Special

Life, Health & Financial Security

New savings tools aim to ensure Canadians enjoy financial security in retirement

Ensuring Canadians enjoy financial security in retirement will require new savings tools, say experts.

Currently, savings among Canadians is at a 30-year low, down from a high of 20.4 per cent of disposable income in 1982 to just four per cent today.

Adding to the stresses, pension plans are disappearing, especially among small and medium enterprises. This group now comprises 99.7 per cent of all businesses in Canada, yet fewer than half of companies with 50 to 500 employees currently have a pension plan.

The final safety net – Canada's public retirement income system – is also under pressure, as life expectancy increases while tax revenues decline. Retirement experts and policy leaders concerned about these trends say the Pooled Retirement Pension Plan (PRPP) introduced by the federal government is an important part of the solution.

Behavioural research has proven that workplace retirement plans such as PRPPs translate into higher savings. "Contributions are made through payroll deductions, so employees become used to the income they receive," says Michel Fortin, senior vice-president of customer solutions and marketing at Standard Life. "Putting a percentage of one's pay away for retirement every two weeks becomes a habit."

Research has also shown that individuals are more likely to save if they are automatically enrolled in a savings plan, even one they can opt out of, than if they actively have to opt in, as with RRSP contributions.

According to Statistics Canada, only 24 per cent of those eligible to do so contributed to an RRSP in 2011. "Canadians aren't taking advantage of the tax-advantaged savings plans currently available to them," says Peter Wouters, director of retail insurance products and marketing as well as tax and estate planning at Empire Life. "There are a lot of competing interests for disposable income."

A trusted financial adviser can help families understand how various sources of retirement income will meet their lifestyle goals, and how much they need to save. The most common question – "How much is enough?" – can only be answered by first determining what you want to do in retirement, says Mr. Wouters. "Once you decide, we can identify solutions to meet those objectives throughout your lifetime: for the monthly bills you have to pay, your 'play money' for vacations, and to pay for health-care needs when you're elderly."

> *"The PRPP will give small and medium-sized employers a competitive boost, as they will be able to offer a simple retirement plan with minimal administrative burden for the employer."*
>
> **Ron Sanderson**
> *director of policyholder taxation and pensions at the Canadian Life and Health Insurance Association*

According to a recent survey conducted by Environics for Standard Life, workplace retirement plans are also a valuable strategic asset for companies looking to attract skilled workers. When asked which factors were most influential in choosing an employer, respondents identified salary, group insurance and a competitive workplace retirement plan as their top three priorities.

"The PRPP will give small and medium-sized employers a competitive boost, as they will be able to offer a simple retirement plan with minimal administrative burden for the employer," says Ron Sanderson, director of policyholder taxation and pensions at the Canadian Life and Health Insurance Association (CLHIA).

In addition, he says, "because the administrator of your PRPP will manage many such accounts, these plans can operate at low cost. Most importantly, you keep control."

For now, PRPPs are only available to federally incorporated companies, but the CLHIA continues to advocate for provincial legislation that will also make them available to provincially incorporated companies.

Ideally, each province will move ahead quickly with PRPP legislation and make this new tool available to consumers across the country, says Mr. Sanderson. "If the provinces can make one improvement on the federal framework – and that would be requiring employers to offer some form of retirement plan to their employees – that would go a long way to closing the savings gap that many Canadians may face."

