



# Remarks by Don Forgeron

**IBC 2016 Annual General Meeting  
Don Forgeron, President & CEO, IBC**

Thursday, April 21, 2016



Thank you, Sylvie. I appreciate your words of wisdom and your strong support. As chair, you have brought a fresh approach and charted a clear way forward for our work at IBC.

This morning, I'll build on this approach and discuss what we expect will unfold for our industry in the coming year. Since major developments characterize each of our strategic priorities, I have much to report.

**First things first – Ontario Auto.**

Since 2010, the provincial government has introduced 40 different reforms that have delivered real results and stabilized, and indeed lowered rates for Ontario consumers. Proving you can create an auto insurance system that works for all stakeholders, these reforms have produced industry loss ratios in the mid-'70s – a sign of a healthier system.

This year, we will focus on ensuring that the most recent reforms are implemented swiftly and effectively. We will also carefully monitor the outcomes of the FSCO Mandate Review and continue to advocate for modernizing rate regulation.

**On our Natural Catastrophe file**, we've just completed a major provincial and national government relations effort to advance the notion of a national flood program. This five-week coordinated campaign – the kickoff to a full-year government relations effort – leveraged our flood mapping project to clearly show why Canada needs a coordinated national flood program.

IBC engaged political leaders and senior government staff across the country on our solution to flood risk both nationally and in their own backyards.

Staying with the government relations efforts for a minute – last year both Sylvie and I commented that the attention of the federal government, in particular, was focused elsewhere.

Today, one of our key industry issues – flooding linked to climate change – is high on the new federal government's agenda.

Our meetings with the federal leaders are going well – they are very engaged in this file. I want to acknowledge the hard work of our Chair, Sylvie, and Deputy Chair, Kenn, in helping to build this interest.

**On Alberta Auto**, IBC has been busy educating the new government about auto insurance, and the need to continuously monitor and make changes to the system in order to maintain the right balance between benefits and premiums. We're making progress in raising our profile as a trusted advisor to MLAs. We also believe Government will take action in 2016 to address rising cost pressures that, if ignored, will add to the difficulties faced by consumers in a province in the midst of a severe economic downturn.

**And on regulatory balance**, our focus is squarely on the increasing globalization of regulation. Much of the regulatory change we are adapting to is formulated on the global stage, and then brought home to Canada to be interpreted and applied. As an industry, we explored the implications of globalization in detail at IBC's recent annual Financial Affairs Symposium.

We see this global influence at both the OSFI level, with solvency and capital issues, and at the level of provincial regulators overseeing market conduct.

The key to managing this complex file is open, ongoing and transparent dialogue with regulators with the impact on consumers kept at the forefront.

Our good working relationship with decision-makers yielded a very positive outcome when the recent federal budget rectified a long-standing problem with the application of tax on reinsurance premiums.

Legislation allowing insurers to receive a refund on overpayment of GST/HST is expected to come into effect by June of this year.

Let me conclude by speaking on the growing importance of our industry's leadership role.

In all that we do, IBC's success is built on a foundation of collaboration with all stakeholders and led by members. As I highlighted earlier, we have achieved success on several key files as a result of the leadership provided by the IBC Board.

We also understand that our members' operating environment changes quickly. As the industry association, IBC must respond just as swiftly, in concert with our members.

We must be nimble – and *always* focused on excellence. The minute we stop building and working for a better future is the minute our organization begins to weaken.

**In the spirit of continuous improvement, we are building a stronger IBC from the inside out.**

We are building a new committee structure that members will drive, that will respond to their needs and optimize their time. Together we've built the framework, and I'm excited to work together to implement it.

Last year from this very podium, Sylvie said something that has become our touchstone at IBC. Sylvie reminded all of us – IBC members and staff alike – that “IBC is us and we are IBC.”

I am pleased to report that all of us have heeded Sylvie's call to deepen our collaboration.

More members are taking time out of their busy schedules to attend meetings with Government on behalf of the industry. They're providing counsel on projects such as our new committee structure, as well as on our priority files.

I will close by thanking all of the Board members for their continued leadership, thanking our members for their collaboration, and thanking our incredibly dedicated staff who work tirelessly on behalf of our members. They make it an honor for me to serve this great industry alongside them.

Together we are building an industry-wide momentum that will lead us to even more success in 2016.

Thank you.