

IBAC supports the Government of Canada's regulations protecting consumers in the on-line world

TORONTO – October 11, 2011 The Insurance Brokers Association of Canada (IBAC) is pleased to see the publication of regulations by the Government of Canada that will further protect Canadian consumers of insurance. The announcement today by the Government extends and clarifies the protection insurance consumers currently are afforded in bank branches from coercive and predatory pressures when it comes to their insurance needs. This consumer empowerment now covers the on-line world.

“We support the Minister of Finance in his desire for insurance consumers not to be pressured by the coercive environment Canadians face themselves when dealing with a credit grantor when they apply for credit”, said Dan Danyluk, Chief Executive Officer of IBAC. “ The principle that credit granting institutions ought not to be selling insurance at the point where they grant credit is one that allows Canadians to make a free choice when they decide on their insurance needs; a product that is essential in so many aspects of their lives” he added.

These regulations are a logical response with the changing marketplace where more and more financial transactions are taking place on the internet. We support the concept espoused by the Minister in October 2009 where he said that banks should not do indirectly what they are prohibited from doing directly. These on-line rules clearly move in entrenching this principle as the law of the land.

“We are hopeful that two years advance notice will make it easy for the banks to finally and swiftly abide by the intent of the Bank Act and cease and desist in selling insurance from their on-line banking branches,” added Danyluk.

IBAC is the federation of 11 regional insurance broker associations that represent more than 35,000 insurance brokers across Canada.

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