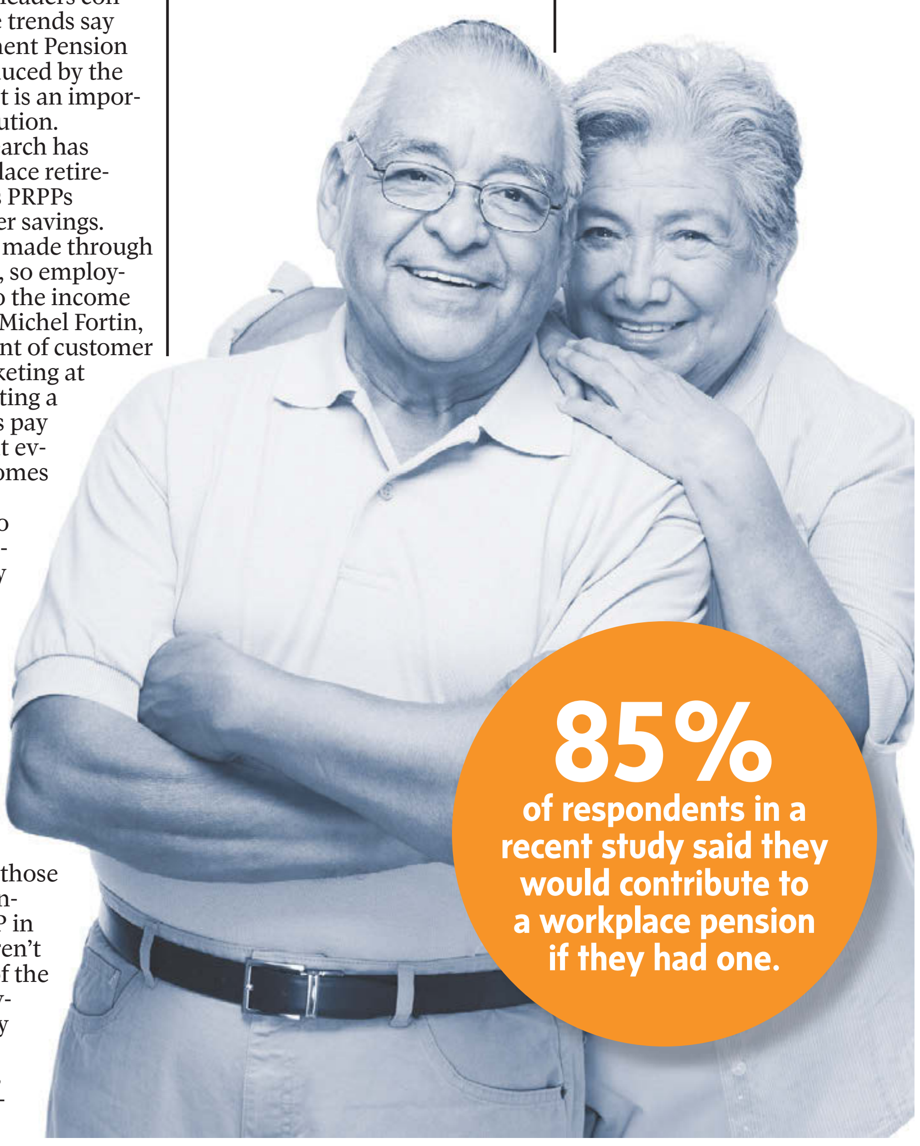
In the meantime, the life and health insurance industry continues to provide plans and products designed to help Canadians prepare for retirement. For instance, life annuities and segregated funds can help individuals create pension-like income streams and reduce their exposure to market risk. "Insurance contracts offer downside protection," explains Mr. Wouters. "When you invest in segregated funds, you automatically get a guarantee of between 75 and 100 per cent of all the money you put into that contract, for example, along with upside potential to participate in the growth of companies."

Insurers are also making it easier for employers to offer retirement plans. Standard Life, for example, recently introduced "Pension in a Box," a simplified pension solution designed for small business.

"We know that Canadians spend too much and do not save enough, so anything that the government, employers or financial institutions like Standard Life can do to help employees develop the habit of putting money aside for retirement will help," says Mr. Fortin. "Retirement is not the end of something, but the beginning. We want all Canadians to have enough saved to enjoy it."

ONLINE?

For more information, visit clhia.ca.



Innovations such as the the Pooled Retirement Pension Plan and Standard Life's "Pension in a Box" make it easier to save, easing the retirement income gap that currently threatens Canadians. ISTOCKPHOTO.COM

ACCESS TO PRESCRIPTION DRUGS

Drug-pooling system vital to sustaining public, private drug plans

Canada's life and health insurers have taken a critical step toward ensuring the long-term sustainability of public and private drugs plans through a new drug-pooling framework.

