



## Current Articles 2007 –November

### Auto Theft

Automobiles are being stolen in ever increasing numbers. It is estimated that auto theft has exceeded a one billion dollar a year problem with a cost to insurers and policyholders of \$600 million per year. Every year approximately 150,000 incidents of motor-vehicle theft are reported to police in Canada –that relates to an average of **410 vehicles a day!** This also indicates that a car is stolen every three minutes, somewhere in Canada! In Ontario alone there are over 52,000 cars stolen in a year.

Auto theft is not a victimless crime, or just a property crime. First, on average, it costs each of your clients an additional \$48.00 on his or her insurance premium. In addition, auto theft costs all Canadians at least \$1.2 billion per year taking into consideration healthcare, court, policing, legal and out-of-pocket costs. Remember in Ontario, Accident Benefits may apply to a car thief. If the thief is catastrophically injured in your stolen vehicle, medical and rehab expenses with a \$1,000,000 limit would be available for the thief and from YOUR auto policy.

Auto theft also costs people their lives. Car thieves have no regard for public safety and the rules of the road. Every year approximately 40 people die and 65 are injured by autos driven by car thieves.

Auto theft is seen by criminal organizations as a relatively low-risk, high-profit activity to raise funds for additional criminal and terrorist activities. Many car thieves “hired” by organized enterprise auto theft rings are young offenders. Latest statistics show that 40% of those charged with auto theft are young offenders. These young offenders are encouraged and are taught by auto theft rings and are paid a small amount for the theft. It is believed that a young offender is paid \$500.00 to deliver a stolen vehicle. Being a young offender, many of these will escape serious legal consequences for their actions.

A stolen vehicle in itself is not a profitable commodity. The criminal must export the vehicle, “chop” the vehicle into parts or sell the stolen parts as legitimate components. The favourite target for these activities includes late model sport utility and luxury vehicles. Another crime involves changing the vehicle identity (clone and re-vin) and sell it as “legitimate” to an unsuspecting buyer.

Vehicles equipped with electronic immobilizers have reduced the frequency of thefts for those particular vehicles. Electronic immobilizers are systems that prevent a vehicle from starting unless the engine computer recognizes the specific electronic code embedded in the key. Of the most frequent vehicles stolen you would have to go down the list to the 28th most frequently stolen to identify a vehicle equipped with an electronic immobilizer. Of course this doesn't deter the car thieves. They will hit the first 27 models on the list.

According to the Ontario Provincial Police, the most commonly stolen vehicles include the Dodge Caravan, Dodge Neon, Plymouth Voyager, Honda Civic, Honda Accord and the Chrysler Intrepid.

Is there a solution? The remedy may start with the proposed Bill C-343 – an amendment to the Criminal Code. The major recommendation with Bill C-343 is to add a separate section to the Criminal Code for auto theft crimes. At the present, the two classes of theft, and which include auto theft, are theft over \$5,000 and theft under \$5,000. At the present, stealing a car under \$5,000 may have the same consequences as stealing a \$500 TV set! But remember stolen TV's don't injure or kill people! The other change is to make a third offence for auto theft an indictable offence and punishable with a mandatory two-year sentence. Most auto thieves are repeat offenders and it is hoped that this may be a remedy.

As a responsible broker and as a service to your industry and to your clients, you should contact your Federal MP and ask for his/her support for the introduction of Bill C-343. This legislation stands for public safety, for safer streets, and in favour of helping law enforcement personnel combat a growing scourge of auto theft.

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