

Insurance numbers under review in N.S.

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A provincial board in Nova Scotia has begun hearings into the rising cost of car insurance.

The Provincial Utilities and Review Board is hearing submissions from several groups. They argue insurance companies went too far in the last round of rate increases.

Insurance companies argue they had to jack up prices because they are losing hundreds of millions of dollars. The companies say they'll have to pass that on to their customers.

Citizens groups contend those figures are flawed.

Barry Mason of the Nova Scotia Injured Workers Association says many of the figures used to show losses are coming from the Insurance Bureau of Canada. The IBC represents insurance companies.

"The difficulty...is that we are relying on figures produced by IBC (based on) a study done for them by MMC Enterprise risk, an arm of Marshall MacLellan." explains Mason.

"Marshall MacLellan is one of the biggest re-insurers in the world , so we think there is a conflict there."

"The data is provided from insurance companies, it is under the auspices of the Superintendent of Insurance in each province," says Mary-Lou O'Reilly of the IBC.

"To date, there has never been a single question about the quality of that data."

The insurance industry is expected to argue that it's not to consumers' advantage to have continual losses in the auto insurance business.

Hearings continue all week.