



Superintendent of Insurance

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TO: ALL INSURANCE COMPANIES LICENSED IN ALBERTA FOR THE CLASS OF
AUTOMOBILE INSURANCE

Attention: Chief Executive Officer

Re: Minor Injury Regulation

The purpose of this Bulletin is to provide insurance companies with information concerning the amendment to the minor injury amount, calculated in accordance with the *Minor Injury Regulation* (Regulation).

The recent amendment to the Regulation requires an annual adjustment to the maximum total amount recoverable as damages for non-pecuniary loss for all minor injuries sustained by a claimant as a result of a motor vehicle accident. The annual adjustment is effective January 1 of each year starting in 2007. The amount of any adjustment is related to the annual change in the Alberta Consumer Price Index.

In accordance with the Regulation, effective January 1, 2007, the minor injury amount of \$4,000 will be adjusted by 3.6%, to \$4,144. The new amount relates to minor injuries caused in motor vehicle accidents that occur on or after January 1, 2007.

If there are any questions in relation to the adjustment to the minor injury amount, you may contact Mr. Arthur Hagan, Deputy Superintendent of Insurance - Regulation and Market Conduct, at (780) 415-9226.

[ORIGINAL SIGNED]

Dennis Gartner
Superintendent of Insurance

INSURANCE ACT

Notice of Adjustment to the Minor Injury Amount

Pursuant to the *Minor Injury Regulation*, the maximum amount awarded for minor injuries is adjusted to \$4,144 and is applicable to minor injuries caused in motor vehicle accidents occurring on or after January 1, 2007. The following Appendix sets out the method of calculating the adjustment to the minor injury amount.

Dated at Edmonton this 17th Day of November, 2006.

Dennis Gartner, *Superintendent of Insurance*

Ref: *Insurance Act*
Minor Injury Regulation

APPENDIX

The maximum amount recoverable as damages for non-pecuniary losses for all minor injuries sustained by a claimant as a result of an accident occurring during the 2007 calendar year is \$4,144.00.

This amount is based on the annual change in the Alberta Consumer Price Index (CPI), and is calculated using the following formulas:

- (a) The annual change in the Alberta CPI was calculated to one-tenth of a percentage point using the formula $X = (A-B) / B$ where:

X is the annual change in the Alberta CPI;

A is the sum of the 12 individual monthly CPI indexes for the 12-month period ending on September 30, 2006;

B is the sum of the 12 individual monthly CPI for the 12-month period ending on September 30, 2005.

- (b) The result in (a) is multiplied by the 2006 minor injury amount to derive the increase in the minor injury amount for 2007.
- (c) The increase in (b) is added to the 2006 minor injury amount to establish the 2007 minor injury amount.

The following data was used in the calculation:

Month	Alberta Consumer Price Index	Month	Alberta Consumer Price Index
October 2004	131.6	October 2005	136.2
November 2004	132.5	November 2005	136.1
December 2004	132.2	December 2005	135.4
January 2005	131.7	January 2006	137.1
February 2005	131.9	February 2006	136.2
March 2005	132.7	March 2006	137.0
April 2005	133.6	April 2006	138.3
May 2005	133.4	May 2006	139.4
June 2005	133.9	June 2006	138.9
July 2005	135.0	July 2006	140.8
August 2005	135.0	August 2006	141.4
September 2005	136.6	September 2006	141.7
Summation	1600.1	Summation	1658.5

Based on the above, the annual change in the Alberta CPI, rounded to 1/10th of a percentage point, is 0.036 or 3.6%. The increase in the minor injury amount for 2007 is 3.6% of the 2006 minor injury amount of \$4,000, or \$144. Accordingly, the 2007 minor injury amount is set at \$4,144.