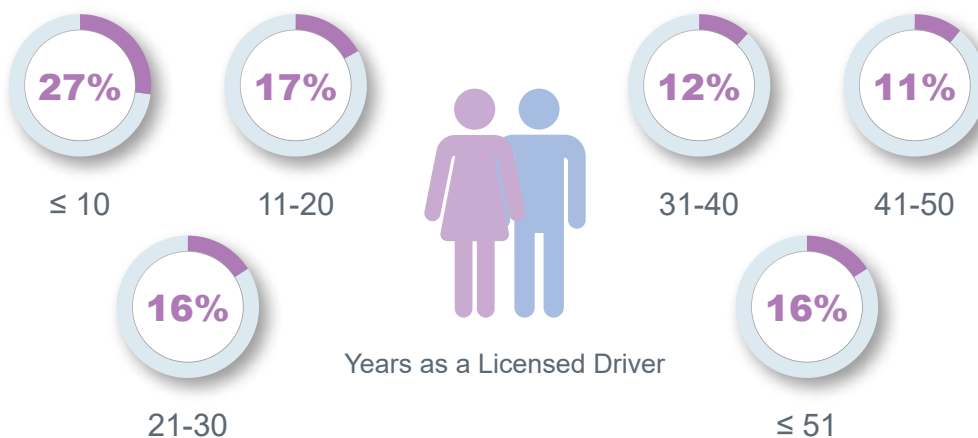
SURVEY DEMOGRAPHICS



Live in Urban Communities



Note: Unaided & Aided Combined



Note: Some responded prefer not to say for some of the categories

SURVEY RESULTS

AWARENESS OF THE REGULATOR

Awareness of the AIRB has continued to increase gradually. As a regulator, the AIRB plays an important role in reviewing rate applications and protecting consumers from excessive premiums. However, regulators are often less visible to the public than insurers or brokers.

In 2026, approximately thirty percent of respondents indicated they were aware of the AIRB. This represents a modest increase compared with 2025 and 2024.

Aware the Government Regulated Auto Insurance



54%

This question is important because it tells us whether consumers understand who is responsible for rate oversight. Many consumers assume insurers set prices completely independently, without realizing there is a regulatory review process.

Understanding regulatory roles can influence:

- ★ Trust in the system,
- ★ Perception of fairness, and
- ★ Where consumers go when they have concerns.

"AIRB awareness has increased steadily over the past three years."

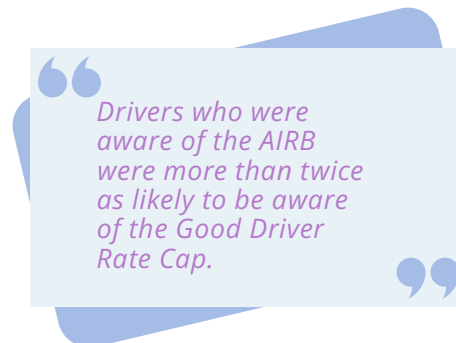
The survey results also suggest recent advertising campaigns have helped improve visibility of the AIRB among Alberta drivers. Among those who reported awareness of the AIRB, many indicated they had seen or heard AIRB advertising.

Have Heard of the AIRB (Aided)*



30%

Despite these improvements, awareness of other aspects of the auto insurance system (i.e. Good Driver Rate Cap) remains limited. Interestingly, respondents who were aware of the AIRB were significantly more likely to be aware of these policies.



Drivers who were aware of the AIRB were more than twice as likely to be aware of the Good Driver Rate Cap.

This suggests increasing awareness of the AIRB may also improve consumer understanding of the broader insurance regulatory framework.

* Aided awareness prompts the respondent with a name "Have you heard of the AIRB?" Unaided asks without the name "Do you know who regulates auto insurance rating programs in Alberta?"

PREMIUMS

Perceptions of fairness in auto insurance premiums have improved modestly in recent years.

In 2026, forty-three percent of respondents indicated a high level of agreement with the statement auto insurance premiums are fair and reasonable.

Public attitudes toward auto insurance tend to fluctuate based on:

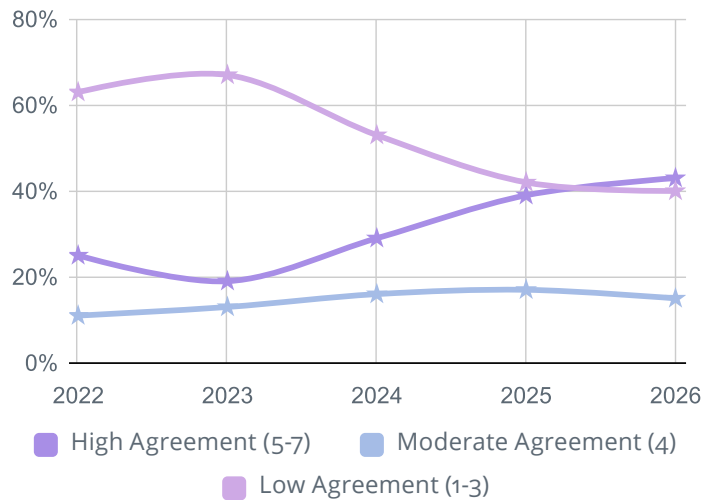
- ★ Premium changes,
- ★ Media coverage.
- ★ Economic conditions, and
- ★ Government action.

