



# IBC Annual General Meeting

**Don Forgeron**

**President and CEO, IBC**

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Check against delivery



Thank you, Silvy.

And thank you for your dedication and guidance over this past year. Everyone at IBC – and across our industry – has benefited from your leadership during these challenging times.

I want to begin today by echoing Silvy's thoughts on our pandemic response – and the way our industry has responded with resilience, agility and collaboration. We should all take pride in how our members have come together to support consumers and businesses.

I can't think of a group of companies that have gone further than our members to help Canadians through these difficult times. And I know we'll continue to provide support as our lives begin to return to normal in the coming months.

Silvy has looked back over the past year – my task is to look ahead and I'm going to focus first today on the Auto file.

Across the country, governments remain rightly focused on the pandemic. Which means progress on other issues has slowed.

In Atlantic Canada, for instance, claims in Newfoundland and Labrador have stabilized – but remain high, as do premiums. And we have work to do in Nova Scotia and New Brunswick – both on product reforms and on improvements to the rate regulation process. History has taught us that reforms only come after a crisis – we are optimistic we can change that trajectory in Atlantic Canada.

In Alberta we have recently witnessed meaningful action – without a public crisis. The government has come to see reform as one way to help manage costs for drivers and bring stability to the market.

Our focus now is helping the government implement its short-term reforms to the province's regulatory environment – and proving to policy makers that such changes are useful and can bring lasting benefits to consumers. We've

seen some initial success in that area – particularly, with the recent removal of direct compensation property damage premiums from the province’s grid framework – and hope to build on that success to see continued improvements for industry and its consumers over the coming year.

In Ontario, we’re making good progress with government to advance reforms that address rampant fraud, make roads safer, and deliver important changes to the towing industry. We are also working hard with government on longer-term reforms but frankly the pandemic is making that task very difficult as you can imagine.

In B.C., we’ll continue to engage the government as it implements a no-fault auto insurance system in May. And we’ll continue to advocate the benefits of a more competitive auto insurance market – with more choice for consumers.

In terms of Nat Cat, the cost of climate-influenced events continues to escalate.

In 2020 alone, a staggering \$2.4 billion – with no single large event like the Fort McMurray fire or Calgary flood.

More and more, we are seeing evidence of the need for better planning – and a greater focus on improving our collective resilience.

Long-term action to fight climate change is absolutely essential.

We have to stay on the offensive in reducing emissions.

But we also need to play defence.

We have to do more to protect Canadian communities and families.

We are pleased that this past year the federal government launched a National Task Force on Flood Insurance and Relocation.

We have a voice at that table – and we’re going to work to ensure that every Canadian homeowner has access to affordable flood insurance.

The government’s climate plan also includes a commitment to a National Adaptation Strategy – to better protect Canadians.

In the year ahead, we’ll be continuing to focus on the fact that more needs to be done on this front – and soon.

I can also tell you that government is also moving toward a potential solution regarding earthquake insurance.

IBC is actively engaged in helping to determine existing gaps in protection – and analyzing potential insurance models for earthquakes and other possible tail risks.

To Commercial now.

We all know the difficulties that exist in the market. If people can’t find or afford the insurance they need, there are risks to our collective reputation – and risks that government may step in to try to solve the problem with new regulations.

We can, however, take pride in our response.

Our task force consulted widely. It gathered a lot of useful information and perspectives. And it brought forth a number of very useful and practical ideas to confront the challenges in the sector.

We’ve seen particular success with our risk managers, our business insurance helpline, the condo action team and the Business Insurance Action Team, all of which have helped people across the country find the insurance they need.

The difficulties in the market are not going to go away overnight. So, it's important that we continue with our efforts to provide assistance and work toward longer-term solutions.

And finally, a word about the future of the industry's fraud-fighting efforts.

We are now going to have a single organization with a clear mandate to identify and combat fraud in the P&C space.

Bringing together two different entities, two different voices, is never easy.

But we believe that the transition will be seamless and the new service will be up and running – and serving our industry – by the end of the year.

In conclusion today, I want to express my gratitude and appreciation to the members of the IBC Board for their invaluable contributions.

Thanks to our member companies for their ongoing support.

And once again, thanks to our Chair – Silvy Wright – for her leadership over these past two years.

And a heartfelt thank you to the IBC team that has worked so very hard this past year to serve our members. In the year ahead and beyond, IBC will position our industry's role in the economic recovery as Canada slowly rebounds from the pandemic. And, as always, we will continue to advance the issues that are important to our industry – and to Canadians.

Thank you.