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**From:** Jovanaxt Taxi [<mailto:info@jovanaxtaxi.com>]

**Sent:** April 4, 2018 1:19 PM

**To:** Cheryl Blundon <[cblundon@pub.nl.ca](mailto:cblundon@pub.nl.ca)>

**Subject:** RE: PUB Reports: Taxi Claims Report and Summary of Taxi Experience in Newfoundland and Labrador

Good Morning Cheryl Blundon

I am writing to you this morning to express my views on the taxi insurance report I received. There are several points I would like to raise. The amount we are paying for insurance seems to be justified at face value. However, as noted in the report the majority of claims by far are made in the St. John's area, therefore shouldn't the premiums required to offset these claims come from the St. John's area. If taxi owners in St. John's aren't taking due care in hiring drivers with adequate experience and clean driving abstracts, why should other owners who do take proper care be paying for the mistakes of those in the St. John's area. One may argue that their premiums would be so high that they wouldn't be able to stay in business, Ok, so be it. If I don't take due care in hiring my drivers and therefore have to go out of business, will then , that's on me for not doing my job well enough. Someone else shouldn't have to pay for my carelessness nor should I have to pay for theirs. I've operated a taxi business in Dildo for almost nine years, started with one taxi and graduated to six when there was a need and back to two due in large part insurance costs. We've had only one accident that was our fault and that was me, not one of my drivers, and one accident where we weren't at fault, I'll talk more about these later as neither were handled correctly in my opinion.

Taxi companies in St. John's should be classed as one area, and companies who are based farther from St. John's, their rates should be lower ( depending on their driving record of course ). For example: CBS should be less than St. John's, Holyrood should be less than CBS, Bay Roberts should be less than CBS and so on. Yes, it's true that we all travel to ST. John's from time to time with our clients BUT we are there operating in that traffic only a very small fraction of the time in comparison to St. John's Taxis. To have taxis insured with only FA is absolutely absurd, I used to be insured with Atlantic Ins. until they went out of business, I thought their rates were high considering our driving record, but the rates with FA are ridiculous for anyone with a good record and because I add another vehicle, it shouldn't pay the highest premium until it's proven to be of a higher risk. Taxis shouldn't be automatically placed with a high risk insurance company, yes we have a much higher chance of having an accident because of the amount of time and kms we are on the road, BUT also because of the amount of time and kms we are on the road we have by leaps and bounds far more driving experience than the average driver who is enjoying much lower rates. Now I'm going to state what you might think is ridiculous but think about it, if we (the taxi or any driver for that matter ) is to be penalized for having an accident, shouldn't we ( the taxi or any other driver for that matter) be rewarded with lower rates each year we don't have an accident, Food for thought, isn't it, wouldn't everyone be more careful ?

Now back to my two accidents and how they were handled or rather mishandled and as you'll see I've experienced handling from both angles.

- 1) The accident where we weren't at fault, a very slippery and stormy night a person backed out in front of one of my taxis at the last instant and therefore was t-boned by my taxi at a very slow speed, described to me by my driver as almost being in slow motion. The other driver was found to be at fault and I was supposedly compensated for my vehicle according to "book value". My vehicles aren't generally new vehicles but are always kept well maintained but because of the age and kms on my vehicle I couldn't replace it for what I received in compensation. My vehicle wasn't heavily damaged, so bought it back with the intention of fixing it because I had so much invested in it already, yet because of how it was written off and the number of inspections it would have to pass to be put back in service, even though it would have easily passed those inspections, the additional cost could not be justified. This accident costs me money when it shouldn't have, this wasn't right, after all it wasn't our fault.
- 2) The accident where I was found to be at fault, I was entering an intersection to turn left when the light turned amber, I was already in the intersection so I proceeded to follow the vehicle ahead of me to get out of the intersection, I couldn't see across the intersection because of the vehicle ahead of me when my wife who was in the passenger seat screamed stop, I applied the brake hard and was stopped when an oncoming car hit us head on. There were three foot skid marks from my front tires where I'd been pushed back three feet from the impact, yet there were no tire marks from the vehicle that hit me, therefore logic tells me that driver didn't apply his brake at least not aggressively. My wife told me from the passenger seat she was able to see the oncoming vehicle, she said "he hesitated, then came on" which tells me he saw the amber light, he saw me and he saw himself getting a new car. My wife being prone to panic attacks, I was concerned with getting her into the ambulance and wasn't in the frame of mind to take pictures. I did notice however how easily the other driver was able to exit his car and converse and carry on with bystanders. I mentioned to the RCMP officer about what my wife had seen, he said he would get her statement at hospital, this never happened. My insurance went up roughly \$600 as a result, ok that's fair, the front corner of my vehicle was in his lane, however, when I got my license I was taught to do whatever you could safely do to avoid an accident, the driver of the other vehicle didn't do this. Only last year my broker informed me that \$70,000 plus was paid out for that accident, \$62,000 in soft tissue damage, that man didn't appear to be hurt in any way, nobody asked our opinion of what happened before paying out all of that money. None of the investigators did their jobs to best of their ability, not the insurance people or the RCMP. How often does this occur unnoticed? These are just two examples that happened to the same person.

What can be done to help insure things get done right and reduce insurance costs?

Make it mandatory to have dash cams, breathelizers and yes maybe even a black box installed in every vehicle personal and commercial alike. I've talked to other drivers and clients alike, you'd be surprised at how many are in favor of this idea. Manufacturers can do this at very little cost with today's technology and it could be made just as cost efficient for owners of older vehicles if government regulated. This would decrease speeding and also prevent the he said/ she said situations found in many accident cases. Some would argue this to be an invasion of privacy, OK, so if having your license is actually a privilege not a right. Then simply make this a condition of that privilege no different than having to have insurance. Also enforce strict laws and penalties for anyone found to tamper with these devices. It CAN be done and would surely decrease insurance payouts.

There has to be a way to decrease insurance costs for those in rural areas such as myself, with such high overhead costs many of us smaller companies will not be able to remain in business even though rural areas still need a taxi. If I can be of any further assistance please let me know.

Best Regards,  
William H. R. Newhook  
Owner/ operator  
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(709) 582-2444

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**From:** Cheryl Blundon [<mailto:cblundon@pub.nl.ca>]

**Sent:** Wednesday, March 21, 2018 12:24 PM

**Subject:** PUB Reports: Taxi Claims Report and Summary of Taxi Experience in Newfoundland and Labrador

Good afternoon,

Attached please find a Report on Taxi Claims Review completed by the Board's consultants, Cameron and Associates, as well as a Summary of Taxi Experience in Newfoundland and Labrador completed by Oliver Wyman. These documents are also available on the Board's website at [www.pub.nl.ca](http://www.pub.nl.ca) and paper copies are available at the Board's office or by contacting the Board Secretary by email, [cblundon@pub.nl.ca](mailto:cblundon@pub.nl.ca) or by telephone, 709-726-8600.

The Board encourages your feedback on these reports and wants to provide the opportunity for you to comment and provide your input on the reports as well as any other aspect of insurance relating to the taxi industry. If you wish to participate by filing written comments, please file your submission with the Board by April 4, 2018. If you would like to meet with or make a presentation to the Board, please contact the undersigned by April 4, 2018 to arrange a suitable date and time.

Parties will also have the opportunity to participate in public sessions that will be held in May, 2018 in relation to other issues of the Automobile Insurance Review.

Please note that all comments and presentations will become part of the public record for the automobile insurance review.

### **Cheryl Blundon**

**Director of Corporate Services and Board Secretary**

Board of Commissioners of Public Utilities

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