Although this represents an improvement compared with previous surveys, affordability remains a significant concern for many drivers. Insurance premiums remain one of the largest ongoing expenses associated with vehicle ownership. As a result, even small increases can have a meaningful impact on household budgets.

Perception of fairness is important because even when pricing reflects actuarial risk, consumers may still feel pricing is unclear or unpredictable. This gap between technical pricing and consumer perception is an ongoing challenge in insurance markets.

The survey also confirms consumers remain highly sensitive to premium increases.

Premiums are Fair & Reasonable



Consumer Would Shop the Market If...



Fifty-five percent of respondents indicated they would seek alternative quotes if their premium increased by less than five percent.

CONSUMER CONFIDENCE

We asked consumers how confident they feel when making auto insurance purchasing decisions. Auto insurance is a complex product. Seventy-three percent of respondents had high confidence - a four percent improvement over the 2025 survey. Many drivers are making decisions about coverage types, deductibles, liability limits, and optional coverage often with limited information. Confidence levels can tell us whether consumers feel empowered in the marketplace, or whether they feel uncertain and overwhelmed.

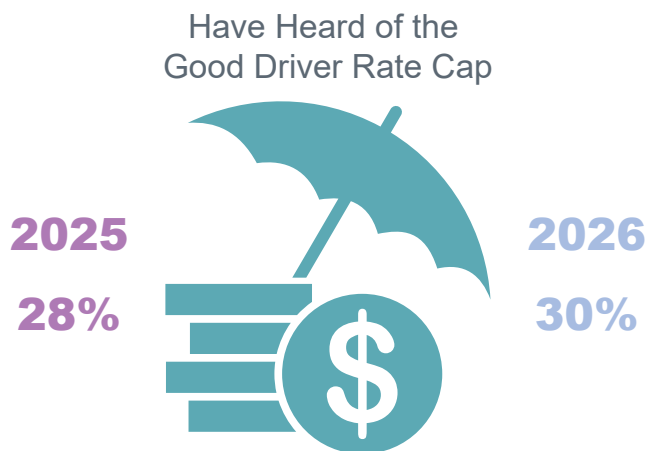
For respondents who indicated lower confidence, we asked why.

Common themes included:

- ★ Difficulty understanding policy terminology,
- ★ Uncertainty about coverage options,
- ★ Lack of transparency in pricing, and
- ★ Confusion about why premiums change.

This highlights a key issue - consumers often feel auto insurance is difficult to understand, which can undermine confidence in decision-making.

GOOD DRIVER RATE CAP



The survey also asked about awareness of the Good Driver Rate Cap, which limits rate increases for drivers who meet the definition. Approximately thirty percent of respondents reported awareness of the Good Driver Rate Cap.

Low awareness of the cap is a concern to the AIRB, as insurers are required to communicate to their customers at renewal whether they are eligible for the rate cap.

Confidence in Purchase Decision

2025
69%



2026
73%

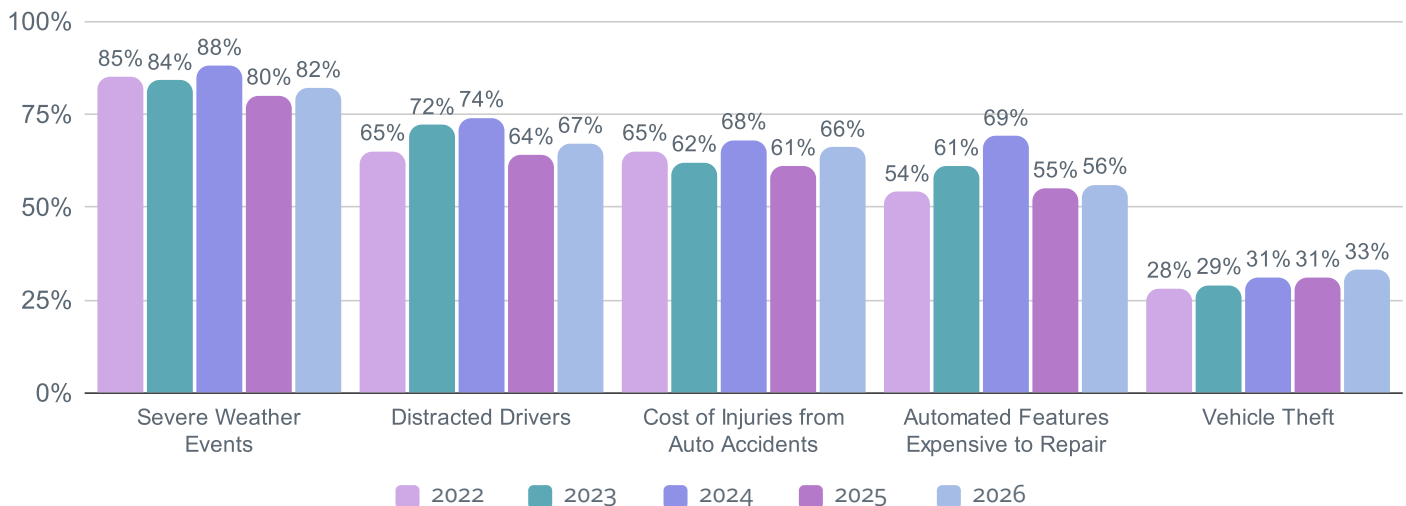
High Confidence (5-7)

