



Communique

Summer/Spring 2022

What's New?

The Canadian Council of Insurance Regulators (CCIR) held its summer and spring calls on June 23 and April 7, 2022, respectively. This communique includes updates to the end of July.

Karyn Leslie was welcomed as the new member representing the Yukon at the spring call. Ms. Leslie replaced Bradley Rowett. At the summer call, members thanked Chris Carter, member for British Columbia, for his leadership and contributions and wished him well as he pursues new opportunities. British Columbia is expected to appoint a member shortly.

Fair Treatment of Customers (FTC)

The FTC Working Group closed its Incentives Management Guidance (IMG) public consultation on April 4, 2022. CCIR received 16 submissions and are considering stakeholder comments that better clarify the guidance. It is anticipated the stakeholder submissions will be posted on the CCIR website prior to implementation and before the end of CCIR's current strategic plan.

Segregated Funds

Upfront Commissions

As mentioned in the Winter Communique, CCIR and the Canadian Insurance Services Regulatory Organizations (CISRO) are working on a joint public consultation regarding upfront commissions in the sales of segregated funds. The consultation is expected to be launched towards the end of summer.

Total Cost Reporting

The Joint Total Cost Reporting Committee (Committee) released its 90-day public consultation paper on April 28, 2022. The consultation closed on July 27, 2022 and the Committee is currently reviewing the submissions.

Strategic Planning Committee

The Strategic Planning Committee updated members on the development of three core pillars which will align with the strategic priorities. CCIR plans to engage with key stakeholders in the Fall to hear feedback on the draft strategic plan.

Joint Forum of Financial Market Regulators

This year's Joint Forum was hosted by CCIR. The meeting brings together pension, securities and insurance regulators to discuss issues of common interest and was held on June 15, 2022.

Joint Forum members heard initial feedback from key stakeholders on the Total Cost Reporting (TCR) consultation paper that was released about six weeks prior. The members wanted to hear stakeholder perspectives regarding implementation challenges; level of information for investors and policy holders; and the transition period.

The Joint Forum also invited two speakers to provide perspectives on climate change. Don Forgeron, President and CEO of the Insurance Bureau of Canada and President of the Global Federation of the Insurance Associations delivered a national and international view from the property and casualty insurance sector. Kathy Bardswick, Chair of the Government of Canada's Sustainable Finance Action Council highlighted the initial work of the Council and steps regulators, and the private sector can take toward achieving a sustainable financial ecosystem in Canada.



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Climate Change Natural Catastrophe and Consumer Awareness Working Group

The Working Group developed a paper to identify and address gaps in consumers' knowledge that impacts their ability to make informed insurance decision in the face of natural catastrophes and climate change. The paper recommends actions for the insurance industry to consider achieving the indicated consumer protection outcomes.

Key stakeholders provided informal feedback on the paper in early summer; the next draft of the paper will reflect consideration of those inputs.

Cooperative Supervision Oversight Committee

The Annual Statement on Market Conduct (ASMC) returns were due May 1, 2022, with 93.9% of insurers submitting on time. CCIR plans to publish the report on ASMC data in November 2022.

Members also heard more about the cooperative supervisory reviews in progress and heard a presentation on key findings from a recently concluded thematic review.

OmbudServices Oversight Standing Committee

This standing committee continues to engage with its stakeholders in the General Insurance OmbudService and the OmbudService for Life and Health Insurance. The Members approved a terms of reference and workplan to review the mandate of this committee.

Next Meeting

The CCIR's in-person fall meeting is currently scheduled to take place in Toronto on October 20 and 21, 2022. This will be the first in-person meeting since the 2019 fall meeting in Winnipeg.