

Letter to ROB Magazine re IBAC Article  
June 30, 2010

To the Editor:

Where to start with John Lorinc's story, "Unfit to be tied", in the July/August issue? Misinformation abounds and the bias in favour of "your friendly neighbourhood insurance broker" and against Canada's "big nasty banks" is astounding, even for a profile piece such as this.

It's hard to see how the "restriction on banks' ability to sell insurance" is about "maintaining competition". And it is certainly not needed to stop tied selling, a tired argument that the brokers continue to cling to despite the fact that tied selling has been prohibited under the *Bank Act* for years. Regulator the Financial Consumer Agency of Canada oversees bank operations to ensure that tied selling does not happen and bank customers have multiple recourse options available to them at no cost if they feel they have been pressured in any way.

I could go through the article point by point but, in the end, what consumers want is good service, good value and a choice of insurance products. You get that by encouraging healthy competition, not restricting it.

We certainly don't mind a good debate about the issues and we understand that views differ. But to give only one side of the story, the brokers' side, with little attempt to provide balance, you do your readers and all consumers a big disservice.

Sincerely,

Nancy Hughes Anthony  
President and CEO  
Canadian Bankers Association

199 Bay Street, 30<sup>th</sup> Floor  
Toronto, ON  
M5L 1G2  
Tel: 416-362-6092