FACTORS CONTRIBUTING TO THE RISING COST OF INSURANCE

Another important question is “What do consumers believe influences the price of their auto insurance?” Drivers may assume certain factors matter more than they actually do or may be unaware of factors which insurers legitimately consider. Understanding this perception helps identify knowledge gaps between consumers and the insurance system.

We see generally steady awareness of the surveyed factors, with a slight uptick in awareness of theft which may be the result of increased media focus on the issue over the last year.

Awareness of Factors Contributing to the Rising Costs of Insurance



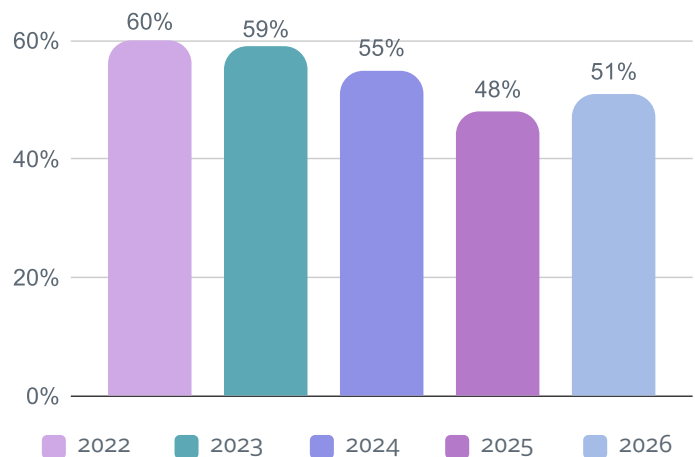
PURCHASING AUTO INSURANCE

We explored consumer behaviour when purchasing insurance. We want to know if drivers compare quotes, stay with their insurer over multiple years, and how they prefer to shop the market. These behaviours influence how competitive the market is and how easily consumers can find better pricing.

We saw a slight uptick in “unexpected increase in the cost of auto insurance” although having no claims or convictions. This year, fifty-one percent of surveyed Albertans did experience an unexpected increase, up three percent over 2025. This is a common complaint raised with the AIRB as consumers may not understand insurance works as a risk pool and when overall claims costs increase across the system, premiums can rise for many drivers - even those who have not had a claim or traffic conviction.

At the same time, a smaller proportion of respondents reported experiencing decreases in their premiums. A small minority of respondents indicated they had been denied insurance coverage within the past two years. Others reported deciding not to insure a vehicle during this time. These results highlight the importance of continued monitoring of accessibility in the Alberta auto insurance marketplace. Further discussion about Section C availability (collision, comprehensive, etc.) will be addressed later in this report.

Consumer Experienced Unexpected Increase Although Claims & Convictions Free

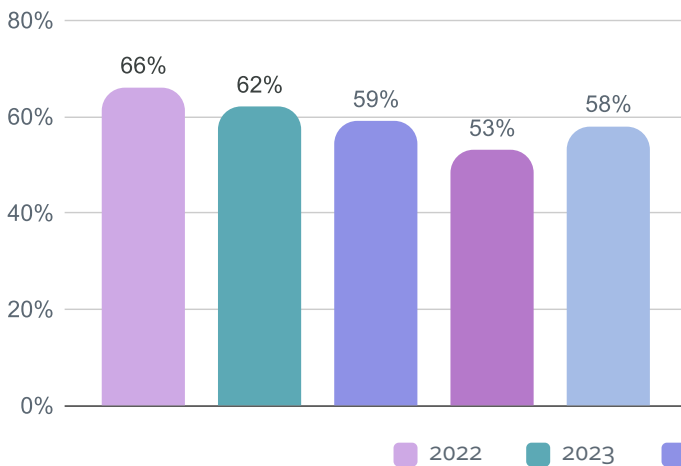


COMMUNICATION

We asked consumers whether they understand why their premiums change. More Albertans surveyed (fifty-eight percent) contacted their broker or agent to understand why the premium changed. This is a five percent increase over 2025. A higher percentage of

men (sixty-six percent) were more likely reach out to an insurance professional to understand the change, compared to the percentage of women (fifty-two percent).