The industry-led initiative, which took effect in January, will protect insured drug plans from the full financial impact of a growing number of high-cost, recurring pharmaceutical claims.

The pooling framework allows insurers to spread the burden of such claims among participating companies, which in turn provides employers with more financially stable drug plans. Employees enrolled in these plans benefit by continuing to receive coverage, which might otherwise be at risk.

Concerns over the sustainability of drug plans have become particularly acute recently, with new high-cost and recurring drugs for both young and old people with health problems, says Jacques Parent, senior vice-president of group insurance at Industrial Alliance.

Access, Page I 4

LONG-TERM CARE

Future costs of illness, disability a looming concern

Do your financial and retirement plans cover the possibility of a serious illness or a need for long-term care?

If you're like most Canadians, you may not be prepared for these life-changing events.

According to a poll conducted last year by Leger Marketing on behalf of the Canadian Life and Health Insurance Association (CLHIA), three-quarters of Canadians have no financial plan to pay for long-term care. Only three million Canadians – or less than 10 per cent of the country's population – have critical illness insurance, while just one per cent of Canadians are covered by long-term care insurance.

"When Canadians think about financial planning, they typically think about it in terms of how they want to live and how much they need to pay for this lifestyle," says Stephen Frank, vice-president of policy development and health for the CLHIA. "That's good, but it's not enough; you also need to think about what would happen if you suddenly got sick or disabled and can no

Long-term care, Page I 2

INSIDE

This report was produced by RandallAnthony Communications Inc. (www.randallanthony.com) in conjunction with the advertising department of The Globe and Mail. Richard Deacon, National Business Development Manager, rdeacon@globeandmail.com.

LIFE, HEALTH & FINANCIAL SECURITY

FAMILY MATTERS

Simplicity key to closing the family-coverage gap

According to insurance industry research, Canadian families with children – those for whom adequate coverage is arguably most essential – are the most likely to be underinsured. In 2009, for example, a report called *Tracking opinions of the public in Canada* found that four in 10 insured households with incomes of $50,000 to $74,999 had less than $100,000 in coverage. In a 2007 study, *LIMRA Billion Dollar Baby*, respondents said that death or disability of a wage-earner would seriously impair their family's lifestyle and financial survival.

Cathy Preston, vice president of life and health at RBC Insurance, discusses how to address this critical coverage gap.

What are the primary reasons so many families are underinsured?
Life changes quickly for young families – they get married, have children, buy a house. They don't always think about what those changes mean in terms of the life insurance coverage they need. It's easy to get caught up in emotion and miss the important, practical aspects of significant life events.

There is also a lot of uncertainty about what to buy. There are so many different options, and many people aren't confident in their ability to make the right choices.

Then there is the financial aspect. Young families often don't have a lot of disposable income after they pay for daycare and all of their other commitments. They need and want the best value for their money, and they may not have time to do the research they feel they need to do to find that value.

What are some of the ways the insurance industry is responding to the family-coverage gap?
There is a clear need for greater simplicity. We've been working to make buying insurance more like buying other products. At RBC Insurance, for example, we now offer Simplified Term Insurance for up to $500,000 in coverage. It's very affordable, and if you can answer the 10 questions, you can have insurance on the spot, in as little as 15 minutes. It takes away a lot of the angst that can otherwise be caused by the idea of blood tests and attending physician reports.

40%
of insured families have less than $100,000 in life insurance protection.

For families with young children, simple, affordable life insurance options make it easy to protect loved ones from an uncertain future. ISTOCKPHOTO.COM

> *"Many employers offer benefits that include life insurance, but it may not be enough to cover your family's needs. In addition, many group plans aren't portable, so if your job situation changes, your family may be left without life insurance."*

What are some of the strategies that families without a lot of time can employ to ensure they have adequate coverage?
There is a lot of help available. For example, RBC clients can arrange a personal-needs assessment through the brokers that sell our products, our call centre, online and in our insurance branches. We also offer a life insurance calculator on our website.

