

CCIR

June 24, 2002

Canadian
Council of
Insurance
Regulators

Conseil
canadien
des responsables
de la réglementation
d'assurance

Dear Colleague:

I am writing on behalf of the recently formed Canadian Council of Insurance Regulators ("CCIR") committee on Streamlining and Harmonization to seek proposals from your association regarding cross-jurisdictional regulatory impediments that unduly impact upon your members.

Background:

In recent months industry representatives have expressed concerns about unnecessary complexity and cost of insurance regulation in Canada. The need to introduce greater streamlining and harmonization of regulatory practices among regulators has been identified as a high industry priority.

The CCIR wishes to initiate a review of industry concerns regarding specific regulatory impediments with a view towards identifying initiatives which would reduce unnecessary regulatory burden on the insurance industry while maintaining existing levels of regulatory protection provided to the consumers of insurance products.

In order to facilitate the development of the work plan, CCIR has established the Streamlining and Harmonization Committee to work with industry associations, such as yours. The committee's focus is to develop a specific and prioritized list of inter-jurisdictional streamlining and harmonization projects (like the classes of insurance project) that have the potential of reducing costs to industry and to regulators while maintaining regulatory standards. CCIR will then consider how these projects might be integrated into its general work plans.

Committee Membership and Objective:

The working group will be comprised of CCIR members from Alberta, Ontario, Quebec, Manitoba, Nova Scotia and the Northwest Territories with British Columbia as chair. Its objectives are to:

- solicit inter-jurisdictional streamlining and harmonization proposals from industry and other affected parties;

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- review and consult with stakeholders on proposals received; and
- outline the implications and priorities of the proposals and develop a potential work plan for consideration of the full membership of CCIR in fall 2002.

What We Need From You:

To begin this process the committee is requesting submissions from industry associations that outline specific cross jurisdictional regulatory impediments that impact upon members and/or propose ways that regulatory and administrative functions can be streamlined and harmonized amongst regulators.

These proposals should:

- fit within the existing constitutional and insurance regulatory framework and be within the control of CCIR members;
- affect the regulatory regime in more than three jurisdictions; and
- promote efficiencies and cost savings while retaining prudent protections.

Examples of specific initiatives might include:

- initiatives to streamline financial or corporate filings;
- initiatives to harmonize legislative requirements or administrative processes; and
- proposals to streamline the introduction of new products.

A template for these proposals is included as Attachment 1. All proposals should include an appropriate contact person.

Next Steps:

The committee wishes to bring forward proposals for consideration by the full CCIR membership at the Fall 2002 meeting. In order to meet this deadline your submission must be received by the committee chair by no later than August 23, 2002. Subsequent to receipt of your submission a member of the committee may be in contact to discuss the proposal(s) prior to the CCIR meeting. Submitters will be provided with feedback after the Fall meeting.

Other Considerations:

Careful consideration must be given to insure all changes are appropriate and parties receive meaningful opportunities for input. Delivery of some streamlining and harmonization initiatives may also require the support of other parties. For example, some initiatives may require legislative changes and thus be subject to specific review and approval by ministers responsible and by legislative authorities. Nevertheless, CCIR believes that identification of specific impediments and proposals for reform are the first step towards a more effective and efficient regulatory system and one that, over time, will better serve the interest of all.

The Committee looks forward to working with you in what we believe will be a very exciting and beneficial exercise. Please contact me as Chair directly at 604 660-4825 to confirm that you wish to participate and/or if you have any questions or concerns regarding this matter.

Yours sincerely,

ORIGINAL SIGNED BY:

Michael Grist
Chair
CCIR Committee on
Streamlining and Harmonization

Attachment

Streamlining and Harmonization Proposal (Maximum of 3 pages)

Name of Party Submitting Proposal:

Perceived Impediment:

(Describe the specific inter-provincial streamlining or harmonization issue.)

Proposed Change:

(Suggest the proposed regulatory change. Please note that changes should be focused at reducing regulatory cost and improving efficiency and not reducing the level of protection provided to consumers.)

Potential Benefits (including cost savings):

(Please describe the perceived impacts of the proposed change for your members.)

Other Affected Parties and Implications for Consumers:

(Provide a brief description of other parties who may be affected by the proposed change and the nature of its impacts.)

Contact Person:

(Please provide the name of the representative of your organization who can provide additional information on the proposal.)

Legislation Requiring Amendment (if any):

(Please describe the legislation that would need to be amended for the initiative to proceed.)

Rank Priority:

(Proposals should be ranked in relative order to others submitted by this organization.)