Consumers Who Contacted Their Brokers/Agent for an Explanation as to Why Their Premiums Increased



Premium changes can occur for many reasons:

- ★ Claims history,
- ★ Vehicle replacement cost,
- ★ Address changes,
- ★ Changes in insurer rating models, and
- ★ Market trends.

But from a consumer perspective, these changes can feel sudden or unexplained. Improving transparency around premium changes is an ongoing challenge across the industry.

"Unexpected premium increases continue to be one of the most common concerns raised by drivers."

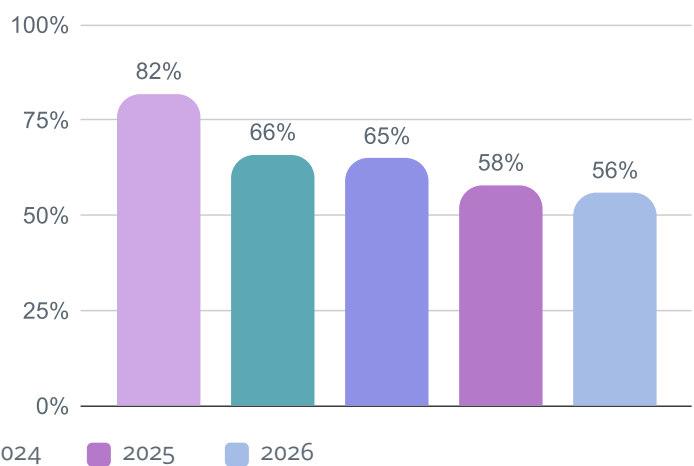
SHOPPING THE MARKET

Most Alberta drivers remain loyal to their existing insurance provider.

"Eighty-four percent of respondents remained with their existing insurer over the past two years."

The Good Driver Rate Cap may be playing a role in the decision to remain with their insurer as changing companies will lift the cap protections.

Consumers Who Felt Their Brokers/Agent Didn't Provide Satisfactory Explanation as to Why Their Premium Increased



A higher percentage of those surveyed were satisfied with their broker or agent's explanation of premium changes, compared to previous years. We are happy to see the responses trending in the right direction.

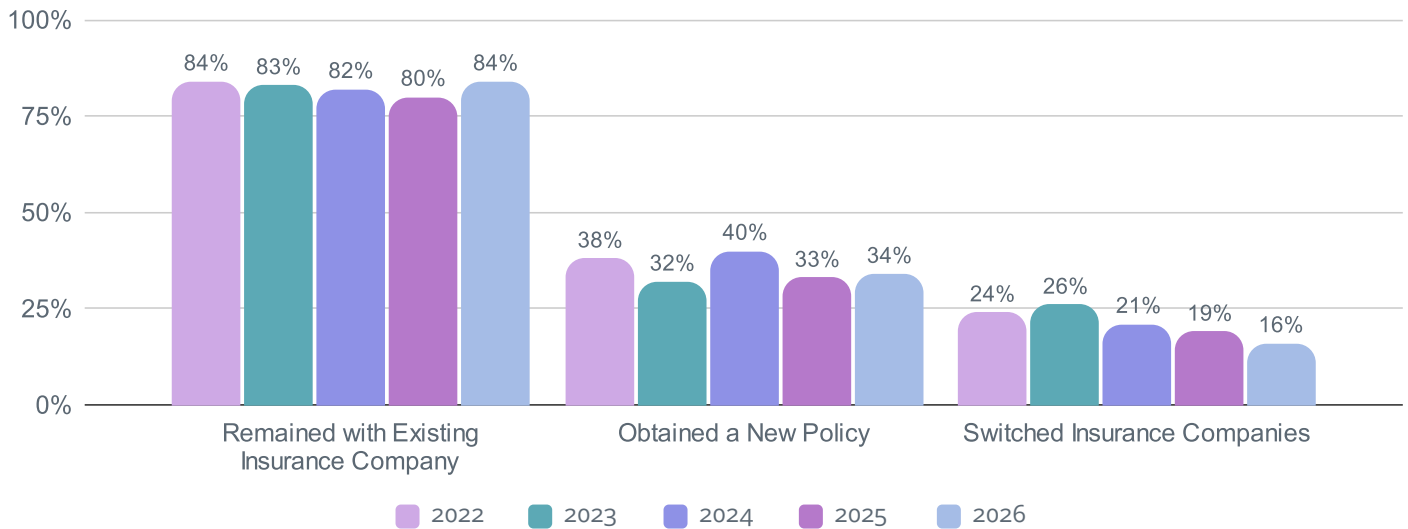
The earlier low satisfaction with explanations from agents and brokers was one of the reasons the AIRB began our webinar series – to arm insurance professionals with more information about the market to adequately respond to customer concerns. There is still work to be done but the needle is moving.

Communication between insurers, brokers, and policyholders remains a key factor influencing consumer satisfaction. Improving transparency and communication will be particularly important as the insurance system prepares for upcoming reforms.