A needs assessment will also take any coverage you have in your employer group plan into account. Many employers offer benefits that include life insurance, but it may not be enough to cover your family's needs. In addition, many group plans aren't portable, so if your job situation changes, your family may be left without life insurance.

What would you recommend as a first step for individuals who suspect they may be underinsured?
Our online calculator is a great place to start. We've just reduced our term rates considerably, so it is a very good time to take a look.

Visit www1.rbcinsurance.com for more information and to find RBC's online calculator.

TOOLS

"Virtual Shoebox" helps Canadians keep track of personal and household financial documents

Knowing where to find your important documents can save a lot of time. But when a spouse dies, a divorce or separation occurs, or the onset of a disability requires that someone else step in and help sort out your financial affairs, having an inventory of documents becomes critically important.

To help Canadians keep track, the Canadian Life and Health Insurance Association developed the "Virtual Shoebox," a free, interactive tool that serves as a one-stop storage utility for important personal and family documents – everything from insurance policies, bank accounts, investments and mortgages to health records and will and estate information.

Visit www.clhia.ca and click on "For Consumers" to start filling your Virtual Shoebox today.

By the numbers

Canada's life and health insurance industry provides:

26 million +
Canadians with financial security products and manages about two-thirds of Canada's private pension plans

23 million +
Canadians with supplementary health coverage, accounting for about 12% of all health-care expenditures in Canada

Source: The Canadian Life and Health Insurance Association

FROM I 1

Long-term care: enrolling early makes premiums affordable

longer manage on your own. What will that cost you and how will you pay for it?"

A common misconception among Canadians is that their long-term care costs will be covered by government programs. But the CLHIA estimates that providing long-term care for the boomer generation would cost almost $1.2 trillion – almost twice as much as what's covered by current government programs.

Ultimately, Canadians will need to set aside significantly more resources in order to cover the $590-billion shortfall, which is equivalent to what has been saved in all individual RRSP plans, says Mr. Frank.

Without the ability to cover the costs of serious illness or long-term care, Canadians are at risk of financial hardship, says Nathalie Tremblay, health insurance product manager for Desjardins Financial Services in Montreal. This could threaten their independence, if they are forced to rely on family members for care or financial assistance.

That's why it's important for Canadians to ensure that their financial plans include safeguards such as critical illness or long-term care insurance, says Paul Fryer, vice-president of individual business services for Sun Life Financial Canada.

Critical illness plans pay out a lump sum benefit when a policyholder is diagnosed with a covered illness. Many such plans cover up to 25 serious illnesses. Most Canadian long-term care plans provide an income-style benefit to those who are fully dependent on others for care. The financial support is intended to help with the ongoing costs of care delivered at home or in a facility that offers long-term care.

Many Canadians are unfamiliar with these relatively new products, and those who do know about them may view them as expensive. But the premiums can be quite affordable, especially for those who enroll early in life, and payback can happen quickly once a claim has been made.

Critical illness and long-term care plans are constantly evolving to meet consumers' needs, says Mr. Fryer. At Sun Life Financial, for example, plan holders can opt for a "return of premium" feature, which refunds all premiums paid if the insured person dies before using the product.

"Sun Life has also seen that choosing between critical illness insurance and long-term care insurance is a tough decision," says Mr. Fryer. "Therefore, we developed a way for critical illness insurance to be converted to long-term care later in life, when needs and risks change."

Even a small amount of coverage can make a difference, adds Ms. Tremblay.

"One of our claimants only has $1,000 long-term care coverage," she says. "But it makes a huge difference, and allows her to choose where she wants to live."

$1.2 billion
The cost of providing long-term care for boomers.

