



**FOR
SAFEKEEPING**



Québec's Public Automobile Insurance Plan

Insurance Coverage for All Quebecers

Québec 
Société de l'assurance
automobile du Québec

Introduction



Since March 1978, Quebecers are covered by the public automobile insurance plan for bodily injury sustained in an accident.

The goal of the government-run plan is to provide fair compensation to all Quebecers for their injuries in the event of a mishap.

Take a few minutes to discover the advantages of one of the best plans available in the world, yours.

For an additional copy of this brochure, telephone:

Montréal: (514) 873-7620

Québec (city and vicinity): (418) 643-7620

Toll free from elsewhere in Québec: 1 800 361-7620

Or go to the Web site:

www.saaq.gouv.qc.ca

This is not a text of law. For any question of a legal nature, please refer to the Automobile Insurance Act.

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Compensation for...



Bodily Injury

Compensation for bodily injury resulting from a motor vehicle accident is paid by the automobile insurance corporation which administers the plan, the Société de l'assurance automobile du Québec (SAAQ), regardless of which party is at fault. That is why the plan is called “no-fault”.

- **All Quebecers are covered**

Under the plan, all Quebecers enjoy insurance protection, whether as an automobile driver or passenger, a pedestrian, cyclist, or motorcyclist.

- **No lawsuit**

The need to go before a Québec court to sue for compensation was abolished with inception of the no-fault plan in 1978, whether the accident involves a Quebecer or a visitor.

- **Worldwide coverage**

The SAAQ compensates Quebecers for their injuries and resulting medical expenses, including hospitalization, wherever the accident occurs.

Property Damage

Private insurers are responsible for compensating damage to property, such as a vehicle involved in an accident, on the basis of which party is to blame.

Advantageous Insurance at Little Cost



The money needed to fund the public automobile insurance is taken from what Québec motorists pay in driver's licence and vehicle registration fees.

Annually, most passenger vehicle owners' total insurance premium comes to \$142, including tax, which breaks down as follows:

- \$117 taken from the vehicle registration fee payment
- \$25 taken from the driver's licence fee payment (made every two years).



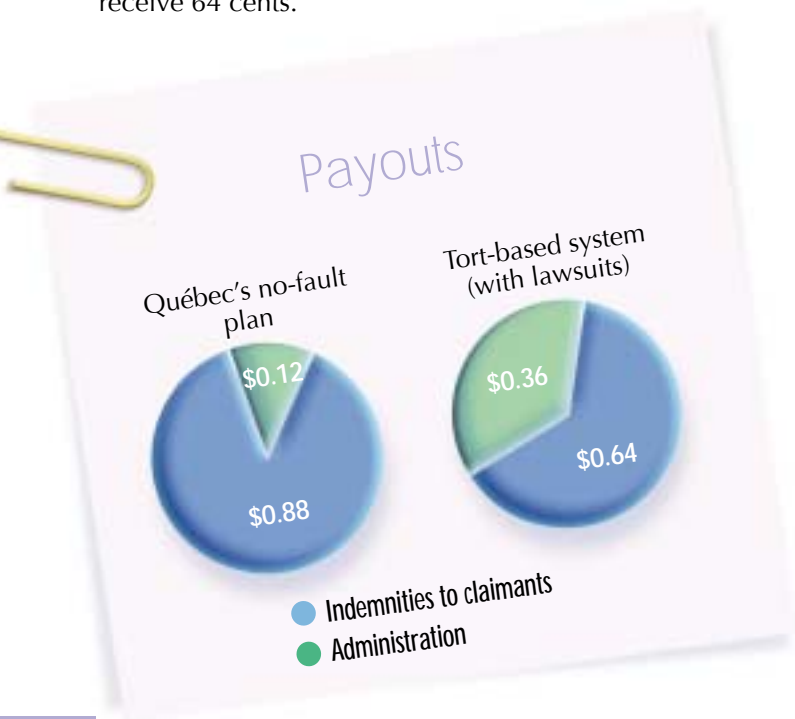
The total yearly premium of \$142 under the public plan paid by a passenger vehicle driver has not changed since 1985. When the plan began in 1978, the annual premium was \$99; had it been indexed to the cost of living, the amount would today have to be \$277.

