



## Current Articles 1999 –October

### Newcomers to Ontario Graduated Licensing

In a previous article, the statistics show that the Graduated Licensing System in Ontario has had a significant effect on the reduction of accidents for new drivers – a reduction of over 30% since Graduated Licensing was introduced. Many of us think that the Graduated License only applies to new young drivers – our sons and daughters who are about to obtain their first drivers license. Not so! The Graduated License is applicable to any new driver, regardless of age.

If you loan your car to someone who is in the Graduated License levels (has not yet obtained the full "G" license) your insurance may be affected if the driver violates the terms of their applicable Graduated License. The driver can be fined and the collision coverage on your vehicle will be negated. No collision coverage if the driver bends your car. If your vehicle is leased, the insurer will pay the leasing company and then subrogate back to you for a license violation by the driver! If your \$35,000 vehicle is written off, you are out of luck!

But what about visitors or newcomers to Ontario from other provinces or countries? For visitors, there is no problem as long as they have a drivers license from their home country or an International License. In conversation with the Ministry, I was advised that there are some countries where no drivers licenses are required. At the time of writing they could not give me an example. The Ministry of Transportation has established guidelines for newcomers based on their country of origin and their driving experience in their previous location.

After a newcomer is domiciled in Ontario they have 60 days to obtain an Ontario License, either Level 1 or Level 2 or a full "G" license depending on several factors.

The accompanying chart gives a brief outline of the licensing procedure for new drivers to Ontario.

In preparing this article I visited 3 local offices and to no avail. Finally, I obtained a Ministry of Transportation booklet titled: Newcomers Guide to Graduated Licensing. I also found the Ministry office in Toronto to be most helpful and can be reached at 1-800-267-0295. However I am still waiting for an answer to a hypothetical situation. If a young student or a "nanny" comes to Ontario from another country for a time in excess of 60 days and are earning an income in Ontario, what is required? My example indicates that at the end of the students semester or the "nanny's summer job" both would be returning to their homes. They are not permanently domiciled in Ontario!

This information was obtained verbally along with the Ministry brochure. Advise your client to contact the Ministry for individual information.

As a broker, care must be exercised to alert your clients of the possible problem when a vehicle is loaned to a new driver to Ontario. Improper advice or lack of advice can create an E & O situation.

I hope you all had a good summer.

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