Critical illness and long-term care insurance make it possible for Canadians to access the long-term care they need, at home or in the residential facility they choose. ISTOCKPHOTO.COM

FINANCIAL LITERACY

Teachable moments important to boost Canadians' money smarts

When it comes to money, what you don't know can hurt you. Whether you're dealing with investments or trying to manage your household budget, it's important to have a good understanding of financial products and markets, as well as strategies for cash flow and debt management.

"Being financially literate is so important, regardless of your age, occupation or level of income," says Alf Goodall, financial literacy task force chair for the Canadian Life and Health Insurance Association (CLHIA), as well as vice-president of wealth management sales at Great West Life and London Life.

"Canadians who are financially literate have great opportunities to secure financial well-being for themselves," he says. "Financial literacy also makes us more productive as a nation, which creates even more opportunities for Canadians."

Financial literacy enables Canadians to achieve their financial goals, and makes us more productive as a nation, say experts. ISTOCKPHOTO.COM

While Canadians aren't quite in the dark when it comes to money matters, they're not exactly well enlightened either. In a 2009 Statistics Canada financial literacy quiz, respondents answered about nine out of 14 questions correctly, with an overall score of 67 per cent.

That score could soon improve as a result of a national strategy to improve financial literacy, which was introduced two years ago by the federal government and driven by a national task force. Consulting with representatives from a broad range of sectors, the task force developed a set of recommendations for boosting Canadians' money smarts.

One of these recommendations – to appoint a financial literacy leader, who would head an advisory council – is the focus of proposed federal legislation, Bill C-28, which has passed through Parliament and is awaiting Royal Assent.

"We are all very passionate about the issue of financial literacy, and now we want to see it taken to the next step," says Greg Pollock, a national task force member and president and CEO of the Financial Advisors Association of Canada (Advocis), which represents financial advisers and planners in Canada. "Having a leader who will champion and drive financial literacy on a national level is a significant step in the right direction."

While they wait for Bill C-28 to come into force, leaders in the country's financial services and insurance industries are set to continue playing an active role in improving Canadians' financial literacy, says Mr. Goodall. For example, the CLHIA hopes to be part of the financial literacy advisory council, and plans to work with government and organizations such as Advocis to provide financial education tools for consumers.

"We're also going to push for a strong emphasis on delivering education and teachable moments," says Mr. Goodall. "Advisers are often in touch with their clients during teachable moments, such as when they're buying a house, or when they have a child or get their first job. These are great opportunities for educating clients, and not just jumping to product recommendations."

Mr. Goodall says the CLHIA will also push for clear communication in financial documents, as well as increased awareness of financial fraud and a centralized national financial literacy website, which would be maintained by the federal government.

"We also have to do a better job about educating young people about financial literacy," adds Mr. Pollock, "So that a generation from now, it's possible that all Canadians will be financially literate."

LIFE, HEALTH & FINANCIAL SECURITY

POLICY

The time is now for provincial action to protect Canadians from risks of long-term disability

By Frank Swedlove, President Canadian Life and Health Insurance Association

For Canadians of working age, the ability to earn an income is their single most valuable asset. ISTOCKPHOTO.COM

Many Canadians are at risk of losing their long-term disability (LTD) benefits. There is a simple way for governments to eliminate the risk. The federal government has recently taken action, and now it's time for the provinces to quickly follow suit.

Ensuring Canadian employees covered by LTD plans continue to receive their benefits regardless of their employer's financial health is an important public policy issue – there can be little debate about that. We only need to look at recent history to see the dramatic and real impacts on Canadians who lose their LTD benefits when an employer goes bankrupt. The Nortel situation is just the latest in a string of large employers that have gone bankrupt, which has resulted in employees on LTD losing their benefits. What makes the situation even more difficult for those affected is that few, if any, of those on LTD are able to return to work to help deal with the fallout of the situation. The financial and emotional impact for those affected is tremendous.

So what is the issue? Canadian plan sponsors can provide disability income replacement benefits to employees on an insured basis or an uninsured basis. At first blush, insured and uninsured plans may appear to provide employees with similar benefits. A closer look, however, reveals that a key difference is who bears the financial risk and the level of protection for employees on disability benefits.

