

Financial and Consumer Services
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BULLETIN

Financial and Consumer Services Division

Registry and Licensing Services

Insurance Update

Automobile Insurance Minor Injury Cap – Annual Indexation 2026

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This bulletin is to provide the annual indexation of the Automobile Insurance Minor Injury Cap for the 2026 calendar year as required by Section 254.2(4) of the *Insurance Act*.

Annual average change in the Consumer Price Index for PEI for 2025: **1.4%**

**all-items, not seasonally adjusted*

Accidents occurring	Calculation	Applicable Minor Injury Cap
between Apr 1, 2004 and Sep 30, 2014	n/a	\$2,500
between Oct 1, 2014 and Dec 31, 2015	n/a	\$7,500
2016 calendar year	\$7,500 x (1 -.006)	\$7,455
2017 calendar year	\$7,455 x (1 + .012)	\$7,545
2018 calendar year	\$7,545 x (1 + .018)	\$7,681
2019 calendar year	\$7,681 x (1 + .023)	\$7,858
2020 calendar year	\$7,858 x (1 + .012)	\$7,952
2021 calendar year	\$7,952 x (1 + .000)	\$7,952
2022 calendar year	\$7,952 x (1 + .051)	\$8,358
2023 calendar year	\$8,358 x (1 + .088)	\$9,094
2024 calendar year	\$9,094 x (1 + .029)	\$9,358
2025 calendar year	\$9,358 x (1 + .018)	\$9,526
2026 calendar year	\$9,526 x (1 + .014)	\$9,659

Background

On April 1, 2004, the province amended the *Insurance Act* to limit non-pecuniary damages (*ie. pain and suffering*) for minor personal injuries occurring as a result of an automobile accident to \$2,500. The definition of a minor personal injury and the cap amount was subsequently amended to \$7,500 for accidents occurring on or after October 1, 2014. On January 1, 2016, and January 1 of each subsequent calendar year, the maximum amount recoverable as damages for that calendar year is set by adjusting the immediately preceding calendar year's maximum amount recoverable as damages by the annual average percentage change for the all-items Consumer Price Index for Prince Edward Island, not seasonally adjusted, published by Statistics Canada, for the immediately preceding calendar year.

If you have any questions, please contact the Financial and Consumer Services Division:

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