Frequently cited reasons for switching insurer:

- ★ Poor customer service (twenty-five percent),
- ★ Claim process was unsatisfactory (eleven percent),
- ★ Claim outcome was unsatisfactory (ten percent), and
- ★ Insurer left the market (five percent).

Changes to Auto Insurance in the Past Two Years

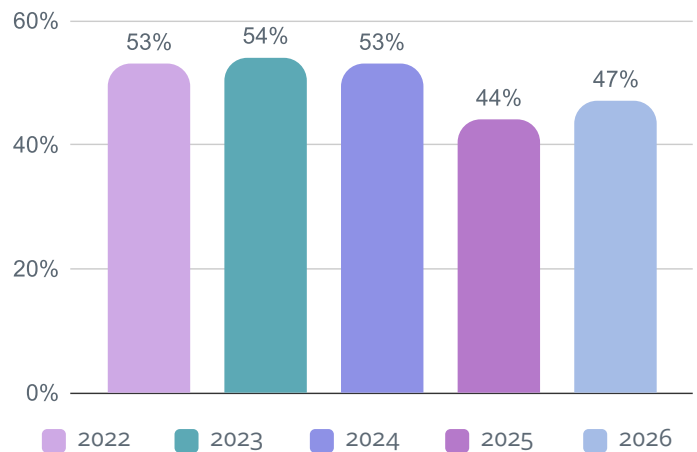


Seventy-five percent of respondents who switched insurers changed because of an increase in premium.

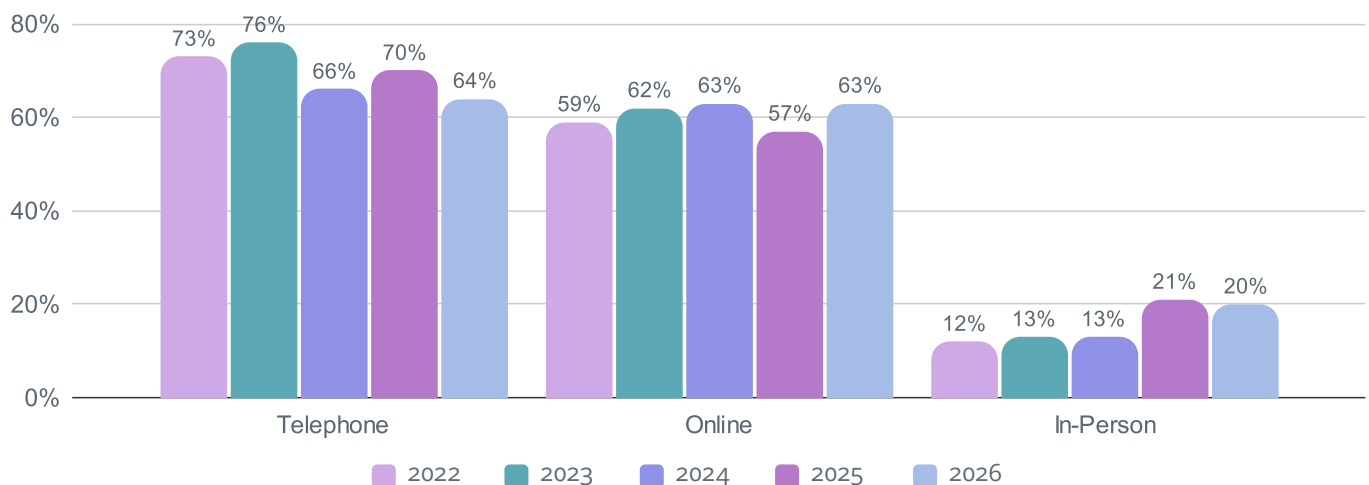
However, nearly half of respondents reported seeking competitive quotes during the same period. Forty-seven percent of respondents indicated they had sought alternative quotes before purchasing or renewing their insurance. Younger drivers were significantly more likely to shop the market compared with older drivers.

Among respondents who obtained quotes, many used a combination of telephone and online methods. We see a slight increase in the preference for online quotes; sixty-six percent of respondents went online in 2026 versus fifty-seven percent in 2025.

Consumers Who Sought Competitive Quotes in the Past Two Years



Method of Obtaining Quotes



If obtaining quotes is difficult or time-consuming, consumers may be less likely to shop around.

On the question of “ease” obtaining quotes, the 2026 mean response sits at 5.01 (out of seven) compared to 5.03 in 2025 which tells us consumers do not struggle but there is room for industry improvement. Ease of access to comparison quotes plays a major role in market competition and consumer empowerment.

When asked which factors were most important when choosing an insurer, not surprisingly respondents identified price as the most important consideration. Price is a major factor, but other considerations include:

- ★ Reputation,
- ★ Convenience, and
- ★ Claims handling,
- ★ Coverage options.
- ★ Customer service,

This helps highlight consumers evaluate more than just price alone.