"Ensuring Canadian employees covered by long-term disability plans continue to receive their benefits regardless of their employer's financial health is an important public policy issue – there can be little debate about that."

When a plan is insured, it is offered through an insurance contract with a regulated insurer.

Government regulators monitor insurance companies to ensure they maintain sufficient assets to meet their liabilities. This provides protection of LTD benefits regardless of the employer's financial health. Importantly, the insurer's responsibility for disability benefits continues even if the plan sponsor experiences financial difficulties or after the plan is terminated.

Now let's consider the situation with uninsured LTD plans. There is little regulation of these plans, also known as Administrative Service Only or ASO. In this situation, a third party (e.g., an insurance company) only provides administrative services, such as adjudicating claims and administering payments, for the plan sponsor. A key difference is that the plan sponsor bears the full financial risk, and there is no regulation to look to if payments fail to be made due to the plan sponsor's financial difficulties. This means that there is no protection in place to ensure that there are adequate funds available to support ongoing LTD claims in the event of an employer's bankruptcy.

What's the solution? There is a clear and easy solution to the problem – to require LTD plans to be offered only on an insured basis. This would have minimum administrative cost and complexity, and payments to those receiving LTD benefits would continue regardless of the financial situation of the company. It would also not require further regulation and would have minimal disruptions in the marketplace, as the life and health insurance industry already sells roughly 90 per cent of the LTD business in Canada.

The federal government has recently taken this very approach (announced in Budget 2012) of requiring that LTD plans be offered only on an insured basis. Now it's time for the provinces to quickly implement the same solution and protect all Canadians who may find themselves disabled.

By the numbers

Canada's life and health insurance industry has:

$571 billion
in assets held in Canada, making it one of the largest investors in the Canadian economy

$596 billion
in assets held abroad, with Canadian companies active in over 20 jurisdictions around the world

Source: The Canadian Life and Health Insurance Association

Changes in the way that insurance plans pay for pharmaceutical treatments will make it possible for businesses to maintain coverage for employees and their families. ISTOCKPHOTO.COM

FROM I 1

Access: High-cost medication claims growing

"High-cost medications are being prescribed with increasing frequency to treat cancer, autoimmune conditions and other now treatable, rare diseases. The effectiveness of these medications for individuals is quite dramatic; unfortunately so are the costs," Mr. Parent says.

Canada's pharmaceutical market is currently valued at about $32 billion, with $27 billion for prescription drugs and $5 billion for non-prescription drugs, according to the Canadian Institute for Health Information (CIHI). A growing number of claims in the system are for relatively high-cost biologics and other specialty medications. For example, the Canadian Life and Health Insurance Association (CLHIA) has reported that the annual growth in the number of high-cost claims, those amounting to more than $25,000, has exceeded 20 per cent per year since at least 2008.

Prescription drug coverage in Canada is currently a mix of public and private accountability, with private payers accounting for over 50 per cent of all drug purchases in Canada yearly.

"Many employers aren't taking advantage of the best practices around drug plan management, which only exacerbates the concern that sustainability of the system is at risk," says Stephen Frank, vice-president of policy development and health at the CLHIA. "In the new world of very high drug costs, we can no longer pay for every drug that is approved for sale, under no condition. There has to be rigour around what we pay for."

Small-to-medium businesses will benefit the most from the move, given that they are particularly sensitive to rising drug costs. A poll conducted by Leger Marketing for the CLHIA showed that a third of small and medium-sized business employers, even though currently satisfied with their coverage, would consider making changes to their drug plans if premiums were to jump by 25 per cent.

The Empire Life Insurance Company believes the industry drug pooling arrangement was needed to protect its group benefit customers facing high-cost claims related to prescription drugs.

