Insurance Council
BRITISH COLUMBIA

MEDIA RELEASE

Insurance Council of BC Welcomes Government Action on Strata Insurance Costs

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For Immediate Release

VANCOUVER, BC – The Insurance Council of BC welcomes today's announcement by the provincial government regarding planned changes to the *Strata Property Act* and *Financial Institutions Act* to address the rising cost of strata insurance.

"Ensuring the long-term stability of the strata insurance market benefits consumers and industry," says Janet Sinclair, CEO of the Insurance Council. "As an insurance regulator our focus will be working so that implementation of measures to support these actions are effective in meeting those goals."

While the complexity of the issue will require a multi-faceted approach and long-term solutions, these actions are a step forward in enhancing the stability of BC's strata insurance market.

Among the intended changes is the discontinuation of referral fees paid to property managers or other third parties by insurers or insurance brokers, as well as disclosure of broker commissions. These changes will increase transparency within the industry and contribute to consumer knowledge regarding insurance product pricing.

The Insurance Council is the provincial regulator for BC's insurance intermediaries—agents and agencies who act as brokers between consumers seeking coverage and the insurance companies that provide insurance products.

The Insurance Council of BC is committed to working with its licensees to ensure that consumers' interests are protected in this challenging insurance market. In March, it updated its Code of Conduct for licensees to increase the amount of notification insurance brokers must provide clients if they are unable to renew their insurance at the same terms and conditions, from 30 days to 60 days. It has also taken steps to reiterate brokers' duties and responsibility to their clients, making sure that clients understand the effects of current market conditions on their coverage.

The Insurance Council is the licensing and regulatory body for BC's 39,000 insurance agents, salespersons and adjusters. We protect the public by ensuring agents and adjusters act ethically, with integrity and competence.

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