CUSTOMER SERVICE & TRUST

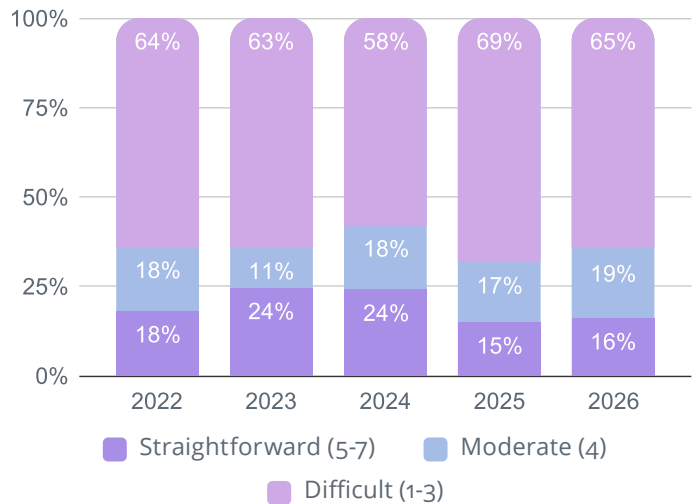
The survey also explored consumer satisfaction at point of sale and perceptions of insurer.

At point of sale, surveyed Albertans had a slightly higher satisfaction rate in 2026. The mean moved from 5.24 (out of seven) in 2025 to 5.36 in 2026. The frequent points of dissatisfaction were:

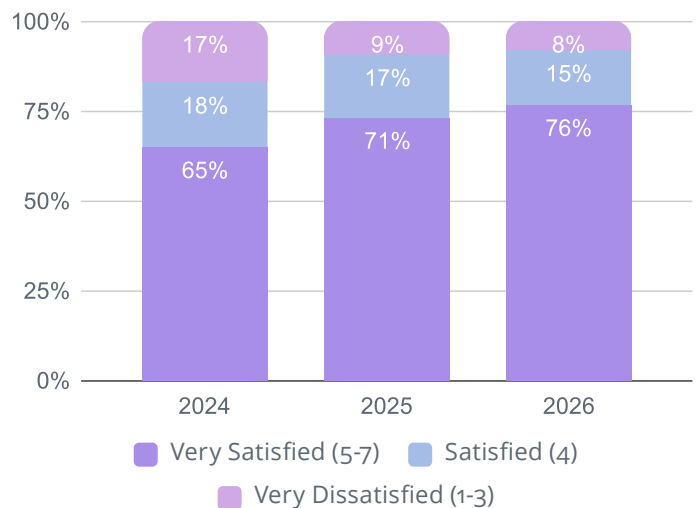
- ★ Price,
- ★ Poor customer service,
- ★ Difficulty reaching agents and brokers,
- ★ Staff were unhelpful / unknowledgeable, and
- ★ Poor/slow response time.

These insights help identify opportunities to improve the consumer experience.

Ease of Obtaining Quotes



Satisfaction with Level of Service at Point of Sale Provided by Insurer



We asked consumers whether they believe auto insurance providers act in Albertans' best interests. Trust is a fundamental component of any financial service, including insurance. Consumer perceptions of trust can influence willingness to stay with an insurer, confidence in the system, and satisfaction overall.

Many respondents indicated they trust their own insurance provider to act in their best interest during a claim. Claims are the moment when insurance matters

most. For many consumers, the claims experience ultimately determines whether they feel insurance delivered on its promise.

"Trust in individual insurers tends to be stronger than trust in the industry as a whole."

Insurance Providers Act in Albertans' Best Interest



Trust Their Insurance Providers Act in Their Best Interest During a Claim



CARE-FIRST SYSTEM

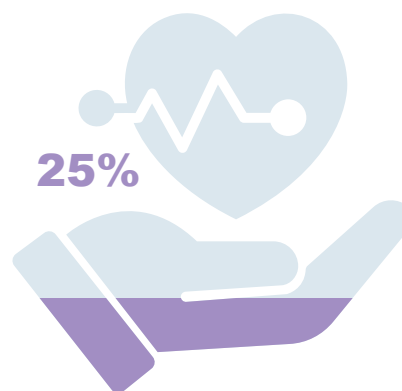
The Government of Alberta has announced the province will transition to a Care-First auto insurance system beginning January 1, 2027. The survey indicates awareness of this upcoming change remains relatively limited.

Despite limited awareness, many respondents expressed cautious optimism about the potential for the new system to improve affordability and stability.

"Many Albertans expect the new system to improve affordability and stability in the auto insurance market."

As implementation approaches, consumer education will play an essential role in ensuring Albertans understand how the new system will affect their coverage and premiums.

Awareness of the Care-First System



CONSUMER COMPLAINTS

In addition to the survey, the AIRB also receives direct calls and inquiries from consumers. These interactions provide real-time insight into the issues drivers are facing in the marketplace. Several recurring themes have emerged over the past year.