"The drug landscape is changing," says Janet Jackson, vice-president of group marketing at Empire Life. "Folks are living longer, with more chronic illnesses, and recurrent, high-cost drugs are on the market now, and more will be coming. Employers, their employees and insurers need to get themselves ready for that."

Ms. Jackson says it's also up to individuals to adopt healthier lifestyles, which will help to reduce the burden on all aspects of the health care system, including drug plans.

"This pooling arrangement is a good first step, particularly for small to mid-size employers in helping keep their drug plans sustainable, now and in the future," Ms. Jackson says.

LIFE, HEALTH & FINANCIAL SECURITY

POLICY

Industry plays increasingly important role in Canadian economic well-being

The Canadian life and health insurance industry plays a critical role in the country's economy and has the needed expertise to partner with stakeholders to meet Canadians' evolving financial security needs.

"When people think of life and health insurance, their first thought is of death benefits or supplementary health coverage," says Frank Swedlove, president of the Canadian Life and Health Insurance Association (CLHIA). "But our product offering is very diverse, and we contribute much more to the economy and Canadians' well-being than most people realize."

He notes that the industry counts close to 27 million Canadians as customers and pays out $1.2 billion in benefits each week, with 90 per cent of those payments going to policyholders and the remainder being paid to estates.

"That $1.2 billion gets paid out regardless of what is happening in the economy, so we really do help to stabilize incomes and provide a buffer in difficult times," says Mr. Swedlove.

Other contributions come by way of the industry's role as a major investor in the economy. "We have invested $570 billion in Canada, and an equivalent amount is invested abroad," he says. "Our liabilities are long term – often extending to 25 and 30 years – which means our investments need to be long term too. We invest in assets to match those liabilities, including government bonds, corporate bonds and infrastructure. And when things get tough, we don't pull our money out; we're there for the long stretch."

> *"That $1.2 billion gets paid out regardless of what is happening in the economy, so we really do help to stabilize incomes and provide a buffer in difficult times."*
>
> **Frank Swedlove**
> *is president of the Canadian Life and Health Insurance Association*

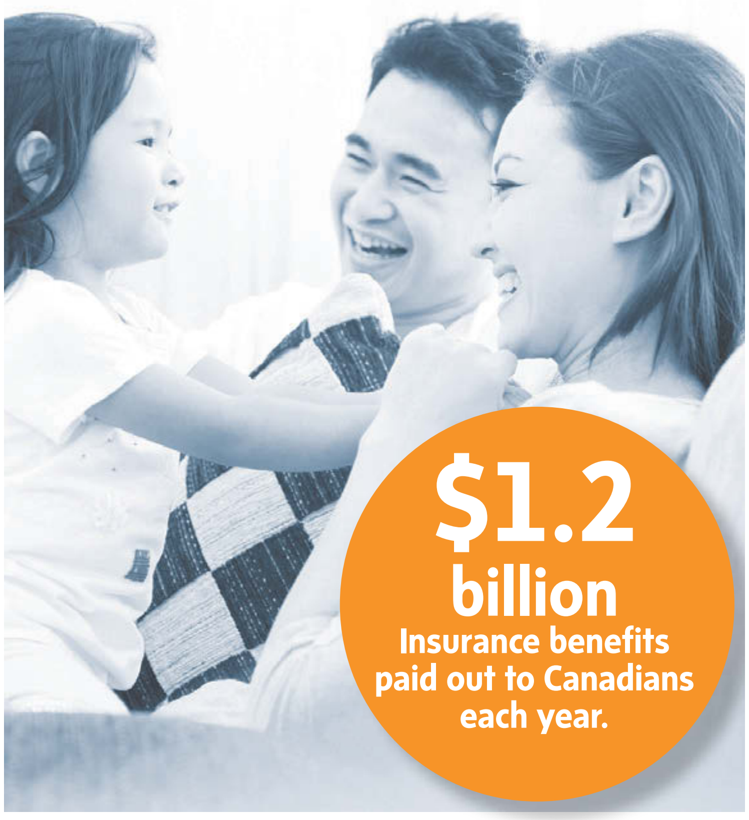
Les Herr, chair of the CLHIA and president and CEO of Empire Life, notes that over the last few decades the industry has introduced products and services to address the changing needs of its customers. From critical illness insurance to financial products that provide a regular income stream, insurance companies give Canadians peace of mind at all stages of life.