Advantageous Insurance at Little Cost



High Payout

Québec's public insurance plan pays out 88 cents of every dollar in compensation while 12 cents goes to the cost of administration, making it the least expensive and most advantageous insurance system in North America. In jurisdictions where compensation is left to the courts, premium payers overall receive 64 cents.



Generous Compensation

- Some types of compensation were increased substantially on several occasions during the past few years and can be said to prove as generous as court awards.
- For example, as of January 1, 2001, the death benefit to the parents of a child killed in a road accident has been raised to \$41,000. The maximum amount of lump-sum indemnity for aftereffects of injury such as loss of enjoyment of life due to pain and mental suffering is \$179,375.
- In 23 years, the SAAQ has paid \$6.7 billion in compensation to nearly 712,000 claimants.

Indemnities Indexed and Not Taxable

Since the plan's inception in 1978, all indemnities are indexed yearly to the rise in the cost of living. Furthermore, indemnity payments from the SAAQ are not subject to income tax.

An Active Presence



In Prevention

Goal: reduce the number of accidents and severity of injuries.

The SAAQ along with its partners organizes yearly campaigns to fight against drinking and driving, to warn about the dangers of speeding, to increase the safety of heavy vehicles and to promote the use of safety equipment such as seat belts, seats for children and helmets for cyclists.

At the Time of the Accident

Goal: improve accident victims' chances of survival.

The SAAQ takes part in promoting and developing emergency services:

- 911 calls
- Dispatch centres
- First responders
- Ambulance services

The severity of injuries sustained will determine the trauma care centre of a hospital facility to which accident victims are taken.

At the Hospital

Goal: ensure that accident victims get the best possible care in the shortest time.

The SAAQ is mandated by the ministère de la Santé et des Services sociaux du Québec to conduct periodic evaluations of the quality and speed of care dispensed by the trauma teams in the 80 centres across Québec.

An Active Presence

More lives are spared, thanks to the trauma care network; whereas in 1993 one of every two severely injured victims died, that ratio improved to the point where four out of five people survived serious trauma in 1998.

In Rehabilitation

Goal: ensure that accident victims regain their level of independence as much as possible.

- From 1987 through 2003, the SAAQ will have invested \$250 million in the rehabilitation of accident victims, entering into service agreements with 28 hospitals and rehabilitation centres for specialized care dispensed to accident victims in their region.
- After going through rehabilitation, an accident victim who remains with disabilities can count on the help of professionals or community agencies in maintaining their quality of life in the long term, thanks to the SAAQ's injection of nearly \$2 million annually to keep a network of 14 mutual aid associations operating in the regions of the province.

The Right to Sue

A NEWSPAPER TOPIC

Some people in Québec would like to see a return to the system that prevailed before 1978, and to this end claim the right to launch a civil suit for damages from drivers who were responsible for an accident.

Those individuals claim that the threat of lawsuits would have an influence on drivers' behaviour, resulting in fewer accidents.

Yet the safety record since 1978 has shown appreciable improvement: from 1,765 road fatalities in 1978, down to 759 in 1999, which is a difference of more than a thousand lives, to which the "no-fault" generation can point.

Current legislation deals with faulty driving behaviour as follows:

The Highway Safety Code provides for administrative penalties:

- Demerit points entered on a driver's record
- Insurance rate set according to a driver's demerit points
- Fines
- Licence withdrawal or suspension
- Vehicle seizure



The Right to Sue

A NEWSPAPER TOPIC

The Criminal Code provides for:

- A criminal record
- Penalties including imprisonment
- Stiff fines

The Automobile Insurance Act provides for:

- Compensation for injuries sustained in a road accident
- Rehabilitation of injured victims as soon as possible.

IN SUMMARY,
there are two pieces
of legislation to punish
drivers and another
to pay compensation
for injuries sustained
in an accident.

Before 1978

To form an opinion on the question of the right to sue in court, recalling the situation prior to creation of the public plan is instructive:

- Almost 40% of the economic losses suffered by victims who were not responsible went uncompensated.
- Insurance premiums were rising year after year.
- Waiting periods for payment stretched from two to ten years, with final settlements further in the distance while legal costs kept mounting.
- Once set, indemnities could not be adjusted.