One common source of confusion relates to exceptions to the Good Driver Rate Cap. Drivers may expect their premium increases to be limited, but certain situations allow insurers to apply technical exceptions. These exceptions often trigger questions or complaints.

The most common exceptions we hear about involve:

- ★ Moving to a new address,
- ★ Purchasing a new vehicle, or
- ★ Switching insurers.

In these cases, the premium may be recalculated, which can lead to higher premiums even for safe drivers. Consumers often interpret these changes as unexpected or unfair, which leads them to contact the AIRB.

Over the last two years, we have heard from a growing number of Albertans, and the brokers, frustrated they could no longer obtain “Section C” coverage—optional collision and comprehensive protection.

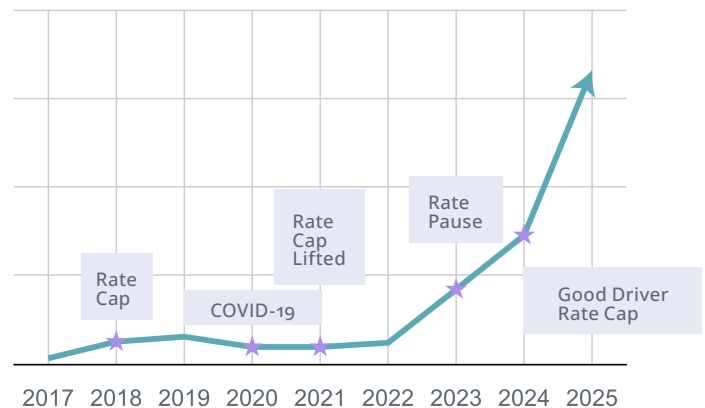
The AIRB now has the authority to take decisive action to address this issue. As of October 8, 2025, the AIRB has been granted authority over insurer underwriting practices. With this expanded mandate, the AIRB has issued a new bulletin to all auto insurers operating in Alberta, directing them to update their underwriting criteria—when they next file rates—to increase availability of Section C coverage.

The Facility Association also recently announced changes to their eligibility rules to allow Albertans to purchase Section C coverage unavailable in the standard market. This is an important change. While this is welcomed news in the short term, the Facility Association is the insurer of last resort and an increase to their market share is a negative development for the Alberta marketplace in the long term.

We’ve also seen situations where insurer business decisions have led to consumer disruption. For example, when an insurer terminates a broker contract, consumers may suddenly need to find new insurance arrangements. These events have generated large spikes in consumer calls to the AIRB.

If we track some major events (including media coverage of these events), we can see how it drives AIRB call volumes.

Total AIRB Call Volume



Top AIRB Inquiry Topics in 2025



WHO TO CONTACT

GENERAL OR CLAIM QUESTIONS ABOUT YOUR AUTO INSURANCE?

Step 1: Broker or Agent

The first point of contact is the broker, or agent who sold you your auto insurance. Brokers and agents will represent you and your best interests, and may offer advice on resolving issues or addressing concerns about your auto insurance.



Step 2: Insurer

If your concerns were not addressed or you were not able to reach a resolution with your broker, or agent, your next step is to contact your insurer's Complaint Liaison Officer or Ombudsperson.

Step 3: General Insurance OmbudService

If your insurance broker, agent, or insurer's representative has not resolved your concerns, the next step is to contact the General Insurance OmbudService (GIO). The GIO is an independent organization helping Albertans resolve their concerns, questions, or disputes with their auto insurer by providing mediation services, free of charge. More information about the GIO and how their process works is available on their website.

Note: The GIO does not provide support on premium/ pricing concerns.



giocanada.org

QUESTIONS ABOUT AUTO INSURANCE REGULATION?

Premiums/ Shopping the Market

Automobile Insurance Rate Board (AIRB)

If your concern is about AIRB rules and processes used to regulate the calculation of auto insurance premiums or tips on shopping the market.



AIRBfordrivers.ca



AIRB@gov.ab.ca



780-427-5428 or

Toll-free within Alberta 310-0000 then the number

Market Conduct of an Insurer

Superintendent of Insurance

If your concern is about how the auto insurance system operates, your experience obtaining coverage, or resolving a claim.



TBF.Insurance@gov.ab.ca



780-427-8322 or

Toll-free within Alberta 310-0000 then the number

Market Conduct of a Broker, Agent or Adjuster

Alberta Insurance Council (AIC)

If your concern is about the services you received from a broker, agent, or independent adjuster.



info@abcouncil.ab.ca



1-800-461-3367

CONCLUSION

The 2026 Consumer Survey offers a comprehensive view of how Albertans are navigating an increasingly complex and evolving auto insurance landscape. The findings reaffirm affordability remains the most pressing concern for drivers across the province. Even modest premium increases continue to influence consumer behaviour, with more than half of surveyed Albertans indicating they would consider switching insurers following an increase of less than five percent. This sensitivity underscores the importance of maintaining a stable and predictable insurance environment for consumers.

