

Insurance Brokers Association of Canada applauds Minister's Action on Banks and Insurance

October 7, 2009 – TORONTO - The Insurance Brokers Association of Canada (IBAC) today applauded the Minister of Finance's clear action on banks and insurance. The Minister, in formal letters sent to the large Canadian banks as well as the Canadian Bankers Association, made clear the government's intent to adopt specific policy measures that will require bank websites to be subject to the insurance business regime that currently applies to branches.

"Insurance brokers from across the country applaud the government and Minister Flaherty for ensuring that rules governing bank branches will be the same as bank conduct on the internet," said Dan Danyluk, CEO of the association. The Insurance Brokers Association of Canada has the long held policy stance that consumers are extremely vulnerable at the point where credit is granted. Today's decision ensures that consumers are able to make a free choice when buying insurance products.

"Today's decision by the Minister of Finance is a victory for consumers," added Mr. Danyluk. "We are pleased that Minister Flaherty listened to his caucus colleagues, the public, and made the right choice for Canadians."

IBAC also highlighted that this policy direction enjoys broad multi-partisan support in the House of Commons. Mr. Danyluk also applauded Bill C-457, An Act respecting the insurance business (banks and bank holding companies) regulation, by the Member of Parliament from Brossard - La Prairie, Alexandra Mendes. The Private Member's Bill is a positive step forward in eliminating the loopholes banks are currently exploiting in marketing and promotion done in their branches.

Danyluk concluded by underlining that IBAC has been working closely with the Minister of Finance to resolve concerns over bank conduct. "We are confident that the Minister understands our concerns and are extremely pleased with today's policy announcement."

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Through its 11 member associations, IBAC represents the interests of over 33,000 general insurance brokers and their customers across Canada.