The Right to Sue

A NEWSPAPER TOPIC

**Before 1978
28% of
accident victims
received no
compensation**

- Victims had to see to their rehabilitation themselves since no program was made available by insurers.
- Since court award were final, individuals had to bear any costs of medical care for complications that arose after the judgment.

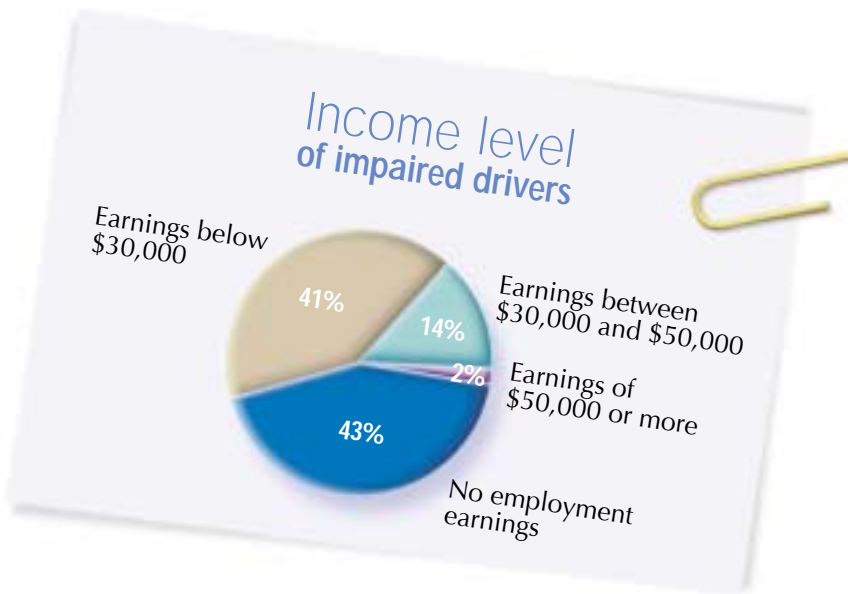
Since 1978

- The public insurance plan does not seek out the guilty party. Rather, it ensures all Quebecers are covered and compensates accident victims for loss of earnings.
- Lengthy court battles, and their costs, are a thing of the past.
- Currently, the first income compensation cheque to an accident victim is issued on average 22 days after receipt of a claim.
- In the event of a relapse due to injuries, claimants can have their case reactivated. The SAAQ pays out almost \$19 million yearly to victims of a relapse.
- The plan allows for rehabilitation programs tailored to an accident victim's needs.

The Consequences of Introducing the Right to Sue

Few drivers at fault are solvent

- Claim records show that a mere 2% of drivers involved in accidents that resulted in an impaired driving conviction earn over \$50,000 a year.



The Right to Sue

A NEWSPAPER TOPIC

Drivers would need to buy additional insurance coverage

- Many motorists would be obliged to contract additional protection from fear of being sued.
- Further costs can be expected.

Financial support of dependants would no longer be assured

- The spouse and children of drivers found liable would receive no compensation whereas they are not responsible for the mishap.

Longer wait for compensation

- Following an accident, a trial would be necessary to establish the degree of liability of an impaired driver. Meanwhile, the SAAQ would have to delay compensation to make sure it is not paying the party at fault.

Costly proceedings

- A recent Review of Civil Justice study in Ontario estimated the average lawyer's fee on a case at \$38,000, which does not include court costs nor fees for experts' testimony.

**84% of
impaired-driving
offenders earn
under \$30,000
a year.**

A woman with dark hair and a man with red hair are both looking at a document held by the man. They are both wearing dark turtlenecks. The background is a solid yellow color.

A Team at Your Service

**Over 250 staffers
at your service.**

- Around 150 compensation officers and 30 information clerks work directly with claimants.
- Help is provided free of charge to assist in preparing a claim. A Société representative could go meet with an accident victim to help complete the form and submit documents. More than 1,000 people avail themselves of this service each year.
- More than 70 rehabilitation counsellors cover the territory of Québec to provide personalized support to victims, setting up a rehabilitation program and coordinating services to help them regain independence and resume studies and social life or return to the work force as soon as possible.