At the same time, the survey highlights encouraging progress in public awareness of the AIRB and its regulatory role. Awareness has risen to approximately thirty percent, continuing a steady upward trend. This suggests recent outreach and advertising efforts are resonating with consumers and helping them better understand where to find reliable, unbiased information about auto insurance.

However, awareness of key consumer protections—such as the Good Driver Rate Cap and the upcoming Care-First system—remains limited. Only about one-third of respondents were aware of the rate cap, and just one-quarter were aware of the Care-First transition. These gaps highlight the need for continued, targeted education to ensure Albertans understand the tools and protections available to them.

“Only one quarter of surveyed Albertans indicated they were aware of the upcoming Care-First auto insurance system.”

The survey also reveals persistent frustration with unexpected premium increases, especially among drivers with no claims or convictions. Over half of respondents reported experiencing such increases, reinforcing the need for improved transparency and communication from insurers and brokers.

Despite these challenges, many Albertans express confidence in their ability to make insurance decisions—though this confidence is often tempered by confusion around terminology, coverage options, and pricing.

Strengthening consumer education will be essential to bridging this gap and empowering drivers to make informed choices.

The survey also sheds light on market behaviour and accessibility. While most consumers remain loyal to their insurer, a significant proportion continue to shop the market, especially younger drivers. The AIRB’s expanded authority over underwriting practices, including recent action to improve the availability of Section C coverage, reflects a commitment to ensuring all Albertans can access the coverage they need.

Looking ahead, the transition to the Care-First auto insurance system represents a major shift in Alberta’s insurance landscape. While awareness is currently low, many respondents express cautious optimism about the potential for improved affordability and stability. Ensuring a smooth transition will require proactive communication, clear educational materials, and ongoing collaboration between government, regulators, insurers, and brokers and agents.

Ultimately, the 2026 survey reinforces a central theme: affordability and transparency remain the dominant concerns for Alberta drivers.

Understanding consumer perspectives is essential to maintaining a fair, transparent, and accessible auto insurance market.

The AIRB will continue to monitor consumer experiences, engage with industry partners, and provide Albertans with the information they need to navigate a changing insurance environment with confidence.

There are steps both the insurance industry, and regulators, can take immediately to help consumers navigate this transitioning market.

For Industry:

- ★ Clearly explain premium changes so drivers understand why their rates increased or decreased.
- ★ Improve transparency around coverage options, especially when certain coverages are unavailable or restricted.
- ★ Strengthen guidance at the point of sale, helping consumers understand their policy, deductibles, and ways to manage costs.
- ★ Keep on top of industry changes and regulatory actions like Superintendent of Insurance Bulletins, AIRB Bulletins, Facility Association rule changes, etc.

For regulators and government:

- ★ Provide simple educational resources which help drivers navigate insurance decisions and compare options confidently.
- ★ Communicate proactively about regulatory protections and upcoming system changes, including the Care-First transition.

Through continued monitoring of consumer perspectives and ongoing public education, the AIRB can support a marketplace which enables Albertans to make informed decisions about their auto insurance.

TIPS FOR CONSUMERS

Shop Around & Compare Quotes

- ★ Insurers use different rating programs and may weigh factors differently, which means premiums for the same driver can vary between insurers.
- ★ Comparing quotes before renewing your policy can help ensure you are getting a competitive rate and the coverage which best fits your needs.

Ask About Available Discounts

- ★ Many insurers offer discounts which can help reduce premiums, such as bundling home and auto insurance with the same company, insuring multiple vehicles on one policy, installing approved anti-theft devices, or maintaining a safe driving record.
- ★ Ask your broker or agent what discounts you may qualify for.

Review Your Coverage Regularly

- ★ Your insurance needs can change over time. For example, as your vehicle ages, you may want to reassess optional coverages such as collision or comprehensive.
- ★ Reviewing your policy each year helps ensure you are not paying for coverage you no longer need, while still maintaining appropriate protection.

Consider Choosing a Higher Deductible

- ★ The deductible is the amount you pay out of pocket when you make a claim. Choosing a higher deductible can lower your premium because you are taking on more of the upfront cost in the event of a claim. However, it is important to choose a deductible you could reasonably afford if an accident occurs.

Maintain a Safe Driving Record

- ★ Tickets, at-fault collisions, and other driving infractions can significantly increase insurance premiums.
- ★ Practicing safe driving habits and avoiding traffic violations can help keep your insurance costs lower over time.

Ask Questions if Your Premium Changes

- ★ If your premium increases at renewal, ask your broker or insurer to explain the reasons.
- ★ Premiums can change due to a variety of factors, including changes to your driving record, vehicle information, or broader trends in claims costs across the insurance system. Understanding these factors can help you make informed decisions about your coverage.





Automobile Insurance Rate Board

#2440, 10303 Jasper Avenue
Edmonton, AB T5J 3N6



780.427.5428

airb@gov.ab.ca

albertaairb.ca

airbfordrivers.ca



AIRB **AUTOMOBILE
INSURANCE
RATE BOARD**