



1 December 2020

Amarjot Sandhu, MPP, Chair
Standing Committee on Finance and Economic Affairs
Room 1405, Whitney Block
Queen's Park, Toronto, ON M7A 1A2

<https://www.ola.org/en/apply-committees>

Dear Chair,

Re: *Bill 229, An Act to implement Budget measures and to enact, amend and repeal various statutes*

The Canadian Association of Direct Relationship Insurers (CADRI) is the voice of insurance enterprises that offer automobile, home and commercial insurance directly to Canadians. We advocate for flexible and evolving regulatory and legislative frameworks governing automobile, property and commercial insurance to enable product and service innovation so that Canadians can easily choose insurance that serves their needs through the delivery channels of their choice.

We are writing today in support of Bill 229. We believe the bill's measures to adjust auto insurance and insurance regulation are steps towards making auto insurance more affordable for Ontario drivers. With implementation, new opportunities will be offered to consumers as regulatory burdens are eased and new digital innovations are permitted.

We appreciate the government's commitment to modernizing its regulations and allowing Ontarians to conduct more of their business transactions online. Electronic communications are a fast and simple means for consumers and service providers such as insurance companies to communicate. In this context, CADRI supports the government's intention to allow the electronic termination of insurance policies with customer consent. This will enable insurers to offer their customers the choice of a start-to-finish electronic communications package.

CADRI welcomes the government's proposal to allow FSRA to operate an insurance regulatory sandbox to pilot initiatives that bring new consumer-focused products and services to market more quickly in response to changing consumer needs. Our early preference was that insurance regulators across Canada agree to parameters for such sandboxes. With this perspective, we will communicate with FSRA about its opportunity for national leadership.

Our members welcome FSRA's recent announcement to align the rules for user-based insurance with its overall regulation of insurance. We believe this move will enable insurers to tailor their telematics programs to their customers' needs and expectations.

CADRI Ontario Budget

CADRI members support the government's determination to reduce fraud, addressing a key driver in auto insurance costs.

CADRI is not asking to appear before the Committee at this time but appreciates the opportunity to provide its support to the government's proposals in the Budget and Bill 229.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Alain Thibault', written in a cursive style.

Alain Thibault
Chairman and CEO

cc:

Julia Douglas, Clerk, Standing Committee on Finance and Economic Affairs
Cobi Lechem, Office of the Minister of Finance
David Wai, ADM, Financial Policy Division, Ministry of Finance
David McLean, Director, Financial Institutions Policy, Ministry of Finance

CADRI Board of Directors
CADRI Digital Task Force
CADRI Ontario Committee
CADRI Risk Classification Task Force