Mr. Swedlove and Mr. Herr both believe that the life and health insurance industry has an increasingly important role to play as governments curtail programs in the face of escalating health care costs and reduced revenues. They warn that Canadians can't become complacent and expect that the government programs relied upon by previous generations will always be available to them.

To that end, the industry is taking a proactive approach. The CLHIA's advocacy efforts for the need for pooled registered pension plans have been taken up by the federal and provincial governments, giving new retirement savings options to the self-employed or employees of businesses that historically could not offer pensions.

The industry association is now turning its attention to the issue of long-term care. As Mr. Swedlove notes, government programs will only cover half of the expected $1.2 trillion in long-term care costs that will be incurred over the next 35 years. "We want to work with government to develop initiatives that will encourage people to start saving for long-term care."

"Canadians want to protect their families and build wealth. That hasn't changed," says Mr. Herr. "As an industry, we're here to encourage Canadians to take the steps to protect themselves and their families in the event of illness, disability or death, as well as helping them move into retirement smoothly in a way that maintains their lifestyle."



The insurance industry has an increasingly important role to play in helping Canadian families access the health care they need, prepare for retirement and protect loved ones. ISTOCKPHOTO.COM

CONFLICT RESOLUTION

Service empowers consumers to resolve insurance dispute

Canadian life and health insurance companies provide financial security products to three-quarters of our population. With such widespread use of these products, it's not surprising that disagreements sometimes arise between customers and their insurance providers. Each insurance company has a complaint resolution process in place that includes the option to escalate complaints to an internal ombudsman for review. If the customer remains dissatisfied following that process, they can turn to the OmbudService for Life & Health Insurance (OLHI) for help.

"We're a national organization mandated to resolve complaints and provide information," says Holly Nicholson, executive director and general counsel of OLHI. "We will review the case, for free, to see if it was fully addressed by the insurance company. If not, we'll investigate further and seek to resolve the issue."

As a dispute resolution service, the organization tends to see complex and difficult cases. "We get the hard cases, after people have moved through the complaint resolution process offered by their insurance company. Typical complaints handled by our service include stopping or denying disability claims, the reinstatement of a life insurance policy or the operation of an insurance investment product such as an annuity or segregated fund."

The bilingual staff at OLHI has extensive knowledge of the industry and experience in dispute resolution. Staff members review information and documents provided by both the consumer and the insurer to resolve individual cases. Last year, the organization reviewed almost 2,500 complaints, resolving 80 per cent of them within 60 days.

"Our service provides a resolution mechanism when going to court is not an option," says Ms. Nicholson. "For someone who is on disability, receiving a monthly income of two to three thousand dollars can make all the difference. Getting lawyers and the legal process involved just isn't feasible – it's not timely, and the costs involved are high. OLHI fills that gap to help people in critical circumstances."

The OmbudService offers more than a free and impartial dispute resolution process. It also plays an important role in educating and informing consumers about both the industry and how to resolve complaints.

In its role as an information resource, OLHI helps consumers navigate the wide range of insurance products available to them. Online guides on products from travel insurance to segregated funds make it easier to evaluate insurance policies, and OLHI representatives are also available by phone.

"One of our main roles is providing general guidance to consumers about the industry complaint process," says Ms. Nicholson. "We explain how the process works, provide general counselling and describe the information they'll need to provide to the insurance company. We empower the consumer to help them resolve the complaint with their insurer, which is where the vast majority of complaints are resolved."

By the numbers

Canada's life and health insurance industry:

$1.2 billion + in claims are paid to Canadians every week

Over 139,000 people are employed by Canada's life and health insurers

Source: The Canadian Life and Health Insurance Association