Filing a Claim With the SAAQ



For compensation or injury sustained in an automobile accident,

telephone:

Montréal region: (514) 873-7620

Québec (city and vicinity): (418) 643-7620

Toll free from elsewhere in Québec: 1 800 361-7620

- Immediately, a clerk will assign a claim number and mail out a Claim for Compensation form to be filled out and returned.
- Upon receipt of the form duly filled out and signed by the accident victim, the claim is entrusted to a compensation officer.

Service in Hospital

Currently, 20 hospitals across Québec make filing a claim easier. Three-quarters of hospitalized accident victims can enter into the compensation process within days.

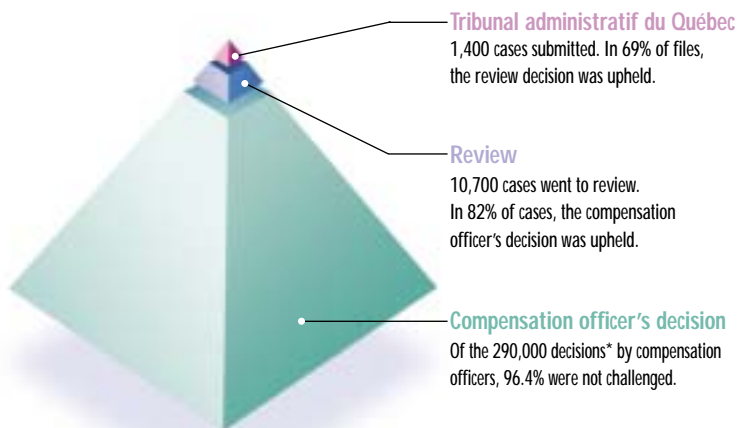
- A nurse takes down the details and sends the information to the SAAQ by computer.
- This service reduces the time elapsed between the accident and receipt of a claim by the SAAQ from 31 to 6 days, resulting in faster initial payment.



Right to a Review

- A claimant has the right to have a compensation decision reviewed, by applying for a review within 60 days of the postmark date of the decision. Following the review, a claimant who is still not satisfied with the ruling can challenge it before the Tribunal administratif du Québec.
- A claimant is not required to be represented by an attorney.

Compensation decisions in 1999



* A claim may encompass several decisions.

Insurance Protection Tailored to Needs

Maria can count on support

A single parent with two boys, Mark age 4 and Simon age 8, Maria was struck by a car while crossing the street on her way to work. In addition to a few minor injuries, she sustained a broken leg and a right wrist fracture. Maria was earning an annual salary of \$28,000 at her full-time job as a financial advisor.

During her disability, Maria qualifies for:

\$966.60 every two weeks

Except for the first seven days following the accident, she will be paid an income replacement indemnity equal to 90% of her net income.

\$198 weekly

For personal care at home, to help do the things such as grocery shopping, the laundry and house-keeping, that Maria cannot do herself.

\$128 weekly

Reimbursement of the additional cost for the person hired to take care of her children at the end of the day.

She could also be reimbursed for:

- medication
- crutches
- transportation to medical appointments
- physiotherapy sessions

She could also qualify for:

Amount to be determined

For a diminished quality of life. Even if she is not left with permanent aftereffects of injury, Maria will be entitled to lump-sum compensation based on the severity of injuries.

\$250

For the replacement cost of clothing damaged in the accident.



Insurance Protection Tailored to Needs

The Johnson family

Peter and his daughter Melanie were driving in a downpour when their car skid out of control and struck an oncoming vehicle. The father was killed instantly and the daughter seriously injured.

No amount of money can really compensate Elizabeth for her husband's loss, but the public plan will provide some comfort for the survivors.

Following this accident, Elizabeth will receive:

\$225,000

The lump-sum death benefit payable is based on the late husband's age (45) and yearly income of \$45,000.

\$3,836

To cover funeral costs.

Melanie, in addition to the reimbursement of expenses, will qualify for:

\$24,297

As surviving dependant.

\$7,034

Lump sum for college session missed.

Amount to be determined

For a diminished quality of life.
Melanie will be entitled to lump-sum compensation based on the severity of injuries.

The amounts indicated in the examples are for injuries or death occurring between January 1 and December 31, 2001.

The public automobile insurance
plan covers all Quebecers.
It provides fair compensation to all
efficiently. Without a doubt one of
the best in the world.

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automobile accident,
telephone:

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On the road,
life comes
first.

Québec 
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