

MMIC.txt
From: Luc Fournier [lfournier@mmic.ca]
Sent: July 07, 2008 10:00 AM
To: 5 Year Review
Subject: submission

Dear Mr Handler,
I have sent you this letter by mail but it was
returned to me with the mention
moved-unknown. I certainly hope this email finds you.
best regards
Luc Fournier

June 24, 2008

Willie Handler
Senior Manager,
Automobile Insurance Policy Unit
Financial Services Commission of Ontario 5160 Yonge
Street, 15th floor, Box 85
Toronto, Ontario M2N 6L9

Dear Mr. Handler,

The Motorcycle and Moped Industry Council (MMIC) is a
national, non-profit
industry association which represents the
manufacturers and distributors of
motorcycles and motorcycle related products and
services in Canada. Our member
companies account for approximately 90 per cent of all
new motorcycles,
scooters and mopeds sold in Ontario and they
contribute over one billion
dollars to the economy of the province.

Since more than 400 000 Ontarians have a motorcycle
license, MMIC feels it is
important to take part in the current FSCO review. We

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welcome such an opportunity, as we have always been an active and responsible participant in different consultation processes on motor vehicle insurance.

Affordability and availability of motorcycle insurance have always been and remain a very big hurdle for many riders. On a regular basis, we hear stories of individuals not being able to go through with their decision of buying a motorcycle because of the cost of insurance. As a matter of fact, some riders actually have to pay more monthly for their insurance premiums than they have to pay for the actual motorcycle.

As you are fully aware, in the past, several insurance companies withdrew from the motorcycle insurance market; other companies decided to increase restrictions even not underwriting certain sizes, types or makes of motorcycle, no matter a person's claims or riding record. Even as new players have entered the marketplace, not all companies insure these risks and it remains a lot more complicated to obtain insurance for a motorcycle or scooter as compared to a car.

Rates remain very high for insuring motorcycles and scooters in Ontario and some riders still have difficulty finding insurance. Given the actual price of gasoline and the focus on reducing emissions, motorcycles, scooters and mopeds could be a very inexpensive alternative means of transportation - but because of high insurance premiums, riding is not affordable

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to many owners and may be
out of reach for low and modest income earners.

MMIC therefore recommends to the FSCO the study of
solutions to enable all
motorcycle, scooter and moped riders to receive good
insurance benefits and
services at reasonable and affordable prices.
Furthermore, such a study should
entertain ways of providing long-term price stability
for motorcycle
insurance, hence giving motorcycle and scooter
enthusiasts some peace of mind
that their investment will still be affordable in the
years to come.

Sincerely,

Luc Fournier
Director of Policy and Government Relations

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