



# **The Impact of the Global Financial Crisis on Policyholders and Market Conduct Issues**



**Danielle Boulet**  
**IAIS 2010 Annual Conference**

Dubai, October 28, 2010

# Canada : Supervision of insurance industry

## Two levels:

### □ Federal

- Office of the Superintendent of Financial Institutions (OSFI)

### □ Provincial & Territorial

- 13 Regulators

# Canadian Council of Insurance Regulators (CCIR) :

- An Inter-jurisdictional association that brings together insurance regulators from every province and territory, as well as an observer OSFI

## Mandate :

- ❑ Facilitate and promote an efficient and effective insurance regulatory system in Canada to serve public interest
- ❑ Work together to develop solutions to common regulatory issues

- ❑ Integrated regulatory body for Québec's financial sector
  - Insurance
  - Securities
  - Deposit - taking institutions (other than banks)
  - Distribution of financial products and services

# Financial crisis : Canadian policyholders

## □ Direct written premiums – Life Insurance – Millions \$\$

<i>Life Insurance</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
Québec	10 297	10 893	11 500
Canada	50 640	49 715	50 349

# Financial crisis : Canadian policyholders

- Direct written premiums – P&C Insurance  
– Millions \$\$

<i>Property and Casualty Insurance</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
Québec	7 336	7 443	7 562
Canada	32 188	32 673	33 330

# Canada didn't drown

– it got wet

- ❑ Culture
- ❑ Risk Appetite
- ❑ Regulatory framework
- ❑ Luck



# In the eye of the storm

- Tightening
- Increasing
- Intensification
- Widening

## □ CCIR

- Regulatory Collaboration Committee
- Risk-based Market conduct regulation (October 2008)

# Financial crisis : a positive impact ?

- “Acceptability” of additional regulatory requirements
  - \$\$\$
- Additional supervisory tools
  - \$\$\$
- New attitude

# Impact of the financial crisis : Regulator's new attitude

- Interrelationship between regulators
- Spot light on regulator's role

- Great timing for:
  - Guidelines
  - Updated Supervisory Framework
  - National & International Involvement
  - Business intelligence activities

# Financial crisis : a path for opportunities

- ❑ Beware of fraud (internal and external) opportunities
- ❑ Beware of unsound commercial practices
- ❑ Educate the financial consumers

THANK YOU!  
MERCI!